

EFCL/Sec/2023/14

May 24, 2023

**BSE Limited**

P J Towers, Dalal Street,  
Fort,  
Mumbai – 400 001.

Dear Sir/ Madam,

**Sub.: Outcome of Board Meeting**

In accordance with the provisions of Regulation 52 and all other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), we would like to inform you that the Board of Directors (the Board) of the Company at its Meeting held today i.e. on May 24, 2023, has *inter alia* approved the audited Financial Results (both consolidated and standalone) of the Company for the financial year ended March 31, 2023.

The copies of the Results together with the Report issued by the Auditors of the Company are enclosed. The Auditors have issued an unmodified opinion on the Results.

Further, please also find enclosed the following: -

- i) disclosure of Related Party Transactions for the half year ended March 31, 2023 pursuant to Regulation 23(9) of the Listing Regulations.
- ii) Statement of utilization of proceeds for the quarter ended March 31, 2023
- iii) Security Cover Certificate pursuant to Regulation 54 of the Listing Regulations.

The meeting of the Board commenced at 12.00 Noon and concluded at 2.15 p.m.

Kindly take the same on record.

Thanking you,

Yours faithfully,

**For Edel Finance Company Limited**

**Tarun Khurana**  
**Company Secretary**

Encl.: as above



**DHIRAJ & DHEERAJ**  
CHARTERED ACCOUNTANTS

**Independent Auditor’s Report on Yearly Consolidated Financial Results of Edel Finance Company Limited Pursuant to Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To**  
**The Board of Directors**  
**Edel Finance Company Limited**  
**Report on the Audit of the Consolidated Financial Results**

**Opinion**

We have audited the accompanying statement of consolidated financial results of Edel Finance Company Limited (the “Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as the “Group”) and its associate for the Year ended March 31, 2023 (the “Statement”), attached herewith, being submitted by the Holding Company pursuant to the requirement of 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”).

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of other auditors on the separate audited financial statements of the subsidiaries and associate, the aforesaid Consolidated Financial Results:

i) includes the Financial results of the following entities:

<b>Name of the Company</b>	<b>Relationship</b>
Edel Finance Company Limited	Holding Company
Edelweiss Rural & Corporate Services Limited	Subsidiary
Allium Finance Private Limited	Subsidiary
Edelweiss Investment Adviser Limited	Subsidiary
Comtrade Commodities Services Limited	Subsidiary
Edelweiss Housing Finance Limited	Subsidiary
ECap Equities Limited	Associate

ii) are presented in accordance with the requirements of Regulation 52 of the Listing regulations; and

iii) gives a true and fair view, in conformity with the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the consolidated net loss and other comprehensive income and other financial information of the Group for the year ended March 31, 2023.

## **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (“SAs”), as specified under Section 143(10) of the Companies Act, 2013, as amended (the “Act”). Our responsibilities under those Standards are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Results” section of our report. We are independent of the Group and its associate, in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial Results, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in “Other Matter” paragraph below, is sufficient and appropriate to provide a basis for our opinion.

## **Management’s and Board of Directors’ Responsibilities for the Consolidated Financial Results**

These Consolidated Financial Results have been compiled from the Consolidated Annual audited Financial Statements.

The Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Results that give a true and fair view of the Consolidated net loss, Consolidated other comprehensive income and other financial information of the Group and its associate, in accordance with the Indian Accounting Standards specified under section 133 of the Act, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time (“RBI Guidelines”) and other accounting principles generally accepted in India and in compliance with regulation 52 of the Listing Regulations. The respective Board of Directors of the entities included in the Group and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Financial Results by the Directors of the parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the entities included in the Group and its associate are responsible for assessing the ability of the Group and its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group and of its associate are responsible for overseeing the financial reporting process of each company within the Group and of its associate.

## **Auditors’ Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always

detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, under Section 143(3)(i) of the Companies Act 2013, we are also responsible for expressing our opinion on whether the parent has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial results made by the Board of Directors;
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Result, including the disclosures, and whether the Consolidated Financial Result represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Financial Results of the entities within the Group and its associate to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the parent and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Other Matters**

The Consolidated Financial Results include the Audited Financial Statements of 5 subsidiaries, whose financial statements reflect Group's share of total assets of Rs. 7,298.66 Crores as at 31 March 2023, Group's share of total revenue of Rs. 822.63 Crores and Group's share of total loss after tax of (Rs. 265.39 Crores) for the year ended 31 March 2023, as considered in the Consolidated Financial Results, which have been audited by their respective independent Auditors. The independent auditors' reports on financial statements of these entities have been furnished to us and our opinion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

The Consolidated Financial Results include the audited Financial Statements of 1 associate, whose financial statement reflect Group's share of net profit after tax of Rs. 10.63 Crores and Group's share of total Comprehensive of Rs. 10.63 Crores for the year ended 31 March 2023, as considered in the Consolidated Financial Results, which have been audited by their respective independent Auditor. The independent auditor' reports on financial statements of these entity have been furnished to us and our opinion on the Consolidated Financial Results, in sofar as it relates to the amounts and disclosures included in respect of these entity, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.

**For Dhiraj & Dheeraj**  
**Chartered Accountants**

ICAI Firm Registration Number: **102454W**

**SHAIENDR** Digitally signed by  
SHAIENDRA DADHICH  
**A DADHICH** Date: 2023.05.24  
13:47:57 +05'30'

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**SHAIENDRA DADHICH**

Partner

Membership Number: 425098

UDIN: 23425098BGWWUW5384

Place of Signature: MUMBAI

Date: 24<sup>th</sup> May,2023

**Consolidated financial results for year ended March 31, 2023**

(₹ in Crores)

Particulars	Year Ended	
	March 31, 2023 (Audited)	March 31, 2022 (Audited)
<b>1 Revenue from operations</b>		
(a) Interest income	599.97	895.26
(b) Dividend income	0.41	-
(c) Fee and commission income	91.71	127.86
(d) Net gain / (loss) on fair value changes	190.59	74.92
(e) Other operating revenue	35.54	36.77
<b>Total revenue from operations</b>	<b>918.22</b>	<b>1,134.81</b>
<b>2 Other income</b>	<b>89.93</b>	<b>189.95</b>
<b>3 Total Income (1+2)</b>	<b>1,008.15</b>	<b>1,324.76</b>
<b>4 Expenses</b>		
(a) Finance costs	867.83	1,057.07
(b) Impairment on financial instruments	(24.59)	52.68
(c) Employee benefits expense	109.34	121.65
(d) Depreciation and amortisation expense	36.61	40.11
(e) Other expenses	157.61	156.48
<b>Total expenses</b>	<b>1,146.80</b>	<b>1,427.99</b>
<b>5 Profit / (Loss) before share in loss of associate and tax (3-4)</b>	<b>(138.65)</b>	<b>(103.23)</b>
<b>6 Share in profit / (loss) of associates</b>	<b>10.63</b>	<b>(36.17)</b>
<b>7 Profit / (Loss) before tax (5+6)</b>	<b>(128.02)</b>	<b>(139.40)</b>
<b>8 Tax expense</b>		
Current tax	9.01	9.39
Deferred tax	41.38	(17.24)
<b>9 Net Profit / (Loss) for the period (7-8)</b>	<b>(178.41)</b>	<b>(131.55)</b>
<b>10 Other Comprehensive Income / (Loss)</b>	<b>(0.06)</b>	<b>(1.88)</b>
<b>11 Total Comprehensive Income / (Loss) (7+8)</b>	<b>(178.47)</b>	<b>(133.43)</b>
<b>12 Net Profit for the period attributable to:</b>		
Owners of the company	(180.24)	(139.58)
Non controlling interests	1.83	8.03
<b>11 Other Comprehensive Income for the period attributable to:</b>		
Owners of the company	(0.07)	(1.88)
Non controlling interests	0.01	-
<b>12 Total Comprehensive Income for the period attributable to:</b>		
Owners of the company	(180.31)	(141.46)
Non controlling interests	1.84	8.03
<b>10 Earnings Per Share (₹) (Face Value of ₹ 100/- each)</b>		
- Basic	(24.90)	(19.34)
- Diluted	(24.90)	(19.34)

Notes:

- Edel Finance Company Limited (the 'Company'/'EFCL') and its subsidiaries (together referred as 'Group') and associate has prepared audited consolidated financial results (the 'Statement') for the year ended March 31, 2023 in accordance with Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the 'Listing Regulations, 2015') and the Accounting Standards specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and the relevant provision of the Companies Act, 2013, as applicable.
- The above consolidated financial results of the Company for the year ended March 31, 2023 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 24, 2023.
- The above consolidated financial results of the Company for the year ended March 31, 2023 have been subjected to audit by the Statutory Auditors of the Company and the auditors have issued an unmodified audit report.
- The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.
- Pursuant to the Amendment Agreement dated March 9, 2023 to the Amended and Restated Shareholders' Agreement dated March 18, 2021 between Edelweiss Financial Service Ltd (Holding Company), Edelweiss Global Wealth Management Limited, PAGAC Ecstasy Pte Ltd and Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited), the amendment to the articles of association of Nuvama Wealth Management Limited and the appointment of independent trustee, Nuvama Wealth Management Limited and its subsidiary Companies ceased to be associate of the Company w.e.f. March 30, 2023.

Accordingly, pursuant to Ind AS 28 - 'Investments in Associates and Joint Ventures', Company's retained interest in Nuvama Wealth Management Limited has been recorded at fair value as at March 31, 2023

- During FY 2021-22, the Edelweiss Rural & Corporate Services Limited (ERCSL), subsidiary of the Company had paid additional Floor Space Index ('FSI') charges amounting to Rs. 39.15 crores to Municipal Corporation of Greater Mumbai (MCGM) for floors owned by Company in Edelweiss House. This amount was capitalized and depreciation amounting to Rs. 14.95 crores had been charged in FY2021-22. Awaiting approval from MCGM, during the quarter ended March 31, 2023, ERCSL has recorded accelerated depreciation on the remaining book value of Rs. 22.7 crores.

- "Nuvama Clearing Services Limited ('NCSL') (Formerly known as Edelweiss Custodial Services Limited), an erstwhile associate of the Edelweiss Financial Services Company Limited (EFSL) challenged an order, by an investigating agency, marking lien on its clearing account, before the 47th Additional Chief Metropolitan Magistrate Court, Mumbai ('ACMM'). Since the investigation against Anugrah Stock and Broking Pvt. Ltd. ('trading member'), for which NCSL was a clearing member, is still under process, the said Court contended that it had no objection to setting aside the lien order, upon NCSL providing an undertaking to keep sufficient assets unencumbered. The above case which is pending for hearing before ACMM, has now been transferred to the City Civil & Sessions Court under Maharashtra Protection of Interest of Depositors (In Financial Establishments) Act, 1999 (MPID). During the quarter ended March 2023, hearing has happened with Securities Appellate Tribunal with respect to NSCL's application made to SAT for challenging NCL's perverse order against NCSL; and the said hearing has been concluded and for which no order or further directions from SAT have yet been received. The matter is sub-judice and has been listed for further hearing and there is no further update on this matter during the quarter.

On behalf of NCSL, the Group has provided the undertaking to keep sufficient unencumbered assets amounting to Rs. 287 crores belonging to the Company and the said lien has been set aside.

The Company has been represented by NCSL that it has acted in accordance with the agreement entered with the trading member and in accordance with applicable laws and regulations. Accordingly, there is no adjustment required in the financial results for the quarter and year ended March 31, 2023.

8. Consolidated statement of assets and liabilities as at March 31, 2023

(₹ in Crores)

	March 31, 2023 (Audited)	March 31, 2022 (Audited)
<b>ASSETS</b>		
<b>Financial assets</b>		
(a) Cash and cash equivalents	128.92	308.08
(b) Bank balances other than (a) above	245.90	315.73
(c) Derivative financial instruments	-	1.72
(d) Securities held for trading	213.87	222.97
(e) Trade receivables	39.19	22.08
(f) Loans	4,168.72	4,186.36
(g) Investments	2,804.81	2,582.84
(h) Other financial assets	142.94	75.63
<b>Total financial assets</b>	<b>7,744.35</b>	<b>7,715.41</b>
<b>Non-financial assets</b>		
(a) Current tax assets (net)	223.21	202.04
(b) Deferred tax assets (net)	131.47	175.60
(c) Investment property	303.26	353.90
(d) Property, Plant and Equipment	221.90	242.99
(e) Intangible assets under development	1.24	1.74
(f) Goodwill	14.68	14.68
(g) Other Intangible assets	6.63	1.40
(h) Other non-financial assets	47.82	43.34
<b>Total non-financial assets</b>	<b>950.21</b>	<b>1,035.69</b>
<b>TOTAL ASSETS</b>	<b>8,694.56</b>	<b>8,751.10</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>Financial liabilities</b>		
(a) Derivative financial instruments	-	2.92
(b) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	0.73
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	40.19	32.35
(c) Debt securities	4,006.73	3,270.65
(d) Borrowings (other than debt securities)	2,875.04	3,841.88
(e) Subordinated Liabilities	107.01	287.62
(f) Other financial liabilities	1,239.15	968.10
<b>Total financial liabilities</b>	<b>8,268.12</b>	<b>8,404.25</b>
<b>Non-financial liabilities</b>		
(a) Current tax liabilities (net)	3.34	2.52
(b) Provisions	5.84	5.22
(c) Deferred tax liabilities (net)	4.36	7.18
(d) Other non-financial liabilities	13.55	11.70
<b>Total non-financial liabilities</b>	<b>27.09</b>	<b>26.62</b>
<b>EQUITY</b>		
(a) Equity share capital	756.68	556.68
(b) Instruments entirely equity in nature	165.00	165.00
(c) Other equity	(596.38)	(477.25)
<b>Equity attributable to owners of the Company</b>	<b>325.30</b>	<b>244.43</b>
Non-Controlling Interests	74.05	75.80
<b>Total Equity</b>	<b>399.35</b>	<b>320.23</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>8,694.56</b>	<b>8,751.10</b>

9. Consolidated statement of cash flows for the year ended March 31, 2023

	(₹ in Crores)	
	For the year ended March 31, 2023 (Audited)	For the year ended March 31, 2022 (Audited)
<b>Cash flow from operating activities</b>		
Profit / (Loss) before tax	(128.02)	(139.40)
<b>Adjustments for:</b>		
Depreciation and amortisation	36.61	40.11
Profit on sale of investments	83.80	(177.18)
Impairment on financial instruments	(24.59)	52.68
Fair value of financial instruments	190.59	(74.92)
Provision for gratuity and compensated absences	0.34	(2.10)
Profit on sale of of fixed assets (net)	-	(0.42)
<b>Operating capital before working capital changes (net)</b>	<b>158.73</b>	<b>(301.23)</b>
<b>Adjustments for:</b>		
Decrease / (increase) in trade receivables	(48.75)	(22.28)
Decrease / (increase) in securities held for trading	9.10	69.51
Decrease / (increase) in other financial assets	1.31	(116.42)
Decrease / (increase) in loans	73.86	2,998.43
Sale/ (purchase) of Investments <sup>1</sup>	(496.35)	(522.34)
Decrease / (increase) in other non financial assets	(4.48)	13.77
Increase / (decrease) in trade payables	7.33	(23.77)
Increase / (decrease) in non-financial liabilities	1.86	(32.23)
Increase / (decrease) in other financial liabilities	271.06	86.50
<b>Cash used in operating activities</b>	<b>(26.33)</b>	<b>2,149.94</b>
Income taxes paid (net of refund)	(29.45)	(15.20)
<b>Net cash used in operating activities - A</b>	<b>(55.78)</b>	<b>2,134.74</b>
<b>Cash flow from investing activities</b>		
Proceeds from sale of property, plant and equipment and intangible assets (net)	30.39	12.77
<b>Net cash generated from investing activities - B</b>	<b>30.39</b>	<b>12.77</b>
<b>Cash flow from financing activities</b>		
Proceeds from issuance of Share capital	200.00	-
Proceeds / (repayment) from debt securities <sup>1</sup>	736.08	(2,374.56)
Proceeds / (repayment) from borrowings (other than debt securities) <sup>1</sup>	(966.84)	(360.51)
Proceeds / (repayment) from subordinated debt <sup>1</sup>	(180.61)	15.86
Effect of change in group's interest	57.60	(219.42)
<b>Net cash (used in) / generated from financing activities - C</b>	<b>(153.77)</b>	<b>(2,938.63)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(179.16)</b>	<b>(791.12)</b>
Cash and cash equivalent as at the beginning of the year	308.08	1,099.20
Cash and cash equivalent as at the end of the year	128.92	308.08

<sup>1</sup>Net figures have been reported on account of volume of transactions

**Note:**

- i) Above Cash Flow Statement has been prepared under indirect method as set out in Ind AS 7 prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 under the companies Act, 2013.
10. Figures for the previous period/ year have been regrouped/ reclassified wherever necessary to confirm to current period/ year presentation.

For and on behalf of the Board of Directors

Digitally signed  
**ANANYA SUNEJA**  
 by ANANYA SUNEJA  
 Date: 2023.05.24  
 13:46:23 +05'30'

**Ananya Suneja**  
 Executive Director  
 DIN : 07297081

Mumbai May 24, 2023



## Annexure

i) Information as required pursuant to Regulation 52 (4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

	Particulars	Year ended	Year ended
		March 31, 2023 (Audited)	March 31, 2022 (Audited)
1	Debt-equity ratio (Refer note 1)	17.50	23.11
2	Net worth (Rs. in Crores) (Refer note 2)	399.35	320.23
3	Debt Service Coverage Ratio (DSCR) (Refer note 3)	NA	NA
4	Interest Service Coverage Ratio (ISCR) (Refer note 3)	NA	NA
5	Outstanding redeemable preference shares (no.of shares)	2,20,45,000	2,20,45,000
6	Outstanding redeemable preference shares capital (Rs. In crores)	44.71	223.45
7	Capital redemption reserve (Rs. in Crores)	11.43	11.43
8	Debenture redemption reserve (Refer note 4)	145.83	145.83
9	Net profit/ (loss) after tax (Rs.in Crores)	(178.41)	(131.55)
10	Earnings Per Share (₹) (Face Value of ₹ 100/- each)		
	- Basic	(25.76)	(19.34)
	- Diluted	(25.76)	(19.34)
11	Total debt to Total assets (%) (Refer Note 5)	79.86%	84.56%
12	Sector specific relevant ratios		

### Notes:

- Debt-equity Ratio = Total debt (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities) / Net worth
- Net worth = Equity share capital + Instruments entirely equity in nature + Other equity
- The Company, being Core Investment Company (CIC), this disclosure is not applicable pursuant to Regulation 52 (4) of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015.
- Total debt to Total assets = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities) / Total assets
- Current ratio, Long term debt to working capital, Bad Debts to account receivables ratio, Current liability ratio, Debtors turnover, Inventory turnover, Operating margin (%) and Net profit margin (%) are not applicable owing to the business model of the Company.



**DHIRAJ & DHEERAJ**  
CHARTERED ACCOUNTANTS

**Independent Auditor's Report on the Financial Results of Edel Finance Company Limited pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
The Board of Directors of  
Edel Finance Company Limited  
Report on the audit of the Financial Results

**Opinion**

We have audited the accompanying statement of financial results of Edel Finance Company Limited (the "Company"), for the year March 31, 2023 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard;  
and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2023.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

## **Management's Responsibilities for the Financial Results**

The Statement has been prepared on the basis of the annual standalone financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India and in compliance with regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Other Matters**

The Financial Results include the results for the quarter ended March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited figures up to the third quarter of the current financial year which were subject to limited review.

Our conclusion is not modified in respect of this matter.

For **DHIRAJ & DHEERAJ**

Chartered Accountants

ICAI Firm Registration Number: **102454W**

**SHAIENDRA** Digitally signed by  
**DADHICH** SHAIENDRA DADHICH  
Date: 2023.05.24 13:27:18  
+05'30'

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**SHAIENDRA DADHICH**

Partner

Membership Number: 425098

UDIN: 23425098BGWWUT6739

Place of Signature: MUMBAI

Date: 24<sup>th</sup> May, 2023

**Standalone financial results for quarter and year ended March 31, 2023**

(₹ in Crores)

Particulars	Quarter Ended			Year Ended	
	March 31, 2023 (Audited) (Refer note 8)	December 31, 2022 (Unaudited)	March 31, 2022 (Audited) (Refer note 8)	March 31, 2023 (Audited)	March 31, 2022 (Audited)
<b>1 Revenue from operations</b>					
(a) Interest income	30.71	17.66	5.93	66.26	25.24
(b) Fee and commission income	-	-	-	0.01	-
(c) Net gain / (loss) on fair value changes	179.70	0.08	12.53	191.63	94.49
<b>Total revenue from operations</b>	<b>210.41</b>	<b>17.74</b>	<b>18.46</b>	<b>257.90</b>	<b>119.73</b>
<b>2 Other income</b>	<b>7.57</b>	<b>0.11</b>	<b>65.02</b>	<b>52.69</b>	<b>68.93</b>
<b>3 Total Income (1+2)</b>	<b>217.98</b>	<b>17.85</b>	<b>83.48</b>	<b>310.59</b>	<b>188.66</b>
<b>4 Expenses</b>					
(a) Finance costs	63.68	53.80	41.59	218.49	176.65
(b) Impairment on financial instruments	2.04	1.22	(0.22)	3.08	0.53
(c) Employee benefits expense	0.12	0.05	0.19	0.27	1.14
(d) Depreciation and amortisation expense	-	-	0.01	0.01	0.21
(e) Other expenses	1.10	0.62	1.50	2.46	4.38
<b>Total expenses</b>	<b>66.94</b>	<b>55.69</b>	<b>43.07</b>	<b>224.31</b>	<b>182.91</b>
<b>5 Profit / (Loss) before tax (3-4)</b>	<b>151.04</b>	<b>(37.84)</b>	<b>40.41</b>	<b>86.28</b>	<b>5.75</b>
<b>6 Tax expense</b>					
Current tax	-	-	-	-	0.01
Deferred tax	37.97	(9.55)	(0.72)	20.88	(16.44)
<b>7 Net Profit / (Loss) for the period (5-6)</b>	<b>113.07</b>	<b>(28.29)</b>	<b>41.13</b>	<b>65.40</b>	<b>22.18</b>
<b>8 Other Comprehensive Income / (Loss)</b>	<b>0.01</b>	<b>-</b>	<b>(0.06)</b>	<b>0.01</b>	<b>(0.07)</b>
<b>9 Total Comprehensive Income / (Loss) (7+8)</b>	<b>113.08</b>	<b>(28.29)</b>	<b>41.07</b>	<b>65.41</b>	<b>22.11</b>
<b>10 Earnings Per Share (₹) (Face Value of ₹ 100/- each)</b>					
- Basic (Refer note 5)	15.62	(3.92)	5.70	9.04	3.07
- Diluted (Refer note 5)	15.62	(3.92)	5.70	9.04	3.07

Notes:

- Edel Finance Company Limited (the 'Company' / 'EFCL') has prepared audited financial results (the 'Statement') for the quarter and year ended March 31, 2023 in accordance with Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the 'Listing Regulations, 2015') and the Accounting Standards specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and the relevant provision of the Companies Act, 2013, as applicable.
- The above financial results of the Company for the quarter and year ended March 31, 2023 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 24, 2023.
- The above financial results of the Company for the quarter and year ended March 31, 2023 have been subjected to audit by the Statutory Auditors of the Company and the auditors have issued an unmodified audit report.
- The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.
- Earnings per share for the quarter ended March 31, 2023, December 31, 2022 and March 31, 2022 are not annualised.

- Pursuant to the Amendment Agreement dated March 9, 2023 to the Amended and Restated Shareholders' Agreement dated March 18, 2021 between Edelweiss Financial Service Ltd (Holding Company), Edelweiss Global Wealth Management Limited, PAGAC Ecstasy Pte Ltd and Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited), the amendment to the articles of association of Nuvama Wealth Management Limited and the appointment of independent trustee, Nuvama Wealth Management Limited and its subsidiary Companies ceased to be associate of the Company w.e.f. March 30, 2023.

Accordingly, pursuant to Ind AS 28 – 'Investments in Associates and Joint Ventures', Company's retained interest in Nuvama Wealth Management Limited has been recorded at fair value as at March 31, 2023

- "Nuwama Clearing Services Limited ("NCSL") (Formerly known as Edelweiss Custodial Services Limited), an erstwhile associate of the Edelweiss Financial Services Company Limited (EFSL) challenged an order, by an investigating agency, marking lien on its clearing account, before the 47th Additional Chief Metropolitan Magistrate Court, Mumbai ("ACMM"). Since the investigation against Anugrah Stock and Broking Pvt. Ltd. ("trading member"), for which NCSL was a clearing member, is still under process, the said Court contended that it had no objection to setting aside the lien order, upon NCSL providing an undertaking to keep sufficient assets unencumbered. The above case which is pending for hearing before ACMM, has now been transferred to the City Civil & Sessions Court under Maharashtra Protection of Interest of Depositors (In Financial Establishments) Act, 1999 (MPID). During the quarter ended March 2023, hearing has happened with Securities Appellate Tribunal with respect to NSCL's application made to SAT for challenging NCL's perverse order against NCSL; and the said hearing has been concluded and for which no order or further directions from SAT have yet been received. The matter is sub-judice and has been listed for further hearing and there is no further update on this matter during the quarter.

On behalf of NCSL, the Company has provided the undertaking to keep sufficient unencumbered assets amounting to Rs. 195 crores belonging to the Company and the said lien has been set aside.

The Company has been represented by NCSL that it has acted in accordance with the agreement entered with the trading member and in accordance with applicable laws and regulations. Accordingly, there is no adjustment required in the financial results for the quarter and year ended March 31, 2023.

- The results for the quarter ended March 31, 2023 and quarter ended March 31, 2022 are the balancing figures between audited figures in respect of full financial year and the published year to date figures up to the nine months ended December 31, 2022 and December 31, 2021 respectively. The figures upto the nine months period ended December 31, 2022 were subject to limited review by the Statutory Auditors of the Company.

9. Standalone statement of assets and liabilities as at March 31, 2023

	(₹ in Crores)	
	March 31, 2023 (Audited)	March 31, 2022 (Audited)
<b>ASSETS</b>		
<b>Financial assets</b>		
(a) Cash and cash equivalents	2.06	1.09
(b) Trade receivables	-	-
(c) Loans	954.95	188.09
(d) Investments	3,180.29	2,759.41
(e) Other financial assets	0.22	0.23
<b>Total financial assets</b>	<b>4,137.52</b>	<b>2,948.82</b>
<b>Non-financial assets</b>		
(a) Current tax assets (net)	41.20	31.19
(b) Deferred tax assets (net)	24.67	45.55
(c) Property, Plant and Equipment	0.22	0.24
(d) Other Intangible assets	-	-
(e) Other non- financial assets	0.28	0.07
<b>Total non- financial assets</b>	<b>66.37</b>	<b>77.05</b>
<b>TOTAL ASSETS</b>	<b>4,203.89</b>	<b>3,025.87</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>Financial liabilities</b>		
(a) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1.63	1.72
(b) Debt securities	1,481.01	669.13
(c) Borrowings (other than debt securities)	1,177.51	1,077.14
(d) Subordinated Liabilities	16.11	16.11
(e) Other financial liabilities	0.70	0.87
<b>Total financial liabilities</b>	<b>2,676.96</b>	<b>1,764.97</b>
<b>Non-financial liabilities</b>		
(a) Current tax liabilities (net)	1.82	1.82
(b) Provisions	0.01	-
(c) Other non-financial liabilities	1.58	0.98
<b>Total non- financial liabilities</b>	<b>3.41</b>	<b>2.80</b>
<b>EQUITY</b>		
(a) Equity share capital	756.68	556.68
(b) Instruments entirely equity in nature	165.00	165.00
(c) Other equity	601.84	536.42
<b>Total equity</b>	<b>1,523.52</b>	<b>1,258.10</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>4,203.89</b>	<b>3,025.87</b>

10. Standalone statement of cash flows for the year ended March 31, 2023

	(₹ in Crores)	
	For the year ended March 31, 2023 (Audited)	For the year ended March 31, 2022 (Audited)
<b>Cash flow from operating activities</b>		
Profit / (Loss) before tax	86.28	5.75
<b>Adjustments for:</b>		
Depreciation and amortisation	0.01	0.21
Profit on sale of investments	(44.89)	(96.14)
Impairment on financial instruments	3.08	0.53
Fair value of financial instruments	(121.56)	(60.20)
Provision for gratuity and compensated absences	0.02	(0.20)
<b>Operating capital before working capital changes (net)</b>	<b>(77.06)</b>	<b>(150.05)</b>
<b>Adjustments for:</b>		
Decrease / (increase) in trade receivables	-	5.37
Decrease / (increase) in other financial assets	0.01	4.57
Decrease / (increase) in loans	(769.94)	655.88
Sale/ (purchase) of Investments <sup>1</sup>	(254.43)	(599.06)
Decrease / (increase) in other non financial assets	(0.21)	0.40
Increase / (decrease) in trade payables	(0.09)	(2.37)
Increase / (decrease) in non-financial liabilities	0.60	(0.95)
Increase / (decrease) in other financial liabilities	(125.65)	(24.36)
<b>Cash used in operating activities</b>	<b>(1,226.77)</b>	<b>(110.57)</b>
Income taxes paid (net of refund)	(10.01)	1.84
<b>Net cash used in operating activities -A</b>	<b>(1,236.78)</b>	<b>(108.73)</b>
<b>Cash flow from investing activities</b>		
Proceeds from sale of property, plant and equipment and intangible assets	0.01	0.05
<b>Net cash generated from investing activities - B</b>	<b>0.01</b>	<b>0.05</b>
<b>Cash flow from financing activities</b>		
Proceeds from issuance of Share capital (including Securities Premium) <sup>1</sup>	200.00	-
Proceeds / (repayment) from debt securities <sup>1</sup>	944.58	(368.08)
Proceeds / (repayment) from borrowings (other than debt securities) <sup>1</sup>	93.16	357.79
<b>Net cash (used in) / generated from financing activities - C</b>	<b>1,237.74</b>	<b>(10.29)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>0.97</b>	<b>(118.97)</b>
Cash and cash equivalent as at the beginning of the year	1.09	120.06
Cash and cash equivalent as at the end of the year	2.06	1.09

<sup>1</sup>Net figures have been reported on account of volume of transactions

Above Cash Flow Statement has been prepared under indirect method as set out in Ind AS 7 prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 under the companies Act, 2013.

11. Figures for the previous period/ year have been regrouped/ reclassified wherever necessary to confirm to current period/ year presentation.

For and on behalf of the Board of Directors

**ANANYA** Digitally signed by  
**SUNEJA** ANANYA SUNEJA  
 Date: 2023.05.24  
 13:19:34 +05'30'

**Ananya Suneja**  
 Executive Director  
 DIN : 07297081

Mumbai May 24, 2023

## Annexure

- i) Pursuant to Regulation 54 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, we would like to state that all secured & redeemable debt securities issued by the Company and outstanding as on March 31, 2023 are fully secured by pari passu charge on the mortgaged premises and on receivables and listed / unlisted holdings, investments of the Company. Accordingly, the Company is maintaining asset cover of 1x or such higher asset cover required as per the terms of offer document/ Information Memorandum and additional security clause.
- ii) Information as required pursuant to Regulation 52 (4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

	Particulars	Year ended	Year ended
		March 31, 2023 (Audited)	March 31, 2022 (Audited)
1	Debt-equity ratio (Refer note 1)	1.76	1.40
2	Net worth (Rs. in Crores) (Refer note 2)	1,523.52	1,258.10
3	Debt Service Coverage Ratio (DSCR) (Refer note 3)	NA	NA
4	Interest Service Coverage Ratio (ISCR) (Refer note 3)	NA	NA
5	Outstanding redeemable preference shares (no.of shares)	Nil	Nil
6	Capital redemption reserve (Rs. in Crores)	8.43	8.43
7	Debenture redemption reserve (Refer note 4)	Nil	Nil
8	Net profit/ (loss) after tax (Rs.in Crores)	65.40	22.18
9	Earnings Per Share (₹) (Face Value of ₹ 100/- each)		
	- Basic	9.04	3.07
	- Diluted	9.04	3.07
10	Total debt to Total assets (%) (Refer Note 5)	63.62%	58.24%
11	Sector specific relevant ratios		
	a) Investments & loans to group companies as a proportion of Net Assets (%)	90.06%	99.98%
	b) Investments in equity shares and compulsorily convertible instruments of group companies as a proportion of Net Assets (%)	60.06%	78.77%
	c) Capital Adequacy Ratio (%) [Adjusted Net worth / Risk Weighted Assets]	33.25%	41.05%
	d) Leverage Ratio (Times) [Outside liabilities / Adjusted Network]	2.03	1.46

### Notes:

- Debt-equity Ratio = Total debt (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities) / Net worth
- Net worth = Equity share capital + Instruments entirely equity in nature + Other equity
- The Company, being Core Investment Company (CIC), this disclosure is not applicable pursuant to Regulation 52 (4) of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015.
- As per Rule 18(7)(b)(ii) of the Companies (Share Capital and Debentures) Rules, 2014 the Company, being Core Investment Company (CIC), is not required to create debenture redemption reserve in respect of privately placed debentures.
- Total debt to Total assets = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities) / Total assets
- Current ratio, Long term debt to working capital, Bad Debts to account receivables ratio, Current liability ratio, Debtors turnover, Inventory turnover, Operating margin (%) and Net profit margin (%) are not applicable owing to the business model of the Company.





87	Edel Finance Company Limited	AAACD4475F	Edelweiss Rural & Corporate Services Limited	AAAC573118	Subsidiary Company	Any other transaction	Long term loans taken from	Approved	3.08	-											
88	Edel Finance Company Limited	AAACD4475F	Edelweiss Financial Services Limited	AAACE1461E	Holding Company	Any other transaction	Long term loans taken from	Approved	733.12	1,138.95											
89	Edel Finance Company Limited	AAACD4475F	Altium Finance Private Limited	AACCA9271A	Subsidiary Company	Any other transaction	Long term loans taken from	Approved	-	23.00											
90	Edel Finance Company Limited	AAACD4475F	ECap Equities Limited	AACCE0717D	Fellow subsidiary	Loan	Short term loans given to	Approved	124.53	64.38											
91	Edel Finance Company Limited	AAACD4475F	Edelweiss Securities And Investments Private Limited	AAGCM1793D	Fellow subsidiary	Loan	Short term loans given to	Approved	-	154.61											
92	Edel Finance Company Limited	AAACD4475F	Edelweiss Global Wealth Management Limited	AABC7567C	Fellow subsidiary	Loan	Short term loans given to	Approved	-	68.57											
93	Edel Finance Company Limited	AAACD4475F	Edelweiss Securities Limited	AABCE9000A	Fellow subsidiary	Loan	Short term loans given to	Approved	-	155.48											
94	Edel Finance Company Limited	AAACD4475F	Comtrade Commodities Services Limited	AABC2A781N	Subsidiary Company	Loan	Short term loans given to	Approved	-	1.88											
95	Edel Finance Company Limited	AAACD4475F	ECap Securities And Investments Limited	AABCE8997N	Fellow subsidiary	Loan	Short term loans given to	Approved	-	337.13											
96	Edel Finance Company Limited	AAACD4475F	Edelweiss Rural & Corporate Services Limited	AAAC573118	Subsidiary Company	Loan	Short term loans given to	Approved	-	167.15											
97	Edel Finance Company Limited	AAACD4475F	Edelweiss Securities And Investments Private Limited	AAGCM1793D	Fellow subsidiary	Loan	Long term loans given to	Approved	17.24	-											
98	Edel Finance Company Limited	AAACD4475F	Edelweiss Financial Services Limited	AAACE1461E	Holding Company	Any other transaction	Trade Payables to	Approved	0.00	0.01											
99	Edel Finance Company Limited	AAACD4475F	Edelweiss Rural & Corporate Services Limited	AAAC573118	Subsidiary Company	Any other transaction	Trade Payables to	Approved	0.19	0.22											
100	Edel Finance Company Limited	AAACD4475F	Nuama Wealth and Investment Limited	AABCE6219A	Associate company	Any other transaction	Trade Payables to	Approved	-	-											
101	Edel Finance Company Limited	AAACD4475F	Edelweiss General Insurance Company Limited	AAACE2328J	Fellow subsidiary	Any other transaction	Trade Payables to	Approved	-	-											
102	Edel Finance Company Limited	AAACD4475F	Nuama Asset Management Limited	AABCE6680P	Associate company	Any other transaction	Trade Payables to	Approved	0.20	-											
103	Edel Finance Company Limited	AAACD4475F	ECap Equities Limited	AACCE0717D	Fellow subsidiary	Any other transaction	Trade Payables to	Approved	-	0.00											
104	Edel Finance Company Limited	AAACD4475F	Edelweiss Financial Services Limited	AAACE1461E	Holding Company	Any other transaction	Trade receivables from	Approved	0.00	-											
105	Edel Finance Company Limited	AAACD4475F	Edelweiss Securities And Investments Private Limited	AAGCM1793D	Fellow subsidiary	Any other transaction	Other receivables	Approved	0.01	0.01											
106	Edel Finance Company Limited	AAACD4475F	ECL Finance Limited	AABCE4916D	Fellow subsidiary	Any other transaction	Other receivables	Approved	0.00	-											
107	Edel Finance Company Limited	AAACD4475F	ECap Equities Limited	AACCE0717D	Fellow subsidiary	Any other transaction	Other receivables	Approved	0.00	-											
108	Edel Finance Company Limited	AAACD4475F	Edelweiss Retail Finance Limited	AACCA9271A	Fellow subsidiary	Any other transaction	Other receivables	Approved	0.00	-											
109	Edel Finance Company Limited	AAACD4475F	Edel Investments Limited	AACCE2678M	Fellow subsidiary	Any other transaction	Other receivables	Approved	-	0.00											
110	Edel Finance Company Limited	AAACD4475F	ECap Equities Limited	AACCE0717D	Fellow subsidiary	Any other transaction	Interest receivable-Accrued-Group Company	Approved	2.16	1.38											
111	Edel Finance Company Limited	AAACD4475F	Edelweiss Securities And Investments Private Limited	AAGCM1793D	Fellow subsidiary	Any other transaction	Interest receivable-Accrued-Group Company	Approved	0.19	5.03											
112	Edel Finance Company Limited	AAACD4475F	Edelweiss Rural & Corporate Services Limited	AAAC573118	Subsidiary Company	Any other transaction	Interest receivable-Accrued-Group Company	Approved	-	0.77											
113	Edel Finance Company Limited	AAACD4475F	Edelweiss Securities Limited	AABCE9000A	Fellow subsidiary	Any other transaction	Interest receivable-Accrued-Group Company	Approved	-	0.97											
114	Edel Finance Company Limited	AAACD4475F	Edelweiss Global Wealth Management Limited	AABC7567C	Fellow subsidiary	Any other transaction	Interest receivable-Accrued-Group Company	Approved	-	0.76											
115	Edel Finance Company Limited	AAACD4475F	Comtrade Commodities Services Limited	AABC2A781N	Subsidiary Company	Any other transaction	Interest receivable-Accrued-Group Company	Approved	-	0.02											
116	Edel Finance Company Limited	AAACD4475F	ECap Securities And Investments Limited	AABCE8997N	Fellow subsidiary	Any other transaction	Interest receivable-Accrued-Group Company	Approved	-	0.69											
117	Edel Finance Company Limited	AAACD4475F	Edelweiss Rural & Corporate Services Limited	AAAC573118	Subsidiary Company	Any other transaction	Interest payable-Accrued-Group company	Approved	0.51	-											
118	Edel Finance Company Limited	AAACD4475F	Edelweiss Financial Services Limited	AAACE1461E	Holding Company	Any other transaction	Interest payable-Accrued-Group company	Approved	8.81	15.27											
119	Edel Finance Company Limited	AAACD4475F	ECap Equities Limited	AACCE0717D	Fellow subsidiary	Any other transaction	Interest payable-Accrued-Group company	Approved	-	0.05											
120	Edel Finance Company Limited	AAACD4475F	Altium Finance Private Limited	AACCA9271A	Subsidiary Company	Any other transaction	Interest payable-Accrued-Group company	Approved	-	0.23											
121	Edel Finance Company Limited	AAACD4475F	Edelweiss Retail Finance Limited	AACCA9271A	Fellow subsidiary	Any other transaction	Interest receivable - accrued on debentures and bonds of	Approved	0.53	0.18											
122	Edel Finance Company Limited	AAACD4475F	Edelweiss Rural & Corporate Services Limited	AAAC573118	Subsidiary Company	Any other transaction	Interest receivable - accrued on debentures and bonds of	Approved	0.05	0.08											
123	Edel Finance Company Limited	AAACD4475F	ECap Equities Limited	AACCE0717D	Fellow subsidiary	Any other transaction	Interest receivable - accrued on debentures and bonds of	Approved	0.01	0.02											
124	Edel Finance Company Limited	AAACD4475F	ECL Finance Limited	AABCE4916D	Fellow subsidiary	Any other transaction	Interest receivable - accrued on debentures and bonds of	Approved	-	21.74											
125	Edel Finance Company Limited	AAACD4475F	Edelweiss Rural & Corporate Services Limited	AAAC573118	Subsidiary Company	Any other transaction	Corporate Guarantee taken from	Approved	72.66	70.18											
126	Edel Finance Company Limited	AAACD4475F	Edelweiss Financial Services Limited	AAACE1461E	Holding Company	Any other transaction	Corporate Guarantee taken from	Approved	47.00	47.00											
127	Edel Finance Company Limited	AAACD4475F	Edelweiss Financial Services Limited	AAACE1461E	Holding Company	Any other transaction	Corporate Guarantee given on behalf of	Approved	230.41	-											

Edelweiss Financial Services Limited (EFSL) along with its subsidiaries holds 44% in Nuama. Thus, Nuama was disclosed as associate company of Edel Finance Company Limited and transactions with Nuama were disclosed as transaction with Associate entity. During the financial year ended March 31, 2023, pursuant to the amendment in the shareholders' agreement with EFSL, effective 30th March 2023, EFSL ceases to exercise significant influence over Nuama. Accordingly Nuama is not treated as related party.

STATEMENT OF DEVIATION OR VARIATION						
Name of listed entity					Edel Finance Company Limited	
Mode of Fund Raising					Private Placement	
Type of instrument					Market linked and Non - Convertible Debentures	
Date of Raising Funds					Refer Annexure 1	
Amount Raised					Refer Annexure 1	
Report for quarter ended					March 31, 2023	
Is there a Deviation / Variation in use of funds raised?					No	
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?					Not Applicable	
If yes, details of the approval so required?					Not Applicable	
Date of approval					Not Applicable	
Explanation for the Deviation / Variation					Not Applicable	
Comments of the audit committee after review					Not Applicable	
Comments of the auditors, if any					Not Applicable	
Objects for which funds have been raised and where there has been a deviation, in the following table					Refer below table	
Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilised	Amount of Deviation/Variation for the half year according to applicable object (INR Crores and in %)	Remarks, if any
The proceeds of the issue of Debentures would be utilized for general corporate purposes, business operations (including Treasury operations) and investments.	-	-	-	-	-	-
<i>Deviation could mean:</i>						
(a) Deviation in the objects or purposes for which the funds have been raised						
(b) Deviation in the amount of funds actually utilized as against what was originally disclosed.						
<b>Name of signatory: Tarun Khurana</b> <b>Designation : Company Secretary</b> <b>Date : May 24, 2023</b>						

**Edel Finance Company Limited**

**Corporate Identity Number: U65920MH1989PLC053909**

Registered Office: Edelweiss House, Off C.S.T. Road, Kalina, Mumbai – 400 098. Tel No.: +91 22 4009 4400

Email: [cs@edelweissfin.com](mailto:cs@edelweissfin.com) Website: [www.edelweissfin.com](http://www.edelweissfin.com)

**Annexure -1**

<b>Sr No</b>	<b>Date of Raising Funds</b>	<b>Amount Raised (Rs.)</b>	<b>Disclosure Document/ Prospectus Dated</b>
1	06-Mar-23	1,75,00,00,000	06-Mar-23
2	13-Mar-23	1,99,71,00,000	13-Mar-23
3	17-Mar-23	1,62,87,00,000	16-Mar-23
4	28-Mar-23	2,14,00,000	27-Mar-23

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**DHIRAJ & DHEERAJ**  
CHARTERED ACCOUNTANTS

**Independent Auditor’s Report on Asset Cover and Compliance with all Covenants as at March 31, 2023 under Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) for submission to SBICAP Trustees Company Limited, Beacon Trusteeship Limited and Catalyst Trusteeship Limited (the ‘Debenture Trustees’)**

To,  
The Board of Directors  
Edel Finance Company Limited  
Edelweiss House,  
Off CST Road, Kalina,  
Mumbai – 400098.

1. This Report is issued in accordance with the terms of the service of master engagement agreement dated November 29, 2021 between Dhiraj & Dheeraj (“we” or “us”) and Edel Finance Company Limited (the “Company”).
2. We Dhiraj & Dheeraj, Chartered Accountants, are the Statutory Auditors of the Company and have been requested by the Company to examine the accompanying Statement showing ‘Asset Cover as per the terms of the Debenture Trust Deed and Compliance with Covenants’ for listed non-convertible debt securities as at March 31, 2023 (hereinafter the “Statement”) which has been prepared by the Company as prescribed by Securities and Exchange Board of India (SEBI) circular dated November 12, 2020 from the audited financial results and other relevant records and documents maintained by the Company as at and for the period ended March 31, 2023 pursuant to the requirements of the Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (hereinafter the “SEBI Regulations”).

This Report is required by the Company for the purpose of submission with SBICAP Trustees Company Limited, Beacon Trusteeship Limited and Catalyst Trusteeship Limited (the ‘Debenture Trustees’) of the Company to ensure compliance with the SEBI Regulations in respect of its listed non-convertible debt securities (‘Debentures’). The Company has entered into an agreement with the Debenture Trustees vide agreement dated as mentioned in the Statement in respect of such Debentures.

**Management’s Responsibility**

3. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management of the Company is also responsible for ensuring that the Company complies with all the relevant requirements of the SEBI Regulations and for providing all relevant information to the Debenture Trustees and for complying with all the covenants as prescribed in the Debenture Trust Deeds entered into between the Company and the Debenture Trustees (‘Trust Deeds’)/Information Memorandum.

**Auditor’s Responsibility**

5. It is our responsibility is to provide limited assurance as to whether:
  - (a) the Company has maintained asset cover as per the terms of the Information memorandum/Trust Deeds; and
  - (b) the Company is in compliance with all the covenants as mentioned in the Trust Deeds as on March 31, 2023.

6. We have performed audit of the financial results of the Company for the quarter and year ended March 31, 2023, prepared by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and issued an unmodified opinion dated May 24, 2023.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. Our scope of work did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial results of the Company taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial results, specified elements, accounts or items thereof, for the purpose of this report. Accordingly, we do not express such opinion.
10. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 5 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we have performed the following procedures in relation to the Statement:
  - a) Obtained and read the Trust Deeds/Information Memorandum and noted the asset security cover required to be maintained by the Company.
  - b) Traced and agreed the principal amount of the listed non-convertible debt securities outstanding as on March 31, 2023 to the audited financial results and books of account maintained by the Company as on March 31, 2023.
  - c) Obtained and read the list of asset cover in respect of listed non-convertible debt securities outstanding as per the Statement. Traced the value of assets from the Statement to the audited financial results and books of accounts maintained by the Company as on March 31, 2023.
  - d) Obtained the list of security created in the register of charges maintained by the Company and 'Form No. CHG-9' filed with Ministry of Corporate Affairs ('MCA'). Traced the value of charge created against Assets to the Asset Cover in the attached Statements.
  - e) Obtained the list and value of assets placed under lien or encumbrance for the purpose of obtaining any other loan and determined that such assets are not included in the calculation of Asset Cover in respect of listed non-convertible debt security.
  - f) Examined and verified the arithmetical accuracy of the computation of Asset Cover, in the accompanying Statement.
  - g) Compared the Asset Cover with the Asset Cover required to be maintained as per Trust Deeds/Information Memorandum.
  - h) With respect to compliance with covenants (including financial, affirmative, informative and negative covenants) included in the attached Statement, we have performed following procedures:
    - (i) Obtained the copies of bank statements and traced the date of repayment of principal and interest due on sample basis during the period April 1, 2022 to March 31, 2023.
    - (ii) We have verified the compliance of debt covenants as per the Trust Deeds/Information Memorandum till date of this certificate. With respect to the covenants for the quarter/year ended March 31, 2023 for which due date is after the date of this certificate, management has represented to us that the same shall be duly complied with within the due date; and
    - (iii) Performed necessary inquiries with the management regarding any instances of non-compliance of covenants during the year ended March 31, 2023.

- i) With respect to covenants other than those mentioned in paragraph 10(h) above, the management has represented and confirmed that the Company has complied with all the other covenants including affirmative, informative, and negative covenants, as prescribed in the Trust Deeds/Information memorandum, as at March 31, 2023. We have relied on the same and not performed any independent procedure in this regard.
- j) Performed necessary inquiries with the Management and obtained necessary representations.

### **Conclusion**

Based on the procedures performed by us, as referred to in paragraph 10 above and according to the information and explanations received and management representations obtained, nothing has come to our attention that causes us to believe that:

- a) The Company has not maintained asset cover as per the terms of the Trust deeds/ Information memorandum; and
- b) The Company is not in compliance with all the covenants as mentioned in the Trust deeds/ Information memorandum as on March 31, 2023.

### **Restriction on Use**

The Report has been issued at the request of the Company, solely in connection with the purpose mentioned in paragraph 2 above and to be submitted with the accompanying Statement to the Debenture Trustees and is not to be used or referred to for any other person. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come. We have no responsibility to update this certificate for events and circumstances occurring after the date of this report.

**For Dhiraj & Dheeraj**

**Chartered Accountants**

**ICAI Firm Registration Number: 102454W**

**SHAIENDR** Digitally signed by  
SHAIENDRA  
DADHICH  
**A DADHICH** Date: 2023.05.24  
14:16:53 +05'30'

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**per Shailendra Dadhich**

Partner

Membership Number:425098

UDIN: 23425098BGWWUX4805

Place of Signature: Mumbai

Date:24<sup>th</sup> May,2023

**Statement of Security Cover and covenants compliance**

a) The listed entity has vide its Board Resolution and information memorandum / offer document and under various Debenture Trust Deeds has issued the following debt securities.

(Rs. in crore)

Sr.No.	DTD date	Trustee Name	Outstanding principal amount as on 31-Mar-2023
1	31-Dec-14	SBICAP Trustee Company Limited	15.00
2	25-Aug-16	SBICAP Trustee Company Limited	238.40
3	05-Oct-17	SBICAP Trustee Company Limited	4.57
4	28-Jun-22	Beacon Trusteeship Limited	200.00
5	25-Jan-23	Catalyst Trusteeship Limited	374.71
6	27-Feb-23	Catalyst Trusteeship Limited	165.01
		<b>TOTAL</b>	<b>997.69</b>

**b) Security cover for Secured Debt Securities**

(i) The financial information as on 31 March 2023 has been extracted from the books of accounts for the year ended 31 March 2023 and other relevant records of Edel Finance Company Limited.

(ii) The assets of the listed entity provide coverage of 1x times in accordance with the terms of issue/ debenture trust deed (calculation as per statement of security cover ratio for the Secured Debt securities - Annexure)

**c) Compliances of all the covenants/terms of issue in respect of debt securities**

Sr. No.	Particulars	Trustee Name	DTD Date	Complied Covenants	If No, reason for Non-Compliance
1	MLDs	SBICAP Trustee Company Limited	25 <sup>th</sup> August 2016	Yes	N.A.
2	MLDs	SBICAP Trustee Company Limited	5 <sup>th</sup> October 2017	Yes	N.A.
3	NCDs	Beacon Trusteeship Limited	28 <sup>th</sup> June 2022	Yes	N.A.
4	NCDs	SBICAP Trustee Company Limited	31 <sup>st</sup> December 2014	Yes	N.A.
5	MLDs	Catalyst Trusteeship Limited	25 <sup>th</sup> January 2023	Yes	N.A.
6	MLDs	Catalyst Trusteeship Limited	27 <sup>th</sup> February 2023	Yes	N.A.

Truly Yours,  
**Edel Finance Company Limited**

**ANANYA** Digitally signed  
 by ANANYA  
**A** SUNEJA  
 Date: 2023.05.24  
**SUNEJA** 14:16:10 +05'30'

**Ananya Suneja**  
 Executive Director  
 DIN: 07297081  
 Date: May 24, 2023



Edel Finance Company Limited

## Annexure - Security Cover

(Rs. In crores)

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O	Column P	
Particulars	Description of asset for which this certificate made	Debt for which this certificate being issued	Debt for which this certificate being issued	Debt for which this certificate being issued	Assets shared by part passu debt holder (includes debt for which this certificate is issued & other debt with part-passu charge)	Other assets on which there is part-passu charge (excluding items covered in column F)	Debt not backed by any assets offered as security	Assets not offered as security	Elimination (amount in rupees)	debt amount considered more than once (due to exclusive plus part passu charge)	(Total C to H)	Related to only those items covered by this certificate				Total Valuation (L+M+N)
		Exclusive Charge	Exclusive Charge	Other Secured Debt	Yes/No	Book Value	Book Value				Market Value for Assets charged on Exclusive basis	Carrying book value for exclusive charge assets where market value is not ascertainable (For Eg. Bank Balances, CDMA market value is not applicable)	Market Value for Part passu charge Assets (For Eg. Bank Balance, CDMA market value is not applicable)	Carrying value/book value for part passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, CDMA market value is not applicable)		
		Book Value	Book Value			Book Value	Book Value									
<b>ASSETS</b>																
Property, Plant and Equipment	Property	-	-	Yes		0.08	-	-	0.14	-	0.22	-	-	0.08	0.08	
Capital Work-in-Progress		-	-	-		-	-	-	-	-	-	-	-	-	-	
Right of Use Assets		-	-	-		-	-	-	-	-	-	-	-	-	-	
Goodwill		-	-	-		-	-	-	-	-	-	-	-	-	-	
Intangible Assets		-	-	-		-	-	-	-	-	-	-	-	-	-	
Intangible Assets under Development		-	-	-		-	-	-	-	-	-	-	-	-	-	
Investments	Investments	74.81	-	Yes		221.54	-	-	2,883.04	-	3,180.29	215.50	-	221.54	437.04	
Loans		-	-	-		-	-	-	954.30	-	954.95	-	-	-	-	
Inventories		-	-	-		-	-	-	-	-	-	-	-	-	-	
Trade Receivables		-	-	-		-	-	-	-	-	-	-	-	-	-	
Cash and Cash Equivalents		-	-	-		-	-	-	2.08	-	2.08	-	-	-	-	
Bank Balances other than Cash and Cash Equivalents		-	-	-		-	-	-	-	-	-	-	-	-	-	
Others		-	-	-		-	-	-	68.37	-	68.37	-	-	-	-	
<b>Total</b>		<b>74.81</b>	<b>-</b>	<b>-</b>		<b>221.62</b>	<b>-</b>	<b>-</b>	<b>3,907.48</b>	<b>-</b>	<b>4,203.89</b>	<b>215.50</b>	<b>-</b>	<b>221.62</b>	<b>437.12</b>	
<b>LIABILITIES</b>																
Debt securities to which this certificate pertains		215.50	-	-		221.62	-	-	-	-	437.12	215.50	-	221.62	437.12	
Other debt sharing part-passu charge with above debt		-	-	-		-	-	-	-	-	-	-	-	-	-	
Other Debt		-	-	-		-	-	-	-	-	-	-	-	-	-	
Subordinated debt	not to be filed	-	-	-		-	-	-	16.11	-	16.11	-	-	-	-	
Borrowings		-	-	-		-	-	-	1,177.51	-	1,177.51	-	-	-	-	
Bank		-	-	-		-	-	-	-	-	-	-	-	-	-	
Debt Securities		-	-	-		-	-	-	1,043.89	-	1,043.89	-	-	-	-	
Others		-	-	-		-	-	-	-	-	-	-	-	-	-	
Trade payables		-	-	-		-	-	-	1.63	-	1.63	-	-	-	-	
Lease Liabilities		-	-	-		-	-	-	-	-	-	-	-	-	-	
Provisions		-	-	-		-	-	-	-	-	-	-	-	-	-	
Others		-	-	-		-	-	-	4.12	-	4.12	-	-	-	-	
<b>Total</b>		<b>215.50</b>	<b>-</b>	<b>-</b>		<b>221.62</b>	<b>-</b>	<b>-</b>	<b>2,237.51</b>	<b>5.75</b>	<b>2,880.38</b>	<b>215.50</b>	<b>-</b>	<b>221.62</b>	<b>437.12</b>	
<b>Cover on Book Value</b>																
<b>Cover on Market Value</b>																
<b>Security Cover Ratio</b>											<b>1.00</b>			<b>1.00</b>	<b>1.00</b>	

For the purpose of Asset Coverage Ratio (ACR), Investment valued at Rs. 263.54 crores (as per valuation certificate dated February 28, 2023) is specifically charged against private NCD of Rs. 200 crores. However, total assets stated above are restricted to the extent of minimum security coverage required under Debenture trust deed.

The assets are secured to the extent required to maintain the agreed Security Cover in respect of the Debentures. Accordingly, total asset is derived by taking into consideration the required security cover mentioned in the respective Debenture Trust Deed/ Information Memorandum.

Investments includes Rs. 973.39 crs which are not available as security.

Edel Finance Company Limited

Corporate Identity Number: U65920MH1989PLC053909

Registered Office: Edelweiss House, Off C.S.T. Road, Kalina, Mumbai – 400 098. Tel No.: +91 22 4009 4400