

June 22, 2023

ECL Finance Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term/short-term fund-based bank lines	12,854.50	12,854.50	[ICRA]A+ (Stable)/[ICRA]A1; reaffirmed
Retail non-convertible debenture programme	1,390.30	1,390.30	[ICRA]A+ (Stable); reaffirmed
Long-term principal protected market linked debenture programme (unsecured and subordinated)	120.11	120.11	PP-MLD[ICRA]A+ (Stable); reaffirmed
Non-convertible debenture programme	2,288.57	2,288.57	[ICRA]A+ (Stable); reaffirmed
Subordinated debt programme	690.00	690.00	[ICRA]A+ (Stable); reaffirmed
Retail non-convertible debenture programme	8.58	-	[ICRA]A+ (Stable); reaffirmed and withdrawn
Long-term principal protected market linked debenture programme	24.12	-	PP-MLD[ICRA]A+ (Stable); reaffirmed and withdrawn
Long-term/short-term fund-based bank lines	3,500.00	-	[ICRA]A+ (Stable)/[ICRA]A1; reaffirmed and withdrawn
Total	20,876.18	17,343.48	

*Instrument details are provided in Annexure I

Note: PP-MLD refers to the principal protected market linked debenture programme. According to the terms of the rated market linked debentures, the amount invested, i.e. the principal, is protected against erosion while the returns on the investment could vary as they are linked to movements in one or more variables such as equity indices, commodity prices, and/or foreign exchange rates. The assigned rating expresses ICRA's current opinion on the credit risk associated with the issuer concerned. The rating does not address the risks associated with the variability in returns resulting from the adverse movements in the variable(s) concerned

Rationale

While arriving at the ratings, ICRA has considered the consolidated financials (excluding insurance businesses) of Edelweiss Financial Services Limited (Edelweiss). It has taken a consolidated view of the credit profiles of Edelweiss, its subsidiaries, which are engaged in retail and wholesale lending, and the asset management business due to the common promoters and senior management team, shared brand name, and financial and operational linkages. ICRA expects financial, managerial and operational support from the Edelweiss Group to continue to be available to all key Group companies.

The ratings continue to be supported by the Group's established position in the financial services industry, its diversified business profile with sizeable fee and advisory income and financial flexibility supported by the ability to monetise investments in its key investee companies. The aforesaid strengths are, however, partially offset by the portfolio vulnerability due to the significant exposure to credit substitutes {comprising security receipts (SRs) and units of alternative investment funds (AIFs)}, loan book concentration in the wholesale segment and the inherent risks associated with the distressed assets business.

As on March 31, 2023, the Group's reported asset quality remained weak with gross non-performing advances (GNPAs) of Rs. 945 crore (12.5%) and net NPAs (NNPAs) of Rs. 207 crore (NNPA/Gross loan book of 2.7%). Further, while ICRA notes that the wholesale loan book has declined over the years, the overall risk carried by the Group in connection to these exposures remains sizeable. This is on account of residual risks by way of the guaranteed returns offered to the investors who have invested in the SRs and AIF units issued against such wholesale assets sold/transferred by it to asset reconstruction companies (ARCs)/AIFs. As a result, the net stage 3 assets under management (AUM; ex-POCI¹ and ARC assets) stood elevated at 40% of gross (ex-POCI and ARC AUM) as of March 31, 2023. Going forward, the Group's ability to reduce its risk in connection to wholesale-related exposures while maintaining an adequate capitalisation profile and a comfortable asset-liability maturity (ALM) profile would be important from a credit perspective.

¹ Purchase of credit impaired assets at ARC trusts

Supported by the improvement in the performance of the asset management and asset reconstruction businesses, the Group reported an increase in pre-provision operating profit in FY2023 compared to losses in the previous two years. The Group's overall profitability in FY2023 was also supported by the profit (Edelweiss' share) at Nuvama Wealth Management Limited (Nuvama). With the listing of Nuvama in FY2024, its contribution to Edelweiss' profitability will be limited to dividend on its 14% residual stake. Additionally, the Group recognised a one-off fair valuation gain on its stake in Nuvama and this gain was largely utilised for providing management overlays against stressed exposures. Even after adjusting for this, the credit business and the insurance businesses remained a drag on the profitability. In FY2023, the Group reported a (ex-insurance) net profit of ~Rs. 730 crore (PY: Rs. 523 crore). Going forward, while the alternatives and asset reconstruction businesses are expected to support the Group's profitability, the overall profitability would primarily depend on the Group's ability to keep the asset quality, and hence the credit costs/impairments, under control in the credit and corporate entities.

With the continued decline in consolidated borrowings, the Group's gearing decreased to 2.77 times as of March 31, 2023 from 3.70 times as of March 31, 2021. However, post allotment of ~30% of its stake in Nuvama to the shareholders of Edelweiss in June 2023, its net worth is estimated to have declined by Rs. 2,352 crore, leading to a higher gearing. Going forward, ICRA envisages a gradual decline in the borrowings, given the Group's focus on scaling up the retail loan book through an asset-light co-lending model and the release of capital from stake monetisation, SRs and AIF units against the wholesale-related credit assets.

While the Group has focussed on reducing the interdependence between various ventures over the years, it would continue to support these ventures, given the shared brand name and operational and strategic linkages. Funding support across various entities would be provided, if required. It is also noted that the Group has demonstrated the ability as well as the willingness to monetise its investments by diluting or selling its equity stakes in the businesses incubated and grown by it over the years. This has supported its overall cash flows during periods when its business cash flows faced pressure. The Group has expressed its willingness to sell its stakes in more businesses in the near to medium term, which could mitigate the risks against the expected cash flows from SRs and AIF units backed by wholesale assets. Besides unlocking value and generating liquidity through stake sales, the Group derives borrowing ability against its investments in these businesses and real estate properties.

ICRA has reaffirmed and withdrawn the [ICRA]A+ (Stable)/[ICRA]A1 ratings assigned to ECL Finance Limited's Rs. 3,500-crore bank lines and the [ICRA]A+ (Stable) rating assigned to the Rs. 8.58-crore retail non-convertible debenture programme. Further, ICRA has reaffirmed and withdrawn the PP-MLD[ICRA]A+ (Stable) rating assigned to the company's Rs. 24.12-crore long-term principal protected market linked debenture programme. The ratings have been withdrawn as no amount is outstanding against the rated instruments. They have been withdrawn at the request of the company and as per ICRA's policy on the withdrawal of credit ratings.

Key rating drivers and their description

Credit strengths

Diversified presence in credit and non-credit segments – The Edelweiss Group is a diversified financial services player engaged in the credit, asset management, asset reconstruction, life and general insurance businesses. To diversify its revenue stream and reduce its 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). As a part of its conscious strategy, the Group has focussed on unlocking value across its businesses (stake sale and subsequent plans of listing of the wealth management business, sale of insurance broking) in recent years. Notwithstanding such stake sales, it earned sizeable fee and advisory income of Rs. 1,244 crore (17% of total revenues from operations) in FY2023 compared to Rs. 1,444 crore (21% in FY2022).

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 AUM of Rs. 37,111 crore as of March 31, 2023. It is also engaged in asset management with a special focus on alternative assets. In the past three years, the funds under management (asset management, alternative assets) have increased by 4.5 x to ~Rs. 1,51,500 crore as of March 31, 2023. Supported by the huge traction in Bharat ETF, the mutual fund business has also achieved a rank of 12 compared to 17 as of March 31, 2020. While the Group had a stake of ~44% in the wealth management business (Nuvama), its stake declined to ~14% in June 2023 with the allotment of a 30% stake to the shareholders of Edelweiss. Once Nuvama is a listed company, it will offer some financial flexibility to the Group after the initial lock-in period expires.

Financial flexibility supported by ability to monetise investments in businesses incubated over the years – The Edelweiss Group has demonstrated the ability as well as the willingness to monetise its investments by diluting or selling equity stakes in businesses incubated and grown by it over the years. This has supported its overall cash flows during periods when its business cash flows faced pressure. In FY2021, the Group sold its controlling stake in the wealth management business. In addition to this, the Group sold its insurance broking business for a gain of Rs. 360 crore in FY2022.

ICRA notes that the Group currently has investments in multiple businesses encompassing wealth management (residual stake of 14%, post the completion of ongoing demerger), life insurance (75% stake), housing finance (100%), asset reconstruction (60%), alternatives (100%), asset management (100%) and general insurance (100%). It has expressed its willingness to sell its stake in some of these businesses in the near to medium term, when they mature and the valuation is acceptable. Besides unlocking value and generating liquidity through stake sales, the Group derives borrowing ability backed by the market value of these stakes and real estate properties. Currently, the Group is estimated to have borrowings aggregating ~Rs. 2,000 crore, backed by its investments in businesses as collateral. The residual borrowing capacity remains sizeable and provides some financial flexibility to the Group.

Credit challenges

High portfolio vulnerability – While the on-book wholesale loans in the non-banking financial companies (NBFCs) have declined, the Group's portfolio vulnerability remains high, given its presence in the wholesale/real estate segment and the investments held in the form of credit substitutes (comprising SRs and units of AIFs) backed by wholesale stressed assets. As of March 31, 2023, its on-book exposures² largely comprised investments in SRs against assets sold by it to ARCs (42% of on-book exposures) followed by wholesale loans (26%), which are inherently risky in nature. Further, the high concentration in the wholesale loan book (top 15 exposures accounting for ~48% of the wholesale book) could result in a lumpy deterioration in the asset quality in case of slippages. The headwinds faced by the real estate segment, post FY2019, and the Covid-19 pandemic-induced stress kept the asset quality indicators and cash inflows under pressure in subsequent years.

The asset quality remained weak despite some improvement with a moderation in the share of gross stage 2 exposures to 29% as of March 31, 2023, from 40% as of March 31, 2022. The repayment schedule for a considerable portion of the loans, for which the date of commencement of commercial operations (DCCO) was extended, started in FY2023 and the performance of these accounts will be a key monitorable. In this regard, ICRA takes note of the management's plans of reducing the wholesale exposures by more than Rs. 2,500 crore in FY2024. In line with this strategy, the Group has collaborated with various AIFs and ARCs for resolving potential stress and reducing its on-book exposures. Supported by these initiatives, the wholesale on-book exposures have declined over the years (~Rs. 3,400-crore decline in FY2023), but the overall risk carried by the Group in connection with these exposures remains sizeable. The Group carries residual risks on account of structured deals offered to the investors who have invested in the SRs and AIF units issued against such wholesale assets sold/transferred by it to ARCs/AIFs. On account of this, the net stage 3 AUM (ex- POCI and ARC assets) stands elevated.

² Comprises on-book loans (excluding loans in asset reconstruction business) and investment in SRs and AIFs, which are treated as loans in consolidated accounting.

ICRA also takes note of the risks associated with the ARC business, given the sector's limited seasoning. Further, the Group operates in the wholesale segment, an asset class with a high-risk profile on account of its complexity, higher ticket size as well as the significant degree of engagement with the promoters. In recent years, the Group has also forayed into retail segment in the ARC space. As of March 31, 2023, the share of retail assets in the overall ARC investment book (at cost) stood 16% (PY: 14%). The risks inherent in the ARC business, coupled with the Group's strategy of focussing on resolution through the revival of operations and debt consolidation, can lead to a protracted process and volatility in cash flows. The ARC business resolved certain large-ticket assets in the recent past, with recoveries of Rs. 7,530 crore in FY2023 (Rs. 6,903 crore in FY2022 and Rs. 5,432 crore in FY2021). 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. However, ICRA takes note of the track record of sizeable and consistent management and performance fees in the past four years. EARC'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. The impact of the commencement of National Asset Reconstruction Company Limited on the distressed asset management sector and private players in the industry remains to be seen. ICRA also notes that the ARC industry's prospects remain susceptible to regulatory changes.

Weak profitability; ability to realign business with core strategy and ensure improvement in profitability remains critical –

The high credit costs/impairments/management overlays owing to stress build-up in the wholesale book have been a drag on the Group's profitability. In the past two years, the headline profit has largely been supported by unlocking value from the business such as through the sale of the controlling stake in the wealth management business in FY2021 and the sale of the insurance broking business in FY2022. Supported by the improvement in the performance of the asset management and asset reconstruction businesses, the Group reported a marginal pre-provision operating profit in FY2023 compared to a loss in FY2022. Additionally, it witnessed a one-off fair valuation gain on its Nuvama stake, which was largely utilised for providing management overlays against stressed exposures. Even without these impairments, the credit business and the insurance businesses remained a drag on the profitability.

However, ICRA takes note of the embedded value breakeven in the life insurance business in FY2023 even though it continues to report losses and will require capital from the Group. With the listing of Nuvama, its contribution to the consolidated profitability will be restricted to dividends and incremental fair value gains (if any) received by the Group. While the alternatives and ARC businesses are expected to support the Group's profitability, the overall profitability would primarily depend on the Group's ability to keep the asset quality, and hence the credit costs/impairments, under control in the credit and corporate entities.

Ability to maintain ALM, given resource mobilisation challenges for wholesale-oriented non-bank financiers – Since September 2018, the operating environment has posed challenges NBFCs with sizeable wholesale/real estate exposures in raising funds at competitive rates. Further, while there has been some improvement in the borrowing cost, it remains elevated. As of March 31, 2023, the Group had borrowings³ of Rs. 19,260 crore. While its consolidated ALM profile does not have any cumulative negative mismatches up to three years, the Group's ability to monetise its SRs and AIF units backed by stressed wholesale exposures will be critical for an adequate capitalisation profile and a comfortable ALM profile. With the decline in borrowings, the Group's gearing decreased to 2.77 times as of March 31, 2023, from 3.70 times as of March 31, 2021. However, post allotment of ~30% of its stake in Nuvama, the Group's gearing is expected to increase. While the headline capitalisation metrics in its lending business remain adequate, these are subject to the realisability of the investments held in SRs and AIF units.

³ Excluding borrowing in form of triparty repos and compulsorily convertible debentures

Liquidity position: Adequate

The Group's liquidity position is adequate. As of June 13, 2023, it had on-balance sheet liquidity of Rs. 2,000 crore compared to debt repayment obligations of ~Rs. 1,596 crore between June 2023 and November 2023. The on-balance sheet liquidity, coupled with scheduled inflows and fund-raising, provides adequate support for the debt repayment obligations of Rs. 4,098 crore falling due in the next three years. As of March 31, 2023, the ALM statement was characterised by positive cumulative mismatches over the medium term. ICRA, however, notes that the Group's ability to achieve budgeted collections and maintain a comfortable ALM profile by raising adequate funds would remain a monitorable. In the absence of sufficient operating cash inflows, the timely monetisation of investments will remain imperative. ICRA also notes that while the Group's ability to raise traditional funding is limited in the absence of eligible loan assets, its diverse investments in various businesses provide it with the flexibility to raise secured funding.

Rating sensitivities

Positive factors – ICRA could revise the outlook to Positive or upgrade the ratings in case of a material decline in the vulnerable portfolio without impeding the profitability and net worth, while achieving sustained and profitable scale-up in the credit and non-credit segments.

Negative factors – The ratings could be revised downwards in case of inability of the Group to reduce the vulnerable portfolio or deterioration in capitalisation. Pressure on the ratings could also emerge in case of sustained challenges in fund-raising\inability to diversify funding and weakening of the liquidity profile.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	ICRA's Credit Rating Methodology for Non-banking Finance Companies Consolidation Rating Approach Policy on Withdrawal of Credit Ratings
Parent/Group support	Not applicable; while arriving at the ratings, ICRA has considered the consolidated financials (ex-insurance) of Edelweiss and has taken a consolidated view of the credit profiles of Edelweiss and its subsidiaries, which are engaged in retail lending and wholesale lending, and the asset management business due to the close linkages between the entities, common promoters and senior management team, shared brand name, and strong financial and operational synergies.
Consolidation/Standalone	ICRA has considered the consolidated financials (ex-insurance) of Edelweiss. Details of the subsidiaries are provided in Annexure II.

About the company

ECL Finance Limited is a systemically important non-deposit taking non-banking financial company (NBFC-ND-SI) registered with the Reserve Bank of India (RBI). It is the primary wholesale lending company for the Edelweiss Group.

The company currently carries out the Group's financing activities like structured collateralised corporate loans, real estate financing, loans against securities, small and medium-sized enterprise (SME) loans, loan against property, employee stock ownership plan (ESOP) financing and initial public offering (IPO) funding. It reported a net profit of Rs. 110.8 crore on total income of Rs. 1,602.2 crore in FY2023 compared to Rs. 79.4 crore and Rs. 1,660.8 crore, respectively, in FY2022. As of March 31, 2023, the capitalisation profile was characterised by a net worth of Rs. 2,671.6 crore, a gearing of 3.77 times and a capital adequacy ratio of 30.8%.

Edelweiss Financial Services Limited (parent)

Edelweiss Financial Services Limited (Edelweiss), the holding company of the Edelweiss Group of companies, was incorporated in 1995 to offer investment banking services primarily to technology companies. At present, the Group is engaged in wholesale and retail lending, home finance, distressed assets resolution, general insurance, life insurance, alternatives and asset

management. On a standalone basis, Edelweiss posted a total income of Rs. 3,089 crore and a PAT of Rs. 2,388 crore in FY2023 compared to total income of Rs. 1,373 crore and PAT of Rs. 933 crore in FY2022. While on a consolidated basis, Edelweiss posted a total income of Rs. 8,633 crore and a PAT of Rs. 344 crore in FY2023 compared to total income of Rs. 7,305 crore and PAT of Rs. 189 crore in FY2022. With fair valuations of stake held in Nuvama in FY2023, the Group had a consolidated net worth of Rs. 7,846 crore as of March 31, 2023. However, with allotment of 30% stake held in Nuvama to shareholders of Edelweiss, the consolidated net worth is expected to decline by ~Rs. 2,352 crore.

Key financial indicators

Edelweiss Financial Services Limited (consolidated)	FY2021	FY2022	FY2023
Net interest income	200	61	371
Total income	10,849	7,305	8,633
Profit after tax (Edelweiss' share)	265	189	344
Profit after tax - Including MI	254	212	406
Net worth	7,677	7,592	7,846
Loan assets	22,455	20,098	17,354
Total assets	46,350	43,280	44,064
Return on assets (%)	0.50%	0.47%	0.93%
Return on equity (%)	3.41%	2.78%	5.25%
Gross NPA ¹ (%)	8.53%	8.46%	12.45%
NNPA/ Gross loan book ¹ (%)	4.52%	1.92%	2.73%
Net NPA (%)	4.96%	2.15%	3.15%
Net NPA/Net worth (%)	8.17%	2.65%	2.64%
Gross gearing (times)	3.70	2.99	2.77
CRAR (%)	21.0%	30.0%	33.9%

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; 1: excluding credit substitutes.

Edelweiss Financial Services Limited (consolidated-ex insurance; ICRA's estimates)	FY2021	FY2022	FY2023
PAT (post MI)	462	405	610
Net worth (ex-MI)	5,922	5,783	5,892
Borrowing ¹	26,681	21,315	19,185
Gearing (times)	4.80	3.93	3.69
Return on equity (ex-MI)	7.8%	7.0%	10.4%

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore
1: excluding borrowings through triparty repo and compulsorily convertible debentures

Status of non-cooperation with previous CRA: Not applicable

Any other information:

- ECL Finance Limited had delayed a part of the interest payment for a sub-ordinated debt (ISIN INE804108726; not rated by ICRA) due on May 08, 2023, by one day. As per the management, this was on account of a technical glitch caused due migration from a manual processing to automated bulk upload mechanism. The company was holding sufficient liquidity compared to debt repayment obligation.
- The Edelweiss Group provided back-to-back indemnity with respect to the live litigations of Nuvama Clearing Services Limited at the time of its stake sale to PAG. Any adverse outcome of these litigations is expected to have a bearing on the Group.

- c) The Group also carries other financial liabilities on account of the put option extended to the investors in the recent portfolio sell-down. Upon failure of the underlying exposures to meet the terms of the sell-down agreements, the Group carries the obligation of buying back such exposures with pre-committed returns.

Rating history for past three years

Instrument	Type	Current Rating (FY2024)		Chronology of Rating History for the Past 3 Years				
		Amount Rated	Amount Outstanding	Date & Rating	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021	
		(Rs. crore)	(Rs. crore)	Jun 22, 2023	Jun 24, 2022	Jun 29, 2021	Oct 19, 2020	May 05, 2020
1 Long-term/Short-term fund-based bank lines	Long/Short term	12,854.50	1,818.42 [^]	[ICRA]A+ (Stable)/[ICRA]A1	[ICRA]A+ (Stable)/[ICRA]A1	[ICRA]A+ (Negative)/[ICRA]A1	[ICRA]A+ (Negative)/[ICRA]A1	[ICRA]A+ (Negative)/[ICRA]A1
2 Long-term/Short-term fund-based bank lines	Long/Short term	3,500.00	-	[ICRA]A+ (Stable)/[ICRA]A1; withdrawn	[ICRA]A+ (Stable)/[ICRA]A1	[ICRA]A+ (Negative)/[ICRA]A1	[ICRA]A+ (Negative)/[ICRA]A1	[ICRA]A+ (Negative)/[ICRA]A1
3 Retail non-convertible debenture programme	Long term	1,390.30	1,390.30	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)
4 Retail non-convertible debenture programme	Long term	8.58	-	[ICRA]A+ (Stable); withdrawn	[ICRA]A+ (Stable)	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)
5 Retail non-convertible debenture programme	Long term	-	-	-	[ICRA]A+ (Stable); withdrawn	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)
6 Non-convertible debenture programme	Long term	2,288.57	1,042.80 [^]	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)
7 Non-convertible debenture programme	Long term	-	-	-	[ICRA]A+ (Stable); withdrawn	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)
8 Subordinated debt programme	Long term	690.00	690.00	[ICRA]A+(Stable)	[ICRA]A+(Stable)	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)
9 Long-term principal protected market linked debenture programme	Long term	24.12	-	PP-MLD [ICRA]A+ (Stable); withdrawn	PP-MLD [ICRA]A+ (Stable)	PP-MLD [ICRA]A+ (Negative)	PP-MLD [ICRA]A+ (Negative)	PP-MLD [ICRA]A+ (Negative)
10 Long-term principal protected market linked debenture programme	Long term	-	-	-	PP-MLD [ICRA]A+ (Stable); withdrawn	PP-MLD [ICRA]A+ (Negative)	PP-MLD [ICRA]A+ (Negative)	PP-MLD [ICRA]A+ (Negative)
11 Long-term principal protected market linked debenture programme (unsecured and subordinated)	Long term	120.11	120.11	PP-MLD [ICRA]A+ (Stable)	PP-MLD [ICRA]A+ (Stable)	PP-MLD [ICRA]A+ (Negative)	PP-MLD [ICRA]A+ (Negative)	PP-MLD [ICRA]A+ (Negative)
12 Commercial paper programme	Short term	-	-	-	-	-	-	-
13 Commercial paper programme (IPO financing)	Short term	-	-	-	-	-	-	-
14 Short-term principal protected market linked debenture programme	Short term	-	-	-	-	-	PP-MLD [ICRA]A1; withdrawn	PP-MLD [ICRA]A1
15 Short-term non-convertible debenture programme	Short term	-	-	-	-	-	[ICRA]A1; withdrawn	[ICRA]A1

[^] Balance yet to be issued/allocated

Complexity level of the rated instrument

Instrument	Complexity Indicator
Non-convertible debenture programme	Simple
Long-term principal protected market linked debenture programme (unsecured and subordinated)	Moderately Complex
Long-term principal protected market linked debenture programme	Moderately Complex
Subordinated debt programme	Moderately Complex
Retail non-convertible debenture programme	Simple
Long-term/Short-term fund-based bank lines	Very Simple

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: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Long-term/Short-term fund-based bank lines	Jun 18, 2017	NA	Jun 27, 2025	11,060.00	[ICRA]A+ (Stable)/[ICRA]A1
NA	Long-term/Short-term fund-based bank lines – Unallocated	NA	NA	NA	3,500.00	[ICRA]A+ (Stable)/[ICRA]A1; withdrawn
NA	Long-term/short-term fund-based bank lines – Unallocated	NA	NA	NA	1,794.50	[ICRA]A+ (Stable)/[ICRA]A1
INE804IA7022	Retail non-convertible debenture	Jan 04, 2019	10.60%	Jan 04, 2029	195.26	[ICRA]A+ (Stable)
INE804IA7014	Retail non-convertible debenture	Jan 04, 2019	10.15%	Jan 04, 2029	111.10	[ICRA]A+ (Stable)
INE804I075Y4	Retail non-convertible debenture	Aug 06, 2018	9.25%	Aug 06, 2023	82.20	[ICRA]A+ (Stable)
INE804I076Y2	Retail non-convertible debenture	Aug 06, 2018	0.00%	Aug 06, 2023	44.33	[ICRA]A+ (Stable)
INE804I077Y0	Retail non-convertible debenture	Aug 06, 2018	9.65%	Aug 06, 2023	266.11	[ICRA]A+ (Stable)
INE804I078Y8	Retail non-convertible debenture	Aug 06, 2018	9.43%	Aug 06, 2028	59.13	[ICRA]A+ (Stable)
INE804I079Y6	Retail non-convertible debenture	Aug 06, 2018	9.85%	Aug 06, 2028	272.13	[ICRA]A+ (Stable)
INE804I077Z7	Retail non-convertible debenture	Jan 04, 2019	9.95%	Jan 04, 2024	122.09	[ICRA]A+ (Stable)
INE804I078Z5	Retail non-convertible debenture	Jan 04, 2019	10.40%	Jan 04, 2024	179.11	[ICRA]A+ (Stable)
INE804I079Z3	Retail non-convertible debenture	Jan 04, 2019	Zero Coupon	Jan 04, 2024	58.84	[ICRA]A+ (Stable)
NA	Retail non-convertible debentures – Yet to be issued	NA	NA	NA	8.58	[ICRA]A+ (Stable); withdrawn
INE804I07J05	Non-convertible debenture	Jan 19, 2016	9.60%	Jan 13, 2026	0.80	[ICRA]A+ (Stable)
INE804I07H64	Non-convertible debenture	Dec 23, 2015	9.60%	Dec 19, 2025	1.00	[ICRA]A+ (Stable)
INE804I07E00	Non-convertible debenture	Sep 18, 2015	9.75%	Sep 12, 2025	7.00	[ICRA]A+ (Stable)
INE804I08684	Non-convertible debenture	May 03, 2016	9.50%	Apr 28, 2026	11.00	[ICRA]A+ (Stable)
INE804I07C93	Non-convertible debenture	Aug 17, 2015	9.75%	Aug 14, 2025	3.00	[ICRA]A+ (Stable)
INE804I07YF6	Non-convertible debenture	Dec 01, 2014	10.50%	Dec 01, 2024	10.00	[ICRA]A+ (Stable)
INE804I07YP5	Non-convertible debenture	Dec 24, 2014	10.40%	Dec 24, 2024	10.00	[ICRA]A+ (Stable)
INE804I07ZE6	Non-convertible debenture	Feb 16, 2015	10.10%	Feb 14, 2025	5.00	[ICRA]A+ (Stable)
INE804I07ZT4	Non-convertible debenture	Mar 28, 2015	10.20%	Mar 28, 2025	10.00	[ICRA]A+ (Stable)
INE804I07ZY4	Non-convertible debenture	Apr 21, 2015	10.00%	Apr 21, 2025	10.00	[ICRA]A+ (Stable)
INE804I07E34	Non-convertible debenture	Oct 05, 2015	10.00%	Oct 03, 2025	20.00	[ICRA]A+ (Stable)
INE804I07E42	Non-convertible debenture	Oct 06, 2015	9.80%	Oct 06, 2025	12.50	[ICRA]A+ (Stable)
INE804I07E59	Non-convertible debenture	Oct 12, 2015	9.18%	Oct 10, 2025	300.00	[ICRA]A+ (Stable)
INE804I07H49	Non-convertible debenture	Dec 22, 2015	9.81%	Dec 22, 2025	25.00	[ICRA]A+ (Stable)
INE804I07032	Non-convertible debenture	Mar 18, 2016	9.65%	Mar 18, 2026	25.00	[ICRA]A+ (Stable)
INE804I07V09	Non-convertible debenture	May 11, 2016	9.60%	May 11, 2026	10.00	[ICRA]A+ (Stable)
INE804I07V82	Non-convertible debenture	May 20, 2016	9.61%	May 20, 2026	10.00	[ICRA]A+ (Stable)
INE804I07X49	Non-convertible debenture	Jun 07, 2016	9.60%	Jun 05, 2026	22.50	[ICRA]A+ (Stable)
INE804I078Q4	Non-convertible debenture	Mar 06, 2017	9.00%	Mar 05, 2027	500.00	[ICRA]A+ (Stable)
INE804I077P8	Non-convertible debenture	Jan 09, 2017	9.00%	Jan 09, 2024	50.00	[ICRA]A+ (Stable)
NA	Non-convertible debenture – Yet to be issued	NA	NA	NA	1,245.77	[ICRA]A+ (Stable)
INE804IA7048	Long-term market linked debentures	Apr 05, 2019	Nifty 50 Index	Oct 04, 2022	24.12	PP-MLD[ICRA]A+ (Stable); withdrawn
INE804I08825	Long-term principal protected market linked debenture programme (unsecured and subordinated)	Aug 10, 2017	Nifty 50 Index	Aug 18, 2023	62.82	PP-MLD[ICRA]A+ (Stable)
INE804I08825	Long-term principal protected market linked debenture programme (unsecured and subordinated)	Aug 11, 2017	Nifty 50 Index	Aug 18, 2023	53.20	PP-MLD[ICRA]A+ (Stable)
INE804I08825	Long-term principal protected market linked debenture programme (unsecured and subordinated)	Oct 24, 2017	Nifty 50 Index	Aug 18, 2023	2.16	PP-MLD[ICRA]A+ (Stable)
INE804I08825	Long-term principal protected market linked debenture programme (unsecured and subordinated)	Nov 06, 2017	Nifty 50 Index	Aug 18, 2023	1.93	PP-MLD[ICRA]A+ (Stable)
INE804I08643	Sub debt	Feb 04, 2015	11.25%	May 03, 2025	300.00	[ICRA]A+ (Stable)
INE804I08668	Sub debt	Sep 03, 2015	10.62%	Sep 03, 2025	10.00	[ICRA]A+ (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE804I08676	Sub debt	Sep 30, 2015	10.60%	Sep 30, 2025	10.00	[ICRA]A+ (Stable)
INE804I08692	Sub debt	Jun 16, 2016	10.15%	Jun 16, 2026	250.00	[ICRA]A+ (Stable)
INE804I08833	Sub debt	Sep 12, 2017	9.25%	Sep 15, 2027	20.00	[ICRA]A+ (Stable)
INE804I08841	Sub debt	Oct 06, 2017	9.25%	Oct 06, 2027	100.00	[ICRA]A+ (Stable)

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis*

Edelweiss Financial Services Limited	Edelweiss Group Ownership	Consolidation Approach
Subsidiaries:		
ECL Finance Limited	100.00%	ICRA has taken a consolidated view of the parent and its subsidiaries
Edelcap Securities Limited	100.00%	
Edelweiss Asset Management Limited	100.00%	
ECap Equities Limited	100.00%	
Edelweiss Trusteeship Company Limited	100.00%	
Edelweiss Housing Finance Limited	100.00%	
Edelweiss Investment Adviser Limited	100.00%	
Edel Land Limited	100.00%	
Edel Investments Limited	100.00%	
Edelweiss Rural & Corporate Services Limited	100.00%	
Comtrade Commodities Services Limited	100.00%	
Edel Finance Company Limited	100.00%	
Edelweiss Retail Finance Limited	100.00%	
Edelweiss Multi Strategy Fund Advisors LLP	100.00%	
Edelweiss Resolution Advisors LLP	100.00%	
Edelweiss Securities and Investment Private Limited	100.00%	
EC International Limited	100.00%	
EAAA LLC	100.00%	
Edelweiss Alternative Asset Advisors Pte. Limited	100.00%	
Edelweiss International (Singapore) Pte. Limited	100.00%	
Edelgive Foundation	100.00%	
Edelweiss Alternative Asset Advisors Limited	99.05%	
Edelweiss Private Equity Tech Fund	95.60%	
Edelweiss Value and Growth Fund	70.05%	
Edelweiss Asset Reconstruction Company Limited	59.82%	
EW Special Opportunities Advisors LLC	67.00%	
Allium Finance Private Limited	85.00%	
Edelweiss Global Wealth Management Limited	100.00%	
Edelweiss Capital Services Limited	51.00%	
India Credit Investments Fund - II	100.00%	
Edelweiss Real Assets Managers Limited	100.00%	
Sekura India Management Limited	100.00%	

Source: Edelweiss Financial Services Limited, * as on June 23, 2023

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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ICRA Limited



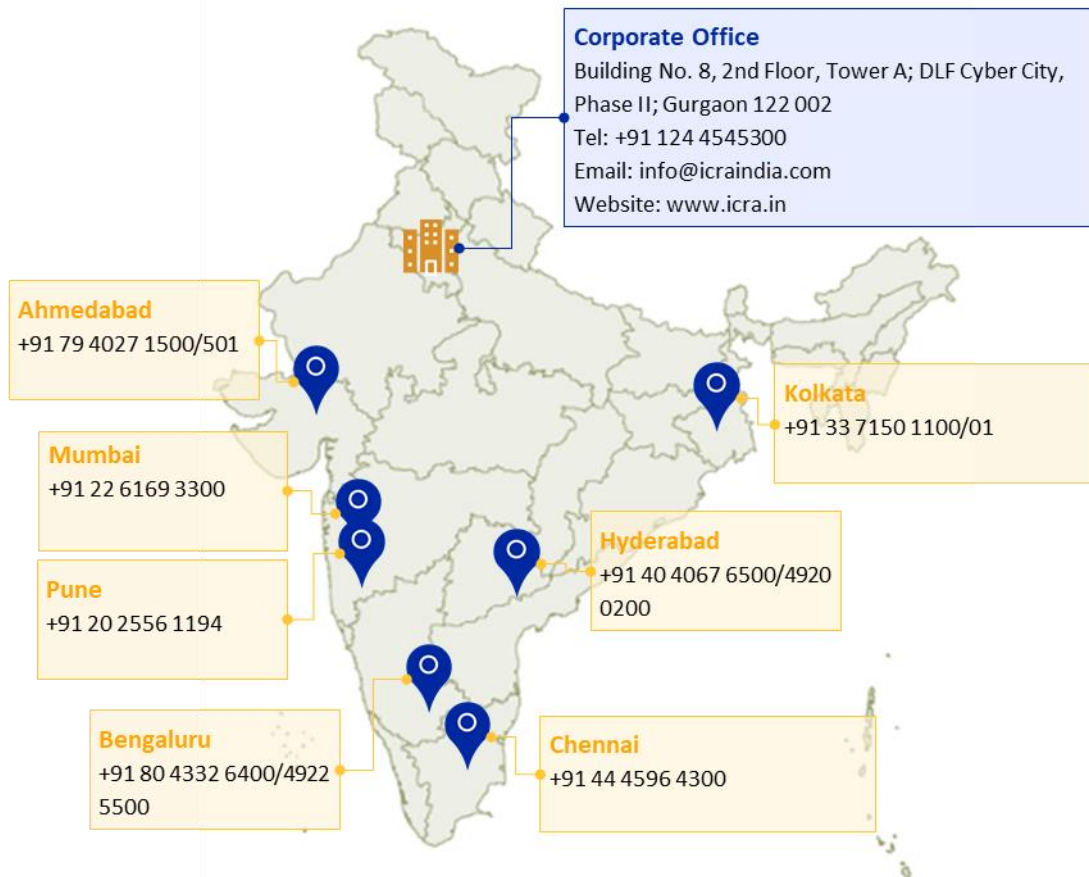
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