

November 09, 2020

## Edelweiss Custodial Services Limited: Update on order against the company

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term/Short-term Non-fund Based Bank Lines	1,984.00	1,984.00	[ICRA]A+(Negative)/[ICRA]A1; outstanding
<b>Total</b>	<b>1,984.00</b>	<b>1,984.00</b>	

\* Instrument details are provided in Annexure-1

### Rationale

Edelweiss Financial Services Limited (EFSL) has disclosed in its Q2 FY2021 quarterly earnings results that its subsidiary, Edelweiss Custodial Services Limited (ECdSL or the company), has challenged an order by an investigating agency, marking lien on its clearing account, before the 47th Additional Chief Metropolitan Magistrate Court, Mumbai. As per EFSL's disclosure, the said investigative agency contended that it had no objection to setting aside the lien order as mentioned above, upon ECdSL providing an undertaking to keep sufficient assets unencumbered as the investigation against the trading member (for which ECdSL was a clearing member) is still in the initial stage. ECdSL has since provided this undertaking to keep the assets valued at Rs. 460.32 crore (belonging to the Edelweiss Group and comprising immovable property and bonds) unencumbered and the said lien order has been set aside. ICRA notes that Edelweiss Rural & Corporate Services Limited (ERCSL; rated [ICRA]A+ (Negative)) and ECap Equities Limited (ECap; rated PP-MLD [ICRA]A+ (Negative)) have given an undertaking to keep assets amounting to Rs. 251.95 crore and Rs. 33 crore, respectively, unencumbered while the rest has been provided by other subsidiaries of the Edelweiss Group.

EFSL also indicated that National Clearing Limited (NCL), vide its order dated October 20, 2020, has directed ECdSL to adhere to the instructions of the National Stock Exchange (NSE)/NCL to appropriately reinstate the securities wherever the trading member's clients had a credit balance, but the securities had got liquidated. ECdSL has challenged the said order of NCL before the Securities Appellate Tribunal (SAT). On November 05, 2020, SAT directed ECdSL (appellant) to give an undertaking before NCL (respondent) stating therein that ECdSL will deposit a sum of Rs. 212 crore or such amount as directed by SAT within two weeks of such order passed by SAT at the time of final disposal of the appeal. ECdSL will submit this undertaking within a week from November 05, 2020. SAT hearing for final disposal is set for December 23, 2020.

Given the Group's liquidity position as of October 31, 2020 (on-balance sheet liquidity of Rs. 3,350 crore and undrawn bank lines of Rs. 400 crore), the impact of the undertaking or devolvement of such liability on the Group is expected to be limited over the near-term. ICRA however would continue to monitor the developments for possible risks, including operations and reputational, if any, and take appropriate action when required.

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.

The ratings take into account the Group's demonstrated track record and established position in the financial services industry as well as its diversified business profile. While the credit businesses have emerged as key business segments, the Group continues to have a healthy stream of fee & advisory income. However, these positives are partially offset by the credit and concentration risks in the Group's wholesale lending segments and the risks associated with the distressed assets business, given the focus on large ticket exposures. The Group has witnessed a weakening in its asset quality, driven by the build-up of stress in the wholesale book. Its gross non-performing assets (GNPAs), as per the Reserve Bank of India's (RBI) prudential norms, increased to 5.32% of total advances as of March 31, 2020 (5.46% as of September 30, 2020) from 1.87% as of March 31, 2019. The Group has actively looked at the divestment of stressed/potentially stressed assets to asset reconstruction companies (ARCs), to leverage the resolution capabilities of ARCs, as well as to alternative investment funds (AIFs); adjusting for this, the GNPA level would be higher. Thus, the stage 3 assets/loans at amortised costs witnessed a sizeable deterioration to 26.93% as of March 31, 2020 from 4.74% as of March 31, 2019 as the security receipts (SRs) held by the Group, for the assets sold to ARCs/AIFs, continue to be recognised as loans in the consolidated book. An increase in provisions owing to the dip in the asset quality as well as a revision in the expected credit loss (ECL) framework resulted in a significant increase in the credit costs during the year<sup>1</sup>. This, in turn, had an adverse impact on the profitability, with the Group posting a net loss of Rs. 2,045 crore on a consolidated basis (post minority interest) in FY2020 compared to a profit after tax of Rs. 995 crore in FY2019. The Group posted a net loss of ~Rs. 294 crore in H1 FY2021.

ICRA expects the profitability to remain under pressure in the current fiscal as well. Moreover, due to the Covid-19 pandemic and the RBI's moratorium relief package, the collection efficiency risk for the Group has exacerbated. Thus, its ability to maintain healthy collections in the next few quarters, post the expiry of the RBI's moratorium period, would remain a key monitorable. The Group is actively pursuing various alternatives for resolving potential stress and managing the portfolio. 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 takes into account the continued funding challenges, as witnessed by the reduced fund raising by the Group, and the widening credit spreads. However, post May 2020, the Group has seen some traction and it raised Rs. 6,113 crore during April to September 2020. The Group's overall gross leverage levels have been high, compared to peers, due to the sharp growth in the portfolio during FY2017 to FY2019. However, its demonstrated ability to raise equity by way of a qualified institutional placement (QIP) in November 2017 and funds through compulsory convertible debentures (CCDs) and compulsory convertible preference shares (CCPs) at the subsidiary level in FY2020 amounting to Rs. 1,334 crore and more recently through the divestment of a 51% stake in the wealth management business to PAGAC Ecstasy Pte. Ltd. for approximately Rs. 2,200 crore (subject to regulatory approval), provides some comfort.

ICRA notes that the Group has been trying to simplify its complex structure with multiple cross holdings, which result in sizeable related-party transactions. The Group has now reorganised its structure into six verticals namely 1) Corporate Credit, 2) Retail Credit, 3) Wealth Management, 4) Asset Management, 5) Life Insurance, and 6)

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<sup>1</sup> The Group undertook an asset quality review exercise in Q4 FY2020 whereby it revisited the ECL model to factor in the liquidity stress of its borrowers as well as other environmental changes, which resulted in higher credit costs

General Insurance. These businesses would be held and supported by the corporate vertical, which would house the holding company, the core investment company (CIC), the balance sheet management business unit and some other functions. Furthermore, the Group has brought a strategic (a minority shareholder) partner on board at the credit, wealth management, asset reconstruction company (in asset management) and life insurance verticals. It is also in the process of identifying strategic investors for its asset management and general insurance businesses. 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, as indicated by the management, the liquidity maintained at the corporate level would continue to see free inflow/outflow across the Group.

ICRA also notes that three of the Group's entities, namely ECL Finance Limited, Edelweiss Retail Finance Limited and Edelweiss Housing Finance Limited, had applied for a moratorium for some of their bank loans, under the Covid-19 relief package announced by the RBI, amounting to Rs. 795 crore. The Group has also offered a moratorium to its customers and ~25% of the retail book and ~50% of the wholesale book were under moratorium as of August end 2020. The Group's ability to recover collections, post moratorium, is critical with respect to the asset quality as well as the profitability.

The Group's ability to maintain a healthy asset quality, given the increased risk profile of the wholesale book, keep its credit costs under control and improve its profitability remains critical from a credit perspective going forward. Furthermore, its ability to raise and diversify its borrowings and maintain a comfortable liquidity profile would be a credit-sensitive factor. The outlook on the long-term rating is Negative on account of the heightened risk profile of the wholesale lending business, coupled with the challenging operating environment, which could continue to exert pressure on the asset quality and profitability over the near to medium term.

## 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), and life insurance (FY2012). The net interest income has emerged as one of the key revenue drivers, accounting for 23% of the operating income in FY2020. The Group also has the advantage of a healthy and consistent fee and advisory income of Rs. 2,099 crore, which accounted for 36% of its operating income in FY2020.

**Strong presence in investment banking and institutional equity broking, asset and wealth management, and asset reconstruction** – 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. 42,400 crore as on September 30, 2020, up from Rs. 9,245 crore as on March 31, 2014. The Group remains one of the larger players in the broking, investment banking and institutional equity businesses. The other capital market related businesses include proprietary trading and investments and wealth and asset management. The Group offers wealth management advisory services to its high net worth clients with assets under advice of ~Rs. 1,33,200 crore as on September 30, 2020 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 management, alternative assets) stood at ~Rs. 73,500 crore as of September 30, 2020 compared to Rs. 50,800 crore as on March 31, 2020.

## Credit challenges

**Deterioration in asset quality** – The Group’s loan book remains vulnerable to credit risks, given its high concentration in wholesale lending (45% of the total portfolio), which is inherently risky in nature. The ongoing stress and funding challenges in the underlying borrower segments (real estate and structured debt), coupled with the gradual seasoning of the book with the completion of the scheduled moratorium period, have resulted in an increase in slippages. The Group has actively looked at the divestment of stressed/potentially stressed assets to ARCs to leverage the resolution capabilities of ARCs; adjusting for this, the GNPA level would be higher. Thus, the stage 3 assets to loans at amortised cost ratio witnessed a sizeable deterioration to 26.93% as of March 31, 2020 from 4.74% as of March 31, 2019 as the SRs held by the Group, for the assets sold to ARCs/AIFs, continue to be recognised as loans in the consolidated book. The Group’s reported GNPA (as per the RBI’s prudential norm) increased to 5.32% of total advances as of March 31, 2020 from 1.87% as of March 31, 2019. As of September 30, 2020, the Group’s GNPA (as per the RBI’s prudential norm) stood at 5.46%. The Group has also offered a moratorium to its customers and ~25% of the retail book and ~50% of the wholesale book were under moratorium as of August end 2020. The Group’s ability to recover collections, post moratorium, is critical with respect to its asset quality as well as profitability. Given the challenging external environment and the declining loan book, the profitability level is expected to remain subdued over the near term. The Group’s ability to maintain a healthy asset quality and keep the credit costs under control remains critical.

The Group, as its stated strategy, is endeavouring to transition its credit portfolio predominantly to retail and significantly reduce its wholesale exposures. It expects a retail to corporate credit mix of 75:25 over the next two years. It has also decided to reduce its exposure to the wholesale book through sell-downs and securitisation of other eligible loans which is expected to free up capital. 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. ICRA, however, 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.

**Ability to maintain ALM, given resource mobilisation constraints, remains critical; relatively high gearing** – At the consolidated level, the Group had total borrowings of Rs. 34,042 crore (including accrued interest) as on June 30, 2020 and Rs. 33,758 crore as of September 30, 2020. It has a diversified resource profile and has been exploring alternative sources of funding over the past few quarters. The funding challenges are expected to persist over the near to medium term, given the operating environment and the risk-averse sentiment of investors towards non-banks, particularly wholesale-oriented entities. Thus, the Group’s ability to mobilise resources at adequate rates is expected to remain constrained over the near to medium term. 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. However, post May 2020, the Group has seen some traction and it raised Rs. 6,113 crore of funds during April to September 2020. This includes Rs. 1,000 crore pertaining to Edelweiss Wealth Management’s equity bridge financing. The share of commercial paper reduced to 1% of the Group’s total borrowings as of March 31, 2020 from 14% as of March 31, 2018. The Group’s ability to maintain healthy collections and ensure a comfortable asset-liability matching (ALM) profile, in future, would be a key rating monitorable.

While the Group's gross gearing (reported net worth and minority interest excluding insurance net worth) improved on a consolidated basis to 5.44 x as on September 30, 2020 (5.53x as on June 30, 2020) from 5.79x as on March 31, 2020, it remains higher than peers. The Group, nevertheless, has a demonstrated track record of raising capital at regular intervals, which provides some comfort. Since the onset of the liquidity crisis in September 2018, the Group has raised an aggregate ~Rs. 1,334 crore of capital in three tranches for its credit and advisory business. The capital raised in the form of CCDs and CCPs 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 4.30x as of September 30, 2020<sup>2</sup> (4.37x as of June 30, 2020). The capital raise provides some cushion to absorb losses, if any, on the stressed book.

**Subdued profitability levels; ability to realign business with core strategy and ensure healthy profitability remains critical** – Over the years, the Group has ventured into various businesses to diversify its revenue profile and reduce its dependence on capital markets. The costs associated with incubating new businesses and the attendant costs in the early stage of some of these ventures affected the Group's overall profitability levels. The Group witnessed a significant increase in credit costs in FY2020 with the deterioration in the asset quality as well as increased provisioning. This, coupled with an increase in the cost of funds, led to further contraction in the profitability level with the Group reporting a net loss of Rs. 2,045 crore in FY2020 compared to a profit after tax of Rs. 995 crore in FY2019. In H1 FY2021, the Group continued to post a loss of ~Rs. 294 crore. ICRA expects the Group's profitability to remain subdued over the near term due to the declining loan book and the challenging external environment.

**Limited seasoning of 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 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 also result in volatility in cash flows. The Group, however, has resolved certain large ticket assets in the recent past, with recoveries of Rs. 11,257 crore in FY2020 (up from Rs. 7,019 crore in FY2019). The recoveries were Rs. 470 crore in Q1 FY2021 and Rs. 965 crore in Q2 FY2021. Given the lumpy nature of these assets, the inability to achieve resolution as per expectations, in terms of the amount recovered as well as 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. The upfront capital requirement, however, 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 cyclicality 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.

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<sup>2</sup> Adjusted gearing calculated as reported net worth including CCDs and CCPs, excluding insurance net worth, divided by borrowings minus CCDs and CCPs

## Liquidity position: Adequate

The Group's liquidity is adequate. As per the information provided by the Group, it had on-balance sheet liquidity of Rs. 3,350 crore and undrawn bank lines of Rs. 400 crore as of October 31, 2020. It has repayment obligations of Rs. 5,420 crore from November 01, 2020 till April 30, 2021 and Rs. 10,156 crore from November 01, 2020 till October 31, 2021. Three of its entities, namely ECL Finance Limited, Edelweiss Retail Finance Limited and Edelweiss Housing Finance Limited, had also applied for a moratorium for some of their bank loans, under the RBI's Covid-19 relief package, amounting to Rs. 795 crore. As of October 31, 2020, the Group also had other assets like short-term treasury assets of Rs. 1,300 crore that can be liquidated at a relatively short notice. The Group also had a short-term loan book of Rs. 1,250 crore as of October 31, 2020.

## Rating sensitivities

**Positive triggers** – 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 triggers** – The ratings could be revised if the asset quality remains weak, thereby resulting in a subdued profitability level (RoA of below 1%) 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). An increase in the gearing levels (reported borrowings/net worth excluding insurance) to more than 6x on a consolidated basis could also have a bearing on the ratings.

## Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">ICRA's Credit Rating Methodology for Brokerage Houses</a>
Parent/Group Support	For arriving at the ratings, 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.
Consolidation Approach	ICRA has considered the consolidated financials of EFSL. Please refer to Annexure 2 to view the list of companies considered for consolidation.

## About the company

Edelweiss Custodial Services Limited (ECdSL) operates as a custodian & designated depository participant (DDP) and a professional clearing member (PCM) registered with the Securities and Exchange Board of India (SEBI). Incorporated in 2008, ECdSL is engaged in the business of providing securities custody and clearing services to domestic and foreign investors. The range of clients serviced includes foreign institutional investors (FIIs), foreign portfolio investors (FPIs), domestic alternative investment funds (AIFs) and domestic body corporates. The company reported a net profit of Rs. 145.19 crore on a total income of Rs. 385.91 crore in FY2020 compared to a net profit of Rs. 79.65 crore on a total income of Rs. 261.68 crore in FY2019. It had a net worth of Rs. 226.88 crore and total assets of Rs. 2,874.33 crore as on March 31, 2020 compared to Rs. 101.09 crore and Rs. 2,698.05 crore, respectively, as of March 31, 2019.

### 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, commodity financing, 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 (Ind-AS; consolidated for EFSL)

	FY2019	FY2020
Total Income (gross)	11,161	9,603
Profit after Tax	995	(2,045)
Net Worth*	8,715	7,207
Loan Book**	36,130	21,032
Total Assets	64,154	54,280
Return on Average Assets <sup>@</sup>	1.64%	(3.45%)
Return on Average Equity <sup>@</sup>	12.63%	(25.67%)
Gross NPA	1.87%	5.32%
Net NPA	0.83%	4.11%
Stage 3 Assets/Loans at Amortised Cost	4.74%	26.93%
Capital Adequacy Ratio	18%	21%
Gearing <sup>§</sup> (times)	5.30 <sup>#</sup>	5.09

Source: Company, ICRA research; \*Net worth includes minority interest and insurance; \*\* Excludes distressed credit book; <sup>@</sup> Based on net profit attributable to owners and minority interest; <sup>§</sup> Gearing = Reported net worth/borrowings (includes accrued interest + CCDs + CCPs)  
Amount in Rs. crore

### Status of non-cooperation with previous CRA: Not applicable

### Any other information: None

### Rating history for last three years

Instrument	Rating (FY2021)				Rating History for the Past 3 Years								
	Type	Amount Rated	Amount Outstanding	Current Rating	Earlier Rating		FY2020		FY2019		FY2018		
				Nov-09-2020	Oct-19-2020	May-05-2020	Jun-25-2019	Apr-05-2019	Jul-16-2018	Jun-20-2018	Mar-21-2018	Dec-22-2017	Jun-21-2017
Long-term/Short-term Non-fund Based Bank Lines	Long/Short Term	1,984	1,095	[ICRA]A+ (Negative)/ [ICRA]A1; outstanding	[ICRA]A+ (Negative)/ [ICRA]A1	[ICRA]A+ (Negative)/ [ICRA]A1	[ICRA]AA- (Negative)/ [ICRA]A1+	[ICRA]AA (Negative)/ [ICRA]A1+	[ICRA]AA (Stable)/ [ICRA]A1+	[ICRA]AA (Stable)/ [ICRA]A1+	[ICRA]AA (Stable)/ [ICRA]A1+	[ICR]A]A1 +	[ICR]A]A1 +

### Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website [www.icra.in](http://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
-	Long term/Short-term Non-fund Based Bank Lines – Allocated	NA	NA	NA	1,984.00	[ICRA]A+(Negative)/[ICRA]A1

Source: Edelweiss Custodial Services Limited

## Annexure-2: List of entities considered for consolidated analysis

The subsidiaries considered in the consolidated financial statements as of March 31, 2020:

Company Name	Ownership	Consolidation Approach
<b>Subsidiaries</b>		
Edelweiss Securities Limited	100.00%	Full Consolidation
Edelweiss Finance & Investments Limited	100.00%	Full Consolidation
ECL Finance Limited	100.00%	Full Consolidation
Edelweiss Global Wealth Management Limited	100.00%	Full Consolidation
Edelweiss Gallagher Insurance Brokers Limited (Formerly known as Edelweiss Insurance Brokers Limited)	74.00%	Full Consolidation
Edelcap Securities Limited	100.00%	Full Consolidation
Edelweiss Asset Management Limited	100.00%	Full Consolidation
ECap Equities Limited	100.00%	Full Consolidation
Edelweiss Broking Limited	100.00%	Full Consolidation
Edelweiss Trusteeship Company Limited	100.00%	Full Consolidation
Edelweiss Housing Finance Limited	100.00%	Full Consolidation
Edelweiss Investment Adviser Limited	100.00%	Full Consolidation
EC Commodity Limited	100.00%	Full Consolidation
Edel Land Limited	100.00%	Full Consolidation
Edelweiss Custodial Services Limited	100.00%	Full Consolidation
Edel Investments Limited	100.00%	Full Consolidation
Edelweiss Rural & Corporate Services Limited	100.00%	Full Consolidation
Edelweiss Comtrade Limited	100.00%	Full Consolidation
Edel Finance Company Limited	100.00%	Full Consolidation
Edelweiss Retail Finance Limited	100.00%	Full Consolidation
Edelweiss Multi Strategy Fund Advisors LLP	100.00%	Full Consolidation
Edelweiss Resolution Advisors LLP	100.00%	Full Consolidation
Edelweiss General Insurance Company Limited	100.00%	Full Consolidation
Edelweiss Finvest Private Limited	100.00%	Full Consolidation
Edelweiss Securities (IFSC) Limited	100.00%	Full Consolidation
Edelweiss Securities and Investment Private Limited	100.00%	Full Consolidation
Edelweiss Securities (Hong Kong) Private Limited	100.00%	Full Consolidation
EC Global Limited	100.00%	Full Consolidation
EC International Limited	100.00%	Full Consolidation
EAAA LLC	100.00%	Full Consolidation

<b>Company Name</b>	<b>Ownership</b>	<b>Consolidation Approach</b>
Edelweiss Capital (Singapore) Pte. Limited	100.00%	Full Consolidation
Edelweiss Alternative Asset Advisors Pte. Limited	100.00%	Full Consolidation
Edelweiss International (Singapore) Pte. Limited	100.00%	Full Consolidation
Edelweiss Investment Advisors Private Limited	100.00%	Full Consolidation
Aster Commodities DMCC	100.00%	Full Consolidation
Edelweiss Financial Services (UK) Limited	100.00%	Full Consolidation
Edelweiss Financial Services Inc.	100.00%	Full Consolidation
Edelweiss Alternative Asset Advisors Limited	95.00%	Full Consolidation
Edelgive Foundation	100.00%	Full Consolidation
Lichen Metals Private Limited	100.00%	Full Consolidation
Edelweiss Private Equity Tech Fund	88.90%	Full Consolidation
Edelweiss Value and Growth Fund	88.90%	Full Consolidation
Edelweiss Asset Reconstruction Company Limited	74.80%	Full Consolidation
EW Special Opportunities Advisors LLC	67.00%	Full Consolidation
Edelweiss Tokio Life Insurance Company Limited	51.00%	Full Consolidation
Allium Finance Private Limited	70.00%	Full Consolidation
ESL Securities Limited	100.00%	Full Consolidation

Source: Edelweiss Financial Services Limited

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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.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit [www.icra.in](http://www.icra.in)

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