ECL Finance Limited (Revised)

May 16,2023

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	5,686.66 (reduced from 12,686.66)	CARE A+; Negative	Reaffirmed
Subordinate debt	380.00	CARE A+; Negative	Reaffirmed
Subordinate debt	45.00	CARE A+; Negative	Revised from CARE D and simultaneously revised to CARE A+; Negative
Subordinate debt	455.00	CARE A+; Negative	Reaffirmed
Market Linked Debentures	95.00	CARE PP-MLD A+; Negative	Reaffirmed
Non-Convertible Debentures	313.50	CARE A+; Negative	Reaffirmed
Non-Convertible Debentures	1,753.40 (reduced from 1,808.00) $	CARE A+; Negative	Reaffirmed
Non-Convertible Debentures	1,104.00	CARE A+; Negative	Reaffirmed
Commercial Paper	1,500.00	CARE A1+	Reaffirmed
Commercial Paper	2,500.00	CARE A1+	Reaffirmed

Details of instruments/facilities in Annexure-1. $-on account of redemption

Detailed rationale and key rating drivers

CARE Ratings Ltd (CARE Ratings) has taken a consolidated view of Edelweiss Financial Services Ltd (EFSL) for rating of various debt instruments of EFSL and its subsidiaries.

The revision in the rating assigned to one of the debt instruments of ECL Finance Ltd (ECLF), Rs.45 crore of Sub-ordinated debt (ISIN: INE804I08726) from 'CARE A+; Negative' to 'CARE D' and simultaneous revision to 'CARE A+; Negative', is account of delay in the interest payment in respect of 18 investors out of 418 investors. The interest payment of Rs. 406.48 lakhs was due on May 08,2023 to 418 investors. The company paid Rs. 396.77 lakhs to 400 investors on due date i.e., May 08,2023, however, the interest of Rs. 9.71 lakh to 18 investors was paid on May 09,2023. The said delay by one day was on account of a technical glitch. The technical glitch arose due to shift in the process from manual to automated bulk upload facility. In this process, there was a technical glitch leading to error in account numbers of few investors. Consequently, funds could not be transferred to these investors on the same day. However, the company had more than adequate liquidity as on May 08,2023. The unencumbered liquidity stood at Rs. 604 crore, comprising of Rs. 54 crore of cash and bank balance and Rs. 550 crore of overnight liquid mutual funds as on May 08,2023. The said delayed interest payment of Rs. 9.71 lakh translates to 0.016% of the total liquidity held by the company as on that date. It is to be noted that the above instance (technical glitch leading to non-payment in timely manner) is operational in nature and the company had more than adequate liquidity to fund the interest outflow as on due date. The same does not reflect any weakening in the credit profile of the company.

The ratings assigned to various debt instruments and bank facilities continue to derive strength from the diversified business profile of Edelweiss group resulting in income diversification across credit, asset & wealth management and insurance businesses, adequate capitalization with improvement in overall gearing in FY22 & 9MFY23 primarily due to run-down in the credit book leading to lower borrowings and demonstrated ability of the group to monetize the stake in its different businesses to shore up networth in case of need. It is to be noted that many of the businesses such as wealth management, asset management and insurance broking which were built with relatively small capital infusion and have grown in scale over the years thereby creating value and high return on capital deployed.
The rating also takes note of the strong intention of the group to monetize investments in some of its businesses going forward, in case of need. The rating also factors in the ability of the group to mobilize debt funds by way of NCDs and maintenance of

[1]Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

liquidity. The liquidity remains adequate however, there is some amount of uncertainty on inflows due to exposure to Security Receipts and AIF units.

The ratings remain constrained due to the asset quality risks in the credit business and risk associated with the distressed assets business. The Gross Stage 3 (GS3) assets and Net Stage 3 (NS3) assets on the credit business stood at 9.45% (March 31, 2022:7.12%) and 4.26% (March 31, 2022:1.71%) respectively as on December 31, 2022. As on March 31,2022, the proportion of stage 2 assets of credit business also stood relatively high at 41% as many of wholesale exposures classified as Stage 2 due to extension of moratorium or postponement of commercial operation date of the projects. Over the last three years, the group has witnessed asset quality challenges, on account of which substantial wholesale assets were sold to ARC and Alternative Investment Funds. (AIF) including Edelweiss Asset Reconstruction Company. In respect of the credit business, the outstanding security receipts book stood at 29% of the total assets as on March 31,2022 (PY: 19%). The net stressed assets of the credit business increased to 38% as on March 31,2022 as compared to 34% as on March 31,2021. However, the group has been able to recover Rs. 3,040 crore from wholesale recoveries/sell downs including security receipts book during FY22 and Rs. 2,003 crore during 9MFY23. The reduction in the security receipts book in FY22 is lesser than envisaged level mainly due to the uncertainty in the external environment. Going forward, the ability of the group to grow its retail asset under management (AUM) and improve recovery from SRs/reduce proportion of SRs in total assets will be important factors for the Group's performance including profitability. At consolidated level, NS3 stood 39.4% as on March 31,2022 (PY: 32.5%) out of which around 89% pertains to the loans sold to ARCs from the credit business.

The group raised Rs. 7,974 crore of incremental borrowings through bank loans, retail Non-Convertible Debentures (NCDs), other NCDs and commercial paper during FY22 (FY21: Rs. 8,611 crore). CARE Ratings also notes that as the focus of the company is on co-lending as against borrowing for on lending, the share of the bank loans in the incremental borrowings has declined from 19% in FY21 to 7% in FY22. As on March 31,2022, EFSL, on a consolidated basis, has a diversified borrowing profile (32% from Banks, 37% from Retail and balance from Corporate, FIs and others.)

The group has been able to report profitability in various businesses during FY22 & 9MFY23 such as asset management, asset reconstruction, credit and sold the stake in the insurance broking business which has also supported the overall profitability. The group, on a consolidated basis, reported profit after tax of Rs. 234 crore during 9MFY23 (Rs. 212 crore during FY22) as compared to Rs. 254 crore in FY21 mainly on account of fee income from its non-credit business, profit on sale of insurance broking business and lower credit impairments. The net interest income continues to remain impacted mainly on account of substantial run down in the credit book and higher proportion of the Security Receipts (SRs) held by the credit entities which are generating relatively low/negligible yields.

As stated earlier, EFSL has created value in various businesses with relatively small capital investment. Valuations of these businesses are significantly higher in relation to the capital invested and the group has demonstrated its ability and intent to monetize these assets in case of need. CARE expects the same to continue going forward.

Rating sensitivities

Positive factors – Factors that could lead to positive rating action/upgrade:

- Improvement in the consolidated profitability parameters with ROTA > 2% on a sustained basis supported by improvement in net interest income
- Sustained reduction in the stressed assets with decline in the proportion of the SRs and significant improvement in NS3 assets on a consolidated basis.

Negative factors – Factors that could lead to negative rating action/downgrade:

- Increase in the gearing levels [Debt (excluding CBLO)/ Tangible Net worth (excluding minority interest)] above 3.5x on a consolidated basis
- Inability to improve profitability on a continuous basis.
- Further deterioration in asset quality on a consolidated basis.
- Depletion in the liquidity buffer (as a % of debt) maintained by the Group

Analytical approach

Consolidated. EFSL (rated CARE A+; Negative/CARE A1+), the flagship company of the Edelweiss group, owns 100% in most of its subsidiaries and the management/line functions for these businesses is common with significant operational and financial integration among them. Accordingly, CARE has considered a consolidated view of EFSL for arriving at the rating. The list of the subsidiaries considered for consolidation is as per Annexure 6.

Outlook: Negative

The outlook has been revised to 'Negative' from 'Stable' on account of less than expected reduction in security receipts during FY22 which continues to be drag on profitability and asset quality. While the external environment, especially, real estate industry scenario witnessed improvement in the recent past, uncertainty exists with respect to quantum & timely reduction of SRs and wholesale book to the envisaged level which is likely to impact inflows. The progress of the same will be monitored for two to six quarters. The rating maybe revised downwards in case the reduction/redemption/ sell down of the wholesale book and security receipts don't materialize as envisaged along-with absence of liquidity enhancement through other means. The outlook maybe revised to stable on fruitification of the cashflows as envisaged and no further deterioration in asset quality.

Key strengths

Diversified Presence Across Various Business Segments

Edelweiss group is a diversified financial services group with presence in credit, advisory and insurance businesses. These businesses are mortgage finance, SME credit, corporate credit and asset reconstruction. The advisory businesses comprise of wealth management, asset management (Mutual funds and alternatives), capital market businesses constituting equity broking (both institutional and retail) and investment banking. Its insurance business includes both life and general insurance businesses. During 9MFY23, the group's total consolidated income was mainly derived from interest income accounting for 41% (FY22: 42%) of the total income, broking and fee-based income comprising of 18% (FY22: 20%) and insurance premium contribution which has steadily increased over the years to 21% (FY22: 23%).

Adequate Capitalisation; Improvement in Leverage

On a consolidated basis, the tangible net worth (including the compulsorily convertible debentures (CCD)) stood at Rs. 7,266 crore as on March 31, 2022 (March 2021: Rs. 7,437 crore). It is to be noted that around 56% of stake in wealth management is held by PAG, 40% stake of asset reconstruction business is held by CDP and individual investors, 25% of life insurance business is held by Tokio Marine. The group's debt level (excluding the CCD) has decreased from Rs. 27,492 crore as on March 31, 2021 to Rs. 21,766 crore mainly on account of substantial run down in the credit book. Going forward, the group envisages further decline in the borrowings and become debt free by FY26. The group's overall gearing stood at 3.0 times as on March 31,2022 (March 31,2021: 3.7 times).

The Group has demonstrated track record of raising funds at regular intervals to manage the leverage at the group level. In March 2019, the group had signed an agreement with CDPQ (Canadian Pension Fund) for investment of around Rs. 1,800 crore in the NBFC arm, ECL Finance Limited, of which of which Rs. 1,040 crore was received in May 2019 in the form of compulsorily convertible debentures. During FY20, the company announced capital infusion plans in the wealth and asset management arm of the group to the tune of Rs. 883 crore from two foreign investors namely KORA Management Limited and Sanaka Capital. Out of the said investment, Rs. 177 crore was received in November 2019 from KORA Management and the company received Rs. 117 crore from Sanaka Capital during Q3FY20 in the form of compulsorily convertible preference shares (CCPS). The stake of KORA Management and Sanaka Capital was taken over by PAG. Further, the group has a strong track record of raising and deploying managed funds, which supports its overall business profile.

Moderately diversified Resource Profile however proportion of incremental borrowing from banking is relatively low

The resource profile of the group is diversified across capital market and banks. The total borrowings have reduced by 21% as on March 31,2022 as compared to last year as the disbursements were muted during FY22. As on March 31, 2022, resource profile (excluding CBLO) is moderately diversified with NCDs / Sub debt / MLD - 70% (March 31,2021: 65%), bank loans and overdraft facilities-23% (March 31,2021: 34%) and Commercial Paper- 8% (March 31,2021: 2%) of total borrowings respectively. There was a reduction in the bank loans over the years as the group has been raising funds through the corporate entities in the form of retail and small NCD issuances.

The group raised Rs. 7,974 crore of borrowings at weighted average interest rate of 8.67% during FY22 as against Rs. 8,611 crore at a weighted average interest rate of 9.41% raised during FY21. During Q1FY23, the group raised Rs. 1,851 crore at weighted average interest rate of 8.99%. CARE Ratings also notes that as the focus of the company is on co-lending as against borrowing for on lending, the share of incremental bank borrowings has reduced from 19% in FY21 to 7% in FY22. Going forward, the ability of the group in raising resources at competitive rates would be a key rating monitorable.

Experienced Management Team

EFSL has a strong management team with a rich experience in the financial sector. The senior management team of EFSL has been quite stable over the last few years and most of the senior management has been with the company for a long tenure. It is also worthwhile to note that all the business divisions such as ARC, AMC, Alternative, Credit and Insurance verticals have strong senior management teams for the respective businesses.

Demonstrated Track Record of Monetisation of Investments in Subsidiaries
The group has demonstrated its ability to monetize its investment in subsidiaries to shore up its capitalisation level. Divestment of stake in Wealth Management business in FY21 (realized around Rs. 2,000 crore). Sale of 30% stake in insurance broking business in FY22 (realized around Rs. 400 crore). Further, in the past the group raised capital by bringing in strategic investor in Edelweiss Asset Reconstruction Company Ltd. It is to be noted that the said investment in the form of compulsorily convertible preference shares (CCPS) by the investor was converted into equity shares in Q2FY22. Going forward, CARE Ratings expect the group to monetize investments in some of its subsidiaries in case of need.

Key weaknesses

Decline in the substantial Revenue from the Capital Markets Related activities
A significant proportion of EFSL's revenue was related to capital markets-led activities, which include equity broking, investment banking, capital market related loan portfolio through wealth management business. During FY22, around 19% of the total profit after tax (pre minority interest) was generated through the 44% share (FY21:44%) in the wealth management business. However, post de-merger of the said business, profit from the wealth management business would not be available to the group. Further, as per scheme of arrangement holding of EFSL will be reduced to 14% as 30% stake will be distributed to existing shareholders of EFSL. This 14% will be retained by EFSL as a monetizable asset.

Asset Quality Challenges Remain
As on December 31,2022, The GS3 assets and NS3 assets on the credit business stood at 9.45% and 4.26% respectively. The GS3 assets and NS3 assets on the credit business stood at 7.12% % (PY:7.73%) and 1.62% (PY:4.52%) respectively as on March 31,2022.
The Gross Stressed Assets (including OTR, ECLGS) stands at 10% as on March 31,2022 (PY:13%). The overall provision coverage ratio stood at 9% as on March 31,2022 (PY:8%) and 12% as on December 31,2022. The proportion of the Gross stage 2 assets of the credit businesses has been rising over the years from 34% as on March 31,2021 to 41% as on March 31,2022 due to run down of existing book. The NS3 assets on the consolidated basis stood at 39.4% as on March 31,2022 as compared to 32.5% as on March 31,2021. The said increase was on account of increase in the loans pertaining to security receipts of the credit entities. There has been an increase in the security receipts book of the credit business over the years wherein the timeline for inflows is uncertain given the nature of the assets, however, the group has been able to recover Rs. 200 crore in FY21, Rs. 570 crore in FY22 and Rs. 932 crore in H1FY23. The group is in discussion with various investors for sell down of these security receipts which is expected to result in further inflows in the near term. CARE Ratings notes that the cashflow plan of the said inflows as envisaged by the company from the security receipts would be a key rating monitorable.

Wholesale Assets Exposure to Vulnerable Sector Continues
As on December 31, 2022, wholesale loans comprised 54% of the credit loan portfolio (March 2022: 45%) while retail loans constituted the rest. Wholesale loans included the real estate financing and the structured collateralised credit book with real estate financing accounting for 43% of the total credit book as on December 31,2022 (March 2022: 36%). The wholesale loans as on December 31, 2022 stood at Rs. 4432 crore. As on December 31, 2022, the real estate book has high ticket concentration and higher proportion of the book under principal moratorium. This is expected to impact the liquidity in the short to medium term as even though the external environment has improved for the real estate sector, the timeline for resolution and sell downs of these assets would lead to impact on the liquidity. The in-house team of the group undertakes periodical monitoring of each project and decides appropriate strategy to speed up recovery from these assets through various means.
The concentration risk in the wholesale book remains, although it has slightly reduced from FY21. The top 10 wholesale exposures account 38% of the total loan book and 29% of tangible net worth as on March 31, 2022. The concentration is expected to remain high as large portion of the wholesale assets are still under moratorium. However, the group has plans for generating inflows through regular payments and sell down of the wholesale assets through deals with various private investors which would lead to further reduction in the wholesale book.

Risk Associated with Distressed Assets Business
As on March 31, 2022, AUM of the Edelweiss Asset Reconstruction Company (EARC) stood at Rs. 40,251 crore (March 2021: Rs. 40,766 crore). Till March 31, 2022 the ARC has redeemed Rs. 25545 crore of SRs which account for ~39% of the issued SRs and had gross cash inflows of Rs. 6,903 crore in FY22 (FY21: Rs. 5,432 crore. Going forward, the focus of the company would be on towards retail assets. Edelweiss ARC reported a Profit after tax (PAT) of Rs. 253 crore in FY22 (FY21: Rs. 186 crore).
The ARC business has demonstrated growth over the past few years with steady recoveries and profitability, the inherent high riskiness of the business leads to uncertainty and credit risk. Furthermore, the group has acquired a large portfolio of distressed

assets in the past few years and the resolution in such cases needs to be seen. The implementation of Insolvency and Bankruptcy Code (IBC) has improved the pace of resolution.

Moderate profitability

During FY22, EFSL reported Profit After Tax (PAT) of Rs. 212 crore (PY21: 254 crore) primarily due to stake sale in the insurance broking business and lower provisions. Excluding the insurance business, the profit after tax stood at Rs. 523 crore in FY22 (FY21: Rs. 552 crore The Net Interest Income (NII) continues to remain impacted considering EFSL sold a large proportion of its loan portfolio which led to formation of SRs which are generating less income. Additionally, the credit advances declined by a significant 20% Y-o-Y as on March 31, 2022 leading to a decrease in interest income.

The credit business reported negative net interest income mainly on account of higher proportion of non-interest generating assets during FY22. Due to the write backs in provisions in ECL Finance Ltd, the credit businesses reported profits.

During 9MFY23, on consolidated basis, the group reported PAT Rs. 234 crore on total income of Rs. 5535 crore as compared to PAT of Rs. 167 crore on total income of Rs. 5390 crore during 9MFY22. The total income rose mainly on account of higher net gain on fair value changes. The increase in the PAT is also attributed to reduction in the employee costs by 20% and lower interest expense due to reduction in the borrowings.

The group has increased disbursements since August 2021 and has tie-ups with various banks for co-lending arrangements which will aid the improvement in fee income by keeping growth asset-light and capital light.

Overall, improvement in income is expected to be gradual as the company scales up its retail credit portfolio and builds co-lending partnerships with various banks.

Liquidity: Adequate

The liquidity of the group remains adequate. As on March 31,2023, the group (excluding wealth management business) has liquidity to the tune of Rs. 2,670 crore comprising of overnight liquidable assets of Rs. 2,066 crore, treasury assets of Rs. 453 crore, available bank lines of Rs. 131 crore and short term loan book of Rs. 20 crore. However, the uncertainty exists on timeliness of inflows due to exposure to relatively weaker asset profile in its wholesale credit book.

As on May 08,2023, ECLF held unencumbered liquidity to the tune of Rs. 604 crore, comprising of Rs. 54 crore of cash and bank balance and Rs. 550 crore of overnight liquid mutual funds.

Applicable criteria

Policy on default recognition
Consolidation
Financial Ratios - Financial Sector
Rating Outlook and Credit Watch
Short Term Instruments
Market Linked Notes
Non-Banking Financial Companies

About EFSL (Consolidated)

Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Financial Services	Financial Services	Finance	Non Banking Financial Company (NBFC)

Previously known as Edelweiss Capital Limited, Edelweiss Financial Services Limited (EFSL) was incorporated in 1995 by Mr. Rashesh Shah and Mr. Venkat Ramaswamy. EFSL is registered as a Category I Merchant Banker with SEBI and is the parent company of the Edelweiss Group. The company on a standalone basis is primarily engaged in investment banking services and provides development, managerial and financial support to the businesses of the Edelweiss group entities. The Edelweiss Group offers a range of products and services, spanning varied asset classes and diversified consumer segments. The businesses of Edelweiss are organized around 8 broad lines –housing finance, NBFC, Wealth management & Mutual Funds, Alternatives, Life and General insurance and Asset Reconstruction.

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	Dec 31, 2022 (R)
Total operating income	10,849	7,305	5,535
PAT	254	212	139
Interest coverage (times)	1.04	1.04	NA

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	Dec 31, 2022 (R)
Total operating income	10,849	7,305	5,535
Total Assets	44,791	41,917	NA
Net NPA (%)	4.60	1.71	4.26
ROTA (%)	0.51	0.27	NA

A: Audited; R: Reviewed   Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for the last three years: Please refer Annexure-2

Covenants of the rated instruments/facilities: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this company: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (MM-YY)	Coupon Rate (%)	Maturity Date (MM-YY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	-	Mar-26	4686.7	CARE A+; Negative
Fund-based - LT-Term Loan (Proposed)	-	-	-	-	1000.0	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804IA7196	28-Nov-19	NA	28-Feb-23	0.00	Withdrawn
Debentures-Non-Convertible Debentures	INE804IA7204	28-Nov-19	NA	28-Feb-23	0.00	Withdrawn
Debentures-Non-Convertible Debentures	INE804IA7139	23-May-19	NA	23-May-29	36.0	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804IA7105	23-May-19	NA	23-May-24	67.4	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804IA7113	23-May-19	NA	23-May-24	29.9	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804IA7121	23-May-19	NA	23-May-24	14.8	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804IA7220	28-Nov-19	NA	28-Nov-24	47.4	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804IA7238	28-Nov-19	NA	28-Nov-24	94.7	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804IA7147	23-May-19	NA	23-May-29	6.6	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804IA7246	28-Nov-19	NA	28-Nov-29	49.0	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804IA7253	28-Nov-19	NA	28-Nov-29	40.5	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804IA7212	28-Nov-19	NA	28-Nov-24	86.1	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804IA7188	28-Nov-19	NA	28-Nov-24	14.5	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804IA7261	29-May-20	NA	29-May-23	200.0	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804IA7279	05-Jun-20	NA	05-Jun-23	425.0	CARE A+; Negative
Debentures-Non-Convertible Debentures (Proposed)	-	-	-	-	641.5	CARE A+; Negative

Debentures-Non-Convertible Debentures	INE804IA7287	25-Jun-20	NA	23-Jun-23	200.0	CARE A+; Negative
Debentures-Non-Convertible Debentures (Proposed)		-	-	-	904.0	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804I077P8	09-Jan-17	9.00%	09-Jan-24	50.0	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804I07YF6	01-Dec-14	10.50%	01-Dec-24	10.0	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804I07YP5	24-Dec-14	10.40%	24-Dec-24	10.0	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804I07ZE6	16-Feb-15	10.10%	14-Feb-25	5.0	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804I07ZT4	28-Mar-15	10.20%	28-Mar-25	10.0	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804I07ZY4	21-Apr-15	10.00%	21-Apr-25	10.0	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804I07E34	05-Oct-15	9.80%	03-Oct-25	20.0	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE804I07E42	06-Oct-15	9.81%	06-Oct-25	12.5	CARE A+; Negative
Debentures-Non Convertible Debentures	INE804I07H49	22-Dec-15	9.80%	22-Dec-25	25.0	CARE A+; Negative
Debentures-Non Convertible Debentures (Proposed)	-	-	-	-	161.0	CARE A+; Negative
Debentures-Market Linked Debentures (Proposed)	-	-	-	-	95.0	CARE PP-MLD A+; Negative
Debt-Subordinate Debt	INE804I08643	04-Feb-15	11.25%	03-May-25	300.0	CARE A+; Negative
Debt-Subordinate Debt	INE804I08767	14-Jun-17	9.60%	13-Jun-25	5.0	CARE A+; Negative
Debt-Subordinate Debt	INE804I08668	03-Sep-15	10.62%	03-Sep-25	10.0	CARE A+; Negative
Debt-Subordinate Debt	INE804I08676	30-Sep-15	10.60%	30-Sep-25	10.0	CARE A+; Negative
Debt-Subordinate Debt	INE804I08692	16-Jun-16	10.15%	16-Jun-26	250.0	CARE A+; Negative
Debt-Subordinate Debt	INE804I08726	05-May-17	9.75%	30-Apr-27	45.0	CARE A+; Negative
Debt-Subordinate Debt	INE804I08759	13-Jun-17	9.65%	08-Jun-27	10.0	CARE A+; Negative
Debt-Subordinate Debt (Proposed)	-	-	-	-	250.0	CARE A+; Negative
Commercial Paper-Commercial Paper (Standalone)	INE804I14UY1	29-Dec-21	NA	23-Dec-22	60.0	CARE A1+
Commercial Paper-Commercial Paper (Standalone)	INE804I14UY1	29-Dec-21	NA	23-Dec-22	40.0	CARE A1+
Commercial Paper-Commercial Paper (Standalone)	INE804I14UZ8	28-Jan-22	NA	20-Jan-23	110.0	CARE A1+
Commercial Paper-Commercial Paper (Standalone)	INE804I14VA9	03-Feb-22	NA	27-Jan-23	55.0	CARE A1+
Commercial Paper-Commercial Paper (Standalone)(Proposed)	-	-	-	-	1235.0	CARE A1+
Commercial Paper-Commercial Paper (IPO Financing)	-	-	-	7-15 days	2500.0	CARE A1+

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021

1	Debt-Subordinate Debt	LT	-	-	-	1)Withdrawn (06-Oct-22)	1)CARE A+; Stable (07-Oct-21)	1)CARE A+; Stable (08-Oct-20) 2)CARE AA-; Negative (01-Jun-20) 3)CARE AA-; Negative (07-May-20)
2	Fund-based - LT-Term Loan	LT	4686.66	CARE A+; Negative	-	1)CARE A+; Negative (06-Oct-22)	1)CARE A+; Stable (07-Oct-21)	1)CARE A+; Stable (08-Oct-20) 2)CARE AA-; Negative (01-Jun-20) 3)CARE AA-; Negative (07-May-20)
3	Debt-Subordinate Debt	LT	-	-	-	-	-	1)Withdrawn (08-Oct-20) 2)CARE AA-; Negative (01-Jun-20) 3)CARE AA-; Negative (07-May-20)
4	Debt-Subordinate Debt	LT	380.00	CARE A+; Negative	-	1)CARE A+; Negative (06-Oct-22)	1)CARE A+; Stable (07-Oct-21)	1)CARE A+; Stable (08-Oct-20) 2)CARE AA-; Negative (01-Jun-20) 3)CARE AA-; Negative (07-May-20)
5	Bonds	LT	-	-	-	-	-	1)Withdrawn (08-Oct-20) 2)CARE AA-; Negative (01-Jun-20) 3)CARE AA-; Negative (07-May-20)
6	Commercial Paper-Commercial Paper (Standalone)	ST	1500.00	CARE A1+	-	1)CARE A1+ (06-Oct-22)	1)CARE A1+ (07-Oct-	1)CARE A1+ (05-Nov-20)

							21)	2)CARE A1+ (08-Oct-20) 3)CARE A1+ (01-Jun-20) 4)CARE A1+ (07-May-20)
7	Debentures-Non Convertible Debentures	LT	313.50	CARE A+; Negative	-	1)CARE A+; Negative (06-Oct-22)	1)CARE A+; Stable (07-Oct-21)	1)CARE A+; Stable (08-Oct-20) 2)CARE AA-; Negative (01-Jun-20) 3)CARE AA-; Negative (07-May-20)
8	Debentures-Market Linked Debentures	LT	95.00	CARE PP-MLD A+; Negative	-	1)CARE PP-MLD A+; Negative (06-Oct-22)	1)CARE PP-MLD A+; Stable (07-Oct-21)	1)CARE PP-MLD A+; Stable (05-Nov-20) 2)CARE PP-MLD A+; Stable (08-Oct-20) 3)CARE PP-MLD AA-; Negative (01-Jun-20) 4)CARE PP-MLD AA-; Negative (07-May-20)
9	Debt-Subordinate Debt	LT	455.00	CARE A+; Negative	-	1)CARE A+; Negative (06-Oct-22)	1)CARE A+; Stable (07-Oct-21)	1)CARE A+; Stable (08-Oct-20) 2)CARE AA-; Negative (01-Jun-20) 3)CARE AA-; Negative (07-May-20)
10	Debt-Subordinate Debt	LT	45.00	CARE A+; Negative	1)CARE D (16-May-23)	1)CARE A+; Negative (06-Oct-22)	1)CARE A+; Stable (07-Oct-21)	1)CARE A+; Stable (08-Oct-20) 2)CARE AA-; Negative (01-Jun-20)

								3)CARE AA-; Negative (07-May-20)
10	Fund-based - LT-Term Loan	LT	1000.00	CARE A+; Negative	-	1)CARE A+; Negative (06-Oct-22)	1)CARE A+; Stable (07-Oct-21)	1)CARE A+; Stable (08-Oct-20) 2)CARE AA-; Negative (01-Jun-20) 3)CARE AA-; Negative (07-May-20)
11	Commercial Paper-Commercial Paper (IPO Financing)	ST	2500.00	CARE A1+	-	1)CARE A1+ (06-Oct-22)	1)CARE A1+ (07-Oct-21)	1)CARE A1+ (05-Nov-20) 2)CARE A1+ (08-Oct-20) 3)CARE A1+ (01-Jun-20) 4)CARE A1+ (07-May-20)
12	Debentures-Market Linked Debentures	LT	-	-	-	-	-	1)Withdrawn (05-Nov-20) 2)CARE PP-MLD A+; Stable (08-Oct-20) 3)CARE PP-MLD AA-; Negative (01-Jun-20) 4)CARE PP-MLD AA-; Negative (07-May-20)
13	Debentures-Non Convertible Debentures	LT	1753.40	CARE A+; Negative	-	1)CARE A+; Negative (06-Oct-22)	1)CARE A+; Stable (07-Oct-21)	1)CARE A+; Stable (08-Oct-20) 2)CARE AA-; Negative (01-Jun-20) 3)CARE AA-; Negative (07-May-20)
14	Debentures-Non Convertible	LT	1104.00	CARE A+;	-	1)CARE A+; Negative	1)CARE A+; Stable	1)CARE A+; Stable

	Debentures			Negative		(06-Oct-22)	(07-Oct-21)	(08-Oct-20) 2)CARE AA-; Negative (18-Jun-20)
15	Commercial Paper-Commercial Paper (IPO Financing)	ST	-	-	-	-	-	1)Withdrawn (05-Nov-20) 2)CARE A1+ (08-Oct-20)
16	Commercial Paper-Commercial Paper (Standalone)	ST	-	-	-	-	-	1)Withdrawn (05-Nov-20) 2)CARE A1+ (08-Oct-20)

*Long term/Short term.

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities- Not available

Annexure-4: Complexity level of various instruments rated for this company

Sr. No.	Name of Instrument	Complexity Level
1	Commercial Paper-Commercial Paper (IPO Financing)	Simple
2	Commercial Paper-Commercial Paper (Standalone)	Simple
3	Debentures-Market Linked Debentures	Highly Complex
4	Debentures-Non Convertible Debentures	Complex
5	Debentures-Non Convertible Debentures	Simple
6	Debt-Subordinate Debt	Complex
7	Fund-based - LT-Term Loan	Simple

Annexure-5: Bank lender details for this company

To view the lender wise details of bank facilities please click here

Annexure-6: List of subsidiaries/associates taken for consolidation as on March 31, 2022

Sr. No	Subsidiaries of Edelweiss Financial Services Limited	Shareholding by EFSL (directly/indirectly)
1	ECL Finance Limited	100%
2	Edelcap Securities Limited	100%
3	Edelweiss Asset Management Limited	100%
4	Ecap Securities & Investments Ltd (ECap Equities Limited)	100%
5	Edelweiss Trusteeship Company Limited	100%
6	Edelweiss Housing Finance Limited (EHFL)	100%
7	Edelweiss Investment Advisors Private Limited, Singapore	100%
8	Edel Land Limited	100%
9	Edel Investments Limited	100%
10	Edelweiss Rural & Corporate Services Limited (ERCSL) (Formerly Edelweiss Commodities Services Ltd. (ECSL))	100%
11	Comtrade Commodities Services Ltd (Edelweiss Comtrade Ltd.)	100%
12	Edel Finance Company Ltd.	100%
13	Edelweiss Retail Finance Limited	100%
14	Edelweiss Multi Strategy Fund Advisors LLP	100%
15	Edelweiss Resolution Advisors LLP	100%
16	Edelweiss General Insurance Company Limited	100%
17	Edelweiss Securities and Investments Pvt Ltd	100%
18	EC International Limited, Mauritius (ECIL)	100%
19	Edelweiss Alternative Asset Advisors Pte. Limited	100%
20	EAAA LLC, Mauritius	100%
21	Edelweiss International (Singapore) Pte. Limited	100%
22	Edelgive Foundation	100%
23	Edelweiss Alternative Asset Advisors Limited	99.05%
24	Edelweiss Private Equity Tech Fund	96%
25	Edelweiss Value and Growth Fund	70%
26	Edelweiss Asset Reconstruction Company Limited	59.84%
27	EW Special Opportunities Advisors LLC, Mauritius	67%
28	Edelweiss Tokio Life Insurance Company Limited	51%
29	Allium Finance Private Limited	85%
30	Edelweiss Global Wealth Management Limited	100%
31	Edelweiss Capital Services Ltd	51%
32	India Credit Investments Fund II	100%
33	Edelweiss Real Assets Managers Limited	100%
34	Sekura India Management Limited	100%
	Associates	
1	Edelweiss Securities Ltd	43.76%

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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