

ERCSL/Sec/2022/68

November 7, 2022

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 (the Listing Regulations), we would like to inform you that the Board of Directors of the Company (the Board) at its Meeting held today, has *inter alia* approved the standalone unaudited financial results of the Company for the second quarter and half year ended September 30, 2022 (the Results).

The copy of the Results together with the Limited Review Report issued by the Auditors of the Company are enclosed. The Auditors have issued an unmodified opinion on the Results.

The disclosures of Related Party Transactions for the half year ended September 30, 2022, pursuant to Regulation 23 of the Listing Regulations is enclosed.

Further, as per Regulations 54 and 56 of the Listing Regulations, an Asset Cover Certificate issued by the Auditors is enclosed.

The meeting of the Board commenced at 4:30 p.m. and concluded at 5:00 p.m.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For Edelweiss Rural & Corporate Services Limited

Chirag Shah
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 Regulation 52 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, 2022 and year to date from April 01, 2022 to September 30, 2022 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & Co. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

**SHRAWAN
BHAGWATI
JALAN**

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BHAGWATI JALAN
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JALAN, c=IN, o=Personal,
email=shrawan.jalan@srb.in
Date: 2022.11.07 18:03:23 +05'30'

per Shrawan Jalan
Partner
Membership No.: 102102

UDIN: 22102102BCJSNL8642

Place: Mumbai
Date: November 07, 2022

Financial Results for the quarter and half year ended 30 September 2022

(Rs.In Crores)

	Particulars	Quarter Ended			Half Year Ended		Year Ended
		September 30, 2022 (Unaudited)	June 30, 2022 (Unaudited)	September 30, 2021 (Unaudited)	September 30, 2022 (Unaudited)	September 30, 2021 (Unaudited)	March 31, 2022 (Audited)
1	Revenue from operations						
	(a) Interest income	54.83	65.13	79.57	119.96	160.87	369.93
	(b) Fee and commission income	22.90	24.05	17.73	46.95	37.20	75.42
	(c) Net gain/(loss) on fair value changes	12.69	(1.02)	(3.50)	11.67	13.55	24.93
	(d) Sale of commodities	124.81	147.08	165.52	271.89	165.52	458.48
	(e) Rental income	8.81	8.07	8.58	16.88	19.23	36.77
	Total revenue from operations	224.04	243.31	267.90	467.35	396.37	965.53
2	Other income	(0.35)	38.93	1.11	38.58	3.77	118.60
3	Total income (1+2)	223.69	282.24	269.01	505.93	400.14	1,084.13
4	Expenses						
	(a) Finance costs	93.46	102.30	120.37	195.76	230.36	539.99
	(b) Employee benefits expense	10.01	(3.84)	13.35	6.17	18.01	53.70
	(c) Depreciation, amortisation and impairment	6.03	5.85	6.13	11.88	13.03	40.87
	(d) Purchase of commodities	124.74	147.00	165.48	271.74	165.48	458.30
	(e) Impairment on financial instruments	(44.23)	3.02	(7.92)	(41.21)	(12.79)	12.07
	(f) Other expenses	18.63	15.56	12.26	34.19	26.51	61.25
	Total expenses	208.64	269.89	309.67	478.53	440.60	1,166.18
5	Profit / (Loss) before tax (3-4)	15.05	12.35	(40.66)	27.40	(40.46)	(82.05)
6	Tax expense						
	Current tax	-	-	-	-	-	-
	Deferred tax	11.77	(2.45)	0.52	9.32	2.23	(7.45)
7	Net Profit / (Loss) for the period (5-6)	3.28	14.80	(41.18)	18.08	(42.69)	(74.60)
8	Other Comprehensive Income / (Loss)	-	-	0.28	-	0.57	(1.81)
9	Total Comprehensive Income / (Loss) (7+8)	3.28	14.80	(40.90)	18.08	(42.12)	(76.41)
10	Earnings Per Share (₹) (Face Value of ₹ 10/- each)						
	- Basic (Refer Note 5)	0.45	2.05	(6.28)	2.50	(6.51)	(11.38)
	- Diluted (Refer Note 5)	0.45	2.05	(6.28)	2.50	(6.51)	(11.38)
1	Edelweiss Rural & Corporate Services Limited (the 'Company') has prepared unaudited financial results (the 'Statement') for the quarter and half year ended 30 September 2022 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 07 November 2022.						
3	The above financial results for the quarter and half year ended September 30, 2022 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 associate 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, Mumbai. Since the investigation against Anugrah Stock and Broking Pvt. Ltd. ("trading member"), for which ECDSL was a clearing member, is still under process, the said investigative agency contended that it had no objection to set 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 and there is no further update on this matter during the quarter. On behalf of ECDSL, the Company has since provided the undertaking to keep sufficient unencumbered assets amounting to Rs.251.95 crores belonging to the Company and the said lien has been set aside. 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 30 September 2022.						
5	Earnings per share for the quarters ended 30 September 2022, 30 June 2022 and 30 September 2021 and half year ended 30 September 2022 and 30 September 2021 are not annualised.						
6	As at September 30, 2022, the Company's contractual cumulative assets of Rs. 379 crores are lower than its contractual cumulative liabilities of Rs. 1,134 crores maturing over the next one year. The Company has plans to monetize its assets to meet its liabilities maturing over next one year. Additionally, Edelweiss Financial Services Limited, the holding company, will continue to provide operating and financial support to the Company as required. The Board of Directors of the Company in its meeting dated November 7, 2022 has reviewed liquidity, asset liability management of the Company and approved Company's assessment of its ability to repay its debt as planned.						
7	The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact if any, and account for the same once the rules are notified and become effective.						

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

8 Statement of Assets and Liabilities as at 30 September 2022

(₹ in Crores)

	Particulars	As at 30 September 2022 (Unaudited)	As at 31 March 2022 (Audited)
I.	ASSETS		
(1)	Non-current assets		
	(a) Property, Plant and Equipment	223.42	229.89
	(b) Investment property	188.12	192.61
	(c) Other Intangible assets	0.61	0.89
	(d) Financial Assets		
	(i) Investments	2,105.09	2,246.08
	(ii) Bank balances other than cash and cash equivalents	35.28	34.04
	(iii) Loans	381.99	805.12
	(iv) Other financial assets	3.33	3.25
	(e) Deferred tax assets (net)	100.79	110.12
	(f) Income tax assets (net)	149.91	154.60
	(g) Other non-current assets	4.73	4.77
	Total Non-current assets	3,193.27	3,781.37
(2)	Current assets		
	(a) Financial Assets		
	(i) Stock-in-trade	25.06	62.50
	(ii) Investments	0.31	0.37
	(iii) Trade receivables	26.92	18.79
	(iv) Cash and cash equivalents	7.09	11.78
	(v) Bank balances other than cash and cash equivalents	5.21	6.75
	(vi) Loans	203.15	288.43
	(vii) Other financial assets	0.29	0.43
	(b) Other current assets	20.18	20.27
	Total Current assets	288.21	409.32
	TOTAL ASSETS	3,481.48	4,190.69
	EQUITY AND LIABILITIES		
I.	Equity		
	(a) Equity share capital	46.54	46.54
	(b) Instruments entirely equity in nature	950.00	950.00
	(c) Other equity	(348.87)	(367.28)
	Total Equity	647.67	629.26
II.	LIABILITIES		
(1)	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	1,668.75	1,570.07
	(ii) Other financial liabilities	14.29	14.20
	(iii) Lease liabilities	0.22	0.31
	(b) Provisions	0.53	0.53
	Total Non-current liabilities	1,683.79	1,585.11
(2)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	882.28	1,938.64
	(ii) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	-	0.21
	Total outstanding dues to creditors other than micro enterprises and small enterprises	18.30	9.51
	(iii) Other financial liabilities	245.90	23.97
	(b) Other current liabilities	2.97	3.85
	(c) Provisions	0.57	0.14
	Total Current liabilities	1,150.02	1,976.32
	TOTAL EQUITY AND LIABILITIES	3,481.48	4,190.69

9 Statement of cash flows for the half year ended 30 September 2022

(₹ in Crores)

Particulars	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 30 September 2021 (Unaudited)
A Cash flow from operating activities		
Profit / (Loss) before tax	27.40	(40.46)
Adjustments for		
Provision for non performing assets	(40.95)	(11.53)
Provision for bad & doubtful debts (net of write off)	(0.26)	(1.27)
Depreciation and amortisation expense	11.88	13.03
Profit / (Loss) on sale of fixed assets (net)	(0.03)	0.17
Provision for employee benefits	0.15	4.73
Profit / (Loss) on sale of current and non-current investments	(38.92)	-
Fair valuation of non-current investments	(4.20)	(7.00)
Share of profit from partnership firm	-	(0.42)
Finance costs	195.76	226.16
Operating cash flow before working capital changes	150.83	183.42
Changes in working capital		
(Increase) / Decrease in trade receivables	(7.87)	1.33
(Increase) / Decrease in stock-in-trade	37.44	85.36
(Increase) / Decrease in loans and advances	549.37	706.49
(Increase) / Decrease in other assets	0.47	(588.70)
Increase / (Decrease) in Trade Payable	8.58	(24.15)
Increase / (Decrease) in liabilities and provisions	221.50	(17.42)
Cash generated from operations	960.32	346.33
Taxes paid (net of refunds)	4.71	(14.09)
Net cash generated from operating activities - A	965.03	332.24
B Cash flow from investing activities		
(Purchase) / Sale of fixed assets (net) (including capital work-in progress) ¹	(0.68)	(4.89)
(Purchase) / Sale of current and non-current investments (net) ¹	184.48	(558.87)
Net cash generated from / (used in) investing activities - B	183.80	(563.76)
C Cash flow from financing activities		
(Repayment of) / Proceeds from loans (net) ¹	(1,053.68)	658.82
Proceeds from / (Redemption of) subordinated liabilities	9.66	0.74
Proceeds from issuance of commercial paper	86.35	25.00
Redemption of commercial paper	-	17.49
Dividend and dividend distribution tax paid	-	(0.74)
Principal repayment of leases (Ind AS 116)	(0.09)	(2.42)
Interest paid	(195.76)	(280.12)
Net cash (used in) / generated from financing activities - C	(1,153.52)	418.77
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(4.69)	187.25
Cash and cash equivalents as at the beginning of the year	11.78	32.37
Cash and cash equivalents as at the end of the period	7.09	219.63

¹ Net figures have been reported on account of volume of transactions.² Above Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 under the Companies Act, 2013.

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

For and on behalf of the Board of Directors

RAVINDRA

BABAN DHOBALÉ

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Ravindra Dhobale

Executive Director & Chief Financial Officer

DIN: 05147051

Place : Mumbai

Date : 07 November 2022

Annexure

- 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, 2022 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

	Particulars	Half year ended	Year ended
		September 30, 2022 (Unaudited)	March 31, 2022 (Audited)
1	Debt-equity ratio (Refer note 1)	3.94	5.58
2	Net worth (Rs. in Crores) (Refer note 2)	647.67	629.26
3	Debt Service Coverage Ratio (DSCR) (Refer note 3)	0.21	0.34
4	Interest Service Coverage Ratio (ISCR) (Refer note 4)	1.14	0.85
5	Outstanding redeemable preference shares (no.of shares)	22,045,000	22,045,000
6	Outstanding redeemable preference share capital (Rs. In crores)	233.11	223.45
7	Capital redemption reserve (Rs. in Crores)	3.00	3.00
8	Debenture redemption reserve	120.21	120.21
9	Net profit/ (loss) after tax (Rs.in Crores)	18.08	(74.60)
10	Earnings Per Share (₹) (Face Value of ₹ 10/- each)		
	- Basic	2.50	(11.38)
	- Diluted	2.50	(11.38)
11	Total debt to Total assets (%) (Refer note 5)	0.73	0.84

Notes:

- Debt-equity Ratio = Total Borrowing (Non Current Borrowing + Current Borrowings) / Net worth
- Net worth = "Equity share capital + Instruments entirely equity in nature + Other equity"
- DSCR = Profit before interest and tax / (Interest expense + Principal repayment in next six months)
- ISCR = Profit before interest and tax / Interest expense
- Total debt to Total assets = Total Borrowing (Non Current Borrowing + Current Borrowings) / Total assets
- Current ratio, Long term debt to working capital, Bad Debts to account receivables ratio, Current liability ratio, Debtors turnover, Inventory turnover, Operating margin (%) and Net profit margin (%) are not applicable owing to the business model of the Company.

Independent Auditor's Report on Security Cover and Compliance with Financial Covenants as at September 30, 2022 under Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) for submission to IDBI Trusteeship Services Limited (the 'Debenture Trustee')

To,
The Board of Directors
Edelweiss Rural & Corporate Services Limited
Edelweiss House,
Off CST Road, Kalina,
Mumbai - 400098.

1. This report is issued in accordance with the terms of master engagement agreement dated July 24, 2018 with Edelweiss Rural & Corporate Services Limited (hereinafter the "Company") and service scope letter dated November 07, 2022.
2. We S.R. Batliboi & Co. LLP, Chartered Accountants, are the Statutory Auditors of the Company and have been requested by the Company to examine the accompanying Statement showing 'Security Cover as per the terms of the Debenture Trust Deed / Information Memorandum and Compliance with Financial Covenants' for listed non-convertible debt securities as at September 30, 2022 (hereinafter the "Statement") which has been prepared by the Company as prescribed by Securities and Exchange Board of India (SEBI) circular dated November 12, 2020, as amended, from the unaudited financial results and other relevant records and documents maintained by the Company as at and for the half year ended September 30, 2022 pursuant to the requirements of the Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (hereinafter the "SEBI Regulations").

This Report is required by the Company for the purpose of submission with IDBI Trusteeship Services Limited (hereinafter the "Debenture Trustee") of the Company to ensure compliance with the SEBI Regulations in respect of its listed non-convertible debt securities ('Debentures'). The Company has entered into agreement with the respective Debenture Trustee as stated in the "Table III" of the Statement" in respect of such Debentures.

Management's Responsibility

3. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management of the Company is also responsible for ensuring that the Company complies with all the relevant requirements of the SEBI Regulations and for providing all relevant information to the Debenture Trustee and for complying with all the financial covenants as prescribed in the Debenture Trust Deeds entered into between the Company and the Debenture Trustee ('Trust Deeds') and Information Memorandum.

S.R. BATLIBOI & Co. LLP

Chartered Accountants

Auditor's Responsibility

5. It is our responsibility is to provide limited assurance as to whether:
 - (a) the Company has maintained Security Cover as per the terms of the Debenture Trust Deeds / Information memorandum; and
 - (b) the Company is in compliance with all the financial covenants as mentioned in the Debenture Trust Deeds / Information memorandum as on September 30, 2022.
6. We have reviewed the financial results of the Company for the quarter and half year ended September 30, 2022 and issued a review conclusion vide our report dated November 07, 2022. Our review of such financial results was conducted 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.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. Our scope of work did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial results of the Company taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial results, specified elements, accounts or items thereof, for the purpose of this report. Accordingly, we do not express such opinion.
10. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 5 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we have performed the following procedures in relation to the Statement:
 - a) Obtained and read the Debenture Trust Deeds and Information Memorandum and noted the asset Security Cover required to be maintained by the Company.
 - b) Traced and agreed the principal amount of the listed non-convertible debt securities outstanding as on September 30, 2022 to the unaudited financial results and books of account maintained by the Company as at and for the half year ended September 30, 2022.
 - c) Obtained and read the particulars of Security Cover in respect of listed non-convertible debt securities outstanding as per the Statement. Traced the value of assets from the Statement to the unaudited financial results and books of accounts maintained by the Company as on September 30, 2022.
 - d) Obtained the particulars of security created in the register of charges maintained by the Company and 'Form No. CHG-9' filed with Ministry of Corporate Affairs ('MCA'). Traced the value of charge created against Assets to the Security Cover in the attached Statements.

S.R. BATLIBOI & Co. LLP

Chartered Accountants

- e) Obtained the list and value of assets placed under lien or encumbrance for the purpose of obtaining any other loan and determined that such assets are not included in the calculation of Security Cover in respect of listed non-convertible debt security.
- f) Examined and verified the arithmetical accuracy of the computation of Security Cover, in the accompanying Statement.
- g) Compared the Security Cover with the Security Cover required to be maintained as per Debenture Trust Deeds / Information Memorandum.
- h) With respect to compliance with all financial covenants, we have performed following procedures:
 - (i) Obtained the copies of bank statements and traced the date of repayment of principal and interest due on sample basis during the period April 01, 2022 to September 30, 2022.
 - (ii) We have verified the compliance of financial debt covenants as per the Debenture Trust Deeds / Information Memorandum till date of this certificate. With respect to the financial covenants for the quarter / half year ended September 30, 2022 for which due date is after the date of this certificate, management has represented to us that the same shall be duly complied with within the due date; and
 - (iii) Performed necessary inquiries with the management regarding any instances of non-compliance of financial covenants during the half year ended September 30, 2022.
- i) With respect to covenants other than those mentioned in paragraph 10(h) above, the management has represented and confirmed that the Company has complied with all the other covenants including affirmative, informative, and negative covenants, as prescribed in the Debenture Trust Deeds / Information Memorandum, as at September 30, 2022. We have relied on the same and not performed any independent procedure in this regard.
- j) Performed necessary inquiries with the Management and obtained necessary representations.

Conclusion

11. Based on the procedures performed by us, as referred to in paragraph 10 above and according to the information and explanations received and management representations obtained, nothing has come to our attention that causes us to believe that:
- a) The Company has not maintained Security Cover as per the terms of the Trust Deeds/Information Memorandum; and
 - b) The Company is not in compliance with all the financial covenants as mentioned in the Trust Deeds/Information Memorandum as on September 30, 2022.

S.R. BATLIBOI & Co. LLP

Chartered Accountants

Restriction on Use

12. The Report has been issued at the request of the Company, solely in connection with the purpose mentioned in paragraph 2 above and to be submitted with the accompanying Statement to the Debenture Trustee and is not to be used or referred to for any other person. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come. We have no responsibility to update this certificate for events and circumstances occurring after the date of this report.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**SHRAWAN
BHAGWATI
JALAN**

Digitally signed by SHRAWAN
BHAGWATI JALAN
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email=shrawan.jalan@srb.in
Date: 2022.11.07 18:04:58 +05'30'

per Shrawan Jalan

Partner

Membership Number: 102102

UDIN: 22102102BCJVEF1345

Place of Signature: Mumbai

Date: November 07, 2022

Statement of Security Cover and covenants compliance

- a) The listed entity has vide its Board Resolution and information memorandum / offer document and under various Debenture Trust Deeds has issued the following listed debt securities.

Sr .No.	ISIN	Facility	Secured/Unsecured	Outstanding Principal Amount in Cr.
1	INE616U07036	Non-convertible Debt Securities	Secured	400
2	INE657N07381	Non-convertible Debt Securities	Secured	200
3	INE657N07431	Non-convertible Debt Securities	Secured	20
	Grand Total			620

b) Security cover for Listed Debt Securities

(i) The financial information as on 30 September 2022 has been extracted from the books of accounts for the half year ended 30 September 2022 and other relevant records of Edelweiss Rural & Corporate Services Limited.

(ii) The assets of the listed entity provide coverage of 1.1 in accordance with the terms of issue/ debenture trust deed (calculation as per statement of security cover ratio for the Secured Debt securities - Annexure A)

Edelweiss Rural & Corporate Services Limited

(Formerly known as Edelweiss Commodities Services Limited)

CIN: U45201TG2006PLC078157

Regd. Off.: 2nd Floor, MB Towers, Plot No. 5, Road No. 2, Banjara Hills, Hyderabad 500 034 Tel No.: +91 40 40316900 www.edelweissfin.com

Corporate Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai 400 098 Tel No.: +91 22 4009 4400

c) Compliance of all the financial covenants / terms of issue in respect of listed secured debt securities of the listed entity.

Details of Debenture Trust Deeds entered by the Company:

Sr. No	Particulars	Trustee Name	Complied with financial Covenants	If no, reason for non-compliance
1	DTD dated September 11, 2015	IDBI trusteeship services limited	Complied	Not applicable
2	DTD dated August 23, 2017	IDBI trusteeship services limited	Complied	Not applicable
3	DTD dated August 24, 2017	IDBI trusteeship services limited	Complied	Not applicable

For Edelweiss Rural & Corporate Services Limited

RAVINDRA
BABAN
DHOBALÉ

Digitally signed by
RAVINDRA BABAN
DHOBALÉ
Date: 2022.11.07 17:34:42
+05'30'

Ravindra Dhobale
Executive Director and Chief Financial Officer

Date: 07 November 2022

Edehweiss Rural & Corporate Services Limited

Annexure A - Security Cover

Column A	Column B	Column C ₁	Column C ₂	Column C ₃	Column C ₄	Column C ₅	Column C ₆	Column C ₇	Column C ₈	Column C ₉	Column C ₁₀	Column C ₁₁	Column C ₁₂	Column C ₁₃	Column C ₁₄	Column C ₁₅	Column C ₁₆
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Debt not backed by any assets offered as security	Assets not offered as Security	Eliminated on (amount in negative)	(Total C to J)	Related to only those items covered by this certificate						
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)			debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying Book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for pari passu charge Assets*	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value=(K+L+M+N+O)		
		Book Value	Book Value	Yes/No	Book Value	Book Value											
ASSETS																	
Property, Plant and Equipment	Property	203.46	-	Yes	-	-	-	208.08	-	411.54	653.17	-	-	-	-	-	653.17
Capital Work-in- Progress		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Right of Use Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Goodwill		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	0.61	-	0.61	-	-	-	-	-	-	-
Intangible Assets under Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments		-	-	-	-	-	-	2,105.40	-	2,105.40	-	-	-	-	-	-	-
Loans	Receivables	-	-	Yes	48.34	-	-	536.79	-	585.13	-	-	48.34	-	-	-	48.34
Inventories		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Receivables		-	-	-	-	-	-	27	-	26.92	-	-	-	-	-	-	-
Cash and Cash Equivalents		-	-	-	-	-	-	7.08	-	7.08	-	-	-	-	-	-	-
Bank Balances other than Cash and Cash Equivalents		-	-	-	-	-	-	40.51	-	40.51	-	-	-	-	-	-	-
Others		-	-	-	-	-	-	304.28	-	304.28	-	-	-	-	-	-	-
Total		203.46	-	-	48.34	-	-	3,229.67	-	3,481.48	653.17	-	48.34	-	-	-	701.51
LIABILITIES																	
Debt securities to which this certificate pertains		590.79	-	Yes	43.95	-	-	-	-	634.73	590.79	-	43.95	-	-	-	634.73
Other debt sharing pari-passu charge with above debt		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Debt		-	-	-	-	-	1,151.19	-	-	1,151.19	-	-	-	-	-	-	-
Subordinated debt		-	-	-	-	-	233.11	-	-	233.11	-	-	-	-	-	-	-
Borrowings	not to be filled	-	-	-	-	-	547.17	-	-	547.17	-	-	-	-	-	-	-
Bank		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Securities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade payables		-	-	-	-	-	-	18.30	-	18.30	-	-	-	-	-	-	-
Lease Liabilities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provisions		-	-	-	-	-	-	1.10	-	1.10	-	-	-	-	-	-	-
Others		-	-	-	-	-	-	248.22	-	248.22	-	-	-	-	-	-	-
Total		590.79	-	-	43.95	-	-	267.63	-	2,833.82	590.79	-	43.95	-	-	-	634.73
Cover on Book Value*																	
Cover on Market Value											62.38		4.39				
Security Cover Ratio**											1.11		1.10				

* For the purpose of Security Coverage Ratio ("SCR"), the fair value of the Investment Property i.e. Edelweiss House amounting to Rs. 653.17 crores (WDV Rs. 203.46 crores) has been considered. The fair value report of the property is submitted annually to relevant Trustees, implying that the fair value is considered for the purpose of SCR. This fair value is based on valuation done by an Independent Valuer as per the report dated May 13, 2022.

**The assets are secured to the extent required to maintain the agreed Security Cover in respect of the Debentures. Accordingly, total asset is derived by taking into consideration the required security cover mentioned in the respective Debenture Trust Deed/ Information Memorandum.