

June 29, 2021

Edelweiss Finvest Limited: Ratings reaffirmed and withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible Debenture Programme	547.00	0.00	[ICRA]A+ (Negative); reaffirmed and withdrawn
Long-term Principal Protected Market Linked Debenture Programme	259.14	0.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
Bank Lines	50.00	0.00	[ICRA]A+ (Negative); reaffirmed and withdrawn
Long-term Principal Protected Market Linked Debenture Programme (unsecured)	7.85	0.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
Subordinated Debt Programme	15.00	0.00	[ICRA]A+ (Negative); reaffirmed and withdrawn
Total	878.99	0.00	

*Instrument details are provided in Annexure-1

Rationale

For arriving at the ratings of Edelweiss Finvest Limited, ICRA has taken a consolidated view of the Edelweiss Group, given the close linkages between the Group entities, common promoters and senior management team, shared brand name, and strong financial and operational synergies.

ICRA has reaffirmed and withdrawn the ratings assigned to the Rs. 50-crore bank lines, Rs. 259.14-crore long-term principal protected market linked debenture programme, Rs. 7.85-crore long-term principal protected market linked debenture programme (unsecured), Rs. 15-crore subordinated debt programme and Rs. 547-crore non-convertible debenture (NCD) programme of Edelweiss Finvest Limited following its merger with Edel Finance Company Limited. The ratings have been withdrawn at the request of the company and as per ICRA's policy on the withdrawal of credit ratings.

The ratings take into account the Group's established position in the financial services industry, its long-standing experience in the capital market related business, its diversified business profile with a presence in the asset reconstruction, asset management and wealth management segments, and the healthy stream of fee and advisory income. These strengths are partially offset by the weakening in the asset quality of the credit business, the risks associated with the distressed assets business given the focus on corporate assets coupled with the evolving nature of the industry, and the exposure to volatility in capital markets. The Group's reported gross non-performing assets (GNPAs; as per the Reserve Bank of India's (RBI) prudential norm) increased to 7.7% of total advances as of March 31, 2021 from 5.3% as of March 31, 2020. The stage 3 assets to loans at amortised costs ratio (26.9% as of March 31, 2020) is significantly higher as the security receipts (SRs) held by the Group, issued against assets sold by it to asset reconstruction companies (ARCs), continue to be recognised as loans in the consolidated book. Moreover, the Group's collection efficiency risk has exacerbated due to the Covid-19 pandemic. The Group's collection improved during the fourth quarter of FY2021, however there has been dip in the collection during April/May 2021 due to the second wave partial lockdown. Thus, its ability to maintain healthy collections in the next few quarters would remain a key monitorable. The resultant high credit cost over the past two fiscals has resulted in a drag on the Group's core profitability.

While Edelweiss Financial Services Limited (EFSL) reported a profit of Rs. 254 crore in FY2021 at the consolidated level after reporting a loss of Rs. 2,044 crore in FY2020, the profitability was supported by the divestment of its wealth management

business.¹ The Group is actively pursuing various alternatives for resolving potential stress and managing the portfolio. Supported by such endeavours, the wholesale assets declined to Rs. 11,413 crore as of March 2021 from Rs. 17,678 crore as of March 2019. Going forward, the progress on such endeavours and the impact on the Group's asset quality would be important from a credit perspective.

ICRA also considers the continued funding challenges and widening credit spreads. The Group raised funds of Rs. 9,508 crore (including through sale of controlling stake in Edelweiss Wealth Management) compared to Rs. 12,922 crore in FY2020. The share of commercial paper (CP) reduced to 2% of the Group's total borrowings as of March 31, 2021 from 14% as of March 31, 2018. However, the Group has demonstrated the ability to raise equity funds at regular intervals by way of compulsory convertible debentures (CCDs) in the credit business and wealth management business. The Group's ability to maintain healthy collections, consistently raise resources from diversified sources and ensure a comfortable asset-liability matching (ALM) profile, in future, would be a key rating monitorable.

ICRA notes that the Group has been trying to simplify its complex structure with multiple cross holdings. It has brought in a strategic partner at the credit, wealth management, ARC and life insurance verticals. With the change in the structure, the Group's erstwhile business model with seamless interaction (in terms of business and fund flow) between various entities (and verticals) may alter in the medium term. However, the Group would continue to support various ventures, given the shared brand name and operational and strategic linkages. The fund flow across various entities would be done, if required, at market rates and on an arm's length basis with the approval of the board of directors of the respective companies/verticals.

The Negative outlook reflects the expectation of continued portfolio stress and subdued profitability over the near term due to the declining loan book and net interest income and the challenging external environment. The Group's ability to keep credit costs/impairments in check and generate healthy fee income would remain key for profitability. Furthermore, the Group's ability to raise and diversify its borrowings and maintain a comfortable liquidity profile would be a credit-sensitive factor.

Key rating drivers and their description

Credit strengths

Diversified revenue stream with presence in credit and non-credit segments – The Edelweiss Group is a diversified financial services player engaged in the credit, capital markets and other advisory businesses. It commenced operations in the capital markets related business and has established its position as a leading entity in the institutional equity broking and investment banking segments over the years. To diversify its revenue stream and reduce dependence on capital markets, the Group forayed into other segments like credit (wholesale lending in FY2006 and retail lending in FY2011), distressed assets (FY2010), life insurance (FY2012) and general insurance (FY2018). The Group draws the advantage of a healthy fee and advisory income of Rs. 1,654 crore, which accounted for 29% of its operating income (adjusted for one time gain on sale of controlling stake in wealth management business) in FY2021.

Strong presence in wealth management, asset reconstruction and capital markets – The Group has successfully ramped up its scale of operations with Edelweiss Asset Reconstruction Company Limited (EARC) emerging as the largest player in the asset reconstruction business in India with assets under management (AUM) of Rs. 40,473 crore as on March 31, 2021, up from Rs. 9,245 crore as on March 31, 2014. The Group has significant experience in the wealth management business which is housed under Edelweiss Wealth Management (Edelweiss Group's ownership stake is 38.5% as of March 31, 2021). Other capital market related businesses include asset management. The Group offers wealth management advisory services to its high net worth clients with assets under advice of ~Rs. 1,55,000 crore as on March 31, 2021 compared to ~Rs. 1,13,700 crore as on March 31, 2020. It is also engaged in asset management with a special focus on alternative assets. The funds under management (asset

¹ In March 2021, the Group sold its controlling stake in Edelweiss Wealth Management leading to a reduction in its ownership stake to 38.5%. Post this, Edelweiss Wealth Management would now be an associate of the Group. Therefore, going forward, the Group would book its share of profits in the consolidated financials

management, alternative assets) stood at ~Rs. 85,000 crore as of March 31, 2021 compared to ~Rs. 50,800 crore as on March 31, 2020.

Credit challenges

Asset quality concerns in wholesale book –The Group reported a deterioration in the asset quality over the past two fiscals with the GNPA's (as per RBI's prudential norm) increasing to 7.7% of total advances as of March 31, 2021 from 5.3% as of March 31, 2020. The stage 3 assets to loans at amortised costs ratio (26.9% as of March 31, 2020) is significantly higher as the SRs held by the Group, issued against assets sold by it to ARCs, continue to be recognised as loans in the consolidated book. The Group's loan book remains vulnerable to credit risks, given the high concentration in wholesale lending (47% of the total portfolio), which is inherently risky in nature. Moreover, the top 10 accounts constituted ~43% of the overall wholesale book. As of March 31, 2021, the Group had an on-book wholesale portfolio of Rs. 7,246 crore compared to Rs. 10,050 crore as of March 31, 2020. The wholesale assets (including SRs) were Rs. 11,413 crore as of March 31, 2021 compared to Rs. 12,793 crore as of March 31, 2020.

The Group also decided to reduce its exposure on the wholesale book through sell-downs and securitisation of other eligible loans, which should free up capital. It is actively pursuing various alternatives for resolving potential stress and managing the portfolio. In line with this strategy, it entered into an agreement with Meritz Financial Group (a leading South Korean financial services player) for a real estate platform. The Group aims to reduce the wholesale assets to ~Rs. 5,900 crore by FY2023 and ~Rs. 1,800 crore by FY2025 and transition its credit portfolio predominantly to retail-oriented lending. ICRA draws some comfort from the Group's track record in real estate financing and its in-house operations/execution team and distribution network, which provide it with the ability to closely monitor and resolve assets if required. Going forward, the progress on such endeavours and the impact on the Group's asset quality would be important from a credit perspective.

Subdued profitability levels; ability to realign business with core strategy and ensure healthy profitability remains critical – The high credit costs/impairments owing to stress build-up in the wholesale book have been a drag on the Group's core profitability. The Group reported a profit before tax of Rs. 146 crore in FY2021 compared to a loss before tax of Rs. 2,457 crore in FY2020. While the provisions remained high in FY2021, the profitability was supported by a one-time income of Rs. 1,406.35 crore from the sale of the controlling interest in the wealth management business.

In March 2021, the Group sold its controlling stake in Edelweiss Wealth Management leading to reduction in its ownership stake to 38.5%. Post this, Edelweiss Wealth Management would now be an associate of the Group. Therefore, going forward, the Group would book its share of profits in its consolidated financials. ICRA expects the Group's profitability to remain subdued over the near term due to the declining loan book and net interest income and the challenging external environment. The Group's ability to maintain a healthy asset quality along with healthy fee income and keep the credit costs/impairments under control remains critical.

Ability to maintain ALM, given resource mobilisation constraints, remains critical – At the consolidated level, the Group had total borrowings of Rs. 28,436 crore as on March 31, 2021. The risk-averse sentiment of domestic investors persists towards non-banks with developer loan exposure has resulted in challenges in fund-raising and has increased the cost of funds. Fund-raising by the Group from debt capital markets over the past few quarters has been lower compared to the pre-September 2018 levels while the secondary market yields have been elevated. The Group raised static funding of Rs. 9,508 crore (including the sale of the controlling stake in Edelweiss Wealth Management) compared to Rs. 12,922 crore in FY2020. The share of CP reduced to 2% of the Group's total borrowings as of March 31, 2021 from 14% as of March 31, 2018. The Group has a diversified resource profile and has been exploring alternative sources of funding over the past few quarters. Its ability to maintain healthy collections, consistently raise resources from diversified sources and ensure a comfortable ALM profile, in future, would be a key rating monitorable.

The Group's gross gearing (reported borrowings/reported net worth and minority interest, excluding insurance net worth) improved on a consolidated basis to 4.05x as on March 31, 2021 from 5.79x as on March 31, 2020. It has a demonstrated track record of raising capital at regular intervals, which provides some comfort. The capital raised in the form of CCDs is currently

classified as borrowings though these instruments are compulsorily convertible into equity in due course. Should this be treated as equity, the Group's adjusted gearing would stand at 3.5x as of March 31, 2021.²

Risks associated with asset reconstruction business – In ICRA's view, the seasoning of the asset reconstruction industry remains limited. Further, the Group focusses on the large single borrower segment, an asset class with a high risk profile on account of its complexity, higher ticket size as well as the high degree of engagement with promoters. However, the Group is also present in the small and medium enterprise (SME) and retail segments in the ARC space. The risks inherent in distressed assets, coupled with the Group's strategy of focussing on resolution through the revival of operations and debt restriction, can lead to a protracted process and volatility in cash flows. The Group, however, has resolved certain large-ticket assets in the recent past, with recoveries of Rs. 5,432 crore in FY2021 compared to Rs. 11,257 crore in FY2020 and Rs. 7,019 crore in FY2019.

Given the lumpy nature of these assets, the inability to achieve resolution as per expectations, in terms of the amount recovered as well as the timelines, could have a bearing on EARC's financial profile. Furthermore, given the expected shift to the cash mode from the SR mode of asset acquisition, the upfront capital requirement for ARCs would be higher. However, this can be brought down through partnerships with other investors. The ARC's ability to judiciously acquire new assets and resolve them, while maintaining a comfortable capital structure and a competitive cost of borrowings, would also remain critical.

Exposed to inherent cyclicity in capital markets, though expansion into non-capital market businesses provides diversification – The Group remains exposed to the inherent volatility in capital markets as its various businesses are directly or indirectly linked to the performance of these markets. However, its focus on diversifying its business profile over the years has reduced its dependence on capital markets. The Group's ability to maintain a healthy performance in the capital market related businesses remains critical, given the recent volatile and unfavourable market conditions.

Liquidity position: Adequate

The Group's liquidity is adequate. It had overnight liquidity of Rs. 3,550 crore and undrawn bank lines of Rs. 300 crore as of May 31, 2021. It has repayment obligations of Rs. 10,935 crore from June 2021 to March 2022. The Group also has other assets like short-term treasury assets of Rs. 1,300 crore as of May 31, 2021 that can be liquidated at a relatively short notice. It also has short-term loan book of Rs. 1,450 crore as of May 31, 2021. The Group has adequate liquidity for the payment of obligations for ~4 months (considering overnight liquidity and undrawn bank lines) and ~6 months (considering treasury assets and short-term loan book). Post that, its ability to maintain healthy collections and ensure a comfortable ALM profile by raising adequate funds along with free inflow/outflow of liquidity over different verticals would be a key rating monitorable.

Rating sensitivities

Positive factors – Given the Negative outlook, an upgrade is less likely in the near term. ICRA could revise the outlook in case of a significant and sustained improvement in the Group's asset quality, profitability and ability to mobilise resources at competitive terms from a diverse set of sources.

Negative factors – The ratings could be revised if the asset quality remains weak, thereby resulting in a subdued profitability level on a sustained basis. Pressure on the ratings could also emerge in case of continued challenges in fund-raising\inability to diversify funding and reduction in the on-balance sheet liquidity (including undrawn bank lines). Delays in the planned reduction of the corporate book could also have a bearing on the ratings.

² Adjusted gearing calculated as reported net worth including CCDs, excluding insurance net worth divided by borrowings minus CCDs

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Credit Rating Methodology for Non-Banking Finance Companies Consolidation and Rating Approach ICRA Policy on Withdrawal of Credit Rating
Parent/Group Support	Not applicable; while assigning the ratings, ICRA has taken a consolidated view of the Group (Edelweiss Financial Services Limited - Consolidated), given the high operational and managerial linkages between the Group companies and the shared brand name.
Consolidation/Standalone	To arrive at the ratings, ICRA has considered the consolidated financial profile of Edelweiss Financial Services Limited (consolidated). Details of the subsidiaries and an associate are provided in Annexure-2.

About the company

Edelweiss Finvest Limited and ECL Finance Limited are the wholesale lending entities of the Edelweiss Group. Edelweiss Finvest Limited has merged into Edel Finance Company Limited.

Edelweiss Financial Services Limited:

Edelweiss Financial Services Limited (EFSL), the holding company of the Edelweiss Group of companies, was incorporated in 1995 by first-generation entrepreneurs to offer investment banking services primarily to technology companies. At present, the Group is engaged in wholesale and retail financing, distressed assets resolution, corporate debt syndication and debt restructuring, institutional and retail equity broking, corporate finance advisory, wealth advisory and asset management. It forayed into housing finance in FY2011, life insurance in FY2012 and general insurance in FY2018.

Key financial indicators (audited)

Edelweiss Financial Services Limited (Consolidated)	FY2019	FY2020	FY2021
Net interest income*	2,055	1,109	200
Total income	11,161	9,603	10,849
Profit after tax (Edelweiss' share)	995	(2,045)	265
Profit after tax- including MI	1,044	(2,044)	254
Net worth	8,715	7,207	7,677
Loan Assets**	38,408	28,361	21,911
Total assets	64,154	54,280	45,975
Return on assets	1.6%	-3.5%	0.5%
Return on equity	12.6%	-25.7%	3.4%
Gross NPA (%)	1.9%	5.3%	7.7%
Net NPA (%)	0.8%	4.1%	4.1%
Net NPA/Net worth (%)	3.4%	11.9%	8.2%
Gross gearing (times)	5.3	5.1	3.7
CRAR (%)	18%	21%	21.5%

Source: Company, ICRA research; All ratios as per ICRA calculations; * For FY2021, net interest income includes total interest income incl. interest from deposits etc, minus interest expense; Amount in Rs. crore

** Loan assets include on-book loans and SRs

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Current Rating (FY2022)			Chronology of Rating History for the Past 3 Years						
		Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating Jun 29, 2021	Date & Rating in FY2021		Date & Rating in FY2020			Date & Rating in FY2019	
					Oct 19, 2020	May 05, 2020	Aug 30, 2019	Jun 25, 2019	Apr 05, 2019	Jul 16, 2018	
1 Long-term Market Linked Debenture Programme	Long Term	259.14	164.15	PP-MLD [ICRA]A+ (Negative); reaffirmed and withdrawn	PP-MLD [ICRA]A+ (Negative)	PP-MLD [ICRA]A+ (Negative)	PP-MLD [ICRA]AA- (Negative)	PP-MLD [ICRA]AA- (Negative)	PP-MLD [ICRA]AA- (Negative)	PP-MLD [ICRA]AA (Stable)	
2 Long-term Market Linked Debenture Programme (unsecured)	Long Term	7.85	7.85	PP-MLD [ICRA]A+ (Negative); reaffirmed and withdrawn	PP-MLD [ICRA]A+ (Negative)	PP-MLD [ICRA]A+ (Negative)	PP-MLD [ICRA]AA- (Negative)	PP-MLD [ICRA]AA- (Negative)	PP-MLD [ICRA]AA- (Negative)	PP-MLD [ICRA]AA (Stable)	
3 Non-convertible Debenture Programme	Long Term	547	47	[ICRA]A+ (Negative); reaffirmed and withdrawn	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)	[ICRA]AA- (Negative)	[ICRA]AA- (Negative)	[ICRA]AA- (Negative)	[ICRA]AA (Stable)	
4 Bank Lines	Long Term	50	0	[ICRA]A+ (Negative); reaffirmed and withdrawn	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)	[ICRA]AA- (Negative)	[ICRA]AA- (Negative)	[ICRA]AA- (Negative)	[ICRA]AA (Stable)	
5 Subordinated Debt Programme	Long Term	15	15	[ICRA]A+ (Negative); reaffirmed and withdrawn	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)	[ICRA]AA- (Negative)	[ICRA]AA- (Negative)	[ICRA]AA- (Negative)	[ICRA]AA (Stable)	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Non-convertible Debenture Programme	Simple
Long-term Principal Protected Market Linked Debenture Programme	Moderately Complex
Bank Lines	Very Simple
Long-term Principal Protected Market Linked Debenture Programme (unsecured)	Moderately Complex

Subordinated Debt Programme	Moderately Complex
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The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE241O07093	Long-term Market Linked Debenture	6-Sep-16	Nifty 50 Index	6-Sep-21	5.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07515	Long-term Market Linked Debenture	20-Jan-17	Nifty 50 Index	21-Jul-20	1.60	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07432	Long-term Market Linked Debenture	6-Jan-17	Nifty 50 Index	7-Jul-20	1.05	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07580	Long-term Market Linked Debenture	31-Jan-17	Nifty 50 Index	3-Aug-20	1.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07465	Long-term Market Linked Debenture	16-Jan-17	Nifty 50 Index	17-Jan-22	1.50	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07697	Long-term Market Linked Debenture	9-Feb-17	Nifty 50 Index	10-Jun-20	6.20	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07671	Long-term Market Linked Debenture	7-Feb-17	Nifty 50 Index	8-Jun-20	1.04	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07689	Long-term Market Linked Debenture	7-Feb-17	Nifty 50 Index	10-Jun-20	6.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07747	Long-term Market Linked Debenture	10-Feb-17	Nifty 50 Index	11-Jun-20	1.50	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07994	Long-term Market Linked Debenture	10-Mar-17	Nifty 50 Index	9-Jul-20	1.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07A01	Long-term Market Linked Debenture	30-Mar-17	Nifty 50 Index	29-Jul-20	7.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07AC6	Long-term Market Linked Debenture	20-Mar-17	Nifty 50 Index	22-Jun-20	1.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07960	Long-term Market Linked Debenture	10-Mar-17	Nifty 50 Index	8-Sep-20	5.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07838	Long-term Market Linked Debenture	22-Feb-17	Nifty 50 Index	23-Jun-20	15.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE241O07978	Long-term Market Linked Debenture	10-Mar-17	Nifty 50 Index	9-Jul-20	5.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07945	Long-term Market Linked Debenture	8-Mar-17	Nifty 50 Index	7-Jul-20	2.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07770	Long-term Market Linked Debenture	16-Feb-17	Nifty 50 Index	17-Jun-20	1.40	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07AN3	Long-term Market Linked Debenture	30-Mar-17	Nifty 50 Index	30-Jul-20	2.25	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07AP8	Long-term Market Linked Debenture	30-Mar-17	Nifty 50 Index	29-Jul-20	3.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07AW4	Long-term Market Linked Debenture	13-Apr-17	Nifty 50 Index	13-Aug-20	2.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07EY2	Long-term Market Linked Debenture	11-Jan-19	Nifty 50 Index	10-Jul-20	0.28	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07EY2	Long-term Market Linked Debenture	6-Aug-18	Nifty 50 Index	10-Jul-20	1.43	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07EY2	Long-term Market Linked Debenture	18-Jan-19	Nifty 50 Index	10-Jul-20	0.24	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07EY2	Long-term Market Linked Debenture	16-Nov-18	Nifty 50 Index	10-Jul-20	0.72	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07EY2	Long-term Market Linked Debenture	21-Aug-18	Nifty 50 Index	10-Jul-20	2.50	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07EY2	Long-term Market Linked Debenture	10-Dec-18	Nifty 50 Index	10-Jul-20	0.25	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07EY2	Long-term Market Linked Debenture	8-Jun-18	Nifty 50 Index	10-Jul-20	9.25	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07EY2	Long-term Market Linked Debenture	3-Dec-18	Nifty 50 Index	10-Jul-20	1.41	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE241O07EY2	Long-term Market Linked Debenture	26-Dec-18	Nifty 50 Index	10-Jul-20	1.89	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07EY2	Long-term Market Linked Debenture	21-Feb-19	Nifty 50 Index	10-Jul-20	0.50	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07EY2	Long-term Market Linked Debenture	14-Mar-19	Nifty 50 Index	10-Jul-20	0.91	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07EY2	Long-term Market Linked Debenture	12-Sep-18	Nifty 50 Index	10-Jul-20	1.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07EY2	Long-term Market Linked Debenture	15-May-18	Nifty 50 Index	10-Jul-20	2.50	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07EY2	Long-term Market Linked Debenture	10-Jan-18	Nifty 50 Index	10-Jul-20	2.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FL6	Long-term Market Linked Debenture	14-Jun-18	Nifty 50 Index	14-Sep-21	2.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FS1	Long-term Market Linked Debenture	28-Dec-18	Nifty 50 Index	3-Mar-22	0.26	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FS1	Long-term Market Linked Debenture	11-Jan-19	Nifty 50 Index	3-Mar-22	0.26	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FS1	Long-term Market Linked Debenture	30-Nov-18	Nifty 50 Index	3-Mar-22	1.28	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FS1	Long-term Market Linked Debenture	6-Nov-18	Nifty 50 Index	3-Mar-22	0.10	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FS1	Long-term Market Linked Debenture	4-Jan-19	Nifty 50 Index	3-Mar-22	0.79	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FS1	Long-term Market Linked Debenture	4-Sep-18	Nifty 50 Index	3-Mar-22	7.50	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FS1	Long-term Market Linked Debenture	11-Sep-18	Nifty 50 Index	3-Mar-22	4.25	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE241O07FS1	Long-term Market Linked Debenture	30-Aug-18	Nifty 50 Index	3-Mar-22	45.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FS1	Long-term Market Linked Debenture	24-Dec-18	Nifty 50 Index	3-Mar-22	1.83	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FS1	Long-term Market Linked Debenture	14-Dec-18	Nifty 50 Index	3-Mar-22	0.59	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FS1	Long-term Market Linked Debenture	18-Jan-19	Nifty 50 Index	3-Mar-22	0.56	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FS1	Long-term Market Linked Debenture	17-Sep-18	Nifty 50 Index	3-Mar-22	6.18	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FS1	Long-term Market Linked Debenture	19-Sep-18	Nifty 50 Index	3-Mar-22	3.50	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FS1	Long-term Market Linked Debenture	25-Sep-18	Nifty 50 Index	3-Mar-22	4.75	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FS1	Long-term Market Linked Debenture	4-Oct-18	Nifty 50 Index	3-Mar-22	1.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FS1	Long-term Market Linked Debenture	22-Nov-18	Nifty 50 Index	3-Mar-22	1.03	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FS1	Long-term Market Linked Debenture	7-Dec-18	Nifty 50 Index	3-Mar-22	0.77	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FS1	Long-term Market Linked Debenture	14-Sep-18	Nifty 50 Index	3-Mar-22	7.24	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FV5	Long-term Market Linked Debenture	12-Dec-18	MLD	17-Jun-22	1.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FW3	Long-term Market Linked Debenture	24-Dec-18	MLD	24-Jun-22	4.60	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FH4	Long-term Market Linked Debenture	28-Dec-18	MLD	28-Sep-21	0.48	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE241O07FW3	Long-term Market Linked Debenture	28-Dec-18	MLD	24-Jun-22	22.46	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FH4	Long-term Market Linked Debenture	26-Jul-18	MLD	28-Sep-21	5.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FW3	Long-term Market Linked Debenture	11-Jan-19	MLD	24-Jun-22	0.94	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FW3	Long-term Market Linked Debenture	4-Jan-19	MLD	24-Jun-22	1.51	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FH4	Long-term Market Linked Debenture	30-Aug-18	MLD	28-Sep-21	2.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07EZ9	Long-term Market Linked Debenture	29-Aug-18	MLD	9-Feb-22	1.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FD3	Long-term Market Linked Debenture	25-Jun-18	MLD	20-Sep-21	1.52	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07EZ9	Long-term Market Linked Debenture	8-Jun-18	MLD	9-Feb-22	1.47	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FJ0	Long-term Market Linked Debenture	4-Oct-18	MLD	30-May-22	1.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FJ0	Long-term Market Linked Debenture	7-Dec-18	MLD	30-May-22	0.52	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FW3	Long-term Market Linked Debenture	14-Jan-19	MLD	24-Jun-22	7.05	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07FW3	Long-term Market Linked Debenture	18-Jan-19	MLD	24-Jun-22	16.98	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07EX4	Long-term Market Linked Debenture	5-Jan-18	MLD	2-Jul-21	1.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
NA	Long-term Market Linked Debenture - Proposed (secured+unsecured)	NA	NA	NA	7.30	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE241O07937	Non-convertible Debenture	3-Mar-17	9.00%	1-Mar-24	30.00	[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O07EE4	Non-convertible Debenture	21-Jun-17	8.80%	16-Jun-27	17.00	[ICRA]A+ (Negative); reaffirmed and withdrawn
NA	Non-convertible Debenture - Proposed	NA	NA	NA	500.00	[ICRA]A+ (Negative); reaffirmed and withdrawn
NA	Bank lines-proposed	NA	NA	NA	50.00	[ICRA]A+ (Negative); reaffirmed and withdrawn
INE918K08019	Sub Debt	29-Jul-15	11.00%	29-Jul-25	15.00	[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O08042	Long-term Market Linked Debenture (Unsecured)	13-Jan-17	Nifty 50 Index	8-Jan-27	4.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O08059	Long-term Market Linked Debenture (Unsecured)	24-Jan-17	Nifty 50 Index	24-Jan-22	1.15	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O08067	Long-term Market Linked Debenture (Unsecured)	3-Feb-17	Nifty 50 Index	3-Feb-22	1.00	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn
INE241O08034	Long-term Market Linked Debenture (Unsecured)	4-Jan-17	Nifty 50 Index	4-Jan-22	1.70	PP-MLD[ICRA]A+ (Negative); reaffirmed and withdrawn

Source: Company

Annexure-2: List of entities considered for consolidated analysis

Company Name	Edelweiss Group Ownership	Consolidation Approach
Subsidiaries		ICRA has taken a consolidated view of the parent and its subsidiaries and an associate
ECL Finance Limited	100.00%	
Edelweiss Rural & Corporate Services Limited	100.00%	
Edelweiss Asset Reconstruction Company Limited	59.84% (on diluted basis)	
Edelweiss Housing Finance Limited	100.00%	
Edelweiss Retail Finance Limited	100.00%	
Edel Finance Company Limited	100.00%	
Edelweiss Asset Management Limited	100.00%	
EdelGive Foundation	100.00%	
Edelweiss Tokio Life Insurance Company Limited	51.00%	
Edelweiss General Insurance Company Limited	100.00%	
Allium Finance Private Limited	100.00%	
Edelcap Securities Limited	100.00%	
Edelweiss Securities and Investment Private Limited	100.00%	
ECap Equities Limited	100.00%	
Edel Investments Limited	100.00%	
EC Commodity Limited	100.00%	

Company Name	Edelweiss Group Ownership	Consolidation Approach
Aster Commodities DMCC	100.00%	
EC International Limited	100.00%	
Edel Land Limited	100.00%	
Edelweiss Comtrade Limited	100.00%	
Edelweiss Multi Strategy Fund Advisors LLP	100.00%	
Edelweiss Gallagher Insurance Brokers Limited	70.00%	
Edelweiss Private Equity Tech Fund	100.00%	
Edelweiss Value and Growth Fund	100.00%	
India Credit Investment Fund II	100.00%	
EAAA LLC	100.00%	
Edelweiss Alternative Asset Advisors Limited	100.00%	
Edelweiss Alternative Asset Advisors Pte. Limited	100.00%	
Edelweiss Investment Adviser Limited	100.00%	
Edelweiss Resolution Advisors LLP	100.00%	
EW Special Opportunities Advisors LLC	100.00%	
Edelweiss Trusteeship Company Limited	100.00%	
Edelweiss International (Singapore) Pte. Limited	100.00%	
Edelweiss Capital Services Limited	100.00%	
Edelweiss Securities Limited (upto 26th March 2021)	100.00%	
Edelweiss Broking Limited (upto 26th March 2021)	100.00%	
Edelweiss Finance & Investments Limited (upto 26th March 2021)	100.00%	
Edelweiss Custodial Services Limited (upto 26th March 2021)	100.00%	
ESL Securities Limited (upto 26th March 2021)	100.00%	
Edelweiss Securities (Hong Kong) Private Limited (upto 26th March 2021)	100.00%	
Edelweiss Financial Services (UK) Limited (upto 26th March 2021)	100.00%	
Edelweiss Financial Services Inc. (upto 26th March 2021)	100.00%	
Edelweiss Investment Advisors Private Limited (upto 26th March 2021)	100.00%	
Edelweiss Securities (IFSC) Limited (upto 26th March 2021)	100.00%	
Edelweiss Global Wealth Management Limited (upto 26th March 2021)	100.00%	
Lichen Metals Private Limited (upto 30th March- 2021)	100.00%	
Edelweiss Capital (Singapore) Pte. Limited (upto 23rd Dec 2020)	100.00%	
Associate		
Edelweiss Securities Limited (from 27th March 2021)	38.50%	

Source: Edelweiss Financial Services Limited

ANALYST CONTACTS

Karthik Srinivasan
+91 22 6114 3444
karthiks@icraindia.com

Samriddhi Chowdhary
+91 22 6114 3462
samriddhi.chowdhary@icraindia.com

Sainath Chandrasekaran
+91 22 6114 3439
sainath.chandrasekaran@icraindia.com

Komal M Mody
+91 22 6114 3424
komal.mody@icraindia.com

Subhrajyoti Mohapatra
+91 22 6114 3000
subhrajyoti.mohapatra@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6169 3304
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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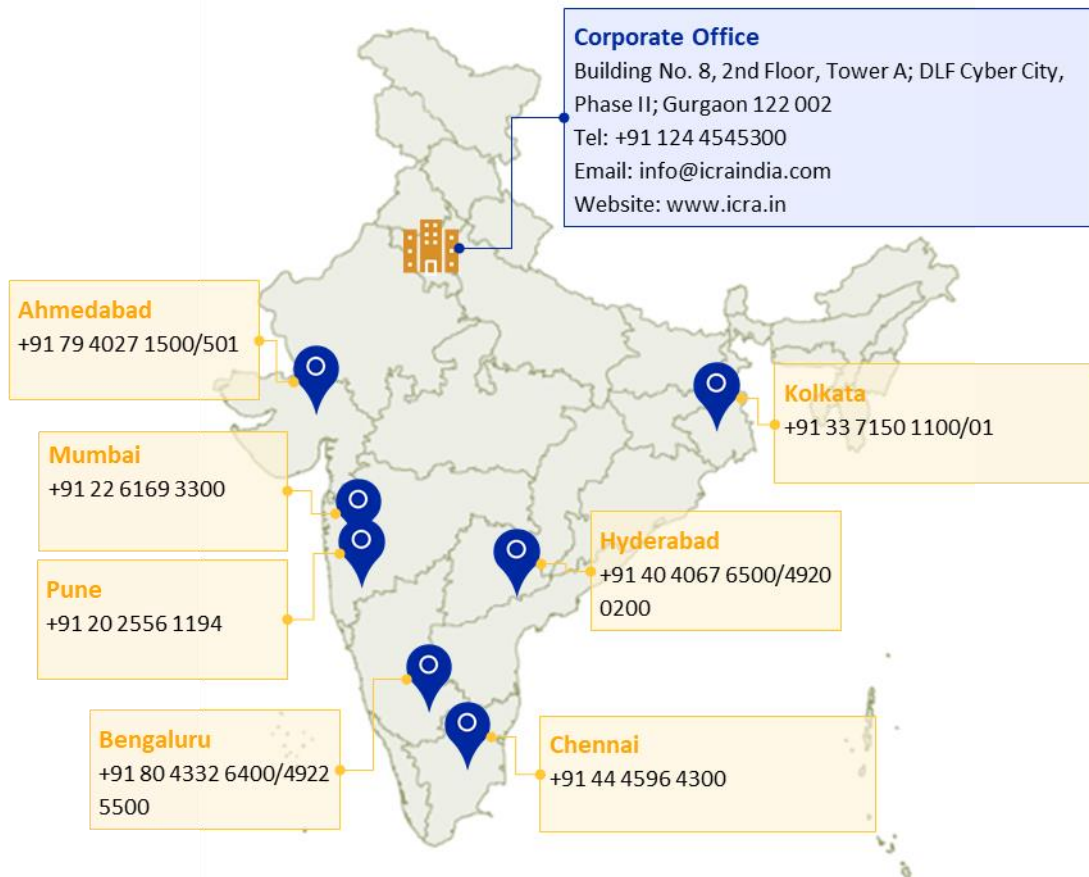
Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



Branches



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