

Edelweiss Broking Limited

Corporate Identity Number: U65100GJ2008PLC077462

Financial Statement for the year ended March 31, 2022

Edelweiss Broking Limited**Financial Statement for the year ended March 31, 2022****Board of Directors**

Mr. Birendra Kumar	-	Independent Director - Chairman
Mr. Rahul Jain	-	Managing Director & Chief Executive Officer
Mr. Prashant Mody	-	Executive Director
Mr. Ashish Kehair	-	Non-Executive Director
Ms. Kamala Kantharaj	-	Non-Executive Director
Mr. Vinod Juneja	-	Independent Director

Chief Financial Officer

Mr. Viral Thanawala

Company Secretary

Ms. Prachi Mathur

Chief Executive Officer

Mr. Rahul Jain

Statutory Auditors

M/s. S. R. Batliboi & Co. LLP

Registered Office

2nd Floor, Office No. 201-203,
Zodiac Plaza, Xavier College Road,
Off C G Road, Ahmedabad- 380009
Corporate Identity No.: U65100GJ2008PLC077462
Tel: +91 22 4009 4400
Email: EWM.Secretarial@edelweissfin.com

Debenture Trustee

Catalyst Trusteeship Limited
Windsor, 6th Floor, Office No.
604, C.S.T. Road,
Kalina, Santacruz (East),
Mumbai 400 098.

Registrar and Share Transfer Agent

Link Intime India Private Limited
C 101, 247 Park, L B S Marg,
Vikhroli West, Mumbai 400 083.

KFin Technologies Private Limited
Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial
District, Nanakramguda, Hyderabad - 500 032

INDEPENDENT AUDITOR'S REPORT

To the Members of Edelweiss Broking Limited

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of Edelweiss Broking Limited ("the Company"), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

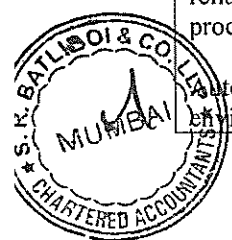
We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	How our audit addressed the key audit matter
IT Systems and Controls The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes. Automated accounting procedures and IT environment controls, which include IT	Our audit procedures focused on the IT infrastructure and applications relevant to financial reporting of the Company: • Tested the design and operating effectiveness of the Company's IT access controls over the information systems that are important to financial reporting and various interfaces, configuration and other identified application controls.



Key audit matters	How our audit addressed the key audit matter
<p>governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure reliable financial reporting.</p> <p>Therefore, due to the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.</p>	<ul style="list-style-type: none">• Tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing requests for access to systems were reviewed and authorized.• Tested the Company's periodic review of access rights. Also tested requests of changes to systems for approval and authorization.• In addition to the above, tested the design and operating effectiveness of certain automated controls that were considered as key internal controls.• Tested the design and operating effectiveness of compensating controls in case deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.

Other Information

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

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

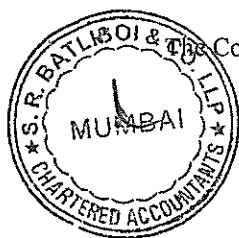
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially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

Responsibilities of Management for the Financial Statements

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

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

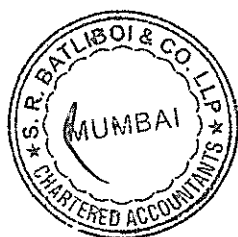
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Other Matter

The financial statements of the Company for the year ended March 31, 2021, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 25, 2021.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 38 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 62 (A) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



S.R. BATLIBOI & Co. LLP

Chartered Accountants

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 62 (B) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

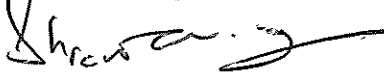
c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Shrawan Jalan

Partner

Membership Number: 102102

UDIN: 22102102AJHLGY9081

Place of Signature: Mumbai

Date: May 20, 2022



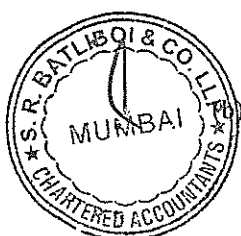
ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (a) (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment and are verified by the management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the policy, the Company has physically verified certain property, plant and equipment during the year and no discrepancies were noticed in respect of assets verified during the year.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(d) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) As disclosed in note 17 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.
- (iii) (a) During the year the Company has provided loans, advances in the nature of loans to companies or other parties as follows:

	(Rs. In millions)			
	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year - Companies or Other parties	Nil	Nil	67,175.55	Nil
Balance outstanding as at balance sheet date* - Companies or Other parties	Nil	Nil	9,893.87	Nil

* Balance outstanding is total outstanding (including unamortised processing fees) as at March 31, 2022.

During the year the terms and conditions of the grant of all loans to companies or other parties are not prejudicial to the Company's interest.



- (c) In respect of SMTF loans, as per product note, granted to companies, or other parties, the schedule of repayment of principal and payment of interest has not been stipulated, hence not commented upon. In respect of ESOP loans granted to companies, or other parties, the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular except in the following cases:

(Rs. In millions)

Name of the Entity	Amount	Due date	Extent of delay in days	Remarks, if any
Various parties (ESOP loans)	82.25	23-03-2022 to 30-03-2022	1 to 8 days	ESOP Loans has been renewed after March 31, 2022 as per original loan agreements entered into with the borrower.
Various parties (SMTF loans)	60,566.60	NA	NA	Repayment of principal and interest has not been stipulated as per product note

- (d) There are no amounts of loans granted to companies or other parties which are overdue for more than ninety days.
- (e) During the year, the Company had renewed existing loans to companies or other parties which had fallen due during the year as per original loan agreements entered into with the borrower –

(Rs. In millions)

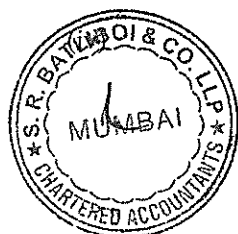
Name of Parties	Aggregate amount of overdues of existing loans extended	Percentage of the aggregate to the total loans granted during the year
Various parties (ESOP loans)	185.79	0.28%

- (f) The Company has granted SMTF loans, as per product note, without specifying any terms or period of repayment of principal and interest to companies or other parties. Of these following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

(Rs. In millions)

	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans (SMTF loans) - without specifying any terms or period of repayment	60,566.60	N.A.	N.A.
Percentage of loans to the total loans	90%	N.A.	N.A.

The Company has not advanced loans to directors / to a Company in which the director is interested to which provisions of section 185 of the Companies Act 2013 apply and hence not commented upon. Further, according to the information and explanations given to us, provisions of sections 186



of the Companies Act, 2013 in respect of loans, investments, guarantees and security have been complied with by the Company.

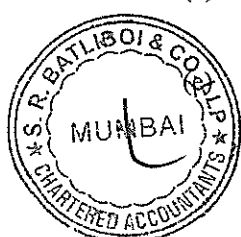
- (v) In respect of deposits accepted or amounts which are deemed to be deposits, directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules made there under, to the extent applicable, have been complied with. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been delay of one day in depositing of provident fund dues in one month. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute. The dues outstanding in respect of service tax & Goods and service tax on account of dispute, are as follows:

(Rs. In millions)

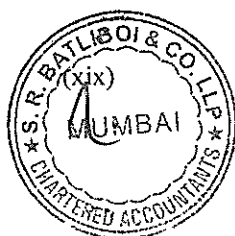
Name of Statute	Nature of dues	Amount	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax	2.77	April 2004 to March 2008	CESTAT - Ahmedabad
Finance Act, 1994	Service tax	0.58	F.Y. 2010-11	CESTAT - Ahmedabad
IGST Act, 2017	Goods and Service Tax	0.31	F.Y. 2019-20	State tax - Raipur
SGST Act, 2017	Goods and Service Tax	0.03	F.Y. 2019-20	State tax - Raipur
CGST Act, 2017	Goods and Service Tax	0.03	F.Y. 2019-20	State tax - Raipur

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans during the year, hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.



- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) The Group has one Core Investment Company as part of the Group.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year respectively.
- (xviii) The previous statutory auditors of the Company have resigned during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.



On the basis of the financial ratios disclosed in note 50 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management

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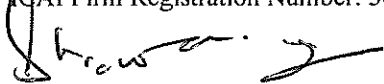
plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanation provided to us and based on our examination, the Company is not required to transfer funds specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section (5) and provision of sub section (6) of section 135 of Companies Act. Accordingly, the requirement to report on clause 3(xx) of the Order is not applicable to the Company.

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

Chartered Accountants

CAI Firm Registration Number: 301003E/E300005



per **Shrawan Jalan**

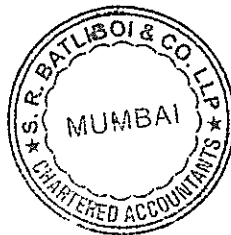
Partner

Membership Number: 102102

UDIN: 22102102AJHLGY9081

Place of Signature: Mumbai

Date: May 20, 2022



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF EDELWEISS BROKING LIMITED**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of Edelweiss Broking Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

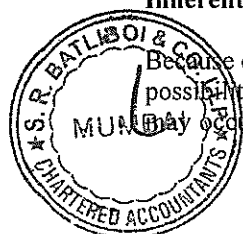
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference



S.R. BATLIBOI & Co. LLP

Chartered Accountants

to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

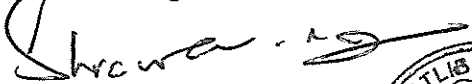
Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

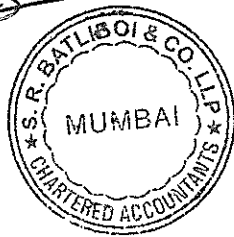


per Shrawan Jalan

Partner

Membership Number: 102102

UDIN: 22102102AJHLGY9081



Place of Signature: Mumbai

Date: May 20, 2022

EDELWEISS BROKING LIMITED

FINANCIALS FOR THE YEAR ENDED

2021-22

Edelweiss Broking Limited

Balance Sheet

(Currency : Indian rupees in millions)

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Financial assets			
(a) Cash and cash equivalents	2	2,334.89	697.83
(b) Bank balances other than cash and cash equivalents	3	4,119.31	3,360.31
(c) Derivative financial instruments	4	200.70	-
(c) Securities held for trading	5	1,911.67	5.75
(d) Trade receivables	6	2,996.31	946.42
(e) Loans	7	9,880.22	2,918.08
(f) Other financial assets	8	10,048.51	8,259.09
		<u>31,491.61</u>	<u>16,187.48</u>
Non-financial assets			
(a) Current tax assets (net)	9	246.17	75.91
(b) Deferred tax assets (net)	10	94.87	583.41
(c) Property, Plant and Equipment	11	420.44	497.94
(d) Intangible assets	12	160.56	15.63
(e) Intangible assets under development	13	160.37	222.35
(f) Other non-financial assets	14	88.56	38.27
		<u>1,170.97</u>	<u>1,433.51</u>
TOTAL ASSETS		<u>32,662.58</u>	<u>17,620.99</u>
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
(a) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	15	17.13	7.12
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	15	14,112.82	11,066.94
(b) Debt securities	16	8,945.64	-
(c) Borrowings (other than debt securities)	17	2,249.06	2,162.18
(d) Other financial liabilities	18	1,361.69	793.94
		<u>26,686.34</u>	<u>14,030.18</u>
Non-financial liabilities			
(a) Provisions	19	70.54	38.02
(b) Other non-financial liabilities	20	566.91	181.31
		<u>637.45</u>	<u>219.33</u>
EQUITY			
(a) Equity share capital	21	4,304.54	3,471.90
(b) Other equity	22	1,034.25	(100.42)
		<u>5,338.79</u>	<u>3,371.48</u>
TOTAL LIABILITIES AND EQUITY		<u>32,662.58</u>	<u>17,620.99</u>

The accompanying notes are an integral part of the financial statements

1 - 55

As per our report of even date attached

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

Shrawan

per Shrawan Jalan
Partner

Membership No.: 102102



For and on behalf of the Board of Directors

Rahul Jain *Prashant Mody*

Rahul Jain
Managing Director &
Chief Executive Officer
DIN: 00387505

Prashant Mody
Executive Director

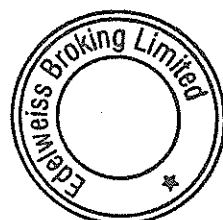
DIN: 03101048

Viral Thanawala
Viral Thanawala
Chief Financial Officer

Prachi
Prachi Mathur
Company Secretary

Mumbai
May 20, 2022

Mumbai
May 20, 2022



Edelweiss Broking Limited

Statement of Profit and Loss

(Currency : Indian rupees in millions)

	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from operations			
Interest income	23	1,357.31	651.24
Rental income	24	26.42	31.65
Fee and commission income	25	5,502.24	2,959.01
Net gain on fair value changes (including Treasury income)	26	383.16	295.00
Total Revenue from operations		7,269.13	3,936.90
Other income	27	32.35	48.19
Total Income		7,301.48	3,985.09
Expenses			
Finance costs	28	593.49	268.34
Impairment on financial instruments	29	46.56	13.23
Employee benefits expense	30	2,818.29	2,144.64
Depreciation, amortisation and impairment	11,12	231.38	248.39
Other expenses	31	2,176.72	1,265.06
Total expenses		5,866.44	3,939.66
Profit before tax		1,435.04	45.43
Tax expenses:			
Current tax		-	(8.39)
Deferred tax		488.55	25.69
Profit for the year		946.49	28.13
Items that will not be reclassified to profit or loss			
Remeasurement (loss)/ gain on defined benefit plans		(9.74)	8.01
Other Comprehensive Income		(9.74)	8.01
Total Comprehensive Income		936.75	36.14
Earnings per equity share (Face value of ₹ 10 each):			
(1) Basic	32	2.69	0.16
(2) Diluted		2.69	0.16

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Shrawan Jalan

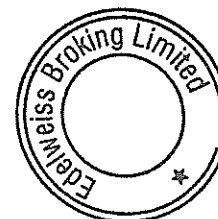
per Shrawan Jalan
Partner

Membership No.: 102102



Mumbai
May 20, 2022

For and on behalf of the Board of Directors



Rahul Jain
Managing Director &
Chief Executive Officer
DIN: 00387505

Viral Thanawala
Chief Financial Officer

Mumbai
May 20, 2022

Prashant Mody

Prashant Mody
Executive Director

DIN: 03101048

Prachi Mathur
Prachi Mathur
Company Secretary

Edelweiss Broking Limited

Statement of changes in Equity

(Currency : Indian rupees in millions)

	As at March 31, 2022	As at March 31, 2021
a) Equity share capital		
Balance as at the beginning of the year	3,471.90	1,771.90
Change in equity share capital during the year (refer note 21)	832.64	1,700.00
Balance as at the end of the year	4,304.54	3,471.90

b) Other equity

	Securities premium (refer note a below)	Deemed capital contribution - ESOP (refer note b below)	Debenture Redemption Reserve (refer note c below)	Retained earnings	Total
Balance at March 31, 2020	432.34	39.42	-	(608.32)	(136.56)
Profit for the year	-	-	-	28.13	28.13
Other comprehensive income	-	-	-	8.01	8.01
Balance at March 31, 2021	432.34	39.42	-	(572.18)	(100.42)
Additions on issue of equity shares	167.36	-	-	-	167.36
Profit for the year	-	-	-	946.49	946.49
Other comprehensive income	-	-	-	(9.74)	(9.74)
Reversal of ESOP cost on cancellation	-	-	-	30.56	30.56
Transfer to Debenture Redemption Reserve	-	-	207.83	(207.83)	-
Balance at March 31, 2022	599.70	39.42	207.83	187.29	1,034.25

Notes:

a) Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

b) Deemed capital contribution - ESOP

Certain employees of the Company have been granted options to acquire equity shares of Edelweiss Financial Services Limited, erstwhile Holding Company. This reserve represented the cost of these options based on their fair value at the grant dates as recognised over the vesting period of such options, to the extent that the erstwhile Holding Company has not recovered such cost from the Company.

c) Debenture Redemption Reserve

The Company has created Debenture Redemption Reserve as per the provisions of Section 71(4) read with Rule 18(1)(c) of the Companies (Share Capital and Debentures) Rules, 2014 of 10% of face value of Debentures for the purpose of redemption of such debentures.

This is the Statement of changes in Equity referred to in our report of even date.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Shrawan

per Shrawan Jalan
Partner

Membership No.: 102102



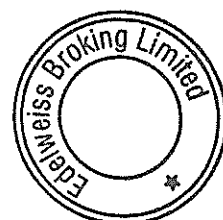
For and on behalf of the Board of Directors

Rahul Jain
Managing Director &
Chief Executive Officer
DIN: 00387505

Viral Thanawala
Chief Financial Officer
Mumbai
May 20, 2022

Prashant Mody
Executive Director
DIN: 03101048

Prachi
Prachi Mathur
Company Secretary



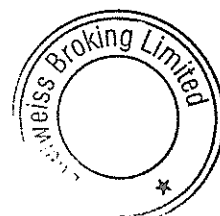
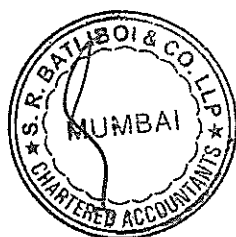
Mumbai
May 20, 2022

Edelweiss Broking Limited

Cash Flow Statement

(Currency : Indian rupees in millions)

	For the year ended March 31, 2022	For the year ended March 31, 2021
A Cash flow from operating activities		
Profit before taxation	1,435.04	45.43
Adjustments for:		
Depreciation and amortisation expenses	231.38	248.39
Provision for Expected Credit Loss (ECL) on Trade receivables	46.56	(8.48)
Fair Value (Gain)/ loss on closing stock	(120.53)	0.27
Loss on sale/ write-off of Property, Plant and Equipment and Intangibles (net)	0.46	6.19
Lease waiver and profit on pretermination of leases	(20.36)	(20.40)
Compensated absences	7.09	2.60
Finance costs, incl. Bank guarantee commission	593.00	264.15
Operating cash flow before working capital changes	2,172.64	538.15
Add / (less): Adjustments for working capital changes		
(Increase)/ Decrease in Trade receivables	(2,095.82)	267.35
Increase in Securities held for trading	(1,785.39)	(6.02)
Increase in fixed deposits, loans and other financial assets	(9,511.19)	(5,772.32)
Increase in other non financial assets	(50.29)	(13.61)
Increase in Trade payables and other financial liabilities	3,744.44	3,450.50
Increase in provisions and other non-financial liabilities	401.31	113.25
Cash flow from operations	(7,124.30)	(1,422.70)
Income tax paid/ (refund received)	170.26	(96.91)
Net cash used in operating activities - A	(7,294.56)	(1,325.79)
B Cash flow from investing activities		
Purchase of Property, Plant and Equipment, and Intangible assets	(181.42)	(107.92)
Sale of Property, Plant and Equipment, and Intangible assets	2.88	3.14
Net cash used in investing activities - B	(178.54)	(104.78)
C Cash flow from financing activities		
Proceeds from issue of equity share capital including securities premium	1,000.00	1,700.00
Repayment of short term borrowings (net) (refer note 2 below)	(2,140.00)	(564.02)
Proceeds from secured working capital demand loan (net) (refer note 2 below)	1,250.00	-
Proceeds from unsecured working capital demand loan and Bank overdraft (net) (refer note 2 below)	990.00	-
Proceeds from issue of Debt securities	8,744.94	-
Finance costs, incl. Bank guarantee commission	(558.07)	(204.28)
Interest paid on lease liability	(48.06)	(59.61)
Principal repayment of lease liability	(128.65)	(114.41)
Net cash generated from financing activities - C	9,110.16	757.68
Net increase / (decrease) in cash and cash equivalents (A+B+C)	1,637.06	(672.89)



Edelweiss Broking Limited

Cash Flow Statement (Continued)

(Currency : Indian rupees in millions)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash and cash equivalents as at the beginning of the year	697.83	1,370.72
Cash and cash equivalents as at the end of the year (refer note 2)	2,334.89	697.83

Notes:

1. 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
2. Net figures have been reported on account of volume of transactions.
3. Components of Cash & Cash Equivalents

Cash & Cash Equivalents

Cash on hand
Balances with banks
- in current accounts

2,334.89	697.83
2,334.89	697.83

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

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan
Partner

Membership No.: 102102

Mumbai
May 20, 2022



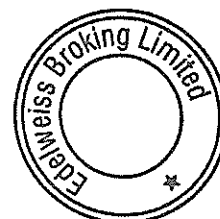
For and on behalf of the Board of Directors

Rahul Jain
Managing Director &
Chief Executive Officer
DIN: 00387505

Prashant Mody
Executive Director
DIN: 03101048

Viral Thanawala
Chief Financial Officer
Mumbai
May 20, 2022

Prachi Mathur
Company Secretary



Edelweiss Broking Limited

Notes to the financial statements for the year ended March 31, 2022

1.1 Background

Edelweiss Broking Limited ("the Company") was incorporated on February 7, 2008. The Company is a 100% subsidiary of Edelweiss Securities Limited. PAGAC Ecstasy Pte. Limited is the Ultimate Holding Company of the Company. The registered office is located at 2nd Floor, Office No. 201-203, Zodiac Plaza, Xavier College Road, Off C G Road, Ahmedabad 380009.

The Company is registered as a trading member with National Exchange of India Limited ('NSEIL'), BSE Limited ('BSE') and Metropolitan Stock Exchange of India Limited (MSEI), Multi-commodity Exchange of India Limited (MCX), National Commodity and Derivatives Exchange Limited (NCDEX) and provides broking services to the clients. The Company also registered as Depository Participant with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and also registered as Repository Participant with National E-Repository Limited (NERL) and CDSL Commodity Repository Limited (CCRL). The Company is registered as Research Analyst with Securities and Exchange Board of India (SEBI) and Corporate agent (Composite) with Insurance Regulatory and Development Authority of India (IRDAI). The Company is registered as Point of Presence (PoP) under the National Pension System (NPS) with Pension Fund Regulatory and Development Authority and Real Estate Agent with Maharashtra Real Estate Regulatory Authority, Uttar Pradesh Real Estate Regulatory Authority, Haryana Real Estate Regulatory Authority Panchkula. The Company is also a distributor for various financial products such as Mutual Funds, Bonds, NCD, PMS, Structured Products & Alternative Investment fund etc.

1.2 Basis of preparation of financial statements

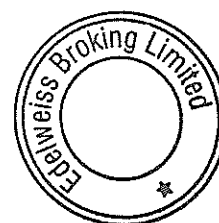
The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

These financial statements have been prepared on a historical cost basis, except for certain financial instruments such as financial asset measured at fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, and other financial assets held for trading, which have been measured at fair value through profit or loss (FVTPL). The financial statements are presented in Indian Rupees (INR) in millions, except when otherwise indicated.

Estimation of uncertainties relating to the global health pandemic from COVID-19

The outbreak of COVID - 19 pandemic has affected several countries across the world, including India. The Government is undertaking several measures to restrict the spread of virus and provide financial support to some stressed sectors. Further, while the COVID-19 vaccination efforts have gained momentum, uncertainty due to the resurgence of COVID cases across many parts of India is rising. The extent to which COVID-19 pandemic will impact the Company, if any, depends on future spread of the virus and related developments, which are uncertain at this point of time. There has been no material change in the controls or processes followed in the closing of the financial statements of the Company.

In preparing the accompanying financial results, the Company's management has view that there is no material impact of the pandemic on its operations and its assets as at March 31, 2022.



Edelweiss Broking Limited

Notes to the financial statements for the year ended March 31, 2022

1.3 Presentation of financial statements

The Company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to the Companies Act, 2013. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note 36.

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

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

Significant accounting policies

1.4 Recognition of interest

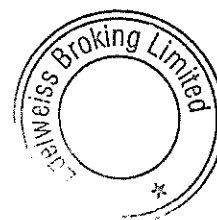
Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and debt instrument measured at FVOCI. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial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

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

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the EIR to the amortised cost (net of expected credit loss) of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.



Edelweiss Broking Limited

Notes to the financial statements for the year ended March 31, 2022

1.5 Financial Instruments

a) Date of recognition

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

b) Initial measurement of financial instruments

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

c) Day 1 profit or loss

When the transaction price of the financial instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

1.6 Classification of financial instruments

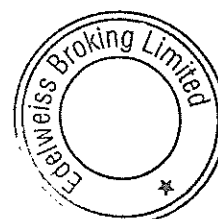
a) Financial assets:

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

- Amortised cost
- Fair value through other comprehensive income [FVOCI]
- Fair value through profit or loss [FVTPL]

The Company measures financial assets that meet the following conditions at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



Edelweiss Broking Limited

Notes to the financial statements for the year ended March 31, 2022

1.6 Classification of financial instruments (Continued)

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the financial asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at FVTPL.

i. Amortized cost and Effective interest method:

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

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

For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

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

ii. Investment in equity instruments

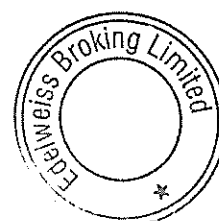
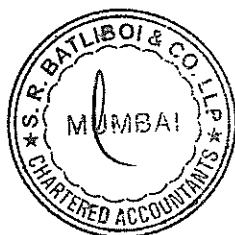
The Company subsequently measures all equity investments at fair value through profit or loss.

b) Financial liabilities:

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

c) Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate, market risk.



Edelweiss Broking Limited

Notes to the financial statements for the year ended March 31, 2022

1.6 Classification of financial instruments (Continued)

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss.

Debt securities and other borrowed funds

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

d) Financial assets and Financial liabilities at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading and mandatorily required to be measured at fair value under Ind AS 109.

Financial assets and financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in profit and loss. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or finance cost, respectively, using the EIR, taking into account any discount/premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

e) Financial liabilities and equity instruments

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

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

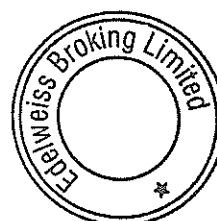
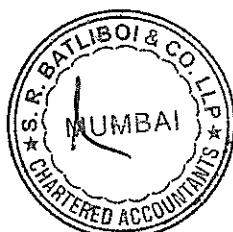
Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

1.7 Derecognition of financial assets and financial liabilities

a) Derecognition of financial assets due to substantial modification of terms and conditions:

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

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



Edelweiss Broking Limited

Notes to the financial statements for the year ended March 31, 2022

1.7 Derecognition of financial assets and financial liabilities (*Continued*)

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

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition. The difference between the carrying value of the original financial asset and the consideration received would be recognised in profit or loss.

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

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

c) Derecognition of financial liabilities:

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

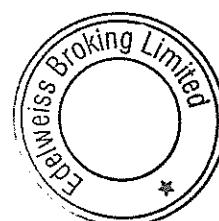
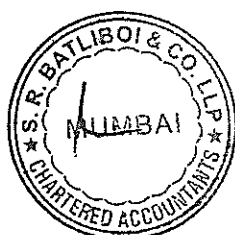
1.8 Reclassification of financial assets and financial liabilities

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

1.9 Impairment of financial assets

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime (Expected Credit Loss (ECL) at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables. However if receivables contain a significant financing component, the Company chooses as its accounting policy to measure the loss allowance by applying general approach to measure expected credit losses.

For ESOP funding and Receivables towards Margin Trading Funding, the Company recognises lifetime ECL when there has been a significant increase in credit risk (SICR) since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses (12m ECL). The assessment of whether lifetime ECL should be recognised is based on



Edelweiss Broking Limited

Notes to the financial statements for the year ended March 31, 2022

1.9 Impairment of financial assets (*Continued*)

significant increases in the likelihood or risk of a default occurring since initial recognition instead of an evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The measurement of ECL is a function of the probability of default (PD), loss given default (LGD) (i.e. the magnitude of the loss if there is a default) and the exposure at default (EAD). The assessment of the PD and LGD is based on historical data adjusted by forward-looking information. As for the EAD, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

Company categories its ESOP funding and Receivables towards Margin Trading Funding as follows:

Stage 1 assets:

Stage 1 assets includes financial instruments that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these assets, 12-month ECL (resulting from default events possible within 12 months from reporting date) are recognised.

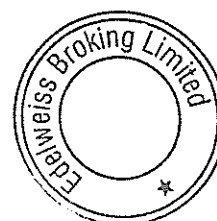
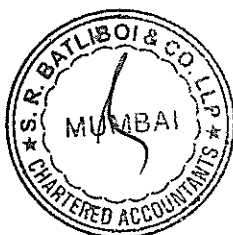
Stage 2 assets:

Stage 2 Assets includes financial instruments that have had a significant increase in credit risk since initial recognition. For these assets lifetime ECL are recognised.

Stage 3 assets:

Stage 3 for Assets considered credit-impaired the Company recognises the lifetime ECL for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

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



Edelweiss Broking Limited

Notes to the financial statements for the year ended March 31, 2022

1.10 Collateral valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, and letters of guarantees. Collateral, unless repossessed, is not recorded on the balance sheet. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a periodical basis. However, some collateral, for example, cash or securities relating to margining requirements, is valued daily.

To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models.

1.11 Collateral repossessed

The Company's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category at the lower of their repossessed value or the carrying value of the original secured asset. Assets for which selling is determined to be a better option are transferred to assets held for sale at their fair value (if financial assets) and fair value less cost to sell for non-financial assets at the repossession date in, line with the Company's policy.

1.12 Write off

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery.

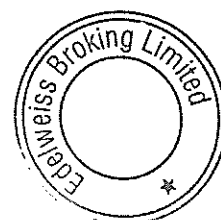
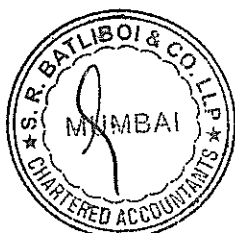
1.13 Determination of fair value

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

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

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

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



Edelweiss Broking Limited

Notes to the financial statements for the year ended March 31, 2022

1.13 Determination of fair value (*Continued*)

to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

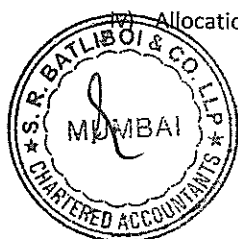
- Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.
- Level 2 financial instruments – Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.
- Level 3 financial instruments – Those that include one or more unobservable input that is significant to the measurement as whole. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company periodically reviews its valuation techniques including the adopted methodologies and model calibrations. However, the base models may not fully capture all factors relevant to the valuation of the Company's financial instruments such as credit risk (CVA), own credit (DVA) and/or funding costs (FVA).
- Therefore, the Company applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for non-collateralised financial instruments.

The Company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period.

1.14 Revenue from contract with customer

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation. The Company applies the five-step approach for recognition of revenue:

- i) Identification of contract(s) with customers;
- ii) Identification of the separate performance obligations in the contract;
- iii) Determination of transaction price;
- iv) Allocation of transaction price to the separate performance obligations; and



Edelweiss Broking Limited

Notes to the financial statements for the year ended March 31, 2022

1.14 Revenue from contract with customer (*Continued*)

- v) Recognition of revenue when (or as) each performance obligation is satisfied

The Company recognises revenue from the following sources:

- a. Brokerage income on securities broking business is recognised as per contracted rates at the execution of transactions on behalf of the customers on the trade date and is reflected net of related sub-brokerage expenses, goods and service tax ("GST"), transaction charges and stock exchange expenses.
- b. Fee income including advisory fees, referral fees, commission income, and transaction fees is accounted at a point in time as the customer receives and consumes the benefits.
- c. Interest on delayed payments are recognised as revenue on certainty of realisation.
- d. Income from treasury operations comprises of profit/loss on sale of securities, profit/loss on equity and currency derivative instruments.
- e. Profit/ loss on sale of securities are determined based on the weighted average cost of the securities sold.

Realized profit/ loss on closed positions of all derivative instruments is recognized on final settlement on squaring-up of the contracts. All outstanding derivative contracts in the nature of forwards/ futures/ options are measured at fair value as at the balance sheet date. Fair value is determined using quoted market prices in an actively traded market, for the instrument, wherever available, as the best evidence of fair value. In the absence of quoted market prices in an actively traded market, market intermediary quotes, valuation techniques are used to determine the fair value. In most cases the valuation techniques use observable market data as input parameters in order to ensure reliability of the fair value measure.

- f. Research services fee income is accounted when there is reasonable certainty as to its receipts.
- g. Interest income is recognized on accrual basis.

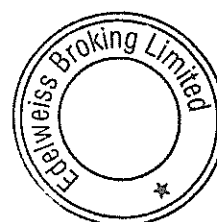
1.15 Leases

Company as a lessee:

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right of use assets representing the right to use the underlying assets.

Right of Use Asset

The Company recognizes right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease



Edelweiss Broking Limited

Notes to the financial statements

for the year ended March 31, 2022

1.15 Leases (Continued)

payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if

there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. Incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right of use asset in a similar economic environment.

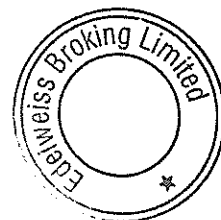
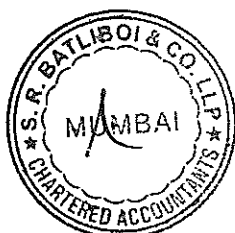
Short term lease

The Company has elected not to recognise right of use asset and lease liabilities for short term leases of property that has lease term of 12 months or less (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Company recognises lease payment associated with these leases as an expense on a straight line basis over lease term (*refer note 31*).

1.16 Earnings per share

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

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



Edelweiss Broking Limited

Notes to the financial statements

for the year ended March 31, 2022

1.17 Foreign currency transactions

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

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

1.18 Retirement and other employee benefit

Provident fund and national pension scheme

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

Gratuity

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

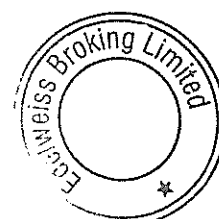
The present value of the obligation under such benefit plan is determined based on independent actuarial valuation using the Projected Unit Credit Method which recognises each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the financial obligation.

The obligation is measured at present values of estimated future cash flows. The discounted rates used for determining the present value are based on the market yields on Government securities as at the balance sheet date.

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

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

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



Edelweiss Broking Limited

Notes to the financial statements

for the year ended March 31, 2022

1.18 Retirement and other employee benefit *(Continued)*

Compensated Absences

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

1.19 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services that are granted by the erstwhile Holding Company Edelweiss Financial Service Limited (EFSL) and current Holding Company Edelweiss Securities Limited (ESL) are measured by reference to the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments of ESL and EFSL is expensed in employee benefit expenses over the vesting period, based on the Company's estimate of equity instruments that will eventually vest. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate. In cases where the share options granted vest in instalments over the vesting period, the Company treats each instalment as a separate grant, because each instalment has a different vesting period, and hence the fair value of each instalment differs.

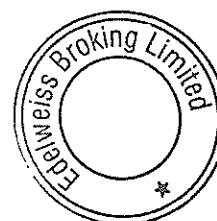
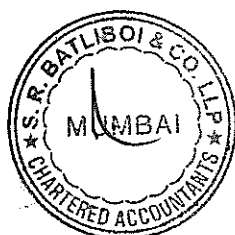
1.20 Property, plant and equipment and Right of Use Asset

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

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

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

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



Edelweiss Broking Limited

Notes to the financial statements for the year ended March 31, 2022

1.20 Property, plant and equipment and Right of Use Asset (Continued)

Estimated useful lives of the assets are as follows:

Nature of assets	Estimated useful life
Furniture and fixtures	10 years
Vehicles	8 years
Office Equipment	5 years
Computers - Servers and networks	6 years
Computers - End user devices, such as desktops, laptops, etc.	3 years

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

Right of use assets are presented together with property and equipment in the statement of financial position – *refer to the accounting policy 1.15*. Right of use assets are depreciated on a straight-line basis at the lower of lease term or useful life.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The carrying amount of those components which have been separately recognized as assets is derecognized at the time of replacement thereof. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

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

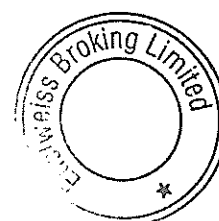
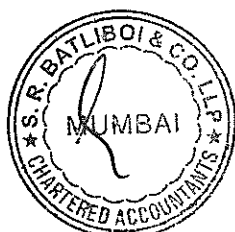
1.21 Intangible assets

The Company's intangible assets mainly include the value of computer software. An intangible asset is recognized only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangibles such as software is amortized over a period of upto 5 years based on its estimated useful life.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon



Edelweiss Broking Limited

Notes to the financial statements for the year ended March 31, 2022

1.21 Intangible assets (Continued)

derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Intangible assets under development

Intangible assets under Development includes Software under development.

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- i. The technical feasibility of completing the intangible asset so that the asset will be available for use or sale.
- ii. Its intention to complete and its ability and intention to use or sell the asset
- iii. How the asset will generate future economic benefits
- iv. The availability of resources to complete the asset
- v. The ability to measure reliably the expenditure during development.

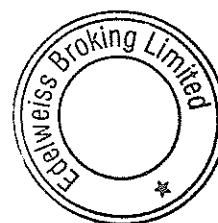
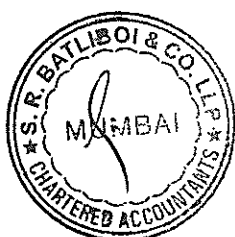
Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit.

1.22 Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU's) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

1.23 Cash and cash equivalents

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



Edelweiss Broking Limited

Notes to the financial statements for the year ended March 31, 2022

1.24 Provisions and other contingent liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognized.

1.25 Income tax expenses

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

a) Current tax

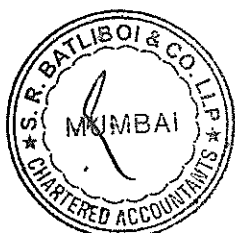
The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's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

b) Deferred tax

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

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

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



Edelweiss Broking Limited

Notes to the financial statements for the year ended March 31, 2022

1.25 Income tax expenses (Continued)

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

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

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

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

c) Current and deferred tax for the year

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

d) Minimum alternate tax (MAT)

MAT paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognises unused MAT credit as a deferred tax asset only to the extent that it is probable that the Company will be able to utilise during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises deferred tax asset (MAT credit) as an asset, the said asset is created by way of credit to the Statement of Profit and Loss. The Company reviews the MAT asset at each reporting date and writes down the asset to the extent that it is not probable that the Company will be able to utilise it during the specified period.

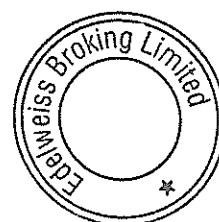
1.26 Critical accounting judgements and key sources of estimation uncertainty

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

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

a) Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material



Edelweiss Broking Limited

Notes to the financial statements

for the year ended March 31, 2022

1.26 Critical accounting judgements and key sources of estimation uncertainty (Continued)

adjustment to the carrying amounts of assets and liabilities within the next financial year, as described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

b) Effective interest rate method

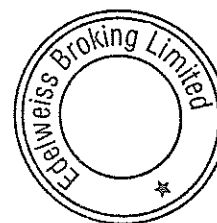
The Company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given/ taken and recognises the effect of characteristics of the product life cycle.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes fee income/expense that are integral parts of the instrument.

c) Accounting for deferred taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has recognised deferred tax assets on carried forward tax losses where the Company believes that the said deferred tax assets shall be recoverable based on the estimated future taxable income which in turn is based on approved business plans and budgets. The losses are allowed to be carried forward to the years in which the Company expects that there will be sufficient taxable profits to offset these losses.

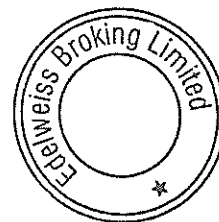
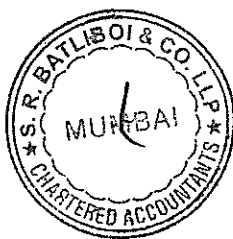


Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at March 31, 2022	As at March 31, 2021
2 Cash and cash equivalents		
Balances with banks		
- in current accounts (refer note 42)	2,334.89	697.83
	<u>2,334.89</u>	<u>697.83</u>
3 Bank balances other than cash and cash equivalents		
Fixed deposits (refer note 45)	4,119.31	3,360.31
	<u>4,119.31</u>	<u>3,360.31</u>
4 Derivative financial instruments		
Embedded derivatives in market-linked debentures	200.70	-
	<u>200.70</u>	<u>-</u>



Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

4a Derivative financial instruments

The Company enters into derivatives for risk management purposes. These include hedges that either meet the hedge accounting requirements or hedges that are economic hedges, but the Company has elected not to apply hedge accounting requirements.

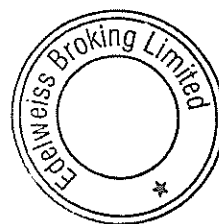
The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

Particulars	As at March 31, 2022							
	Unit	Currency	Notional *	Fair value Asset	Unit	Currency	Notional *	Fair value liability
(i) Embedded derivatives** In market linked debentures				200.70				-
Subtotal(i)				200.70				-
(ii) Equity linked derivatives Stock Futures Less: Offset with Margin				-	No of Shares		137,500	5.75 (5.75)
Subtotal(ii)				-				-
(iii) Index linked derivatives Index Futures Less: Offset with Margin	Index Units		65,950	0.83 (0.83)				- -
Subtotal(iii)				-				-
Total Derivative Financial Instruments			Total	200.70			Total	-

Particulars	As at March 31, 2021							
	Unit	Currency	Notional *	Fair value Asset	Unit	Currency	Notional *	Fair value liability
(i) Embedded derivatives** In market linked debentures				-				-
Subtotal(i)				-				-
(ii) Equity linked derivatives Stock Futures Less: Offset with Margin			-	-	No of Shares		-	- -
Subtotal(ii)				-				-
(iii) Index linked derivatives Index Futures Less: Offset with Margin	Index Units		-	- -			-	- -
Subtotal(iii)				-				-
Total Derivative Financial Instruments			Total	-			Total	-

* The notional column represents quantity in case of Equity and Index linked derivatives. The notional / units held indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

**An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. Refer Note 1.6 (c) for further details.



Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

4b Offsetting

The tables below summarise the financial assets and liabilities subject to offsetting, enforceable master netting and similar agreements, as well as financial collateral received to mitigate credit exposures for these financial assets, and whether offset is achieved in the balance sheet:

Financial Assets and Liabilities subject to offsetting, netting arrangements

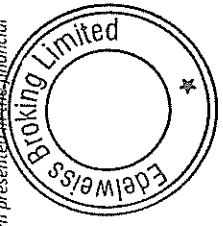
As at March 31, 2022	Offsetting recognised in balance sheet			Netting potential not recognised in balance sheet			Assets not subject to netting arrangements	Total Assets	Maximum Exposure to Risk
	Gross asset before offset	Amount offset*	Net asset recognised on the balance sheet	Financial Assets	Collaterals paid	Assets after consideration of netting potential			
Derivative Assets	0.83	(0.83)	-	-	-	-	200.70	200.70	200.70

As at March 31, 2022	Offsetting recognised in balance sheet			Netting potential not recognised in balance sheet			Liabilities not subject to netting arrangements	Total liabilities	Maximum Exposure to Risk
	Gross liability before offset	Amount offset*	Net liability recognised in balance sheet	Financial liabilities	Collaterals received	Liabilities after consideration of netting potential			
Derivative Liabilities	5.75	(5.75)	-	-	-	-	-	-	-

As at March 31, 2021	Offsetting recognised in balance sheet			Netting potential not recognised in balance sheet			Assets not subject to netting arrangements	Total Assets	Maximum Exposure to Risk
	Gross asset before offset	Amount offset*	Net asset recognised on the balance sheet	Financial Assets	Collaterals paid	Assets after consideration of netting potential			
Derivative Assets	-	-	-	-	-	-	-	-	-

As at March 31, 2021	Offsetting recognised in balance sheet			Netting potential not recognised in balance sheet			Liabilities not subject to netting arrangements	Total liabilities	Maximum Exposure to Risk
	Gross liability before offset	Amount offset*	Net liability recognised in balance sheet	Financial liabilities	Collaterals received	Liabilities after consideration of netting potential			
Derivative Liabilities	-	-	-	-	-	-	-	-	-

*Note: As at the reporting date, mark to market gain on Derivative asset and mark to market loss on derivative liability has been offset with margin placed with Professional clearing member (PCM). Accordingly the same has been presented in the financial statements.



Edelweiss Broking Limited

Notes to the financial statements (Continued)

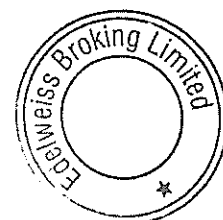
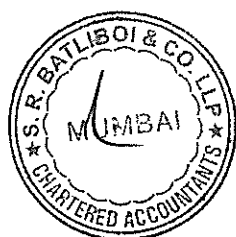
(Currency : Indian rupees in millions)

	As at March 31, 2022	As at March 31, 2021
5 Securities held for trading		
(at Fair value through Profit and Loss account, within India)		
Equity shares	1,407.23	0.01
Debt securities	504.44	5.74
	<u>1,911.67</u>	<u>5.75</u>

Please refer note 43 - Fair value measurement for valuation methodology for securities held for trading.

6 Trade receivables

Receivables considered good - Secured	2,112.68	702.87
Receivables considered good - Unsecured	889.13	288.57
Receivable which have significant increase in credit risk	-	-
Receivables - Credit impaired	<u>138.98</u>	<u>53.32</u>
	<u>3,140.79</u>	<u>1,044.76</u>
Less : Impairment allowance		
Receivables considered good - Unsecured	5.50	45.02
Receivables - Credit impaired	<u>138.98</u>	<u>53.32</u>
	<u>2,996.31</u>	<u>946.42</u>



Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

6 Trade receivables (Continued)

Reconciliation of impairment allowance on trade receivables:

Particulars	Amount
Impairment allowance as on April 1, 2020	106.98
Add/ (less): asset originated or acquired (net)	(8.64)
Impairment allowance as on March 31, 2021	98.34
Add/ (less): asset originated or acquired (net)	46.14
Impairment allowance as on March 31, 2022	144.48

Note:

1) Please refer note no. 39 - Related party disclosure for trade or other receivables due from directors or other officers of the Company either severally or jointly with any other person or from firms or private companies in which directors are partner/ director or a member.

Additional ageing information

As at	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	more than 3 years	Total
March 31, 2022								
Undisputed Trade receivables	287.37	207.60	2,506.04	0.02	0.24	0.15	0.39	3,001.81
- considered good	-	-	-	-	-	-	-	-
- have significant increase in credit risk	-	-	-	-	-	-	-	-
- credit impaired	-	-	4.37	15.47	17.94	19.08	62.39	119.25
Disputed Trade receivables	-	-	-	-	-	-	-	-
- considered good	-	-	-	-	-	-	-	-
- have significant increase in credit risk	-	-	-	-	-	-	-	-
- credit impaired	-	-	0.02	0.97	2.98	6.13	9.63	19.73
ECL - Simplified approach	-	-	(9.09)	(16.46)	(21.16)	(25.36)	(72.41)	(144.48)
Net carrying amount	287.37	207.60	2,501.34	-	-	-	-	2,996.31

As at	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	more than 3 years	Total
March 31, 2021								
Undisputed Trade receivables	3.58	-	904.61	14.22	17.62	7.83	23.48	971.34
- considered good	-	-	-	-	-	-	-	-
- have significant increase in credit risk	-	-	-	-	-	-	-	-
- credit impaired	-	-	0.40	5.09	8.84	7.56	20.22	42.11
Disputed Trade receivables	-	-	-	-	-	-	-	-
- considered good	-	-	1.10	2.12	6.28	10.60	-	20.10
- have significant increase in credit risk	-	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-	-
ECL - Simplified approach	-	-	(10.15)	(9.93)	(21.44)	(20.17)	(36.65)	(98.34)
Net carrying amount	3.58	-	895.96	11.50	11.95	6.34	17.09	946.42

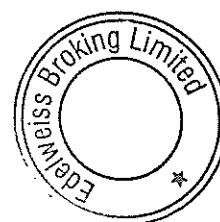


Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at March 31, 2022	As at March 31, 2021
7 Loans		
<i>(At amortised cost, within India)</i>		
ESOP funding	4,455.90	455.53
Margin trading facility	5,425.97	2,464.18
Total Gross	9,881.87	2,919.71
Less : Impairment allowance	(1.65)	(1.63)
Total Net	9,880.22	2,918.08
 i) Secured by securities		
ESOP Funding	4,455.90	455.53
Margin trading facility	5,424.30	2,462.61
Total (i)	9,880.20	2,918.14
ii) Unsecured		
ESOP Funding	-	-
Margin trading facility	1.67	1.57
Total (ii)	1.67	1.57
Total Gross (i)+(ii)	9,881.87	2,919.71
Less : Impairment allowance	(1.65)	(1.63)
Total Net	9,880.22	2,918.08
 <u>Loans in India</u>		
Public sector	-	-
Others	9,881.87	2,919.71
Total Gross	9,881.87	2,919.71
Less : Impairment allowance	(1.65)	(1.63)
Total Net	9,880.22	2,918.08

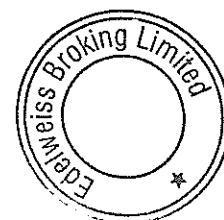
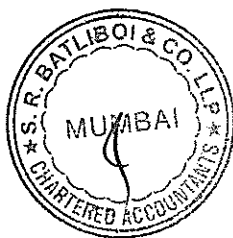


Edelweiss Broking Limited

Notes to the financial statements *(Continued)*

(Currency : Indian rupees in millions)

	As at March 31, 2022	As at March 31, 2021
8 Other financial assets		
Security Deposits - Rent	112.11	103.77
Deposits placed with exchange/ depositories	28.29	26.82
Other deposits	5.57	7.11
Receivable from exchange/ clearing house (net)	648.94	987.44
Margin with exchange/ clearing house	9,151.04	7,108.45
Advances recoverable in cash for value to be received	102.56	25.50
	<u>10,048.51</u>	<u>8,259.09</u>

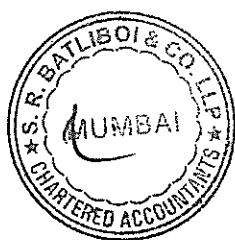


Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at March 31, 2022	As at March 31, 2021
9 Current tax assets (net)		
Advance income taxes	246.17	75.91
(net of provision for tax ₹ 74.12 millions (P.Y. ₹ 74.12 millions))		
	246.17	75.91
10 Deferred tax assets (net)		
Deferred tax assets		
<u>Trade receivables, Loans and other financial assets</u>		
Provision for expected credit losses	37.45	31.84
<u>Property, plant and equipment and intangibles</u>		
Difference between book and tax depreciation	27.52	48.33
<u>Financial instruments</u>		
Fair valuation of securities held for trading	-	0.08
<u>Employee benefit obligations</u>		
Provision for Gratuity and compensated absences	6.69	11.86
<u>Unused tax credit</u>		
MAT credit entitlement	-	112.30
<u>Unused tax losses</u>		
Accumulated Losses	19.86	332.72
Right of Use asset less Lease Liability (net)	23.25	35.59
Others	2.98	10.69
	117.75	583.41
Deferred tax liabilities		
<u>Financial instruments</u>		
Fair valuation of securities held for trading/ derivative instruments	22.88	-
	22.88	-
Net Deferred tax assets (net)	94.87	583.41



Edelweiss Broking Limited

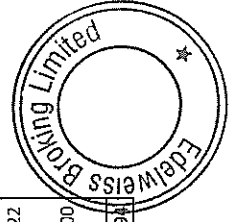
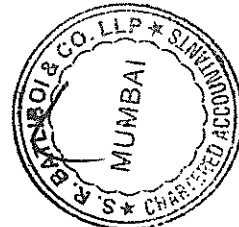
Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

11 Property, Plant and Equipment

Description of Assets	Gross Block			Accumulated Depreciation			Net Block
	As at April 1, 2021	Additions during the year	Disposals during the year	As at April 1, 2021	Charge for the year	Disposals during the year	As at March 31, 2022
Leasehold improvements	54.56	6.39	0.24	60.71	15.28	0.17	29.61
Furniture and Fixtures	23.75	1.43	2.31	22.87	3.94	1.58	11.28
Vehicles	6.81	-	3.98	2.83	0.42	2.82	0.40
Office equipment	42.83	5.45	4.05	44.23	6.31	3.63	11.37
Computers	195.08	36.62	25.56	206.14	30.91	24.61	54.98
Right of Use - leasehold premises	645.06	131.77	71.67	705.16	127.30	-	312.80
Total	968.09	181.66	107.81	1,041.94	184.16	32.81	420.44

Description of Assets	Gross Block			Accumulated Depreciation			Net Block
	As at April 1, 2020	Additions during the year	Disposals during the year	As at April 1, 2020	Charge for the year	Disposals during the year	As at March 31, 2021
Leasehold improvements	72.98	1.02	19.44	54.56	14.67	16.82	38.57
Furniture and Fixtures	24.47	4.22	4.94	23.75	4.97	3.72	14.52
Vehicles	8.34	-	1.53	6.81	1.45	1.21	1.98
Office equipment	54.59	1.74	13.50	42.83	9.74	11.62	12.65
Computers	207.28	22.49	34.69	195.08	32.54	31.41	50.22
Right of Use - leasehold premises	741.74	48.07	144.75	645.06	127.13	-	380.00
Total	1,109.40	77.54	218.85	968.09	190.50	64.78	497.94



Edelweiss Broking Limited

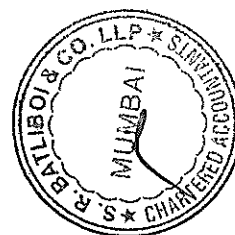
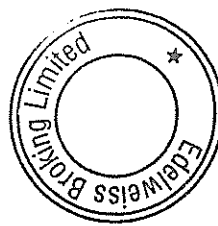
Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

12 Intangible Assets

Description of Assets	Gross Block			Accumulated Amortisation			Net Block
	As at April 1, 2021	Additions during the year	Disposals during the year	As at April 1, 2021	Charge for the year	Disposals during the year	As at March 31, 2022
Software	201.75	192.16	159.80	186.12	47.22	159.79	160.56
Total	201.75	192.16	159.80	186.12	47.22	159.79	160.56

Description of Assets	Gross block			Accumulated amortisation			Net block
	As at April 1, 2020	Additions during the year	Disposals during the year	As at April 1, 2020	Charge for the year	Disposals during the year	As at March 31, 2021
Software	200.39	1.36	-	128.23	57.89	-	15.63
Total	200.39	1.36	-	128.23	57.89	-	15.63



Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

13 Intangible assets under development

As at March 31, 2022

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Projects in progress	121.41	21.20	8.67	9.09	160.37

B) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, following is the completion schedule :

Software development projects in progress	To be completed in			
	Less than 1 year	1-2 years	2-3 years	more than 3 years
Client Portfolio Reporting Software	5.24	-	-	-
Web & Mobile digital wealth platform project	1.52	-	-	-
Financial Planning & Wealth management platform	62.32	-	-	-
Website & Trading APIs	82.32	-	-	-
Total	151.40	-	-	-

As at March 31, 2021

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Projects in progress	70.57	65.05	86.73	-	222.35

B) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, following is the completion schedule :

Software development projects in progress	To be completed in			
	Less than 1 year	1-2 years	2-3 years	more than 3 years
Open Architecture for Digital Platforms	183.38	-	-	-
Financial Planning & Wealth management platform	-	38.97	-	-
Total	183.38	38.97	-	-

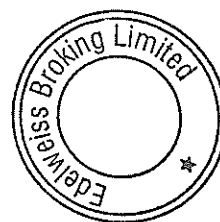
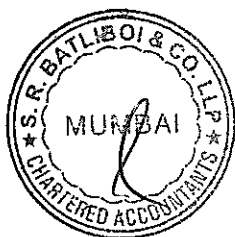


Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at March 31, 2022	As at March 31, 2021
14 Other non-financial assets		
<i>(Unsecured Considered good, unless stated otherwise)</i>		
Deposits	5.21	4.01
Prepaid expenses	49.17	29.94
Vendor Advances	29.40	0.84
Advances recoverable in kind for value to be received	3.23	1.14
Advances to employees	1.55	2.28
Advances to others	-	0.06
	<u>88.56</u>	<u>38.27</u>



Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

As at
March 31, 2022

As at
March 31, 2021

15 Trade Payables

(includes sundry creditors, provision for expenses and customer payables)

Total outstanding dues of micro enterprises and small enterprises (MSME)

Total outstanding dues to creditors other than micro enterprises and small enterprises

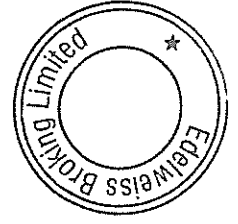
17.13 7.12
14,112.82 11,066.94

14,129.95 11,074.06

As at March 31, 2022	Outstanding for following periods from due date of transactions					Total
Particulars	Unbilled	Less than 1 year	1-2 years	2-3 years	more than 3 years	
MSME	16.81	0.32	-	-	-	17.13
Others	808.01	13,210.95	57.33	1.06	35.47	14,112.82
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

As at March 31, 2021	Outstanding for following periods from due date of transactions					Total
Particulars	Unbilled	Less than 1 year	1-2 years	2-3 years	more than 3 years	
MSME	4.86	2.26	-	-	-	7.12
Others	429.19	10,596.66	1.31	2.28	37.50	11,066.94
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

Trade Payables includes ₹ 17.13 millions (Previous year: ₹ 7.12 millions) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid/ is payable by the Company during the year to "Suppliers" registered under this Act. The afore mentioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act.



Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

16 Debt securities

(At amortised cost, within India)

Secured

Non-convertible redeemable debentures

Privately Placed Non-convertible debentures

(Secured by charge on ESOP Funding Loans)

	As at March 31, 2022	As at March 31, 2021
--	-------------------------	-------------------------

2,233.53

-

Unsecured

Commercial paper

6,800.00

-

Less : Unamortised discount

(87.89)

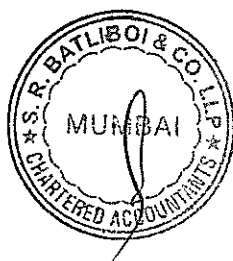
-

6,712.11

-

8,945.64

-



Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

16a Maturity profile and rate of interest of debt securities are set out below:

Redeemable non-convertible debentures (refer note below) :

Month	As at March 31, 2022	As at March 31, 2021
Jan-24	747.22	-
Jan-25	31.92	-
Mar-25	34.35	-
Apr-25	17.07	-
May-25	53.03	-
Jun-25	89.31	-
Jul-25	863.99	-
Aug-25	396.64	-
	2,233.53	-

Commercial Paper:

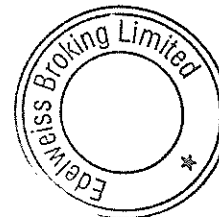
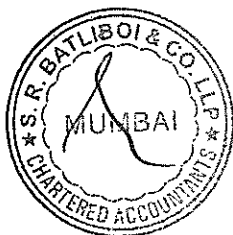
Month	Rate of Interest	As at March 31, 2022	As at March 31, 2021
Apr-22	5.90%	3,000.00	-
May-22	5.85%	2,500.00	-
Jul-22	7.00%	100.00	-
Oct-22	from 8.00% to 8.25%	550.00	-
Dec-22	from 7.25% to 8.00%	150.00	-
Feb-23	8.55%	500.00	-
Less: Unamortised Discount		(87.89)	-
		6,712.11	-

Note:

Details of Market linked debentures:

Market linked debentures are secured by pari passu charge, as the case may be, on ESOP funding loans.

In case of market linked debentures the interest rate is linked to the performance of the underlying indices and is fluctuating in nature.

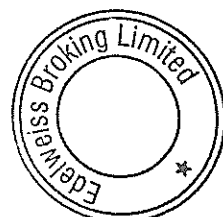
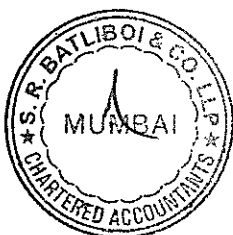


Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at March 31, 2022	As at March 31, 2021
17 Borrowings (other than debt securities) (At amortised cost, within India)		
Short-term borrowings		
<u>Secured</u>		
Term loan from Banks (Secured by charge on trade receivables, fixed deposits and corporate guarantee from Holding Company) (Interest rate ranging from 7.05% to 9.50% p.a. (P.Y. Nil))	1,257.75	-
<u>Unsecured</u>		
Loan from related parties (Repayable on demand at Interest rate ranging (P.Y. 10.30% to 12.60% p.a.))	-	2,162.18
Bank overdraft (Interest rate at 7.25% p.a. (P.Y. Nil))	790.16	-
Term loan from Banks (Interest rate ranging from 6.75% to 7.25% p.a. (P.Y. Nil))	201.15	-
	2,249.06	2,162.18
18 Other financial liabilities		
Other payables	68.20	27.40
Book overdraft	3.75	-
Accrued salaries and benefits	248.12	109.63
Payable to exchange/ clearing house (net)	0.12	-
Deposits from sub-brokers	180.08	148.89
Retention money payable	0.98	1.06
Advances from customers	455.26	12.87
Lease Liability	405.18	494.09
	1,361.69	793.94

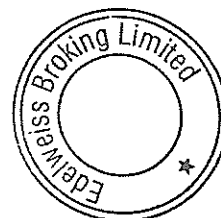


Edelweiss Broking Limited

Notes to the financial statements *(Continued)*

(Currency : Indian rupees in millions)

	As at March 31, 2022	As at March 31, 2021
19 Provisions		
Gratuity	43.94	18.51
Compensated leave absences	26.60	19.51
	<u>70.54</u>	<u>38.02</u>
20 Other non-financial liabilities		
Amount received in advance	418.54	-
Withholding taxes, Goods and service tax and other taxes payable	147.28	179.41
Others	1.09	1.90
	<u>566.91</u>	<u>181.31</u>



Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at March 31, 2022	As at March 31, 2021
21 Equity share capital		
Authorised:		
463,300,000 (P.Y. 463,300,000) Equity Shares of ₹ 10 each	4,633.00	4,633.00
10,000,000 (P.Y. 10,000,000) Preference Shares of ₹ 10 each	100.00	100.00
	4,733.00	4,733.00
Issued, subscribed and paid up:		
430,454,000 (P.Y. 347,190,000) Equity shares of ₹ 10 each, fully paid-up	4,304.54	3,471.90
	4,304.54	3,471.90

a. Movement in share capital :

	March 31, 2022 Amount	March 31, 2021 Amount
Outstanding at the beginning of the year	3,471.90	1,771.90
Shares issued during the year	832.64	1,700.00
Outstanding at the end of the year	4,304.54	3,471.90

b. Terms/ rights attached to equity shares :

The Company has only one class of equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

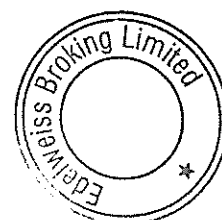
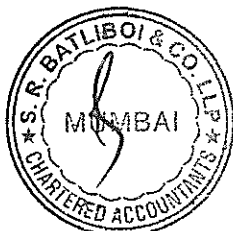
c. Shares held by the Holding Company :

	March 31, 2022 %	March 31, 2021 %
Holding Company		
Edelweiss Securities Limited, the Holding Company and its nominees (P.Y. Edelweiss Securities Limited)	100%	100%
	100%	100%

d. Details of shares held by Promoters :

Promoter name	As at March 31, 2022		
	No of shares (including shares held by nominees)	% Holding	% change during the year
Edelweiss Securities Limited	430,454,000	100%	0%
Promoter name	As at March 31, 2021		
	No of shares (including shares held by nominees)	% Holding	% change during the year
Edelweiss Financial Services Limited*	-	0%	(100%)
Edelweiss Securities Limited	347,190,000	100%	100%

* During the year, Edelweiss Financial Services Limited has transferred 100% Holding in the Company to Edelweiss Securities Limited

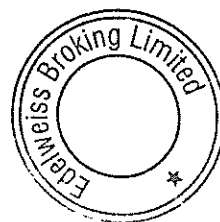


Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at March 31, 2022	As at March 31, 2021
22 Other Equity		
a) Securities premium account - Opening balance	432.34	432.34
Add : Additions during on issue of equity shares	167.36	-
	<u>599.70</u>	<u>432.34</u>
b) Debenture Redemption Reserve - Opening balance	-	-
Add : Additions during the year	207.83	-
	<u>207.83</u>	<u>-</u>
c) Deemed capital contribution - ESOP	39.42	39.42
d) Retained earnings - Opening Balance	(572.18)	(608.32)
Add: Reversal of ESOP cost on cancellation	30.56	-
Add: Profit for the year	946.49	28.13
Add: Other comprehensive income for the year	(9.74)	8.01
Amount available for appropriation	<u>395.13</u>	<u>(572.18)</u>
Appropriations:		
Transfer to Debenture Redemption Reserve	(207.83)	-
	<u>187.30</u>	<u>(572.18)</u>
Total (a + b + c + d)	<u><u>1,034.25</u></u>	<u><u>(100.42)</u></u>

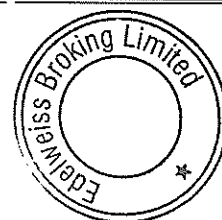


Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	for the year ended March 31, 2022	for the year ended March 31, 2021
23 Interest Income		
<i>(On Financial assets measured at amortised cost)</i>		
On ESOP funding	143.09	1.24
On Margin Trading Facility	600.79	236.07
On fixed deposits	175.27	133.04
On margin with brokers	338.87	198.37
On delay payment	97.70	81.05
Others	1.59	1.47
	1,357.31	651.24
24 Rental Income	26.42	31.65
	26.42	31.65
25 Fee and commission income		
Income from Broking	2,009.63	1,870.13
Advisory and other fees	3,492.61	1,088.88
	5,502.24	2,959.01
Below is the disaggregation of the revenue from contracts with customers:		
Service transferred at a point in time	5,416.60	2,904.59
Service transferred over time	85.64	54.42
Total revenue from contract with customers	5,502.24	2,959.01
26 Net gain on fair value changes at FVTPL		
(A) On trading portfolio		
Profit on trading of securities held for trade (net)	420.82	339.76
Loss on equity derivative instruments (net)	(32.05)	(4.39)
Loss on currency derivative instruments (net)	(5.61)	-
(B) Others		
Fair value loss on financial asset	-	(40.37)
Total Net gain on fair value changes	383.16	295.00
Fair value changes:		
Realised	293.12	295.27
Unrealised	90.04	(0.27)
Total Net gain on fair value changes	383.16	295.00
27 Other income		
Interest on Income tax refund	-	24.99
Miscellaneous income	32.35	23.20
	32.35	48.19



Edelweiss Broking Limited

Notes to the financial statements (Continued)

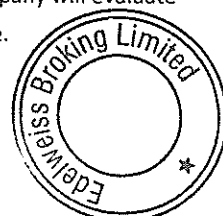
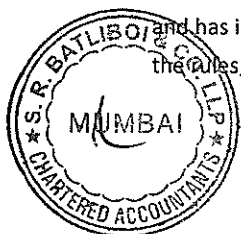
(Currency : Indian rupees in millions)

	for the year ended March 31, 2022	for the year ended March 31, 2021
28 Finance costs		
<i>(On Financial liabilities measured at amortised cost)</i>		
Interest on Inter-corporate deposits	20.69	-
Interest on bank overdraft	3.18	-
Interest on loan from fellow subsidiaries	289.06	196.10
Interest on term loan from banks	38.77	-
Cost of benchmark linked debentures	19.98	-
Discount on commercial paper and debentures	64.82	-
Financial and bank charges	108.45	8.44
Interest on Margin	0.47	4.07
Interest Expenses on lease liabilities	48.06	59.61
Interest - others	0.01	0.12
	593.49	268.34
29 Impairment on financial instruments		
<i>(On Financial instruments measured at amortised cost)</i>		
Bad-debts written off/ (written back) (net)	(0.22)	21.71
Provision for expected credit losses - Trade receivables, Loans	46.17	(8.48)
Others	0.61	-
	46.56	13.23
30 Employee benefit expenses		
Salaries and wages	2,547.67	1,982.03
Contribution to provident and other funds	120.94	94.11
Expense on Employee Stock Option Scheme (ESOP)*	53.70	14.64
Staff welfare expenses (refer note 46)	88.77	45.16
Expense on Employee Stock Appreciation Rights (SAR)*	7.21	8.70
	2,818.29	2,144.64

*Edelweiss Financial Services Limited ('EFSL') had Employee Stock Option Plans (ESOP) and Stock Appreciation Rights Plans (SAR) in force. Based on such ESOP/SAR schemes, EFSL has granted an ESOP/SAR option to acquire equity shares of EFSL that would vest in a graded manner to Company's employees. Based on group policy / arrangement, EFSL has charged the fair value of such stock options, Company has accepted such cross charge and recognised the same under the employee cost.

*Edelweiss Securities Limited ('ESL') has Employee Stock Option Plans (ESOP) in force. Based on such ESOP schemes, ESL has granted an ESOP option to acquire equity shares of ESL that would vest in a graded manner to Company's employees. Based on group policy / arrangement, ESL has charged the fair value of such stock options, Company has accepted such cross charge and recognised the same under the employee cost.

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 November 13, 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 Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	for the year ended March 31, 2022	for the year ended March 31, 2021
31 Other expenses		
Advertisement and business promotion (refer note 46)	137.42	39.83
Auditors' remuneration (refer note 31a below)	8.22	1.17
Clearing & custodian charges	66.82	68.56
Communication	55.68	84.50
Computer expenses	346.60	146.48
Computer software	211.54	209.33
Corporate social responsibility (refer note 31b below)	-	0.10
Dematerialisation charges	51.66	34.52
Directors' sitting fees	0.04	-
Donation	0.42	-
Electricity charges	20.33	17.83
Foreign exchange loss (net)	0.11	0.10
Goods & Service tax expenses	19.52	3.00
Insurance	3.21	1.53
Legal and professional fees	129.79	44.92
Loss on sale of property, plant and equipment and intangible assets (net)	0.46	6.19
Membership and subscription	9.27	5.61
Miscellaneous expenses	6.84	11.82
Office expenses	112.96	108.12
Outside Services Cost	122.15	144.77
Postage and courier	11.56	4.89
Printing and stationery	9.07	8.48
Rates and taxes	0.82	1.28
Rating support fees	1.12	0.38
Referrals and commissions	596.70	121.56
Rent (refer note 46)	127.83	126.45
Repairs and maintenance	9.43	8.54
ROC Expenses	0.04	8.12
Seminar and Conference	0.20	1.18
Stamp duty	14.88	5.97
Stock exchange expenses	21.64	1.14
Travelling and conveyance	80.39	48.69
	2,176.72	1,265.06

31a Auditors' remuneration:

As a Auditor

Statutory audit	2.50	0.90
Limited review	2.10	0.27
Special audits	3.60	-
Towards reimbursement of expenses	0.02	-
	8.22	1.17

31b Details of Corporate Social responsibility (CSR) activities

a. Gross amount required to be spent by the Company during the year

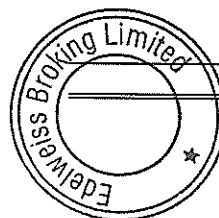
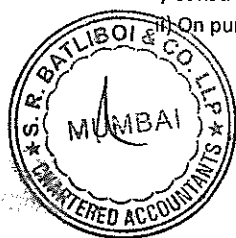
Nil	Nil
Nil	Nil

b. Amount spent during the year

i) Construction / acquisition of any asset

ii) On purpose other than above

-	-
-	0.10
-	0.10



Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

32 Income Tax

a. Components of income tax expense

Particulars	March 31, 2022	March 31, 2021
Current tax	-	-
Adjustment in respect of current income tax of prior years	-	(8.39)
Deferred tax relating to origination and reversal of temporary differences	175.69	(18.17)
Deferred tax asset recognised on unused tax credit or unused tax losses	312.86	43.86
Total tax charge	488.55	17.30
Current tax	-	(8.39)
Deferred tax	488.55	25.69

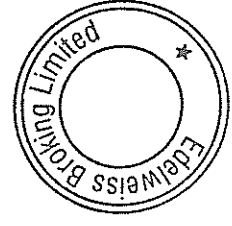
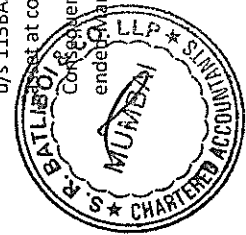
b. Reconciliation of total tax charge

Particulars	March 31, 2022	March 31, 2021
Accounting profit before tax as per financial statements	1,435.04	45.43
Tax rate (in percentage) (Refer note below)	25.17%	31.20%
Income tax expense calculated based on this tax rate	361.17	14.17
Adjustment in respect of current income tax of prior years	-	(8.39)
Effect of non-deductible expenses	15.44	0.07
Effect of utilisation of tax losses on which deferred tax asset earlier not recognised or deferred tax assets on losses earlier recognised now considered not recoverable	(91.45)	9.02
Recognition of available tax credits (Minimum Alternate Tax credit)	112.30	-
Impact of tax rate changes (between two accounting periods)	91.08	-
Others	-	2.43
Tax charge for the year recorded in the Statement of Profit and Loss	488.55	17.30

Note:

Pursuant to The Taxation Laws (Amendment) Ordinance 2019, promulgated on September 20, 2019, Company has elected to apply the concessional tax rate permitted u/s 115BAA of The Income tax Act, 1961 from the financial year ended March 31, 2021 onwards. Accordingly, the Company has re-measured the closing net deferred tax at concessional rate as on the year ended March 31, 2021 in the financial year ended March 31, 2022.

Consequently, Minimum alternate tax amounting to Rs. 112.30 million as on financial year ended March 31, 2021 has been accounted/charged in the financial year ended March 31, 2022.



Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

32 Income Tax (Continued)

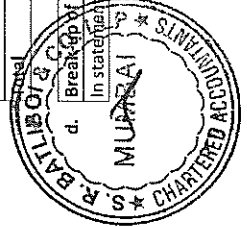
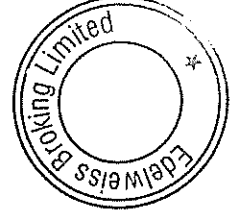
c. The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

	Movement for the year ended March 31, 2022			
	Opening deferred tax asset / (liability)	Recognised in statement of profit and loss	Recognised in retained earnings	Total movement
<i>Deferred taxes in relation to:</i>				
Property, Plant and Equipment and Intangibles	48.33	(20.80)	-	(20.80)
Securities held for trading/ derivative instruments	0.08	(22.96)	-	(22.96)
Trade receivables and Receivable towards Margin trading facility and other financial assets	31.84	5.61	-	5.61
Employee benefits obligations	11.86	(5.17)	-	(5.17)
Unused tax losses (including but not limited to business losses, unabsorbed depreciation)	332.72	(312.86)	-	(312.86)
Unused tax credits (Minimum Alternate Tax credit)	112.30	(112.30)	-	(112.30)
Right of Use Asset less Lease Liability	35.59	(12.35)	-	(12.35)
Others	10.69	(7.72)	-	(7.72)
Total	583.41	(488.55)	-	(488.55)

	Movement for the year ended March 31, 2021			
	Opening deferred tax asset / (liability)	Recognised in statement of profit and loss	Recognised in retained earnings	Total movement
<i>Deferred taxes in relation to:</i>				
Property, Plant and Equipment and Intangibles	38.38	9.95	-	9.95
Securities held for trading	-	0.08	-	0.08
Trade receivables and Receivable towards Margin trading facility and other financial assets	34.48	(2.64)	-	(2.64)
Employee benefits obligations	7.23	4.63	-	4.63
Unused tax losses (including but not limited to business losses, unabsorbed depreciation)	376.58	(43.86)	-	(43.86)
Unused tax credits (Minimum Alternate Tax credit)	112.30	-	-	-
Right of Use Asset less Lease Liability	37.99	(2.40)	-	(2.40)
Others	2.13	8.56	-	8.56
Total	609.09	(25.68)	-	(25.68)

d. Break-up of recognition of current tax In statement of profit and loss

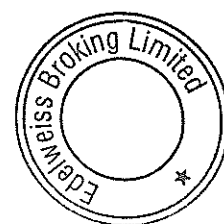
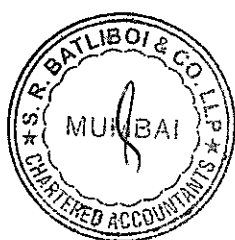
	March 31, 2022	March 31, 2021
	-	(8.39)



Notes to the financial statements (Continued)

32 Income Tax (Continued)

As at March 31, 2022	Unused tax losses				
Financial Year to which the loss relates to	Unabsorbed Depreciation		Business Loss		Total
	Amount	Expiry year - financial year	Amount	Expiry year - financial year	Amount
	N.A.				
Total	-		-		-
As at March 31, 2021	Unused tax losses				
Financial Year to which the loss relates to	Unabsorbed Depreciation		Business Loss		Total
	Amount	Expiry year - financial year	Amount	Expiry year - financial year	Amount
F.Y. 2019-20	168.62	Unlimited	214.44	F.Y. 2027-28	383.06
Total	168.62		214.44		383.06



Edelweiss Broking Limited

Notes to the financial statements (*Continued*)

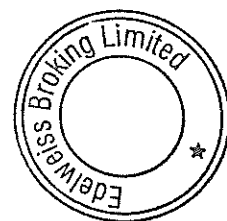
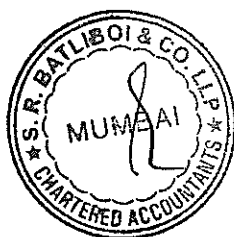
(Currency : Indian rupees in millions)

33 Earnings per share

The computation of earnings per share is set out below:

Particulars	March 31, 2022	March 31, 2021
Shareholders earnings (as per statement of profit and loss)	946.49	28.13
Calculation of weighted average number of equity shares of ₹ 10		
– Number of shares at the beginning of the year	347,190,000	177,190,000
– Number of shares issued during the year	83,264,000	170,000,000
Total number of equity shares outstanding at the end of the year	430,454,000	347,190,000
Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	351,980,532	178,121,507
Basic and Diluted earnings per share (<i>Amount in Indian rupees</i>)	2.69	0.16

The basic and diluted earnings per share are the same as there are no dilutive potential equity shares.



Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

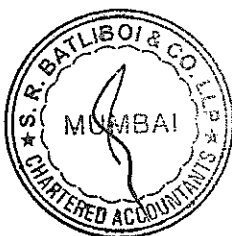
34 Segment reporting

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

Segment	Activities covered
Agency business	Broking, Advisory, financial product distribution and related activities
Financing business	ESOP funding and Margin trading facility to retail clients

Income for each segment has been specifically identified. Expenditure, assets and liabilities are either specifically identified with individual segments or have been allocated to segments on a systematic basis. Based on such allocations, segment disclosures relating to revenue, results, assets and liabilities have been prepared.

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



Edelweiss Broking Limited

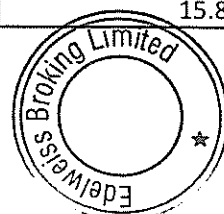
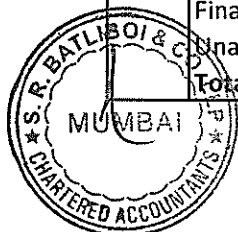
Notes to the standalone financial statements (Continued)

(Currency : Indian rupees in millions)

34 Segment reporting (Continued)

The following table gives information as required under the Indian Accounting Standard -108 on Segment Reporting:

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
I	Segment Revenue		
	Agency Business	6,546.65	3,720.84
	Financing Business	754.83	239.26
	Unallocated	-	24.99
	Total Income	7,301.48	3,985.09
II	Segment Result		
	Agency Business	1,383.46	31.53
	Financing Business	51.60	(10.97)
	Unallocated	(0.02)	24.87
	Total	1,435.04	45.43
III	Segment assets		
	Agency Business	21,102.78	13,991.08
	Financing Business	11,218.76	2,970.59
	Unallocated	341.04	659.32
	Total	32,662.58	17,620.99
IV	Segment liabilities		
	Agency Business	17,911.44	12,335.25
	Financing Business	9,265.07	1,734.85
	Unallocated	147.28	179.41
	Total	27,323.79	14,249.51
V	Capital expenditure		
	Agency Business	169.28	95.84
	Financing Business	10.80	3.58
	Unallocated	-	-
	Total	180.08	99.42
VI	Depreciation and amortisation		
	Agency Business	217.51	239.45
	Financing Business	13.87	8.94
	Unallocated	-	-
	Total	231.38	248.39
VII	Non cash expenditure other than depreciation		
	Agency Business	53.19	15.58
	Financing Business	0.45	0.25
	Unallocated	-	-
	Total	53.64	15.83



Edelweiss Broking Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2022

(Currency: Indian rupees in millions)

35 Disclosure pursuant to Ind AS 19 - Employee benefits

A) Defined contribution plan (Provident fund):

Amount of ₹ 89.77 millions (P.Y. ₹ 69.48 millions) is recognized as expense and included in "Employee benefit expenses" (refer note 30) to the statement of profit and loss.

B) Defined benefit plan (Gratuity):

The following tables summarize the components of the net benefit expenses recognized in the statement profit and loss, the funded status and amounts recognized in the balance sheet for the gratuity benefit plan.

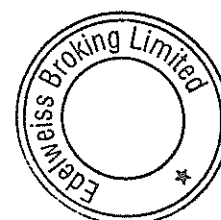
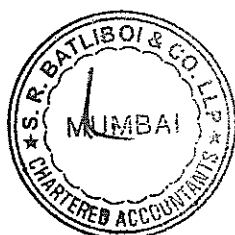
Statement of Profit and Loss

Expenses recognised in the Statement of Profit and Loss

	March 31, 2022	March 31, 2021
Service cost		
a. Current service cost	27.24	22.16
b. Past service cost	-	-
Net interest on net defined benefit liability / (asset)	1.13	0.67
Employer expenses	28.37	22.83

Reconciliation of Defined Benefit Obligation (DBO)

	March 31, 2022	March 31, 2021
Present value of DBO at start of the year	170.39	132.43
Service cost		
a. Current service cost	27.24	22.16
b. Past service cost	-	-
Interest cost	8.70	7.59
Benefits paid	(16.27)	(8.11)
Re-measurements		
a. Actuarial loss/(gain) from changed in demographic assumptions	-	2.04
b. Actuarial loss/(gain) from changed in financials assumptions	(3.28)	4.03
c. Actuarial loss from experience over last past year	17.22	4.73
Transfer in/ (out)	3.58	5.53
Present value of DBO at end of the year	207.60	170.39



Edelweiss Broking Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2022

(Currency: Indian rupees in millions)

35 Disclosure pursuant to Ind AS 19 - Employee benefits (Continued)

Reconciliation of fair value of plan assets

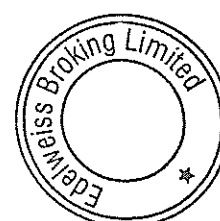
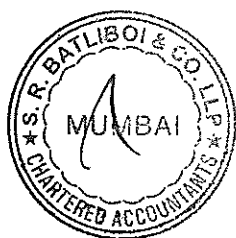
	March 31, 2022	March 31, 2021
Fair value of plan assets at start of the year	151.88	126.15
Contributions by employer	16.27	8.11
Benefits paid	(16.27)	(8.11)
Interest income plan assets	7.57	6.92
Re-measurements		
Return on plan assets excluding amount including in net interest on the net defined benefit liability / (asset)	4.21	18.81
Fair value of plan assets at end of the year	163.66	151.88
Actual return on plan assets	11.78	25.73
Expected employer contributions for the coming year	45.00	20.00

Net (asset)/ liability recognised in the Balance sheet

	March 31, 2022	March 31, 2021
Present value of DOB	270.59	170.39
Fair value of plan assets	163.66	151.88
(Asset)/ liability recognised in the Balance Sheet	43.94	18.51
Funded status [surplus/ (deficit)]	(43.94)	(18.51)
Of which, short term liability	-	-
Experience adjustment on plan liabilities:(gain)/loss	17.22	4.73

Actuarial assumptions:

	March 31, 2022	March 31, 2021
Salary growth rate (% p.a.)	7% p.a.	7% p.a.
Discount rate (% p.a.)	5.4% p.a.	5% p.a.
Withdrawal rate (% p.a.)	25% p.a.	25% p.a.
Mortality	IALM 2012-14 (Ultimate)	IALM 2012-14 (Ultimate)
Interest rate on net DBO/ (asset) (% p.a.)	5 % p.a.	5.5% p.a.
Expected weighted average remaining working life (years)	3 Years	3 Years



Edelweiss Broking Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2022

(Currency: Indian rupees in millions)

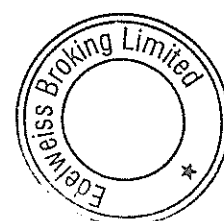
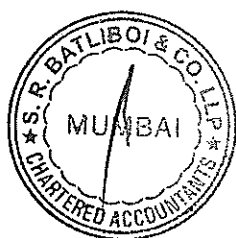
35 Disclosure pursuant to Ind AS 19 - Employee benefits (Continued)

Movement in Other Comprehensive Income

	March 31, 2022	March 31, 2021
Balance at start of year (loss)/ gain	(11.98)	(19.99)
<i>Re-measurements on DBO</i>		
a. Actuarial (loss)/gain from changed in demographic assumptions	-	(2.04)
b. Actuarial (loss)/gain from changed in financials assumptions	3.28	(4.03)
c. Actuarial (loss)/gain from experience over last past year	(17.22)	(4.73)
<i>Re-measurements on plan assets</i>		
Return on plan assets excluding amount including in net interest on the net defined benefit liability / (asset)	4.21	18.81
<i>Re-measurements on Asset Ceiling</i>		
Changes in the effect of limiting a net defined benefit asset to the asset ceiling excluding amount included in net interest on the net defined benefit liability/ (asset)	-	-
Balance at end of year (loss)/ gain	(21.71)	(11.98)

Sensitivity Analysis

DOB increases / (decreases) by	March 31, 2022	March 31, 2021
1 % Increase in salary growth rate	7.76	6.78
1 % Decrease in salary growth rate	(7.35)	(6.39)
1 % Increase in discount rate	(7.40)	(6.45)
1 % Decrease in discount rate	7.96	6.97
1 % Increase in withdrawal rate	(0.46)	(0.51)
1 % Decrease in withdrawal rate	0.5	0.5
Mortality (Increase in expected lifetime by 1 year)	8	8
Mortality (Increase in expected lifetime by 3 year)	24	25



Edelweiss Broking Limited

Notes to the financial statements *(Continued)*

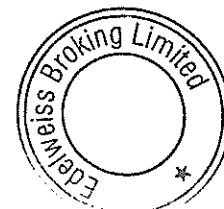
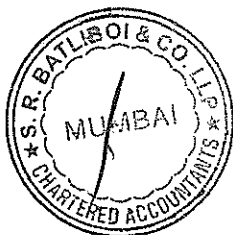
for the year ended March 31, 2022

(Currency: Indian rupees in millions)

35 Disclosure pursuant to Ind AS 19 - Employee benefits *(Continued)*

Movement in surplus/ (deficit)

	March 31, 2022	March 31, 2021
Net surplus/ (deficit) asset at start of year	(18.51)	(6.28)
Net transfer (in)/ out	(3.58)	(5.53)
Movement during the year		
Current service cost	(27.24)	(22.16)
Past service cost	-	-
Net interest on net DBO	(1.13)	(0.67)
Re-measurements	(9.74)	8.01
Contributions / benefits	16.27	8.11
Net surplus/ (deficit) at end of year	(43.93)	(18.52)



Edelweiss Broking Limited

Notes to the financial statements (Continued)

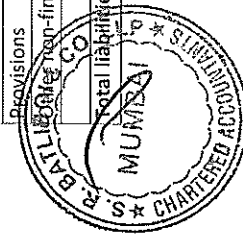
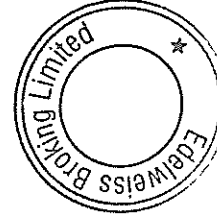
(Currency : Indian rupees in millions)

36 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	March 31, 2022			March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	2,334.89	-	2,334.89	697.83	-	697.83
Other bank balances	4,116.89	2.42	4,119.31	3,335.06	25.25	3,360.31
Derivative financial instruments	-	200.70	200.70	-	-	-
Securities held for trading	1,911.67	-	1,911.67	5.75	-	5.75
Trade receivables	2,825.19	171.12	2,996.31	946.42	-	946.42
Loans	9,880.22	-	9,880.22	2,918.08	-	2,918.08
Other financial assets	9,902.54	145.97	10,048.51	8,121.39	137.70	8,259.09
	30,971.40	520.21	31,491.61	16,024.53	162.95	16,187.48
Non-financial assets						
Current tax assets (net)	-	246.17	246.17	0.71	75.20	75.91
Deferred tax assets (net)	-	94.87	94.87	-	583.41	583.41
Property, plant and equipment	-	420.44	420.44	-	497.94	497.94
Intangible assets	-	160.56	160.56	-	15.63	15.63
Intangible assets under development	-	160.37	160.37	-	222.35	222.35
Other non-financial assets	80.78	7.78	88.56	34.43	3.84	38.27
	80.78	1,090.19	1,170.97	35.14	1,398.37	1,433.51
Total assets	31,052.18	1,610.40	32,662.58	16,059.67	1,561.32	17,620.99

Particulars	March 31, 2022			March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial liabilities						
Trade payables	14,129.95	-	14,129.95	11,074.06	-	11,074.06
Debt securities	6,712.11	2,233.53	8,945.64	-	-	-
Borrowing (other than debt securities)	2,249.06	-	2,249.06	2,162.18	-	2,162.18
Other financial liabilities	1,111.40	250.29	1,361.69	428.66	365.28	793.94
	24,202.52	2,483.82	26,686.34	13,664.90	365.28	14,030.18
Non-financial liabilities						
Provisions	50.47	20.07	70.54	23.26	14.76	38.02
Other non-financial liabilities	195.89	371.02	566.91	181.31	-	181.31
	246.36	391.09	637.45	204.57	14.76	219.33
Total liabilities	24,448.88	2,874.91	27,323.79	13,869.47	380.04	14,249.51



Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

37 Change in liabilities arising from financing activities

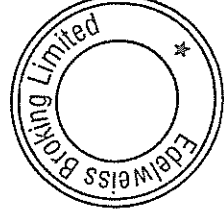
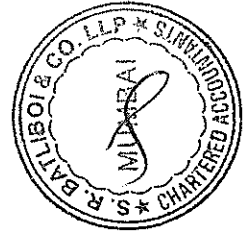
Particulars	April 1, 2021	Cash flows during the year	Others during the year*	March 31, 2022
Debt securities**	-	8,744.94		8,744.94
Borrowings other than debt securities	2,162.18	100.00	(13.12)	2,249.06
Total liabilities from financing activities	2,162.18	8,844.94	(13.12)	10,994.00

* Includes the effect of accrued but not paid interest on borrowing

Particulars	April 1, 2020	Cash flows during the year	Others during the year*	March 31, 2021
Borrowings other than debt securities	2,725.94	(564.02)	0.26	2,162.18
Total liabilities from financing activities	2,725.94	(564.02)	0.26	2,162.18

* includes the effect of accrued but not paid interest on borrowing

** does not include Embedded derivatives of ₹ 200.70 millions



Edelweiss Broking Limited

Notes to the financial statements (Continued) for the year ended March 31, 2022

(Currency : Indian rupees in millions)

38 Contingent liabilities, commitments and lease arrangements

a. Legal claims

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent in its operations. As a result, the Company is involved in various litigation, arbitration and regulatory proceedings in the ordinary course of its business. The Company has formal controls and policies for managing legal claims. Based on professional legal advice, the Company provides and/or discloses amounts in accordance with its accounting policies. At year end, the Company had several unresolved legal claims however individually any of the claim is not material. The aggregate value of claim against the Company is ₹ 231.67 millions.

b. Contingent liabilities

Particulars	March 31, 2022	March 31, 2021
(a) Claims against the Company not acknowledged as debt	231.67	47.72
(b) Taxation matters	-	10.49

c. Operating lease commitments

The Company has entered into commercial leases for premises and equipment.

i) This note provides information for leases where the Company is a lessee.

Particulars	March 31, 2022	March 31, 2021
Right of Use Asset	312.80	38.00
Lease Liability	405.18	49.41

ii) The statement of profit or loss shows the following amounts relating to long term leases

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Amortisation on Right of Use Asset	127.30	12.71
Interest cost on Lease Liability	48.06	5.96

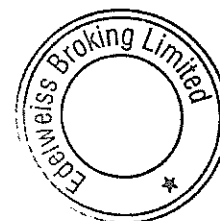
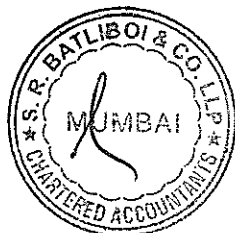
iii) Operating lease commitments

Short term lease payments under operating leases for the year as follows:

Particulars	March 31, 2022	March 31, 2021
Within one year	5.91	2.54
Total	5.91	2.54

iv) Other disclosures

Particulars	March 31, 2022 Years / Amount	March 31, 2021 Years / Amount
The leases have an average life of between (in years)	5	6
The total lease payment for the year (amount)	279.55	275.96
Lease rent expenses recognised in P&L for short term lease (amount)	102.84	101.94



Edelweiss Broking Limited

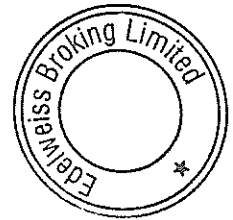
Notes to the financial statements *(Continued)*
for the year ended March 31, 2022

(Currency : Indian rupees in millions)

38 Contingent liabilities, commitments and lease arrangements *(Continued)*

d. Capital and other commitments

- i) Estimated amount of contracts remaining to be executed on Property, plant and equipment and Intangible assets amounts to ₹ 55.35 millions (net of advances) (P.Y. ₹ 44.83 millions).
- ii) The Company have provided bank guarantees aggregating to ₹ 750.00 millions (P.Y. ₹ 200.00 millions) as on March 31, 2022 to The Bombay Stock Exchange of India Limited for meeting margin requirement.
- iii) The Company have pledged fixed deposits with bank aggregating to ₹ 375.00 millions. (P.Y. ₹ 100.00 millions) for obtaining the above bank guarantees.



Edelweiss Broking Limited

Notes to the financial statements (Continued) for the year ended March 31, 2022

(Currency: Indian rupees in millions)

39 Disclosure as required by Ind AS 24 - "Related Party Disclosure":

a. Name of related party by whom control is exercised

Edelweiss Financial Services Limited - Ultimate Holding Company (upto March 26, 2021)
PAGAC Ecstasy Pte. Ltd - Ultimate Holding Company (w.e.f. March 27, 2021)
Edelweiss Global Wealth Management Limited - Parent of Holding Company (w.e.f. March 27, 2021)(upto March 31, 2022)
Edelweiss Securities Limited - Holding Company (w.e.f. May 4, 2020)

b. Names of related parties who exercise significant influence over the Company's Holding Company

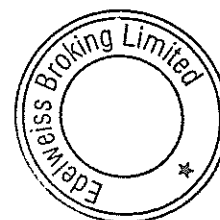
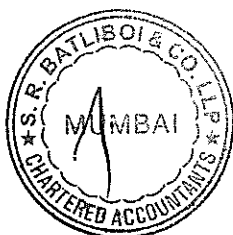
Edelweiss Financial Services Limited (w.e.f. March 27, 2021)

c. Subsidiaries of the entity exercising significant influence over the Company's Holding Company (w.e.f. March 27, 2021)

Allium Finance Private Limited
ECL Finance Limited
Edel Finance Company Limited (Edelweiss Finvest Limited has merged with Edel Finance Company Limited w.e.f April 9, 2021)
Edel Investments Limited
Edel Land Limited
Edel Land Limited # (EC Commodity Limited merged with Edel Land Limited)
Edel Land Limited # # (Ecap Equities Limited merged with Edel Land Limited)
Edelcap Securities Limited
Edelgive Foundation
Edelweiss Alternative Asset Advisors Limited
Edelweiss Asset Management Limited
Edelweiss Asset Reconstruction Company Limited
Edelweiss Comtrade Limited
Edelweiss Gallagher Insurance Brokers Limited (upto October 18, 2021)
Edelweiss General Insurance Company Limited
Edelweiss Housing Finance Limited
Edelweiss Investment Adviser Limited
Edelweiss Retail Finance Limited
Edelweiss Rural & Corporate Services Limited
Edelweiss Securities And Investments Private Limited
Edelweiss Tokio Life Insurance Company Limited

d. Fellow subsidiaries with whom transactions have taken place (upto March 26, 2021)

Allium Finance Private Limited
ECL Finance Limited
Edel Finance Company Limited (Edelweiss Finvest Limited has merged with Edel Finance Company Limited w.e.f April 9, 2021)
Edel Investments Limited
Edel Land Limited
Edel Land Limited # (EC Commodity Limited merged with Edel Land Limited)
Edel Land Limited # # (Ecap Equities Limited merged with Edel Land Limited)
Edelcap Securities Limited
Edelgive Foundation
Edelweiss Alternative Asset Advisors Limited
Edelweiss Asset Management Limited
Edelweiss Asset Reconstruction Company Limited



Edelweiss Broking Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2022

(Currency: Indian rupees in millions)

39 Disclosure as required by Ind AS 24 - "Related Party Disclosure"(Continued)

d. Fellow subsidiaries with whom transactions have taken place (upto March 26, 2021) (Continued)

Edelweiss Capital Services Limited
Edelweiss Comtrade Limited
Edelweiss Gallagher Insurance Brokers Limited (upto October 18, 2021)
Edelweiss General Insurance Company Limited
Edelweiss Housing Finance Limited
Edelweiss Investment Adviser Limited
Edelweiss Retail Finance Limited
Edelweiss Rural & Corporate Services Limited
Edelweiss Securities And Investments Private Limited
Edelweiss Tokio Life Insurance Company Limited

e. Fellow subsidiaries with whom transactions have taken place

Edelweiss Securities Limited (upto May 3, 2020)
Edelweiss Custodial Services Limited
Edelweiss Finance and Investments Limited
ESL Securities Limited

f. Associate of Holding Company (w.e.f. March 27, 2021)

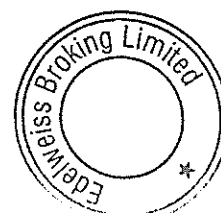
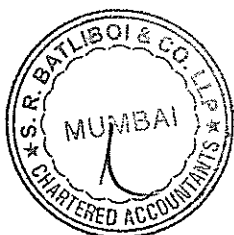
Edelweiss Capital Services Limited

g. Fellow subsidiary of the ultimate parent Company with whom transactions have taken place

PAG Investment Advisors Pte. Ltd.
Asia Pragati Strategic Investment Fund

h. Key Management Personnel (KMP)

Ashish Kehair - Non Executive Director (w.e.f. March 19, 2021)
Biren Shah - Executive Director (resigned on December 31, 2021)
Kamala Kantharaj - Non Executive Director (w.e.f. September 21, 2021)
Pankaj Razdan - Non Executive Director (resigned on January 7, 2022)
Prashant Mody - Executive Director (Non Executive director till September 30, 2020)
Puja D'Souza - Non - Executive Director (resigned on March 19, 2021)
Rahul Jain - Managing Director & Chief Executive Officer (w.e.f. December 31, 2021)
Rajesh Save - Non - Executive Director (resigned on August 11, 2020)
Rashmi Nagori - Non-Executive Director (resigned on February 17, 2022)
Vinod Juneja - Independent Director (w.e.f. February 17, 2022)
Birendra Kumar - Independent Director (w.e.f. February 17, 2022)
Viral Thanawala - Chief Financial Officer (w.e.f. April 1, 2021)
Mahadev Gole - Manager (Resigned on December 1, 2020)
Prachi Mathur - Company Secretary (w.e.f. July 19, 2021)



Edelweiss Broking Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2022

(Currency: Indian rupees in millions)

39 Disclosure as required by Ind AS 24 - "Related Party Disclosure"(Continued)

i. Key Management Personnel of Parent Company with whom transactions have taken place

Ashish Kehair - Managing Director & Chief Executive Officer (w.e.f. September 21, 2021)

Nitin Jain -Managing Director and Chief Executive Officer, Executive Director (Managing Director w.e.f. April 1, 2021 to April 7, 2021) (Chief Executive Officer- w.e.f. April 1, 2021 to August 30, 2021)(Executive Director- w.e.f. April 7, 2021 to September 30, 2021)

Pankaj Razdan - Executive Director (appointed w.e.f. April 7, 2021 and resigned on January 11, 2022)

Shiv Saigal - Executive Director (w.e.f. January 11, 2022)

Shivaraman Iyer - Chief Financial Officer (w.e.f. April 1, 2021)

j. Relatives of Key Management Personnel of Ultimate Holding Company with whom transactions have taken place

(Upto March 26, 2021)

Neel Shah

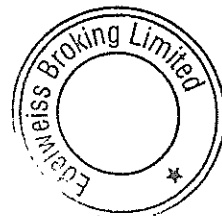
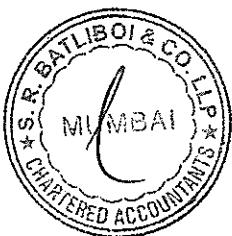
k. Enterprise over which Key Management Personnel of Ultimate Holding Company exercises significant influence, with whom transactions have taken place

(Upto March 26, 2021)

Mabella Investment Adviser LLP

Notes :-

- 1 Edelweiss Securities Limited has purchased 100% equity shares (Stake) of Edelweiss Broking Limited from Edelweiss Financial Services Limited on May 4, 2020.
- 2 During the previous year, the controlling stake in the Edelweiss Securities Limited, the Parent Company, was transferred by its erstwhile Ultimate Parent, Edelweiss Financial Services Limited ("EFSL"), to Edelweiss Global Wealth Management Limited ("EGWML"), the new parent entity, as a part of the overall transaction consummated with PAGAC Ecstasy Pte. Ltd ('PAG'). PAG has infused CCDs in EGWML whereby it acquired controlling interest in relation to the Wealth Management business only.
- 3 The Wealth Management Business undertaking was demerged from Edelweiss Global Wealth Management Limited (EGWML) into Edelweiss Securities Limited (ESL) vide NCLT order dated March 31, 2022. Accordingly, all related party balances outstanding as at March 31, 2022 relating to Wealth Management Business undertaking of EGWML are considered to be transacted with ESL and disclosed accordingly.
- 4 Pursuant to merger of EC Commodity Limited and demerger of ECap Equities Limited into Edel Land Limited, all the Related Party Transactions transacted with EC Commodity Limited and ECap Equities Limited for March 31, 2021 and March 31, 2022 and the outstanding balances thereof, as at the end of the year relating to EC Commodity Limited and ECap Equities Limited are considered to be transacted with have been reported under Edel Land Limited.
- 5 Edelweiss Finvest Limited (formerly Edelweiss Finvest Private Limited) was merged into Edel Finance Company Limited with effect from April 09, 2021. Hence all related party transactions transacted during the year and the outstanding balances thereof, as at the end of the year relating to the Merged entity are considered to be transacted with Edel Finance Company Limited and disclosed accordingly.



Edelweiss Broking Limited

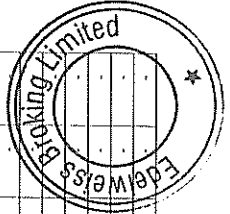
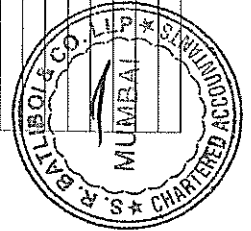
for the year ended Mar 31, 2022

(Currency: Indian rupees in millions)

39 Disclosure as required by Ind AS 24 – "Related Party Disclosure" (Continued):

Transactions with related parties:

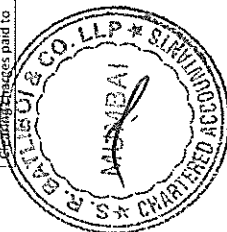
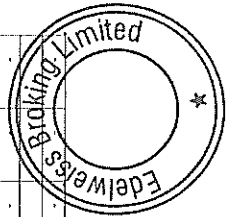
Nature of Transaction	Related party name	March 31, 2022									
		Parent of Holding Company	Holding Company	Fellow subsidiary of the ultimate Parent Company with whom transactions have taken place during the period	Entities who exercises significant influence over Holding Company	Fellow Subsidiaries	Subsidiaries/ Associate/JV of Entity exerting significant influence with whom the Company has transactions	Associate of Holding Company	KNPs	KNP of Holding Company	Relatives of KNPs
Capital account transactions											
Issue of equity shares to	Edelweiss Securities Limited	-	1,000.00	-	-	-	-	-	-	-	-
Current account transactions											
Loans taken from (Total Transactions)	Allium Finance Private Limited	-	-	-	-	-	900.00	-	-	-	-
	Edel Finance Company Limited	-	-	-	-	-	1,300.00	-	-	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	19,625.90	-	-	-	-	-
Loan repaid to (Total Transactions)	Allium Finance Private Limited	-	-	-	-	-	900.00	-	-	-	-
	Edel Finance Company Limited	-	-	-	-	-	1,300.00	-	-	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	21,765.90	-	-	-	-	-
Inter Corporate Deposit (ICD) taken from	Edelweiss Securities Limited	-	900.00	-	-	-	-	-	-	-	-
Inter Corporate Deposit (ICD) paid to	Edelweiss Securities Limited	-	900.00	-	-	-	-	-	-	-	-
Secondary market transactions with clearing house											
Margin placed with (Total Transactions)	Edelweiss Custodial Services Limited	-	-	-	-	140,366.80	-	-	-	-	-
Margin withdrawn from (Total Transactions)	Edelweiss Custodial Services Limited	-	-	-	-	138,355.86	-	-	-	-	-
Brokerage income received from	Edel Land Limited	-	-	-	-	-	3.66	-	-	-	-
	Edel Land Limited #	-	-	-	-	-	0.87	-	-	-	-
	Edelweiss Asset Management Limited	-	-	-	-	-	0.16	-	-	-	-
	Edelweiss Tokio Life Insurance Company Limited	-	-	-	-	-	0.14	-	-	-	-
	Key Managerial Personnel	-	-	-	-	-	-	-	0.25	-	-
	Key Managerial Personnel of Holding Company *	-	-	-	-	-	-	-	-	0.00	-
	Relatives of Key Managerial Personnel *	-	-	-	-	-	-	-	-	-	0.00
Commission/ Referral Fees/ Research/fees income received from	Edel Finance Company Limited	-	-	-	-	-	23.58	-	-	-	-
	Edel Land Limited	-	-	-	-	-	188.63	-	-	-	-
	Edel Land Limited #	-	-	-	-	-	307.12	-	-	-	-
	Edelweiss Alternative Asset Advisors Limited	-	-	-	-	-	310.53	-	-	-	-
	Edelweiss Asset Management Limited	-	-	-	-	-	22.48	-	-	-	-
	Edelweiss Custodial Services Limited	-	-	-	-	101.13	-	-	-	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	256.24	-	-	-	-	-
	Edelweiss Financial Services Limited	-	-	-	-	411.56	-	-	-	-	-
	Edelweiss Gallagher Insurance Brokers Limited	-	-	-	-	-	5.65	-	-	-	-
	Edelweiss General Insurance Company Limited	-	-	-	-	-	3.61	-	-	-	-
	Edelweiss Global Wealth Management Limited	1.88	-	-	-	-	-	-	-	-	-
	Edelweiss Securities Limited	-	1.88	-	-	-	-	-	-	-	-
	Edelweiss Tokio Life Insurance Company Limited	-	-	-	-	-	99.57	-	-	-	-
	ESL Securities Limited	-	-	-	-	11.55	-	-	-	-	-



39 Disclosure as required by Ind AS 24 – "Related Party Disclosure" (Continued):

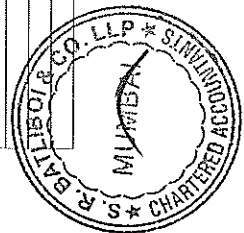
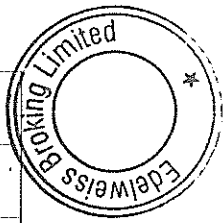
Transactions with related parties:

Nature of Transaction	Related party name	March 31, 2022									
		Parent of Holding Company	Holding Company	Fellow subsidiary of the ultimate Parent Company with whom transactions have taken place during the period	Entities who exercises significant influence over Holding Company	Fellow Subsidiaries	Subsidiaries/ Associate/ JV of Entity exercising significant influence with whom the Company has transactions	Associate of Holding Company	KMPs	KMP of Holding Company	Relatives of KMPs
Referral Charges paid to	PAG Investment Advisors Pte. Ltd.	-	-	41.21	-	-	-	-	-	-	-
Liquidity Support charges paid to	Asia Pragati Strategic Investment Fund	-	-	100.00	-	-	-	-	-	-	-
Rental Income from	ECL Finance Limited	-	-	-	-	-	0.86	-	-	-	-
	Edelcap Securities Limited	-	-	-	-	-	0.07	-	-	-	-
	Edelweiss Alternative Asset Advisors Limited	-	-	-	-	-	0.07	-	-	-	-
	Edelweiss Asset Management Limited	-	-	-	-	-	0.25	-	-	-	-
	Edelweiss Asset Reconstruction Company Limited	-	-	-	-	-	0.98	-	-	-	-
	Edelweiss Capital Services Limited	-	-	-	-	-	-	0.14	-	-	-
	Edelweiss Custodial Services Limited	-	-	-	-	1.06	-	-	-	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	18.86	-	-	-	-	-
	Edelweiss Gallagher Insurance Brokers Limited	-	-	-	-	-	1.11	-	-	-	-
	Edelweiss Global Wealth Management Limited	0.14	-	-	-	-	-	-	-	-	-
	Edelweiss Housing Finance Limited	-	-	-	-	-	-	-	-	-	-
	Edelweiss Retail Finance Limited	-	-	-	-	-	0.10	-	-	-	-
	Edelweiss Rural & Corporate Services Limited	-	-	-	-	-	0.31	-	-	-	-
	Edelweiss Securities Limited	-	2.29	-	-	-	0.11	-	-	-	-
Interest paid on loan to	Allum Finance Private Limited	-	-	-	-	-	16.51	-	-	-	-
	Edel Finance Company Limited	-	-	-	-	-	27.35	-	-	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	245.20	-	-	-	-	-
Interest paid on Inter-Corporate Deposit paid to	Edelweiss Securities Limited	-	20.69	-	-	-	-	-	-	-	-
Interest income on debt instrument	Edelweiss Finance and Investments Limited	-	-	-	-	1.59	-	-	-	-	-
Interest received on margin from	Edelweiss Custodial Services Limited	-	-	-	-	306.01	-	-	-	-	-
Rent paid to	ECL Finance Limited	-	-	-	-	-	0.23	-	-	-	-
	Edelweiss Alternative Asset Advisors Limited	-	-	-	-	-	0.09	-	-	-	-
	Edelweiss Custodial Services Limited	-	-	-	-	96.75	-	-	-	-	-
	Edelweiss Global Wealth Management Limited	0.24	-	-	-	-	-	-	-	-	-
	Edelweiss Housing Finance Limited	-	-	-	-	-	0.03	-	-	-	-
	Edelweiss Retail Finance Limited	-	-	-	-	-	0.02	-	-	-	-
	Edelweiss Rural & Corporate Services Limited	-	-	-	-	-	0.31	-	-	-	-
	Edelweiss Securities Limited	-	0.08	-	-	-	-	-	-	-	-
Interest charges paid to	Edelweiss Custodial Services Limited	-	-	-	-	66.60	-	-	-	-	-



Transactions with related parties :

Nature of Transaction	Related party name	March 31, 2022							KMP of Holding Company	Relatives of KMPs
		Parent of Holding Company	Holding Company	Follow subsidiary of the ultimate Parent Company with whom transactions have taken place during the period	Entities who exercises significant influence over Holding Company	Follow Subsidiaries	Subsidiaries/ Associate/JV of Entity exercising significant influence with whom the Company has transactions	Associate of Holding Company		
Software usage charges paid to	Edelweiss Global Wealth Management Limited	98.55	-	-	-	-	-	-	-	-
Enterprise/ Corporate cost paid to	Edelweiss Securities Limited	-	98.80	-	-	-	-	-	-	-
Rating support fees paid to	Edelweiss Rural & Corporate Services Limited	-	-	-	-	-	0.02	-	-	-
Delayed payment interest recovered from	Edelcap Securities Limited *	-	-	-	-	-	0.00	-	-	-
Employee Stock Option Cost paid to	Edelweiss Financial Services Limited	-	-	-	16.37	-	-	-	-	-
	Edelweiss Securities Limited	-	37.33	-	-	-	-	-	-	-
Employee Stock Appreciation Rights Cost paid to	Edelweiss Financial Services Limited	-	-	-	7.21	-	-	-	-	-
Employee Stock Option Cost reversed	Edelweiss Financial Services Limited	-	-	-	30.26	-	-	-	-	-
Employee Stock Appreciation Rights Cost reversed	Edelweiss Financial Services Limited	-	-	-	7.12	-	-	-	-	-
Insurance premium paid to	Edelweiss General Insurance Company Limited	-	-	-	-	-	48.50	-	-	-
	Edelweiss Tokio Life Insurance Company Limited	-	-	-	-	-	22.84	-	-	-
Purchase of securities from	Edelweiss Finance and Investments Limited	-	-	-	-	3,133.72	-	-	-	-
	Edelweiss Gallagher Insurance Brokers Limited	-	-	-	-	-	513.81	-	-	-
	Edelweiss Rural & Corporate Services Limited	-	-	-	-	-	115.88	-	-	-
	Edelweiss Securities And Investments Private Limited	-	-	-	-	-	0.69	-	-	-
Sale of securities to	Edelweiss Finance and Investments Limited	-	-	-	-	115.91	-	-	-	-
	Key Managerial Personnel	-	-	-	-	-	-	-	12.43	-
Issuance of Non Convertible Debentures to	Edelweiss Finance and Investments Limited	-	-	-	-	717.84	-	-	-	-
Subscription of Non Convertible Debentures of	Edel Land Limited	-	-	-	-	-	504.19	-	-	-
Cost reimbursement paid to	ECL Finance Limited	-	-	-	-	-	0.24	-	-	-
	Edel Land Limited	-	-	-	-	-	0.14	-	-	-
	Edel Land Limited #	-	-	-	-	-	0.36	-	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	0.03	-	-	-	-
	Edelweiss Financial Services Limited	-	-	-	1.66	-	-	-	-	-
	Edelweiss Retail Finance Limited *	-	-	-	-	-	0.00	-	-	-
	Edelweiss Rural & Corporate Services Limited	-	-	-	-	-	5.81	-	-	-
	Edelweiss Securities Limited	-	164.25	-	-	-	-	-	-	-



Edelweiss Broking Limited

for the year ended Mar 31, 2022

(Currency: Indian rupees in millions)

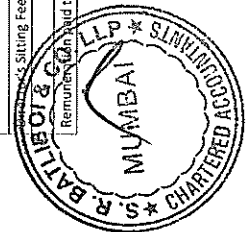
39 Disclosure as required by Ind AS 24 - "Related Party Disclosure" (Continued):

Transactions with related parties:

Nature of Transaction	Related party name	March 31, 2022									
		Parent of Holding Company	Holding Company	Fellow subsidiary of the ultimate Parent Company with whom transactions have taken place during the period	Entities who exercises significant influence over Holding Company	Fellow Subsidiaries	Subsidiaries/ Associate/JV of Entity exercising significant influence with whom the Company has transactions	Associate of Holding Company	KMPs	KMP of Holding Company	Relatives of KMPs
Cost reimbursement recovered from	Edelweiss Asset Management Limited *	-	-	-	-	-	0.00	-	-	-	-
	Edelweiss Custodial Services Limited	-	-	-	-	0.04	-	-	-	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	82.30	-	-	-	-	-
	Edelweiss Gallagher Insurance Brokers Limited	-	-	-	-	-	0.02	-	-	-	-
	Edelweiss Housing Finance Limited	-	-	-	-	-	0.08	-	-	-	-
	ESI Securities Limited *	-	-	-	-	0.00	-	-	-	-	-
Purchase of Property, Plant and Equipment & Intangible Assets from	ECL Finance Limited	-	-	-	-	-	-	-	-	-	-
	Edel Finance Company Limited	-	-	-	-	-	0.01	-	-	-	-
	Edel Land Limited #	-	-	-	-	-	0.01	-	-	-	-
	Edelcap Securities Limited *	-	-	-	-	-	0.00	-	-	-	-
	Edelweiss Asset Management Limited	-	-	-	-	-	0.01	-	-	-	-
	Edelweiss Capital Services Limited *	-	-	-	-	-	-	-	-	-	-
	Edelweiss Comtrade Limited	-	-	-	-	-	0.01	-	-	-	-
	Edelweiss Custodial Services Limited	-	-	-	-	0.03	-	-	-	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	0.10	-	-	-	-	-
	Edelweiss Financial Services Limited	-	-	-	0.15	-	-	-	-	-	-
	Edelweiss Gallagher Insurance Brokers Limited	-	-	-	-	-	0.10	-	-	-	-
	Edelweiss Global Wealth Management Limited	0.23	-	-	-	-	-	-	-	-	-
	Edelweiss Housing Finance Limited *	-	-	-	-	-	-	-	-	-	-
	Edelweiss Investment Adviser Limited	-	-	-	-	-	0.00	-	-	-	-
	Edelweiss Retail Finance Limited *	-	-	-	-	-	0.01	-	-	-	-
	Edelweiss Rural & Corporate Services Limited	-	-	-	-	-	0.00	-	-	-	-
	Edelweiss Securities Limited	-	0.26	-	-	-	0.05	-	-	-	-
	ESI Securities Limited	-	-	-	-	0.08	-	-	-	-	-
Sale of Property, Plant and Equipment & Intangible Assets to	Edelgive Foundation *	-	-	-	-	-	-	-	-	-	-
	Edelweiss Asset Management Limited *	-	-	-	-	-	0.00	-	-	-	-
	Edelweiss Capital Services Limited	-	-	-	-	-	0.00	-	-	-	-
	Edelweiss Custodial Services Limited	-	-	-	-	0.02	-	0.01	-	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	0.06	-	-	-	-	-
	Edelweiss Financial Services Limited	-	-	-	0.05	-	-	-	-	-	-
	Edelweiss Gallagher Insurance Brokers Limited *	-	-	-	-	-	0.00	-	-	-	-
	Edelweiss Global Wealth Management Limited	0.02	-	-	-	-	-	-	-	-	-
	Edelweiss Rural & Corporate Services Limited	-	-	-	-	-	0.03	-	-	-	-
	Edelweiss Securities Limited	-	0.34	-	-	-	-	-	-	-	-
	ESI Securities Limited *	-	-	-	-	0.00	-	-	-	-	-
	Independent Directors	-	-	-	-	-	-	-	0.04	-	-
	Key Managerial Personnel	-	-	-	-	-	-	-	29.81	-	-

Remuneration paid to

Remuneration paid to

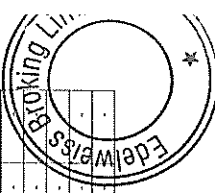
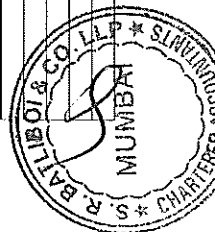


(Currency: Indian rupees in millions)

39 Disclosure as required by Ind AS 24 – "Related Party Disclosure" (Continued):

Transactions with related parties :

Nature of Transaction	Related party name	March 31, 2022							KMPs	Associate of Holding Company	KMP of Holding Company	Relatives of KMPs
		Parent of Holding Company	Holding Company	Fellow subsidiary of the ultimate Parent Company with whom transactions have taken place during the period	Entities who exercises significant influence over Holding Company	Fellow Subsidiaries	Subsidiaries/ Associate/JV of Entity exercising significant influence with whom the Company has transactions	Associate of Holding Company				



39 Disclosure as required by Ind AS 24 – "Related Party Disclosure" (Continued):

Transactions with related parties :

Nature of Transaction	Related party name	March 31, 2022							Relatives of KMPs
		Parent of Holding Company	Holding Company	Fellow subsidiary of the ultimate Parent Company with whom transactions have taken place during the period	Entities who exercises significant influence over Holding Company	Fellow Subsidiaries	Subsidiaries/ Associate/JV of Entity exercising significant influence with whom the Company has transactions	Associate of Holding Company	KMP of Holding Company
Other receivables from	ECL Finance Limited	-	-	-	-	-	0.09	-	-
	Edel Finance Company Limited	-	-	-	-	-	0.38	-	-
	Edelweiss Asset Management Limited	-	-	-	-	-	0.15	-	-
	Edelweiss Custodial Services Limited	-	-	-	-	0.06	-	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	82.30	-	-	-
	Edelweiss Financial Services Limited	-	-	-	-	0.87	-	-	-
	Edelweiss Rural & Corporate Services Limited	-	-	-	-	-	0.14	-	-
	Edelweiss Securities Limited	-	4.92	-	-	-	-	-	-
Vendor Advance given to	Edelweiss Tokio Life Insurance Company Limited	-	-	-	-	-	20.69	-	-
Debt instruments held	Edel Land Limited	-	-	-	-	-	504.19	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	0.25	-	-	-
Accrued interest on debt instruments held	Edelweiss Finance and Investments Limited *	-	-	-	-	0.00	-	-	-
Accrued interest on Margin placed with	Edelweiss Custodial Services Limited	-	-	-	-	91.68	-	-	-
Margin placed with	Edelweiss Custodial Services Limited	-	-	-	-	9,039.24	-	-	-
Off Balance sheet balances									
Liquidity support availed from	Asia Pragati Strategic Investment Fund	-	-	10,000.00	-	-	-	-	-
Corporate Guarantee availed from	Edelweiss Securities Limited	-	4,000.00	-	-	-	-	-	-

* Indicates amount less than 0.00 million

Notes :-

1. Margin money placed with/ refund received from related parties are disclosed based on the total amounts placed/ refunded during the reporting period.

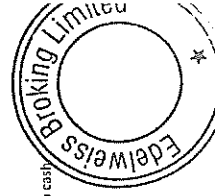
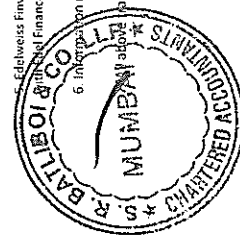
2. The intra group Company loans are generally in the nature of revolving demand loans. Loan taken from parties are disclosed based on actual amount taken/repaid during the reporting period.

3. The Wealth Management Business undertaking was demerged from Edelweiss Global Wealth Management Limited (EGWML) into Edelweiss Securities Limited (ESL) vide NCLT order dated March 31, 2022. Accordingly, all related party balances outstanding as at March 31, 2022 relating to Wealth Management Business undertaking of EGWML are considered to be transacted with ESL and disclosed accordingly.

4. Pursuant to merger of EC Commodity Limited and demerger of ECap Equities Limited into Edel Land Limited, all the Related Party Transactions transacted with EC Commodity Limited and ECap Equities Limited for March 31, 2021 and March 31, 2022 and the outstanding balances thereof, as at the end of the year relating to EC Commodity Limited and ECap Equities Limited are considered to be transacted with Edel Land Limited.

5. Edelweiss Finvest Limited (formerly Edelweiss Finvest Private Limited) was merged into Edel Finance Company Limited with effect from April 09, 2021. Hence all related party transactions transacted during the year and the outstanding balances thereof, as at the end of the year relating to the Merged entity are considered to be transacted with Edel Finance Company Limited and disclosed accordingly.

6. Information relating to remuneration paid to Key Managerial Person mentioned above excludes provision made for gratuity and compensated absence which are provided for group of employees on an overall basis. These are included on cash basis. The variable compensation included herein is on cash basis. Transactions are in the ordinary course of business and are at arms length price.



Edelweiss Broking Limited

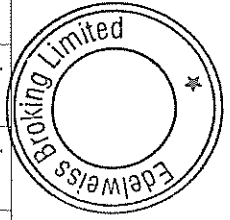
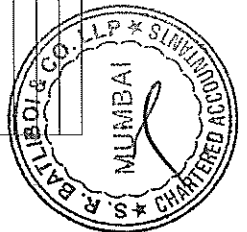
for the year ended Mar 31, 2022

(Currency: Indian rupees in millions)

39 Disclosure as required by Ind AS 24 – "Related Party Disclosure" (Continued):

Transactions with related parties :

Nature of Transaction	Related party name	March 31, 2021							Ultimate Holding Company	Parent of Holding Company	Holding Company	Entities who exercises significant influence over Holding Company	Fellow Subsidiaries	Subsidiaries/ Associate/JV of Entity exercising significant influence with whom the Company has transactions	KNPs	KNP of Holding Company	Relatives of KNPs of Ultimate Holding Company
<u>Capital account transactions</u>																	
Issue of equity shares to	Edelweiss Securities Limited								-	-	1,700.00					-	-
<u>Current account transactions</u>																	
Loans taken from (Total Transactions)	Edel Finance Company Limited								-	-	-	-	1,000.00			-	-
	Edelweiss Finance and Investments Limited								-	-	-	-	15,498.80			-	-
	Edelweiss Rural & Corporate Services Limited								-	-	-	-	1,216.10			-	-
	Edelweiss Securities And Investments Private Limited								-	-	-	-	1,324.40			-	-
	Edelweiss Securities Limited								-	-	600.00		-			-	-
	ESL Securities Limited								-	-	-		98.40			-	-
Loan repaid to (Total Transactions)	Edel Finance Company Limited								-	-	-	-	1,000.00			-	-
	Edelweiss Finance and Investments Limited								-	-	-	-	15,059.30			-	-
	Edelweiss Rural & Corporate Services Limited								-	-	-	-	1,219.62			-	-
	Edelweiss Securities And Investments Private Limited								-	-	-	-	1,324.40			-	-
	Edelweiss Securities Limited								-	-	600.00		-			-	-
	ESL Securities Limited								-	-	-		98.40			-	-
<u>Secondary market transactions with clearing house</u>																	
Margin placed with (Total Transactions)	Edelweiss Custodial Services Limited								-	-	-	-	182,320.34			-	-
Margin withdrawn from (Total Transactions)	Edelweiss Custodial Services Limited								-	-	-	-	179,441.16			-	-
Margin placed by	ECL Finance Limited								-	-	-	-	3,000.00			-	-
	Edel Land Limited								-	-	-	-	1,000.00			-	-
Margin withdrawn by	ECL Finance Limited								-	-	-	-	3,000.00			-	-
	Edel Land Limited								-	-	-	-	1,000.00			-	-
Brokerage income received from	Edel Land Limited # #								-	-	-	-	3.05			-	-
	Edelweiss Asset Management Limited								-	-	-	-	0.45			-	-
	Edelweiss Securities And Investments Private Limited								-	-	-	-	0.18			-	-
	Edelweiss Tokio Life Insurance Company Limited *								-	-	-	-	0.54			-	-
	Key Managerial Personnel								-	-	-	-	-			0.04	-
	Key Managerial Personnel of Holding Company								-	-	-	-	-			-	-
	Relatives of Key Managerial Personnel of Ultimate Holding Company *								-	-	-	-	-			0.20	-
									-	-	-	-	-			-	0.00



Edelweiss Broking Limited

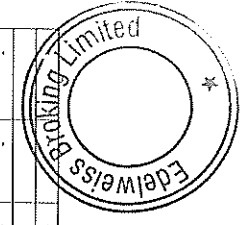
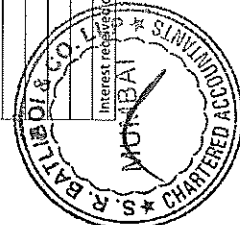
for the year ended Mar 31, 2022

(Currency: Indian rupees in millions)

39 Disclosure as required by Ind AS 24 - "Related Party Disclosure" (Continued):

Transactions with related parties:

Nature of Transaction	Related party name	March 31, 2021						
		Ultimate Holding Company	Parent of Holding Company	Holding Company	Entities who exercises significant influence over Holding Company	Fellow Subsidiaries	Subsidiaries/JV of Entity exercising significant influence with whom the Company has transactions	KMPs
Commission/ Referral Fees/ Research/fees income received from	ECL Finance Limited	-	-	-	-	0.10	-	-
	Edel Finance Company Limited	-	-	-	-	36.93	0.31	-
	Edel Land Limited #	-	-	-	-	73.29	4.01	-
	Edelweiss Alternative Asset Advisors Limited	-	-	-	-	225.93	2.59	-
	Edelweiss Asset Management Limited	-	-	-	-	23.85	2.19	-
	Edelweiss Asset Reconstruction Company Limited	-	-	-	-	5.73	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	123.58	-	-
	Edelweiss Financial Services Limited	158.58	-	-	1.15	-	-	-
	Edelweiss General Insurance Company Limited	-	-	-	-	5.73	0.32	-
	Edelweiss Global Wealth Management Limited	-	0.03	-	-	1.09	-	-
	Edelweiss Investment Adviser Limited	-	-	-	-	0.01	-	-
	Edelweiss Securities Limited	-	-	1.96	-	0.19	-	-
	Edelweiss Tokio Life Insurance Company Limited	-	-	-	-	69.37	2.16	-
Rental income from	ECL Finance Limited	-	-	-	-	1.95	(0.05)	-
	Edel Investments Limited	-	-	-	-	0.01	-	-
	Edel Finance Company Limited	-	-	-	-	0.44	-	-
	Edelcap Securities Limited	-	-	-	-	-	0.01	-
	Edelweiss Asset Management Limited	-	-	-	-	1.56	(0.02)	-
	Edelweiss Asset Reconstruction Company Limited	-	-	-	-	1.25	(0.02)	-
	Edelweiss Comtrade Limited	-	-	-	-	0.01	-	-
	Edelweiss Custodial Services Limited	-	-	-	-	0.38	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	18.99	-	-
	Edelweiss Financial Services Limited	0.33	-	-	-	-	-	-
	Edelweiss Gallagher Insurance Brokers Limited	-	-	-	-	2.61	0.01	-
	Edelweiss General Insurance Company Limited	-	-	-	-	0.01	-	-
	Edelweiss Global Wealth Management Limited	-	-	-	-	0.07	-	-
	Edelweiss Housing Finance Limited	-	-	-	-	0.04	-	-
	Edelweiss Investment Adviser Limited	-	-	-	-	0.29	-	-
	Edelweiss Retail Finance Limited *	-	-	-	-	0.09	0.00	-
	Edelweiss Rural & Corporate Services Limited	-	-	-	-	0.55	(0.02)	-
	Edelweiss Securities Limited	-	-	2.81	-	0.34	-	-
Interest paid on loan to	Edel Finance Company Limited	-	-	-	-	42.50	0.10	-
	Edelweiss Finance and Investments Limited	-	-	-	-	116.21	-	-
	Edelweiss Rural & Corporate Services Limited	-	-	-	-	19.11	-	-
	Edelweiss Securities And Investments Private Limited	-	-	-	-	13.41	-	-
	Edelweiss Securities Limited	-	-	2.06	-	-	-	-
	ESL Securities Limited	-	-	-	-	2.30	-	-
Interest retention margin from	Edelweiss Custodial Services Limited	-	-	-	-	177.76	-	-



Edelweiss Broking Limited

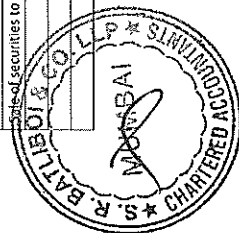
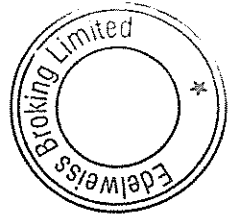
for the year ended Mar 31, 2022

(Currency: Indian Rupees in millions)

39 Disclosure as required by Ind AS 24 – "Related Party Disclosure" (Continued):

Transactions with related parties :

Nature of Transaction	Related party name	March 31, 2021							Ultimate Holding Company	Parent of Holding Company	Holding Company	Entities who exercises significant influence over Holding Company	Fellow Subsidiaries	Subsidiaries/ Associate/ JV of Entity exercising significant influence with whom the Company has transactions	KMPs	KMP of Holding Company	Relatives of KMPs of Ultimate Holding Company
Rent paid to	ECL Finance Limited	-	-	-	-	-	-	-	-	-	-	-	4.32	0.03	-	-	-
	Edel Land Limited #	-	-	-	-	-	-	-	-	-	-	-	38.63	0.38	-	-	-
	Edelweiss Asset Management Limited	-	-	-	-	-	-	-	-	-	-	-	1.24	-	-	-	-
	Edelweiss Custodial Services Limited	-	-	-	-	-	-	-	-	-	-	-	2.03	-	-	-	-
	Edelweiss Global Wealth Management Limited	-	-	-	-	-	-	-	-	-	-	-	9.32	-	-	-	-
	Edelweiss Housing Finance Limited *	-	-	-	-	-	-	-	-	-	-	-	0.09	(0.00)	-	-	-
	Edelweiss Retail Finance Limited	-	-	-	-	-	-	-	-	-	-	-	0.29	(0.02)	-	-	-
	Edelweiss Rural & Corporate Services Limited	-	-	-	-	-	-	-	-	-	-	-	39.33	0.53	-	-	-
	Edelweiss Securities Limited	-	-	-	-	-	-	-	-	-	-	-	0.02	-	-	-	-
Clearing charges paid to	Edelweiss Custodial Services Limited	-	-	-	-	-	-	-	-	-	-	-	68.55	-	-	-	-
Software usage charges paid to	Edelweiss Global Wealth Management Limited	-	-	-	-	-	-	-	-	-	-	-	115.07	-	-	-	-
Enterprise/ Corporate cost paid to	Edelweiss Financial Services Limited	9.46	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Edelweiss Rural & Corporate Services Limited	-	-	-	-	-	-	-	-	-	-	-	86.67	0.51	-	-	-
Rating support fees paid to	Edelweiss Rural & Corporate Services Limited *	-	-	-	-	-	-	-	-	-	-	-	0.01	0.00	-	-	-
	Edelweiss Financial Services Limited *	0.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Delayed payment interest recovered from	Edelcap Securities Limited	-	-	-	-	-	-	-	-	-	-	-	-	0.00	-	-	-
	Edelweiss Securities And Investments Private Limited *	-	-	-	-	-	-	-	-	-	-	-	0.00	-	-	-	-
Employee Stock Option Cost paid to	Edelweiss Financial Services Limited	14.64	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Employee Stock Appreciation Rights Cost paid to	Edelweiss Financial Services Limited	8.70	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance premium paid to	Edelweiss General Insurance Company Limited	-	-	-	-	-	-	-	-	-	-	-	33.57	1.11	-	-	-
Purchase of securities from	ECL Finance Limited	-	-	-	-	-	-	-	-	-	-	-	287.90	-	-	-	-
	Edel Land Limited #	-	-	-	-	-	-	-	-	-	-	-	295.38	-	-	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	-	-	-	-	-	-	-	1,959.29	-	-	-	-
	Edelweiss Securities And Investments Private Limited	-	-	-	-	-	-	-	-	-	-	-	31.96	0.13	-	-	-
Sale of securities to	ECL Finance Limited	-	-	-	-	-	-	-	-	-	-	-	47.75	-	-	-	-
	Edel Land Limited #	-	-	-	-	-	-	-	-	-	-	-	258.29	-	-	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	-	-	-	-	-	-	-	346.46	-	-	-	-
	Edelweiss Rural & Corporate Services Limited	-	-	-	-	-	-	-	-	-	-	-	261.31	-	-	-	-



Edelweiss Broking Limited

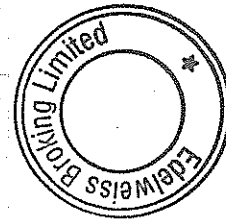
for the year ended Mar 31, 2022

(Currency: Indian rupees in millions)

39 Disclosure as required by Ind AS 24 – "Related Party Disclosure" (Continued):

Transactions with related parties:

Nature of Transaction	Related party name	Ultimate Holding Company	Parent of Holding Company	Holding Company	Entities who exercises significant influence over Holding Company	March 31, 2021		Subsidiaries/ Associate/JV of Entity exerting significant influence with whom the Company has transactions	KMPs of Holding Company	Relatives of KMPs of Ultimate Holding Company
						Follow Subsidiaries				
Cost reimbursement recovered from	ECL Finance Limited	-	-	-	-	0.19	(0.01)	-	-	-
	Edel Finance Company Limited	-	-	-	-	1.01	-	-	-	-
	Edel Land Limited	-	-	-	-	0.14	-	-	-	-
	Edel Land Limited # *	-	-	-	-	0.00	-	-	-	-
	Edelcap Securities Limited *	-	-	-	-	0.00	-	-	-	-
	Edelweiss Asset Management Limited	-	-	-	-	0.32	-	-	-	-
	Edelweiss Asset Reconstruction Company Limited *	-	-	-	-	0.00	-	-	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	0.23	-	-	-	-
	Edelweiss Gallagher Insurance Brokers Limited	-	-	-	-	0.12	-	-	-	-
	Edelweiss Securities And Investments Private Limited	-	-	-	-	25.21	-	-	-	-
Cost reimbursement paid to	Edel Land Limited #	-	-	-	-	0.44	0.07	-	-	-
	Edelweiss Comtrade Limited	-	-	-	-	0.81	-	-	-	-
	Edelweiss Custodial Services Limited	-	-	-	-	0.02	-	-	-	-
	Edelweiss Financial Services Limited	25.22	-	-	0.16	-	-	-	-	-
	Edelweiss Global Wealth Management Limited	-	-	-	-	0.01	-	-	-	-
	Edelweiss Housing Finance Limited	-	-	-	-	0.01	-	-	-	-
	Edelweiss Rural & Corporate Services Limited	-	-	-	-	45.04	0.38	-	-	-
	Edelweiss Securities Limited	-	-	11.65	-	0.22	-	-	-	-
	ECL Finance Limited	-	-	-	-	-	1.52	-	-	-
	Edel Finance Company Limited	-	-	-	-	-	0.01	-	-	-
Purchase of Property, Plant and Equipment & Intangible Assets from	Edel Land Limited	-	-	-	-	-	0.01	-	-	-
	Edel Land Limited #	-	-	-	-	-	0.01	-	-	-
	EdelGive Foundation	-	-	-	-	-	0.01	-	-	-
	Edelweiss Alternative Asset Advisors Limited	-	-	-	-	-	0.04	-	-	-
	Edelweiss Asset Management Limited	-	-	-	-	-	0.02	-	-	-
	Edelweiss Asset Reconstruction Company Limited	-	-	-	-	-	0.01	-	-	-
	Edelweiss Comtrade Limited	-	-	-	-	-	0.06	-	-	-
	Edelweiss Custodial Services Limited	-	-	-	-	0.07	-	-	-	-
	Edelweiss Finance and Investments Limited	-	-	-	0.08	0.05	-	-	-	-
	Edelweiss Financial Services Limited	-	-	-	-	-	-	-	-	-
	Edelweiss Gallagher Insurance Brokers Limited	-	-	-	-	4.17	0.28	-	-	-
	Edelweiss Global Wealth Management Limited	-	-	-	-	-	0.16	-	-	-
	Edelweiss Housing Finance Limited	-	-	-	-	-	0.11	-	-	-
	Edelweiss Investment Adviser Limited	-	-	-	-	-	0.16	-	-	-
	Edelweiss Retail Finance Limited	-	-	-	-	-	3.22	-	-	-
	Edelweiss Rural & Corporate Services Limited	-	-	1.15	-	-	-	-	-	-
	Edelweiss Securities Limited	-	-	-	-	-	-	-	-	-



Edelweiss Broking Limited

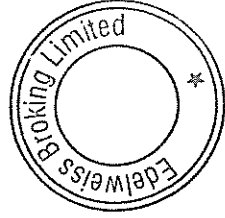
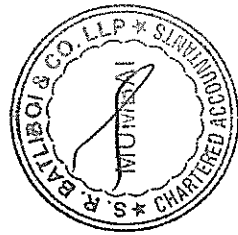
for the year ended Mar 31, 2022

(Currency: Indian Rupees in millions)

39 Discourse as required by Ind AS 24 – "Related Party Disclosure" (Continued):

Transactions with related parties :

Nature of Transaction	Related party name	March 31, 2021						KMPs	KMP of Holding Company	Relatives of KMPs of Ultimate Holding Company
		Ultimate Holding Company	Parent of Holding Company	Holding Company	Entities who exercises significant influence over Holding Company	Fellow Subsidiaries	Subsidiaries/ Associate/ JV of Entity exerting significant influence with whom the Company has transactions			
Sale of Property, Plant and Equipment & Intangible Assets to	ECL Finance Limited	-	-	-	-	0.04	-	-	-	-
	Edel Land Limited # *	-	-	-	-	0.00	-	-	-	-
	Edel Finance Company Limited	-	-	-	-	0.01	-	-	-	-
	Edelcap Securities Limited *	-	-	-	-	0.00	-	-	-	-
	Edelweiss Asset Management Limited *	-	-	-	-	0.00	-	-	-	-
	Edelweiss Contrade Limited	-	-	-	-	0.01	-	-	-	-
	Edelweiss Custodial Services Limited	-	-	-	-	0.05	-	-	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	1.10	-	-	-	-
	Edelweiss Financial Services Limited *	0.00	-	-	-	-	-	-	-	-
	Edelweiss Gallagher Insurance Brokers Limited	-	-	-	-	0.11	-	-	-	-
	Edelweiss General Insurance Company Limited *	-	-	-	-	0.00	-	-	-	-
	Edelweiss Global Wealth Management Limited	-	-	-	-	0.06	-	-	-	-
	Edelweiss Housing Finance Limited	-	-	-	-	0.07	-	-	-	-
	Edelweiss Investment Adviser Limited *	-	-	-	-	0.00	-	-	-	-
	Edelweiss Retail Finance Limited *	-	-	-	-	0.05	-	-	-	-
	Edelweiss Rural & Corporate Services Limited	-	-	-	-	-	-	-	-	-
	Edelweiss Securities Limited	-	-	-	-	-	-	-	-	-
	FSL Securities Limited	-	-	-	-	-	-	-	-	-
Remuneration paid to	Key Managerial Personnel	-	-	-	-	-	-	13.62	-	-
Balances with related parties										
Short term borrowings from	Edelweiss Finance and Investments Limited	-	-	-	-	2,140.00	-	-	-	-
Interest accrued on due loan taken from	Edel Finance Company Limited	-	-	-	-	-	2.01	-	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	18.20	-	-	-	-
	Edelweiss Securities Limited	-	-	-	-	-	-	-	-	-



Edelweiss Broking Limited

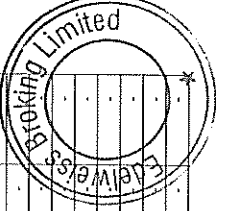
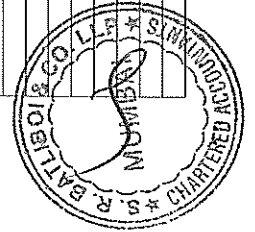
for the year ended Mar 31, 2022

(Currency: Indian rupees in millions)

39 Disclosure as required by Ind AS 24 – "Related Party Disclosure" (Continued):

Transactions with related parties :

Nature of Transaction	Related party name	March 31, 2021							KMPs	KMP of Holding Company	Relatives of KMPs of Ultimate Holding Company
		Ultimate Holding Company	Parent of Holding Company	Holding Company	Entities who exercises significant influence over Holding Company	Fellow Subsidiaries	Subsidiaries/ Associate/JV of Entity exercising significant influence with whom the Company has transactions				
Trade payables to	ECL Finance Limited	-	-	-	-	-	-	-	-	-	
	Edel Land Limited # #	-	-	-	-	-	-	-	-	-	
	Edelcap Securities Limited	-	-	-	-	-	-	-	-	-	
	Edelweiss Alternative Asset Advisors Limited	-	-	-	-	-	-	-	-	-	
	Edelweiss Asset Management Limited	-	-	-	-	-	-	-	-	-	
	Edelweiss Asset Reconstruction Company Limited *	-	-	-	-	-	-	-	-	-	
	Edelweiss Contrade Limited	-	-	-	-	-	-	-	-	-	
	Edelweiss Custodial Services Limited	-	-	-	-	0.08	-	-	-	-	
	Edelweiss Finance and Investments Limited	-	-	-	-	71.88	-	-	-	-	
	Edelweiss Financial Services Limited	-	-	-	1.05	-	-	-	-	-	
	Edelweiss Gallagher Insurance Brokers Limited	-	-	-	-	-	-	-	-	-	
	Edelweiss Housing Finance Limited	-	-	-	-	-	-	-	-	-	
	Edelweiss Investment Adviser Limited	-	-	-	-	-	-	-	-	-	
	Edelweiss Retail Finance Limited *	-	-	-	-	-	-	-	-	-	
	Edelweiss Rural & Corporate Services Limited	-	-	-	-	-	-	-	-	-	
	Edelweiss Securities Limited	-	-	8.50	-	-	-	-	-	-	
	Edelweiss Securities Limited (Refer note 3)	-	-	26.84	-	-	-	-	-	-	
	Key Managerial Personnel	-	-	-	-	-	-	-	0.63	-	
	Key Managerial Personnel of Holding Company	-	-	-	-	-	-	-	-	4.71	
Other payables to		-	-	-	-	-	-	-	-	-	
	Edelweiss Comtrade Limited	-	-	-	-	-	-	-	-	-	
	Edelweiss Finance and Investments Limited	-	-	-	-	0.26	-	-	-	-	
	Edelweiss Financial Services Limited	-	-	-	23.34	-	-	-	-	-	
	Edelweiss Rural & Corporate Services Limited *	-	-	-	-	-	-	-	-	-	
	ESL Securities Limited	-	-	-	-	0.01	-	-	-	-	
Trade receivables from		-	-	-	-	-	-	-	-	-	
	ECL Finance Limited	-	-	-	-	-	-	-	-	-	
	Edel Finance Company Limited	-	-	-	-	-	-	-	-	-	
	Edel Investments Limited	-	-	-	-	-	-	-	-	-	
	Edel Land Limited # #	-	-	-	-	-	-	-	-	-	
	Edelcap Securities Limited *	-	-	-	-	-	-	-	-	-	
	Edelweiss Alternative Asset Advisors Limited	-	-	-	-	-	-	-	-	-	
	Edelweiss Asset Management Limited	-	-	-	-	-	-	-	-	-	
	Edelweiss Asset Reconstruction Company Limited	-	-	-	-	-	-	-	-	-	
	Edelweiss Comtrade Limited	-	-	-	-	-	-	-	-	-	
	Edelweiss Custodial Services Limited	-	-	-	-	-	-	-	-	-	
	Edelweiss Finance and Investments Limited	-	-	-	-	0.05	-	-	-	-	
	Edelweiss Financial Services Limited	-	-	-	-	25.80	-	-	-	-	
	Edelweiss Gallagher Insurance Brokers Limited	-	-	-	15.34	-	-	-	-	-	
	Edelweiss General Insurance Company Limited	-	-	-	-	-	-	-	-	-	
	Edelweiss Retail Finance Limited	-	-	-	-	-	-	-	-	-	
	Edelweiss Rural & Corporate Services Limited	-	-	-	-	-	-	-	-	-	
	Edelweiss Securities Limited	-	-	1.54	-	-	-	-	-	-	
	Edelweiss Securities Limited (Refer note 3)	-	-	1.28	-	-	-	-	-	-	
	Edelweiss Tokio Life Insurance Company Limited	-	-	-	-	-	-	-	-	-	
	ESL Securities Limited	-	-	-	-	0.06	-	-	-	-	



Edelweiss Broking Limited

for the year ended Mar 31, 2022

(Currency: Indian rupees in millions)

39 Disclosure as required by Ind AS 24 – "Related Party Disclosure" (Continued):

Transactions with related parties :

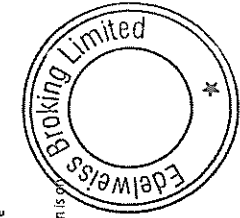
Nature of Transaction	Related party name	March 31, 2021						
		Ultimate Holding Company	Parent of Holding Company	Holding Company	Entities who exercises significant influence over Holding Company	Fellow Subsidiaries	Subsidiaries/ Associate/JV of Entity exercising significant influence with whom the Company has transactions	KMPs
Other receivables from		-	-	-	-	-	0.03	-
	ECL Finance Limited	-	-	-	-	-	1.19	-
	Edel Finance Company Limited	-	-	-	-	-	0.14	-
	Edel Land Limited	-	-	-	-	-	0.00	-
	Edel Land Limited # *	-	-	-	-	-	0.55	-
	Edel Land Limited # #	-	-	-	-	-	0.00	-
	Edelcap Securities Limited *	-	-	-	-	-	0.00	-
	Edelweiss Alternative Asset Advisors Limited *	-	-	-	-	-	0.00	-
	Edelweiss Asset Management Limited	-	-	-	-	-	0.78	-
	Edelweiss Asset Reconstruction Company Limited *	-	-	-	-	-	0.00	-
	Edelweiss Custodial Services Limited	-	-	-	-	0.11	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	0.23	-	-
	Edelweiss Financial Services Limited	-	-	-	2.65	-	-	-
	Edelweiss Investment Adviser Limited	-	-	-	-	-	-	-
	Edelweiss Rural & Corporate Services Limited	-	-	-	-	-	0.01	-
	Edelweiss Securities Limited	-	-	-	-	-	0.74	-
		-	-	0.42	-	-	-	-
Debt instruments held		-	-	-	-	-	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	5.73	-	-
Accrued interest on debt instruments held		-	-	-	-	0.01	-	-
	Edelweiss Finance and Investments Limited	-	-	-	-	-	-	-
Accrued interest on Margin placed with		-	-	-	-	80.03	-	-
	Edelweiss Custodial Services Limited	-	-	-	-	-	-	-
Margin placed with		-	-	-	-	7,028.29	-	-
	Edelweiss Custodial Services Limited	-	-	-	-	-	-	-

* Indicates amount less than 0.00 million

Notes :-

1. Margin money placed with/ refund received from related parties are disclosed based on the total amounts placed/ refunded during the reporting period.
2. The intra group Company loans are generally in the nature of revolving demand loans. Loan taken from parties are disclosed based on actual amount taken/repaid during the reporting period.
3. The Wealth Management Business undertaking was demerged from Edelweiss Global Wealth Management Limited (EGWML) into Edelweiss Securities Limited (ESL) vide NCLT order dated March 31, 2022. Accordingly, all related party balances outstanding as at March 31, 2022 relating to Wealth Management Business undertaking of EGWML are considered to be transacted with ESL and disclosed accordingly.
4. Pursuant to merger of EC Commodity Limited and demerger of ECap Equities Limited into Edel Land Limited, all the Related Party Transactions transacted with EC Commodity Limited and ECap Equities Limited are considered to be transacted with have been reported under Edel Land Limited.
5. Edelweiss Finvest Limited (formerly Edelweiss Finvest Private Limited) was merged into Edel Finance Company Limited with effect from April 09, 2021. Hence all related party transactions transacted during the year and the outstanding balances thereof, as at the end of the year relating to the merged entity are considered to be transacted with Edel Finance Company Limited and disclosed accordingly.

Information relating to remuneration paid to Key Managerial Person mentioned above excludes provision made for gratuity and compensated absence which are provided for group of employees on an overall basis. These are included on cash basis. The variable compensation included herein is on cash basis.



Edelweiss Broking Limited

Notes to the financial statements (*Continued*)
for the year ended March 31, 2022

(Currency : Indian rupees in millions)

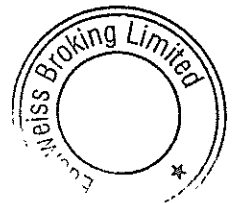
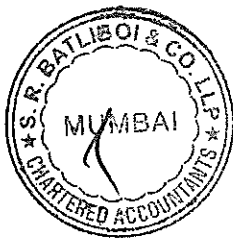
40 Capital management

The primary objectives of the Company's capital management policy are to ensure that the Company maintains healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue new shares or raise/repay debt. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

In addition to above, the Company is required to maintain minimum net worth as prescribed by regulatory authorities. The management ensures that this is complied.

(Also refer note no. 50 (1))



Edelweiss Broking Limited

Notes to the financial statements *(Continued)*

for the year ended March 31, 2022

(Currency: Indian rupees in millions)

41 Risk Management

The Company has operations in India. Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Board has appointed the Risk Committee, which is responsible for monitoring the overall risk process within the Company and reports to the Audit Committee.

The Risk Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits.

The Risk Committee is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The risk team works closely with and reports to the Risk Committee, to ensure that procedures are compliant with the overall framework.

Credit risk

Credit risk is the risk of financial loss the Company may face due to current/potential inability or unwillingness of a customer or counterparty to meet financial/contractual obligations. Credit risk also covers the possibility of losses associated with diminution in the credit quality of receivables and loans. The Company has adopted a policy of dealing with creditworthy counterparties and obtains sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company applies the expected credit loss model for recognising impairment loss. The expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime (Expected Credit Loss (ECL) at each reporting date, right from its initial recognition.



Edelweiss Broking Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2022

(Currency: Indian rupees in millions)

41 Risk Management (Continued)

Credit risk (Continued)

The ageing wise trade receivable use to assess credit risk is as follows:

Bucketing (Ageing)	March 31, 2022 Carrying value	March 31, 2021 Carrying value
0 – 30 Days	2,724.78	873.61
31 – 60 Days	265.79	26.05
61 – 90 Days	3.03	3.71
More than 90 Days	147.19	141.39
Less: Impairment allowance	(144.48)	(98.34)
Total	2,996.31	946.42

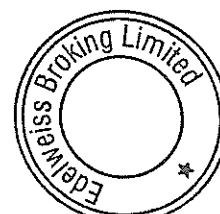
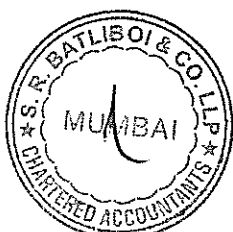
Loans

The Company uses a provision matrix to determine impairment loss allowance on portfolio of its loan receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables. The expected credit loss is a product of exposure at default, probability of default and loss given default. The Company has devised an internal model to evaluate the probability of default and loss given default based on the parameters set out in Ind AS. Accordingly, the loans are classified into various stages as follows:

Internal rating grade	Internal grading description	Stages
Performing		
High grade	0 dpd and 1 to 30 dpd	Stage I
Standard grade	31 to 90 dpd	Stage II
Non-performing		
Individually impaired	90+ dpd	Stage III

Credit loss is the difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Expected Credit Loss (ECL) computation is not driven by any single methodology, however methodology and approach used must reflect the following:

- 1) An unbiased and probability weighted amount that evaluates a range of possible outcomes
- 2) Reasonable and supportable information that is available without undue cost and effort at the reporting date about past events, current conditions and forecasts of future economic conditions;
- 3) Time value of money



Edelweiss Broking Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2022

(Currency: Indian rupees in millions)

41 Risk Management (Continued)

Credit risk (Continued)

While the time value of money element is currently being factored into ECL measurement while discounting cash flows by the Effective Interest Rate (EIR), the objective of developing a macroeconomic model using exogenous macroeconomic variables (MEVs) is to address the first two requirements. This has been achieved by using the model output to adjust the PD risk component in order to make it forward looking and probability-weighted.

a. Significant increase in Credit Risk (SICR)

The Company considers a financial instrument defaulted, classified as Stage 3 (credit-impaired) for ECL calculations, in all cases when the borrower becomes 90 days past due. Classification of assets from stage 1 to stage 2 has been carried out based on SICR criterion. Accounts which are more than 30 days past due have been identified as accounts where significant increase in credit risk has been observed. These accounts have been classified as Stage 2 assets. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

b. Probability of Default (PD)

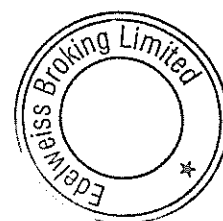
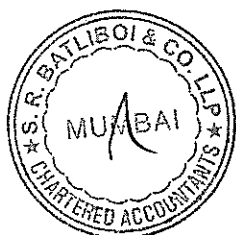
Probability of default (PD) is an estimate of the likelihood of default over a given time horizon. Company calculates the 12 month PD by taking into account the historical trends of the Loans/portfolio and its credit performance. In case of assets where there is a significant increase in credit risk / credit impaired assets, lifetime PD has been applied.

c. Loss Given Default (LGD)

The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money. Since the Company is into the business of lending against securities, haircut of 25% is applied on the value of the collateral, based on basel haircut values for corporate securities. The exposure amount that is over and above the collateral (with haircut) is considered as the effective exposure. The LGD of 65% is used for the unsecured exposure the portfolio carries.

d. Exposure at Default (EAD)

The amount which the borrower will owe to the portfolio at the time of default is defined as Exposure at Default (EAD). While the drawn credit line reflects the explicit exposure for the Company, there might be variable exposure that may increase the EAD. These exposures are of the nature where the Company provides future commitments, in addition to the current credit. Therefore, the exposure will contain both on and off balance sheet values.



Edelweiss Broking Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2022

(Currency: Indian rupees in millions)

41 Risk Management (Continued)

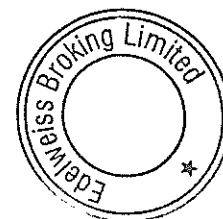
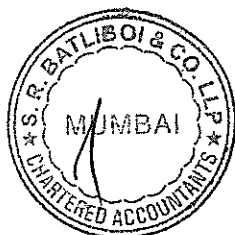
Credit risk (Continued)

Following table provides information about exposure to credit risk and ECL on Loans:

Bucketing (Stage)	March 31, 2022		March 31, 2021	
	Carrying value	ECL	Carrying value	ECL
Stage 1	9,881.87	1.65	2,919.71	1.63
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Total	9,881.87	1.65	2,919.71	1.63

Liquidity risk

Liquidity risk emanates from the possible mismatches due to differences in maturity and repayment profile of assets and liabilities. To avoid such a scenario, the Company has maintained cash reserves in the form of fixed deposits, cash and cash equivalents, etc. These assets carry minimal credit risk and can be liquidated in a very short period of time. These would be to take care of immediate obligations while continuing to honour commitments as a going concern.



Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

41 Risk Management (Continued)

41a(i) Analysis of financial liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities as at year end:
Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Company expects that the counterparties will not request repayment on the earliest date it could be required to pay.

As at March 31, 2022	Less than 3 months	3 months to 6 months	6 months to 12 months	12 months to 3 years	> 3 years	Total
Trade payables	14,129.95	-	-	-	-	14,129.95
Debt securities	5,454.80	76.30	1,181.01	813.50	1,420.03	8,945.64
Borrowings (other than debt securities)	2,249.06	-	-	-	-	2,249.06
Other financial liabilities	804.73	38.65	268.01	185.77	64.53	1,361.69
Total undiscounted financial liabilities	22,638.54	114.95	1,449.02	999.27	1,484.56	26,686.34

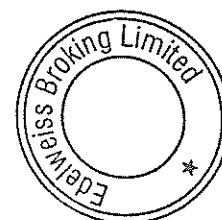
As at March 31, 2021	Less than 3 months	3 months to 6 months	6 months to 12 months	12 months to 3 years	> 3 years	Total
Trade payables	11,074.06	-	-	-	-	11,074.06
Borrowings (other than debt securities)	2,162.18	-	-	-	-	2,162.18
Other financial liabilities	329.75	30.38	68.52	248.84	116.45	793.94
Total undiscounted non-derivative financial liabilities	13,565.99	30.38	68.52	248.84	116.45	14,030.18

41a(ii) Analysis of financial assets by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets as at year ended:

As at March 31, 2022	Less than 3 months	3 months to 6 months	6 months to 12 months	12 months to 3 years	> 3 years	Total
Cash and cash equivalent and other bank balances	3,545.27	1,068.39	1,838.12	2.42	-	6,454.20
Derivative financial instruments	-	-	-	5.24	195.46	200.70
Securities held for trading	1,911.67	-	-	-	-	1,911.67
Trade receivables	2,560.14	10.01	255.04	171.12	-	2,996.31
Loans	489.54	808.70	8,784.70	-	-	10,082.94
Other financial assets	9,888.88	-	13.66	117.68	28.29	10,048.51
Total	18,395.50	1,887.10	10,891.52	296.46	223.75	31,694.33

As at March 31, 2021	Less than 3 months	3 months to 6 months	6 months to 12 months	12 months to 3 years	> 3 years	Total
Cash and cash equivalent and other bank balances	2,510.68	107.17	1,415.04	25.25	-	4,058.14
Securities held for trading	5.75	-	-	-	-	5.75
Trade receivables	946.42	-	-	-	-	946.42
Loans	-	-	2,947.41	-	-	2,947.41
Other financial assets	8,095.90	6.86	18.63	110.88	26.82	8,259.09
Total	11,558.75	114.03	4,381.08	136.13	26.82	16,216.81



Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

41 Risk Management (Continued)

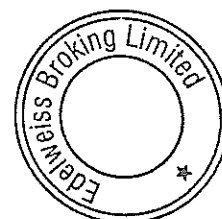
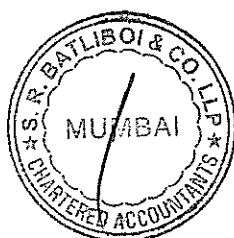
41b Collateral held and other credit enhancements

The tables shows the maximum exposure to credit risk by class of financial asset. They also shows the total fair value of collateral, any surplus collateral (the extent to which the fair value of collateral held is greater than the exposure to which it relates), and the net exposure to credit risk:

As at March 31, 2022	Maximum exposure to credit risk (carrying amount before ECL)	Principal type of collateral
Financial assets		
Loans	9,881.87	Securities
Trade receivables (Gross)	3,140.79	Securities, Fixed deposits, Bank Guarantee etc.
Total	13,022.66	

As at March 31, 2021	Maximum exposure to credit risk (carrying amount before ECL)	Principal type of collateral
Financial assets		
Loans	2,919.71	Securities
Trade receivables (Gross)	1,044.76	Securities, Fixed deposits, Bank Guarantee etc.
Total	3,964.47	

Collateral information is not applicable to financial assets other than those mentioned above.



Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

41 Risk Management (Continued)

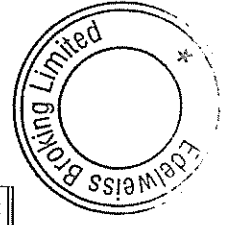
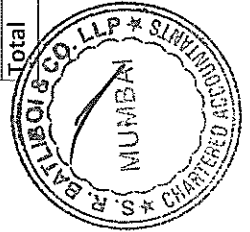
41c Analysis of financial assets by industry risk concentration

Industry analysis - Risk concentration for March 31, 2022

Particulars	Financial services	Services	Manufacturing	Others	Total
Financial assets					
Cash and cash equivalent and other bank balances	6,454.20	-	-	-	6,454.20
Derivative financial instruments	200.70		-		200.70
Securities held for trading	964.40	-	947.27	-	1,911.67
Other Financial assets	9,930.83	117.68	-	-	10,048.51
Trade receivables	2,996.31	-	-	-	2,996.31
Loans	9,880.22	-	-	-	9,880.22
Total	30,426.66	117.68	947.27	-	31,491.61

Industry analysis - Risk concentration for March 31, 2021

Particulars	Financial services	Services	Manufacturing	Others	Total
Financial assets					
Cash and cash equivalent and other bank balances	4,058.14	-	-	-	4,058.14
Derivative financial instruments	-	-	-	-	-
Securities held for trading	5.75	-	-	-	5.75
Other Financial assets	8,148.21	110.88	-	-	8,259.09
Trade receivables	946.42	-	-	-	946.42
Loans	2,918.08	-	-	-	2,918.08
Total	16,076.60	110.88	-	-	16,187.48



Edelweiss Broking Limited

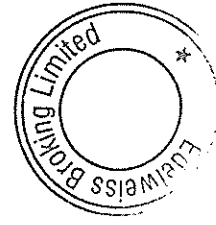
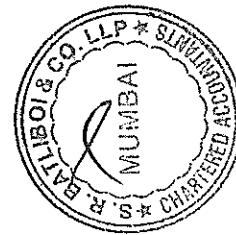
Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

41 Risk Management (Continued)

41d Total market risk exposure

Particulars	March 31, 2022			March 31, 2021		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
Financial assets						
Cash and cash equivalent and other bank balances	6,454.20	-	6,454.20	4,058.14	-	4,058.14
Derivative financial instruments	200.70	200.70	-	-	-	-
Securities held for trading	1,911.67	1,911.67	-	-	-	-
Loans	9,880.22	-	9,880.22	5.75	5.75	-
Trade receivables	2,996.31	-	2,996.31	2,918.08	-	2,918.08
Other Financial assets	10,048.51	9,151.04	897.47	946.42	-	946.42
Total	31,491.61	11,263.41	20,228.20	16,187.48	5.75	16,181.73
Financial liabilities						
Borrowings (other than Debt Securities)	2,249.06	-	2,249.06	2,162.18	-	2,162.18
Debt securities	8,945.64	-	8,945.64	-	-	-
Trade payables	14,129.95	-	14,129.95	11,074.06	-	11,074.06
Other liabilities	1,361.69	-	1,361.69	793.94	-	793.94
Total	26,686.34	-	26,686.34	14,030.18	-	14,030.18



Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

41 Risk Management (Continued)

41e Price Risk

The Company has exposure in quoted equity shares and derivative instruments. Accordingly there is effect on the Company's profitability due to variation in market price as mentioned below.

41e (i) Index Price Risk

Index price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the level of equity indices.

As at March 31, 2022

	Increase in basis points	Effect on Profit before tax	Decrease in basis points	Effect on Profit before tax
Embedded derivative	25	0.50	25	(0.50)
Exchange traded derivatives	25	3.47	25	(3.47)

As at March 31, 2021

	Increase in basis points	Effect on Profit before tax	Decrease in basis points	Effect on Profit before tax
Index Price Risk				
Embedded derivative	25	-	25	-
Exchange traded derivatives	25	-	25	-

41e (ii) Equity Price Risk

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the level of individual investment in equity share prices.

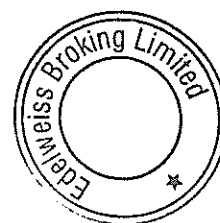
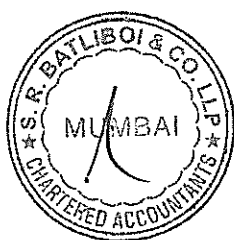
As at March 31, 2022

	Increase in basis points	Effect on Profit before tax	Decrease in basis points	Effect on Profit before tax
Equity shares and debt Instruments*	25	3.63	25	(3.63)

As at March 31, 2021

	Increase in basis points	Effect on Profit before tax	Decrease in basis points	Effect on Profit before tax
Equity shares and debt Instruments	25	0.01	25	(0.01)

*does not include unlisted equity shares remeasured at realisable values basis agreements entered with prospective buyers.



Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

42 Financial assets available to support future funding

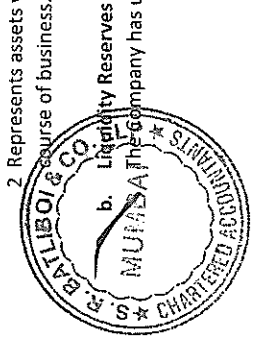
a. Following table sets out availability of assets to support funding:

March 31, 2022	Pledge as collateral	others (refer note 1)	Available as collateral	others (refer note 2)	Total carrying amount
Cash and cash equivalents	-	-	829.51	1,505.38	2,334.89
Bank balances other than cash and cash equivalents	3,203.03	-	-	916.28	4,119.31
Derivative financial instruments	-	200.70	-	-	200.70
Securities held for trading	-	-	1,911.67	-	1,911.67
Trade receivables	2,996.31	-	-	-	2,996.31
Loans	4,455.87	-	5,424.35	-	9,880.22
Other financial assets	-	9,828.27	206.58	13.66	10,048.51
Total assets	10,655.21	10,028.97	8,372.10	2,435.32	31,491.61

March 31, 2021	Pledge as collateral	others (refer note 1)	Available as collateral	others (refer note 2)	Total carrying amount
Cash and cash equivalents	-	-	151.84	545.99	697.83
Bank balances other than cash and cash equivalents	3,190.87	-	-	169.45	3,360.31
Derivative financial instruments	-	-	-	-	-
Securities held for trading	-	-	5.75	-	5.75
Trade receivables	-	-	946.42	-	946.42
Loans	-	-	2,918.08	-	2,918.08
Other financial assets	-	8,122.70	117.76	18.63	8,259.09
Total assets	3,190.87	8,122.70	4,139.85	734.07	16,187.48

Note

- 1 Represents assets which are not pledged and Company believes it is restricted from using to secure funding for legal or other reason.
- 2 Represents assets which are not restricted for use as collateral, but that the Company would not consider readily available to secure funding in the normal course of business.



Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

43 Fair Value measurement

a. Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques:

Level 1 – valuation technique using quoted market price: financial instruments with quoted prices for identical instruments in active markets that Company can access at the measurement date.

Level 2 – valuation technique using observable inputs: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

Level 3 – valuation technique with significant unobservable inputs: Those that include one or more unobservable input that is significant to the measurement as

b. Valuation governance framework

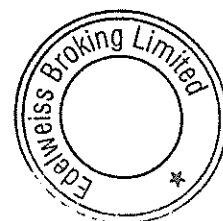
The Company's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure appropriate safeguards are in place to ensure its quality and adequacy. All new product initiatives (including their valuation methodologies) are subject to approvals by various functions of the Company including the risk and finance functions.

Where fair values are determined by reference to externally quoted prices or observable pricing inputs to models, independent price determination or validation is used. For inactive markets, Company sources alternative market information, with greater weight given to information that is considered to be more relevant and

The responsibility of ongoing measurement resides with the business and product line divisions. However finance department is also responsible for establishing procedures governing valuation and ensuring fair values are in compliance with accounting standards.

c. The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy

As at March 31, 2022	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Embedded derivatives in market-linked debentures	-	-	200.70	200.70
Total derivative financial instruments - A	-	-	200.70	200.70
Financial Assets held for trading				
Equity Shares	947.28	459.94	-	1,407.23
Debt instruments	-	504.44	-	504.44
Total Financial assets held for trading - B	947.28	964.38	-	1,911.67
Total Financial assets measured at fair value (A+B)	947.28	964.38	200.70	2,112.36
As at March 31, 2021	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Embedded derivatives in market-linked debentures	-	-	-	-
Total derivative financial instruments - A	-	-	-	-
Financial Assets held for trading				
Equity Shares	-	0.01	-	0.01
Debt instruments	-	5.74	-	5.74
Total Financial assets held for trading - B	-	5.75	-	5.75
Total Financial assets measured at fair value (A+B)	-	5.75	-	5.75



Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

43 Fair Value measurement (Continued)

d. Valuation techniques:

Debt securities:

Whilst most of these instruments are standard fixed rate securities. Fair value of these instruments is derived based on the indicative quotes of price and yields prevailing in the market as at the reporting date. The Company has used quoted price of stock exchange wherever bonds are traded actively.

Equity Shares:

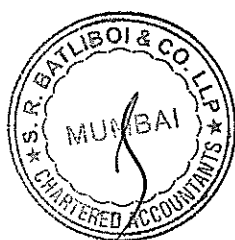
The majority of equity shares are actively traded on stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Equity shares in non listed entities are initially recognized at transaction price and remeasured at each reporting date with realizable values basis agreements entered with prospective buyer. Such equity shares are classified at level 2.

e. There have been no transfers between levels during the year ended March 31, 2022 and March 31, 2021.

f. The following table shows a reconciliation of the opening balances and the closing balances for fair value measurements in Level 3 of the fair value hierarchy.

Assets measured at fair value on a recurring basis	Embedded Options		
	Assets	Liabilities	Net Balance
As at April 1, 2021			
Issuances	212.08	-	212.08
Changes in fair value recognised in profit or loss	(11.38)	-	(11.38)
As at March 31, 2022	200.70	-	200.70

As at March 31, 2021, there were no financial instruments which were classified under level 3 hierarchy. Hence, reconciliation table is not disclosed.



Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

43 Fair Value measurement (Continued)

g. Impact on fair value of level 3 financial instrument of changes to key unobservable inputs

The below table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Company's Level 3 Instruments i.e. Derivative instruments. The range of values indicates the highest and lowest level input used in the valuation technique and, as such, only reflects the characteristics of the instruments as opposed to the level of uncertainty to their valuation. Relationships between unobservable inputs have not been incorporated in this summary.

Type of Financial Instruments	Fair value of asset as on 31 March 2022	Valuation techniques	Significant unobservable input	Range of estimates for unobservable input	Increase in the unobservable input	Change in fair value	Decrease in the unobservable input	Change in fair value
Embedded derivatives (net)	200.70	Fair value using Black Scholes model or Monte Carlo approach based on the embedded derivative	Nifty level	17,465	5% increase in Nifty Index curve	44.60	5% Decrease in Nifty Index curve	(53.50)
			Underlying discount rate	4.50% to 6%	1% increase in Risk-adjusted discount rate	31.60	1% Decrease in Risk-adjusted discount rate	(35.40)

As at March 31, 2021, there were no financial instruments which were classified under level 3 hierarchy.

h. With respect to financial instruments not measured at fair value, their carrying amounts approximates fair value.



Edelweiss Broking Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2022

(Currency: Indian rupees in millions)

44 Foreign currency transactions

- a. The Company has incurred following expenditure in foreign currency (on accrual basis)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of Securities	1,017.92	-
Referral & other expenses	46.57	5.14

- b. The Company has earned following income in foreign currency (on accrual basis)

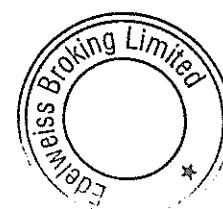
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Fees & Advisory Income	9.32	-

45 Additional disclosure on fixed deposits

1. Fixed deposits aggregating to ₹ 2,107.00 millions (Previous year: ₹ 3,162.26 millions) have been pledged with exchanges for meeting margin requirement.
2. Fixed deposits aggregating to ₹ 15.13 millions (Previous year: ₹ 12.13 millions) have been pledged with exchanges for meeting base capital requirement.
3. Fixed deposits aggregating to ₹ 233.40 millions (Previous year: ₹ 24.32 millions) have been pledged with exchanges towards arbitration.
4. Fixed deposits aggregating to ₹ 375.00 millions (Previous year: ₹ 100.00 millions) have been pledged with bank for availing bank guarantees.
5. Fixed deposits aggregating to ₹ 1,300.00 millions (Previous year: ₹ 19.90 millions) have been pledged with banks for availing Working Capital Demand Loan (WC DL)/ bank overdraft.
6. Fixed deposits ₹ 2.00 millions (Previous year: ₹ 2.00 millions) have been placed with Pension Fund Regulatory & Development Authority (PFRDA).

46 Cost sharing

Edelweiss Securities Limited, being the Holding Company incurred expenditure like branding fee, senior management cost, technology and administrative cost etc. which is for the common benefit of itself and its subsidiaries and associates. These costs expended are reimbursed by the Company on the basis of number of employees, actual identifications, etc. On the same lines, branch running costs expended (if any) by the Holding Company for the benefit of its subsidiaries and



Edelweiss Broking Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2022

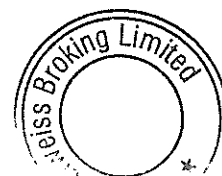
(Currency: Indian rupees in millions)

46 Cost sharing (Continued)

associates are recovered by the Holding Company. Accordingly, and as identified by the management, the expenditure heads in *notes 30 and 31* include reimbursements paid and are net of reimbursements received based on the management's best estimate.

Edelweiss Financial Services Limited, being the erstwhile Ultimate Holding Company (till March 26, 2021) along with fellow subsidiaries incurs expenditure like Group Medclaim, insurance, rent, electricity charges etc. which is for the common benefit of itself and its subsidiaries including the Company. These costs expended are reimbursed by the Company on the basis of number of employees, actual identifications etc. On the same lines, branch running costs expended (if any) by the Company for the benefit of fellow subsidiaries and associate are recovered by the Company. Accordingly, and as identified by the management, the expenditure heads in *notes 30 and 31* include reimbursements paid and are net of reimbursements received based on the management's best estimate.

- 47 Brokerage income is disclosed net of related (i) sub-brokerage expenses ₹ 939.16 millions (P.Y. ₹ 704.01 millions); and (ii) stock exchange expenses ₹ (99.20 millions) (P.Y. ₹ Nil)).



Edelweiss Broking Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2022

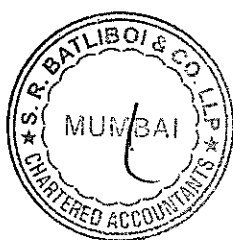
(Currency: Indian rupees in millions)

48 Segment wise disclosure as required as per Regulation 31 (2) of Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015

Segment wise disclosure for Revenues received for Insurance intermediation and other income from Insurers as per Regulation 31 (2) of Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015:

Particulars	March 31, 2022	March 31, 2021
Edelweiss Tokio Life Insurance Company Limited		
Brokerage commission earned from	0.14	0.54
Commission earned on selling life insurance policies	99.57	71.53
Group Life insurance for employees paid to	22.76	-
Edelweiss General Insurance Company Limited		
Commission earned on selling general insurance policies	3.61	6.06
Rent and related cost recovery	-	0.01
Group mediclaim insurance for employees paid to	48.50	34.68
Sale of Property, Plant and Equipment to*	-	0.00
Edelweiss Gallagher Insurance Brokers Limited		
Research fees received from	5.65	-
Rent and related cost recovery	1.11	2.74
Cost reimbursement recovered from	0.02	-
Cost reimbursement paid to	-	-
Purchase of securities from	513.81	-
Purchase of Property, Plant and Equipment from	0.10	0.28
Sale of Property, Plant and Equipment to*	0.00	0.11
HDFC Life Insurance Company Limited		
Commission income earned from	17.08	6.45
Star Health and Allied Insurance Company Limited		
Commission income earned from	1.13	0.58

* Indicates amount less than ₹ 0.00 million



Edelweiss Broking Limited

Notes to the financial statements (Continued)

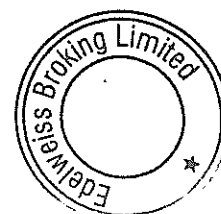
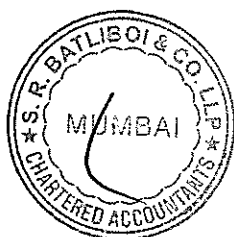
for the year ended March 31, 2022

(Currency: Indian rupees in millions)

49 Large Corporate Disclosure

Pursuant to SEBI Circular no. SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018, the Company has been identified as large corporate and therefore the following information is being disclosed as at March 31, 2022:

Sr. No.	Particulars	Details
1	Name of Company	Edelweiss Broking Limited
2	CIN	U65100GJ2008PLC077462
3	Outstanding long term borrowing (at face value) of the Company as on March 31, 2022.	Rs. 2,078.30 millions
4	Highest Credit Rating During the previous Financial year along with name of the Credit Rating Agency.	AA rating from Acuite Ratings & Research Limited
5	Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework.	BSE Limited



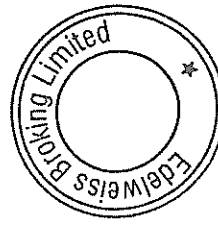
Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

50 Ratio Analysis and its elements

Sr. No.	Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	Variance	Reason for variance
1	Debt- Equity Ratio	Total Debt	Shareholder's Equity	2.10	0.64	228%	Increase in borrowings
2	Debt Service Coverage ratio	Profit before interest and tax	(Interest Expense + Principal repayment in next six months)	0.23	0.10	130%	Increase in profits before Interest and tax
3	Interest service coverage ratio	Profit before Interest and tax	Interest Expense	4.29	1.23	249%	Increase in profits before Interest and tax
4	Net profit margin (%)	Net Profit for the year	Total Income	12.96%	0.71%	1725%	Increase in profits



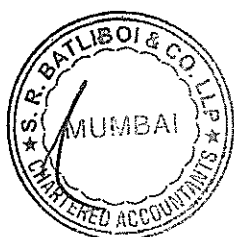
Edelweiss Broking Limited

Notes to the financial statements *(Continued)*

for the year ended March 31, 2022

(Currency: Indian rupees in millions)

- 51 There have been no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 52 The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.
- 53 The Company has not been declared wilful defaulter by any bank or financial institution or government or any other lender.
- 54 The Company does not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- 55 The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- 56 The Company has not traded or invested in Crypto currency or virtual currency during the financial year.
- 57 There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company.
- 58 During the year the Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person.
- 59 The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
- 60 During the year Company has not declared or paid any dividend.



Edelweiss Broking Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

61 Transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

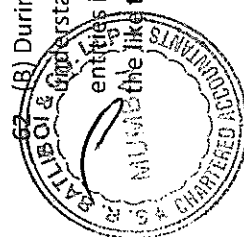
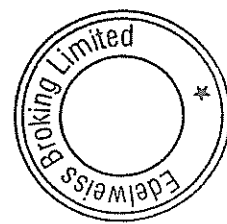
For March 31, 2022			
Name of Struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off Company
Aakanksha Leasing And Services Private Limited	Referrals and commissions	-	Vendor
Br Wealth Advisors Private Limited	Referrals and commissions	-	Vendor
DNM Finserve Private Limited	Referrals and commissions	-	Vendor
PCS Securities Limited	Referrals and commissions	-	Vendor
Falguni Sales Trading Agency Private Limited*	Broking and depository	0.00	Retail client
Jyoti Financial Consultant Private Limited*	Broking and depository	0.00	Retail client

For March 31, 2021			
Name of Struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off Company
PCS Securities Limited	Referrals and commissions	-	Vendor
Falguni Sales Trading Agency Private Limited*	Broking and depository	0.00	Retail client
Jyoti Financial Consultant Private Limited*	Broking and depository	0.00	Retail client

* Indicates amount less than 0.00 million

62 (A) During the year, the Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

62 (B) During the year, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.



Edelweiss Broking Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2022

(Currency: Indian rupees in millions)

63 Subsequent events

There have been no events or transactions which have occurred since the date of Balance Sheet or are pending that would have a material effect on the financial statements and requires adjustment to the accounting estimates and disclosures included in the financial statements at that date or for the period then ended, other than those reflected or fully disclosed in the financial statements.

No events have occurred that are of such significance in relation to the Company's affairs to require mention in a note to the financial statements in order to make them not misleading regarding the financial position, results of operations, or cash flows or changes in equity of the Company.

- 64 The financial statements of the Company for the year ended March 31, 2021 included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 25, 2021.

65 Previous year comparatives

Previous year's numbers have been regrouped and rearranged wherever necessary to confirm to current year's presentation/ classification.

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan
Partner



Membership No.: 102102

Mumbai
May 20, 2022

For and on behalf of the Board of Directors

Rahul Jain
Managing Director &
Chief Executive Officer

Din: 00387505

Viral Thanawala
Chief Financial Officer

Mumbai
May 20, 2022

Prashant Mody
Executive Director

Din: 03101048

Prachi Mathur
Company Secretary

