

Edelweiss Financial Services Limited

June 18,2020

Ratings

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Non-convertible Debenture	0.00	--	Withdrawn

*Details in Annexure I.

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the outstanding ratings of 'CARE AA-; Negative (Double A minus; Outlook: Negative/ A Two Plus) assigned to the non-convertible debentures of Edelweiss Financial Services Limited with immediate effect. The above action has been taken at the request of EFSL and non-placement of the above instruments.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the 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 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 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, Advisory businesses (EGIA) 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. The group conducts its business from 476 offices (including 8 international offices in 6 locations) in around 200 cities as on March 31, 2019. EFSL caters to the total client base of 12 Lakh served by 11,410 employees pan India as on March 31, 2019.

Brief Financials (Rs. crore)	FY18 (A)	FY19 (A)
Total income	8,920	10,881
PAT	863	995
Overall gearing (times)	7.97	6.70
Interest coverage (times)	1.35	1.37

A: Audited

Status of non-cooperation with previous CRA:

Any other information: NA

Rating History for last three years: Please refer Annexure-2

Annexure I- Instrument Details

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Debentures-Non Convertible Debentures	NA	-	-	-	-	Withdrawn

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (12-Sep-17)
2.	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1) Withdrawn (12-Sep-17)
3.	Debentures-Non Convertible Debentures	LT	-	-	1) CARE AA-; Negative (02-Jun-20) 1)CARE AA-; Negative (30-Apr-20) 2)CARE AA-; Stable (25-Mar-20)	1)CARE AA-; Stable (05-Jul-19)	1)CARE AA; Positive (06-Jul-18)	1) CARE AA; Stable (12-Sep-17)
4.	Commercial Paper	ST	6350.00	CARE A1+	1) CARE AA-; Negative (02-Jun-20) 2)CARE A1+ (30-Apr-20) 2)CARE A1+ (25-Mar-20)	1)CARE A1+ (05-Jul-19)	1)CARE A1+; (06-Jul-18)	1)CARE A1+ (12-Sep-17)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

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