

EFIL/SEC/2022/54

October 21, 2021

BSE Limited

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

Dear Sir / Madam,

Sub: Submission of the Financial Results for the half year ended September 30, 2021 pursuant to the Regulation 52 and Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulations)

With reference to the captioned subject, we enclose the following:

- a) Financial Results for the quarter and half year ended September 30, 2021, duly approved by the Board of Directors of the Company at their meeting held on October 21, 2021;
- b) Limited Review Report on the aforesaid Results issued by S. R. Batliboi & Co. LLP, the Auditors of the Company, giving unmodified opinion; and
- c) Information pursuant to Regulation 52(4), Regulation 52(7) read with SEBI Circular SEBI/HO/DDHS/08/2020 dated January 17, 2020, and Regulation 54 of the Regulations.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For Edelweiss Finance & Investments Limited

Pooja Doshi
Company Secretary

Encl: as above

Independent Auditor's Limited Review Report on the quarterly and year to date unaudited financial results pursuant to Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
Edelweiss Finance & Investments Limited

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

6. The figures for the net cash inflows for the corresponding period from April 1, 2020 to September 30, 2020, as reported in these unaudited financial results have been approved by the Company's Board of Directors, but have not been subjected to a review by us.

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

**VIREN H
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per Viren Mehta
Partner
Membership No.: 048749
UDIN: 21048749AAAALB9096
Mumbai
October 21, 2021

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

(₹ in Crores)

	Particulars	Quarter Ended			Half Year Ended		Year Ended
		September 30, 2021 (Unaudited)	June 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)	September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)	March 31, 2021 (Audited)
1	Revenue from operations						
	(a) Interest income	53.48	47.11	33.57	100.59	54.46	132.01
	(b) Dividend income	0.27	0.45	-	0.72	-	0.03
	(c) Fee and commission income	8.12	8.70	5.39	16.82	7.43	20.61
	(d) Net gain on fair value changes (including Treasury income)	37.66	27.61	3.35	65.27	4.08	47.77
	Total revenue from operations	99.53	83.87	42.31	183.40	65.97	200.42
2	Other income	0.01	-	-	0.01	0.03	0.17
3	Total Income (1+2)	99.54	83.87	42.31	183.41	66.00	200.59
4	Expenses						
	(a) Finance costs	48.11	37.46	24.10	85.57	35.74	98.19
	(b) Employee benefits expense	14.17	14.48	10.80	28.65	19.13	51.08
	(c) Depreciation and amortisation expense	0.11	0.11	0.14	0.22	0.16	0.48
	(d) Impairment on financial instruments	0.16	2.38	(0.35)	2.54	1.65	4.60
	(e) Other expenses	16.07	13.37	4.88	29.44	8.42	27.69
	Total expenses	78.62	67.80	39.57	146.42	65.10	182.04
5	Profit before tax (3-4)	20.92	16.07	2.74	36.99	0.90	18.55
6	Tax expense	5.44	4.19	0.80	9.63	0.50	4.20
	(a) Current tax	2.44	2.92	0.84	5.36	1.05	5.75
	(b) Deferred tax	3.00	1.27	(0.04)	4.27	(0.55)	(1.55)
7	Net Profit for the period (5-6)	15.48	11.88	1.94	27.36	0.40	14.35
8	Other Comprehensive Income	0.07	0.07	-	0.14	-	0.27
9	Total Comprehensive Income (7+8)	15.55	11.95	1.94	27.50	0.40	14.62
10	Earnings Per Share (₹) (Face Value of ₹ 10/- each)						
	- Basic (Refer note 8)	13.49	10.37	2.34	23.87	0.48	17.07
	- Diluted (Refer note 8)	13.49	10.37	2.34	23.87	0.48	17.07

Notes:

- Edelweiss Finance & Investments Limited (the 'Company') has prepared unaudited financial results (the 'Statement') for the quarter and half year ended September 30, 2021 in accordance with Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the 'Listing Regulations, 2015') and the Accounting Standards specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and the relevant provision of the Companies Act, 2013, as applicable.
- The above unaudited financial results of the Company are reviewed and recommended by the Audit Committee and have been approved by the Board of Directors at its meeting held on October 21, 2021.
- The above financial results for the quarter and half year ended September 30, 2021 have been subjected to Limited Review by the Statutory Auditors of the Company and the auditors have issued an unqualified review report.
- The COVID-19 pandemic outbreak across the world including India has resulted in most countries announcing lockdowns and quarantine measures that have sharply stalled economic activities across the world. The Indian Government too has imposed lockdowns starting from March 24, 2020. Subsequently, the national lockdown was lifted by the government for certain activities in a phased manner outside specified containment zones, but regional lockdowns/restrictions continued to be implemented in areas with a significant number of COVID-19 cases. The Indian economy is impacted and would continue to be impacted by this pandemic and the resultant lockdown, due to the contraction in industrial and services output across small and large businesses. The impact of the COVID -19 pandemic, including the current "second wave", on Company's results, remains uncertain and dependent on the current and further spread of COVID -19, steps taken by the government, RBI and other regulators to mitigate the economic impact and also the time it takes for economic activities to resume and reach the normal levels. Further, the Company has assessed the impact of the COVID-19 pandemic on its liquidity and ability to repay its obligations as and when they are due. Management has considered various financial support from banks and other fundraising opportunities in determining the Company's liquidity position over the next 12 months. Based on the foregoing and necessary stress tests considering various scenarios, management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future. In assessing the recoverability of loans and receivables, the Company has considered internal and external sources of information, including credit reports, economic forecasts and industry reports up to the date of approval of these financial results. Since the situation continue to evolve, its effect on the operations of the Company may be different from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor material changes in markets and future economic conditions.
- Disclosures for Reserve Bank of India circular on Resolution Framework for Covid-19 related stress dated August 6, 2020 and circular on Resolution Framework - 2.0 resolution of Covid-19 related stress of individual and small businesses dated May 5, 2021 are not applicable to the Company as none of the borrowers opted for the resolution plan.
- 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.
- In terms of requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 – Financial Instruments and Income Recognition, Asset Classification and Provisioning ('IRACP') norms (including provision on standard assets). The impairment allowances under Ind AS 109- Financial Instruments made by the Company exceeds the total provision required under IRACP (including standard asset provisioning), as at September 30, 2021 and accordingly, no amount is required to be transferred to impairment reserve.

8. Earnings per share for the quarters ended September 30, 2021, June 30, 2021, September 30, 2020 and half year ended September 30, 2021, September 30, 2020 are not annualized.
9. The figures for the quarter ended September 30, 2021 and September 30, 2020 are the balancing figures between reviewed figures in respect of the half year ended September 30, 2021 and September 30, 2020 and the reviewed figures for the quarter ended June 30, 2021 and June 30, 2020 respectively

For and on behalf of the Board of Directors

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Ashish Kehair
Executive Director
DIN: 07789972

Mumbai, October 21, 2021

Edelweiss Finance & Investments Limited

Corporate Identity Number : U67120MH1994PLC286057

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

Tel: +91-22-40094400 Fax: +91-22-40863610

website: www.edelweissfin.com

**10. Statement of assets and liabilities as at September 30, 2021**

	(₹ in Crores)	
	September 30, 2021 (Unaudited)	March 31, 2021 (Audited)
ASSETS		
Financial assets		
(a) Cash and cash equivalents	393.40	77.95
(b) Bank balances other than (a) above	44.27	0.35
(c) Derivative financial instruments	180.45	62.52
(d) Securities held for trading	543.20	207.44
(e) Receivables		
(i) Trade receivables	134.99	21.62
(ii) Other receivables	0.04	2.33
(f) Loans	1,705.52	1,410.44
(g) Other financial assets	40.15	266.08
Non-financial assets		
(a) Current tax assets (net)	15.40	14.70
(b) Deferred tax assets (net)	-	2.33
(c) Property, Plant and Equipment	0.48	0.56
(d) Other Intangible assets	0.28	0.26
(e) Other non- financial assets	3.32	2.33
TOTAL ASSETS	3,061.50	2,068.91
LIABILITIES AND EQUITY		
Financial liabilities		
(a) Derivative financial instruments	74.32	10.44
(b) Payables		
Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	129.81	17.38
(c) Debt securities	1,824.96	1,021.37
(d) Borrowings (other than debt securities)	214.50	336.39
(e) Subordinated Liabilities	14.66	16.00
(f) Other financial liabilities	6.31	7.76
Non-financial liabilities		
(a) Current tax liabilities (net)	1.38	1.00
(b) Provisions	1.69	4.32
(c) Deferred tax liabilities (net)	1.95	-
(d) Other non-financial liabilities	112.68	2.76
Equity		
(a) Equity share capital	11.46	11.46
(b) Other equity	667.78	640.03
TOTAL LIABILITIES AND EQUITY	3,061.50	2,068.91

For and on behalf of the Board of Directors

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Ashish Kehair
Executive Director
DIN: 07789972

Mumbai, October 21, 2021

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

(₹ in Crores)

	September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)
A. Cash flow from operating activities		
Profit before tax	36.99	0.90
Adjustments for:		
Depreciation and amortisation expense	0.22	0.16
Fair value (gain) / loss of financial instruments	(14.05)	0.07
Provision for compensated absences	0.61	(0.29)
Expense on employee stock option scheme	0.00	0.14
Impairment on financial assets	2.54	1.65
Profit on sale of Property, Plant and Equipment	(0.01)	(0.03)
Operating cash flow before working capital changes	26.30	2.60
Add / (Less): Adjustments for working capital changes		
(Increase) / Decrease in Loans	(296.37)	(317.10)
(Increase) / Decrease Trade and other receivables	(112.31)	(14.95)
(Increase) / Decrease in Securities held for trading	(321.73)	(13.43)
(Increase) / Decrease in Bank balances other than cash and cash equivalents	(43.92)	-
(Increase) / Decrease in Other financial assets	108.00	(1.06)
(Increase) / Decrease in Other non- financial assets	(0.99)	0.80
Increase / (Decrease) in Trade payables	112.41	(0.73)
Increase / (Decrease) in Non-financial liabilities and Provisions	107.09	0.67
Increase / (Decrease) in Other financial liabilities	62.41	1.75
Cash used in operations	(359.11)	(341.45)
Income taxes paid	(5.67)	(1.89)
Net cash used in operating activities -A	(364.78)	(343.34)
B. Cash flow from investing activities		
Purchase of Property, Plant and Equipment	(0.20)	(0.10)
Sale of Property, Plant and Equipment	0.05	0.06
Net cash used in investing activities - B	(0.15)	(0.04)
C. Cash flow from financing activities		
Proceeds from issuance of Debt Securities [#]	803.60	605.80
Repayment of Borrowings (other than debt securities) [#]	(121.88)	(2.93)
Repayment of Subordinated Liabilities [#]	(1.34)	(18.76)
Net cash generated from financing activities - C	680.38	584.11
Net increase in cash and cash equivalents (A+B+C)	315.45	240.73
Cash and cash equivalent as at the beginning of the period	77.95	158.76
Cash and cash equivalent as at the end of the period	393.40	399.49

[#] Net figures have been reported on account of volume of transactions.

Above Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 under the Companies Act, 2013.

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

For and on behalf of the Board of Directors

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Ashish Kehair
Executive Director
DIN: 07789972

Annexure

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

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

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

Particulars	Half year ended	Half year ended	Year ended
	September 30, 2021	September 30, 2020	March 31, 2021
1. Debt-equity Ratio (Refer note 1)	3.02	2.06	2.12
2. Net worth (Rs.in Crores) (Refer note 2)	679.24	460.93	649.15
3. Debt Service Coverage Ratio (Refer note 3)	NA	NA	NA
4. Interest Service Coverage Ratio (Refer note 3)	NA	NA	NA
5. Outstanding redeemable preference shares (no.of shares)	9,318,000	9,719,000	9,719,000
6. Outstanding redeemable preference shares (including dividend accrued but not due) (Rs.in Crores) (Face Value of ₹ 10/- each)	14.66	15.29	16.00
7. Capital redemption reserve (Rs.in Crores)	22.63	11.66	22.63
8. Debenture redemption reserve (Refer note 4)	NA	NA	NA
9. Net profit after tax (Rs.in Crores)	27.36	0.40	14.35
10. Earnings Per Share (₹) (Face Value of ₹ 10/- each)			
- Basic	23.87	0.48	17.07
- Diluted	23.87	0.48	17.07
11. Total debt to Total assets (%) (Refer Note 5)	67.10%	66.60%	66.40%
12. Net profit margin (%) (Refer Note 6)	14.92%	0.61%	7.15%
13. Sector specific relevant ratios			
(a) CRAR (%)	18.98%	46.98%	28.05%
(b) Gross Stage 3 asset (%)	0%	0%	0%
(c) Net Stage 3 asset (%)	0%	0%	0%

Note:

- Debt-equity Ratio = Total debt (Debt securities + Borrowings other than debt securities + subordinated liabilities) / Net worth
- Net worth = Equity share capital + Other Equity – Deferred Tax Assets
- The Company being an NBFC, this disclosure is not applicable pursuant to Regulation 52(4) of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015.
- As per Rule 18(7)(b)(ii) of the Companies (Share Capital and Debentures) Rules, 2014 the Company being NBFC, is not required to create Debenture Redemption Reserve.
- Total debt to Total assets = (Debt securities + Borrowings other than debt securities + subordinated liabilities) / Total assets
- Net profit margin = Net Profit for the period / Total Income
- Current ratio, Long term debt to working capital, Bad Debts to account receivables ratio, Current liability ratio, Debtors turnover, Inventory turnover and Operating margin (%) are not applicable.

STATEMENT OF DEVIATION OR VARIATION

Name of listed entity		Edelweiss Finance & Investments Limited				
Mode of Fund Raising		Private Placement				
Type of instrument		Non-Convertible Debentures				
Date of Raising Funds		As per Annexure				
Amount Raised		As per Annexure				
Report filed for half year ended		September 30, 2021				
Is there a Deviation/ Variation in use of funds raised?		No				
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?		Not applicable				
If yes, details of the approval so required?		Not applicable				
Date of approval		Not applicable				
Explanation for the Deviation/ Variation		Not applicable				
Comments of the audit committee after review		None				
Comments of the auditors, if any		None				
Objects for which funds have been raised and where there has been a deviation, in the following table		Not applicable				
Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilized	Amount of Deviation/ Variation for the half year according to applicable object (INR Crores and in %)	Remarks, if any
The proceeds of the issue of Debentures would be utilized for general corporate purposes, business operations and investments	--	--	--	--	--	--
<i>Deviation could mean:</i> (a) Deviation in the objects or purposes for which the funds have been raised (b) Deviation in the amount of funds actually utilized as against what was originally disclosed.						
Pooja Doshi Company Secretary						

Annexure

Sr. No.	Date of Raising Funds	Amount Raised	Disclosure Document/ Prospectus Dated
1.	14-Sep-21	619000000	14-Sep-21
2.	21-Sep-21	480000000	21-Sep-21
3.	24-Sep-21	196000000	24-Sep-21
4.	28-Sep-21	300000000	28-Sep-21
5.	25-Jun-21	1250000000	25-Jun-21
6.	31-Aug-21	241000000	31-Aug-21
7.	14-Sep-21	125000000	14-Sep-21
8.	28-Sep-21	250000000	28-Sep-21
9.	30-Apr-21	100000000	30-Apr-21
10.	17-May-21	600000000	17-May-21
11.	21-May-21	1486000000	21-May-21
12.	01-Jun-21	154000000	01-Jun-21
13.	29-Jun-21	1300000000	29-Jun-21
14.	09-Jul-21	200000000	09-Jul-21
15.	16-Jul-21	95000000	16-Jul-21
16.	14-Sep-21	1710000000	14-Sep-21
17.	21-Sep-21	230000000	21-Sep-21
18.	24-Sep-21	400000000	24-Sep-21
19.	30-Apr-21	986000000	30-Apr-21

20.	17-May-21	239000000	17-May-21
21.	21-May-21	250200000	21-May-21
22.	28-May-21	149200000	28-May-21
23.	07-Jun-21	345000000	07-Jun-21
24.	10-Jun-21	777000000	10-Jun-21
25.	29-Jun-21	110500000	29-Jun-21
26.	09-Jul-21	100000000	09-Jul-21
27.	30-Jul-21	122100000	30-Jul-21
28.	09-Sep-21	550000000	09-Sep-21
29.	14-Sep-21	450000000	14-Sep-21
30.	28-Sep-21	200000000	28-Sep-21
31.	30-Apr-21	50000000	30-Apr-21
32.	29-Jun-21	296000000	29-Jun-21
33.	09-Jul-21	100000000	09-Jul-21
34.	30-Jul-21	694000000	30-Jul-21