

Edelweiss Finance & Investments Limited

Corporate Identity Number: U67120MH1994PLC286057

Annual Report for the year ended March 31, 2022

Edelweiss Finance & Investments Limited

28th Annual Report 2021-22

Board of Directors

Mr. Tushar Agrawal	-	Executive Director and Chief Executive Officer
Mr. Birendra Kumar	-	Chairman and Independent Director
Mr. Ashish Kehair	-	Non-Executive Director
Mr. Nikhil Srivastava	-	Non-Executive Director
Mr. Ramesh Abhishek	-	Non-Executive Director
Ms. Kamala Kantharaj	-	Non-Executive Director
Ms. Anisha Motwani	-	Independent Director
Mr. Kunnasagaran Chinniah	-	Independent Director

Chief Financial Officer

Ms. Sheetal Gandhi

Company Secretary

Ms. Pooja Doshi

Chief Executive Officer

Mr. Tushar Agrawal

Statutory Auditors

M/s. Chokshi & Chokshi LLP, Chartered Accounts.

Registered Office

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

Corporate Identity No.: U67120MH1994PLC286057

Tel: +91 22 4009 4400

Email: EWM.Secretarial@edelweissfin.com

Debenture Trustee

Beacon Trusteeship Limited
4C&D, Siddhivinayak Chambers,
Gandhi Nagar, Opp MIG Cricket
Club,
Bandra (E), Mumbai 400 051.

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

SBICap Trustee Company Limited
6th Floor, Apeejay House, 3, Dinshaw
Wachha Road, Churchgate, Mumbai -
400 020

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

BOARD'S REPORT

To the Members of Edelweiss Finance & Investments Limited,

The Directors hereby present their 28th Board's Report on the business, operations and the state of affairs of the Company together with the audited financial statements for the year ended March 31, 2022:

Financial Highlights

(Amount Rs. in million)

Particulars	2021-2022	2020-2021
Total Income	3,883.35	2,005.97
Total Expenses	3,292.62	1,820.42
Profit Before Tax	590.73	185.55
Provision for tax (including Deferred Tax and fringe benefit tax, if any)	142.49	42.05
Loss/ Profit for the year	448.24	143.50
Other Comprehensive Income	(3.22)	2.72
Total Comprehensive Income	445.02	146.22
Opening Balance	82.54	74.74
Profit available for appropriation		
Appropriations		
- Transfer to special reserve under Section 45-IC of the Reserve Bank of India Act, 1934	(89.65)	(28.69)
- Transfer to Capital Redemption Reserve	(4.01)	(109.73)
Surplus carried to Balance Sheet	4.09	82.54

Information on the State of Affairs of the Company

Information on the operational and financial performance for the financial year ended March 31, 2022, among others, is given in the Management Discussion and Analysis Report which is annexed as [Annexure I](#) to this Report and is in accordance with the provisions of the RBI Master Direction No. DNBR.PD.008/03.10.119/2016-17 dated September 1, 2016 as amended i.e. Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking company and Deposit taking Company (Reserve Bank) Directions, 2016.

Covid - 19

In Covid - 19 situation, the Company has been agile and responsive to the everchanging situation of constant lockdowns and has proactively strengthened its operational and technological infrastructure to ensure continuity of normal operations.

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Dividend

The Board on May 5, 2022 declared dividend of Rs. 1,36,27,575 on 93,18,000- 14.625% Cumulative Redeemable Preference Shares of Rs. 10/- each, for the financial year ended March 31, 2022.

During year under review, the Board of Directors did not recommend any dividend on the Equity Shares of the Company.

Share Capital

During the year under review, there was no change in the Equity Share Capital of the Company.

The Company had on June 11, 2021, redeemed 4,01,000 - 14.625% Cumulative Redeemable Preference Shares (CRPS) of Rs. 10 each for cash at a premium of Rs. 5 per CRPS, out of the profits of the Company, as per the terms of Issue.

Consequently, as at March 31, 2022, the total paid-up share capital of the Company stood at Rs. 20,77,71,050 divided into 1,14,59,105 Equity Shares and 93,18,000 CRPS of Rs. 10 each.

Holding Company

Edelweiss Securities Limited, the holding company of the Company ceased to be the subsidiary of Edelweiss Global Wealth Management Limited and became direct subsidiary of PAGAC Ecstasy Pte Limited (PAGAC) w.e.f. April 26, 2022.

In view of the above, the Company also became a subsidiary of PAGAC.

Finance

The Company continues to borrow funds in the form of Non-Convertible Debentures/commercial papers, offered on Private Placement basis.

Trustee Details

As per Section 62 (1) (b) of the Companies Act, 2013 read with rule 12 (9) of the Companies (Share Capital and Debentures), Rules, 2014, the following act as the Debenture Trustees for the Non-Convertible Debentures issued by the Company by Public Issue and Private Placement basis:

Beacon Trusteeship Limited	Catalyst Trusteeship Limited	SBI Cap Trustee Company Limited
4C&D, Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra (E), Mumbai - 400 051.	Windsor, 6 th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400 098.	6 th Floor, Apeejay House, 3, Dinshaw Watcha Road, Churchgate, Mumbai - 400 020.

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Loans, Investments, Security and Guarantees

The particulars of the loans given / investments made by the Company are provided in the financial statements. Further, during the year under review, the Company has not given any guarantee.

The Company has provided security of loans and other receivables in favor of Debenture Trustees in accordance with the Debenture Trust Deed executed by the Company.

Related Party Transactions

All the Related Party Transactions entered by the Company are on arm's length basis and in the ordinary course of business. The particulars of contracts or arrangements with the Related Parties as referred to in sub-section (1) of Section 188 and forming part of this Report are provided in the financial statement. All the Related Party Transactions as required under the Accounting Standards have been reported in the Notes to the financial statement.

The particulars of the material contracts/arrangements entered into by the Company with Related Parties on arm's length are disclosed in [Annexure II](#) in Form No. AOC -2.

Directors and Key Managerial Personnel

(i) Independent Directors

In accordance with the provisions of Section 149 of the Companies Act, 2013, (the Act) the Independent Directors have given a declaration that they meet the criteria of Independence as provided in the said Section and also in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. In the opinion of the Board, the Independent Directors are persons of integrity and possess relevant expertise, experience and proficiency as per the Act.

Pursuant to the recommendations of the Nomination and Remuneration Committee, Mr. Kunnasagan Chinniah (DIN: 01590108) and Ms. Anisha Motwani (DIN: 06943493) were appointed as Independent Directors of the Company w.e.f. June 10, 2021 and Mr. Birendra Kumar (DIN: 00163054) was appointed as the Chairman and Independent Director of the Company w.e.f. January 21, 2022.

(ii) Executive Director

Pursuant to the recommendations of the Nomination and Remuneration Committee, Mr. Ashish Kehair (DIN: 07789972) was appointed as the Executive Director of the Company w.e.f. October 21, 2022. Consequently, Mr. Kehair tendered his resignation as an Executive Director w.e.f. January 21, 2022. He continues to be a Non-executive Director of the Company.

(iii) Non-Executive Directors

Pursuant to the recommendations of the Nomination and Remuneration Committee, Ms. Kamala Kantharaj (DIN: 07917801) was appointed as a Non-executive Director of the Company w.e.f. June 29, 2021.

During the year under review, Mr. Venkatchalam Ramaswamy (DIN: 00008509) resigned as Director of Company w.e.f. July 7, 2021 and Mr. Pankaj Razdan (DIN: 00061240) resigned as Director of Company w.e.f. December 15, 2021. The Board places on record its sincere appreciation of the services rendered by Mr. Ramaswamy and Mr. Razdan during their tenure as the Non-executive Directors of the Company.

(iv) Retirement of Director by Rotation

Mr. Nikhil Srivastava (DIN: 07308617), Non-executive Director, retires by rotation at the forthcoming Annual General Meeting and being eligible, offered himself for re-appointment.

(v) Key Managerial Personnel

During the year under review, Mr. Jagdish Bhoir resigned as the Chief Financial Officer (CFO) of the Company and Ms. Sheetal Gandhi was appointed as CFO of the Company w.e.f. June 15, 2021.

Number of Board Meetings held

During the year ended March 31, 2021, the Board met five (5) times. The details of the Board meetings and the attendance of the Directors at the meetings are provided in the Corporate Governance Report, enclosed as [Annexure III](#) which forms part of this Report.

Remuneration Policy

The Board of Directors of the Company have framed a Remuneration Policy pursuant to Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Policy is annexed as [Annexure IV](#) to this Report.

Evaluation of the performance of the Board

A Board Evaluation Policy (the Policy) for evaluating the performance of the Board, its Committees, the Chairman, the Managing Director, the Executive Directors, the Non-executive Directors and the Independent Directors has been adopted by the Company. The Policy *inter alia* provides the criteria for performance evaluation such as Board effectiveness, quality of discussion, contribution at the meetings, business acumen, strategic thinking, time commitment, relationship with the stakeholders, corporate governance practices, review of the terms of reference of the Committees and the contribution of the Committees to the Board in discharging its functions, etc.

A separate meeting of the Independent Directors was held on March 14, 2021, wherein the performance of the Non-Independent Directors, performance of the Board as a whole and also that of the Chairman in terms of the provisions of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Guidance Note issued by the Securities and Exchange Board of India in this regard was discussed.

Internal Financial Controls and Risk Management

The Company has in place adequate internal financial controls with reference to financial statements. The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with the laws and regulations.

The internal control system is also supported by an internal audit process. M/s. Aneja Associates, Chartered Accountants, were appointed as Internal Auditors of your Company for the financial year 2021-22. Risk management is an integral part of the Company's business strategy that seeks to minimise adverse impact on business objectives and capitalise on opportunities. The Risk Management Committee oversees the risk management framework of the Company through regular and proactive intervention by identifying risks and formulating mitigation plans. Further details are provided in the Management Discussion and Analysis Section forming part of this Report.

Audit Committee

In accordance with the provisions of Section 177 of the Companies Act, 2013, (the Act), Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR) the Board of Directors of the Company has constituted the Audit Committee comprising of the following Directors as its members:

- Mr. Birendra Kumar – Independent Director and Chairman
- Mr. Ramesh Abhishek – Non-executive Director
- Mr. Kunnasagaran Chinniah- Independent Director
- Ms. Anisha Motwani - Independent Director

The constitution and terms of reference of the Committee are in compliance with the requirements of the Act and LODR. During the year ended March 31, 2022, the Committee met 4 times.

Further details of the Audit Committee are provided in the Corporate Governance Report, enclosed as [Annexure III](#) which forms part of this Report.

Nomination and Remuneration Committee

In accordance with the provisions of Section 178 of the Companies Act, 2013, (the Act), Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR) the Board of Directors of the Company has constituted the Nomination and Remuneration Committee comprising of the following Directors as its members:

- Mr. Birendra Kumar - Independent Director and Chairman
- Mr. Nikhil Srivastava- Non-executive Director
- Mr. Kunnasagaran Chinniah- Independent Director
- Ms. Anisha Motwani - Independent Director

The constitution and terms of reference of the Committee are in compliance with the requirements of the Act and LODR. During the year ended March 31, 2022, the Committee met 3 times.

Further details of the Committee are provided in the Corporate Governance Report, enclosed as [Annexure III](#) which forms part of this Report.

Corporate Social Responsibility Committee and Report

In accordance with the provisions of Section 135 of the Companies Act, 2013 (the Act), the Board of Directors of the Company has constituted the Corporate Social Responsibility Committee (CSR Committee) comprising of the following Directors as its members:

- Mr. Kunnasagaran Chinniah
- Mr. Nikhil Srivastava
- Ms. Kamala Kantharaj

The terms of reference of the CSR Committee include the matters specified in Section 135 of the Act. The CSR Committee met once during the year ended March 31, 2022.

The CSR Report on the activities undertaken during the year is provided in the [Annexure V](#) to this Report.

The CSR Policy of the Company is uploaded on the website of the Company at the link: <https://edelweissinvestment.edelweissfin.com/>.

Auditors

The Members of the Company at its Extraordinary General Meeting held on November 1, 2021, appointed M/s. Choksi & Choksi LLP, as the Auditors of the Company till the conclusion of the next Annual General Meeting of the Company to be held in the year 2022. A proposal is being placed in the forthcoming Annual General Meeting to appoint M/s. Choksi & Choksi LLP, as the Auditors of the Company till the conclusion of the 30th Annual General Meeting of the Company to be held in 2024.

The Auditors' Report on the financial statements for the year ended March 31, 2022 is unmodified and is annexed to the financial statements.

Secretarial Audit

The Board had appointed M/s. Sahani & Kothari Associates, Company Secretaries, as Secretarial Auditor of the Company for the financial year ended March 31, 2022. The Report of the Secretarial Auditor along with their observations is provided as an [Annexure VI](#) to this Report.

Prevention, Prohibition and Redressal of Sexual harassment of Women at Workplace

The Company has a Policy on Prevention of Sexual Harassment of Women at Workplace. No cases were reported during the year under review. There were no complaints pending as on March 31, 2022. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings/ Outgo

A. Conservation of energy

- i) the steps taken or impact on conservation of energy - The operations of your Company are not energy-intensive. However, adequate measures have been initiated for conservation of energy.
- ii) the steps taken by the Company for utilising alternate sources of energy - though the operations of the Company are not energy intensive, the Company shall explore alternative source of energy, as and when the necessity arises.
- iii) the capital investment on energy conservation equipment's - Nil

B. Technology absorption

- (i) the efforts made towards technology absorption; The minimum technology required for the business has been absorbed.
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution; Not Applicable
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year); Not Applicable
 - (a) the details of technology imported;
 - (b) the year of import;

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- (c) whether the technology been fully absorbed;
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- (iv) the expenditure incurred on Research and Development: Not Applicable

C. Foreign exchange earnings and outgo

The details of foreign exchange outgo during the year under review are as below:

Nature	Amount in Rs. (In Millions)
Purchase of Securities	590.63
Director Sitting Fees	1.24

Other Disclosures

No disclosure is required in respect of the details relating to the deposits covered under Chapter V of the Companies Act, 2013, issue of Equity Shares with differential rights as to dividend, voting or otherwise, sweat equity shares, as there were no transactions on these matters during the year ended March 31, 2022. There were no significant or material order passed by any regulator or court or tribunal which would impact the status of the Company as a going concern and the operations in future. No material changes have occurred between the end of financial year i.e. March 31, 2022 and the date of the report affecting the financial position of your Company. The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India.

Whistle Blower Policy/Vigil Mechanism

The Company has adopted a Whistle Blower Policy to report genuine concerns/grievances. The Policy is available on the website of the Company at the link: <https://edelweissinvestment.edelweissfin.com/>. The Policy provides for adequate safeguards against the victimisation of the persons who use the vigil mechanism. The vigil mechanism is overseen by the Audit Committee.

Disclosure under Section 197 of the Act - Particulars of Employees

The information/particulars of Employees as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended are provided in [Annexure VII](#) to this Report.

Corporate Governance

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, (Listing Regulations) the Report on Corporate Governance together with the certificate issued by M/s. Sahani & Kothari, Company Secretaries, on compliance with the conditions

of Corporate Governance as stipulated in the Listing Regulations enclosed as [Annexure III](#) forms part of this Report.

Directors' Responsibility Statement

Pursuant to Section 134 of the Companies Act, 2013 (the Act), the Board of Directors confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and profit of the Company for the financial year ended on that date;
- (iii) proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis;
- (v) internal financial controls have been laid down and the same are adequate and were operating effectively; and
- (vi) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

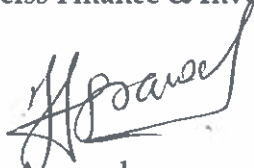
Declaration by the Chief Executive Officer

A declaration by the Chief Executive Officer in terms of Para D of Schedule V to the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, on the declarations received from the Directors and the Senior Management personnel affirming compliance with the Code of conduct applicable to them is provided in the Corporate Governance Report, enclosed as [Annexure III](#) which forms part of this Report

Acknowledgements

The Board of Directors wishes to place on record their appreciation for the continued support and co-operation extended by the Reserve Bank of India, Stock Exchanges, Ministry of Corporate Affairs, government authorities, banks, and other stakeholders. Your Directors would also like to take this opportunity to express their appreciation for the dedicated efforts of the employees of the Company.

For and on behalf of the Board of Directors
Edelweiss Finance & Investments Limited



Tushar Agrawal
Executive Director and CEO
DIN: 08285408



Ashish Kehair
Non-executive Director
DIN: 07789972

Mumbai, May 19, 2022

Annexure I

Edelweiss Finance & Investments Limited (EFIL) FY2021-22

Management Discussion & Analysis

MACRO ECONOMY: REVIEW AND OUTLOOK

FY22 has been the year of resurgence. On economic front, activity recovered after pandemic-induced contraction the year before. On health front, we have bounced back strongly from a severe second wave owing to a large vaccination drive and human ability to adapt.

Huge fiscal stimulus in advanced economies and large monetary support across the globe along with rapid vaccinations ensured one of the quickest recoveries. But the rebound in the economic activity came along with rapid rise in inflation. From deflation in FY21, global economy witnessed reflation and uncomfortably high inflation, all in a year. High demand, disrupted supply chains, semiconductor shortages all contributed to the price rise.

Furthermore, the recovery witnessed has been uneven across the globe has been uneven in many dimensions viz. DM outpacing EM given larger stimulus in former, large corporates doing better than smaller ones as they have better ability to adapt to supply disruptions, nominal recovery far outpacing real, and finally goods performing better than services. Such uneven recovery is unique to this time as recoveries from past crisis were more broad-based.

On domestic front, India has not been immune to the global developments. Global spill overs through trade, flows, and liquidity have helped considerably in the recovery process. The rebound has also been uneven on the similar lines seen at global level. High global commodity prices and general inflation lead to higher imported inflation for India, pushing up the core inflation above 6% threshold.

However, Indian domestic demand remained weak and is still below the trend. Consequently, central

government has provided elevated supported by keeping fiscal deficit high at 6.9% of GDP for FY22 and budgeted another 6.4% for FY23. RBI too has been quite dovish all through FY22 and ensured liquidity support.

Also, the developments on global front towards the end of FY22 have turned challenging viz. very hawkish US Federal reserve leading to tightening of financial conditions and Russia-Ukraine war leading to spike in oil, gas, fertilizers, and key food prices.

Overall Outlook

Looking ahead, negative spillovers from global developments would likely affect Indian economy through trade, flows, and liquidity channels. RBI will likely raise policy rate further by around 100bps in FY23 in a bid to protect exchange rate and limit imported inflation. However, India's own macro vulnerabilities remain low with strong balance sheets and huge forex reserves. Furthermore, high global food prices could provide fillip to farmer incomes and support the rural economy.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Commercial Credit Markets

Banking Industry

Last couple of years has been tough one for the banking system with continued slowdown in credit growth and with the pandemic disrupting business operations, asset performance and profitability. To better deal with the uncertainty of the situation, banks focused on controlling asset quality, building provisioning buffer and raising capital.

Proactive recognition, bounded stress pool, reasonable buffers and strong capital position puts banks in a structurally better space. While subsequent COVID waves portends uncertainty, the crisis is now better defined with bounded outcomes. The dual edge of cost advantage and equity confidence will be hard to match for smaller, less differentiated players.

FY22 marks the culmination of a 10-year asset quality refix, with a stress pool now fairly bounded. The dawn of FY23 marks beginning of a decade characterised by P&L and balance sheet improvements. Starting narrow and percolating down, stronger balance sheets and digital nimbleness will give large banks an edge.

NBFC Industry

Battling on multiple fronts over years –IL&FS crisis (liability constraints), Covid-19 and regulatory challenges – NBFCs have morphed into a resilient self, evident in higher liquidity, capital and provision buffers. Recent NPL norms will have an impact, but, would mark an end to bigger changes.

We see NBFCs' operating niche being challenged. And rising rates will entail transitional operating pressure points.

Assuming that the impact of the subsequent COVID wave would be limited, while the segment is not entirely out of woods, comfortable capital position, control on asset quality and strengthened liquidity management practices provide comfort. Within NBFCs, well run business models with stronger balance sheets, prudent risk management practices and limited vulnerability to earnings will emerge stronger.

Retail Finance

India has one of the lowest credit penetration among larger economies and retail credit presents a large growth opportunity driven by long term trends of democratisation of credit, rising household incomes and increased consumption. However, in the near term, we expect growth will remain challenging with players also tightening risk metrics to reflect the emerging realities – for both banks and NBFCs.

In addition to retail mortgages, the other scalable area which has been a focus of all banks and NBFCs is SME finance owing to the government guaranteed scheme. This segment, though is an attractive offer for borrowers due to its lending cap, will pose challenges for lenders given constant business disruptions due to external uncertainties.

Inopportune use of the ECLGS scheme without assessment of long term customer viability has the potential to compound up the size of the problem for certain SME loans.

Wealth Management Industry

Financialization of assets, democratization of wealth, Indian demographics and increasing sophistication are some of the key emerging trends in the Indian Wealth Management industry.

With the investors increasingly becoming more sophisticated coupled with low interest rates and increased investment choices, they are willing to explore the unexplored. Simultaneously, UHNIs and Affluent clients are keen to look at advanced investment and funding strategies and turn towards more personalised investment advisory services in their quest for higher yields which augurs well for the industry.

The Company

The Company is registered as a Non-Banking Financial Institution not accepting public deposits with the Reserve Bank of India. The Company is engaged in the business of investments and lending. Over a period of time the Company has acquired the status of Systemically Important Non-Banking Financial Company not accepting public deposits (NBFC-ND-SI).

At EFIL, we offer a wide range of products and services for retail clients of Edelweiss Wealth Management (EWM) business with a clear focus on offering bespoke products and strategies to our clients to meet their investment requirements. Our loan products include ESOP & Margin Funding, Loans against Securities and IPO Financing.

We are part of the Edelweiss Wealth Management Group which is one of India's prominent names in Wealth Management business sector. As one of India's fastest growing wealth management companies, we ranked second amongst the Indian wealth management businesses excluding banks (source: Asian Private Banker League Tables for FY20). We cater to the evolving needs of ~2,760

Ultra High-Networth (UHNW) families and ~8,53,000 Affluent clients across all major locations in India with over Rs.2,000 billion in Assets under Advice (AuA) at the end of FY22, a growth of 30% YoY. Wealth Management net flows increased by ~10% YoY to ~Rs. 9,300 Cr in FY22. Affluent client additions of ~1.5 lacs in FY22, registering YoY growth of 80%.

FINANCIAL PERFORMANCE HIGHLIGHTS

COVID-19 affected the performance of NBFCs/HFCs during most part of FY21. Just when FY22 was beginning to look brighter, the second wave of COVID-19 hit us all which proved to be more deadly than the first. Its impact lasted for Q1. Post equity infusion by PAG in March 2021, EFIL got capitalized with ~Rs. 1,750 million and we grew our loan book by ~65% in March 2022 as compared to March 2021. EFIL therefore continued to focus during the year on risk management including control over asset quality and liquidity management.

FINANCIAL HIGHLIGHTS FOR FY22

A summary of our consolidated FY22 financial highlights together with FY21 financials as per Ind AS is as under:

- **Total Revenue Rs. 3,883 million** (Rs.2,006 million for FY21), Increase 94%
- **Profit after Tax Rs 448 million** (Rs.144 million for FY21), Increase 212%.
- **Networth Rs. 6964 million** (Rs. 6,492 million at the end of FY21)

Fund Based Revenue

Our fund-based businesses earned revenue of Rs. 3,609 million for FY22 (Rs. 1,798 million for FY21). Out of this, interest income was at Rs. 2,079 million (Rs.1,320 million for FY21) and company has started extensive treasury management activities during the year on which it has earned net gain of Rs. 1,530 millions (Rs. 478 millions for FY 21)

Agency Fee & Commission

Our agency fee & commission revenue was Rs.260 million for the year (Rs. 206 million in FY21.)

EXPENSES

Our total costs for FY22 was Rs.3,293 million (Rs.1,820 million in FY21), increase 81 %. Within our total costs, operating expenses were Rs. 617 million in FY22 (Rs.277 million in FY21), increase of 123%. Our employee expenses were Rs.720 million in FY22 (Rs.511 million in FY21), increase of 41%. The interest expense were Rs.1,923 million (Rs.982 million in FY21), up 96%.

PROFIT AFTER TAX

Our Profit for FY22 was Rs.448 million compared to Profit after Tax of Rs.144 million for FY21.

Our Profit before Tax margin for FY22 was 15% compared to 9% for FY21. Our Profit after Tax margin for FY22 was 12% compared to 7% for FY21.

Balance Sheet Gearing

Post equity infusion by PAG deal in March 2021, its flagship NBFC, EFIL also got capitalized with ~Rs. 1,750 million, which gave headroom for leveraging the balance sheet and growing loan book EFIL has a net worth of Rs.6,964 million as at the end of FY22 compared to Rs.6,492 million at the end of FY21. Debt on March 31, 2022 was Rs. 24,175 million (Rs.13,738 million as on March 31, 2021), with a Gearing Ratio of 3.47 times. The gross Balance Sheet size at the end of FY21 was Rs.33,688 million (Rs. 20,689 million at the end of FY21).

ANALYSIS OF SIGNIFICANT CHANGES IN FINANCIAL RATIOS

As per the recent amendments to the SEBI Listing Obligations and Disclosure Requirements (LODR), we give below additional information in respect of financial parameters that are applicable to our company:

1. Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:
 - a. Debt Equity Ratio 3.47 at the end of FY22 compared to 2.11 at the end of FY21. This was due to increase in Debt.

- b. Operating Profit Margin 15% in FY22 compared to 9% in FY21.
 - c. Net Profit Margin 12% at the end of FY22 compared to 7% at the end of FY21.
2. Return on Average Equity for FY22 is 6.7% compared to 3.00% for FY21.

BUSINESS PERFORMANCE HIGHLIGHTS

Our Company is presently engaged in the business of granting loans against securities, ESOP & margin trade financing and IPO financing. The loan book has grown significantly in last one year.

As on March 31, 2022, outstanding loan against securities in EFIL stands at Rs.19,650 million compared to Rs.11,914 million at March 31, 2021.

BALANCE SHEET MANAGEMENT

EFIL recognises the need for a strong and liquid balance sheet which enables us easier access to market borrowings on the back of a strong credit rating. A liquid balance sheet simultaneously enables us to redeploy capital efficiently towards business opportunities that appear at short notice.

During FY20, EFIL has launched its maiden public issue and has managed to successfully raise Rs. 2,219 million.

Over and above this, EFIL has raised borrowings from market linked debentures.

We continue to diversify our sources of borrowings across MLDS, NCDs etc. as well as add liabilities commensurate with our assets profile.

Capital Adequacy Ratio

As per the Non Banking Financial Companies Prudential Norms stipulated by Reserve Bank, all NBFCs–ND–SI are required to maintain a minimum Capital to Risk-weighted Assets Ratio (“CRAR”) of 15%. EFIL’s total CRAR as on March 31, 2022 was 23.68% with a Tier I Ratio of 22.95% and Tier II ratio

of 0.73% compared to 28.05%, 26.84% and 1.21% respectively as on March 31, 2021.

OPPORTUNITIES

Financial services in India continue to offer enormous and scalable opportunities for companies like EFIL as under notwithstanding the recent economic downturn worsened by a prolonged Pandemic as the long-term growth story of India remains intact:

- With industry size of ~Rs. 15,000 Cr and restrictions by RBI on bank led brokers providing ESOP funding, opportunities have opened up for NBFCs like us.
- Democratisation of credit, aspirations of younger population, household savings moving to investments and increasing number of Demat accounts will continue to present growth opportunities for companies like ours.

THREATS

While the economy is gradually coming out of the shadows of the pandemic, following threats cannot be ruled out and these, if they materialize, could reverse the current revival of the economy including NBFC sector in India:

- Threat of next COVID-19 wave may reverse recovery of macro-economy, domestically as well as globally.
- If the current challenges for NBFCs to source liabilities do not resolve soon, growth will continue to be a challenge for the sector.
- Any abnormal surge in oil prices or weak monsoon or further delay in revival of capex cycle can also inhibit growth.

OUTLOOK & STRATEGY

While the GDP growth forecast for FY23 is robust, threats as outlined above can quickly derail the current momentum of the economy. Though we are in the midst of another Covid-19 wave, we are also going through the biggest vaccination program that the world has seen. Hopefully, impact of the second wave will not be as severe as the first one. Our confidence in the long-term India story continues to remain intact and growth opportunities will come back sooner than later.

As we look forward, we will continue to focus on culture, people, nurturing and scaling our business. At the same time, we will also see some new paradigms of focus – process and institutionalisation and tech-oriented thinking.

As the economy gains traction gradually, we are well-placed to take advantage of this India growth cycle. We have great global partner to help us grow. With strong capitalisation, tailwinds from the economy and the inherent strength of our business, we are looking at an exciting and fulfilling journey ahead.

ENTERPRISE GROUPS

The business of EFIL is controlled and supported by a core of Enterprise Groups that provide consistent quality and rigour to key process functions. While EFIL itself is responsible and equipped with management of enterprise functions, it also draws upon the support from and expertise available at the Edelweiss Group level. Various steps taken by us to improve efficacy of Enterprise functions are detailed below.

GOVERNANCE

Governance is at the heart of everything we do and it transcends beyond compliance extending to ethics and values as well because we believe that well governed organisations tend to last longer. Governance to us means **Trust** covering Ethics & Integrity, **Legitimacy** encompassing Transparency, Authenticity and Fairness, **Accountability** including Decision making, responsiveness, **Competence** highlighting Simplicity, and above all **Respect** for letter and spirit of law.

Our Board plays vital role in ensuring highest Governance level within the company by setting tone from top throughout the fabric of our organisation. They set higher standards on ethics, integrity, transparency and fairness leading us to build good framework for conduct, behaviour and process oversights at all levels.

In order to promote good governance culture, we have self-defined rules for good behaviour and conduct at individual as well as at entity levels covering issues of Conflict of Interest, Insider Trading, dealing with sensitive information etc. Learning from the recent past, we are refining some of practices to facilitate smooth functioning while working from home through use of technology ensuring that best in class compliance standards are met always.

RISK MANAGEMENT

Risk management is integral part of business at Edelweiss. The good risk management practices have facilitated navigating through environmentally turbulent times. Respect for Risk is central to every business decision at Edelweiss. Simple questions are to be answered before every decision, i.e., "**Is it worth it?**" and "**Can we afford it?**". This principle-based approach has stood well in protecting the organisation from vagaries of external world.

Risk Management is a discipline that forms its core and encompasses all the activities that affect the Company's risk profile. It includes risk identification, risk assessment, risk measurement, and risk mitigation with its main objective to minimise the negative impact on profitability and capital.

We believe that Risk Management is collective responsibility. The elaborate risk governance structure includes Board of Directors, Risk Management Committee, Investment Committees, & Risk team.

Last two years the whole world has faced a tail risk event of COVID-19 pandemic. This event necessitated unique approaches to mitigate different types of risk. Our advance preparation along with technology enablement ensured all our employees continued to operate seamlessly and serve customer deliverables while working from home. We are using all our learnings from the pandemic to manage various types of emerging and newer risks in our business..

EFIL Risk management enumerates the key risks in the business, to ensure consistency, uniformity, zero errors and transparency, and ensuring higher customer satisfaction and higher revenues

We have a strong risk team within our company which ensures implementation of risk philosophy and practices at business level. Our risk team also ensures that necessary action is taken to make certain that identified risks are adequately addressed.

Key Risks

EFIL deals in multiple asset classes and client segments and is thus exposed to various risks.

Credit Risk

The credit risk framework of EFIL ensures prior and periodic comprehensive assessment of every client, counterparty and collateral. Exposure limits are sanctioned to counterparties based on their credit worthiness. Credit risk monitoring mechanism ensures that exposure to clients is diversified and remains within stipulated limits. Careful selection of quality and quantum of collateral is key for a client limit. Effective credit risk management has enabled us to steer through the current environmental stress conditions without any major impact.

Market Risk

EFIL faces the usual market risks on the liabilities as well as assets side. In order to monitor such market risk, a comprehensive set of reports and limits has been put in place that track positions and various risk parameters. The risk framework ensures that the risks are monitored and necessary timely action is taken for every single instance of breach, in case they occur.

Operational Risk

Operational risk framework of EFIL is designed to balance and check operational risk at key manifestation points. In addition to defining new processes, we constantly review all critical processes to proactively identify weak controls and strengthen the same.

Fraud Risk

EFIL has set fraud risk framework to providing insight into fraud prevention, detection and

response. Risk assessment done frequently in the changing risk environment. The process of assessing fraud risk vulnerabilities within organization and then developing an anti-fraud program that stops any potentially fraudulent activity before it happens. It involves identifying potential and inherent fraud risks and developing a program that works to detect and prevent suspected fraud, both internal and external to the business.

Fraud Risk covers Employee Fraud, Customer Fraud and Third-Party Fraud as its principal categories. Company uses different types of tools and techniques for mitigating risk viz Governing Controls, Preventive Controls & Detective Controls.

Business Risk

EFIL is primarily a Capital Market Based Wealth NBFC, where we largely do funding against liquid collateral.

Given the high quality liquid collaterals, we have advantage of ability to scale up and down the business based on market condition.

Business strategy is formed and continuously monitored and updated, keeping in mind the changing business environment.

Liquidity Risk

We at EFIL maintain sufficient liquidity cushion to meet our borrowing obligation and borrower side funding requirement.

Additionally, the asset liability mismatch and collateral margins are regularly assessed. Liquidity requirements are closely monitored and necessary care is taken to maintain sufficient liquidity cushion for maturing liabilities and for any unforeseen requirements. We also ensure diversification in source of borrowing to reduce dependence on a single source. We also pro-actively modify our liabilities profile in sync with the changing assets profile to ensure that we do not carry any material asset liability mismatch.

Regulatory Risk

Being RBI registered NBFC engaged into lending and investment, EFIL is subject to various regulatory requirements.

Governance and Compliance Team ensures that every regulation, which are applicable to us are being complied with in letter and spirit.

Reputation Risk

We at EFIL understand that reputation is key to manage the brand image and it is very important to keep the reputation high. There are several other risks, with which our Reputation is related, and any other risk event can lead to Reputation Risk. We are cognizant of this risk and work towards ensuring that our reputation remains that of high quality.

Technology Risk

Tech Team ensures that all systems are updated and working as envisaged.

IT Steering Committee monitors the developments and keep a tab to see that IT infrastructure is being built keeping in mind futuristic requirement.

Systems are assessed and updated regularly to ward off risk of outdated, breach of confidential data and hacking attempts.

People Risk

In EFIL we have right set of people having required qualification, experience and skill set.

At the hiring it is ensured that people being hired are having right skill to perform the task.

Performance Management System evaluates the employees progress and rewards are in-line with performance of the concerned person.

Physical and Infrastructure Risk

Physical and Infrastructure risk is defined as the risk of loss due to failures and/ or disruption of basic services, infrastructure, and facilities on account of natural calamity or manmade disaster, including safety of employees. It includes Safety of Employees and Damage to Physical Assets as its

principal categories. EFIL has adequate Business Continuity plan in place so as to ensure that there are sufficient back-ups to continue with business in case of disruption.

All of the above will also help us in ensuring our compliance with Companies Act 2013 requirement of “adequate internal financial controls system and operating effectiveness of such controls”.

INTERNAL CONTROL POLICIES AND THEIR ADEQUACY

Edelweiss Group has institutionalised a strong compliance culture across all the business entities recognising that transparency and trust amongst all its stakeholders can be achieved only through this. We believe Compliance is the cornerstone of good corporate citizenship.

The internal controls of Edelweiss are commensurate with the business requirements, its scale of operation and applicable statutes to ensure orderly and efficient conduct of business. These controls have been designed to ensure assurance with regard to maintaining proper accounting controls, substantiation of financial statement and adherence to IND AS requirements, safeguarding of resources, prevention and detection of frauds and errors, ensuring operating effectiveness, reliability of financial reporting, compliance with applicable regulations and relevant matters covered under section 134 (5) (e) of the Companies Act 2013.

Internal Audit

Internal Auditors at EFIL follow Standards on Internal Audit along with guidelines issued by regulators and ensures compliance with section 138 of the Companies Act 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, as amended and notified from time to time. The Internal Audit function operates under the supervision of the Audit Committee of the Board.

The Internal audits are carried out by EFIL team supported by external professionals who provide independent view and assurance by assessing the adequacy and effectiveness of internal control,

compliance to internal and external guidelines, and risk management practices across the company.

HUMAN RESOURCES

Crisis begets opportunity and it is the strength of our people that has turned the pandemic and volatile economic environment into opportunity with their energy, persistence and agile thinking. Along with this, anchored to our guiding principles, our culture and values continue to guide our choices and keep us resilient.

Edelweiss's biggest strength has always been its people. They are always at the core of all designs, initiatives and programs in creating better experience through their life cycle of hiring, engagement, development.

Our policies provide greater flexibility, equipping our employees to contribute with same or better productivity and engagement levels. A significant component of our value-based culture is also commitment to acknowledge and appreciate efforts of employees through extensive recognition programs.

Our offices are reimagined and repurposed to support work from home and hybrid work feasibility enabling employees to connect, collaborate, manage work interactions with a mix of remote, onsite and hybrid workforce, as well as with the clients.

Developments on HR front in FY21 are summarised below:

- We ended FY22 with a lower headcount of 278 permanent employees from 285 as of March 31, 2021.
- As growth comes back gradually in the New Normal of post COVID-19 scenario, we will be in a position to meet the challenges of increasing scale and complexity of our business as well as future business growth.

Taking care of our people with a framework that is fair, collaborative, compliant and responsive, Edelweiss represents a winning combination of people, opportunities and development.

People Practices during COVID-19 Pandemic

We continued to remain grounded in our culture of care and our commitment to employee safety and wellbeing. During this pandemic, we made medical coverage for Covid-19 accessible early on for all employees and their dependent family members. As a family, through round-the-clock support from our Incident Room, working towards arranging for emergency services, employee outreach programs and 24*7 counselling services, we hope to support our employees in the best possible way.

Leadership

In the changed context, virtual leadership emerged to ensure that plans, decisions, information, and accomplishments are shared to motivate team members while sustaining connection, trust, and engagement with team members through frequent check-ins.

Our tiered Edelweiss Group Leadership Program in businesses continues to build capacities to nurture top talent in entry and mid-level. Focus on Senior leadership cohort continues to build a strong thinking body which acts as catalyst to shape our strategy. We are a part of this Group Leadership Programme.

TECHNOLOGY

While the last year was unprecedented and challenging for most of the organizations worldwide, Edelweiss Group had an edge because of its strong technology backbone which supports all the Group companies. Even with the pandemic hitting, we were able to ensure business continuity and provide seamless experience to our customers through the digital channels.

Technology resiliency

The key pillars of Edelweiss Group technology resiliency have been:

- **Cloud adoption:** Migrating to the cloud ensured high availability, scalability and resiliency of our business applications with

employees being able to securely access from anywhere, using any device and at any time

- **Enterprise API gateway:** This enabled us to leverage the partner ecosystem and accelerate the turnaround time for new product launches
- **Unified collaboration suite:** Deployment of a unified collaboration suite helped improve the employee productivity
- **Intelligent Automation:** This enabled us to develop new experiences and deliver process changes rapidly through low code software development tools
- **Artificial Intelligence:** Leveraging advanced Machine Learning algorithms, we have deployed over 20 models for evaluating risks, performing AML checks, doing customer KYC, identifying frauds, etc. in the Group companies thereby building efficiencies in our business

Information Security and Governance

In order to cater to the ever changing landscape post pandemic, the Group Technology function has moved away from the traditional castle-and-moat security model to Zero Trust Network Security model. This requires strict identity verification for every person and device trying to access resources on private corporate network. Going forward, enhancing the Cloud security framework and governance at Edelweiss Group will continue to be a priority area. Further even during these trying times, we have been able to maintain 100% regulatory and policy compliance of all our IT security controls with zero downtime.

With respect to IT Governance, we intend to continue our focus on process standardisation and strengthen our governance practices to ensure the right balance of efficiency, risk and compliance.

CUSTOMER EXPERIENCE

At Company level, Customer Experience (CX) is regarded as a key pillar of business success in true spirit.

With this motto in sight, we have continued to build a culture of customer-centric business. To drive this agenda, we have also implemented various measures including digital upgrade. Through these efforts, we are responding to evolving customer needs, and institutionalizing these processes across the organisation, to ensure a superlative experience for all our customers, throughout the value chain.

Annexure II

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

(Currency: Indian rupees in millions)

Details of contracts or arrangements or transactions not at arm's length basis: **None**

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
-	-	-	-	-	-	-	-	-

II. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Name of the related party	Relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any (Rs. In million)	Date of approval by the Audit Committee	Amount paid as advances, if any
1.	Edelweiss Financial Services Limited	Company exercising significant Influence over Holding company	Loan repaid to	One year	3,355.00	Feb 10, 2021	Nil
2.	Edelweiss Broking Limited	Fellow Subsidiaries	Loans given to	One year	19,625.90	Feb 10, 2021	Nil
3.	ESL Securities Limited	Fellow Subsidiaries	Loans given to	One year	325.77	Feb 10, 2021	Nil
4.	Edelweiss Broking Limited	Fellow Subsidiaries	Repayment of loans by	One year	21,765.90	Feb 10, 2021	Nil
5.	ESL Securities Limited	Fellow Subsidiaries	Repayment of loans by	One year	365.77	Feb 10, 2021	Nil
6.	Pankaj Razdan	Non-executive Director up to December 15, 2021	Loan Given including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	One year	1.16	Feb 10, 2021	Nil
7.	Aparna T Chandrashekar	Relatives of Key Management Personnel	Loan Given including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	One year	178.01	Feb 10, 2021	Nil

8.	Mabella Investment Adviser LLP	Entity in which Key Management Personnel/ Key Management Personnel's Relatives has substantial Interest	Loan Given including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	One year	290.82	Feb 10, 2021	Nil
9.	Jagdish Bhoir	Key Management Personnel	Loan Given including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	One year	0.06	Feb 10, 2021	Nil
10.	Venkatchalam Ramaswamy	Non-executive Director up to July 07, 2021	Loan Given including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	One year	0.05	Feb 10, 2021	Nil
11.	Tushar Agrawal	Key Management Personnel	Loan Given including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	One year	28.59	Feb 10, 2021	Nil
12.	Kenai Advisors LLP	Entity in which Key Management Personnel/ Key Management Personnel's Relatives has substantial Interest	Loan Given including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	One year	44.51	Feb 10, 2021	Nil
13.	Swara Ventures LLP	Entity in which Key Management Personnel/ Key Management Personnel's Relatives has substantial Interest	Loan Given including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	One year	246.13	Feb 10, 2021	Nil

14.	Pankaj Razdan	Non-executive Director up to December 15, 2021	Loan repaid including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	One year	1.35	Feb 10, 2021	Nil
15.	Aparna T Chandrashekar	Relatives of Key Management Personnel	Loan repaid including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	One year	197.81	Feb 10, 2021	Nil
16.	Mabella Investment Adviser LLP	Entity in which Key Management Personnel/ Key Management Personnel's Relatives has substantial Interest	Loan repaid including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	One year	419.43	Feb 10, 2021	Nil
17.	Jagdish Bhoir	Key Management Personnel	Loan repaid including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	One year	0.06	Feb 10, 2021	Nil
18.	Venkatchalam Ramaswamy	Non-executive Director up to July 07, 2021	Loan repaid including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	One year	0.05	Feb 10, 2021	Nil
19.	Tushar Agrawal	Key Management Personnel	Loan repaid including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	One year	8.22	Feb 10, 2021	Nil

20.	Kenai Advisors LLP	Entity in which Key Management Personnel/ Key Management Personnel's Relatives has substantial Interest	Loan repaid including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	One year	0.01	Feb 10, 2021	Nil		
21.	Swara Ventures LLP	Entity in which Key Management Personnel/ Key Management Personnel's Relatives has substantial Interest	Loan repaid including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	One year	245.73	Feb 10, 2021	Nil		
22.	ECL Finance Limited	Associate companies	Purchases of securities held for trading from	On demand	373.42	Feb 10, 2021	Nil		
23.	Edelweiss Broking Limited	Fellow Subsidiaries	Purchases of securities held for trading from	On demand	833.75	Feb 10, 2021	Nil		
24.	Edelweiss General Insurance Company Limited	Associate companies	Purchases of securities held for trading from	On demand	594.43	Feb 10, 2021	Nil		
25.	Edelweiss Securities And Investments Private Limited	Associate companies	Purchases of securities held for trading from	On demand	0.45	Feb 10, 2021	Nil		
26.	Edelweiss Tokio Life Insurance company limited	Associate companies	Purchases of securities held for trading from	On demand	149.53	Feb 10, 2021	Nil		
27.	Edel Land Limited	Associate companies	Purchases of securities held for trading from	On demand	28.23	Feb 10, 2021	Nil		
28.	Edelweiss Financial Services Limited	Company exercising significant Influence over Holding company	Purchases of securities held for trading from	On demand	10.00	Feb 10, 2021	Nil		
29.	Shiv Sehgal	Key Management Personnel 's of Holding Company	Purchases of securities held for trading from	On demand	11.20	Feb 10, 2021	Nil		
30.	Alok Saigal	Key Management Personnel 's of Parent of Holding Company	Purchases of securities held for trading from	On demand	4.25	Feb 10, 2021	Nil		
31.	Tushar Agrawal	Key Management Personnel	Purchases of securities held for trading from	On demand	6.09	Feb 10, 2021	Nil		
32.	Neha Tushar Agrawal	Relatives of Key Management Personnel	Purchases of securities held for trading from	On demand	0.43	Feb 10, 2021	Nil		

33.	ECL Finance Limited	Associate companies	Sale of securities held for trading to	On demand	657.89	Feb 10, 2021	Nil
34.	Edelweiss Broking Limited	Fellow Subsidiaries	Sale of securities held for trading to	On demand	3,133.72	Feb 10, 2021	Nil
35.	Edelweiss General Insurance Company Limited	Associate companies	Sale of securities held for trading to	On demand	147.19	Feb 10, 2021	Nil
36.	Edelweiss Tokio Life Insurance company limited	Associate companies	Sale of securities held for trading to	On demand	58.24	Feb 10, 2021	Nil
37.	Edelweiss Securities Limited	Holding Company	Sale of securities held for trading to	On demand	2,233.91	Feb 10, 2021	Nil
38.	Kenai Advisors LLP	Entity in which Key Management Personnel/ Key Management Personnel's Relatives has substantial Interest	Sale of securities held for trading to	On demand	64.48	Feb 10, 2021	Nil
39.	Tushar Agrawal	Key Management Personnel	Sale of securities held for trading to	On demand	20.21	Feb 10, 2021	Nil
40.	Alok Saigal	Key Management Personnel 's of Parent of Holding Company	Sale of securities held for trading to	On demand	0.76	Feb 10, 2021	Nil
41.	Neha Tushar Agrawal	Relatives of Key Management Personnel	Sale of securities held for trading to	On demand	1.02	Feb 10, 2021	Nil
42.	Edel Land Limited	Associate companies	Redemption and buyback of Debt securities	On demand	3,112.31	Feb 10, 2021	Nil
43.	Edelweiss Securities Limited	Holding Company	Margin placed with (includes amount paid to broker for trading in cash segment)	On demand	12,542.24	Feb 10, 2021	Nil
44.	Edel Investments Limited	Associate companies	Margin placed with (includes amount paid to broker for trading in cash segment)	On demand	25,332.00	Feb 10, 2021	Nil
45.	Edelweiss Custodial Services Limited	Fellow Subsidiaries	Margin placed with (includes amount paid to broker for trading in cash segment)	On demand	63,707.27	Feb 10, 2021	Nil

46.	Edelweiss Securities Limited	Holding Company	Margin refund received from (includes amount received from broker for trading in cash segment)	On demand	12,753.27	Feb 10, 2021	Nil
47.	Edel Investments Limited	Associate companies	Margin refund received from (includes amount received from broker for trading in cash segment)	On demand	23,496.59	Feb 10, 2021	Nil
48.	Edelweiss Custodial Services Limited	Fellow Subsidiaries	Margin refund received from (includes amount received from broker for trading in cash segment)	On demand	66,496.27	Feb 10, 2021	Nil
49.	Edelweiss Broking Limited	Fellow Subsidiaries	Purchase of fixed asset from	On demand	0.06	Feb 10, 2021	Nil
50.	Edelweiss Financial Services Limited	Company exercising significant Influence over Holding company	Purchase of fixed asset from	On demand	0.33	Feb 10, 2021	Nil
51.	Edel Finance Company Ltd	Associate companies	Purchase of fixed asset from	On demand	0.02	Feb 10, 2021	Nil
52.	Edelweiss Rural & Corporate Services Limited	Associate companies	Purchase of fixed asset from	On demand	0.04	Feb 10, 2021	Nil
53.	Edelweiss Global Wealth Management Limited	Parent of Holding company	Purchase of fixed asset from	On demand	0.09	Feb 10, 2021	Nil
54.	Edelweiss Securities Limited	Holding Company	Purchase of fixed asset from	On demand	0.02	Feb 10, 2021	Nil
55.	Edelweiss Housing Finance Limited	Associate companies	Purchase of fixed asset from	On demand	0.00	Feb 10, 2021	Nil
56.	ECL Finance Limited	Associate companies	Purchase of fixed asset from	On demand	0.00	Feb 10, 2021	Nil
57.	Edelweiss Custodial Services Limited	Fellow Subsidiaries	Purchase of fixed asset from	On demand	0.00	Feb 10, 2021	Nil
58.	Edelweiss Investment Adviser Limited	Associate companies	Purchase of fixed asset from	On demand	0.00	Feb 10, 2021	Nil
59.	Edelweiss Securities And Investments Private Limited	Associate companies	Purchase of fixed asset from	On demand	0.77	Feb 10, 2021	Nil

60.	Edelweiss Securities Limited	Holding Company	Sale of fixed asset to	On demand	0.04	Feb 10, 2021	Nil
61.	Edelweiss Broking Limited	Fellow Subsidiaries	Sale of fixed asset to	On demand	0.10	Feb 10, 2021	Nil
62.	Edel Land Limited	Associate companies	Sale of fixed asset to	On demand	0.43	Feb 10, 2021	Nil
63.	Edelweiss Global Wealth Management Limited	Parent of Holding company	Sale of fixed asset to	On demand	0.00	Feb 10, 2021	Nil
64.	Edelweiss Financial Services Limited	Company exercising significant Influence over Holding company	Sale of fixed asset to	On demand	0.15	Feb 10, 2021	Nil
65.	Edelweiss Rural & Corporate Services Limited	Associate companies	Sale of fixed asset to	On demand	1.34	Feb 10, 2021	Nil
66.	Edelweiss Broking Limited	Fellow Subsidiaries	Interest income on loan given to	On demand	245.20	Feb 10, 2021	Nil
67.	ESL Securities Limited	Fellow Subsidiaries	Interest income on loan given to	On demand	1.53	Feb 10, 2021	Nil
68.	Pankaj Razdan	Non-executive Director up to December 15, 2021	Interest Income on Loan given to KMP, its Relative and its entity in which KMP/ Relative has substantial Interest	On demand	0.98	Feb 10, 2021	Nil
69.	Aparna T Chandrashekar	Relatives of Key Management Personnel	Interest Income on Loan given to KMP, its Relative and its entity in which KMP/ Relative has substantial Interest	On demand	24.21	Feb 10, 2021	Nil
70.	Mabella Investment Adviser LLP	Entity in which Key Management Personnel/ Key Management Personnel's Relatives has substantial Interest	Interest Income on Loan given to KMP, its Relative and its entity in which KMP/ Relative has substantial Interest	On demand	31.12	Feb 10, 2021	Nil
71.	Jagdish Bhoir	Key Management Personnel	Interest Income on Loan given to KMP, its Relative and its entity in which KMP/ Relative has substantial Interest	On demand	0.06	Feb 10, 2021	Nil

72.	Tushar Agrawal	Key Management Personnel	Interest Income on Loan given to KMP, its Relative and its entity in which KMP/ Relative has substantial Interest	On demand	0.81	Feb 10, 2021	Nil
73.	Kenai Advisors LLP	Entity in which Key Management Personnel/ Key Management Personnel's Relatives has substantial Interest	Interest Income on Loan given to KMP, its Relative and its entity in which KMP/ Relative has substantial Interest	On demand	0.31	Feb 10, 2021	Nil
74.	Swara Ventures LLP	Entity in which Key Management Personnel/ Key Management Personnel's Relatives has substantial Interest	Interest Income on Loan given to KMP, its Relative and its entity in which KMP/ Relative has substantial Interest	On demand	0.40	Feb 10, 2021	Nil
75.	ECL Finance Limited	Associate companies	Interest received on debt instruments from	On demand	4.16	Feb 10, 2021	Nil
76.	Edelweiss Housing Finance Limited	Associate companies	Interest received on debt instruments from	On demand	0.02	Feb 10, 2021	Nil
77.	Edelweiss Retail Finance Limited	Associate companies	Interest received on debt instruments from	On demand	0.02	Feb 10, 2021	Nil
78.	Edelweiss Financial Services Limited	Company exercising significant Influence over Holding company	Interest received on debt instruments from	On demand	2.22	Feb 10, 2021	Nil
79.	Edelweiss Financial Services Limited	Company exercising significant Influence over Holding company	Interest Expense on loan taken from	On demand	162.73	Feb 10, 2021	Nil
80.	Edelweiss Broking Limited	Fellow Subsidiaries	Interest paid on debt instruments to	On demand	1.59	Feb 10, 2021	Nil
81.	Edelweiss Custodial Services Limited	Fellow Subsidiaries	Interest received on margin placed with brokers	On demand	3.00	Feb 10, 2021	Nil
82.	Edelweiss Financial Services Limited	Company exercising significant Influence over Holding company	Cost reimbursement paid to	On demand	5.09	Feb 10, 2021	Nil
83.	Edelweiss Rural & Corporate Services Limited	Associate companies	Cost reimbursement paid to	On demand	1.37	Feb 10, 2021	Nil

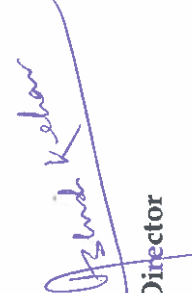
84.	Edelweiss Broking Limited	Fellow Subsidiaries	Cost reimbursement paid to	On demand	101.13	Feb 10, 2021	Nil
85.	Edelweiss Custodial Services Limited	Fellow Subsidiaries	Cost reimbursement paid to	On demand	30.81	Feb 10, 2021	Nil
86.	Edelweiss Securities Limited	Holding Company	Cost reimbursement paid to	On demand	115.65	Feb 10, 2021	Nil
87.	Edelweiss Global Wealth Management Limited	Parent of Holding company	Cost reimbursement paid to	On demand	0.23	Feb 10, 2021	Nil
88.	Edelweiss Alternative Asset Advisors Limited	Associate companies	Cost reimbursement paid to	On demand	1.18	Feb 10, 2021	Nil
89.	ESL Securities Limited	Fellow Subsidiaries	Cost reimbursement paid to	On demand	0.16	Feb 10, 2021	Nil
90.	Edel Land Limited	Associate companies	Cost reimbursement paid to	On demand	0.07	Feb 10, 2021	Nil
91.	ESL Securities Limited	Fellow Subsidiaries	Cost reimbursement from	On demand	0.38	Feb 10, 2021	Nil
92.	Edelweiss Broking Limited	Fellow Subsidiaries	Cost reimbursement from	On demand	0.70	Feb 10, 2021	Nil
93.	EdelGive Foundation	Associate companies	Donation to	On demand	3.23	Feb 10, 2021	Nil
94.	Edelweiss Financial Services Limited	Company exercising significant Influence over Holding company	Corporate Guarantee support fee	On demand	1.44	Feb 10, 2021	Nil
95.	Edelweiss Rural & Corporate Services Limited	Associate companies	Rating support fees paid to	On demand	0.13	Feb 10, 2021	Nil
96.	Edelweiss Custodial Services Limited	Fellow Subsidiaries	Clearing charges and Stamp duty paid to	On demand	3.02	Feb 10, 2021	Nil
97.	Edelweiss Securities Limited	Holding Company	Commission and brokerage paid to	On demand	2.53	Feb 10, 2021	Nil
98.	Edelweiss Broking Limited	Fellow Subsidiaries	Commission and brokerage paid to	On demand	256.24	Feb 10, 2021	Nil
99.	Edel Investments Limited	Associate companies	Commission and brokerage paid to	On demand	14.22	Feb 10, 2021	Nil
100.	Edelweiss General Insurance Company Limited	Associate companies	Insurance Premium paid	On demand	8.36	Feb 10, 2021	Nil

	Asia Pragati Strategic Investment Fund	Fellow entity of the ultimate Holding Company	Liquidity support Fees	On demand	50.00	Feb 10, 2021	Nil
101.	Tushar Agrawal	Key Management Personnel	Remuneration to Chief Executive Officer	On demand	7.66	Feb 10, 2021	Nil
102.	Others	Key Management Personnel	Remuneration to Key Management Personnel	On demand	7.41	Feb 10, 2021	Nil
103.	Anisha Motwani	Independent Director	Sitting fees paid to non executive director	On demand	0.92	Feb 10, 2021	Nil
104.	Briendra Kumar	Independent Director	Sitting fees paid to non executive director	On demand	0.30	Feb 10, 2021	Nil
105.	Kunnasagan Chinniah	Independent Director	Sitting fees paid to non executive director	On demand	1.24	Feb 10, 2021	Nil
106.							

**For and on behalf of the Board of Directors
Edelweiss Finance & Investments Limited**



Tushar Agrawal
Executive Director and CEO
DIN: 08285408



Ashish Kehair
Non-executive Director
DIN: 07789972

Mumbai, May 19, 2022

Corporate Governance Report

Company's Philosophy on Corporate Governance

At Edelweiss Finance & Investments Limited, we strongly uphold good governance practices to promote fairness, transparency, accountability and integrity. In line with this philosophy, Guiding Principles have been articulated and these forms integral part of Company's corporate governance practices. Processes have been designed to run the businesses responsibly and harmonize diversified interests of various stakeholders thereby enhancing stakeholder value.

Board of Directors

Composition, Meeting and Attendance

The Board of Directors (the Board) of the Company are in conformity with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and the Companies Act, 2013 (the Act).

The annual calendar of the Board Meetings is agreed in advance with the Board of Directors. The agenda for the Board Meetings is circulated in advance and is backed by comprehensive background information to enable the Board to take informed decisions. During the financial year 2021-22, the Board met 5 times i.e. on: May 26, 2021, July 19, 2021, October 21, 2021, January 21, 2022 and February 25, 2022.

The names and categories of the Directors on the Board, their attendance at the Board Meetings held during the financial year 2021-22 and at the last Annual General Meeting (AGM), the number of directorships and committee positions held by them in other public limited companies and the name of the other listed entities where he/she is a Director and category of directorships as on March 31, 2022, are as under:

Name and DIN of the Directors	Category	No. of Board Meetings attended	Attendance at the AGM held on August 13, 2021	No. of Directorships held in other Public Companies \$	Name of other listed entity where person is Director and category of Directorship	Committee Position	
						Member	Chairman
Mr. Birendra Kumar DIN: 00163054 (appointed w.e.f. January 21, 2022)	Independent Chairman	2	NA	2	0	1	1
Mr. Nikhil Srivastava DIN: 07308617	Non-executive, Non-independent	4	No	2	0	0	0
Mr. Ashish Kehair DIN: 07789972 (appointed w.e.f. October 21, 2021)	Non-executive, Non-independent	2	NA	2	0	0	1
Mr. Ramesh Abhishek DIN: 07452293	Non-executive, Non-independent	5	No	5	2 -Director: a. Cyient Limited; b. Aditya Birla Sun Life AMC Limited.	3	0
Ms. Kamala Kantharaj DIN: 07917801 (appointed w.e.f. June 29, 2021)	Non-executive, Non-independent	4	No	7	0	2	0
Ms. Anisha Motwani DIN: 06943493 (appointed w.e.f. June 10, 2021)	Independent	4	No	9	5- Director: a. Prataap Snacks Limited; b. Welspun India Limited c. Abbott India Limited d. Somany Home	4	1

					Innovation Limited e.Star Health And Allied Insurance Company Limited.		
Mr. Kunnasagaran Chinniah DIN: 01590108 (appointed w.e.f. June 10, 2021)	Independent	4	No	6	1- Nominee Director- Nirlon Limited; 2- Director- Edelweiss Financial Services Limited. .	5	1

\$ Only Directorships of public limited companies incorporated in India have been considered and excludes private limited companies, section 8 companies and foreign companies.

*Only Audit Committee and Stakeholders' Relationship Committee, in other public limited companies, have been considered for the Committee position.

None of the Directors are related to each other. None of the Directors hold any shares or convertible instruments of the Company. Web link where familiarisation program for Independent Directors is been disclosed: <https://edelweissinvestment.edelweissfin.com/investor-relations/>

None of the Directors hold office in more than 10 public companies as prescribed under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations"). No Director holds directorships in more than 7 listed companies. Further, none of the Non-executive Directors serve as Independent Director in more than 7 listed companies as required under the Listing Regulations. None of the Directors on the Board is a member of more than 10 Committees and Chairperson of more than 5 Committees, across all public limited companies in which he/she is a Director under the Listing Regulations. Independent Directors are Non-executive Directors as defined under the Listing Regulations and the Act, along with Rules framed thereunder. In terms of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Based on the declarations received from the Independent Directors, the Board has confirmed that they meet the criteria of independence as prescribed under the Listing Regulations and the Act and that they are independent of the management. Further, the Independent Directors have, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs. In the opinion of the Board, the Independent Directors are persons of integrity and possess relevant expertise, experience and proficiency as per the Act.

All the directors of the Company have confirmed that they are not disqualified for being appointed as directors pursuant to Section 164 of the Act.

M/s. Sahani & Kothari, Company Secretaries, have issued a certificate certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs and any such statutory authority.

Board skills/expertise/competence matrix

The Board have identified the following parameters with respect to the skill/expertise/competence that are available with the Board in the context of the business and sector for it to function effectively:

Directors	Industry Knowledge/ Experience			Technical Skills/ Experience						Behavioural Competencies	
	Financial and Capital Markets	Understanding of laws and regulations	International experience	Accounting and Finance	Risk Management	Strategic Management	Legal and Compliance	Information Technology	Governance	Leadership and Mentoring Skills	Interpersonal Relations
Mr. Birendra Kumar	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓
Mr. Nikhil Srivastava	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓
Mr. Ashish Kehair	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓
Mr. Ramesh Abhishek	✓	✓	-	✓	✓	✓	-	-	✓	✓	✓
Ms. Kamala Kantharaj	✓	✓	-	-	✓	✓	✓	-	✓	✓	✓
Ms. Anisha Motwani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Kunnasagaran Chinniah	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓

Committees of the Board:

A) Audit Committee Meetings held:

During the Financial Year 2021-22, the Committee met 4 times on May 26, 2021; July 19, 2021; October 21, 2021 and January 21, 2022.

The composition as on March 31, 2021 and attendance during the year ended March 31, 2022:

Name	Position	No. of Meetings Attended
Mr. Birendra Kumar (member w.e.f. January 21, 2022)	Independent Director- Chairman	NA
Mr. Ramesh Abhishek	Non-executive Director- Member	4
Ms. Anisha Motwani (member w.e.f. June 29, 2021)	Independent Director- Member	3
Mr. Kunnasagaran Chinniah (member w.e.f. June 29, 2021)	Independent Director- Member	3

All the members have financial management expertise. The constitution and terms of reference of the Committee are in compliance with the requirements of the Act and the Listing Regulations.

The terms of reference of the Audit Committee include the following:

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- 2) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company
- 3) Approval of payment to the statutory auditors for any other service rendered by the statutory auditors
- 4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval with particular reference to:
 - a. matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub section 3 of the section 134 of the Companies Act, 2013
 - b. changes if any, in the accounting policies and practices and reasons for the same
 - c. major accounting entries involving estimates based on the exercise of judgement by management
 - d. significant adjustments made in the financial statements arising out of audit findings
 - e. compliance with the listing and other legal requirements relating to financial statements
 - f. disclosure of any related party transactions
 - g. qualifications in the draft audit report.
- 5) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
- 6) Evaluation of internal financial controls and risk management systems
- 7) Reviewing, with the management, performance of statutory auditors and internal auditors, adequacy of the internal control systems
- 8) Discussion with internal auditors of any significant findings and follow up thereon
- 9) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern
- 10) To review the functioning of the Whistle Blower/Vigil mechanism
- 11) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Auditors, Internal Auditors and the Chief Financial Officer are invited to attend the meetings of the Committee. The Company Secretary acts as the Secretary to the Committee.

B) Nomination and Remuneration Committee Meetings held:

During the Financial Year 2021-22, the Committee met 3 times on May 26, 2021; October 21, 2021 and January 21, 2022.

The composition as on March 31, 2022 and attendance during the year ended March 31, 2022:

Name	Position	No. of Meetings Attended
Mr. Birendra Kumar (member w.e.f. January 21, 2022)	Independent Director- Chairman	NA
Mr. Nikhil Srivastava	Non-executive Director- Member	3
Ms. Anisha Motwani (member w.e.f. June 29, 2021)	Independent Director- Member	2
Mr. Kunnasagaran Chinniah (member w.e.f. June 29, 2021)	Independent Director- Member	2

Brief description of the terms of reference of the Nomination and Remuneration Committee *inter alia* includes:

- 1) Identifying the persons who can become Directors
- 2) Formulating the criteria for determining the qualifications, positive attributes etc. and independence of a Director
- 3) Recommending to the Board a policy relating to the remuneration for the Directors & Key Managerial Personnel
- 4) Recommend to the Board, all remuneration, in whatever form, payable to senior management
- 5) Specify the manner for effective annual evaluation of performance of the Board, its Committees and individual Directors.

The Company has formulated a Board Evaluation Policy which *inter alia* includes performance evaluation of the Independent Directors.

C) Stakeholder Relationship Committee Meetings held:

During the Financial Year 2021-22, there were no meetings of the Committee.

The composition as on March 31, 2022:

Name	Position
Mr. Ashish Kehair	Non-executive Director- Chairman
Ms. Kamala Kantharaj	Non-executive Director- Member
Ms. Anisha Motwani	Independent Director- Member

Ms. Pooja Doshi is the Compliance Officer of the Company under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There were no shareholder/ security holder complaints received during the year, not solved to the satisfaction of shareholders or number of pending complaints.

D) Risk Management Committee Meetings held:

During the Financial Year 2021-22, the Committee met 4 times on June 22, 2021; July 15, 2021; October 14, 2021 and January 17, 2022.

The composition as on March 31, 2022 and attendance during the year ended March 31, 2022:

Name	Position	No. of Meetings Attended
Mr. Nikhil Srivastava	Non-executive Director - Chairman	3
Ms. Kamala Kantharaj (member w.e.f. June 29, 2021)	Non-executive Director- Member	3
Mr. Birendra Kumar (member w.e.f. January 21, 2022)	Independent Director- Member	NA
Mr. Kunnasagaran Chinniah (member w.e.f. June 29, 2021)	Independent Director- Member	3
Mr. Tushar Agrawal	Chief Executive Officer	3
Ms. Sheetal Gandhi	Chief Financial Officer	4
Mr. Keyur Ajmera	Chief Risk Officer	4

The Risk Committee has framed and implemented a Risk Management Framework and Strategy.

Board Evaluation

During the year, in accordance with the Board Evaluation Policy and the Guidance Note on Board Evaluation issued by SEBI, an annual evaluation of its own performance and that of the Committees and Directors pursuant to the provisions of the Act and the Listing Regulations was carried out by the Board on various parameters which *inter alia* included composition, diversity, effectiveness, quality of discussion, contribution at the meetings, business acumen, strategic thinking, time commitment, relationship with the stakeholders, corporate governance practices, contribution of the Committees etc.

A separate meeting of the Independent Directors was held wherein the performance of the Non-independent Directors, performance of the Board as a whole (including the Committees) and also that of the Chairman in terms of the provisions of the Act, the Listing Regulations and the Guidance Note issued by SEBI in this regard was discussed.

Familiarisation Programme

The Independent Directors are familiarised with their roles, rights, responsibilities etc. in relation to the nature of the financial services sector and the business model of the Company. The details are uploaded on the website of the Company at: <https://edelweissinvestment.edelweissfin.com/investor-relations/>.

Remuneration to the Directors

The Company pays sitting fee of Rs. 1,00,000* per meeting to the Non-executive Directors for attending the meetings of the Board and the Committees thereof.

The details of the remuneration paid and shareholding of the Directors during the financial year ended March 31, 2022 are as under:

Name of the Director	Salary	Perquisites	Sitting Fees	Commission	(Amount ₹ in million)	
					Total	No. of Equity Shares held\$
Mr. Birendra Kumar DIN: 00163054 (appointed w.e.f. January 21, 2022)	-	-	0.3	-	0.3	-
Mr. Nikhil Srivastava DIN: 07308617	-	-	-	-	-	-
Mr. Ashish Kehair DIN: 07789972 (appointed w.e.f. October 21, 2021)	-	-	-	-	-	-
Mr. Ramesh Abhishek DIN: 07452293	-	-	-	-	-	-

Ms. Kamala Kantharaj DIN: 07917801 (appointed w.e.f. June 29, 2021)	-	-	-	-	-
Ms. Anisha Motwani DIN: 06943493 (appointed w.e.f. June 10, 2021)	-	-	0.92	-	0.92
Mr. Kunnasagaran Chinniah DIN: 01590108 (appointed w.e.f. June 10, 2021)	-	-	1.24	-	1.24

* The sitting fees was Rs. 20,000 per meeting till the Board Meeting held on July 19, 2021, and thereafter the sitting fees was increased to Rs. 1,00,000 per meeting.

\$ Shareholding as on March 31, 2022.

Mr. Pankaj Razdan resigned as Director from the Board with effect from December 15, 2021. No remuneration was paid to him.

The Criteria for making payments to Non-executive Directors of the Company is published on the website at : <https://edelweissinvestment.edelweissfin.com/investor-relations/>

General Body Meetings

The date, time and venue of the last three AGMs are given below:

Financial Year	Date	Time	Venue	No. of Special Resolutions passed
2021-2022	August 13, 2021	11.00 a.m.	Edelweiss House, Off C.S.T. Road, Kalina, Mumbai- 400 098	0
2020-2021	September 15, 2020	12.00 noon	Edelweiss House, Off C.S.T. Road, Kalina, Mumbai- 400 098	0
2019-2020	September 25, 2019	11.00 a.m.	Edelweiss House, Off C.S.T. Road, Kalina, Mumbai- 400 098	0

Means of Communication

The financial results, corporate announcements, policies and codes adopted by the Company are submitted on the stock exchange and also uploaded on the website of the Company at <https://edelweissinvestment.edelweissfin.com>. The financial results are also published in the newspapers.

General Shareholder Information

I. Date, Time, Venue of AGM:

i.	AGM: Date, time and venue/ mode:	Friday, July 22, 2022 at 11:00 p.m. at the Registered Office of the Company at Edelweiss House, Off C.S.T. Road, Kalina, Mumbai - 400 098
ii.	Financial Year:	April 1, 2021 to March 31, 2022
iii.	Book Closure dates:	NA
iv.	Dividend payment date:	NA

II. Listing of Securities on Stock Exchanges:

a. Equity Shares

The Equity Shares of the Company are not listed on any Stock exchange.

b. Non-convertible Debentures

The Company has issued secured Non-convertible Debentures (NCDs) on private placement and through public issuances. Some of the NCDs are listed on BSE.

The Company has paid the listing fees to BSE for the financial year 2022-23.

Debenture Trustee:

The details of the Debenture Trustees for the NCDs issued by the Company are given below:

1. Beacon Trusteeship Limited

4C&D, Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra (E), Mumbai 400 051.

2. Catalyst Trusteeship Limited

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

3. SBICap Trustee Company Limited

6th Floor, Apeejay House, 3, Dinshaw Wachha Road, Churchgate, Mumbai - 400 020

Registrar & Share Transfer Agent:

1. Link Intime India Private Limited

C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083.

2. KFin Technologies Private Limited

Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032.

III. Shareholding Pattern as on March 31, 2022:

Sr No.	Name of Shareholders	No. of Shares	% Shares
Equity Shares			
1.	Edelweiss Securities Limited (ESL)*	1,14,59,105	100
	Total	1,14,59,105	100
Preference Shares			
2.	14.625% Cumulative Redeemable Preference Shares of Rs. 10/- each	93,18,000	100

*Includes 6 shares held by the Nominees of ESL

IV. Dematerialisation of shares:

As on March 31, 2022, 1,14,59,105 equity shares representing 100% of the outstanding equity shares of the Company and 93,18,000 Cumulative Redeemable Preference Shares representing 100% of the outstanding preference shares of the Company were held in dematerialised form.

V. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued GDRs/ADRs/Warrants or any other instrument convertible into equity.

VI. Details of equity shares lying in the suspense account pursuant to the Listing Regulations: NA

VII. Plant locations: Not Applicable

VIII. Credit ratings:

The credit ratings obtained by the Company during the year 2021-22 are as under:

Rating Agency	Rating	Instrument	Date of revision (if any)	Revised rating
ACUITE	ACUITE AA/Negative	LT-NCD	NA	NA
ACUITE	ACUITE AA/Negative	LT-NCD	NA	NA
ACUITE	ACUITE A1+	ST-NCD	NA	NA
BWR	BWR AA-/stable	LT-NCD	NA	NA
BWR	BWR AA-/stable	LT-NCD	NA	NA
BWR	BWR PP-MLD AA-/stable	LT-SP	NA	NA
BWR	BWR AA-/stable	LT-NCD	NA	NA
BWR	BWR AA-/stable	BLR	NA	NA
CARE	CARE A1+	CPs-ST	NA	NA
CARE	CARE PP-MLD A+/Stable	LT-SP	NA	NA
CARE	CARE A1+	CPs-Episodic	NA	NA
CARE	CARE A+/stable	LT-NCD	NA	NA
CARE	CARE A+/stable	LT-NCD	NA	NA
CARE	CARE A+/stable	LT-NCD	NA	NA
CARE	CARE A1+	ST-NCD	NA	NA
CARE	CARE PP-MLD A1+	ST-SP	NA	NA
Crisil	CRISIL AA-/Negative	Pref Share	NA	NA
Crisil	CRISIL AA-/Negative	LT-NCD	NA	NA
Crisil	CRISIL PP-MLD A1+r	ST-SP	NA	NA
Crisil	CRISIL AA-/Negative	BLR	NA	NA
Crisil	CRISIL A1+	CPs-ST	NA	NA
Crisil	CRISIL A1+	CPs-Episodic	NA	NA
Crisil	CRISIL PP-MLD AA-r/Negative	LT-SP	NA	NA

Crisil	CRISIL AA-/Negative	LT-NCD	NA	NA
Crisil	CRISIL PP-MLD A1+r	ST-SP	NA	NA
Crisil	CRISIL PPMLD AA-r/Negative	LT-SP	NA	NA
Crisil	CRISIL PPMLD AA-r/Negative	LT-SP	NA	NA
Crisil	CRISIL PPMLD AA-r/Negative	LT-SP	NA	NA

Other Disclosures

- i. The Company did not enter into any materially significant related party transactions having a potential conflict with the interest of the Company at large. Transactions with the related parties are disclosed in the financial statements.
- ii. details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years; NIL
- iii. The financial statements have been prepared in accordance with the applicable Accounting Standards.
- iv. The Company has a Whistle Blower Policy/Vigil Mechanism to report concerns about unethical behaviour, actual or suspected fraud or violation of our code of conduct and confirms that no personnel have been denied access to the Audit Committee.
- v. Policy on Related Party Transactions are available at: www.edelweissinvestment.edelweissfin.com.
- vi. a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority forms part of this Report as [Annexure A](#).
- iv. There have been no instances where the Board has not accepted recommendation of any Committee of the Board, during the financial year.
- v. The statutory auditors of the Company, M/s. Chokshi & Chokshi LLP, the Auditors were paid a consolidated amount of Rs. 22 Lakh by the Company for all the services provided by them.
- vi. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
 - a) Number of complaints filed during the Financial Year: Nil
 - b) Number of complaints disposed of during the Financial Year: Nil
 - c) Number of complaints pending as on end of the Financial Year: Nil.
- vii. The Company is in the process of complying with the corporate governance requirements as prescribed in Regulations 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- viii. **CEO/CFO Certification**
The CEO and the CFO have certified to the Board, the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with regard to financial statements.
- ix. Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management forms part of this Report as [Annexure B](#).

x. **Compliance Certificate**

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate issued by M/s. Sahani & Kothari Associates, Company Secretaries, certifying the compliance by the Company with the provisions of the Corporate Governance forms part of this Report as [Annexure C](#).

Address for correspondence:

For any assistance, request or instruction regarding transfer or transmission of securities, dematerialisation of securities, change of address, non-receipt of annual report, dividend warrant and any other query relating to the securities of the Company, the investors may write to:

The Company Secretary

Edelweiss Finance & Investments Limited
Edelweiss House,
Off CST Road, Kalina,
Mumbai- 400 098
Tel: +91 22 4009 4400

Email: EWM.Secretarial@edelweissfin.com

Registrar and Share Transfer Agent

Link Intime India Private Limited	KFin Technologies Private Limited
C 101, 247 Park, L.B.S Marg,	Selenium Tower B,
Vikhroli (West),	Plot 31-32, Financial District,
Mumbai - 400 083.	Hyderabad-500 032
Tel: +91 22 4918 6270	Tel: +91 40 6716 2222

Email:

rnt.helpdesk@linkintime.co.in

Email: einward.ris@kfintech.com



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Edelweiss Finance & Investments Limited
Edelweiss House, Off. C.S.T. Road,
Kalina, Mumbai - 400098.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Edelweiss Finance & Investments Limited having CIN U67120MH1994PLC286057 and having its registered office at Edelweiss House, Off. C.S.T Road, Kalina, Mumbai – 400 098 (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) read with SEBI letter dated September 23, 2021.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal of the Ministry of Corporate Affairs i.e. www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of Appointment in the Company
1.	Nikhilkumar Srivastava	07308617	26-Mar-2021
2.	Ramesh Abhishek	07452293	26-Mar-2021
3.	Anisha Motwani	06943493	10-Jun-2021
4.	Kunnasagaran Chinniah	01590108	10-Jun-2021
5.	Kamala Kantharaj	07917801	29-Jun-2021
6.	Ashish Kehair	07789972	21-Oct-2021
7.	Birendra Kumar	00163054	21-Jan-2022



“Committed to Comply”

Ensuring the eligibility of the appointment / continuity of every Director on the Board, is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is valid as on the date of issue and is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M/s. SAHANI & KOTHARI ASSOCIATES**
Company Secretaries

Kirti Kothari
Partner

Mem. No. A27255
COP: 17287

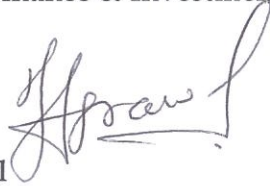
Place: Mumbai
Date: May 19, 2022

UDIN: A027255D000350501

Declaration by the Chief Executive Officer under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 regarding adherence to the Edelweiss Code of Conduct.

In accordance with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, it is hereby confirmed that for the financial year ended March 31, 2022, the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct.

For Edelweiss Finance & Investments Limited



Tushar Agrawal
Executive Director & Chief Executive Officer
DIN: 08285408
Mumbai, May 19, 2022



COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

[Pursuant to Schedule V Para E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Edelweiss Finance & Investments Limited
Edelweiss House, Off. C.S.T. Road,
Kalina, Mumbai - 400098.

We have examined the compliance with the conditions of Corporate Governance of Edelweiss Finance & Investments Limited (“the Company”) for the year ended on 31st March, 2022, as prescribed in the Regulations 17 to 27, 62(1A), and Para C, D and E of Schedule V of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance, as specified in the aforesaid provisions of the Listing Regulations. The compliance of conditions of Corporate Governance is the responsibility of the Management.

Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **M/s. SAHANI & KOTHARI ASSOCIATES**
Company Secretaries

Kirti Kothari
Partner

Mem. No. A27255
COP: 17287

Place: Mumbai
Date: May 19, 2022

UDIN: A027255D000350534

Remuneration Policy

Objective

The Companies Act, 2013 ('the Act') requires a Company to frame policy for determining the remuneration payable to the Directors, Key Managerial Personnel (KMPs) and other employees. While appointing the Directors, the Nomination and Remuneration Committee, considers qualification, positive attributes, areas of expertise and number of Directorships in other companies and such other factors as it may deem fit. The Board considers the Committee's recommendation, and takes appropriate action.

The objective of the Remuneration Policy (the Policy) of the Company is to provide a framework for the remuneration of the Independent Directors, Non-executive Directors, Managing Director/Executive Directors, KMPs, and other senior level employees of the Company.

The objective of this Policy is to ensure that:-

- i. the level and composition of remuneration is reasonable and sufficient to attract, retain talent required to run the company successfully;
- ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iii. remuneration to the Directors, KMPs and senior management comprises a balance of fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Remuneration of the Independent Directors & Non- executive Directors

- The Independent Directors & Non-executive Directors are eligible for sitting fees for attending the meetings of the Board and the Committees thereof.
- The Independent Directors & Non-executive Directors are also eligible for commission, subject to limits prescribed under the Act and the Rules framed there under.
- The Independent Directors are not eligible for stock options.
- The Non-executive Directors (other than promoter Directors) shall be eligible for stock options.

Remuneration of the Managing Director & Executive Directors

- The remuneration of the Managing Director/Executive Directors is recommended by the Nomination and Remuneration Committee ('NRC') to the Board. Based on the recommendations of the NRC, the Board determines and approves the remuneration of the Managing Director/Executive Directors, subject to necessary approvals, if any.
- The remuneration paid to the Managing Director/Executive Directors is within the limits prescribed under the Act and approved by the shareholders of the Company. The remuneration structure includes fixed salary, perquisites, bonus, other benefits and allowances and contribution to Funds, etc.
- The Executive Directors (other than the promoter Directors) shall be eligible for stock options.

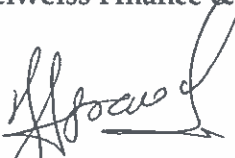
Remuneration of the KMP (other than Executive Directors) and Senior level employees

- The key components of remuneration package of the KMP (other than Executive Directors) and senior level employees shall comprise of fixed salary, perquisites, annual bonus, other benefits and allowances and contribution to Funds, etc.
- They shall be eligible for stock options.

Policy Review

- The Policy may be amended as may be necessary.
- The NRC shall implement the Policy, and may issue such guidelines, procedures etc. as it may deem fit.

For and on behalf of the Board of Directors
Edelweiss Finance & Investments Limited



Tushar Agrawal
Executive Director and CEO
DIN: 08285408



Ashish Kehar
Non-executive Director
DIN: 07789972

Mumbai, May 19, 2022

Annexure V

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2021-22

[Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

CSR Policy shall apply to all CSR initiatives and activities taken up by the Company for the benefit of the society.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / of Nature Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Kunnasagaran Chinniah	Independent Director	1	NA
2.	Mr. Nikhil Srivastava	Non- executive Director	1	1
3.	Ms. Kamala Kantharaj	Non- executive Director	1	NA

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. : <https://edelweissinvestment.edelweissfin.com/>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). : Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any : Not Applicable
6. Average net profit of the company as per section 135(5). : Rs. 15,50,76,065
- 7.
- a. Two percent of average net profit of the company as per section 135(5). : Rs. 31,05,000
- b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years. : Nil
- c. Amount required to be set off for the financial year, if any : Nil

d. Total CSR obligation for the financial year (7a+7b-7c) : Rs. 32,25,000

8.

a. CSR amount spent or unspent for the financial year : Not Applicable

b. Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
				State	District						Name	CSR registration no.
S. No.	Name of CSR project	Item from List of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of project		Project duration	Amount allocated for the project (INR)	Amount spent in the current financial year	Amount transferred to unspent CSR account for the project as per Section 135(6)	Mode of implementation - Direct (Yes/No)	Mode of implementation through implementation agency	
1	Agastya - SHM mobile center	Education- Schedule VII(ii)	No	Maharashtra	Raigad	3	1,35,000	1,35,000	-	No	EdelGive Foundation	CSR00000514
2	WEDA - Women Empo	Livelihood - Schedule VII(ii)	No	Karnataka	Uttar Kannada, Shivamogga, Dharwad and Haveri	3	9,45,928	9,45,928	-	No	EdelGive Foundation	CSR00000514

	werment Development Action (German word meaning strong)											
3	Integrated community based development programme for socio-economic empowerment of marginalized girls and women	Women Empowerment- Schedule VII(iii)	No	Telangana	Hyderabad	1	15,21,638	15,21,638	-	No	EdelGive Foundation	CSR00000514
4	Sustainable Effort for	Women Empowerment- Schedule VII(iii)	No	Rajasthan	Barmer	3	6,22,434	6,22,434		No	EdelGive Foundation	CSR00000514

Edelweiss Finance & Investments Limited

Corporate Identity Number: U67120MH1994PLC286057

Registered Office: Edelweiss House, Off C S T Road, Kalina, Mumbai – 400 098. Tel No.: +91 22 4009 4400 Fax: +91 22 4019 4890

<https://edelweissinvestment.edelweissfin.com/>
EWM.Secretarial@edelweissfin.com

Financial Empowerment of Rural Women Artisans												
TOTAL						32,25,000	32,25,000	-	-			

- c. Details of CSR amount spent against **other than ongoing projects** for the financial year: Not Applicable
- d. Amount spent in Administrative Overheads : Nil
- e. Amount spent on Impact Assessment, if applicable
- f. Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs. 32,25,000
- g. Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 31,05,000
(ii)	Total amount spent for the Financial Year	Rs. 32,25,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

- 9.
- Details of Unspent CSR amount for the preceding three financial years: Not Applicable
 - Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

For the Financial Year 2020-21:

1	2	3	4	5		6	7	8	9	10	11	
				State	District						Name	CSR registration no.
S. No.	Name of CSR project	Item from List of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of project		Project duration	Amount allocated for the project (INR)	Amount spent in the current financial year	Amount transferred to unspent CSR account for the project as per Section 135(6)	Mode of implementation - Direct (Yes/No)	Mode of implementation through implementation agency	
1	The Collaborators for transformation Education	Education		Maharashtra	Nandurbar, Parbhani	3	1,11,90,151	1,11,90,151	-	No	EdelGive Foundation	CSR00000514
2	Building wealthy resilient and responsible farmers	Livelihood		Tamil Nadu	Pudukottai	2	29,05,456	29,05,456	-	No	EdelGive Foundation	CSR00000514

	through Vrutti's 3-fold model											
3	Enhancing livelihoods through protective irrigation	Livelihood		Maharashtra	Nagpur	2	14,04,393	14,04,393	-	No	EdelGive Foundation	CSR00000514
	TOTAL						1,55,00,000	1,55,00,000	-	-		

For the Financial Year 2019-20:

Amount unspent, if any: Rs. 9.39 million

For the Financial Year 2018-19:

Amount unspent, if any: Rs. 10 million

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (**asset-wise details**) : Not Applicable
11. Date of creation or acquisition of the capital asset(s). : Not Applicable
12. Amount of CSR spent for creation or acquisition of capital asset. : Not Applicable

Edelweiss Finance & Investments Limited

Corporate Identity Number: U67120MH1994PLC286057

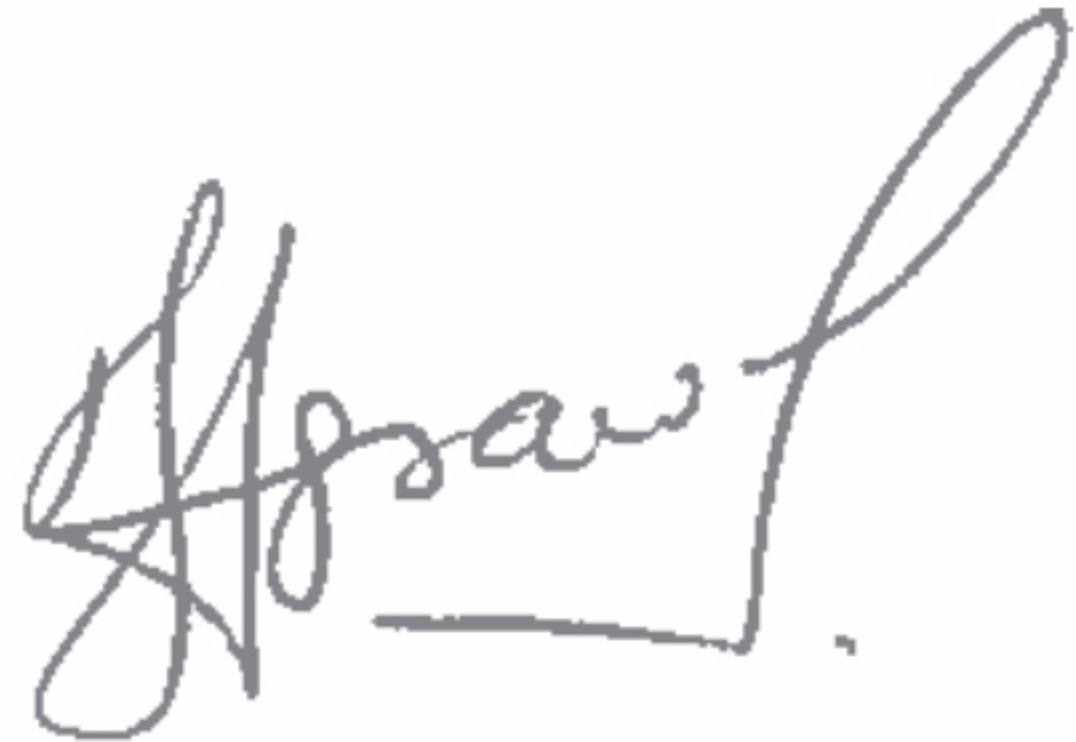
Registered Office: Edelweiss House, Off C.S.T. Road, Kalina, Mumbai - 400 098. Tel No.: +91 22 4009 4400 Fax: +91 22 4019 4890

<https://edelweissinvestment.edelweissfin.com/>

EWM.Secretarial@edelweissfin.com

13. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : Not Applicable
14. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). : Not Applicable
15. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). : Not Applicable

**For and on behalf of the Board of Directors
Edelweiss Finance & Investments Limited**



Tushar Agrawal
Executive Director and CEO
DIN: 08285408



Nikhil Srivastava
Non-executive Director and Chairman of Corporate Social Responsibility Committee
DIN: 07789972

Mumbai, May 19, 2022



SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Edelweiss Finance & Investments Limited
Edelweiss House, Off. C.S.T. Road,
Kalina, Mumbai - 400098.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Edelweiss Finance & Investments Limited** (CIN: U67120MH1994PLC286057) and having its registered office at Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400098 (hereinafter called the “Company”) for the Financial Year ended on March 31, 2022 (the “Audit Period”). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the Audit Period complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the “Act”) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings¹;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011²;

¹ Not applicable to the Company during the audit period

² Not applicable to the Company during the audit period



“Committed to Comply”

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009³;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014⁴;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013⁵;
 - (g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009⁶;
 - (j) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021⁷;
 - (k) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998⁸; and
 - (l) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”) in respect of Non-Convertible Debentures of the Company issued by the Company on a public and private placement basis and listed on the Whole Sale Debt Segment of BSE Limited (the “Stock Exchange”).
- (vi) The Reserve Bank of India Act, 1934 and the Circular(s), Direction(s), Notification(s) and Regulation(s) issued by the Reserve Bank of India as applicable to Non-Banking Financial Company - Systemically Important Non-Deposit taking company, being laws that are specifically applicable to the Company based on their sector/industry.

We have also examined compliance with the applicable clauses of the Secretarial Standard issued by The Institute of Company Secretaries of India related to meetings and minutes.

³ Not applicable to the Company during the audit period

⁴ Not applicable to the Company during the audit period

⁵ Not applicable to the Company during the audit period

⁶ Not applicable to the Company during the audit period

⁷ Not applicable to the Company during the audit period

⁸ Not applicable to the Company during the audit period



“Committed to Comply”

During the Audit Period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and in respect of the laws specifically applicable (to the extent applicable) to the Company based on its sector/industry, in so far as registration, submission of various returns/information to be filed with the respective authorities **except delay in intimation to BSE Limited with respect to the below mentioned disclosures:**

Regulation	Particulars	Date of Event	Date of Intimation to BSE Limited	Observations/ Remarks
Regulation 51(2) of the SEBI LODR	Resignation of Mr. Jagdish Bhoir as CFO and appointment of Ms. Sheetal Gandhi as CFO	June 15, 2021	June 18, 2021	The Company has delayed in submitting the disclosure by a period of 3 days.
Regulation 51(2) of the SEBI LODR	Appointment of Ms. Kamala Kantharaj as a Non-executive Director	June 29, 2021	July 2, 2021	The Company has delayed in submitting the disclosure by a period of 3 days.
Regulation 51(2) of the SEBI LODR	Resignation of Mr. Pankaj Razdan as a Non-executive Director of the Company	December 15, 2021	December 23, 2021	The Company has delayed in submitting the disclosure by a period of 8 days.
Regulation 51(2) of the SEBI LODR	Appointment of Mr. Birendra Kumar as an Independent Director and Change in designation of Mr. Ashish Kehair from Executive Director to Non-executive Director	January 21, 2022	January 25, 2022	The Company has delayed in submitting the disclosure by a period of 4 days.
Regulation 51(2) of the SEBI LODR	Resignation of M/s. S. R. Batliboi & Company LLP as Statutory Auditors of the Company	October 31, 2021	--	The Company has not intimated the Stock Exchange about the said event.
Regulation 51(2) of the SEBI LODR	Appointment of M/s Choksi & Choksi as Statutory Auditors of the Company	October 31, 2021	--	The Company has not intimated the Stock Exchange about the said event.
Regulation 52(3) of the SEBI LODR	For the financial year ended March 31, 2021, the Company has filed the said declaration with the Stock Exchange on June 8, 2021 whereas	May 27, 2021	June 8, 2021	The Company has delayed in filing the declaration with the Stock Exchange by a



	the same should have been filed on May 27, 2021.			period of 12 days.
--	--	--	--	--------------------

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the Directors to schedule the Board Meetings and Committee Meetings; agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All Resolutions (including Resolutions passed by Circulation) of the Board of Directors and its Committees are approved on the basis of majority and are duly recorded in the respective Minutes. There were no dissenting views by any member of the Board of Directors during the Audit Period. The Company has maintained all the recordings of the Board Meetings and Committee Meetings held through audio visual means and has carried out in compliance with the provisions of the Act.

We further report that there are adequate systems and processes in the Company which commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, guidelines and standards.

We further report that during the Audit Period:

- (i) the Cumulative Redeemable Preference Shares (“CRPS”) Committee of the Company at its meeting held on June 11, 2021 has redeemed 4,01,000 - 14.625% CRPS of the face value of Rs. 10 each for cash at a premium of Rs. 5 per CRPS, out of the profits of the Company and that the premium on Redemption of the CRPS was paid out from Securities Premium Account together with the dividend of 14.625% on 4,01,000 CRPS from April 1, 2021 to June 10, 2021;
- (ii) the Company on August 5, 2021 had redeemed in full 4,82,451 Non-Convertible Debentures of Rs. 1,000/- each;
- (iii) the Company has obtained the approval of members under Sections 42 & 71 of the Act by way of Special Resolution passed at the Extra-Ordinary General Meeting held on February 11, 2022 to:
 - (a) issue, offer and allot secured, unsecured, perpetual, listed and/or unlisted Non-Convertible Debentures aggregating to Rs. 4,000 crores in one or more tranches;
 - (b) borrow moneys in excess of the paid-up capital and free reserves of the Company, upto the limit of Rs. 4,000 Crores; and



“Committed to Comply”

- (iv) the Company on various dates had issued and allotted 63,751 Non-Convertible Debentures of Rs. 1,00,000/- each and 6,926 Non-Convertible Debentures of Rs. 10,00,000/- each.

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

For **M/s. SAHANI & KOTHARI ASSOCIATES**
Company Secretaries

Kirti Kothari
Partner

Mem. No. A27255
COP: 17287

Place: Mumbai
Date: May 19, 2022

UDIN: A027255D000350481



To,
The Members,
Edelweiss Finance & Investments Limited
Edelweiss House, Off. C.S.T. Road,
Kalina, Mumbai - 400098.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and book of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M/s. SAHANI & KOTHARI ASSOCIATES**
Company Secretaries

Kirti Kothari
Partner

Mem. No. A27255
COP: 17287

Place: Mumbai
Date: May 19, 2022

UDIN: A027255D000350481

Annexure VII
Disclosure pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended is as under.

Sr. No.	Disclosure Requirement	Disclosure Details		
		Directors	Title	Ratio
1.	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year	Mr. Ashish Kehair (resigned as Executive Director w.e.f January 21, 2022)	Non-executive Director	NA
2.	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Directors/KMP's	Title	% increase in remuneration
		Mr. Tushar Agrawal	Chief Executive Officer	56.01%
		Ms. Pooja Doshi	Company Secretary	109.66%
		Mr. Jagdish Bhoir (resigned w.e.f June 15, 2021)	Chief Financial Officer	-69.36%
		Ms. Sheetal Gandhi (appointed w.e.f June 15, 2021)	Chief Financial Officer	NA

Edelweiss Finance & Investments Limited

Corporate Identity Number: U67120MH1994PLC286057

Registered Office, Edelweiss House, Off C.S.T. Road, Kalina, Mumbai - 400 098. Tel No.: +91 22 4009 4400 Fax: +91 22 4019 4800

<https://edelweissinvestment.edelweissfin.com/>
EWM.Secretarial@edelweissfin.com

3	Percentage increase in the median remuneration of employees in the financial year	- 4.33%
4	Number of permanent employees on the rolls of Company at the end of the year	274 permanent employees were on the rolls of the Company as on March 31, 2022
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	<p>The average increase for employees other than the managerial personnel who were in the employment during the financial year 2020-21 and 2021-22 the average increase is 16.7%</p> <p>The average increase for managerial personnel is 30.2%</p>
6	Affirmations that the remuneration is as per the remuneration policy of the Company	It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

Explanation.- For the purposes of this rule.- (i) the expression "median" means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one;

(ii) if there is an even number of observations, the median shall be the average of the two middle values.

**For and on behalf of the Board of Directors
Edelweiss Finance & Investments Limited**



Tushar Agrawal
Executive Director and CEO
DIN: 08285408



Ashish Kehair
Non-executive Director
DIN: 07789972

Mumbai, May 19, 2022

Edelweiss Finance & Investments Limited

Corporate Identity Number: U67120MH1994PLC286057

Registered Office: Edelweiss House, Off C.S.T. Road, Kalina, Mumbai - 400 038. Tel No : +91 22 4009 4400 Fax: +91 22 4019 4895

<https://edelweissinvestment.edelweissfin.com/>

EWM.Secretarial@edelweissfin.com

CHOKSHI & CHOKSHI LLP
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Edelweiss Finance & Investments Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Edelweiss Finance & Investments 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 (hereinafter referred to as "Financial Statements").

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other 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 (ICAI) 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 ('KAM') are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the 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.

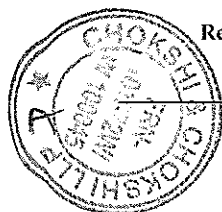
We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statement's section of our report, including in relation to these matters. Accordingly, our audit include the performance of procedures designed to respond to our assessment of the risk of material misstatements of the financial statements. The result of our audit procedure, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

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Key audit matters	How our audit addressed the key audit matter
1) Impairment of financial instruments (expected credit losses) (as described in Note 2.8, 7, 8 & 8.A of the financial statements):	
<p>Ind AS 109 – ‘Financial Instruments’ requires the Company to provide for impairment of its financial assets as at the reporting date using the expected credit loss (ECL) approach. ECL involves an estimation of probability weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company’s financial assets (loan portfolio).</p> <p>In the process, a significant degree of judgement has been applied by the management for:</p> <ol style="list-style-type: none"> Staging of financial assets (i.e. classification in ‘significant increase in credit risk’ (“SICR”) and ‘default’ categories); Grouping of the loan portfolio under homogenous pools in order to determine probability of default on a collective basis; Assigning rating grades to customers for which external rating is not available; Calibrating external ratings-linked probability of default to align with past default rates; Estimation of management overlay for macro-economic factors bearing a correlation with the credit quality of the loans. <p>In view of such high degree of management’s judgement involved in estimation of ECL, it is considered as a key audit matter.</p>	<p>The audit procedures included but were not limited to the following:</p> <ol style="list-style-type: none"> Read and assessed the Company’s accounting policy for impairment of financial assets and its compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued on March 13, 2020. Tested the design and operating effectiveness of the controls for staging of loans based on their past-due status. Tested samples of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3. We performed procedures to test the inputs used in the ECL computation, on a sample basis. Tested assumptions used by the management in determining the overlay for macro-economic factors. Tested the arithmetical accuracy of computation of ECL provision performed by the Company in spreadsheets. Assessed disclosures included in the Financial Statements in respect of expected credit losses.
2) Information technology (IT) systems and controls:	
<p>The reliability and security of IT systems play a key role in the business operations, financial accounting and reporting process of the Company. Since large volume of transactions are processed daily. The IT controls are required to ensure that applications process data as expected and that changes are made in an appropriate manner. Any gaps in the IT control</p>	<p>We performed the following procedures for testing IT general controls and for assessing the reliability of electronic data processing, assisted by our IT specialists:</p> <ol style="list-style-type: none"> The aspects covered in the IT General Control audit were (i) User Access Management (ii) Program Change



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Key audit matters	How our audit addressed the key audit matter
<p>environment could result in a material misstatements of the financial accounting and reporting records.</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 financial information is considered to be a key audit matter.</p>	<p>Management (iii) Other related ITGCS - to understand the design and test the operating effectiveness of such controls;</p> <p>b. Assessed the changes that were made to the key systems during the audit period and assessing changes that have impact on financial reporting;</p> <p>c. Tested the periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization.</p> <p>d. Performed tests of controls (including other compensatory controls wherever applicable) on the IT application controls and IT dependent manual controls in the system.</p> <p>e. Tested the design and operating effectiveness of compensating controls, where deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

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, which we obtained prior to the date of this auditors report, and the Annual report, which is expected to be made available to us after that date.

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.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance 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 Statement changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards



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(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.

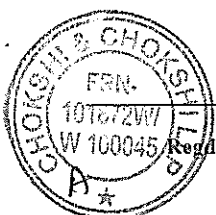
Those Charged with Governance are also responsible for overseeing the Company's financial reporting process.

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



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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.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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.

Other Matter

The audit of Financial Statements for the year ended March 31, 2021 was carried out and reported by the then auditors and they had expressed an unmodified opinion on the financial statements vide their audit report dated May 26, 2021 which has been furnished to us by the management and relied upon by us for the purpose of our audit of the Financial Statements.

Our opinion is not modified in respect of this matter.

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 A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

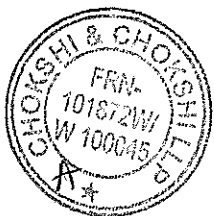
2. As required by Section 143(3) of the Act, we report that:

- (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;



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- (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 Indian 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 these financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure B” 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 as referred to in Note 35.1 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses; if any. On long term contracts including derivatives contracts – Refer Note 45.04 to the financial statements.
 - 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, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity (“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;
 - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“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;



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c) Based on such audit procedures that were 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 CHOKSHI & CHOKSHI LLP
Chartered Accountants
FRN: 101872W/W100045

Anish. Y. Shah

Anish Shah
Partner

M.No.048462
UDIN: 22048462AJNGBP9125



Place: Mumbai
Date: 19.05.2022

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"Annexure A" to Independent Auditor's Report on the financial statements of EDELWEISS FINANCE & INVESTMENTS LIMITED**(Referred to in Paragraph 1 under the heading of "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) All Property, Plant and Equipment were not physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancy were noticed on such verification.
- (c) According to the information and explanation given by the management, the title deed of immovable properties included in property, plant and equipment are held in the name of 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) According to the information and explanations given to us, the Company is not holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. a) The verification of securities held for trading have been conducted on the basis of statement of holding received from Depository Participants and Clearing Corporation holding statement at reasonable intervals by the management during the year.
- b) According to the information and explanations given to us, no working capital limits has been sanctioned to the Company from banks or financial institutions and clause (ii) (b) of paragraph of 3 of the Order is not applicable to the Company.
- iii. a) Being an NBFC, the principal business of the Company is to give loans, hence clause (iii) (a) of paragraph of 3 of the Order is not applicable to the Company.
- b) The company has granted loans to 4 parties covered in the register maintained under section 189 of the Act. In our opinion and according to the information and explanations given to us the terms and conditions of the grant of such loans are not prejudicial to the Company's interest.
- c) The company has granted loans to 4 parties covered in the register maintained under section 189 of the Act. The schedule of repayments of principal and payment of interest has been stipulated for the loans granted and repayments/receipts are regular.
- d) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Act which are overdue for more than ninety days.



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- e) Being an NBFC, the principal business of the Company is to give loans, hence clause (iii) (e) of paragraph of 3 of the Order is not applicable to the Company.
- f) The Company has not granted any loans or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment, this sub-clause (f) of clause (iii) of paragraph of 3 of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investment, guarantee and securities given in respect of which provision of section 185 and 186 of the Act are applicable and hence not commented upon.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi. To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company.
- vii. In respect of Statutory dues: -
- a. According to the records of the Company, undisputed statutory dues including provident fund, income tax, goods and service tax, cess and any other statutory dues have been regularly deposited with appropriate authorities. As informed, the provisions relating to employee's state insurance, service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2022 for a period of more than six months from the date they became payable.
- c. According to the information and explanations given to us, the disputed dues on account of income tax, service tax and cess on account of any dispute, are given below. As informed, the provisions relating to employee's state insurance, service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.

Name of Statute	Nature of Dues	Amount under dispute (Rs. in millions)*	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	26.82	AY 2008-09	High Court
		37.75	AY 2009-10	High Court
		11.87	AY 2010-11	High Court

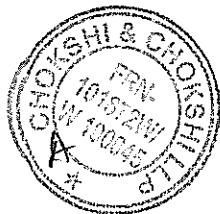


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		29.88	AY 2011-12	High Court
		90.58	AY 2013-14	The Commissioner of Income Tax (Appeals)
		-	AY 2014-15	The Commissioner of Income Tax (Appeals)
		74.08	AY 2016-17	The Commissioner of Income Tax (Appeals)
		0.77	AY 2018-19	The Commissioner of Income Tax (Appeals)
Maharashtra VAT		0.29	FY 2015-16	Deputy Commissioner (Appeals), Raigad
Maharashtra Luxury Tax		0.17	April to June, 2017	Deputy Commissioner (Appeals), Raigad

**Net amount shown after subtracting the amount paid under protest/adjusted against refund*

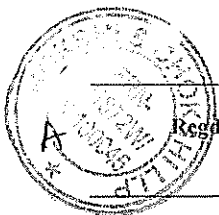
- viii. According to the information and explanations given to us, there are no unrecorded transactions in the books of account, surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) In our opinion and according to the information and explanations given to us by the management, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender.
- (b) In our opinion and according to the information and explanations given to us by the management, the Company was not declared a willful defaulter by any bank or financial institution or other lender.
- (c) Since the company has not taken any term loan, the clause (ix)(c) of paragraph 3 of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us by the management, the Company has not used funds raised on short term basis for long term purposes.
- (e) Since the company has no Subsidiaries, Associates and Joint Ventures, the clause (ix)(e) of paragraph 3 of the Order is not applicable to the Company.
- (f) Since the company has no Subsidiaries, Associates and Joint Ventures, the clause (ix)(f) of paragraph 3 of the Order is not applicable to the Company.



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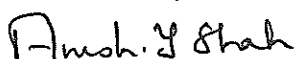
- x. a. According to the information and explanations given to us and based on our examination of the records of the Company, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, Clause (x) (a) of paragraph 3 of the Order is not applicable.
- b. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, Clause (x) (b) of paragraph 3 of the Order is not applicable.
- xi.
- a. Based on the audit procedures performed for the purpose of reporting true and fair view of financial statements and as per information and explanation given to us, no material fraud by the Company or on the Company has been noticed or reported during the year.
- b. Since no fraud has been reported during the year, no report under sub-section (12) of section 143 of the Companies Act has been filed by us as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- c. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not received any whistle-blower complaints, during the year.
- xii. In our opinion, the Company is not a Nidhi Company, hence, Clause (xii)(a) to (c) of paragraph 3 of the Order are not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the notes to financial statements as required by the applicable Indian Accounting Standards.
- xiv. According to the information and explanations given to us and after considering the internal auditor's report of the Company, we are of the opinion that the Company has an internal audit system commensurate with the current size and nature of its business.
- xv. According to the information and explanations given to us by the management, the Company has not entered into non-cash transactions with directors or persons connected with the directors as referred to in section 192 of the Act.
- xvi. a. According to the information and explanations given to us, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and necessary registration has been obtained by the Company.



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- b. According to the information and explanations given to us and based on our examination of the records of the Company, the company has conducted all Non- Banking activities with valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c. According to the information and explanations given to us and based on our examination of the records of the Company, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d. According to the information and explanations given to us, the Group is having one Core Investment Company (CIC) as defined in the Core Investment Companies (Reserve Bank) Directions, 2016.
- xvii. According to the information and explanations given to us, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. Based on the communication with the outgoing auditors, we have not come across any issues, objections or concerns raised by the outgoing auditors.
- xix. On the basis of the financial ratios, 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 plans, we are of the opinion that no material uncertainty exists as on the date of the audit report and that company is 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.
- xx. According to the information and explanations given to us, there is no unspent amount in respect of CSR as on the balance sheet date which is required to be transferred to the specified fund as per Schedule VII to the Act.
- xxi. According to the information and explanations given to us, the Company does not have any subsidiary company / associate company / joint venture company. Hence, clause (xxi) of paragraph 3 of the Order is not applicable.

For CHOKSHI & CHOKSHI LLP
Chartered Accountants
FRN: 101872W/W100045



Anish Shah
Partner

M.No. 048462

UDIN: 22048462AJNGBP9125



Place: Mumbai
Date: 19.05.2022

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Chartered Accountants

“Annexure B” to Independent Auditor’s Report on the financial statements of EDELWEISS FINANCE & INVESTMENTS LIMITED

(Referred to in Paragraph 2 (f) under the heading of “Report on other legal and regulatory requirements” of our report of even date)

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 Finance & Investments 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

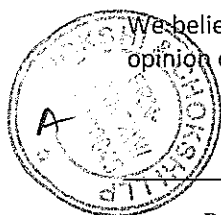
The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) 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 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 statement 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.



CHOKSHI & CHOKSHI LLP
Chartered Accountants

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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

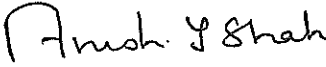
Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

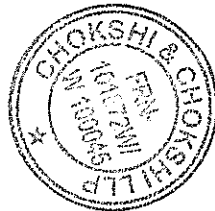
Because of the inherent limitations of internal financial controls with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation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

For Chokshi & Chokshi LLP
Chartered Accountants
FRN: 101872W/W100045


Anish Shah
Partner
M.No. 048462
UDIN: 22048462AJNGBP9125



Place: Mumbai
Date: 19.05.2022

Edelweiss Finance & Investments Limited

Balance Sheet as at March 31, 2022

(Currency : Indian rupees in millions)

	Note	As at March 31, 2022	As at March 31, 2021
Assets			
Financial assets			
(a) Cash and cash equivalents	3	1,426.02	729.45
(b) Bank balances other than cash and cash equivalents	4	83.45	53.47
(c) Derivative financial instruments	5	1,925.77	625.19
(d) Securities held for trading	6	6,604.37	2,074.37
(e) Receivables			
(i) Trade receivables	7	1,362.49	216.24
(ii) Other receivables		0.31	1.13
(f) Loans	8	19,650.43	14,104.44
(g) Other financial assets	9	2,465.49	2,682.17
		<u>33,518.33</u>	<u>20,486.46</u>
Non-financial assets			
(a) Current tax assets (net)	10	139.19	147.02
(b) Deferred tax assets (net)	11	-	23.31
(c) Property, Plant and Equipment	12	3.58	5.62
(d) Other intangible assets	12	2.15	2.48
(e) Other non-financial assets	13	24.58	24.16
		<u>169.50</u>	<u>202.59</u>
Total Assets		<u>33,687.83</u>	<u>20,689.05</u>
Liabilities and Equity			
Financial liabilities			
(a) Derivative financial instruments	5	653.34	104.42
(b) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		1.15	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	14	498.38	73.77
(c) Debt securities	15	22,961.91	10,213.67
(d) Borrowings (other than debt securities)	16	1,059.63	3,363.86
(e) Subordinated Liabilities	17	153.40	160.00
(f) Other financial liabilities	18	1,319.89	177.60
		<u>26,647.70</u>	<u>14,093.32</u>
Non-financial liabilities			
(a) Current tax liabilities (net)	19	9.60	10.04
(b) Provisions	20	25.09	43.15
(c) Deferred tax liabilities (net)	11	23.07	-
(d) Other non-financial liabilities	21	18.34	27.62
		<u>76.10</u>	<u>80.81</u>
Equity			
(a) Equity share capital	22	114.59	114.59
(b) Other equity	23	6,849.44	6,400.33
		<u>6,964.03</u>	<u>6,514.92</u>
Total Liabilities And Equity		<u>33,687.83</u>	<u>20,689.05</u>

The accompanying notes are an integral part of the Financial Statements

1 to 50

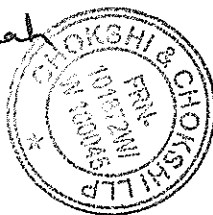
As per our report of even date attached.

For Chokshi & Chokshi LLP
Chartered Accountants
ICAI Firms Registration Number: 101872W/W100045

Anish Shah

Anish Shah
Partner

Membership No: 048462



For and on behalf of the Board of Directors

Tushar Agrawal

Tushar Agrawal
Executive Director & Chief
Executive Officer
DIN: 08285408

Ashish Khetan

Ashish Khetan
Non-Executive Director
DIN: 07789972

Sheetal Gandhi

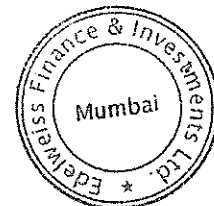
Sheetal Gandhi
Chief Financial Officer

Pooja Doshi

Pooja Doshi
Company Secretary

Mumbai
May 19, 2022

Mumbai
May 19, 2022



Edelweiss Finance & Investments Limited

Statement of Profit and Loss for the year ended March 31, 2022
(Currency : Indian rupees in millions)

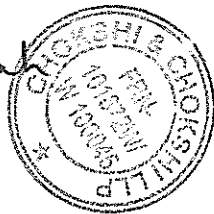
	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from operations			
Interest income	24	2,079.31	1,320.13
Dividend income	25	10.50	0.33
Fee and commission income	26	260.34	206.09
Net gain on fair value changes (including Treasury income)	29	1,530.32	477.74
Other income	27	2.88	1.68
Total Revenue		3,883.35	2,005.97
Expenses			
Finance costs	28	1,923.41	981.94
Impairment on financial instruments	30	28.25	45.97
Employee benefits expense	31	719.61	510.79
Depreciation and amortisation expense	12	3.87	4.78
Other expenses	32	617.48	276.94
Total expenses		3,292.62	1,820.42
Profit before tax		590.73	185.55
Tax expenses			
(1) Current tax	33	96.11	57.54
(2) Deferred tax (net)	33	46.38	(15.49)
Profit for the year		448.24	143.50
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
a) Remeasurement (loss)/gain on defined benefit plans (OCI)		(4.30)	3.64
b) Income Tax on remeasurement (loss)/gain on defined benefit plan		1.08	(0.92)
Total		(3.22)	2.72
Total Comprehensive Income		445.02	146.22
Earnings per equity share (Face value of Rs. 10 each) (in Rs.):			
Basic	34	39.11	17.07
Diluted	34	39.11	17.07

The accompanying notes are an integral part of the Financial Statements
As per our report of even date attached.

1 to 50

For Chokshi & Chokshi LLP
Chartered Accountants
ICAI Firms Registration Number: 101872W/W100045

Anish Shah
Partner
Membership No: 048462



For and on behalf of the Board of Directors

Tushar Agrawal
Executive Director & Chief
Executive Officer
DIN: 08285408

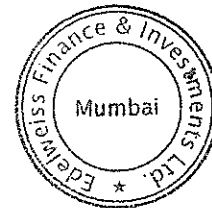
Ashish Kshair
Non-Executive Director
DIN: 07789972

Shreeta Gandhi
Chief Financial Officer

Pooja Doshi
Company Secretary

Mumbai
May 19, 2022

Mumbai
May 19, 2022



Edelweiss Finance & Investments Limited

Statement of Cash Flows for the year ended March 31, 2022

(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 tax	590.73	185.55
<i>Adjustments for</i>		
Depreciation and amortisation expense	3.87	4.78
Fair value (gain) / loss of financial instruments	(79.76)	(47.87)
Provision for compensated absences	1.56	29.59
Impairment on financial assets	28.25	45.97
Profit on sale of Property, Plant and Equipment	(1.66)	(0.32)
Operating cash flow before working capital changes	542.99	217.70
Add / (Less): Adjustments for working capital changes		
(Increase)/Decrease in Loans	(5,569.44)	(7,742.81)
(Increase)/Decrease Trade and other receivables	(1,150.23)	(206.43)
(Increase)/Decrease in Securities held for trading	(4,450.24)	(1,995.50)
(Increase)/Decrease in Bank balances other than cash and cash equivalents	(29.98)	(50.02)
(Increase)/Decrease in Other financial assets	(1,083.90)	(3,155.34)
(Increase)/Decrease in non financial assets	(0.42)	42.97
Increase/(Decrease) in Trade payables	425.75	211.82
(Decrease)/Increase in Non-financial liabilities and Provisions	(28.03)	21.78
(Decrease)/Increase in Other financial liabilities	1,691.21	54.99
Cash generated/(used) in operations	(9,652.29)	(12,600.84)
Income taxes paid	(88.72)	(92.30)
Net cash generated/(used) in operating activities -A	(9,741.01)	(12,693.14)
B Cash flow from investing activities		
Purchase of Property, Plant and Equipment	(2.21)	(2.63)
Sale of Property, Plant and Equipment	2.38	1.71
Net cash generated from/(used in) investing activities - B	0.17	(0.92)
C Cash flow from financing activities		
Proceeds from issuance of Share capital (including Securities Premium)	-	1,750.00
Proceeds from issuance of Debt Securities	12,748.24	6,931.94
(Decrease) / increase in Borrowings other than Debt Securities (refer note 2)	(2,304.23)	3,334.58
Repayment of Subordinated Liabilities	(6.60)	(180.55)
Net cash generated from financing activities - C	10,437.41	11,835.97
Net increase/(decrease) in cash and cash equivalents (A+B+C)	696.57	(858.09)
Cash and cash equivalent as at the beginning of the year	729.45	1,587.54
Cash and cash equivalent as at the end of the year	1,426.02	729.45
Operational cash flows from interest and dividends		
Interest paid	1,414.52	506.09
Interest received	2,003.45	985.89
Dividend received	10.50	0.33



Statement of Cash Flows for the year ended March 31, 2022(Continued)

(Currency : Indian rupees in millions)

Notes:

- 1 Cash Flow Statement has been prepared under the Indirect Method as set out in Ind As 7(Statement of Cash Flows) prescribed under the Companies Act (Indian Accounting Standards)Rules, 2015 under the Companies Act 2013.
- 2 Cash receipts and payments for transaction with group companies in which the turnover is quick, the amounts are large and the maturities are short are presented on net basis in accordance with Ind AS-7 Statement of Cash Flows.
- 3 Refer Note 37 for change in liabilities arising from financing activities

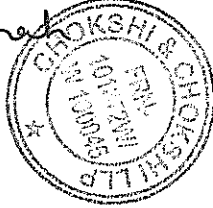
As per our report of even date attached.

For Chokshi & Chokshi LLP
Chartered Accountants
ICAI Firms Registration Number: 101872W/W100045

Anish Shah

Partner

Membership No: 048462



Mumbai
May 19, 2022

For and on behalf of the Board of Directors

Tyshar Agrawal

Executive Director & Chief
Executive Officer
DIN: 08285408

Shival Gandhi

Chief Financial Officer

Mumbai
May 19, 2022

Ashish Kehar

Non-Executive Director
DIN: 07789972

Pooja Bhusri

Company Secretary



Edelweiss Finance & Investments Limited

(Currency - Indian rupees in millions)

Statement of Changes in Equity for the year ended March 31, 2022

A. Equity Share Capital

Particulars	For the year ended March 31, 2022				
	Outstanding as on April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Issued during the period	Outstanding as on March 31, 2022
Issued, Subscribed and Paid up (Equity shares of Rs. 10 each, fully paid-up)	114.59	-	-	-	114.59

Particulars	For the year ended March 31, 2021				
	Outstanding as on April 1, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Issued during the period	Outstanding as on March 31, 2021
Issued, Subscribed and Paid up (Equity shares of Rs. 10 each, fully paid-up)	83.35	-	-	31.24	114.59

B. Other Equity

Particulars	Reserves & Surplus				Deemed Capital Contribution - Equity	Total Attributable to equity holders
	Capital redemption reserve	Securities Premium	Statutory Reserve	Retained Earnings		
Balance as at April 01, 2020	116.59	3,367.61	961.23	74.74	15.18	4,535.35
Profit for the year	-	-	-	143.50	-	143.50
Other Comprehensive Income	-	-	-	2.72	-	2.72
Securities premium on shares issued during the year	116.59	3,367.61	961.23	220.96	15.18	4,681.57
Transfer to Statutory Reserve	-	-	28.69	(28.69)	-	(0.00)
Transfer to Capital redemption Reserve	109.73	-	-	(109.73)	-	(0.00)
Balance as at April 01, 2021	226.32	5,086.37	989.92	82.54	15.18	6,400.33
Profit for the year	-	-	-	448.24	-	448.24
Other Comprehensive Income	-	-	-	(3.22)	-	(3.22)
ESOPs cost reversal	-	-	-	4.09	-	4.09
Transfer to Statutory Reserve	-	-	89.65	(89.65)	-	(0.00)
Transfer to Capital redemption Reserve	4.01	-	-	(4.01)	-	0.00
Balance as at March 31, 2022	230.33	5,086.37	1,079.57	437.99	15.18	6,849.44

The accompanying notes are an integral part of these financial statements.

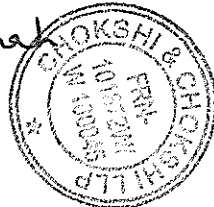
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As per our report of even date attached

For Chokshi & Chokshi LLP
Chartered Accountants
ICAI Firms Registration Number: 101872W/W100045

Anish Shah

Partner
Membership No: 048462



For and on behalf of the Board of Directors

Tushar Agrawal
Executive Director & Chief Executive Officer
DIN: 08285408

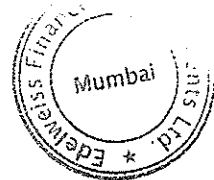
Sheetal Gandhi
Chief Financial Officer

Ashish Kehar
Non-Executive Director
DIN: 07789972

Pooja Doshi
Company Secretary

Mumbai
May 19, 2022

Mumbai
May 19, 2022



Edelweiss Finance & Investments Limited

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

1. Corporate information:

Edelweiss Finance & Investments Limited ('the Company') a public limited company domiciled and incorporated under the provisions of the Companies Act applicable in India is subsidiary of Edelweiss Securities Limited. The Ultimate Holding company of the company is PAGAC Ecstasy Pte. Ltd ('PAG'). The Company was incorporated on October 27, 1994 and is registered with the Reserve Bank of India ('RBI') with Registration No. B-13.02144 as a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI).

The Company is engaged in the business of advancing of loans against securities, advisory services and fund based activities being investment and trading in capital market and other securities.

2. Significant accounting policies

2.1 Basis of preparation:

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, derivative financial instruments, and other financial instruments held for trading, which have been measured at fair value. The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest million, except when otherwise indicated.

2.2 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 including Ministry of Corporate Affairs (MCA) Notification Dated 24th March 2021. 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 38.

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:

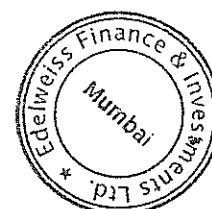
- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and or its counterparties

Derivative assets and liabilities with master netting arrangements [e.g. ISDAs (International Swaps and Derivatives Association)] are only presented net when they satisfy the eligibility of netting for all of the above criteria and not just in the event of default.

2.3 Recognition of interest income and dividend income

2.3.1 Effective interest rate (EIR):

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 flows through the expected life of the financial instrument or, when appropriate a shorter period to the gross carrying amount of financial instrument.



Edelweiss Finance & Investments Limited
Notes to the financial statements (continued)

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.

2.3.2 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

Delayed payment interest (penal interest and the like) levied on customers for delay in repayments / non-payment of contractual cashflows is recognised on accrual basis.

2.3.3 Dividend income:

The Company recognised Dividend income when the Company's right to receive the payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

2.3.4 Fee Income:

The Company recognises fee income including advisory and syndication fees at a point in time in accordance with the terms and contracts entered into between the Company and the counterparty.

2.3.5 Foreign currency translation

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion at the Reporting date

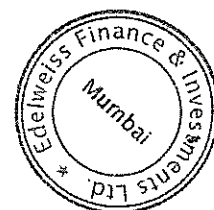
Foreign currency monetary items are re-translated using the exchange rate prevailing at the reporting date. Nonmonetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange differences

All exchange differences are accounted in the Statement of Profit and Loss or other comprehensive income as permitted under the relevant Ind AS.

2.4 Financial instruments:

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities, debt securities and other borrowings, preferential and equity capital etc. are some examples of financial instruments.



Edelweiss Finance & Investments Limited
Notes to the financial statements (continued)

Net gain on fair value changes

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis in profit or loss.

2.4.1 Date of recognition:

Financial Assets and financial liabilities with exception of loans and borrowings are initially recognised on the trade date, i.e. the date 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. Loans are recognised when funds are transferred to the customers' account. The Company recognises borrowings when funds are available for utilisation to the Company.

2.4.2 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.

2.4.3 Day 1 profit and 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 / loss 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.

2.4.4 Classification & measurement categories of financial assets and liabilities:

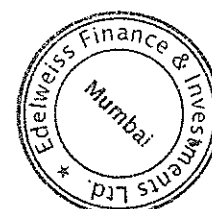
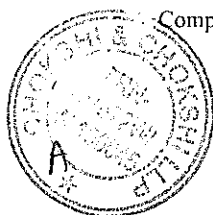
The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset 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. The changes in carrying value of financial assets is recognised in profit and loss account.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling 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. The changes in fair value of financial assets is recognised in Other Comprehensive Income.



Edelweiss Finance & Investments Limited
Notes to the financial statements (continued)

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL. The Company measures all financial assets classified as FVTPL at fair value at each reporting date. The changes in fair value of financial assets is recognised in Profit and loss account.

2.5 Financial assets and liabilities:

2.5.1 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 and points 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.

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.

2.5.2 Financial assets held for trading:

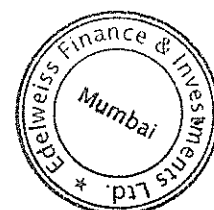
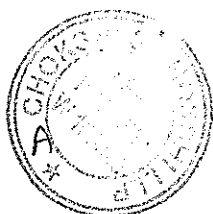
The Company classifies financial assets as held for trading when they have been purchased primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking. Held-for-trading assets are recorded and measured in the balance sheet at fair value. Changes in fair value are recognised in net gain / loss on fair value changes.

2.5.3 Investment in equity instruments:

The Company subsequently measures all equity investments at fair value through profit or loss, unless the management has elected to classify irrevocably some of its strategic equity investments to be measured at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

2.5.4 Financial liabilities:

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



Edelweiss Finance & Investments Limited
Notes to the financial statements (continued)

2.5.5 Derivative financial instruments:

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

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.

2.5.6 Debt securities and other borrowed funds:

The Company measures debt issued and other borrowed funds at amortised cost at each reporting date. 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.

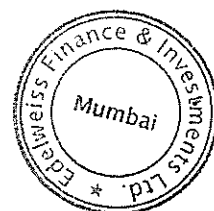
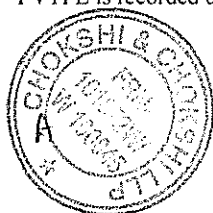
The Company issues certain non-convertible debentures, the return of which is linked to performance of specified indices over the period of the debenture. Such debentures have a component of an embedded derivative which is fair valued at a reporting date. The resultant 'net unrealised loss or gain' on the fair valuation of these embedded derivatives is recognised in the statement of profit and loss. The debt component of such debentures is measured at amortised cost using yield to maturity basis.

2.5.7 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 have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis.

- The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis; or
- The liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or
- The liabilities containing one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

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 with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Company's own credit risk. Such changes in fair value are recorded in the Own credit reserve through OCI and do not get recycled to the profit or 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.



Edelweiss Finance & Investments Limited
Notes to the financial statements (continued)

2.7.2 Derecognition of financial liabilities

A financial liability is derecognised 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 liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new 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, is recognised in statement of profit and loss.

2.8 Impairment of financial assets:

The Company records allowance for expected credit losses for all financial assets, other than financial assets held at FVTPL, together with loan commitment and financial guarantee contracts. Equity instruments are not subject to impairment.

Simplified approach

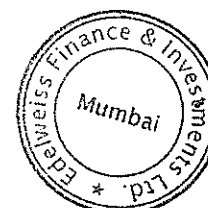
The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit loss (ECL) 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 ECL.

General approach

For all other financial instruments, 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 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.



Edelweiss Finance & Investments Limited
Notes to the financial statements (continued)

Company categories its financial assets 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 (resulting from default events possible within 12 months from reporting date) 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 financial assets, ECL 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 loss or reversal of impairment loss in the profit and loss statement with a corresponding adjustment to their carrying amount through a loss allowance account.

The Company's product offering includes a facilities with a right to company to cancel and/or reduce the facilities with one day's notice. The Company does not limit its exposure to credit losses to the contractual notice period, but, instead calculates ECL over a period that reflects the Company's expectations of the customer behaviour, its likelihood of default and the Company's future risk mitigation procedures, which could include reducing or cancelling the facilities.

2.9 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, power of attorney, credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the Company's 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 monthly/quarterly basis. However, some collateral, for example, securities relating to margin requirements, is valued daily.

To the extent possible, the company uses active market data for valuing financial assets held as collateral.

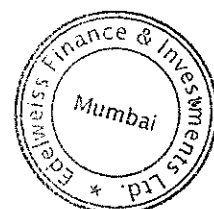
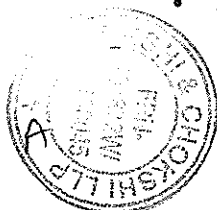
2.10 Write-offs:

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

2.11 Determination of fair value:

The Company measures financial instruments, such as, derivatives at fair value at each reporting 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.



Edelweiss Finance & Investments Limited
Notes to the financial statements (continued)

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 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.

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.

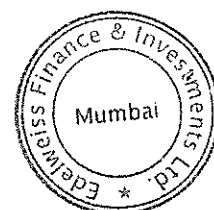
The Company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period.

2.12 Operating leases:

Company as a lessee:

The Company has applied Ind AS 116 using the partial retrospective approach.

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.



Edelweiss Finance & Investments Limited
Notes to the financial statements (continued)

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.

Re-measurement, comprising of actuarial gains and losses, the effect of the asset ceiling, 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.

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

2.14.3 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.

2.14.4 Deferred bonus:

The Company has adopted a Deferred Bonus Plan under its Deferred Variable Compensation Plan. A pool of identified senior employees of the Company is entitled for benefits under this plan. Such deferred compensation will be paid in a phased manner over a future period of time. The measurement for the same has been based on actuarial assumptions and principles.

2.14.5 Share-based payment arrangements:

Equity-settled share-based payments to employees are granted by the ultimate parent Company. These are measured by reference to the fair value of the equity instruments at the grant date. These includes Stock Appreciation Rights (SARs) where the right to receive the difference between the SAR price and the market price of equity shares of the ultimate parent Company on the date of exercise, either by way of cash or issuance of equity shares of the ultimate parent Company, is at the discretion of the ultimate parent Company. These are classified as equity settled share-based transaction.

The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group 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, with a corresponding adjustment to the 'ESOP reserve'. In cases where the share options granted vest in instalments over the vesting period, the Group treats each instalment as a separate grant, because each instalment has a different vesting period, and hence the fair value of each instalment differs.

2.15 Property, plant and equipment:

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 amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to



Edelweiss Finance & Investments Limited
Notes to the financial statements (continued)

the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are recognized in profit or loss during the reporting period, in which they are incurred.

Depreciation is recognised 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:

Nature of assets	Estimated useful lives
Building (other than Factory Building)	60 years
Vehicles	8 years
Office Equipment	5 years
Furniture and fixtures	10 years
Computers - Servers and networks	6 years
Computers - End user devices, such as desktops, laptops, etc.	3 years

An item of property, plant and equipment is derecognised 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 recognised as assets is derecognised 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 recognised 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.

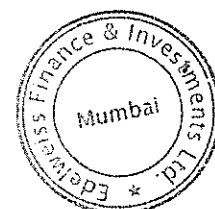
2.16 Intangible assets:

An intangible asset is recognised 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 are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

Intangibles such as software are amortised over a period of 3 years based on its estimated useful life.

2.17 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. 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 impairment is reversed subject to a maximum carrying value of the asset before impairment.



Edelweiss Finance & Investments Limited
Notes to the financial statements (continued)

2.18 Provisions and other contingent liabilities:

Provisions are recognised 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 recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

2.19 Income tax expenses:

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

2.19.1 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.

2.19.2 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.

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.



Edelweiss Finance & Investments Limited
Notes to the financial statements (continued)

2.19.3 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.

2.20 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.

2.21 Significant accounting judgements, estimates and assumptions :

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.

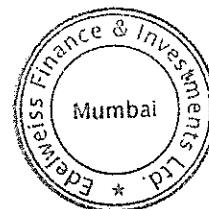
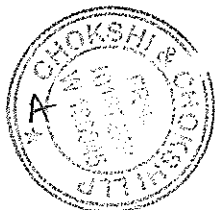
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current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

Critical judgements in applying accounting policies:

The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

2.21.1 Business model assessment:

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how Company's financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance is measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the quantum, the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets



Edelweiss Finance & Investments Limited
Notes to the financial statements (continued)

2.21.2 Significant increase in credit risk:

ECL is measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

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 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.

2.21.3 Fair value of financial instruments:

The fair value of financial instruments 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 another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

2.21.4 Effective Interest Rate (EIR) 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 potentially different interest rates at various stages and other characteristics of the product life cycle including prepayments and penalty interest and charges.

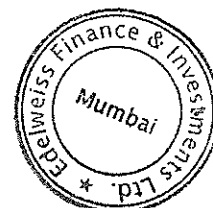
This estimation, by nature requires an element of judgement regarding the expected behaviour and life cycle of the instrument, as well expected changes India's base rate and other fee income, expenses that are integral part of the instrument.

2.22 Impairment of Financial assets:

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- PD calculation includes historical data, assumptions and expectations of future conditions.
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss and the quantitative assessment.



Edelweiss Finance & Investments Limited
Notes to the financial statements (continued)

- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EAD and LGD
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It is Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

2.23 Impairment of Non-Financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exist, the company estimates the asset's recoverable amount. An asset's recoverable amount is higher of an asset's fair value less cost of disposal and its value in use. Where the carrying amount exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2.24 Provisions and contingent liabilities:

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of its business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

2.25 Provisions for Income Taxes:

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectation of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

2.26 Cash flow statement:

The Statement of Cash Flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The Statement of Cash Flows from operating, investing and financing activities of the Company are segregated.

2.27 Segment Reporting:

Identification of Segments -



Edelweiss Finance & Investments Limited
Notes to the financial statements (continued)

Operating Segments are identified based on monitoring of operating results by the chief operating decision maker (CODM) separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss, and is measured consistently with profit or loss of the Company.

Operating Segment is identified based on the nature of products and services, the different risks and returns, and the internal business reporting system.

Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company.

Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments, which is primarily market based.

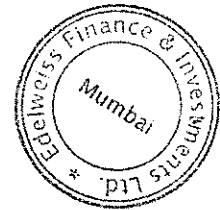
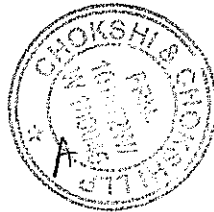
Unallocated Corporate Items include general corporate income and expenses, which are not attributable to segments.

2.28 Standards issued but not yet effective:

On March 23, 2022, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2022.

- i. Ind AS 101 – First time adoption of Ind AS
- ii. Ind AS 103 – Business Combination
- iii. Ind AS 109 – Financial Instrument
- iv. Ind AS 16 – Property, Plant and Equipment
- v. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
- vi. Ind AS 41 – Agriculture

Application of above standards are not expected to have any significant impact on the company's financial statements.



Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

5.B 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				777.87				88.91
Subtotal(i)				777.87				88.91
(ii) Equity linked derivatives								
Stock Futures	No of Shares		25,16,775	30.44	No of Shares		33,48,389	19.37
Options purchased	No of Shares		49,52,064	381.59				-
Options sold (written)					No of Shares		49,52,064	43.55
Less Offset with Margin				(30.44)				(19.37)
Subtotal(ii)				381.59				43.55
(iii) Index linked derivatives								
Index Futures	Index Units		1,34,050	56.33	Index Units		71825	2.06
Options purchased	Index Units		6,52,750	766.31				
Options sold (written)					Index Units		6,52,225	520.88
Less Offset with Margin				(56.33)				(2.06)
Subtotal(iii)				766.31				520.88
Total Derivative Financial Instruments			Total	1925.77			Total	653.34

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				0.37				55.12
Subtotal(i)				0.37				55.12
(ii) Equity linked derivatives								
Stock Futures	No of Shares		2,80,884	2.39	No of Shares		19,64,450	13.16
Options purchased	No of Shares		10,250	1.11				
Options sold (written)					No of Shares		10,250	0.19
Less Offset with Margin				(2.39)				(13.16)
Subtotal(ii)				1.11				0.19
(iii) Index linked derivatives								
Index Futures	Index Units		8,625	3.24	Index Units		1,29,025	17.85
Options purchased	Index Units		3,05,875	623.71				
Options sold (written)					Index Units		2,70,875	49.11
Less Offset with Margin				(3.24)				(17.85)
Subtotal(iii)				623.71				49.11
Total Derivative Financial Instruments			Total	625.19			Total	104.42

Note: The notional units held indicate the value of transactions outstanding at the period end and are not indicative of either the market risk or credit risk

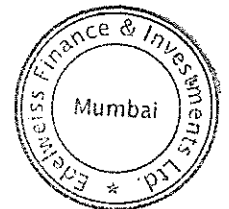
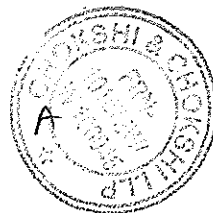
*An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. Refer Note 2.5.5 for further details

Hedging activities and derivatives

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are interest rate risk and equity index risk. The Company's risk management strategy and how it is applied to manage risk, are explained in Note 42.

Derivatives designated as hedging instruments

The Company has not designated any derivatives as hedging instruments



Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

5.C 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

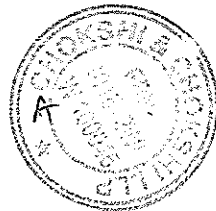
As at March 31, 2022	Offsetting recognised in balance sheet		Netting potential not recognised in balance sheet		Assets not subject to netting arrangements	Total Assets Recognised in the balance sheet	Maximum Exposure to Risk After consideration of netting potential
	Gross asset before offset	Amount offset*	Net asset recognised on the balance sheet	Collaterals paid			
Derivative Assets	86.77	(86.77)	-	-	1,925.77	1,925.77	1,925.77

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 Recognised in the balance sheet	Maximum Exposure to Risk After consideration of netting potential
	Gross liability before offset	Amount offset*	Net liability recognised in balance sheet	Collaterals received			
Derivative Liabilities	21.43	(21.43)	-	-	653.34	653.34	653.34
Margin payable to Brokers	543.85	(65.34)	478.51	-	-	478.51	478.51

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 Recognised in the balance sheet	Maximum Exposure to Risk After consideration of netting potential
	Gross asset before offset	Amount offset*	Net asset recognised on the balance sheet	Collaterals paid			
Derivative Assets	5.63	(5.63)	-	-	625.19	625.19	625.19
Margin Placed with Brokers	2,628.50	(25.38)	2,602.92	-	-	2,602.92	2,602.92

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 Recognised in the balance sheet	Maximum Exposure to Risk After consideration of netting potential
	Gross liability before offset	Amount offset*	Net liability recognised in balance sheet	Collaterals received			
Derivative Liabilities	31.01	(31.01)	-	-	104.42	104.42	104.42

*Note: As at the reporting date, cash margin received that has been offset against the gross derivative assets. Also, cash margin paid that has been offset against the gross derivative liabilities.



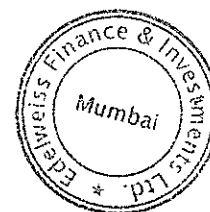
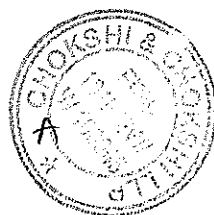
Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

6. Securities held for trading

Particulars	As at March 31, 2022	As at March 31, 2021
At Fair Value Through Profit and Loss		
(i) Government Debt Securities	1,519.01	84.23
(ii) Debt securities	279.01	155.24
(iii) Exchange Traded Funds / Mutual funds	3,000.30	123.74
(iv) Equity Shares	1,554.03	1,711.16
(v) Preference Shares	252.02	-
Total	6,604.37	2,074.37
(i) Investments outside India	-	-
(ii) Investments in India	6,604.37	2,074.37
Total	6,604.37	2,074.37



Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

(Currency - Indian rupees in millions)

	As at March 31, 2022	As at March 31, 2021
7. Receivables		
n) Trade receivables		
Receivables considered good - Unsecured	1,381.99	230.94
Less: Allowance for expected credit losses	(19.50)	(14.70)
Trade Receivables (a)	1,362.49	216.24
b) Other receivables		
Receivables considered good - Unsecured	0.31	1.13
Less: Allowance for expected credit losses	-	-
Other receivables (b)	0.31	1.13
Total Receivables (a) + (b)	1,362.80	217.37

c) Reconciliation of impairment allowance on trade receivables:

	As at March 31, 2022	As at March 31, 2021
Impairment allowance measured as per-simplified approach		
Impairment allowance - Opening Balance	14.70	-
Add/ (less) asset originated or acquired (net)	4.80	14.70
Impairment allowance - Closing Balance	19.50	14.70

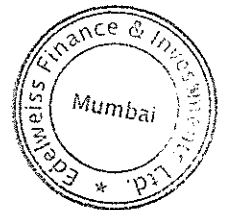
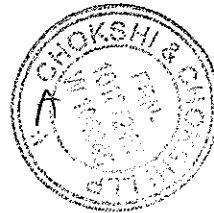
Notes

- 1) No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person.
2) No trade or other receivables are due from firms or private companies in which directors is partner, a director or a member.

d) Trade receivables days past due

As at March 31, 2022	Current	1-90 days	91-180 days	181-270 days	270-360 days	> 360 days	Total
ECL Rates							
Estimated total gross carrying amount at default	88.21	1,269.31	8.33	0.08	14.29	2.08	1,382.30
ECL - Simplified approach	(0.36)	(2.08)	(0.73)	(0.02)	(14.29)	(2.02)	(19.50)
Net carrying amount	87.85	1,267.23	7.60	0.06	-	0.06	1,362.80

As at March 31, 2021	Current	1-90 days	91-180 days	181-270 days	270-360 days	> 360 days	Total
ECL Rates							
Estimated total gross carrying amount at default	162.07	58.74	1.27	9.99	-	-	232.07
ECL - Simplified approach	(0.64)	(4.01)	(0.38)	(9.67)	-	-	(14.70)
Net carrying amount	161.43	54.73	0.89	0.32	-	-	217.37



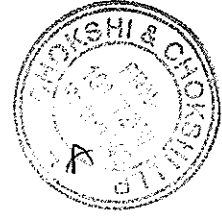
e) Trade receivables days past due(Continued)

As at March 31, 2022	Unbilled	Not Due	Outstanding for following periods from due date of payments [^]					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	-	680.09	685.76	0.08	0.06	-	-	1,365.99
Undisputed Trade Receivables – have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	14.29	2.02	-	-	16.31
Disputed Trade receivables – considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables – have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Net carrying amount	-	680.09	685.76	14.37	2.08	-	-	1,382.30

As at March 31, 2021	Unbilled	Not Due	Outstanding for following periods from due date of payments [^]					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	-	162.07	60.01	0.46	-	-	-	222.54
Undisputed Trade Receivables – have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	9.53	-	-	-	9.53
Disputed Trade receivables – considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables – have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Net carrying amount	-	162.07	60.01	9.99	-	-	-	232.07

[^]Where no due date of payment is specified in that case disclosure shall be from the date of the transaction

* Receivables largely includes receivables from clearing house and companies in same group. The Company has no history and expects no default on these receivables, accordingly no allowance for ECL has been recognised on these receivables.

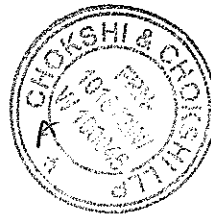


Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

	As at March 31, 2022	As at March 31, 2021
8. Loans (at Amortised cost)		
Other loans		
Corporate credit	-	2,198.72
Retail Credit	19,729.60	11,962.66
Total gross	19,729.60	14,161.38
Less: Impairment loss allowance (Refer Note 8A)	(79.17)	(56.94)
Total net	19,650.43	14,104.44
Secured by marketable securities & unlisted securities	18,761.13	11,285.43
Unsecured	968.47	2,875.95
Total gross	19,729.60	14,161.38
Less: Impairment loss allowance (Refer Note 8A)	(79.17)	(56.94)
Total net	19,650.43	14,104.44
Loans in India		
Public sector	-	-
Others	19,729.60	14,161.38
Total Gross	19,729.60	14,161.38
Less: Impairment loss allowance (Refer Note 8A)	(79.17)	(56.94)
Total net	19,650.43	14,104.44



Edelweiss Finance & Investments Limited
Notes to Financial Statements (continued)

(Currency: Indian rupees in millions)

8.A Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's year-end stage classification. The amounts presented are gross of impairment allowances.

Loans at Amortised Cost

Particulars	As at March 31, 2022			As at March 31, 2021			
	Stage I	Stage II	Stage III	Total	Stage I	Stage II	Total
Performing	19,728.19	-	-	19,728.19	13,571.20	-	13,571.20
High grade	-	-	-	-	-	-	-
Standard grade	-	1.41	-	1.41	-	590.18	590.18
Non-performing	-	-	-	-	-	-	-
Individually impaired	-	-	-	-	-	-	-
Total	19,728.19	1.41	-	19,729.60	13,571.20	590.18	14,161.38

Reconciliation of changes in gross carrying amount and corresponding ECL allowances for loans and advances:

The following disclosure provides stage wise reconciliation of the Company's gross carrying amount and ECL allowances for loans and advances to corporates and retail customers

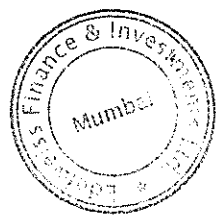
The 'New assets originated / repayments received (net)' represent the gross carrying amount and associated allowance ECL impact from transactions within the Company's lending portfolio.

Reconciliation / movement for the year ended March 31, 2022

Particulars	Non credit impaired			Credit impaired			Total
	Stage I	Stage II	Stage III	Stage I	Stage II	Stage III	
Opening balance	13,571.20	54.58	590.18	-	2.36	-	14,161.38
Transfer of financial assets Stage II to Stage I	532.58	2.13	(532.58)	-	(2.13)	-	-
New assets originated / repayments received (net)	5,624.41	22.45	(56.19)	-	(0.22)	-	5,566.22
Closing balance	19,728.19	79.16	1.41	-	0.01	-	19,729.60

Reconciliation / movement for the year ended March 31, 2021

Particulars	Non credit impaired			Credit impaired			Total
	Stage I	Stage II	Stage III	Stage I	Stage II	Stage III	
Opening balance	6,271.19	25.08	147.38	-	0.59	-	6,418.57
Transfer of financial assets Stage I to Stage II	(105.33)	(0.42)	105.33	-	0.42	-	-
Stage II to Stage I	82.05	0.33	(82.05)	-	(0.33)	-	-
New assets originated / repayments received (net)	7,323.28	29.59	(419.52)	-	1.68	-	7,742.81
Closing balance	13,571.20	54.58	590.18	-	2.36	-	14,161.38



Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

	As at March 31, 2022	As at March 31, 2021
9. Other financial assets		
Deposits placed with exchange/depositories	48.70	52.20
Deposits- others	0.45	0.45
Margin placed with broker (refer note 5.C)	1,911.15	2,602.92
Accrued Interest on Repo	0.05	-
CBLO Lending	499.82	-
Advances recoverable in cash or in kind or for value to be received	5.32	26.60
	2,465.49	2,682.17
10. Current tax assets (net)		
Advance income taxes (net)	139.19	147.02
	139.19	147.02
11. Deferred tax assets / Liabilities (net)		
Deferred tax assets		
<u>Financial Asset</u>		
Expected credit loss	24.84	18.03
Unamortised processing fees - EIR on loans	13.86	15.81
<u>Property, Plant and Equipment & Intangible assets</u>		
Difference between book and tax depreciation	1.33	1.34
<u>Investment and other financials instruments</u>		
Unrealised loss on derivatives	20.44	10.79
<u>Employee benefit obligations</u>		
Disallowances under section 43B of the Income Tax Act, 1961	1.54	1.15
	62.01	47.12
Deferred tax liabilities		
<u>Borrowing</u>		
Unamortised processing fees - EIR on Borrowing	19.85	0.11
<u>Investment and other financials instruments</u>		
Fair valuation - securities held for trading	22.66	8.97
Unrealised gain on derivatives	42.57	14.73
	85.08	23.81
Net Deferred tax asset /(Net Deferred tax liabilities)	(23.07)	23.31



Edelweiss Finance & Investments Limited

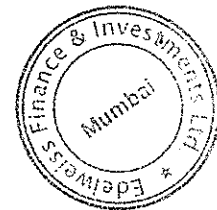
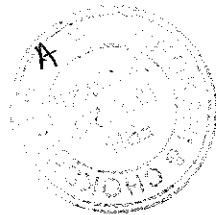
Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

12. Property, plant and equipment and intangible assets

Particulars	Property, plant and equipment					Other Intangible Assets		Total
	Building*	Vehicles	Office equipment	Computers	Furniture	Computer Software	Total	
<u>Cost</u>								
As at April 1, 2021	2.73	5.30	0.02	2.58	0.03	10.66	10.33	20.99
Additions	-	-	-	0.69	-	0.69	1.52	2.21
Disposals	-	(2.10)	(0.01)	(1.04)	-	(3.15)	(1.44)	(4.59)
As at March 31, 2022	2.73	3.20	0.01	2.23	0.03	8.20	10.41	18.61
<u>Depreciation and amortisation:</u>								
As at April 1, 2021	0.36	4.03	0.02	0.62	0.01	5.04	7.85	12.89
Depreciation/Amortisation for the year	0.12	0.36	0.00	1.53	0.01	2.02	1.85	3.87
Disposals	-	(1.68)	(0.01)	(0.75)	-	(2.44)	(1.44)	(3.88)
As at March 31, 2022	0.48	2.71	0.01	1.40	0.02	4.62	8.26	12.88
<u>Net Book Value</u>								
As at March 31, 2021	2.37	1.27	0.00	1.96	0.02	5.62	2.48	8.10
As at March 31, 2022	2.25	0.49	0.00	0.83	0.01	3.58	2.15	5.73

* Charge against secured redeemable non-convertible debentures (Refer note 15.B)



Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

(Currency Indian rupees in millions)

	As at March 31, 2022	As at March 31, 2021
13. Other non-financial assets (Unsecured considered good, unless stated otherwise)		
Other deposits	0.05	-
Vendor Advances	8.97	8.16
Prepaid expenses	6.25	6.14
Advances recoverable in cash or in kind or for value to be received	0.01	-
Advances to employees	0.29	0.83
Others	9.01	9.03
	<u>24.58</u>	<u>24.16</u>
14. Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	1.15	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	498.38	73.77
	<u>499.53</u>	<u>73.77</u>

14.A Details of dues to micro and small enterprises

Trade Payables includes Rs 1.15 Millions (March 31, 2021: Rs Nil) 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 aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act.

14.B Ageing of Trade Payables

As at March 31, 2022	Unbilled	Outstanding for following periods from due date of payments [^]				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	1.15	-	-	-	-	1.15
Others	91.10	407.11	0.17	-	-	498.38
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

[^]Where no due date of payment is specified in that case disclosure shall be from the date of the transaction.

As at March 31, 2021	Unbilled	Outstanding for following periods from due date of payments [^]				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME						-
Others	32.99	40.73	0.05			73.77
Disputed dues - MSME						-
Disputed dues - Others						-

[^]Where no due date of payment is specified in that case disclosure shall be from the date of the transaction.

15. Debt securities

at amortised cost

(Refer Note 15 A and 15 B)

Redeemable non-convertible debentures - secured

Market linked debentures	17,404.30	8,003.62
Public issue	1,736.68	2,219.13
Unamortized EIR - Debt securities	(50.39)	(68.92)

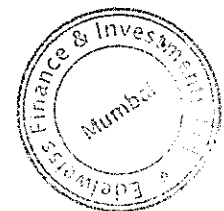
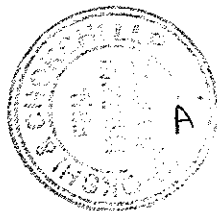
Commercial paper (Unsecured)

Less: Unamortised discount	3,850.00	-
Interest Accrued on Debt Securities	(30.57)	-
	51.89	59.84

Total	<u>22,961.91</u>	<u>10,213.67</u>
--------------	------------------	------------------

Debt securities in India	22,961.91	10,213.67
Debt securities outside India	-	-

Total	<u>22,961.91</u>	<u>10,213.67</u>
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Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

15.A Maturity profile and rate of interest of debt securities are set out below:

Redeemable non-convertible debentures - secured

Month				As at March 31,			As at March 31,		
	9% - 10%	10% - 11%	MLD*	2022 Total	9% - 10%	10.01% - 11%	MLD*	2021 Total	
Mar-21	-	-	-	-	-	-	-	-	
Apr-21	-	-	-	-	-	-	83.63	83.63	
May-21	-	-	-	-	-	-	51.36	51.36	
Jun-21	-	-	-	-	-	-	511.02	511.02	
Jul-21	-	-	-	-	-	-	142.15	142.15	
Aug-21	-	-	-	-	482.45	-	21.10	503.55	
Sep-21	-	-	-	-	-	-	1,160.31	1,160.31	
Feb-22	-	-	-	-	-	-	1,785.05	1,785.05	
Mar-22	-	-	-	-	-	-	362.20	362.20	
May-22	-	-	21.30	21.30	-	-	-	-	
Aug-22	-	-	1,015.73	1,015.73	-	-	497.87	497.87	
Oct-22	-	-	159.84	159.84	-	-	135.05	135.05	
Dec-22	-	-	3,149.20	3,149.20	-	-	1,582.95	1,582.95	
Feb-23	351.52	-	283.18	634.70	351.52	-	254.88	606.39	
May-23	-	-	2,213.08	2,213.08	-	-	-	-	
Jun-23	-	-	1,373.52	1,373.52	-	-	60.30	60.30	
Aug-23	-	-	120.06	120.06	-	-	-	-	
Dec-23	-	-	1,462.73	1,462.73	-	-	-	-	
Feb-24	-	-	124.50	124.50	-	-	111.76	111.76	
Mar-24	-	-	874.01	874.01	-	-	29.11	29.11	
Aug-24	-	-	505.45	505.45	-	-	-	-	
Sep-24	-	-	572.77	572.77	-	-	-	-	
Feb-25	443.93	401.49	845.42	845.42	443.93	401.49	-	845.42	
Mar-25	-	-	254.06	254.06	-	-	-	-	
Apr-25	-	-	1,667.29	1,667.29	-	-	-	-	
May-25	-	-	888.16	888.16	-	-	-	-	
Jun-25	-	-	1,269.46	1,269.46	-	-	-	-	
Jul-25	-	-	1,222.11	1,222.11	-	-	-	-	
Jul-26	-	-	-	-	-	-	1,175.09	1,175.09	
Dec-26	-	-	27.85	27.85	-	-	25.00	25.00	
Feb-30	263.40	276.34	-	539.74	263.41	276.34	-	539.74	
Apr-30	-	-	-	-	-	-	14.80	14.80	
	1,058.85	677.83	17,404.30	19,140.98	1,541.31	677.83	8,003.63	10,222.75	

Add interest accrued **	51.89	59.84
Less: unamortised issuance cost	(50.39)	(68.92)
	19,142.48	10,213.67

*MLD represents market linked debentures

** Interest accrued but not due is payable on next interest payment date for respective ISINs

Commercial Paper:

Month	Rate of Interest	As at March 31, 2021
Apr-22	5.93%	350.00
May-22	5.90%	3,500.00
Less: unamortised Discount		(30.57)
		3,819.43

15.B Details of debt securities:

Redeemable non-convertible debentures - secured

Public issue:

Debentures are secured by way of a charge in favour of the Debenture Trustee on present and/or future receivables and/or pari passu charge on an identified immovable property of the Company as may be decided mutually by our Company and the Debenture Trustee

Market linked debentures:

Market linked debentures are secured by first charge / pari passu charge, as the case may be, on property and on present & future receivables, loans, securities, investments & other financial assets

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



Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

	As at March 31, 2022	As at March 31, 2021
16. Borrowings (other than Debt Securities) (at amortised cost)		
	As at March 31, 2022	As at March 31, 2021
<u>Secured</u>		
Collateralised borrowing and lending obligation and Clearcorp repo order matching system (Secured by pledge of Government securities and Treasury-bills) (March 31, 2022, Repayable on April 04, 2022 Interest payable in range of 3.70% to 3.95%)	1,059.52	-
Accrued Interest on Repo Borrowing (Secured by pledge of Government securities)	0.11	-
<u>Unsecured</u>		
Loan from related parties (refer note 39) (Repayable on demand, Interest payable in the range of 9.25% for March 31, 2021)	-	3,363.86
	<u>1,059.63</u>	<u>3,363.86</u>
Borrowings in India	1,059.63	3,363.86
Borrowings outside India	-	-
	<u>1,059.63</u>	<u>3,363.86</u>

17. Subordinated Liabilities

(at Amortised Cost)

Unsecured

Preference Shares - privately placed	139.77	145.79
(i) Subsidiaries	-	-
(ii) Other	139.77	145.79
Interest accrued - subordinated liabilities	13.63	14.21
	<u>153.40</u>	<u>160.00</u>
Subordinated liabilities in India	153.40	160.00
Subordinated liabilities outside India	-	-
	<u>153.40</u>	<u>160.00</u>

The Preference Shares of the face value of Rs. 10 each were issued at the rate of Rs. 15 per share. The Preference Shares were allotted on July 19, 2013. The Preference Shares are Cumulative and Redeemable. The Preference Shares carry a Cumulative dividend of 14.625%. The Preference Shares will be redeemed at a premium of Rs. 5 per preference share over the Face value together with the unpaid dividend till the date of redemption. The preference share will be compulsorily redeemed at the end of 10 years from the date of allotment. The Company and the investor can seek the early redemption of preference shares after 5 years from the date of allotment by giving early redemption notice from May 16 to May 31, every year. In such a case, Company shall redeem preference shares within 30 days of receiving early redemption notice.

In line with the terms, during the year ended March 31, 2022, the Company has redeemed 4,01,000 preference shares basis the early redemption requests received. Consequently, as required under Companies Act 2013, the Company has also transferred amount of Rs 4.01 millions being the face value of preference shares redeemed, to capital redemption reserve from its free reserves (Refer Note 23 B.I)

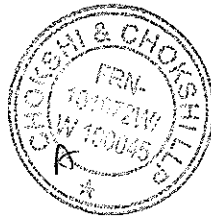


Edelweiss Finance & Investments Limited**Notes to Financial Statements (continued)**

(Currency : Indian rupees in millions)

	As at March 31, 2022	As at March 31, 2021
18. Other financial liabilities		
Other payables	110.91	10.56
Advances from customers	576.32	95.34
Accrued salaries and benefits	150.70	68.25
Unpaid dividends	3.45	3.45
Payable to exchange / clearing house (net) (refer note 5.C)	478.51	-
	1,319.89	177.60
19. Current tax liabilities (net)		
Provision for taxation (net)	9.60	10.04
	9.60	10.04
20. Provisions		
Provision for employee benefits		
Gratuity & Compensated leave absences	16.08	34.14
Others	9.01	9.01
	25.09	43.15
21. Other non-financial liabilities		
Statutory liabilities*	15.46	24.71
Others	2.08	2.91
Income received in advance	0.80	-
	18.34	27.62

* Includes withholding taxes, provident fund, profession tax and other statutory dues payables



Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

(Currency Indian rupees in millions)

	As at March 31, 2022		As at March 31, 2021	
	No of shares	Amount	No of shares	Amount
22. Equity share capital				
Authorised :				
Equity Shares of Rs 10 each	4,16,20,000	416.20	4,16,20,000	416.20
Preference shares of Rs 10 each	3,13,80,000	313.80	3,13,80,000	313.80
	7,30,00,000	730.00	7,30,00,000	730.00
Issued, Subscribed and Paid up:				
Equity Shares of Rs 10 each	1,14,59,105	114.59	1,14,59,105	114.59
	1,14,59,105	114.59	1,14,59,105	114.59

22.A Reconciliation of number of shares

	As at March 31, 2022		As at March 31, 2021	
	No of shares	Amount	No of shares	Amount
Outstanding at the beginning of the year	1,14,59,105	114.59	83,35,332	83.35
Shares issued during the year (Refer note below)			31,23,773	31.24
Outstanding at the end of the year	1,14,59,105	114.59	1,14,59,105	114.59

Notes:

During the financial year 2020-21, the Company has issued 31,23,773 fully paid-up equity shares of Rs. 10 each at a premium of Rs 550.22 each for the consideration of Rs 1750.00 million to Edelweiss Securities Limited through rights issue.

22.B Terms/rights attached to equity shares :

The Company has only one class of equity shares having a par value of Rs 10/- Each holder of equity shares is entitled to one vote per share held

In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholders

22.C Shares held by holding/ultimate holding company

	As at March 31, 2022		As at March 31, 2021	
	No of shares	Amount	No of shares	% holding
Holding company				
Edelweiss Securities Limited #	1,14,59,105	100.00%	1,14,59,105	100.00%
	1,14,59,105	100.00%	1,14,59,105	100.00%

22.D Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2022		As at March 31, 2021	
	No of shares	Amount	No of shares	% holding
Holding company				
Edelweiss Securities Limited #	1,14,59,105	100.00%	1,14,59,105	100.00%
	1,14,59,105	100.00%	1,14,59,105	100.00%

including 6 shares held by nominees of Edelweiss Securities Limited

22.E There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

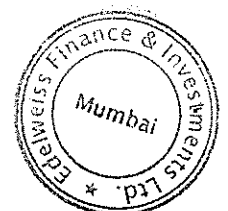
22.F Details Shareholding of Promoters

For Financial Year 2021-22

Name of the promoter	No. of Shares**	% of total shares	% change during the Year
Edelweiss Securities Limited	1,14,59,105	100%	Nil
PAGAC Escstasy Pte Limited	-	-	-

For Financial Year 2020-21

Name of the promoter	No. of Shares**	% of total shares	% change during the Year
Edelweiss Securities Limited	1,14,59,105	100%	Nil
PAGAC Escstasy Pte Limited	-	-	-
Edelweiss Global Wealth Management Limited	-	-	-



Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

23. Other Equity

	As at March 31, 2022	As at March 31, 2021
a. Capital redemption reserve	230.33	226.32
b. Securities Premium Reserve	5,086.37	5,086.37
c. Statutory Reserve	1,079.57	989.92
d. Retained Earnings	437.99	82.54
e. Deemed capital contribution - Equity	15.18	15.18
	<u>6,849.44</u>	<u>6,400.33</u>

A. Nature and purpose of Reserves

a. Capital redemption reserve

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. Securities Premium Reserve

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.

c. Statutory Reserve

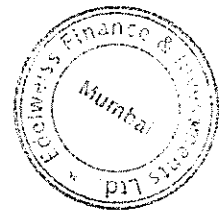
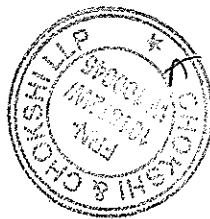
Reserve created under 45-IC(1) of The Reserve Bank of India Act, 1934 a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before dividend on equity shares is declared.

d. Retained Earnings

Retained earnings comprises of the Company's undistributed earnings after taxes.

e. Deemed capital contribution - Equity

Deemed capital contribution - Equity relates to Share options granted to eligible employees of the company by the erstwhile parent company under its employee share option plan.



Edelweiss Finance & Investments Limited

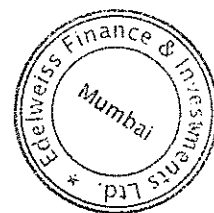
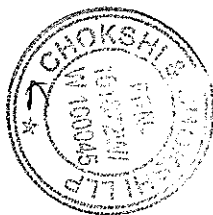
Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

23. Other Equity (continued)

B. Movement in Other Equity

	As at March 31, 2022	As at March 31, 2021
I. Capital redemption reserve		
Opening Balance	226.32	116.59
Add : Additions during the year	4.01	109.73
	<u>230.33</u>	<u>226.32</u>
II. Securities Premium Reserve		
Opening Balance	5,086.37	3,367.61
Add : Premium received on issue of equity shares	-	1,718.76
	<u>5,086.37</u>	<u>5,086.37</u>
III. Statutory Reserve		
Opening Balance	989.92	961.23
Add : Reserve created for the year	89.65	28.69
	<u>1,079.57</u>	<u>989.92</u>
IV. Retained Earnings		
Opening Balance	82.54	74.74
Add: Profit / (loss) for the year	448.24	143.50
Add: Other Comprehensive Income	(3.22)	2.72
Add: ESOPs cost Reversed	4.09	-
Amount available for appropriation (a)	<u>531.65</u>	<u>220.96</u>
Appropriations:		
Transfer to Statutory Reserve	(89.65)	(28.69)
Transfer to Capital Redemption Reserve	(4.01)	(109.73)
Appropriations (b)	<u>(93.66)</u>	<u>(138.42)</u>
Total V - (a - b)	<u>437.99</u>	<u>82.54</u>
V. Deemed capital contribution - Equity		
Opening Balance	15.18	15.18
Less: Transfer to Retained Earnings	-	-
	<u>15.18</u>	<u>15.18</u>
Total = (I+II+III+IV+V)	<u>6,849.44</u>	<u>6,400.33</u>

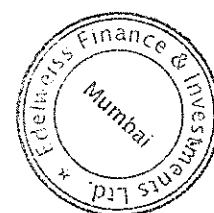
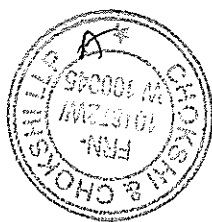


Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

	For the year ended March 31, 2022	For the year ended March 31, 2021
24. Interest Income		
On Financial assets measured at amortised cost		
Interest income on Loans	1,969.83	1,265.91
Interest income on fixed deposits with Bank	18.66	39.70
Other interest income		
- On margin with brokers	3.00	2.74
- On others	19.56	2.55
On Financial assets measured at fair value through profit or loss		
Interest income from debt securities held for trading	68.26	9.23
	2,079.31	1,320.13
25. Dividend Income		
Dividend on securities held for trading	10.50	0.33
	10.50	0.33
26. Fee income		
Advisory Fees	260.34	206.09
	260.34	206.09
27 Other income		
Profit on sale of property, plant and equipment (net)	1.66	0.32
Interest on income tax refund	-	0.58
Other	1.22	0.78
	2.88	1.68



Edelweiss Finance & Investments Limited

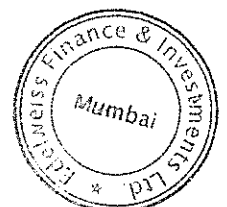
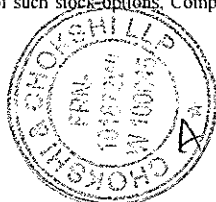
Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

	For the year ended March 31, 2022	For the year ended March 31, 2021
28. Finance costs		
On Financial Liabilities measured at Amortised Cost		
Interest on borrowings		
- Interest on collateralised borrowing and lending operations	3.72	0.85
- Interest on loan from fellow subsidiaries	162.73	60.53
-Discounting charges on commercial Papers	237.35	37.43
Interest on debt securities		
- Interest on debentures (public issue)	212.43	286.11
- Interest on market linked debentures	1,234.77	570.72
Interest on subordinated liabilities		
- Dividend on preference shares	13.74	17.34
Other interest expense		
- Finance and bank charges	58.37	8.96
- Collateralised borrowing and lending charges	0.30	-
	1,923.41	981.94
29. Net gain/(loss) on fair value changes (including income from treasury operations)		
Net gain/ (loss) on financial instruments at fair value through profit or loss		
On securities held for trading	1,460.95	472.22
On derivative financial instrument	69.37	5.52
	1,530.32	477.74
Fair value changes		
Realised	1,450.56	429.87
Unrealised	79.76	47.87
	1,530.32	477.74
30. Impairment on financial instruments		
Expected credit loss		
Loans	22.23	31.27
Receivables	4.80	14.70
Bad Debts	1.22	-
	28.25	45.97
31. Employee benefits expense		
Salaries, wages and bonus	670.84	473.67
Contribution to provident and other funds	27.02	24.14
Expense on share based payments	9.73	5.33
Staff welfare expenses	12.02	7.65
	719.61	510.79

Notes:

Edelweiss Securities Limited (the holding Company, "ESL") and Edelweiss Financial Services Limited (Company having significant influence over holding company, "EFSL") has Employee Stock Option Plans (ESOP) and Stock Appreciation Rights Plans (SAR) in force. Based on such ESOP/SAR schemes, ESL and EFSL have granted ESOP/SAR options to acquire equity shares of ESL and EFSL respectively that would vest in a graded manner to Company's employees. Based on group policy / arrangement, ESL and 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 Financial Services Limited

Notes to Financial Statements (continued)

(Currency: Indian rupees in million)

31. Employee benefits expense (continued)

a) Defined contribution plan - provident funds

In accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952, employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which, both the employee and the Company contribute monthly at a determined rate. These contributions are made to a recognized provident fund administered by Regional Provident Fund Commissioner. The employees contribute 12% of their basic salary and the Company contributes an equal amount.

Amount of Rs. 19.58 million (previous year: Rs. 16.4 million) is recognised as expenses and included in "Employee benefits expense".

b) Defined benefit plan - gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, a non-contributory defined benefit arrangement providing lump-sum gratuity benefits expressed in terms of final monthly salary and year of service, covering all employees. The plan provides a lump sum payment to vested employees at retirement or termination of employment in accordance with the rules laid down in the Payment of Gratuity Act, 1972.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2022. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

Reconciliation of Defined Benefit Obligation (DBO)

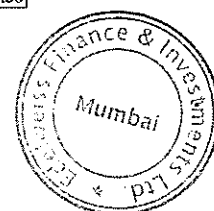
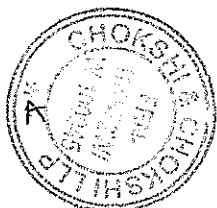
	March 31, 2022	March 31, 2021
Present Value of DBO at Start of the year	41.07	4.28
<i>Service Cost</i>		
a. Current Service Cost	6.43	5.80
b. Past Service Cost		
c. Loss/(Gain) from Settlement		
Interest Cost	2.21	1.91
Benefits Paid	(4.06)	(0.78)
<i>Re-measurements</i>		
a. Actuarial Loss/(Gain) from changes in demographic assumptions		(1.86)
b. Actuarial Loss/(Gain) from changed in financials assumptions	(0.83)	2.18
c. Actuarial Loss/(Gain) from experience over last past year	5.37	1.54
Effect of acquisition / (divestiture)		
Changes in foreign exchange rate		
Transfer In / (Out)	3.08	28.00
Present Value of DBO at end of the year	53.27	41.07

Reconciliation of Fair Value of Plan Assets

	March 31, 2022	March 31, 2021
Fair Value of Plan Assets at start of the year	11.48	9.47
<i>Contributions by Employer</i>	34.06	0.78
Benefits Paid	(4.06)	(0.78)
Interest Income Plan Assets	1.58	0.56
<i>Re-measurements</i>		
Return on plan assets excluding amount including in net interest on the net defined benefit liability / (asset)	0.23	1.45
Effect of acquisition / (divestiture)		
Changes in foreign exchange rate		
Fair Value of Plan Assets at end of the year	43.29	11.48
<i>Actual Return on Plan Assets</i>	1.81	2.01
<i>Expected Employer Contributions for the coming year</i>	10.00	30.00

Expenses recognised in the Profit and Loss Account

	March 31, 2022	March 31, 2021
<i>Service Cost</i>		
a. Current Service Cost	6.43	5.80
b. Past Service Cost		
c. Loss/(Gain) from Settlement		
Net interest on net defined benefit liability - (asset)	0.63	1.57
Changes in foreign exchange rate		
Employer Expenses	7.06	7.38



Edelweiss Financial Services Limited

Notes to Financial Statements (continued)

(Currency: Indian rupees in million)

31. Employee benefits expense (continued)

Net Liability / (Asset) recognised in the Balance sheet

	March 31, 2022	March 31, 2021
Present Value of DBO	53.27	41.07
Fair Value of Plan Assets	43.29	11.48
Liability / (Asset) recognised in the Balance Sheet	9.98	29.59
Funded Status [Surplus/ (Deficit)]	(9.98)	(29.59)
Less: Amount not recognized as asset [Effect of limiting net assets to asset ceiling]	-	-
Liability / (Asset) recognised in the Balance Sheet	(9.98)	(29.59)
Of which, Short term Liability	-	-
Experience Adjustment on Plan Liabilities: (Gain)/Loss	5.37	1.54

Percentage Break-down of Total Plan Assets

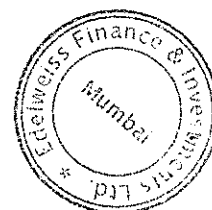
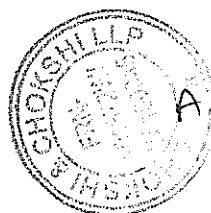
	March 31, 2022	March 31, 2021
Equity instruments	-	-
Debt instruments	-	-
Real estate	-	-
Derivatives	-	-
Investment Funds with Insurance Company	99.74%	99.01%
Of which, Unit Linked	99.74%	99.01%
Of which, Traditional/ Non-Unit Linked	-	-
Asset-backed securities	-	-
Structured debt	-	-
Cash and cash equivalents	0.26%	0.99%
Total	100%	100%

Actuarial assumptions:

	March 31, 2022	March 31, 2021
Salary Growth Rate (% p.a)	7.00%	7.00%
Discount Rate (% p.a)	5.40%	5.00%
Withdrawal Rate (% p.a)		
Senior	25.00%	25.00%
Middle	25.00%	25.00%
Junior	25.00%	25.00%
Mortality Rate	IALM 2012-14 (Ultimate)	IALM 2012-14 (Ultimate)
Interest Rate on Net DBO / (Asset) (% p.a)	5.00%	5.90%
Expected weighted average remaining working life (years)	3	3

Movement in Other Comprehensive Income

	March 31, 2022	March 31, 2021
Balance at start of year (Loss)/ Gain	(0.53)	(4.17)
<i>Re-measurements on DBO</i>		
a. Actuarial Loss/(Gain) from changes in demographic assumptions	-	1.86
b. Actuarial Loss/(Gain) from changed in financials assumptions	0.83	(2.18)
c. Actuarial Loss/(Gain) from experience over last past year	(5.37)	(1.54)
<i>Re-measurements on Plan Assets</i>		
Return on plan assets excluding amount including in net interest on the net defined benefit liability / (asset)	0.23	1.45
<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)	-	4.05
Balance at end of year (Loss)/ Gain	(4.84)	(0.53)



Edelweiss Financial Services Limited

Notes to Financial Statements (continued)

(Currency: Indian rupees in million)

31. Employee benefits expense (continued)

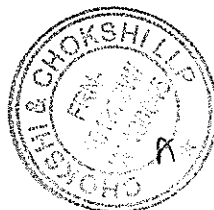
Sensitivity Analysis

DOB increases / (decreases) by	March 31, 2022	March 31, 2021
1 % Increase in Salary Growth Rate	1.96	1.57
1 % Decrease in Salary Growth Rate	(1.92)	(1.48)
1 % Increase in Discount Rate	(1.93)	(1.49)
1 % Decrease in Discount Rate	2.01	1.62
1 % Increase in Withdrawal Rate	(0.12)	(0.12)
1 % Decrease in Withdrawal Rate	0.13	0.13
Mortality (Increase in expected lifetime by 1 year)	0.00	0.00
Mortality (Increase in expected lifetime by 3 year)	0.01	0.01

Note: The sensitivity is performed on the DBO at the respective valuation date by modifying one parameter whilst retaining other parameters constant there are no changes from the previous year to the methods and assumptions underlying the sensitivity analyses.

Movement in Surplus / (Deficit)

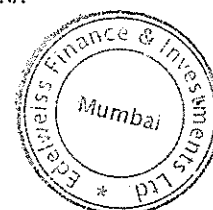
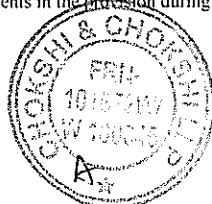
	March 31, 2022	March 31, 2021
Surplus / (Deficit) at start of year	(29.59)	1.36
Net (Acquisition) / Divestiture	-	-
Net Transfer (In)/ Out	(3.08)	(28.00)
<i>Movement during the year</i>		
Current Service Cost	(6.43)	(5.80)
Past Service Cost	-	-
Net Interest on net DBO	(0.63)	(1.57)
Changes in foreign exchange rate	-	-
Re-measurements	(4.30)	3.64
Contributions / Benefits	34.06	0.78
Surplus / (Deficit) at end of year	(9.97)	(29.59)



Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)
(Currency: Indian rupees in million)

	For the year ended March 31, 2022	For the year ended March 31, 2021
32. Other expenses		
Advertisement and business promotion	9.95	5.51
Auditors' remuneration(Refer Note 32A)	6.00	3.53
Commission and brokerage	115.24	48.56
Communication	5.72	6.47
Directors' sitting fees	2.46	0.58
Insurance	0.34	0.22
Legal and professional fees	41.66	26.41
Printing and stationery	0.24	0.67
Rates and taxes	0.08	0.33
Rent	55.45	52.58
Repairs and maintenance	0.03	0.22
Computer expenses	70.18	12.50
Computer software	3.11	5.36
Corporate social responsibility(Refer Note 32B)	3.23	2.10
Clearing & custodian charges	5.02	1.11
Dematerialisation charges	1.32	0.45
Rating support fees	3.62	5.26
Membership and subscription	0.91	2.79
Office expenses	49.68	21.35
Postage and courier	0.29	0.31
ROC Expenses	0.02	0.09
Securities transaction tax	92.67	22.35
Goods & Service tax expenses	63.71	28.78
Stamp duty	20.58	4.95
Stock exchange expenses	45.92	11.08
Travelling and conveyance	16.93	11.24
Miscellaneous expenses	0.02	0.46
Asset usage cost	-	0.70
Outside Services - Others	3.10	0.98
	617.48	276.94
32.A Auditors' remuneration:		
As a Auditor		
Audit fees	3.19	2.56
Certification fees	1.11	0.45
Reimbursement of expenses	-	0.07
Condensed , Reformatted and Specipal Purpose Financial Statement	1.70	0.45
	6.00	3.53
32.B Details of CSR Expenditure:		
Amount required to be spent by the company during the year	3.11	2.10
Amount of expenditure incurred	3.23	2.10
Shortfall at the end of the year	-	-
Total of Previous Year's shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	(i) Education (ii) Livelihood (iii) Women Empowerment	(i) Education (ii) Livelihood
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	3.23	2.10
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	NA	NA



Edelweiss Finance & Investments Limited

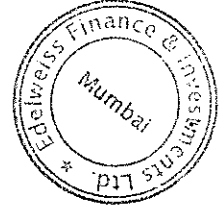
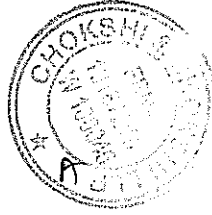
Notes to Financial Statements (continued)
(Currency: Indian rupees in million)

32.C Operating leases

The Company has taken premises on operating lease. Rental expenses for the year aggregated to Rs. 51.07 million (Previous year Rs.49.19 million) which has been included under the head Other expenses – Rent in the statement of profit and loss.

32.D Cost sharing

Edelweiss Securities Limited, being the holding company along with fellow subsidiaries and associates incurs expenditure like common senior management compensation cost, and Group mediclaim, etc. which is for the common benefit of itself and its certain subsidiaries including the Company. This cost so expended is reimbursed by the Company on the basis of number of employees, time spent by employees of other companies, actual identifications etc. On the same lines, costs like rent, electricity charges, Information Technology cost incurred by the Group Company for the benefit of fellow subsidiaries and associate companies (if any) are recovered as reimbursement by the Company from the subsidiaries and associate companies on similar basis. Accordingly, and as identified by the management, the expenditure heads in note 31 and 32 include reimbursements paid (net of the reimbursements received) based on the management's best estimate amounting to Rs. 103.28 million (previous year Rs. 38.35 million)



Edelweiss Finance & Investments Limited

Notes to financial statements (continued)

(Currency : Indian rupees in million)

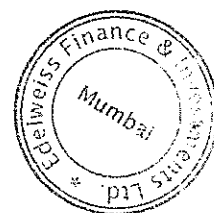
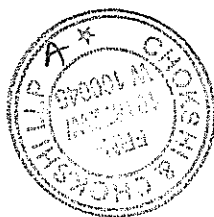
33. Income Tax

33.A Component of Income Tax Expenses

	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax	98.62	60.02
Adjustment in respect of current income tax of prior years	(2.51)	(2.48)
Deferred tax relating to temporary differences	46.38	(15.49)
Total Tax Charge for the year	142.49	42.05
Current Tax	96.11	57.54
Deferred Tax	46.38	(15.49)

33.B Reconciliation of total tax charge

	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit / (Loss) before Taxes	590.73	185.55
Statutory Income Tax rate	25.17%	25.17%
Tax Charge at Statutory Rate	148.69	46.70
Adjustment in respect of current income tax of prior years	(2.51)	(2.48)
Non deductible expenses		
Dividend on Preference shares	3.46	4.36
Interest on shortfall of advance tax	(0.62)	0.25
Donation expense	0.81	0.53
Others	(7.34)	(7.31)
Total tax expenses reported in Statement of Profit and Loss	142.49	42.05
Effective Income Tax Rate	24.12%	22.66%



Edelweiss Finance & Investments Limited

Notes to financial statements (continued)

(Currency : Indian rupees in million)

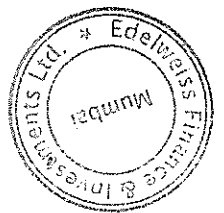
33.C Movement of Deferred Tax assets

Financial year 2021-22

	Movement for the year (2021-22)					As on March 31, 2022
	As on April 1, 2021	Recognised in profit or loss (Expense)/ Income	Recognised in OCI	Recognised in other equity	Others	
Deferred tax assets						
Property, Plant and Equipment & Intangible assets	1.34	0.00	-	-	-	1.33
Unrealised loss on Derivatives	10.79	9.65	-	-	-	20.44
Employee benefits obligations	1.15	0.39	-	-	-	1.54
Expected credit loss provision	18.03	6.80	-	-	-	24.84
Unamortised Processing Fees (EIR)	15.70	(15.70)	-	-	-	-
Deferred tax liabilities						
Fair valuation of investments and securities held for trading - gain in valuation	(8.97)	(13.69)	-	-	-	(22.66)
Unrealised gain on derivatives	(14.73)	(27.83)	-	-	-	(42.57)
Unamortised Processing Fees (EIR)	-	(6.00)	-	-	-	(6.00)
Deferred tax assets/(Liabilities)(net)	23.31	(46.38)	-	-	-	(23.07)

Financial year 2020-21

	Movement for the year (2020-21)					As on March 31, 2021
	As on April 1, 2020	Recognised in profit or loss (Expense)/ Income	Recognised in OCI	Recognised in other equity	Others	
Deferred tax assets						
Property, Plant and Equipment & Intangible assets	1.47	(0.13)	-	-	-	1.34
Unrealised loss on Derivatives	-	10.79	-	-	-	10.79
Employee benefits obligations	0.13	1.02	-	-	-	1.15
Expected credit loss provision	6.46	11.57	-	-	-	18.03
Unamortised Processing Fees (EIR)	-	15.70	-	-	-	15.70
Deferred tax liabilities						
Fair valuation of investments and securities held for trading - gain in valuation	(0.24)	(8.73)	-	-	-	(8.97)
Unrealised gain on derivatives	-	(14.73)	-	-	-	(14.73)
Deferred tax assets (net)	7.82	15.49	-	-	-	23.31



Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

34. Earnings per Share

Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company with the weighted average number of equity shares outstanding during the year adjusted for assumed conversion of all dilutive potential equity shares.

		For the year ended March 31, 2022	For the year ended March 31, 2021
Net profit / (loss) attributable to Equity holders of the Company	(A)	448.24	143.50
Weighted average Number of Shares			
- Number of equity shares outstanding at the beginning of the year		1,14,59,105	83,35,332
- Number of equity shares issued during the year		-	31,23,773
Total number of equity shares outstanding at the end of the year		1,14,59,105	1,14,59,105
Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	(B)	1,14,59,105	84,03,798
Basic and diluted earnings per share (in rupees)	(A / B)	39.11	17.07

The basic and diluted earnings per share are the same as there are no dilutive/ potential equity shares issued or outstanding as at the end of the year.

35. Contingent Liability and Capital Commitment:

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

35.1 Contingent Liability

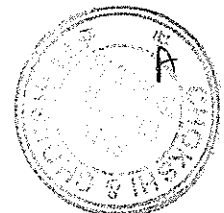
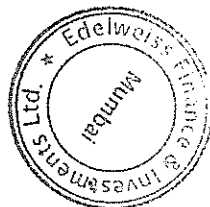
	As at March 31, 2022	As at March 31, 2021
Taxation matters related to income tax for Assessment year 2013-14 and 2014-15 in respect of which appeal is pending	4.04	5.14
Taxation matter related to Value added tax for FY 2015-16 in respect of which appeal is pending	0.09	0.29

The Company has received demand notices from tax authorities on account of disallowance of expenditure for earning exempt income under Section 14A of Income Tax Act 1961 read with Rule 8D of the Income Tax Rules, 1962. The Company has filed appeal/s and is defending its position. Based on the favorable outcome in Appellate proceedings in the past and as advised by the tax advisors, The Company is reasonably certain about sustaining its position in the pending cases, Hence the possibility of outflow of resources embodying economic benefits on this ground is remote.

The Company believes that the outcome of these proceedings, based on preceding year favourable tax order will not have a materially adverse effect on the Company's subsequent assessment orders on the same issues, financial position and results of operations.

35.2 Capital Commitment

	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for	0.06	-



Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

(Currency - Indian rupees in millions)

36. Segment Reporting

Primary Segment (Business segment)

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

Segment	Activities covered
Capital based business	Income from treasury operations, income from investments and dividend income
Financing business	Retail financing
Agency Business	Income from Advisory services

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.

Secondary Segment

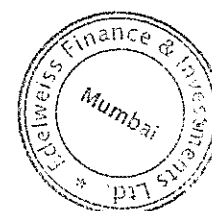
Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

Segment information for the year ended March 31, 2022

Particulars	Financing business	Capital based business	Agency business	Unallocated	Total
Revenue from Operations					
Interest Income	1,970.12	109.19	-	-	2,079.31
Other Operating income	-	1,540.80	260.34	2.90	1,804.04
Total Revenue from Operations	1,970.12	1,649.99	260.34	2.90	3,883.35
Interest Expenses	1,248.97	674.44	-	-	1,923.41
Other Expenses	587.88	566.99	214.34	-	1,369.21
Total Expenses	1,836.85	1,241.43	214.34	-	3,292.62
Segment profit before taxation	133.27	408.56	46.00	2.90	590.73
Income Tax Expenses	-	-	-	142.49	142.49
Profit for the year	133.27	408.56	46.00	(139.59)	448.24
Other Comprehensive Income	-	-	-	(3.22)	(3.22)
Total comprehensive income	133.27	408.56	46.00	(142.81)	445.02
Depreciation and amortisation	1.08	2.19	0.59	-	3.87

Segment information for the year ended March 31, 2021

Particulars	Financing business	Capital based business	Agency business	Unallocated	Total
Revenue from Operations					
Interest Income	1,266.40	53.73	-	-	1,320.13
Other Operating income	-	478.07	206.09	1.68	685.84
Total Revenue from Operations	1,266.40	531.80	206.09	1.68	2,005.97
Interest Expenses	903.37	77.57	-	1.00	981.94
Other Expenses	484.23	183.02	171.23	-	838.48
Total Expenses	1,387.60	260.59	171.23	1.00	1,820.42
Segment profit before taxation	(121.20)	271.21	34.86	0.68	185.55
Income Tax Expenses	-	-	-	42.05	42.05
Profit for the year	(121.20)	271.21	34.86	(41.37)	143.50
Other Comprehensive Income	-	-	-	2.72	2.72
Total comprehensive income	(121.20)	271.21	34.86	(38.65)	146.22
Depreciation and amortisation	1.52	3.01	0.25	-	4.78



Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

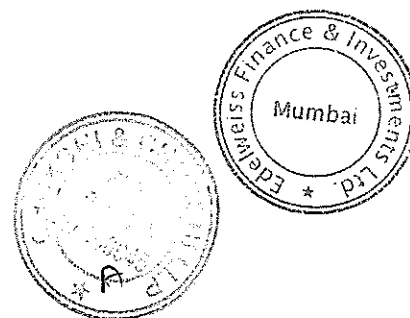
(Currency - Indian rupees in millions)

Segment information as at March 31, 2022

Particulars	Financing business	Capital based business	Agency business	Unallocated	Total
Segment Assets	21,001.06	12,494.66	40.40	151.71	33,687.83
Segment Liabilities	16,293.70	10,333.05	51.79	45.26	26,723.80
Capital expenditure	0.32	1.75	0.15	-	2.21
Significant non-cash items	24.17	0.51	5.15	-	29.82

Segment information as at March 31, 2021

Particulars	Financing business	Capital based business	Agency business	Unallocated	Total
Segment Assets	14,735.75	5,683.74	57.73	211.82	20,689.05
Segment Liabilities	12,526.30	1,554.77	33.75	59.30	14,174.13
Capital expenditure	2.19	0.36	0.76	-	3.31
Significant non-cash items	31.27	-	14.70	-	45.97



Edelweiss Finance & Investments Limited

Notes to financial statements (continued)

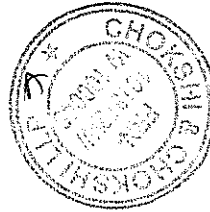
(Currency : Indian rupees in million)

37. Cash Flow Disclosure

Change in Liabilities arising from financing activities

Particulars	As at April 01, 2021	Cash Flows(Net)	Changes in Fair value	Other	As at March 31, 2022
Debt Securities	10,213.67	12,748.24	-	-	22,961.91
Borrowings (other than debt securities)	3,363.86	(2,304.23)	-	-	1,059.63
Subordinated Liabilities	160.00	(6.60)	-	-	153.40
	13,737.53	10,437.41	-	-	24,174.94

Particulars	As at April 01, 2020	Cash Flows(Net)	Changes in Fair value	Other	As at March 31, 2021
Debt Securities	3,281.73	6,931.94	-	-	10,213.67
Borrowings (other than debt securities)	29.28	3,334.58	-	-	3,363.86
Subordinated Liabilities	340.55	(180.55)	-	-	160.00
	3,651.56	10,085.97	-	-	13,737.53



Edelweiss Finance & Investments Limited

Notes to financial statements (continued)

(Currency : Indian rupees in million)

38. 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. Derivatives (excluding embedded derivatives), securities held for trading have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the company uses the same basis of expected repayment behaviour as used for estimating the EIR.

Particulars	As at March 31, 2022		As at March 31, 2021	
	Within 12 months	After 12 months	Within 12 months	After 12 months
Financial Assets		Total		Total
Cash and cash equivalents	1,426.02	1,426.02	729.45	729.45
Bank balances other than cash and cash equivalents	83.45	83.45	53.47	53.47
Derivative financial instruments	1,147.91	1,925.77	625.08	625.19
Securities held for trading	6,604.37	6,604.37	2,074.37	2,074.37
Trade receivables	1,360.59	1,362.49	216.24	216.24
Other receivables	0.31	0.31	1.13	1.13
Loans	19,180.90	19,650.43	14,104.44	14,104.44
Other financial assets	2,416.34	2,465.49	2,682.17	2,682.17
Non-financial assets				
Current tax assets (net)	-	139.19	-	147.02
Deferred tax assets (net)	-	-	-	23.31
Property, Plant and Equipment	-	3.58	-	5.62
Other intangible assets	-	2.15	-	2.48
Other non-financial assets	9.27	15.30	8.99	15.15
Total Assets	32,229.16	1,458.67	20,495.34	193.69
Financial Liabilities				
Derivative financial instruments	564.44	88.90	49.30	55.12
Trade payables	499.53	-	73.77	73.77
Debt securities	8,861.62	14,100.29	4,640.67	5,573.00
Borrowings (other than debt securities)	1,059.63	-	3,363.86	3,363.86
Subordinated Liabilities	13.63	139.77	14.21	145.79
Other financial liabilities	1,319.89	-	177.60	-
Non-financial Liabilities				
Current tax liabilities (net)	9.60	-	10.04	10.04
Provisions	6.12	18.97	4.55	38.60
Deferred tax liabilities (net)	23.07	-	-	-
Other non-financial liabilities	15.46	2.88	27.61	27.62
Total Liabilities	12,372.99	14,350.81	8,361.60	5,812.52
Net Assets	19,856.17	(12,892.14)	12,133.74	(5,618.82)



Edelweiss Finance & Investments Limited

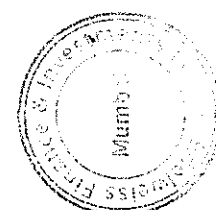
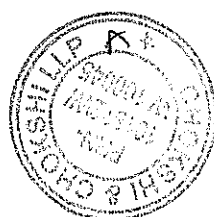
Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

39. Disclosure as required by Indian Accounting Standard 24 – “Related Party Disclosure”, as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 :

(A) List of related parties and relationship:

Relationship	Name of related parties
Ultimate Holding Company	Edelweiss Financial Services Limited (Upto March 26, 2021) PAGAC Escstasy Pte Limited (w e f March 27, 2021)
Parent of Holding company	Edelweiss Global Wealth Management Limited (w e f March 27, 2021 to March 31, 2022)
Holding Company	Edelweiss Securities Limited
Company exercising significant Influence over Holding company	Edelweiss Financial Services Limited (W.e.f March 27, 2021)
Fellow entity of the ultimate Holding Company with whom transactions have taken place during the period:	Asia Pragati Strategic Investment Fund
Associate companies (with whom transaction have taken place)	ECL Finance Limited Edel Land Limited Edelweiss Housing Finance Limited Edelweiss Retail Finance Limited EdelGive Foundation Edelweiss Rural & Corporate Services Limited Edelweiss Tokio Life Insurance Company Limited Edelweiss General Insurance Company Limited Edel Investments Limited Edelcap Securities Limited Edel Finance Company Limited Edelweiss Asset Reconstruction Company Limited Edelweiss Securities And Investments Private Limited Edelweiss Alternative Asset Advisors Limited Edelweiss Investment Adviser Limited
Fellow Subsidiaries (with whom transaction have taken place)	Edelweiss Custodial Services Limited ESL Securities Limited Edelweiss Broking Limited
Key Management Personnel	Mr Venkatchalam Ramaswamy (Non-executive Director) upto July 07, 2021 Mr Kunnasagaran Chinniah (Independent Director) w e f June 10, 2021 Ms Anisha Motwani (Independent Director) w e f June 10, 2021 Mr Ramesh Abhishek (Non-executive Director) w e f March 26, 2021 Mr Pankaj Razdan (Non-executive Director) w e f March 26, 2021 upto December 15, 2021 Mr Nikhil Srivastava (Non-executive Director) w e f March 26, 2021 Ms Kamala Katharaj (Non-executive Director) w e f June 29, 2021 Mr Ashish Kehair (Non- executive Director) w e f January 22, 2022 (Executive director from October 21, 2021 till January 21, 2022) Mr Birendra Kumar - (Independent Director) w e f January 21, 2022 Ms Pooja Doshi (Company Secretary) Mr Jagdish Bhoir (Chief Financial Officer) upto June 15, 2021 Ms Sheetal Gandhi (Chief Financial Officer) w e f June 15, 2021 Mr Tushar Agrawal (Chief Executive Officer)
Relatives of KMP and entity in which KMP/ Relatives has substantial Interest & KMP of Holding Company and Parent of Holding Company	Aparna T Chandrashekar Kenai Advisors LLP Swara Ventures LLP (up to September 30, 2021) Shv Sehgal (From January 11, 2022 to March 31, 2022) Alok Saigal (April 1, 2021 to March 31, 2022) Neha Tushar Agrawal Mabella Investment Adviser LLP

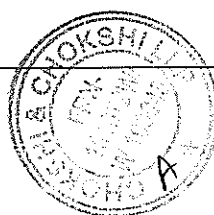


Edelweiss Finance & Investments Limited

(Currency: Indian Rupees in Millions)

ii. Transactions with related parties :

Nature of Transactions	Related Party Name	March 31, 2022	March 31, 2021	
Current account transactions				
Loans taken from (refer note 1 below)	Edelweiss Securities And Investments Private Limited	-	1,533.50	
	Edelweiss Financial Services Limited	-	3,355.00	
Loan repaid to (refer note 1 below)	Edelweiss Financial Services Limited	3,355.00	-	
	Edelweiss Securities And Investments Private Limited	-	1,533.50	
	Edelweiss Rural & Corporate Services Limited	-	28.94	
Loans given to (refer note 1 below)	Edelweiss Broking Limited	19,625.90	15,498.80	
	Edel Land Limited	-	1,774.12	
	ESL Securities Limited	325.77	40.00	
Repayment of loans by (refer note 1 below)	Edelweiss Broking Limited	21,765.90	16,059.30	
	Edel Land Limited	-	2,343.62	
	ESL Securities Limited	365.77	-	
Loan Given including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	Pankaj Razdan	1.16	1.71	
	Aparna T Chandrashekar	178.01	350.19	
	Mabella Investment Adviser LLP	290.82	444.59	
	Jagdish Bhoir	0.06	2.91	
	Venkatchalam Ramaswamy	0.05	0.70	
	Tushar Agrawal	28.59	2.98	
	Kenai Advisors LLP	44.51	10.71	
	S. Ranganathan	-	21.36	
	Swara Ventures LLP	246.13	-	
Loan repaid including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	Pankaj Razdan	1.35	2.61	
	Aparna T Chandrashekar	197.81	107.32	
	Mabella Investment Adviser LLP	419.43	90.81	
	Jagdish Bhoir	0.06	0.84	
	Venkatchalam Ramaswamy	0.05	0.70	
	Tushar Agrawal	8.22	25.30	
	S. Ranganathan	-	21.36	
	Kenai Advisors LLP	0.01	10.71	
	Swara Ventures LLP	245.73	-	
Inter corporate deposits (ICDs) taken from	Edelweiss Securities Limited	-	920.00	
Inter corporate deposits (ICDs) repaid to	Edelweiss Securities Limited	-	920.00	
Secondary market transactions				
Purchases of securities held for trading from	ECL Finance Limited	373.42	4,034.70	
	Edel Finance Company Ltd	-	10.94	
	Edelweiss Broking Limited	833.75	346.56	
	Edelweiss General Insurance Company Limited	594.43	352.99	
	Edelweiss Securities And Investments Private Limited	0.45	371.08	
	Edelweiss Tokio Life Insurance company limited	149.53	-	
	Edel Land Limited	28.23	-	
	Edelweiss Financial Services Limited	10.00	-	
	Shiv Sehgal	11.20	-	
	Alok Saigal	4.25	-	
	Tushar Agrawal	6.09	-	
	Neha Tushar Agrawal	0.43	-	
	Sale of securities held for trading to	ECL Finance Limited	657.89	1,284.61
		Edelweiss Broking Limited	3,133.72	1,939.29
		Edelweiss Securities And Investments Private Limited	-	637.32
Edelweiss General Insurance Company Limited		147.19	47.84	
Edelweiss Tokio Life Insurance company limited		58.24	-	
Edelweiss Securities Limited		2,233.91	1,215.27	
Kenai Advisors LLP		64.48	-	
Tushar Agrawal		20.21	-	
Alok Saigal		0.76	-	
Neha Tushar Agrawal	1.02	-		
Redemption and buyback of Debt securities	Edel Land Limited	3,112.31	-	



Edelweiss Finance & Investments Limited

(Currency: Indian Rupees in Millions)

Transactions with related parties (Contd)

Nature of Transactions	Related Party Name	March 31, 2022	March 31, 2021
Margin placed with (refer note 2) (includes amount paid to broker for trading in cash segment)	Edelweiss Securities Limited	12,542.24	12,729.67
	Edel Investments Limited	25,332.00	5.65
	Edelweiss Custodial Services Limited	63,707.27	18,392.13
Margin refund received from (refer note 2) (includes amount received from broker for trading in cash segment)	Edelweiss Securities Limited	12,753.27	12,513.50
	Edel Investments Limited	23,496.59	0.65
	Edelweiss Custodial Services Limited	66,496.27	16,091.52
Purchase of fixed asset from	Edelweiss Broking Limited	0.06	1.10
	Edelcap Securities Limited	-	0.01
	Edelweiss Financial Services Limited	0.33	0.01
	Edel Finance Company Ltd	0.02	0.09
	Edelweiss Rural & Corporate Services Limited	0.04	0.07
	Edelweiss Global Wealth Management Limited	0.09	0.03
	Edelweiss Securities Limited	0.02	0.04
	^ Edelweiss Housing Finance Limited	0.00	0.03
	^ ECL Finance Limited	0.00	0.40
	Edel Land Limited	-	0.09
	Edelweiss Asset Reconstruction Company Limited	-	0.01
	Edelweiss Asset Management Ltd	-	0.03
	^ Edelweiss Retail Finance Limited	-	0.00
	^ Edelweiss Comtrade Ltd	-	0.00
	Edelweiss Multi Strategy Fund Advisors LLP	-	0.01
	Edelweiss Gallagher Insurance Brokers Limited	-	0.02
	^ Edelweiss Custodial Services Limited	0.00	0.04
	^ Edelweiss Investment Adviser Limited	0.00	-
	Edelweiss Securities And Investments Private Limited	0.77	-
	Sale of fixed asset to	ECL Finance Limited	-
Edelweiss Custodial Services Limited		-	0.01
Edelweiss Rural & Corporate Services Limited		-	0.01
Edelweiss Securities Limited		0.04	0.07
Edelweiss Retail Finance Limited		-	0.01
Edelcap Securities Limited		-	0.01
Edel Investments Limited		-	0.01
Edelweiss Broking Limited		0.10	0.05
ESL Securities Limited		-	0.02
Edel Land Limited		0.43	0.75
^ Edelweiss Global Wealth Management Limited		0.00	0.03
^ Edelweiss Asset Reconstruction Company Limited		-	0.00
Edelweiss Financial Services Limited		0.15	-
Edelweiss Rural & Corporate Services Limited		1.34	-



Edelweiss Finance & Investments Limited

(Currency: Indian Rupees in Millions)

Transactions with related parties (Contd)

Nature of Transactions	Related Party Name	March 31, 2022	March 31, 2021
Other transactions			
Interest income on loan given to	Edel Land Limited	-	19.50
	Edelweiss Broking Limited	245.20	116.21
	ESL Securities Limited	1.53	0.57
Interest Income on Loan given to KMP, its Relative and its entity in which KMP/ Relative has substantial Interest	Pankaj Razdan		
		0.98	1.66
	Aparna T Chandrashekar	24.21	8.69
	Mabella Investment Adviser LLP	31.12	12.76
	Jagdish Bhoir	0.06	0.16
	Tushar Agrawal	0.81	0.54
	Kenaj Advisors LLP	0.31	0.11
	S. Ranganathan	-	0.38
	Swara Ventures LLP	0.40	-
Interest received on debt instruments from	ECL Finance Limited	4.16	0.27
	Edelweiss Housing Finance Limited	0.02	0.02
	Edelweiss Retail Finance Limited	0.02	0.01
	Edelweiss Financial Services Limited	2.22	-
Interest Expense on loan taken from	Edelweiss Financial Services Limited	162.73	47.69
	Edelweiss Rural & Corporate Services Limited	-	0.28
	Edelweiss Securities And Investments Private Limited	-	11.38
Interest paid on debt instruments to	Edelweiss Broking Limited	1.59	-
Interest expense on ICDs taken from	Edelweiss Securities Limited	-	1.18
Interest received on margin placed with brokers	Edelweiss Custodial Services Limited	3.00	2.76
Cost reimbursement paid to	Edelweiss Financial Services Limited	5.09	13.04
	Edelweiss Rural & Corporate Services Limited	1.37	33.30
	Edelweiss Broking Limited	101.13	21.17
	Edelweiss Custodial Services Limited	30.81	0.36
	ECL Finance Limited	-	1.92
	Edelweiss Securities Limited	115.65	4.09
	Edelweiss Asset Management Limited	-	0.16
	Edelweiss Global Wealth Management Limited	0.23	1.32
	Edelweiss Alternative Asset Advisors Limited	1.18	0.02
	ESL Securities Limited	0.16	-
	Edel Land Limited	0.07	14.31
Cost reimbursement from	ESL Securities Limited	0.38	-
	Edelweiss Broking Limited	0.70	-
Donation to	EdelGive Foundation	3.23	2.10
Corporate Guarantee support fee	Edelweiss Financial Services Limited	1.44	2.00
Rating support fees paid to	Edelweiss Financial Services Limited	-	0.06
	Edelweiss Rural & Corporate Services Limited	0.13	0.14
Clearing charges and Stamp duty paid to	Edelweiss Custodial Services Limited	3.02	0.75
Commission and brokerage paid to	Edelweiss Securities Limited	2.53	12.31
	Edelweiss Broking Limited	256.24	123.58
	Edel Investments Limited	14.22	0.08
Advisory fee paid to	Edelweiss Financial Services Limited	-	2.50
Insurance Premium paid	Edelweiss General Insurance Company Limited	8.36	7.15
Liquidity support Fees	Asia Pragati Strategic Investment Fund	50.00	-
Remuneration to Chief Executive Officer	Tushar Agrawal	7.66	5.22
Remuneration to Key Management Personnel	Others	7.41	6.07
Sitting fees paid to non executive director	Anisha Motwani	0.92	-
	Briendra Kumar	0.30	-
	P N. Venkatachalam	-	0.32
	Kunnasagar Chinniah	1.24	0.26



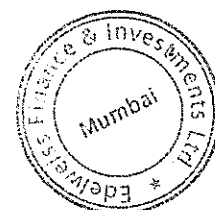
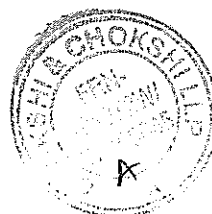
Edelweiss Finance & Investments Limited

(Currency: Indian Rupees in Millions)

Balances with related parties

Liabilities

Nature of Transactions	Related Party Name	March 31, 2022	March 31, 2021	
Interest expenses accrued and due on borrowings	Edelweiss Securities And Investments Private Limited	-	1.54	
	Edelweiss Financial Services Limited	-	7.32	
Trade and Other Payables to	Edelweiss Financial Services Limited	1.17	5.50	
	Edelweiss Securities Limited	25.41	4.91	
	Edelweiss Rural & Corporate Services Limited	0.12	4.45	
	Edelweiss Broking Limited	122.09	26.08	
	ECL Finance Limited	-	0.05	
	Edelweiss Housing Finance Limited	-	0.02	
	Edelweiss Global Wealth Management Limited	-	0.18	
	Edelweiss Asset Reconstructions Company Ltd	-	0.00	
	Edelweiss Alternative Asset Advisors Limited	0.67	0.44	
	Edelcap Securities Limited	-	0.07	
	Edelweiss Multi Strategy Fund Advisors LLP	-	0.01	
	Edelweiss Gallagher Insurance Brokers Limited	-	0.02	
	Edelweiss Custodial Services Limited	2.81	0.04	
	Edel Finance Company Ltd	-	0.00	
	Edel Land Limited	0.00	1.56	
Unsecured loan taken from	Edelweiss General Insurance Company Limited	-	0.13	
	ESL Securities Limited	0.85	0.00	
Debt securities	Asia Pragati Strategic Investment Fund	50.00	-	
	Edelweiss Financial Services Limited	-	3,355.00	
Margin Payable to Broker	Edelweiss Securities And Investments Private Limited	-	0.69	
	Edelweiss Broking Limited	0.25	5.90	
	Edel Land Limited	1.40	50.40	
Assets	Edelweiss Custodial Services Limited	478.51	-	
	Securities held for trading - Debentures of	ECL Finance Limited	25.63	20.33
	Edelweiss Housing Finance Limited	0.16	0.15	
	Edelweiss Retail Finance Limited	0.11	0.43	
	Edelweiss Asset Reconstructions Company Ltd	11.11	7.33	
	Edel Land Limited	162.12	-	
Accrued interest income on debentures of	Edelweiss Financial Services Limited	2.29	19.06	
	ECL Finance Limited	0.03	0.27	
	Edelweiss Retail Finance Limited	0.00	0.00	
	Edelweiss Housing Finance Limited	0.01	0.01	
Trade & other receivables	Edelweiss Financial Services Limited	0.01	-	
	ECL Finance Limited	0.44	0.44	
	Edelweiss Securities Limited	0.13	8.45	
	Edelweiss Custodial Services Limited	2.84	0.13	
	Edelcap Securities Limited	0.01	0.01	
	Edel Finance Company Ltd	-	0.59	
	Edel Land Limited	0.08	5.38	
	Edelweiss Rural & Corporate Services Limited	-	5.90	
	Edelweiss Broking Limited	0.49	1.79	
	Edelweiss Asset Reconstructions Company Ltd	0.60	0.35	
	Edelweiss Global Wealth Management Limited	-	0.15	
	Edelweiss International (Singapore) Pte Ltd	-	0.04	
	ESL Securities Limited	-	0.00	
	Edelweiss Asset Management Private Limited	-	0.03	
	Edel Investments Limited	-	0.00	
	Edelweiss General Insurance Company Limited	-	0.09	
	ESL Securities limited	0.11	-	
Loan given to	ESL Securities limited	0.07	-	
	Edelweiss Broking Limited	-	2,140.00	
Interest accrued on loans given to	ESL Securities limited	-	40.00	
	Edelweiss Broking Limited	-	18.20	
Loan Given including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	ESL Securities limited	-	0.52	
	Pankaj Razdan	-	12.09	
	Aparna T Chandrashekar	223.06	242.87	
	Mabella Investment Adviser LLP	225.16	353.78	
	Jagdish Bhoir	-	2.06	
	Tushar Agrawal	20.37	-	
Kenai Advisors LLP	44.50	-		



Edelweiss Finance & Investments Limited

(Currency: Indian Rupees in Millions)

Balances with related parties (Continued)

Assets			
Nature of Transactions	Related Party Name	March 31, 2022	March 31, 2021
Margin Placed with Brokers	Edelweiss Securities Limited	4.29	215.32
	Edelweiss Custodial Services Limited	-	2,310.76
	Edelweiss Broking Limited	66.46	71.84
	Edel Investments Limited	1,840.40	5.00
Off Balance sheet Balances			
Corporate guarantee taken from	Edelweiss Financial Services Limited	139.77	145.79
Liquidity Support taken from	Asia Pragati Strategic Investment Fund	5,000.00	-

[^] less than Rs.0.01 Millions

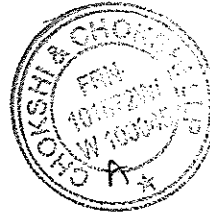
Note 1 : The intra group Company loans are generally in the nature of revolving demand loans. Loan given/taken to/from parties are disclosed based Actual amount/ given/taken during the reporting period.

Note 2 : Margin placed with and Margin refund received from brokers are disclosed based on Actual amount/ placed/refund during the reporting period.

Note 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.

Note 4 : Pursuant to the composite scheme of arrangement and amalgamation under section 230 to 232 of the Companies Act, 2013 as sanctioned by NCLT Hyderabad on 9th February, 2022 and as sanctioned by NCLT Mumbai on 10th January, 2022, Edel Land Limited ('Amalgamated or Resulting Company'), ECap Equities Limited ('Demerged Company' - defined in the scheme as demerged undertaking and thereby entire activities, business, operations and undertakings of the Demerged Company forming part of the Trading and Capital Markets business) and EC Commodity Limited ('Amalgamating Company') has been amalgamated with effect from 01 April 2020 ('the Appointed date'). Accordingly, the financial statements of Edel Land Limited have been prepared taking into account the effect of the composite scheme of arrangement and amalgamation and the said orders. The merger order has been filed with ROC on 25th March 2022.

Note 5 : All above transactions are in the ordinary course of business and are at arms length price.



Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

40. Capital Management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements from its regulators and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Pillars of its policy are as follows:

- a) Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimize liquidity risk.
- b) Maintain investment grade ratings for all its liability issuances domestically and internationally by ensuring that the financial strength of the balance sheets is preserved.
- c) Manage financial market risks arising from interest rate, equity prices and minimise the impact of market volatility on earnings.
- d) Leverage optimally in order to maximise shareholder returns while maintaining strength and flexibility of balance sheet.

This framework is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions and interest rates environment.

Regulatory Capital

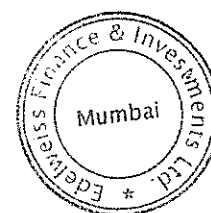
The Company, being an NBFC, has to maintain a minimum capital to risk-weighted asset ratio of 15% in accordance with Master Direction DNBR. PD. 008/03.10 119/2016-17 dated September 1, 2016 issued by Reserve Bank of India.

The regulatory capital is computed as below:

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Funds		
Net owned funds (Tier I capital)	6,875.79	4,831.66
Tier II capital	218.95	217.43
Total capital	7,094.74	5,049.09
Total risk weighted assets/ exposures	29,966.45	18,001.85
% of capital funds to risk weighted assets/exposures:		
Tier I capital	22.95%	26.84%
Tier II capital	0.73%	1.21%
Total capital Funds	23.68%	28.05%
Liquidity Coverage Ratio*	3.89	2.66

*Liquidity Coverage Ratio = High Quality Liquid Asset/Total Net Cash Flow Amount

No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.



Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

41. 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 whole.

Refer note 2.11 for more details on fair value hierarchy

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.

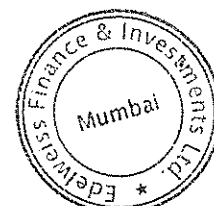
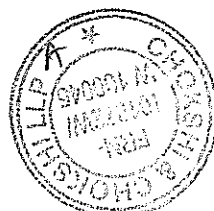
Where fair values are determined by reference to externally quoted prices or observable pricing inputs to models, independent price determination or validation is used.

For inactive markets, Company sources alternative market information, with greater weight given to information that is considered to be more relevant and reliable.

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	-	-	777.87	777.87
Exchange traded derivatives	1,234.67	-	-	1,234.67
Total derivative financial instruments - A	1,234.67		777.87	2,012.54
Financial Assets held for trading				
Government Securities & Corporate Bonds	1,519.01	-	-	1,519.01
Other debt securities	-	279.01	-	279.01
Equity Shares	1,052.32	501.71	-	1,554.03
Exchange traded fund units, Mutual fund and AIF units	3,000.30	-	-	3,000.30
Preference Shares	-	252.02	-	252.02
Total Financial assets held for trading - B	5,571.63	1,032.74	-	6,604.37
Total Financial assets measured at fair value (A+B)	6,806.30	1,032.74	777.87	8,616.91
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				
Embedded derivatives in market-linked debentures	-	-	88.91	88.91
Exchange traded derivatives	585.86	-	-	585.86
Total derivative financial instruments	585.86	-	88.91	674.77
Total Financial liabilities measured at fair value	585.86	-	88.91	674.77



Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

(Currency - Indian rupees in millions)

41. Fair Value measurement(Continued)

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	-	-	0.37	0.37
Exchange traded derivatives	630.45	-	-	630.45
Total derivative financial instruments - A	630.45	-	0.37	630.82
Financial Assets held for trading				
Government Securities & Corporate Bonds	84.23	-	-	84.23
Other debt securities	-	155.24	-	155.24
Equity Shares	1,700.72	10.44	-	1,711.16
Exchange traded fund units, Mutual fund and AIF units	106.35	17.39	-	123.74
Total Financial assets held for trading - B	1,891.30	183.07	-	2,074.37
Total Financial assets measured at fair value (A+B)	2,521.75	183.07	0.37	2,705.19
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				
Embedded derivatives in market-linked debentures	-	-	55.12	55.12
Exchange traded derivatives	80.31	-	-	80.31
Total derivative financial instruments	80.31	-	55.12	135.43
Total Financial liabilities measured at fair value	80.31	-	55.12	135.43

D. Valuation techniques:

Government debt securities:

Government debt securities are financial instruments issued by sovereign governments and include long term bonds and short-term Treasury bills with fixed or floating rate interest payments. These instruments are generally highly liquid and traded in active markets resulting in a Level 1 classification.

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 national stock exchange wherever bonds are traded actively. In cases where debt securities are not actively traded, the Company has used CRISIL Corporate Bond Valuer model for measuring fair value.

Equity instruments, units of mutual fund and Exchange traded fund units:

The majority of equity instruments are actively traded on stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Units held in funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are also classified as Level 1. Equity instruments in non-listed entities are initially recognised at transaction price and re-measured at each reporting date at valuation provided by external valuer at instrument level. Unlisted equity securities are classified at Level 2.

Exchange traded derivatives:

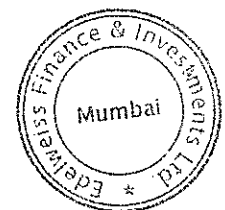
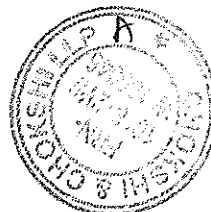
Exchange traded derivatives includes index/stock options, index/stock futures, company uses exchange traded prices to value these derivative and classify these instrument as level 1.

Embedded derivative:

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.

The Company uses valuation models which calculate the present value of expected future cash flows, based upon 'no arbitrage' principles. Inputs to valuation models are determined from observable market (Indices) data wherever possible, including prices available from exchanges, dealers, brokers. company classify these embedded derivative as level 3 instruments.

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



Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

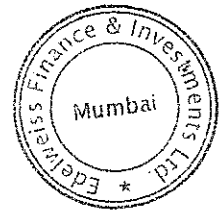
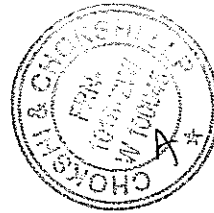
(Currency : Indian rupees in millions)

41. Fair Value measurement(Continued)

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

Financial year ended March 31, 2022	Embedded options		
	Assets	Liabilities	Net balance
At April 1, 2021	0.37	55.12	(54.75)
Issuances	876.44	-	876.44
Settlements	(0.26)	-	(0.26)
Change in Value of the Options	(98.68)	33.79	(132.47)
At March 31, 2022	777.87	88.91	688.96

Financial year ended March 31, 2021	Embedded options		
	Assets	Liabilities	Net balance
At April 1, 2020	17.84	5.70	12.14
Issuances	9.70	13.98	(4.29)
Settlements	-	-	-
Change in Value of the Options	(27.17)	35.44	(62.60)
At March 31, 2021	0.37	55.12	(54.75)



Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

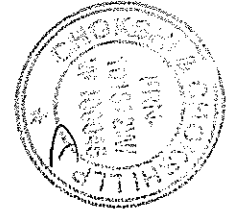
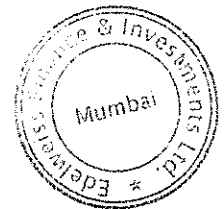
(Currency : Indian rupees in millions)

41. 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. 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 Assets as on March 31, 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)	688.96	Fair value using Black Scholes model or Monte Carlo approach based on the embedded derivative	Nifty level & Equal Weighted Bank Basket - HDFCB KOTAK AXIS SBI ICICI Underlying discount rate	17464.75 & 1361.7 4.50% to 6%	5% increase in Nifty Index curve 1% increase in Risk-adjusted discount rate	187.82 113.30	5% Decrease in Nifty Index curve 1% Decrease in Risk-adjusted discount rate	(220.60) (125.00)
Type of Financial Instruments	Fair value of Liabilities as on March 31, 2021	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)	(54.75)	Fair value using Black Scholes model or Monte Carlo approach based on the embedded derivative	Nifty level & Equal Weighted Bank Basket - HDFCB KOTAK AXIS SBI ICICI Underlying discount rate	14752.3 & 1200.18 4.50% to 6%	5% increase in Nifty Index curve 1% increase in Risk-adjusted discount rate	5.71 1.72	5% Decrease in Nifty Index curve 1% Decrease in Risk-adjusted discount rate	(\$.96) (1.70)



Edelweiss Finance & Investments Limited

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

41. Fair Value measurement(Continued)

H. Fair value of financial instruments not measured at fair value:

The table below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. The information given below is with respect to financial assets and financial liabilities measured at amortised cost for which the fair value is different than the carrying amount. For the remaining financials assets and financial liabilities measured at amortised cost. This table does not include the fair values of non-financial assets and non-financial liabilities.

As at March 31, 2022	Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets					
Loans	19,650.43	-	-	19,264.18	19,264.18
Financial Liabilities					
Debt securities	22,961.91	-	-	20,387.95	20,387.95
Subordinated Liabilities	153.40	-	-	153.38	153.38
As at March 31, 2021	Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets					
Loans	14,104.44	-	-	13,755.66	13,755.66
Financial Liabilities					
Debt securities	10,213.67	-	-	9,015.87	9,015.87
Subordinated Liabilities	160.00	-	-	156.37	156.37

I. Valuation Methodologies of Financial Instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in notes.

Short Term Financial Assets and Liabilities

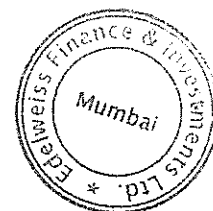
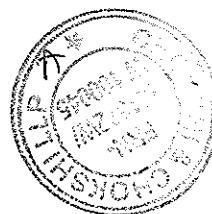
Carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables, trade payables, Borrowings (other than debt securities) approximate the fair value because of their short-term nature. Difference between carrying amounts and fair values of other financials assets and other financial liabilities is not significant in each of the years presented.

Financial assets at amortised cost

The fair values of financial assets measured at amortised cost are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the counterparties' credit risk.

Issued Debt

The fair value of issued debt is estimated by a discounted cash flow model.



Edelweiss Finance & Investments Limited

Notes to financial statements (continued)

(Currency : Indian rupees in million)

42. Risk Management

42.A Introduction and risk profile

Risk is an inherent part of Company's business activities. When the Company extends a corporate or retail loan, buys or sells securities in market, or offers other products or services, the Company takes on some degree of risk. The Company's overall objective is to manage its businesses, and the associated risks, in a manner that balances serving the interests of its customers and investors and protects the safety and soundness of the Company.

The Company believes that effective risk management requires:

- 1) Acceptance of responsibility, including identification and escalation of risk issues, by all individuals within the Company;
- 2) Ownership of risk identification, assessment, data and management within each of the lines of business and Corporate; and
- 3) Firmwide structures for risk governance

The Company strives for continual improvement through efforts to enhance controls, ongoing employee training and development and other measures.

42.B Risk Management Structure

We have a well-defined risk management policy framework for risk identification, assessment and control to effectively manage risks associated with the various business activities. The risk function is monitored primarily by the business risk group. The Company has also established a Global Risk Committee that is responsible for managing the risk arising out of various business activities at a central level.

Our risk management policy ensures that the margin requirements are conservative to be able to withstand market volatility and scenarios of sharply declining prices. As a result, we follow conservative lending norms. The Company centralises the risk monitoring systems to monitor our client's credit exposure which is in addition to the monitoring undertaken by the respective businesses.

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee

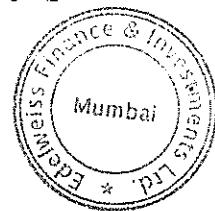
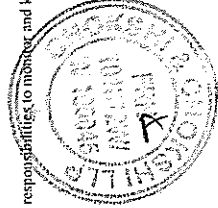
42.C Risk mitigation and risk culture

The Company's business processes ensure complete independence of functions and a segregation of responsibilities. Credit appraisal & credit control processes, centralised operations unit, independent audit unit for checking compliance with the prescribed policies and approving loans at transaction level as well as our risk management processes and policies allow layers of multiple checks and verifications. Our key business processes are regularly monitored by the head of our business or operations. Our loan approval and administration procedures, collection and enforcement procedures are designed to minimise delinquencies and maximise recoveries.

At all levels of the Company's operations, specifically tailored risk reports are prepared and distributed in order to ensure that all business divisions have access to extensive, necessary and up-to-date information.

It is the Company's policy that a monthly briefing is given to the Board of Directors and all other relevant members of the Company in the utilisation of market limits, proprietary investments and liquidity, plus any other risk developments

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits. Compliance branches and internal audit findings are important elements of employees' annual ratings and remuneration reviews



42.D Types of Risks

The Company's risks are generally categorized in the following risk types:

Notes	Risks	Arising from	Measurement, monitoring and management of risk
42.D.1	Credit risk Credit risk is the risk of financial loss if a customer or counterparty fails to meet an obligation under a contract	Arises principally from financing, dealing in Corporate Bonds, Investments in Mutual Fund, Equity, but also from certain other products such as derivatives	Measured as the amount that could be lost if a customer or counterparty fails to make repayments. Monitored using various internal risk management measures and within limits approved by individuals within a framework of delegated authorities, and Managed through a robust risk control framework, which outlines clear and consistent policies, principles and guidance for risk managers.
42.D.2	Liquidity risk Liquidity risk is the risk that we do not have sufficient financial resources to meet our obligations as they fall due or that we can only do so at an excessive cost.	Liquidity risk arises from mismatches in the timing of cash flows Arises when illiquid asset positions cannot be funded at the expected terms and when required	Measured using a range of metrics, including Asset Liability mismatch, Debt Equity Ratio Regular monitoring of funding levels to ensure to meet the requirement for Business and maturity of our liabilities Maintain diverse sources of funding and liquid assets to facilitate flexibility in meeting our liquidity requirements of the Company
42.D.3	Market risk Market risk is the risk that movements in market factors, such as interest rates, equity prices and index prices, will reduce our income or the value of our portfolios.	Exposure to market risk is separated into two portfolios: trading and non-trading.	Measured using sensitivities, detailed picture of potential gains and losses for a range of market movements and scenarios. Monitored using measures, including the sensitivity of net interest income Managed using risk limits approved by the risk management committee

42.D.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's Trade 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. In case the loans are to be restructured, similar credit assessment process is followed by the Company

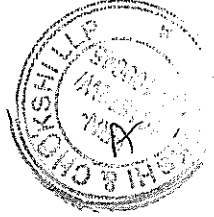
The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate

The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties/Groups (Single Borrowing Limit/Group Borrowing Limit) and for industry concentrations, and by monitoring exposures in relation to such limits.

Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company and market intelligence. Outstanding customer receivables are regularly monitored. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

Derivative Financial Instruments:

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet. With gross-settled derivatives, the Company is also exposed to a settlement risk, being the risk that the Company honours its obligation, but the counterparty fails to deliver the counter value.



Impairment Assessment:

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.

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

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.

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.

Probability of Default

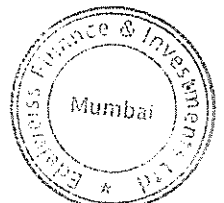
Probability of default (PD) is an estimate of the likelihood of default over a given time horizon. Company calculates the 12 month PD by taking into account the historical trends of the Loans/portfolio and its credit performance. In case of assets where there is a significant increase in credit risk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

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 as per company's risk policy is applied on the value of the collateral, based on based 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.

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.



Risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

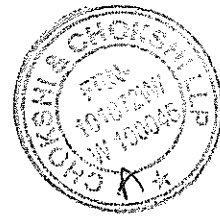
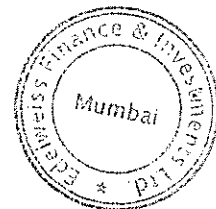
The following table shows the risk concentration by industry for the components of the balance sheet

As at March 31, 2022

Particulars	Central & State Government	Financial Services	Agriculture	Manufacturing	Retail loans	Service Sector	Mining	Power	Construction	Others	Total
Financial Assets											
Cash and cash equivalents	-	1,426.02	-	-	-	-	-	-	-	-	1,426.02
Bank balances other than cash and cash equivalents	-	83.45	-	-	-	-	-	-	-	-	83.45
Derivative financial instruments	-	1,925.77	-	-	-	-	-	-	-	-	1,925.77
Securities held for trading	1519.01	4305.06	-	564.16	-	-	6.49	-	-	211.66	6,604.37
Trade receivables	-	1,362.49	-	-	-	-	-	-	-	-	1,362.49
Other receivables	-	0.31	-	-	-	-	-	-	-	-	0.31
Loans	-	-	-	-	19,650.43	-	-	-	-	-	19,650.43
Other financial assets	-	2,465.49	-	-	-	-	-	-	-	-	2,465.49
Total Financial Assets	1,519.01	11,566.59	-	564.16	19,650.43	-	6.49	-	-	211.66	33,518.33

As at March 31, 2021

Particulars	Central & State Government	Financial Services	Agriculture	Manufacturing	Retail loans	Service Sector	Mining	Power	Construction	Others	Total
Financial Assets											
Cash and cash equivalents	-	729.45	-	-	-	-	-	-	-	-	729.45
Bank balances other than cash and cash equivalents	-	53.47	-	-	-	-	-	-	-	-	53.47
Derivative financial instruments	-	625.19	-	-	-	-	-	-	-	-	625.19
Securities held for trading	84.23	559.08	-	26.39	-	554.28	739.50	5.77	99.36	5.76	2,074.37
Trade receivables	-	216.24	-	-	-	-	-	-	-	-	216.24
Other receivables	-	1.13	-	-	-	-	-	-	-	-	1.13
Loans	-	2,189.93	-	-	11,914.51	-	-	-	-	-	14,104.44
Other financial assets	-	2,682.17	-	-	-	-	-	-	-	-	2,682.17
Total Financial Assets	84.23	7,056.64	-	26.39	11,914.51	554.28	739.50	5.77	99.36	5.76	20,486.46



Edelweiss Finance & Investments Limited

Notes to financial statements (continued)

(Currency - Indian rupees in million)

42. Risk Management (continued)

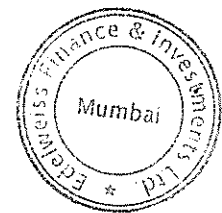
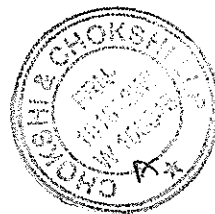
42.D.1 Credit Risk (continued)

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral. The main types of collateral obtained are pledge over marketable securities such as equity shares, mutual fund units, bonds, AIF units etc. Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

The tables below shows the maximum exposure to credit risk by class of financial asset along with details on collaterals held against exposure.

	Maximum exposure to credit risk		Principal type of collateral
	As at March 31, 2022	As at March 31, 2021	
Financial Assets			
Cash and cash equivalents	1,426.02	729.45	
Bank balances other than cash and cash equivalents	83.45	53.47	
Derivative financial instruments	1,925.77	625.19	
Securities held for trading	6,604.37	2,074.37	The Company invest in highly liquid Central/State Government securities, high rated Corporate Bonds, Equity Shares & marketable securities.
Trade receivables	1,362.49	216.24	These are receivables mainly from Clearing houses and receivable towards Fees income
Other receivables	0.31	1.13	Receivable from related party.
Loans			
Corporate credit	-	2,189.93	Receivable from related party.
Retail Credit	19,650.43	11,914.51	Loan provided against collateral of Equity shares, mutual fund units, Bonds, AIF units.
Other financial assets	2,465.49	2,682.17	
Total	33,518.33	20,486.46	



Edelweiss Finance & Investments Limited

Notes to financial statements (continued)

(Currency : Indian rupees in million)

42. Risk Management (continued)

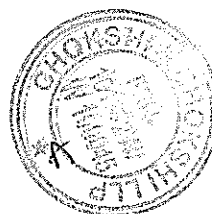
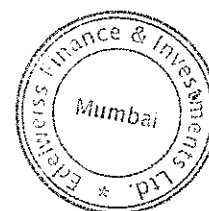
42.D.2 Liquidity risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

The Company ensures sufficient Liquidity Cushion is maintained in the form of Cash and cash equivalents and Investments in liquid securities. These assets carry minimal credit risk and can be liquidated in a very short period of time. This takes care of immediate obligations while continuing to honour our commitments as a going concern. The Company continues to focus on developing a diversified funding model to achieve an optimum cost of funds while balancing liquidity.

Liquidity Cushion:

	As at March 31, 2022	As at March 31, 2021
Liquidity cushion		
Cash and cash equivalents	1,426.02	729.45
CBLO/Triparty Repo	499.82	-
Government securities	1,519.01	84.23
Equity Shares	1,052.32	1,711.16
Debt securities	279.01	155.24
Other investments	2,252.32	123.74
Total Liquidity cushion	8,028.50	2,803.82



Edelweiss Finance & Investments Limited

Notes to financial statements (continued)

(Currency - Indian rupees in trillion)

Analysis of financial assets and liabilities by maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2022 and March 31, 2021. All derivatives used for hedging and natural hedges are shown by maturity, based on their contractual undiscounted payment obligations. Gross settled, non-trading derivatives are shown separately, by contractual maturity at the foot of the note.

Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Company expects that many customers will not request repayment on the earliest date it could be required to pay and the table does not reflect the expected cash flows indicated by its deposit retention history.

42.D.2 Liquidity risk (continued)

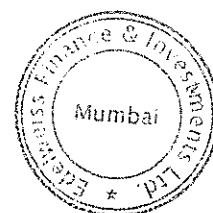
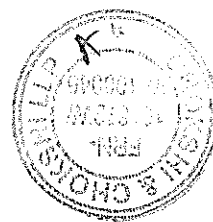
As at March 31, 2022 - Analysis of contractual maturities of financial assets and liabilities

	On Demand	Upto 3 Months	3 to 6 Months	6 Months to 1 year	1 year to 3 years	More than 3 years	Total
Financial Assets							
(a) Cash and cash equivalents	1,426.02	-	-	-	-	-	1,426.02
(b) Bank balances other than cash and cash equivalents	3.45	-	19.93	60.07	-	-	83.45
(c) Derivative financial instruments	-	1,147.90	-	0.00	104.88	672.99	1,925.77
(d) Securities held for trading	-	6,604.37	-	-	-	-	6,604.37
(e) Receivables							
(i) Trade receivables	-	1,286.60	24.22	49.77	1.90	-	1,362.49
(ii) Other receivables	-	0.31	-	-	-	-	0.31
(f) Loans	-	5,040.86	4,610.47	10,619.75	472.59	-	20,743.67
(g) Other financial assets	-	2,411.01	5.32	-	0.45	48.70	2,465.49
Total undiscounted financial assets	1,429.47	16,491.06	4,659.95	10,729.59	579.81	721.69	34,611.57
Financial Liabilities							
(a) Derivative financial instruments	-	564.43	-	-	88.90	-	653.34
(b) Trade payables	-	499.53	-	-	-	-	499.53
(c) Debt securities	-	3839.81	1033.29	4094.83	8645.44	6983.75	23,697.05
(d) Borrowings (other than debt securities)	-	1058.45	-	-	-	-	1,058.45
(e) Subordinated Liabilities	-	13.63	-	-	157.47	-	171.09
(f) Other financial liabilities	-	1319.89	0.00	0.00	0.00	0.00	1,319.89
Total undiscounted financial liabilities	-	7,295.75	1,033.20	4,094.83	8,891.81	6,683.75	27,399.35
Total net financial assets / (liabilities)	1,429.47	9,195.31	3,626.74	6,634.76	(8,312.00)	(5,362.07)	7,212.22

In the above table, cash flows have been considered basis contractual maturities of respective assets and liabilities. As at March 31, 2022, the Company has given short term loans, with a maturity of less than 12 months. However, Debt securities and Subordinated liabilities outstanding as at March 31, 2022 have a maturity of more than 12 months. The Surplus funds so available on repayments of aforementioned loans granted, shall be used to create further loan book.

As at March 31, 2021 - Analysis of contractual maturities of financial assets and liabilities

	On Demand	Upto 3 Months	3 to 6 Months	6 Months to 1 year	1 year to 3 years	More than 3 years	Total
Financial Assets							
(a) Cash and cash equivalents	459.29	270.16	-	-	-	-	729.45
(b) Bank balances other than cash and cash equivalents	3.45	50.02	-	-	-	-	53.47
(c) Derivative financial instruments	-	624.82	-	0.26	0.11	-	625.19
(d) Securities held for trading	-	2,074.37	-	-	-	-	2,074.37
(e) Receivables							
(i) Trade receivables	-	162.15	20.20	32.89	-	-	216.24
(ii) Other receivables	-	1.13	-	-	-	-	1.13
(f) Loans	2,198.72	4,318.77	1,512.48	6,785.21	-	-	14,815.18
(g) Other financial assets	-	2,629.52	-	52.65	-	-	2,682.17
Total undiscounted financial assets	2,661.46	10,131.93	1,532.68	6,871.01	0.11	-	21,197.20
Financial Liabilities							
(a) Derivative financial instruments	-	49.30	-	-	55.12	-	104.42
(b) Trade payables	-	73.77	-	-	-	-	73.77
(c) Debt securities	-	663.48	1,864.36	2,272.46	3,342.50	3,036.03	11,178.84
(d) Borrowings (other than debt securities)	3,363.86	-	-	-	-	-	3,363.86
(e) Subordinated Liabilities	-	14.21	-	-	178.46	-	192.67
(f) Other financial liabilities	-	177.60	-	-	-	-	177.60
Total undiscounted financial liabilities	3,363.86	978.36	1,864.36	2,272.46	3,576.08	3,036.03	15,091.16
Total net financial assets / (liabilities)	(702.40)	9,153.58	(331.68)	4,598.55	(3,575.97)	(3,036.03)	6,106.04



Edelweiss Finance & Investments Limited

Notes to financial statements (continued)

(Currency : Indian rupees in million)

42. Risk Management (continued)

42.D.2 Liquidity risk (continued)

Financial assets available to support future funding

Following table sets out the availability of Company's financial assets to support funding

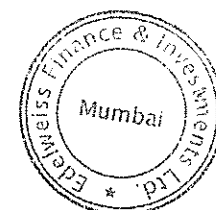
As at March 31, 2022	Encumbered		Unencumbered		Total carrying amount
	Pledge as collateral	Contractually/legally restricted assets ¹	Available as collateral	others ²	
a) Cash and cash equivalent including bank balance	-	-	1,426.02	-	1,426.02
b) Bank balances other than cash and cash equivalents	80.00	-	-	3.45	83.45
c) Derivative financial instruments	-	-	-	1,925.77	1,925.77
d) Securities held for trading	937.06	-	5,667.31	-	6,604.37
e) Trade receivables	-	-	-	1,362.49	1,362.49
f) Other receivables	-	-	-	0.31	0.31
g) Loans	-	19,142.48	507.95	-	19,650.43
h) Other financial assets	-	-	1,911.20	554.29	2,465.49
i) Property, Plant and Equipment	-	2.25	-	1.33	3.58
j) Other non- financial assets	-	-	-	24.58	24.58
Total assets	1,017.06	19,144.73	9,512.48	3,872.22	33,546.49

As at March 31, 2021	Encumbered		Unencumbered		Total carrying amount
	Pledge as collateral	Contractually/legally restricted assets ¹	Available as collateral	others ²	
a) Cash and cash equivalent including bank balance	-	-	729.45	-	729.45
b) Bank balances other than cash and cash equivalents	19.99	30.03	-	3.45	53.47
c) Derivative financial instruments	-	-	-	625.19	625.19
d) Securities held for trading	-	-	2,074.37	-	2,074.37
e) Trade receivables	-	-	-	216.24	216.24
f) Other receivables	-	-	-	1.13	1.13
g) Loans	-	10,213.67	3,890.77	-	14,104.44
h) Other financial assets	-	-	2,602.92	79.25	2,682.17
i) Property, Plant and Equipment	-	2.37	-	3.25	5.62
j) Other non- financial assets	-	-	-	24.16	24.16
Total assets	19.99	10,246.06	9,297.51	952.67	20,516.24

Notes :

1 Represents assets which are not pledged and the 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



Edehweiss Finance & Investments Limited

Notes to financial statements (continued)

(Currency : Indian rupees in million)

42. Risk Management (continued)

42.D.3 Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, equity prices and Index movements. The company classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately. All the positions are managed and monitored using sensitivity analyses.

Total market risk exposure

Particulars	As at March 31, 2022			As at March 31, 2021			Primary risk sensitivity
	Carrying Amount	Traded Risk	Non traded risk	Carrying Amount	Traded Risk	Non traded risk	
Financial Assets							
Cash and cash equivalents	1,426.02		1,426.02	729.45	-	729.45	Interest rate risk
Bank balances other than cash and cash equivalents	83.45		83.45	53.47	-	53.47	
Derivative financial instruments	1,925.77	1,925.77	-	625.19	625.19	-	Price risk , Interest rate risk
Securities held for trading	6,604.37	6,604.37	-	2,074.37	2,074.37	-	Price risk , Interest rate risk
Trade receivables	1,362.49		1,362.49	216.24	-	216.24	
Other receivables	0.31		0.31	1.13	-	1.13	
Loans	19,650.43		19,650.43	14,104.44	-	14,104.44	Interest rate risk
Other financial assets	2,465.49		2,465.49	2,682.17	-	2,682.17	
Total Financial Assets	33,518.33	8,530.14	24,988.19	20,486.46	2,699.56	17,786.90	
Financial Liabilities							
Derivative financial instruments	653.34	653.34	-	104.42	104.42	-	Price risk , Interest rate risk
Trade payables	499.53		499.53	73.77	-	73.77	
Debt securities	22,961.91		22,961.91	10,213.67	-	10,213.67	Interest rate risk
Borrowings (other than debt securities)	1,059.63		1,059.63	3,363.86	-	3,363.86	Interest rate risk
Subordinated Liabilities	153.40		153.40	160.00	-	160.00	Interest rate risk
Other financial liabilities	1,319.89		1,319.89	177.60	-	177.60	
Total Financial Liabilities	26,647.70	653.34	25,994.36	14,093.32	104.42	13,988.90	



Edelweiss Finance & Investments Limited

Notes to financial statements (continued)

(Currency : Indian rupees in million)

42. Risk Management (Continued)

42.E.1 Interest Rate Risk

The principal risk to which non-trading portfolios are exposed is the risk of loss from fluctuations in the future cash flows or fair values of financial instruments because of a change in market interest rates. Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-approved limits for repricing bands.

ALCO is the monitoring body for compliance with these limits. ALCO reviews the interest rate gap statement and the mix of floating and fixed rate assets and liabilities. Balance Sheet Management Unit is in-charge for day to day management of interest rate risk.

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Board has established limits on the non-trading interest rate gaps for stipulated periods. The Company's policy is to monitor positions on a daily basis and hedging strategies are used to ensure positions are maintained within the established limits.

The following table demonstrates on linear basis the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss and equity. The sensitivity of the statement of profit and loss is the effect of the assumed changes in interest rates on the profit or loss for a year, based on the floating rate non-trading financial assets and financial liabilities held at March 31, 2022 and at March 31, 2021.

42.E.2 Interest rate sensitivity

As at March 31, 2022

	Increase in basis points	Sensitivity of Profit	Sensitivity of Equity	Decrease in basis points	Sensitivity of Profit	Sensitivity of Equity
Borrowings from related parties	25	-	-	25	-	-
Floating rate loans	25	-	-	25	-	-
CROMS	25	-	-	25	-	-
CBLO Lending	25	4.78	-	25	(4.78)	-
Government Securities	25	(3.80)	-	25	3.80	-
Corporate debt securities	25	(0.70)	-	25	0.70	-
Other traded securities	25	(7.50)	-	25	7.50	-

As at March 31, 2021

	Increase in basis points	Sensitivity of Profit	Sensitivity of Equity	Decrease in basis points	Sensitivity of Profit	Sensitivity of Equity
Borrowings from related parties	25	(8.41)	-	25	8.41	-
Floating rate loans	25	5.50	-	25	(5.50)	-
Government Securities	25	(0.21)	-	25	0.21	-
Corporate debt securities	25	(0.39)	-	25	0.39	-
Other traded securities	25	(0.31)	-	25	0.31	-

42.E.3 Price Risk

The Company does not have investment in quoted equity shares or mutual fund units of equity oriented funds. Accordingly there is effect on the Company's profitability or equity.

As at March 31, 2022

	Increase in basis points	Sensitivity of Profit	Sensitivity of Equity	Decrease in basis points	Sensitivity of Profit	Sensitivity of Equity
Derivative instruments						
Embedded derivative	25	1.72	-	25	(1.72)	-
Exchange traded derivatives	25	1.62	-	25	(1.62)	-
Equity Instrument	25	3.89	-	25	(3.89)	-
Mutual funds& Exchange Traded fund	25	7.50	-	25	(7.50)	-

As at March 31, 2021

	Increase in basis points	Sensitivity of Profit	Sensitivity of Equity	Decrease in basis points	Sensitivity of Profit	Sensitivity of Equity
Derivative instruments						
Embedded derivative	25	(0.14)	-	25	0.14	-
Exchange traded derivatives	25	1.38	-	25	(1.38)	-
Equity Instrument	25	4.28	-	25	(4.28)	-
Mutual funds& Exchange Traded fund	25	0.31	-	25	(0.31)	-

42.E.4 Prepayment Risk

Prepayment risk is the risk that the Company will incur a financial loss because its counterparties request repayment earlier or later than expected, such as fixed rate borrowings in the falling interest rate scenario.



Edelweiss Finance & Investments Limited

Notes to financial statements (continued)

(Currency : Indian rupees in million)

43. Other Statutory Information

43.A Relationship with Struck off Companies

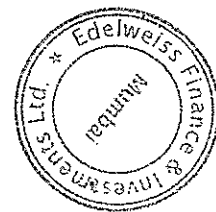
The Company has entered in transaction with struck off company for which the outstanding balance as on March 31, 2022 is INR Nil(Previous year: NIL).

Name of Struck off Company	Nature of transactions with Struck off companies	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed
Agarwal Industries Private Limited	Advisory Fees	-	-

43.B The Company, as part of its normal business, grants loans and advances, makes investments, provides guarantees to and accepts borrowings from its customers, other entities and persons. These transactions are part of the Company's normal business and are undertaken in accordance with the guidelines prescribed by the RBI.

Other than the transactions described above, 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 persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

43.C There are no unrecorded transactions in the books of account, surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.



Edelweiss Finance & Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

44. Regulatory disclosures - RBI

The following additional information is disclosed in the terms of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued vide Master Direction DNBR, PD. 008/03.10.119/2016-17 dated September 01, 2016 as amended.

44.01 Investments (Refer Note 6)

	As at March 31, 2022	As at March 31, 2021
1) Value of Investments (including securities held for trading)		
i) Gross Value of Investments		
a) In India	6,604.37	2,074.37
b) Outside India	-	-
ii) Provisions for Depreciation		
a) In India	-	-
b) Outside India	-	-
iii) Net Value of Investments		
a) In India	6,604.37	2,074.37
b) Outside India	-	-
2) Movement of provisions held towards depreciation on investments		
i) Opening balance	-	-
ii) Add : Provisions made during the year	-	-
iii) Less : Write-off/ write-back of excess provisions during the year	-	-
iv) Closing balance	-	-

44.02 Derivatives

A) Forward Rate Agreement / Interest Rate Swap

	As at March 31, 2022	As at March 31, 2021
i) The notional principal of swap agreements	1,500.00	-
ia) The notional principal of swap agreements outstanding	-	-
ii) Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	-
iii) Collateral required by the NBFC upon entering into swaps	-	-
iv) Concentration of credit risk arising from the swaps@	0%	0%
v) The fair value of the swap book	-	-

@ % of concentration of credit risk arising from swaps with banks.

B) Exchange Traded Interest Rate (IR) Derivatives

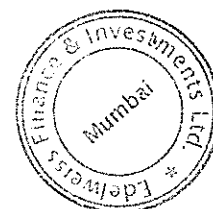
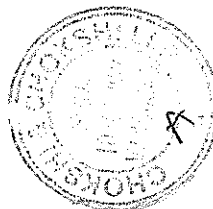
	As at March 31, 2022	As at March 31, 2021
i) Notional principal amount of exchange traded IR derivatives undertaken during the year	1,586.94	629.90
ii) Notional principal amount of exchange traded IR derivatives outstanding	-	-
iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"	-	-
iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective"	-	-

C) Qualitative disclosure for Derivatives

The Company undertakes transactions in derivative products in the role of a user with counter parties. The Company deals in the derivatives for balance sheet management i.e. for hedging fixed rate, floating rate and for hedging the variable interest in case of benchmark linked debentures. All derivatives are marked to market on reporting dates and the resulting gain/loss is recorded in the statement of profit and loss.

Dealing in derivatives is carried out by specified groups of the treasury department of the Company based on the purpose of the transaction. Derivative transactions are entered into by the treasury front office. Mid office team conducts an independent check of the transactions entered into by the front office and also undertakes activities such as confirmation, settlement, risk monitoring and reporting.

The Company has a credit and market risk department that assesses counterparty risk and market risk limits, within the risk architecture and processes of the Company. The Company has in place a policy which covers various aspects that apply to the functioning of the derivative business. Limits are monitored on a daily basis by the mid-office.



Edelweiss Finance & Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

D) Quantitative Disclosures

S.no.	Particulars	As at March 31, 2022		As at March 31, 2021	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
i)	Derivatives (Notional Principal Amount) For hedging	-	-	-	-
ii)	Marked to Market Positions				
	a) Assets (+)	-	-	-	-
	b) Liability (-)	-	-	-	-
iii)	Credit Exposure	-	-	-	-
iv)	Unhedged Exposures	-	-	-	-

44.03 Capital to Risk Assets Ratio (CRAR)

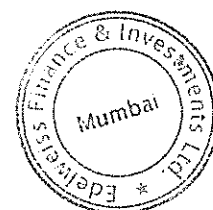
Particulars	As at	As at
	March 31, 2022	March 31, 2021
i. CRAR (%)	23.68%	28.05%
ii. CRAR - Tier I Capital (%)	22.95%	26.84%
iii. CRAR - Tier II Capital (%)	0.73%	1.21%
iv. Amount of subordinated debt/Preference Shares raised as Tier-II capital	139.77	145.79
v. Amount raised by issue of Perpetual Debt Instruments	-	-

44.04 Details of Single Borrower Limit and Borrower Group Limit exceeded by the Company:

During the year ended March 31, 2022 and March 31, 2021 the Company credit exposure to single borrowers and group borrowers were within the limits prescribed by RBI.

44.05 Exposure to real estate sector, both direct and indirect;

	As at	As at
	March 31, 2022	March 31, 2021
A Direct exposure		
i. Residential Mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to Rs.15 lakh may be shown separately)	-	-
ii. Commercial Real Estate		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits:	-	-
iii. Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
Residential	-	-
Commercial Real Estate	-	-
B Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	3.50	0.16
C Others (Not covered Above)*	-	-
Total Exposure	3.50	0.16

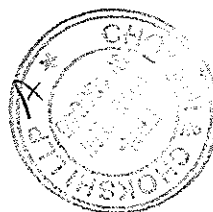


Edelweiss Finance & Investments Limited**Notes to the financial statements (Continued)**

(Currency : Indian rupees in million)

44.06 Exposure to Capital Market(Gross)

	As at March 31, 2022	As at March 31, 2021
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented invested in corporate debt;	5,085.36	1,990.14
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	19,729.60	11,962.66
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	2,158.20
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) all exposures to Venture Capital Funds (both registered and unregistered)	-	-
(ix) Others - Not covered above	-	-
Total exposure	24,814.96	16,111.00



Edelweiss Finance & Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

44. Regulatory disclosures - RBI (continued)

44.07 Asset Liability Management

Maturity pattern of certain assets and liabilities as at March 31, 2022

Particulars	Liabilities		Assets		
	Deposit	Borrowings	Advances	Securities held for trading	Investments
1 day to 30/31 days (one month)	-	1414.72	1967.11	6,604.37	-
Over one month to 2 months	-	3539.53	1624.83	-	-
Over 2 months to 3 months	-	27.85	1033.95	-	-
Over 3 months to 6 months	-	982.14	4297.09	-	-
Over 6 months to 1 year	-	3970.64	10257.94	-	-
Over 1 year to 3 years	-	8476.71	469.52	-	-
Over 3 years to 5 years	-	5247.03	-	-	-
Over 5 years	-	516.31	-	-	-
Total	-	24,174.94	19,650.43	6,604.37	-

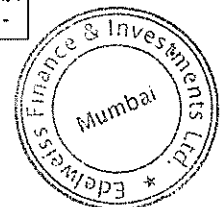
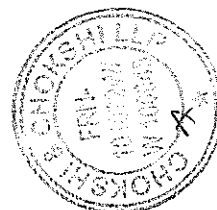
Maturity pattern of certain assets and liabilities as at March 31, 2021

Particulars	Liabilities		Assets		
	Deposit	Borrowings	Advances	Securities held for trading	Investments
1 day to 30/31 days	-	3,453.45	4,544.67	2,074.37	-
Over one month to 2 months	-	51.36	543.10	-	-
Over 2 months to 3 months	-	525.23	1,148.53	-	-
Over 3 months to 6 months	-	1,827.78	1,329.55	-	-
Over 6 months to 1 year	-	2,160.93	6,538.57	-	-
Over 1 year to 3 years	-	3,168.30	-	-	-
Over 3 years to 5 years	-	812.59	-	-	-
Over 5 years	-	1,737.89	-	-	-
Total	-	13,737.53	14,104.44	2,074.37	-

44.08 Movements in Non Performing Advances:

The following table sets forth, for the periods indicated, the details of movement of gross non-performing assets(NPAs), Net NPAs and provisions:

Particulars	As at March 31, 2022	As at March 31, 2021
i) Movement of NPAs (Gross)		
a) Opening Balance	-	-
b) Additions during the year	-	13.93
c) Reductions during the year	-	13.93
d) Closing balance	-	-
ii) Movement of Net NPAs		
a) Opening Balance	-	-
b) Additions during the year	-	12.53
c) Reductions during the year	-	12.53
d) Closing balance	-	-
iii) Movement of Provisions for NPAs (excluding provision on Standard assets)		
a) Opening Balance	-	-
b) Additions during the year	-	1.39
c) Reductions during the year	-	1.39
d) Closing balance	-	-



Edelweiss Finance & Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

44. Regulatory disclosures - RBI (continued)

44.09 Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss.

Particulars	As at	As at
	March 31, 2022	March 31, 2021
(i) Provisions for depreciation on investment	-	-
(ii) Provision towards NPA	-	-
(iii) Provision made towards income tax (net of deferred tax)	142.49	42.05
(iv) Provision for stage 1 / stage 2 assets	22.23	31.27
(v) Other Provision and Contingencies (Provision for doubtful debts)	4.80	14.70

44.10 Concentration of Deposits, Advances, Exposures and NPAs*

	As at	As at
	March 31, 2022	March 31, 2021
A) Concentration of Advances		
Total advances to twenty largest borrowers	8,122.54	7,916.50
Percentage of advances to twenty largest borrowers to total advances	41.17%	55.90%
B) Concentration of Exposures		
Total exposures to twenty largest borrowers / customers	8,122.54	7,916.50
Percentage of exposures to twenty largest borrowers / customers to	41.17%	55.90%
C) Concentration of NPAs		
Total exposures to top four NPAs	-	-
D) Sector-wise NPAs		
Sectors	Percentage of NPAs to Total Advances in that sector	
	March 31, 2022	March 31, 2021
1 Agriculture & allied activities	-	-
2 MSME	-	-
3 Corporate borrowers	-	-
4 Services	-	-
5 Unsecured personal loans	-	-
6 Auto loans	-	-
7 Other personal loans	-	-

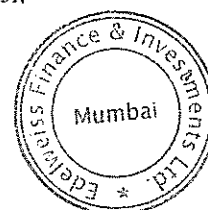
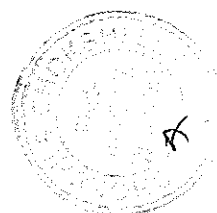
*Since company is Non- Deposit taking NBFC. Hence Concentration of Deposits disclosure is not applicable.

44.11 Customer Complaints

	As at	As at
	March 31, 2022	March 31, 2021
(a) No. of complaints pending at the beginning of the year	-	-
(b) No. of complaints received during the year	5.00	5.00
(c) No. of complaints redressed during the year	5.00	5.00
(d) No. of complaints pending at the end of the year	-	-

44.12 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)-Nil

44.13 The Company has not restructured any loans and advances during the year ended March 31, 2022 and March 31, 2021.



Edelweiss Finance & Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

44. Regulatory disclosures - RBI (continued)

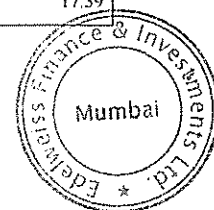
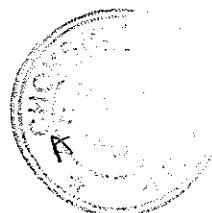
44.14 Notes to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of Paragraph 19 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016.

Liabilities side :

	As at March 31, 2022		As at March 31, 2021	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
(1) Loans and Advances availed by the NBFs inclusive of interest accrued thereon but not paid:				
(a) Debentures (other than falling within the meaning of public deposits*)				
i) Secured	19,142.48	-	10,213.67	-
ii) Unsecured	-	-	-	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans	-	-	-	-
(d) Inter-Corporate Loans and Borrowing	-	-	3,363.86	-
(e) Commercial Paper	3,819.43	-	-	-
(f) Other Loans:				
Borrowings (Repo)	1,059.63	-	-	-
Preference Share Capital	153.40	-	160.00	-
(* Please see Note 1 below)				

Assets side :

	Amount Outstanding	
	As at March 31, 2022	As at March 31, 2021
(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured	18,761.13	11,285.43
(b) Unsecured	968.47	2,875.95
(3) Break-up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial Lease	-	-
(b) Operating Lease	-	-
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on Hire	-	-
(b) Repossessed Assets	-	-
(iii) Hypothecation loans counting towards EL / HP activities :		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
(4) Break-up of Current Investments (including securities held for trading)		
I. <u>Quoted:</u>		
(i) Shares : (a) Equity	1,052.32	1,700.72
(b) Preference	-	-
(ii) Debentures and Bonds	279.01	155.24
(iii) Units of Mutual Funds	3,000.30	106.35
(iv) Government Securities	1,519.01	84.23
(v) Others	-	17.39



Edelweiss Finance & Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

44.14 Notes to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of Paragraph 19 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016. (Continued)

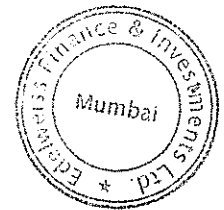
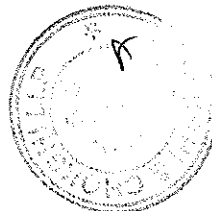
(4) Break-up of Investments (Continued)	Amount Outstanding	
	As at March 31, 2022	As at March 31, 2021
2. <u>Unquoted</u> :		
(i) Shares : (a) Equity	501.71	10.44
(b) Preference	252.02	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others (Debt instruments)	-	-
Long Term investments :		
1. <u>Quoted</u> :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
2. <u>Unquoted</u> :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
(a) Warrants	-	-
(b) Units of Fund	-	-
(c) Investment in Security Receipts	-	-
(d) Share Application Money	-	-

(5) Borrower group-wise classification of all assets financed as in (2) and (3) above:
As at March 31, 2022

Category	Amount (net of provisions)		
	Secured	Unsecured	Total
1. Related Parties**			
(a) Subsidiaries	-	-	-
(b) Other related parties	-	-	-
2. Other than related parties	18,685.83	964.60	19,650.43

As at March 31, 2021

Category	Amount (net of provisions)		
	Secured	Unsecured	Total
1. Related Parties**			
(a) Subsidiaries	-	-	-
(b) Other related parties	-	2,189.93	2,189.93
2. Other than related parties	11,240.01	674.50	11,914.51
Total	-	-	-



Edelweiss Finance & Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

44.14 Notes to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of Paragraph 19 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016. (Continued)

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

Category	Market value / Break-up or fair value or NAV		Book value (net of provisions)	
	31 March 2022	31 March 2021	March 31, 2022	March 31, 2021
1. Related parties**				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	201.62	47.59	201.62	47.59
(c) Other related parties	-	-	-	-
2. Other than related parties	6,402.75	2,026.78	6,402.75	2,026.78
Total	6,604.37	2,074.37	6,604.37	2,074.37

** As per Ind AS-24 Related Party Disclosures

(7) Other information

Particulars	As at	
	March 31, 2022	March 31, 2021
(i) Gross Non-Performing Assets		
(a) Related Party	-	-
(b) Other than Related Parties	-	-
(ii) Net Non-Performing Assets		
(a) Related Party	-	-
(b) Other than Related Parties	-	-
(iii) Assets acquired in satisfaction of debts	-	-

Notes:

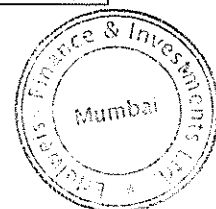
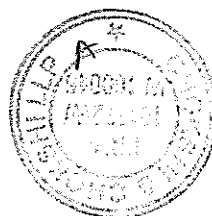
- As defined in paragraph 2(I)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998
- Market value/Breakup Value or Fair Value or NAV is taken as same as book value in case if unquoted shares in absence of market value / breakup value or fair value or NAV.

44.15 Ratings assigned by credit rating agencies and migration of ratings during the year ended March 31, 2022

Instrument category	CRISIL	Acuite	CARE	Brickworks
(i) Long Term Instruments				
Rating	AA-/Negative	AA/ Negative	A+/ Stable	AA-/ Stable
Amount	13,150	4,000	14,020	8,500
(ii) Short Term Instruments				
Rating	A1+	A1+	A1+	-
Amount	40,000	2,000	37,000	-
(iii) Market linked debentures				
a. Short Term				
Rating	PP-MLD A1+r	-	PP-MLD A1+	-
Amount	3,715	-	2,500	-
b. Long Term				
Rating	PP-MLD AA-r/Negative	-	PP-MLD A+/stable	PP-MLD AA-/ Stable
Amount	17,138	-	5,000	5,000

Ratings assigned by credit rating agencies and migration of ratings during the year ended March 31, 2021

Instrument category	CRISIL	Acuite	CARE	Brickworks
(i) Long Term Instruments				
Rating	AA-/Negative	AA/ Negative	A+/ Stable	AA-/ Stable
Amount	16,150	4,000	14,500.00	7,500
(ii) Short Term Instruments				
Rating	A1+	A1+	A1+	-
Amount	40,000	2,000.00	37,000	-
(iii) Market linked debentures				
a. Short Term				
Rating	PP-MLD A1+r	-	PP-MLD A1+	-
Amount	3,715	-	2,500.00	-
b. Long Term				
Rating	PP-MLD AA-r/Negative	-	PP-MLD A+/stable	PP-MLD AA-/ Stable
Amount	5,000	-	5,000	5,000



Edelweiss Finance & Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

44. Regulatory disclosures - RBI (continued)

44.16 Details of transaction with non executive directors

Sr.	Name of the Non executive director	Nature of Transaction	For the year ended March 31, 2022	For the year ended March 31, 2021
1	P.N. Venkatachalam	Sitting Fees	-	0.32
2	Kunnasagaran Chinniah	Sitting Fees	1.24	0.26
3	Birendra Kumar	Sitting Fees	0.30	-
4	Anisha Motwani	Sitting Fees	0.92	-

44.17 The Company has not sold any financial assets to securitisation/reconstruction company during March 31,2022 and March 31, 2021. Hence no disclosure has been made with respect to the same.

44.18 Unsecured Advances

Total amount of advances for which intangible securities (such as charge over the rights, licenses, authority, etc.) have been taken, as also the estimated value of such intangible collateral - Nil (Previous year Nil)

44.19 Impact of prior period items on current year's profit and loss: Nil (Previous year Nil)

44.20 Circumstances in which Revenue Recognition has been postponed: Nil (Previous year Nil)

44.21 Draw Down from Reserves: Nil (Previous year Nil)

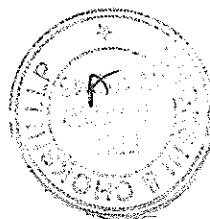
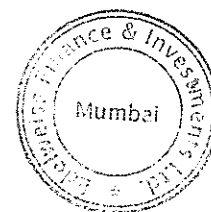
44.22 Note to the Balance Sheet of a non-banking financial company as required in terms of Chapter II paragraph 5 of Monitoring of frauds in NBFCs (Reserve Bank) Directions, 2016 - Nil (Previous year Nil)

44.23 Details of financing of parent company products - None (Previous year - none)

44.24 Off-Balance SPV sponsored - None (Previous year - none)

44.25 Registration obtained from other financial sector regulators - Nil (Previous year Nil)

44.26 Disclosure of Penalties imposed by RBI and other regulators - Nil (Previous year Nil)



Edelweiss Finance & Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

44. Regulatory disclosures - RBI (continued)

44.27 Prudential Floor for ECL

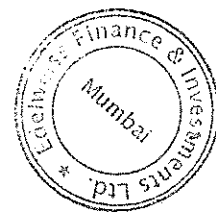
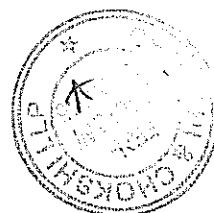
As required in terms of paragraph 2 of circular RBI/2019-20/170 DOR (NBFC).CC PD.No 109/22.10.106/2019-20 dated March 13, 2020 - Non-Banking Financial Company - Implementation of Indian Accounting Standards

As at March 31, 2022

Asset classification as per RBI norms	Asset classification as per IND AS 109	Gross carrying amount as per IND AS	Loss allowances (provisions) as required under IND AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between IND AS 109 provisions and IRACP norms
A	B	C	D	E= C - D	F	G = D - F
Performing assets						
Standard	Stage 1	19,728.19	79.16	19,649.03	79.16	-
	Stage 2	1.41	0.01	1.40	0.01	-
Subtotal (i)		19,729.60	79.17	19,650.43	79.17	-
Non performing asstes (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful	Stage 3	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal (ii)		-	-	-	-	-
Total	Stage 1	19,728.19	79.16	19,649.03	79.16	-
	Stage 2	1.41	0.01	1.40	0.01	-
	Stage 3	-	-	-	-	-
	Total	19,729.60	79.17	19,650.43	79.17	-

As at March 31, 2021

Asset classification as per RBI norms	Asset classification as per IND AS 109	Gross carrying amount as per IND AS	Loss allowances (provisions) as required under IND AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between IND AS 109 provisions and IRACP norms
A	B	C	D	E= C - D	F	G = D - F
Performing assets						
Standard	Stage 1	13,571.20	54.58	13,516.62	54.58	-
	Stage 2	590.18	2.36	587.82	2.36	-
Subtotal (i)		14,161.38	56.94	14,104.44	56.94	-
Non performing asstes (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful	Stage 3	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal (ii)		-	-	-	-	-
Total	Stage 1	13,571.20	54.58	13,516.62	54.58	-
	Stage 2	590.18	2.36	587.82	2.36	-
	Stage 3	-	-	-	-	-
	Total	14,161.38	56.94	14,104.44	56.94	-



Edelweiss Finance & Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

44. Regulatory disclosures - RBI (continued)

44.28 Disclosure on liquidity risk

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

	As at March 31, 2022	As at March 31, 2021
Number of significant counterparties*	6	4
Amount of borrowings from significant counterparties **	5,502.52	5,157.82
% of Total deposits	NA	NA
% of Total liabilities #	20.59%	36.39%

* "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSF's total liabilities. However in case of listed Non convertible debentures single counterparty has only been consider for the purpose of above ratio as the data for group of connected or affiliated counterparties is not available with RTA.

** Represents principal amount

Total liabilities = Financial Liabilities + Non - Financial Liabilities

ii) Top 20 large deposits

The Company being a Systemically Important Non-Deposit taking Non-Banking Financial Company registered with Reserve Bank of India, does not accept public deposits.

iii) Top 10 borrowings

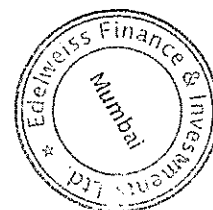
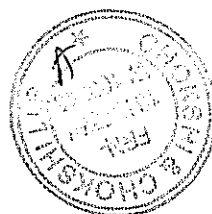
	As at March 31, 2022	As at March 31, 2021
Amount of Borrowings from top 10 lenders*	6,452.52	5,807.82
% of Total Borrowings **	26.69%	42.28%

* Represents principal amount

** Total borrowings represents debt securities + borrowings (other than debt securities) + subordinated liabilities

iii) Funding Concentration based on significant instrument/product

Name of the product	As at March 31, 2022		As at March 31, 2021	
	Amount	% of Total Liabilities #	Amount	% of Total Liabilities #
Debentures				
Market linked debentures	17,404.30	65.13%	8,003.62	56.47%
Public issue	1,738.18	6.50%	2,210.05	15.59%
Borrowings other than Debt Securities				
Loan from related parties	-	-	3,363.86	23.73%
Borrowings (Repo)	1,059.63	3.97%	-	-
Commercial paper	3,819.43	14.29%	-	-
Subordinated Liabilities				
Preference Shares - privately placed	153.40	0.57%	160.00	1.13%
Total	24,174.94	90.46%	13,737.53	96.92%



Edelweiss Finance & Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

iv) Stock ratios:

	As at March 31, 2022	As at March 31, 2021
Commercial papers		
as a % of total public funds *	15.80%	NA
as a % of total liabilities #	14.29%	NA
as a % of total assets	11.34%	NA
Non-convertible debentures (original maturity of less than one year)		
as a % of total public funds *	0.27%	6.47%
as a % of total liabilities #	0.24%	6.27%
as a % of total assets	0.19%	4.29%
Other short-term liabilities**		
as a % of total public funds*	51.18%	60.87%
as a % of total liabilities #	46.30%	58.99%
as a % of total assets	36.73%	40.42%

* Total public funds represents debt securities + borrowings (other than debt securities) + subordinated liabilities

** Other Short- term liabilities represent all the liabilities whose residual maturity is less than 12 months

Total liabilities = Financial Liabilities + Non - Financial Liabilities

iv) Institutional set-up for liquidity risk management

The Board of Directors of the Company has constituted the Asset Liability Management Committee and the Risk Management Committee.

The Asset Liability Management Committee, inter alia -

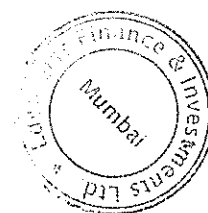
(a) Implement and administer guidelines on Asset-Liability Management approved by the Board and its revision, if any

(b) Monitor the asset liability gap and overcome the asset-liability mismatches, interest risk exposure, etc.; Strategize action to mitigate risk associated with the asset liability gap;

(c) Develop risk policies and procedures and verify adherence to various risk parameters and prudential limits; review the risk monitoring system and ensure effective risk management; and

(d) Ensure that the credit and investment exposure to any party / Company / group of parties or companies does not exceed the internally set limits as well as statutory limits as prescribed by Reserve Bank of India from time to time.

The Company ensures sufficient Liquidity Cushion is maintained in the form of Cash and cash equivalents and Investments in liquid securities. These assets carry minimal credit risk and can be liquidated in a very short period of time. This takes care of immediate obligations while continuing to honour our commitments as a going concern. The Company continues to focus on developing a diversified funding model to achieve an optimum cost of funds while balancing liquidity.



Edelweiss Finance & Investments Limited

Notes to financial statements (continued)

(Currency : Indian rupees in mil)

45. Other disclosures

45.01 Details of open interest for derivative instruments

45.01(a) Open interest in interest rate derivatives:

As at March 31, 2022 : Nil

As at March 31, 2021 : Nil

45.01(b) Open interest rate futures as at March 31, 2022 with exchange : Nil

Maturity grouping	Long Position		Short Position	
	Number of contracts	Number of units	Number of contracts	Number of units
< 1 month	-	-	-	-
1-2 months	-	-	-	-
2-3 months	-	-	-	-
3-6 months	-	-	-	-
6-12 months	-	-	-	-

Open interest rate futures as at March 31, 2021 with exchange : Nil

Maturity grouping	Long Position		Short Position	
	Number of contracts	Number of units	Number of contracts	Number of units
< 1 month	-	-	-	-
1-2 months	-	-	-	-
2-3 months	-	-	-	-
3-6 months	-	-	-	-
6-12 months	-	-	-	-

45.02 Foreign currency

Foreign currency transaction during the year ended March 31, 2022 and March 31, 2021

For year ended March 31, 2022

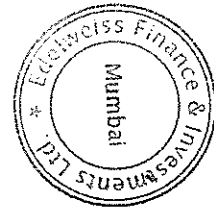
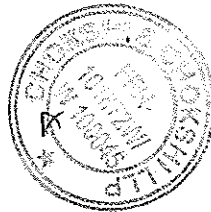
Nature	Amount in INR (In Millions)
Purchase of Securities	590.63
Director Sitting Fees	1.24

For year ended March 31, 2021

Nature	Amount in INR (In Millions)
Purchase of Securities	-
Director Sitting Fees	0.26

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2022 (Previous year Rs. 45.03 Nil).

45.04 The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of accounts.



Edelweiss Finance & Investments Limited
Notes to the financial statements (Continued)
 (Currency : Indian rupees in million)

46. 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 the COVID - 19 pandemic will impact the Company's results will depend on ongoing as well as future developments, which at this juncture are highly uncertain.

It is expected that economic activity will continue to improve as the residual restrictions are eased gradually. The Company has assessed the impact of the pandemic on its operations and its assets including the value of its loans and receivables as at March 31, 2022. The management does not, at this juncture, believe that the impact on the value of the Company's assets is likely to be material. Business continuity plans have been invoked to help ensure the safety and well-being of staff thereby retaining the ability to maintain business operations following lockdowns in India. These actions help to ensure business resilience. Since the situation is still evolving and it seems likely that there will be a material impact on the economy, 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 continues to closely monitor material changes in markets and future economic conditions. Further, during the year ended March 31, 2022, there has been no material change in the controls or processes followed in the preparation of the financial results.

47. The quantitative disclosures as required by RBI circular dated May 05, 2021 for the year ended March 31, 2022 are given below:

Particulars	Individual Borrowers		Small Businesses
	Personal Loans	Business Loans	
(A) Number of requests received for invoking resolution process under Part A	-	-	-
(B) Number of accounts where resolution plan has been implemented under this window	-	-	-
(C) Exposure to accounts mentioned at (B) before implementation of the plan	-	-	-
(D) Of (C), aggregate amount of debt that was converted into other securities	-	-	-
(E) Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
(F) Increase in provisions on account of the implementation of the resolution plan	-	-	-

48. 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.

49. Disclosures under Schedule III to the Companies Act, 2013, and Indian Accounting Standards have been made to the extent applicable to the Company.

50. Previous year figures has been restated/regrouped wherever necessary.

As per our report of even date attached.

For Chokshi & Chokshi LLP
 Chartered Accountants
 ICAI Firms Registration Number: I01872W/W100045

Anish Shah

Anish Shah
 Partner
 Membership No: 048462



For and on behalf of the Board of Directors

Tushar Agrawal
 Tushar Agrawal
 Executive Director & Chief Executive Officer
 DIN: 08285408

Ashish Kehar
 Ashish Kehar
 Non-Executive Director
 DIN: 07789972

Sheetal Gandhi
 Sheetal Gandhi
 Chief Financial Officer

Pooja Doshi
 Pooja Doshi
 Company Secretary

Mumbai
 May 19, 2022

Mumbai
 May 19, 2022

