

ERCSL/Sec/2021-67

October 27, 2021

**BSE Limited**

P J Towers, Dalal Street,  
Fort,  
Mumbai – 400 001.

Dear Sir/ Madam,

**Sub.: Outcome of Board Meeting**

In accordance with the provisions of Regulation 52 and all other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that the Board of Directors of the Company at its Meeting held today, has *inter alia* approved the Unaudited Financial Results of the Company for the quarter and half year ended September 30, 2021.

The copies of the aforesaid Results together with the Limited Review Report issued by the Auditors of the Company are enclosed.

Kindly take the same on record.

Thanking you,

Yours faithfully,

**For Edelweiss Rural & Corporate Services Limited**

**Shailly Kedia**  
**Company Secretary**

Encl.: as above

**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Financial Results of the Company Pursuant to the Regulation 52(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended****Review Report to  
The Board of Directors  
Edelweiss Rural & Corporate Services Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Edelweiss Rural & Corporate Services Limited (the "Company") for the quarter ended September 30, 2021 and year to date from April 1, 2021 to September 30, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS 34 prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 5 to the Statement, which describes the uncertainty caused by Novel Coronavirus (COVID-19) pandemic and its related events which could impact the Company's estimates of impairment of loans and investments, and that such estimates may be affected by the severity and duration of the pandemic.

Our conclusion is not modified in respect of this matter.

**For S.R. BATLIBOI & CO. LLP**

Chartered Accountants

ICAI Firm registration number: 301003E/E300005

**SHRAWAN  
BHAGWATI  
JALAN**Digitally signed by SHRAWAN  
BHAGWATI JALAN  
DN: cn=SHRAWAN BHAGWATI  
JALAN, c=IN, o=Personal,  
email=shrawan.jalan@srb.in  
Date: 2021.10.27 16:41:49 +05'30'**per Shrawan Jalan**

Partner

Membership No.: 102102

UDIN: 21102102AAAEOH4382

Place: Mumbai

Date: October 27, 2021

**Edelweiss Rural & Corporate Services Limited**

Corporate Identity Number-U45201TG2006PLC078157  
 Regd. Off: 2nd Floor, M.B. Towers, Plot No 5, Road No 2, Banjara Hills, Hyderabad-500034  
 Tel: +040-4031-6900


**Financial Results for the quarter and half year ended 30 September 2021**
**(Rs. In Crores)**

Particulars	Quarter Ended			Half Year Ended		Year Ended
	September 30, 2021 (Unaudited)	June 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)	September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)	March 31, 2021 (Audited)
<b>1 Revenue from operations</b>						
(a) Interest income	89.89	139.64	86.73	229.53	174.87	386.66
(b) Dividend income	-	-	-	-	-	0.48
(c) Fee and commission income	17.73	19.47	49.15	37.20	82.26	120.58
(d) Net gain/(loss) on fair value changes	(13.82)	(41.29)	(11.74)	(55.11)	(11.00)	(47.76)
(e) Sale of commodities	165.52	-	35.76	165.52	66.52	171.71
(f) Rental income	8.58	10.65	21.36	19.23	45.32	78.04
<b>Total revenue from operations</b>	<b>267.90</b>	<b>128.47</b>	<b>181.26</b>	<b>396.37</b>	<b>357.97</b>	<b>709.71</b>
<b>2 Other income</b>	1.11	2.66	5.41	3.77	6.68	9.14
<b>3 Total Income (1+2)</b>	<b>269.01</b>	<b>131.13</b>	<b>186.67</b>	<b>400.14</b>	<b>364.65</b>	<b>718.85</b>
<b>4 Expenses</b>						
(a) Finance costs	120.37	109.99	119.71	230.36	228.52	473.49
(b) Employee benefits expense	13.35	4.66	22.35	18.01	46.22	113.68
(c) Depreciation and amortisation expense	6.13	6.90	11.43	13.03	22.48	42.04
(d) Purchase of commodities	165.48	-	27.89	165.48	27.89	129.26
(e) Changes in inventories	-	-	15.02	-	39.91	43.61
(f) Impairment (gain)/loss on financial instruments	(7.92)	(4.87)	1.50	(12.79)	3.09	701.93
(g) Other expenses	12.26	14.25	19.87	26.51	44.43	104.80
<b>Total expenses</b>	<b>309.67</b>	<b>130.93</b>	<b>217.77</b>	<b>440.60</b>	<b>412.54</b>	<b>1,608.81</b>
<b>5 Profit / (Loss) before tax (3-4)</b>	<b>(40.66)</b>	<b>0.20</b>	<b>(31.10)</b>	<b>(40.46)</b>	<b>(47.89)</b>	<b>(889.96)</b>
<b>6 Tax expense</b>						
Current tax	-	-	-	-	-	(2.42)
Deferred tax	0.52	1.71	(9.94)	2.23	(15.50)	29.99
<b>7 Net Profit / (Loss) for the period (5-6)</b>	<b>(41.18)</b>	<b>(1.51)</b>	<b>(21.16)</b>	<b>(42.69)</b>	<b>(32.39)</b>	<b>(917.53)</b>
<b>8 Other Comprehensive Income</b>	0.28	0.29	(0.17)	0.57	(0.23)	1.14
<b>9 Total Comprehensive Income (7+8)</b>	<b>(40.90)</b>	<b>(1.22)</b>	<b>(21.33)</b>	<b>(42.12)</b>	<b>(32.62)</b>	<b>(916.39)</b>
<b>10 Earnings Per Share (₹) (Face Value of ₹ 10/- each)</b>						
- Basic (Not annualised)	<b>(6.28)</b>	<b>(0.23)</b>	<b>(5.32)</b>	<b>(6.51)</b>	<b>(8.14)</b>	<b>(228.33)</b>
- Diluted (Not annualised)	<b>(6.28)</b>	<b>(0.23)</b>	<b>(5.32)</b>	<b>(6.51)</b>	<b>(8.14)</b>	<b>(228.33)</b>

1	Edelweiss Rural & Corporate Services Limited (the 'Company') has prepared unaudited financial results (the 'Statement') for the quarter and half year ended September 30, 2021 in accordance with Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the 'Listing Regulations, 2015') and the Accounting Standards specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and the relevant provision of the Companies Act, 2013, as applicable.
2	The above unaudited financial results of the Company are reviewed and recommended by the Audit Committee and have been approved by the Board of Directors at its meeting held on October 27, 2021.
3	The above financial results for the quarter and half year ended September 30, 2021 have been subjected to Limited Review by the Statutory Auditors of the Company and the auditors have issued an unqualified review report.
4	Edelweiss Custodial Services Limited ("ECDSL"), an erstwhile subsidiary of the Edelweiss Financial Services Company ("EFSL"), challenged an order, by an investigating agency, marking lien on its clearing account, before the 47th Additional Chief Metropolitan Magistrate Court ("ACMM"), Mumbai. Since the investigation against the trading member, for which ECDSL was a clearing member, is still under process, the said investigative agency contended that it had no objection to setting aside the lien order upon ECDSL providing an undertaking to keep sufficient assets unencumbered. The matter is subjudice and has been listed for further hearing. On behalf of ECDSL, the Company has since provided the undertaking to keep sufficient assets amounting to Rs.251.95 crores belonging to the Company unencumbered and consequently the said lien order on ECDSL's clearing bank account has been set aside on October 01, 2020. The Company has been represented by ECDSL that it has acted in accordance with the agreement entered with the trading member and in accordance with applicable laws and regulations. Accordingly, there is no adjustment required in the financial results for the quarter and half year ended September 30, 2021.
5	The COVID 19 outbreak across the world has for past 18 months adversely affected the world economy including India. However in recent times the industry is showing signs of revival signaling a slow but steady return of growth for economy. The impact of the COVID-19 pandemic, on Company's results, including credit quality and provisions, gain/loss on fair value changes, investment, remains uncertain and dependent on actual visibility of growth over coming quarters and steps taken by the government, RBI and other regulators to mitigate the economic impact and foster speedier growth. Further, the Company has assessed the impact of the COVID-19 pandemic on its liquidity and ability to repay its obligations as and when they are due. Management has considered various financial support from banks and other fundraising opportunities in determining the Company's liquidity position over the next 12 months. Based on the foregoing and necessary stress tests considering various scenarios, management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future. In assessing the recoverability of loans, receivables, deferred tax assets, investments, the Company has considered internal and external sources of information, including credit reports, economic forecasts and industry reports up to the date of approval of these financial results. Since the situation continue to evolve, its effect on the operations of the Company may be different from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor material changes in markets and future economic conditions.
6	The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
7	The Company is in the process of discontinuing its agri warehousing and related business activities. The loss before tax of agri warehousing and related business activities is Rs 2.87 crore for the quarter ended September 30, 2021.
8	The figures for the quarter ended September 30, 2021 and September 30, 2020 are the balancing figures between reviewed figures in respect of the half year ended September 30, 2021 and September 30, 2020 and the reviewed figures for the quarter ended June 30, 2021 and June 30, 2020 respectively.
9	Figures for the previous period/year have been regrouped/reclassified wherever necessary to conform to current period/year presentation.

**For and on behalf of the Board of Directors**
**Ananya Suneja**
**Ananya Suneja**  
 Executive Director  
 DIN: 007297081

 Digitally signed by Ananya Suneja  
 Date: 2021.10.27 16:09:40 +05'30'

 Place : Mumbai  
 Date : October 27, 2021

# Edelweiss Rural & Corporate Services Limited



Corporate Identity Number-U45201TG2006PLC078157

Regd. Off: 2nd Floor, M.B. Towers, Plot No 5, Road No 2, Banjara Hills,  
Hyderabad-500034 Tel: +040-4031-6900

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

## Statement of Assets and Liabilities as at September 30, 2021

### Balance Sheet

(Currency: Rupees in Crores)

	As at 30 September 2021 (Unaudited)	As at 31 March 2021 (Audited)
<b>I. ASSETS</b>		
<b>(1) Non-current assets</b>		
(a) Property, Plant and Equipment	230.31	238.83
(b) Investment property	188.34	201.24
(c) Other Intangible assets	1.35	1.32
(d) Intangible assets under development	-	0.21
(e) Financial Assets		
(i) Investments	1,873.88	1,307.28
(ii) Loans	337.91	1,027.99
(iii) Other financial assets	0.89	0.17
(f) Deferred tax assets (net)	100.45	101.70
(g) Income tax assets (net)	93.47	83.28
(h) Other non-current assets	1.88	1.93
	<b>2,828.48</b>	<b>2,963.95</b>
<b>(2) Current assets</b>		
(a) Financial Assets		
(i) Stock-in-trade	84.03	169.39
(ii) Investments	0.37	0.68
(iii) Trade & Other receivables	21.09	21.68
(iv) Cash and cash equivalents	219.63	32.36
(v) Bank balances other than cash and cash equivalents	10.01	11.49
(vi) Loans	1,126.53	1,129.41
(vii) Other financial assets	622.87	33.52
(b) Current tax assets (net)	78.34	74.45
(c) Other current assets	35.67	36.99
	<b>2,198.54</b>	<b>1,509.97</b>
	<b>5,027.02</b>	<b>4,473.92</b>
<b>EQUITY AND LIABILITIES</b>		
<b>I. Equity</b>		
(a) Equity share capital	39.78	39.78
(b) Instruments entirely equity in nature	950.00	950.00
(c) Other equity	(575.62)	(535.98)
	<b>414.16</b>	<b>453.80</b>
<b>II. LIABILITIES</b>		
<b>(1) Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	2,175.74	1,478.14
(ii) Other financial liabilities	74.20	82.57
(b) Provisions	2.28	0.39
	<b>2,252.22</b>	<b>1,561.10</b>
<b>(2) Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	2,321.38	2,370.90
(ii) Trade payables	20.91	44.71
(iii) Other financial liabilities	13.02	38.42
(b) Other current liabilities	4.00	4.08
(c) Provisions	1.33	0.91
	<b>2,360.64</b>	<b>2,459.02</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5,027.02</b>	<b>4,473.92</b>

On behalf of the Board of Directors

Ananya Suneja Digitally signed by Ananya Suneja  
Date: 2021.10.27 16:09:57 +05'30'

Ananya Suneja  
Executive Director  
DIN.: 007297081

Date : October 27, 2021

Place : Mumbai

# Edelweiss Rural & Corporate Services Limited



Corporate Identity Number-U45201TG2006PLC078157  
 Regd. Off: 2nd Floor, M.B. Towers, Plot No 5, Road No 2, Banjara Hills,  
 Hyderabad-500034 Tel: +040-4031-6900  
 Corporate Off: Edelweiss House, Off C.S.T. Road, Kalina, Mumbai - 400 098

## Statement of cash flows for the half year ended September 30, 2021

(Currency: Rupees in Crores)

	For the period ended 30 September 2021 (Unaudited)	For the period ended 30 September 2020 (Unaudited)
<b>A Cash flow from operating activities</b>		
Loss before tax	(40.46)	(47.89)
Adjustments for		
Provision for non performing assets	(11.53)	-
Provision for bad & doubtful debts (net of write off)	(1.27)	-
Impairment on financial instruments (net)	-	3.09
Depreciation and amortisation expense	13.03	22.48
Profit on sale of fixed assets (net)	0.17	-
Provision for employee benefits	4.73	(0.30)
Interest Income on Investment in Preference Shares	-	(5.97)
Fair valuation of non-current investments	(7.00)	0.28
Share of profit from partnership firm	(0.42)	0.55
Finance costs	226.16	215.28
<b>Operating cash flow before working capital changes</b>	<b>183.42</b>	<b>187.53</b>
Changes in working capital		
Decrease in trade receivables	1.33	33.29
Decrease in stock-in-trade	85.36	105.24
(Increase) / Decrease in loans and advances	706.49	416.97
Decrease in other assets	(588.70)	(291.52)
Decrease in Trade Payable	(24.15)	(12.54)
Increase / Decrease in liabilities and provisions	(17.42)	(23.49)
<b>Cash generated from operations</b>	<b>346.33</b>	<b>415.49</b>
Taxes paid (net of refunds)	(14.09)	23.39
<b>Net cash generated from operating activities - A</b>	<b>332.24</b>	<b>438.88</b>
<b>B Cash flow from investing activities</b>		
(Purchase) / Sale of fixed assets (net) (including capital work-in progress)	(4.89)	(1.54)
(Purchase) / Sale of current and non-current investments (net) (Refer note 1)	(558.87)	(95.30)
<b>Net cash generated from / (used in) investing activities - B</b>	<b>(563.76)</b>	<b>(96.84)</b>
<b>C Cash flow from financing activities</b>		
(Repayment of) / Proceeds from loans (net) (Refer note 1)	658.82	(807.21)
Proceeds from / (Redemption of) subordinated liabilities	0.74	3.24
Proceeds from issuance of commercial paper	25.00	452.00
Redemption of commercial paper	17.49	-
Dividend and dividend distribution tax paid	(0.74)	(3.24)
Principal repayment of leases (Ind AS 116)	(2.42)	(4.91)
Interest paid	(280.12)	(251.10)
<b>Net cash (used in) / generated from financing activities - C</b>	<b>418.77</b>	<b>(611.21)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>187.25</b>	<b>(269.17)</b>
Cash and cash equivalents as at the beginning of the year	32.37	416.72
Cash and cash equivalents as at the end of the period	219.63	147.56

### Note:

- Net figures have been reported on account of volume of transactions.
- Above Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 under the Companies Act, 2013.
- Previous period / year figures have been regrouped / reclassified wherever necessary to conform to current period's / year's presentation

Edelweiss Rural & Corporate Services Limited

Cash Flow Statement (continued)

(Currency: Rupees in Crores)

	As at 30 September 2021	As at 30 September 2020
<b>Note:</b>		
3 Component of cash and cash equivalents		
<b>Balances with banks</b>		
in current accounts	27.99	146.58
in fixed deposits with original maturity less than 3 months	191.64	0.96
Cash on hand	-	0.02
<b>Total</b>	<b>219.63</b>	<b>147.56</b>

Mumbai  
October 27,2021

For and on behalf of the Board of Directors of  
Edelweiss Rural & Corporate Services Limited  
**Ananya Suneja** Digitally signed by  
Ananya Suneja  
Date: 2021.10.27  
16:10:16 +05'30'  
**Ananya Suneja**  
Executive Director  
DIN.: 07297081

## Annexure 'A'

(i) Pursuant to Regulation 54 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, we would like to state that all secured Non-Convertible Debentures (NCDs) issued by the Company and outstanding as on September 30, 2021 are fully secured by way of mortgage of identified immovable property as stated in the respective debenture trust deed(s) and/or by way of charge/hypothecation of book debts/loan receivables or both, on first pari-passu basis, to the extent stated in the respective information memorandum. Accordingly, the Company is maintaining asset cover of 1.1x or such higher asset cover required as per the terms of offer document/Information Memorandum.

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

Sr	Particulars	Half Year Ended		Year Ended
		September 30, 2021	September 30, 2020	March 31, 2021
No		(Unaudited)	(Unaudited)	(Audited)
1	Debt-equity Ratio (Refer note 1)	10.86	10.50	8.48
2	Net worth (Rs.in Crores) (Refer note 2)	414.16	387.60	453.80
3	Debt Service Coverage Ratio (Refer note 3)	0.07	0.20	(0.45)
4	Interest Service Coverage Ratio (Refer note 3)	0.82	0.79	(0.88)
5	Outstanding redeemable preference shares (no.of shares)	2,20,45,000	225,45,000	2,20,45,000
6	Outstanding redeemable preference shares capital (Rs.in Crores)	214.58	243.91	204.79
7	Capital redemption reserve (Rs.in Crores)	3.00	3.00	3.00
8	Debenture redemption reserve (Rs.in Crores)	235.62	235.62	235.62
9	Net profit after tax (Rs.in Crores)	(42.67)	(32.39)	(917.52)
10	Earnings Per Share(Face Value of Rs10/- each)	(6.51)	(8.14)	(228.33)
11	Total Debts/ Total Assets (Refer note 4)	0.89	0.89	0.86

Note :

1. Debt-equity Ratio = Total Debt (Debt securities + Borrowings other than debt securities + subordinated liabilities) / Net worth
2. Net worth = "Equity Share capital + Instruments entirely equity in nature+ Other Equity"
3. DSCR = Profit before interest and tax / (Interest expense + Principal repayment in next six months)  
ISCR = Profit before interest and tax / Interest expense
4. Total debt to Total assets = (Debt securities + Borrowings other than debt securities + subordinated liabilities) / Total assets.
5. Current ratio, Long term debt to working capital, Bad Debts to account receivables ratio, Current liability ratio, Debtors turnover, Inventory turnover and Operating margin (%), Net Profit Margin (%) are not applicable owing to the business model of the company.

