Edelweiss Financial Services Limited

October 05, 2023

Facilities/Instruments	Amount (₹crore)	Rating[1]	Rating Action
Non-convertible debentures	200.00	CARE A+; Negative	Reaffirmed
Non-convertible debentures	200.00	CARE A+; Negative	Reaffirmed
Commercial paper*	775.00 (reduced from 1,575.00)	CARE A1+	Reaffirmed

*The reduction in facilities is on request of the company & these stand proposed as on date.
Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (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 ratings derive strength from the diversified business profile of the Edelweiss group resulting in income diversification across credit, asset management, asset reconstruction, alternative asset investments and insurance businesses, adequate capitalisation, run-down in the wholesale credit book and demonstrated ability of the group to monetize the stake in its different businesses to shore up networth in case of need. The ratings also take note of the strong intention of the group to monetize investments in some of its businesses going forward, in case of need, and the ability of the group to mobilize debt funds by way of non-convertible debentures (NCDs) to support business growth and through WCDL / CBLO to maintain adequate liquidity. The liquidity remains adequate however, there is uncertainty on timeliness and quantum of inflows due to higher exposure to stressed assets.

The ratings continue to be constrained by asset quality risks with GS3 assets of the credit businesses at 10.51% of the total advances as on March 31,2023 (June 30, 2023: 12.27%) as compared to 7.12% of the total advances as of March 31, 2022. On a consolidated level, the proportion of GS3 assets also increased to 59% as on March 31, 2023 as against 52% as on March 31, 2022; similarly, proportion of net stage 3 assets also increased during FY23. It is to be noted that all distressed loans sold by credit businesses to EARC are classified under Stage III at the consolidated level. Over the last five years, the group has witnessed asset quality challenges, on account of which substantial loan assets were sold to ARC and Alternative Investment Funds (AIF) including Edelweiss Asset Reconstruction Company. However, in respect of many of assets/SRs sold, as the risk is retained by group (mainly by EFSL), GS3 assets has gone up during FY23 on absolute terms also from ₹12,369 crore as on March 31, 2022 to ₹13,155 crore as on March 31, 2023. As on June 30, 2023, GS3 assets stood at ₹12,630 crore (excluding POCI) at consolidated level.

In respect of the credit business, the outstanding security receipts (SR) book declined from ₹5497 crore [29% of the total assets] as on March 31, 2022 against ₹3102 crore [16% of the total assets] as on March 31, 2023 (June 30, 2023: ₹3619 crore). The wholesale book & security receipts stood at ₹9,248 crore as on March 31, 2022 of which the group has been able to recover ₹5,484 crore from recoveries and selldowns (wholesale & security receipts), for ECL Finance Limited out of which 35% remains internal selldowns since the past five quarters ended June 30, 2023 for ECL Finance Limited. However, in respect of many of these assets/SRs sold, as the risk is retained by group (mainly by EFSL), GS3 assets has gone up during FY23 on absolute terms also from ₹12,369 crore as on March 31, 2022 to ₹13,155 crore as on March 31, 2023. As on June 30, 2023, GS3 assets stood at ₹12,630 crore (excluding POCI) at consolidated level.

EFSL (Consolidated) reported improved profitability in various businesses during FY23 with major profits coming from asset reconstruction and alternative assets management. On a consolidated basis, EFSL reported profit after tax (PAT) [including share of associates] of ₹406 crore in FY23 [Q1FY24: ₹78 crore] as compared to ₹212 crore in FY22. However, the company's earnings profile at the consolidated level continues to remain volatile on account of significant income being generated through fair value gains & from discontinued businesses/non-recurring activities. During FY23, the company reported fair value gains amounting to ₹1,239 crore for fair valuation of the 44% stake sale in Nuvama Wealth management limited (NWML). Subsequently, 30% stake was distributed to existing shareholders of EFSL as per the scheme. Apart from this, the net fair value gains in FY23 also included ₹210 crore for decrease in valuation of CCD issued to CDPQ. These fair value gains contributed to significant portion of pre-provision operating profit of ₹2,304 crore reported by EFSL (consol) in FY23. Including the fair value gains and management overlay (₹958 crore), the company reported PAT of ₹406 crore (including share of associates) during FY23 as against ₹212 crore (including share of associates) during FY22. The net interest income continues to remain impacted mainly on account of substantial run down in the credit book and liquidity buffers maintained and significant amount of Security Receipts (SRs)/AIF held which are generating relatively low/negligible yields.

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

During FY23, the company has been able to reduce its wholesale book. However, retail book also witnessed significant reduction. ~49% (₹707 crore) of the top 15 wholesale exposures as on June 30, 2023 will have their principal repayments starting post FY24. Furthermore, the performance of these assets remains to be seen post the ending of the moratorium. The company has been moving towards an asset light model since FY22 wherein it has been focusing on co-lending. Though company expected the disbursements through co-lending to improve in FY23, it is picking up momentum in Q1FY24. Disbursements in the retail loan book (including 100% of co-lending) stood at ₹967 crore in FY23 against ₹1351 crore in FY22. During Q1FY24, same has improved to ₹277 crore. During FY23 and Q1FY24, company mobilized debt of ₹7,909 crore (including WCDL/CP of ₹4,303 crore) and ₹1,537 crore (including WCDL/CP of ₹40 crore) respectively, part of which was also used to refinance existing borrowings. EFSL maintains good amount of liquidity with unencumbered cash and bank balances including liquid investments at ₹2,727 crore as on March 31, 2023 (June 30, 2023: ₹1,966 crore). Going forward, the group's strategy is to support its assets under management (AUM) growth through co-lending. It also has plans to further improve its recovery/reduction from Security Receipts (SRs) & wholesale book collections/selldowns which will de-risk the company in terms of its total assets. The implementation and the improvement in the strategies as envisioned by the group in near term will remain critical to improve asset quality.

Post distribution of NWML to existing shareholders, EFSL holds 15.2% stake in the company which has market value of ~₹1,311 crore (as on September 29, 2023). In addition, the company holds 100% stake in AMC and Alternate Assets business which have been reporting continuous improvement in profits. During FY23, AMC business reported PAT of ₹18 crore and alternate assets reported PAT of ₹159 crore. EFSL has created value in such various businesses with relatively small capital investment. Valuations of these businesses are significantly higher in relation to the capital invested initially 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. However, given that many of these are unlisted entities, uncertainty exists with respect to timely monetization of the same.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors- Factors that could, individually or collectively, lead to positive rating action/upgrade:

- Improvement in the consolidated profitability with return on total assets (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 proportion of NS3 assets on a consolidated basis.

Negative factors- Factors that could, individually or collectively, lead to negative rating action/downgrade

- Increase in the gearing levels [Debt (excluding CBLO)/ Tangible Net worth (excluding minority interest)] above 4x 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, 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 Ratings 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 negative outlook factors in continuation of relatively high proportion of stage 3 assets at the consolidated level and continuation of significant proportion of wholesale exposures and security receipts in the company's books. Though the exposures have decreased on a y-o-y basis and the company has received ₹5,484 crore from wholesale book/SRs reduction & selldowns (which includes internal selldowns & recoveries of 35%) since March 2022 till June 30, 2023 for ECL Finance Limited, in respect of many of these cases entire risk is not transferred to buyers as EFSL extended guarantees. In case of any adverse situations, EFSL might have to bear the impact on the same.

Detailed description of the key rating drivers:

Key strengths

Diversified presence across various business segments: The 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 & fee businesses comprise of asset management (Mutual funds and alternatives), capital market businesses and investment banking. Its insurance business includes both life and general insurance businesses. In FY23, the group's total consolidated income stood at ₹8633 crore which was mainly derived from interest income accounting for 34% (FY22: 42%) of the total income, broking and fee-based income comprising 14% (FY22: 20%) and insurance premium contribution which has steadily increased over the years from 12% in FY21 to 22% in FY23 (FY22: 23%).

Improving leverage and capitalisation parameters owing to shift in strategy by the group: The group's debt level (excluding CCD) has decreased from ₹21,766 crore (includes CBLO of ₹451 crore) as on March 31, 2022 to ₹21,001 crore (includes CBLO of ₹1,895 crore) as on March 31, 2023 at the consolidated level mainly on account of substantial run down in the credit book, since the group has been moving to an asset-light model with more focus on co-lending. While the debt has reduced by ₹765 crore on a y-o-y basis for FY23, given that the assets sold have been with recourse, part of such reduction is offset by recording other financial liabilities. The group's overall gearing improved to 2.92 times as on March 31, 2023 as against 3.0 times as on March 31,2022 (March 31,2021: 3.7 times). On a consolidated basis, the tangible net worth (including the compulsorily convertible debentures (CCD)) stood at ₹7,193 crore as on March 31, 2023 (March 2022: ₹ 7,267 crore).

CARE Ratings notes that as on March 31, 2023 around 86% of stake in wealth management is held by PAG & shareholders of Edelweiss, 40% stake of asset reconstruction business is held by CDPQ and individual investors and 25% of life insurance business is held by Tokio Marine. The Group has demonstrated track record of raising funds at regular intervals to manage the leverage at the group level along with raising and deploying managed funds, which supports its overall business profile.

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. The group is holding around 15.2% (as on June 30, 2023) in wealth management business (listed in NSE & BSE). However, the expected monetization of money was delayed on account of delay in listing of Nuvama as against earlier expectation of March 2023. Further, in the past the group has raised capital in March 2019, when it had signed an agreement with CDPQ (Canadian Pension Fund) for investment of around ₹1,800 crore in the NBFC arm, ECL Finance Limited, of which ₹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 ₹883 crore from two foreign investors namely KORA Management Limited and Sanaka Capital. Out of the said investment, ₹177 crore was received in November 2019 from KORA Management and the company received ₹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. The group has also done divestment of stake in Wealth Management business in FY21 (realized around ₹2,000 crore) and sale of 70% stake in insurance broking business in FY22 (realized around ₹400 crore) to raise funds in the past. Going forward, CARE Ratings expects the group to monetize investments in some of its subsidiaries like housing, insurance, alternatives in case of need in the medium term.

Key weaknesses

Diversified resource profile with lower share of bank funding: As on March 31, 2023, resource profile (excluding CCDs) remained dominated by NCDs (64%), term loans/overdraft (15%), CBLO (9%), Sub-debt/perpetual debt (6%), commercial paper (5%) and others (1%). The group raised ₹7,909 crore (including WCDL/CP of ₹4,303 crore) of borrowings during FY23 as against ₹7,974 crore (including CP of ₹2,978 crore) during FY22. During Q1FY24, the group raised ₹1,537 crore (including WCDL/CP of ₹40 crore). The incremental cost of funding for the group remained in the range of 9.5% p.a. to 10.5% p.a. CARE Ratings also notes that as the focus of the company is on co-lending as against borrowing for on lending. Going forward, the ability of the group in raising resources at competitive rates from banks with lower reliance on refinance would be a key rating monitorable.

The total incremental borrowings of the group stood at ₹7,909 crore (including WCDL/CP of ₹4,303 crore) during FY23 as against ₹7,974 (including CP of ₹2,978 crore) during FY22. In relation to the same, the disbursements recorded were only ₹967 crore (on-book and 100% share of co-lending) during FY23 (Q1FY24: ₹277 crore) as against ₹1351 crore during FY22. The group have also used a part of the borrowings to refinance the existing borrowings. Furthermore, incremental borrowings from zthe banks stood nil in Q1FY24 and ₹300 crore in Q2FY24. The group majorly relies on funding by way of NCDs.

Decline in retail aum to lower disbursements: The company's retail loan book on a y-o-y basis has declined from ₹6,549 crore (includes LAS book of Nuvama aggregating to ₹1972 crore) as on March 31, 2022 to ₹3,795 crore as on March 31, 2023 (June 30, 2023: ₹3,743 crore), due to moderate disbursements which also decreased on the retail front. The retail segment comprises of housing finance, Loan against Property, Construction finance, SME loans and business loans. The retail on book disbursements decreased from ₹1286 crore during FY22 to ₹720 crore during FY23 (Q1FY24: ₹113 crore). In addition, disbursements towards co-lending stood at ₹247 crore in FY23 and ₹164 crore in Q1FY24. Going forward, the group's ability to significantly scale up its retail book remains to be seen. Though Edelweiss have entered into CLM relationships in FY23 with few banks, the disbursements gained momentum in Q1FY24.

Asset quality challenges remain: The GS3 assets on a consolidated basis stood at 59% as on March 31, 2023 as against 52% as on March 31, 2022. The GS-3 remained high since majority (52% as on March 31, 2023) of the assets were guaranteed by EFSL for the loans sold down to external ARCs and AIFs. As against this, NS3 stood at 48% as on March 31, 2023 as against 43% as on March 31, 2022. Though NS3 has decreased by ₹276 crore from ₹8,589 crore as on March 31, 2022 to ₹8,313 crore as on March 31, 2023, the proportion of Net Stage 3 (%) continues to remain elevated on a y-o-y basis as on March 31, 2023 despite the management overlay provided for the year. The overall provision coverage ratio (PCR) on a consolidated basis stood

at 23.02% as on March 31,2023 with PCR of 37% for Stage 3 assets. The proportion of the Gross stage 1 assets has also been declining over the years; which reduced from 25% as on March 31, 2022 to 22% as on March 31, 2023.
Similarly, in the credit businesses, the GS3 increased from 7.12% as on March 31, 2022 to 10.51% as on March 31, 2023. The overall credit book as stated above has also decreased from ₹12,447 crore (includes LAS book of Nuvama of ₹1,972 crore) as on March 31, 2022 to ₹7,555 crore as on March 31, 2023 owing to recovery and sell down The gross stressed assets for credit businesses (including OTR, ECLGS) on an estimated basis increased to 19% as on March 31, 2023 (June 30, 2023: 22%) as against 10% as on March 31,2022. As on June 30,2023, the GS3 assets for the credit business stood at 12.27% and NS3 assets stood at 2.07%.

The group has collected ₹1,984 crore since March 31, 2022 from the recoveries / collections from security receipts and wholesale loans along with ₹3,500 crore of selldowns of the same (46% to internal) for the five quarters ended June 30, 2023 for ECL Finance Limited. CARE Ratings notes that the continuous reduction of the wholesale book & security receipts through selldowns & recoveries to external parties would be a key rating monitorable.

Wholesale assets exposure to vulnerable sector continues: As on June 30, 2023, wholesale loans comprised 41% of the credit loan portfolio (March 2023: 50%) 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 29% of the total credit book as on June 30,2023 (March 2023: 39%). The wholesale loans have decreased from ₹5,698 crore as on March 31,2022 to ₹2,622 crore as on June 2023 (March 31, 2023: ₹3,760 crore) however, they continue to comprise a large share of the total credit portfolio.
The concentration risk in the wholesale book remains, although it has been reducing over the past few yea₹The top 10 wholesale exposures account 48% of the total wholesale loan book as on June 30, 2023 as against 41% as on March 31, 2023. ~49% (₹707 crore) of the Top 15 wholesale exposures as on June 30, 2023 will have their principal repayments starting post FY24, the performance of these wholesale assets post the same remains to be seen.

Distressed assets business: As on March 31, 2023, AUM of the Edelweiss Asset Reconstruction Company (EARC) stood at ₹37,111 crore (June 2023: ₹39,156 crore) as against ₹40,126 crore as on March 31, 2022. Till June 30, 2023, the ARC has redeemed ₹32,803 crore of SRs which account for ~45% of the issued SRs (cumulative). 27% of these SRs had recovery ratings of RR2 or higher as against 30% as on March 31, 2023. Edelweiss ARC reported a PAT of ₹318 crore during FY23 as against 253 crore during FY22 (Q1FY24: ₹80 crore). However, it is to be noted that 38% proportion of the AUM would be under the older structure of 95:5 where the recoveries from the same would be neglible; though fully provided by the company.
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. The company is gradually moving towards retail where out of the total capital employed of ₹5,016 crore during March 31, 2022 (of which 14% consisted of retail) as against ₹4,700 crore as on March 31, 2023 (of which 16% consisted of retail).

Moderate profitability supported by net fair gains: During FY23, the company recorded PAT (including share of associates) of ₹406 crore as against ₹212 crore during FY22. Out of the total income during FY23 aggregating to ₹8,632 crore, 27% accounted to the net fair value gains as against 10% during FY22 on a total income of ₹7,304 crore. Out of the same, ₹1,239 crore (54% of the total net gains for FY23) contributed for remeasuring of the 44% stake sale in Nuvama Wealth management limited. Subsequently, 30% stake was distributed to existing shareholders of EFSL as per the scheme. Furthermore, it had also recorded fair value gains on remeasurement of ₹210 crore of CDPQ CCDs. This was partially offset by one-time management overlay of ₹958 crore (accounted in change in value of credit impaired & provisions) & one-off expenses (like incremental bonus, depreciation & tax on Nuvama) aggregating to ₹253 crore. Moreover, post de-merger of the said business w.e.f. March 30, 2023, profit from the wealth management business would not be available to the group going forward. This would have to be compensated by improving profitability of subsidiaries like alternative, asset reconstruction, etc. of the group. The 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 business loan book declined by a significant 38% Y-o-Y as on March 31, 2023 leading to a decrease in interest income. The other income increased to 13.44% during FY23 as against 9.82% during FY22 supported by fee income generated through non-credit entities. This income is expected to rise going forward. During Q1FY24, the group reported a PAT of ₹78 crore. Going forward, the company would be becoming an asset light model with further decline in the wholesale loan book (which reduced by 34% during FY23 (FY22: 21%) & more focus towards the colending partnerships.

Liquidity: Adequate

The liquidity of the group remains adequate. As on June 30, 2023, the group has liquidity to the tune of ₹1,966 crore comprising overnight liquidable assets of ₹1,445 crore and treasury assets of ₹521 crore. The group has debt repayment obligation of ₹6,263 crore for the next one year as on June 30, 2023. The said liquidity is sufficient for around 4 to 4.5 months of debt repayment obligation. However, the uncertainty exists on timeliness of inflows due to exposure to relatively weaker asset profile. Including available bank lines of ₹122 crore, the liquidity stood at ₹2,088 crores as on June 30,2023

Environment, social, and governance (ESG) risks:

The Environmental, Social and Governance (ESG) agenda is overseen by the ESG Council (Ms. Vidya Shah- Chairperson) which aims to embed sustainability at Edelweiss. The board is headed by 8 board members. Through EdelGive Foundation, the company interacts with stakeholders – communities. EdelGive Foundation is a philanthropic asset manager and advisory partner to funders such as individuals, HNIs, corporates, institutions and foundations–both international and domestic–with a specialization in multi-stakeholder collaboration. EdelGive also launched various initiatives like GROW, Landscape Study on Women Entrepreneurship, etc. which has helped Edelweiss to strengthen its foot in the ESG framework. In FY23, EdelGive has been able to influence a commitment of ₹202 crore for NGOs with 36 NGO partners. EdelGive has also become core partner in the India Climate Collaborative (ICC) philanthropies to address the increasingly pressing climate crisis in India. All businesses at Edelweiss operate with a strong culture of compliance, regulatory standards, and remediation of escalations.

Applicable criteria

Policy on withdrawal of ratings
Criteria for Short Term Instruments
Criteria on assigning 'outlook' and 'credit watch' to Credit Ratings
CARE's Policy on Default Recognition
Factoring Linkages Parent Sub JV Group
Financial ratios – Financial sector
Rating Methodology- Non-Banking Finance Companies
Rating Methodology- Consolidation
Investment Holding Companies

About the company and industry

Industry classification

Macro-economic Indicator	Sector	Industry	Basic Industry
Financial Services	Financial Services	Finance	Holding Company

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 holding 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 organised around three broad lines – credit including housing finance, SME loans, Loans against Property, Loans against Securities, Rural finance, Agri credit, Structured collateralised credit to corporates and real estate developer finance, Franchise & advisory businesses including wealth management, asset management and capital markets and insurance including life and general insurance. In addition, the Balance-sheet Management Unit (BMU) attends to the balance sheet and liquidity management of the group. The Edelweiss group comprised Edelweiss Financial Services Ltd (EFSL, the parent company) has 34 subsidiaries and associates as on March 31,2023 (35 subsidiaries and associates as on March 31, 2022). The wealth management unit ceases to be an associate with effective from March 30, 2023. The group conducts its business from 233 offices serving over ~6.7 million clients as on March 31, 2023. It employs 8820 personnel as on March 31, 2023.

Brief Financials for EFSL (Consolidated) (₹crore)	FY22 (A)	FY23 (A)	Q1FY24 (UA)
Total operating income	7,305	8,633	1,996
PAT (including share of associates)	212	406	78
Interest coverage (times)	1.04	1.10	1.10
Total assets	41,917	42,677	NA
Net Stage 3 (%) [consolidated]	34%	43%	48%
Net Stage 3 (%) for credit entities	1.71%	2.26%	2.07%
ROTA (%)	0.49	0.96	Not Applicable

A: Audited; UA; Unaudited; Total assets are net of deferred tax and intangibles; All ratios are as per CARE Ratings' calculations; For Q1FY24 (UA), ratios are annualized. 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 last three years: Please refer Annexure-2

Covenants of rated instrument / facility: 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 (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹crore)	Rating Assigned along with Rating Outlook
Commercial Paper-Commercial Paper (Standalone)-Proposed	-	-	-	-	775.00	CARE A1+
Commercial Paper-Commercial Paper (Standalone)-Proposed	-	-	-	-	0.00	Withdrawn
Debentures-Non-Convertible Debentures (Proposed)	-	-	-	-	200.00	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE532F07BK7	08-Jan-21	9.35	08-Jan-24	58.4	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE532F07BL5	08-Jan-21	NA	08-Jan-24	15.5	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE532F07BM3	08-Jan-21	9.39	08-Jan-26	55.9	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE532F07BN1	08-Jan-21	9.8	08-Jan-26	34.2	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE532F07BO9	08-Jan-21	Zero Coupon Bond	08-Jan-26	10.8	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE532F07BP6	08-Jan-21	9.53	08-Jan-31	18.1	CARE A+; Negative
Debentures-Non-Convertible Debentures	INE532F07BQ4	08-Jan-21	9.95	08-Jan-31	7.1	CARE A+; Negative

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	Debentures-Non-Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (18-Jun-20) 2)CARE AA-; Negative (02-Jun-20) 3)CARE AA-; Negative (30-Apr-20)
2	Commercial Paper-Commercial Paper (Standalone)	ST	775.00	CARE A1+	-	1)CARE A1+ (07-Oct-22)	1)CARE A1+ (07-Oct-21)	1)CARE A1+ (05-Nov-20) 2)CARE A1+ (08-Oct-20) 3)CARE A1+ (02-Jun-20) 4)CARE A1+ (30-Apr-20)
3	Debentures-Non-Convertible Debentures	LT	200.00	CARE A+; Negative	-	1)CARE A+; Negative (06-Oct-22)	1)CARE A+; Stable (07-Oct-21)	1)CARE A+; Stable (05-Nov-20)
4	Debentures-Non-Convertible Debentures	LT	200.00	CARE A+; Negative	-	1)CARE A+; Negative (06-Oct-22)	1)CARE A+; Stable (07-Oct-21)	1)CARE A+; Stable (05-Jan-21)

*Long term/Short term
Note: The withdrawal of facilities in the above table is on the withdrawal request of the company which stand proposed as on date.

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: NA

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Commercial Paper-Commercial Paper (Standalone)	Simple
2	Debentures-Non-Convertible Debentures	Complex
3	Debentures-Non-Convertible Debentures	Simple

Annexure-5: Lender details

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, 2023

		March 31, 2023
	Subsidiaries of Edelweiss Financial Services Limited	Ownership Interest 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	Nido Home Finance Limited (formerly known as Edelweiss Housing Finance Limited)	100%
7	Edelweiss Investment Advisors Private Limited, Singapore	100%
8	Ecap Equities Limited (formerly known as Edel Land)	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	Zuno General Insurance Limited (formerly known as Edelweiss General Insurance Company Limited)	100%
16	Edelweiss Securities and Investments Pvt Ltd	100%
17	EC International Limited, Mauritius (ECIL)	100%
18	Edelweiss Alternative Asset Advisors Pte. Limited [in Singapore]	99.05%
19	Nuvama Investment Advisors LLC (formerly known as EAAA LLC)- [in Mauritius]	100%
20	Edelweiss International (Singapore) Pte. Limited	100%
21	Edelgive Foundation	100%
22	Edelweiss Alternative Asset Advisors Limited	99.05%
23	Edelweiss Private Equity Tech Fund	96.05%
24	Edelweiss Value and Growth Fund	96.05%
25	Edelweiss Asset Reconstruction Company Limited	59.82%
26	Edelweiss Tokio Life Insurance Company Limited	75%
27	Allium Finance Private Limited	88%
28	Edelweiss Global Wealth Management Limited	100%
29	Edelweiss Capital Services Ltd	51%
30	India Credit Investments Fund II	100%
31	Edelweiss Real Assets Managers Limited	100%
32	Sekura India Management Limited	100%
33	India Credit Investments Fund III	100%
	Associates	
1	Nuvama Wealth Management Limited *	43.76%

**this has ceased to be an associate w.e.f March 30, 2023*

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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About us:
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