

ERCSL/Sec/2023-24/11

May 22, 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 22, 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 pursuant to Regulation 52(7) of the Listing Regulations; and
- iii) Security Cover Certificate pursuant to Regulation 54 of the Listing Regulations.

The meeting of the Board commenced at 5:30 p.m. and concluded at 6:35 p.m.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For Edelweiss Rural & Corporate Services Limited

Chirag Shah

Company Secretary

Encl.: as above

Independent Auditor's Report on the Annual Consolidated Financial Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To
The Board of Directors of
Edelweiss Rural & Corporate Services Limited

Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying statement of consolidated financial results of Edelweiss Rural & Corporate Services Limited ("Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its associates for the year ended March 31, 2023 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("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 the other auditors on separate audited financial statements/financial results/financial information of the subsidiaries / associates, the Statement:

- i. includes the results of the subsidiaries and associate (refer Annexure A);
- ii. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net loss and other comprehensive loss 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 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 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 Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net loss and other comprehensive income and other financial information of the Group including its associate in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder 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 companies included in the Group and of its

associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management 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 companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated 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 skepticism 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 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 Statement 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 Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associate of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, 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 Holding Company and such other entities included in the Statement 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 Matter

The accompanying Statement includes the audited financial results/statements and other financial information, in respect of:

- 4 subsidiaries, whose financial results/statements include total assets of Rs 4,596.75 crores as at March 31, 2023, total revenues of Rs 610.70 crores, total net loss after tax of Rs. 98.05 crores, total comprehensive loss of Rs. 97.85 crores, for the year ended on that date respectively, and net cash outflows of Rs. 175.94 for the year ended March 31, 2023, as considered in the Statement which have been audited by their respective independent auditors.
- 1 associate whose financial results/statements include Group's share of net loss of Rs. 5.74 crores and Group's share of total comprehensive income of Rs. 5.74 crores for the year ended March 31, 2023 respectively, as considered in the Statement, whose financial results/ financial statements, other financial information have been audited by their respective independent auditors.

The independent auditor's report on the financial statements/financial results/financial information of these entities have been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and associate is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.

S.R. BATLIBOI & Co. LLP

Chartered Accountants

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

For S.R. BATLIBOI & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

**SHRAWAN
BHAGWATI
JALAN**

Digitally signed by SHRAWAN
BHAGWATI JALAN
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Date: 2023.05.22 18:34:51 +05'30'

per Shrawan Jalan
Partner
Membership No.: 102102

UDIN: 23102102BGXJDZ6590

Place of Signature: Mumbai
Date: May 22, 2023

Annexure A

Subsidiaries
Edelweiss Housing Finance Limited
Allium Finance Private Limited
Comtrade Commodities Services Limited
Edelweiss Investment Advisor Limited
Associate
Ecap Equities Limited (formerly Edel Land Limited)

Edelweiss Rural & Corporate Services Limited

Corporate Identity Number-U45201TG2006PLC078157

Regd. Off: 2nd Floor, M.B. Towers, Plot No 5, Road No 2, Banjara Hills, Hyderabad-500034

Tel: +040-4031-6900



Consolidated Financial Results for year ended March 31, 2023

(Rs. In Crores)

	Particulars	Year Ended	
		March 31, 2023 (Audited)	March 31, 2022 (Audited)
1	Revenue from operations		
	(a) Interest income	552.64	904.55
	(b) Fee and commission income	92.65	128.64
	(c) Sale of commodities	593.19	562.84
	(d) Dividend Income	0.41	-
	(e) Other operating revenue	35.54	36.77
	Total revenue from operations	1,274.43	1,632.80
2	Other income	44.45	120.61
3	Total Income (1+2)	1,318.88	1,753.41
4	Expenses		
	(a) Finance costs	668.27	914.95
	(b) Impairment on financial instruments	(27.67)	52.17
	(c) Employee benefits expense	109.21	120.51
	(d) Depreciation and amortisation expense	36.60	39.90
	(e) Purchase of commodities	592.82	562.63
	(f) Changes in inventories	-	-
	(g) Net loss on fair value changes	1.42	19.78
	(h) Other expenses	155.97	152.45
	Total expenses	1,536.62	1,862.39
5	Profit/(Loss) before share in associates and tax (3-4)	(217.74)	(108.98)
6	Share in profit/(loss) of associates (net of tax)	(5.74)	(36.08)
7	Profit/(Loss) after share in associates and tax (5+6)	(223.48)	(145.06)
8	Tax expense		
	Current tax	9.01	9.38
	Deferred tax	20.50	(0.80)
9	Net Profit / (Loss) for the period (7-8)	(252.99)	(153.64)
10	Other Comprehensive Income/ (Loss)	(0.07)	(1.80)
11	Total Comprehensive Income (9+10)	(253.06)	(155.44)
12	Net profit / (loss) for the period attributable to:		
	Owners of the company	(261.21)	(170.33)
	Non controlling interests	8.22	16.69
13	Other comprehensive income / (loss) for the period attributable to:		
	Owners of the company	(0.18)	(1.80)
	Non controlling interests	0.11	-
14	Total comprehensive income / (loss) for the period attributable to:		
	Owners of the company	(261.39)	(172.13)
	Non controlling interests	8.33	16.69
15	Earnings Per Share (Rs.) (Face Value of Rs. 10/- each)		
	- Basic	(35.00)	(23.43)
	- Diluted	(35.00)	(23.43)

Notes:-

1 The consolidated financial results of Edelweiss Rural & Corporate Services Limited ('ERCSL' or 'the Company') and its subsidiaries (together referred as 'Group') and associate (the 'Statement') for the year ended March 31, 2023 have been prepared 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.

2 The above audited consolidated financial results of the Company have been reviewed and recommended by the Audit Committee and have been approved by the Board of Directors at its meeting held on May 22, 2023.

3 The above consolidated financial results 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.

4 "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 NCSL'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. 92 crores belonging to the Company and the said lien has been set aside. During the previous quarter the Company had transferred, such perpetual bond that was given as undertaking to investigating agencies, amounting to Rs. 195 crores to Edel Finance Company Limited in accordance with undertaking submitted to investigating agency that total given undertaking will remain with Edelweiss Group. In the results for the quarter and nine month ended December 31, 2022, the Company had mentioned that was in the process of writing a letter to investigating agency to update them on this matter. However, the Company inadvertently missed to disclose the fact that it had already received the permission to substitute securities from the City Civil & Sessions Court vide order dated December 07, 2022. Further, the Company also missed to disclose the additional asset provided as security amounting to Rs. 35 crores. The disclosure in the results for the quarter ended December 31, 2022 stands restated for the above mentioned points.

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.

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5	<p>The Income Tax Authorities (" the Department") had conducted a search under section 132 of the Income Tax Act, 1961 on the premises of the Company during March 2023. The Company had provided the requisite details which were sought by the income tax authorities during the course of the search. Subsequently, the Company has received summons under section 131 (1A) of the Income Tax Act, 1961 seeking certain data/information, which the Company is in the process of responding. The Company confirms that neither the Department has raised any tax demand nor the Company has admitted any tax liability. Further, no proceeding or assessment orders have been issued post the search conducted by the Department. While uncertainty exists regarding the outcome of the proceedings by the Department, the Company is extending its full cooperation with the concerned income tax authorities and based on current internal assessment management is of the view that this will not have any impact on the Company's financial statements for the year ended March 31, 2023.</p>
6	<p>The net loss of the Company at standalone level for the year ended March 31, 2023 stands at Rs. 197 crores and for the year ended 31 March 2022 was Rs. 76 crores. Management assessments of stress testing included recoveries from sale of its investments, scheduled recovery from group company receivables, expected borrowing and future cash flows that will be generated from operations. Basis this expected cumulative assets maturing in the next one year are Rs. 747 crores and cumulative liabilities maturing in the next one year are Rs. 668 crores. Edelweiss Financial Services Limited (the 'Ultimate Holding Company') and Edel Finance Company Limited (the 'Holding Company') have represented that they will continue to provide operating and financial support to the Company and Ultimate Holding Company and Holding company have sufficient financial resources to provide support as and when necessary.</p> <p>Further, during FY 2021-22, the Holding Company had infused equity capital amounting to Rs. 250 crores into the Company. The Board of Directors have approved the business plan, the liquidity, asset liability management of the Company and Ultimate Holding Company has also given support letter to the Company in order to meet the shortfall in its fund requirements over borrowings and other liabilities including loans from other group companies (if any), for a period of not less than 12 months from the date of financial closure of accounts of the Company for the period ended March 31, 2023. Based on business plan, the liquidity, asset liability management of the Company and support letter from Ultimate Holding Company, the management believes that the Company will be able to operate as going concern and pay its obligations as and when these become due in the next one year.</p>
7	<p>During FY 2021-22, 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, the Company has recorded accelerated depreciation on the remaining book value of Rs. 22.7 crores.</p>
8	<p>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 13 November 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.</p>
9	<p>During the year, Company has provided Corporate Guarantee to BPEA Credit India Fund III ('Barings') amounting to Rs. 365 cr on behalf of its wholly owned subsidiary Edelweiss Investment Advisors Ltd (EIAL) in respect of credit facilities obtained by EIAL. Such guarantees given during the year were approved by the Operations Committee on August 10, 2022 and March 21, 2023. Such credit facilities of EIAL are secured by EIAL's investments in Participative Non-Convertible Debentures (PNCD) of Rs. 204 crores issued by Edelweiss Asset Reconstruction Company (EARC), a fellow subsidiary, and mortgage of a property in favour of EIAL by Ecap Equities Limited (Formerly Edel Land Limited), a fellow subsidiary. As at 31 March 2023 we confirm that total guarantee of Rs. 549.50 crores has not been invoked by various ultimate lenders and hence there is no impact required to be recorded in the books of the Company.</p>
10	<p>During the quarter and year ended March 31, 2023, Nido Home Finance Limited (formerly known as Edelweiss Housing Finance Limited), one subsidiary of the Company, had sold certain financial assets amounting to Rs. 12.98 crores (net of provisions and losses), to asset reconstructions company trust ('ARC Trust') and acquired security receipts (SR) amounting to Rs.11.03 crores from these ARC Trusts. Ind AS 109 – 'Financial Instruments', prescribed under section 133 of the Companies Act, 2013, requires substantially all risks and rewards to be transferred for the purpose of de-recognition of such financial assets from the Company's financial result. Edelweiss Financial Services Limited (EFSL), the ultimate holding company had undertaken substantially all risks and rewards in respect of such financial assets. As a result, these financial assets were de-recognized in the Company's financial result.</p>
11	<p>Nido had initiated sale of certain credit impaired financial assets before March 31, 2023 and for which definitive contracts were executed post the balance sheet date. These financial assets sold after March 31, 2023, amounted to Rs 20.57 crores (net of provisions and losses) to asset reconstruction company trust (ARC Trust). As per Ind AS 109, Financial Instruments, prescribed under section 133 of the Companies Act, 2013 significant judgement is involved in classification of assets. Accordingly, on account of subsequent sale to and recovery from ARC Trust of such credit impaired assets, management has recorded such financial assets as recoverable and not as credit impaired financial assets. EFSL, the ultimate holding Company has, undertaken substantially all risks and rewards in respect of these financial assets aggregating to Rs. 17.48 crores.</p> <p>As at March 31, 2023, there are no impact on the financial statements of the Nido other than expected credit loss recorded in the statement of Profit and Loss for the quarter and year ended March 31, 2023 amounting to Rs. 0.53 crores.</p>

Edelweiss Rural & Corporate Services Limited

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12. Consolidated Statement of Assets and Liabilities as at March 31, 2023 (Rs.In Crores)

	Particulars	As at	
		March 31, 2023 (Audited)	March 31, 2022 (Audited)
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment		221.67	242.75
(b) Investment property		303.26	353.90
(c) Goodwill on consolidation		14.68	14.68
(d) Other Intangible assets		6.63	1.40
(e) Intangible assets under development		1.24	1.74
(f) Financial Assets			
(i) Investments		732.80	1,603.97
(ii) Loans		2,673.39	3,156.06
(iii) Other financial assets		100.41	35.17
(iv) Other bank balances		42.79	36.10
(g) Deferred tax assets (net)		102.44	122.87
(h) Income tax assets (net)		181.04	147.60
(i) Other non-current assets		12.54	2.07
Total Non-current assets		4,392.89	5,718.31
(2) Current assets			
(a) Financial Assets			
(i) Stock-in-trade		254.67	225.78
(ii) Investments		706.05	34.69
(iii) Trade & Other receivables		38.09	22.65
(iv) Cash and cash equivalents		126.86	306.99
(v) Bank balances other than cash and cash equivalents		203.11	279.64
(vi) Loans		733.43	1,109.64
(vii) Other financial assets		43.71	40.23
(viii) Derivative financial instrument		-	1.72
(b) Current tax assets (net)		0.97	23.24
(c) Other current assets		34.99	41.21
Total Current assets		2,141.88	2,085.79
TOTAL ASSETS		6,534.77	7,804.10
EQUITY AND LIABILITIES			
I. Equity			
(a) Equity share capital		46.54	46.54
(b) Instruments entirely equity in nature		950.00	950.00
(c) Other equity		(698.37)	(504.22)
Total Equity attributable to Owners of the Company		298.17	492.32
Equity attributable to Non-controlling interests		390.01	385.06
Total equity		688.18	877.38
II. LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings		3,184.47	3,789.47
(ii) Other financial liabilities		977.93	705.86
(iii) Lease liabilities		9.42	10.96
(b) Provisions		0.69	0.69
(c) Other non-current liabilities		0.18	0.18
Total Non-current liabilities		4,172.69	4,507.16
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings		1,365.54	2,118.54
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises		0.85	0.73
Total outstanding dues to creditors other than micro enterprises and small enterprises		37.93	31.09
(iii) Other financial liabilities		247.10	247.29
(iv) Lease liabilities		4.01	3.27
(v) Derivative financial instruments		-	2.92
(b) Other current liabilities		11.79	10.61
(c) Provisions		5.15	4.54
(d) Current tax liabilities		1.53	0.57
Total Current liabilities		1,673.90	2,419.56
TOTAL EQUITY AND LIABILITIES		6,534.77	7,804.10

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13. Consolidated Statement of Cash Flow for the year ended March 31, 2023

(Rs.In Crores)

	Particulars	Year Ended	
		March 31, 2023 (Audited)	March 31, 2022 (Audited)
A	Cash flow from operating activities		
	Loss before tax	(223.48)	(145.06)
	Adjustments for :		
	Impairment on financial instruments (net)	(27.67)	52.17
	Depreciation and amortisation expense	36.60	39.90
	Provision for employee benefits	-	2.56
	(Profit)/ Loss on sale of current and non-current investments	11.16	4.35
	Dividend on Stock in trade	(0.41)	-
	Fair valuation of non-current investments	(35.63)	19.43
	Share of profit from partnership firm	-	(0.42)
	Finance costs	668.27	914.94
	Operating cash flow before working capital changes	428.84	887.87
	Changes in working capital		
	(Increase) / Decrease in trade receivables	(39.74)	2.72
	(Increase) / Decrease in stock-in-trade	(28.88)	100.56
	(Increase) / Decrease in loans and advances	911.87	1,190.53
	(Increase) / Decrease in other assets	(4.33)	(107.45)
	Increase / Decrease in liabilities and provisions	281.46	159.75
	Cash generated from operations	1,549.22	2,233.98
	Taxes paid (net of refunds)	(20.19)	(14.97)
	Net cash generated from operating activities - A	1,529.03	2,219.01
B	Cash flow from investing activities		
	(Purchase) / Sale of fixed assets (net) (including capital work-in progress)	30.38	17.51
	(Purchase) / Sale of current and non-current investments (net) (Refer note a)	223.26	(509.85)
	Dividend received	0.41	-
	Net cash generated from / (used in) investing activities - B	254.06	(492.34)
C	Cash flow from financing activities		
	Proceeds from / (Repayment of) loans (net) (Refer note a)	(875.07)	(1,735.29)
	Proceeds from / (Redemption of) subordinated liabilities	(159.21)	-
	Issue of Equity share capital	63.87	250.12
	Issue of Compulsorily Convertible Debentures & Compulsory Convertible Preference Shares	-	-
	Redemption of commercial paper	(280.93)	25.00
	Dividend and dividend distribution tax paid	-	-
	Principal repayment of leases	(0.81)	(4.95)
	Interest paid	(711.06)	(933.70)
	Net cash (used in) / generated from financing activities - C	(1,963.22)	(2,398.82)
	Net increase / (decrease) in Cash and Cash equivalents (A+B+C)	(180.13)	(672.15)
	Cash and cash equivalents as at the beginning of the year	306.99	979.14
	Cash and cash equivalents as at the end of the period	126.86	306.99

Note:

a) Bank Receipt and Bank payments for transaction with group companies in which the turnover is quick, the amount are large, and the maturities are short are presented on net basis in accordance with Ind AS-7 Statement of Cash Flows.

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

14 Previous year figures have been regrouped / reclassified wherever necessary to conform to current year's presentation

For and on behalf of the Board of Directors of

Digitally signed
RAVINDR
A BABAN
DHOBALÉ
Date: 2023.05.22
17:30:10 +05'30'

Ravindra Dhobale
Executive Director & Chief Financial Officer
DIN.: 05147051

Place : Mumbai
Date : May 22, 2023

Edelweiss Rural & Corporate Services Limited

Corporate Identity Number-U45201TG2006PLC078157

Regd. Off: 2nd Floor, M.B. Towers, Plot No 5, Road No 2, Banjara Hills,
Hyderabad-500034 Tel: +040-4031-6900



Annexure A

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

	Particulars	Year Ended	Year Ended
		31 March 2023	31 March 2022
1	Debt-Equity Ratio (Refer Note 1)	6.61	6.73
2	Net worth (Rs in Crores) (Refer note 2)	688.18	877.38
3	Interest Service Coverage Ratio (ISCR) (Refer note 3)	0.67	0.84
4	Outstanding redeemable preference shares (no.of shares)	22,045,000	22,045,000
5	Outstanding redeemable preference shares capital (Rs.in Crores)	44.71	223.45
6	Capital redemption reserve (Rs.in Crores)	3.00	3.00
7	Debenture redemption reserve (Rs.in Crores)	261.25	261.25
8	Net profit after tax (Rs.in Crores)	(252.99)	(153.64)
9	Earnings Per Share Rs. (Face Value of Rs. 10/- each)		
	-Basic	(35.00)	(23.43)
	- Diluted	(35.00)	(23.43)
10	Total debt to Total assets (%) (Refer Note 4)	0.70	0.76

Notes:

- 1 Debt-equity Ratio = Total Borrowing (Non Current Borrowing + Current Borrowings) / Net worth
- 2 Net worth = "Equity Share capital +Instruments entirely equity in nature+ Other Equity+Equity attributable to Non-controlling interests"
- 3 ISCR = Profit before interest and tax / Interest expense
- 4 Total debt to Total assets = Total Borrowing (Non Current Borrowing + Current Borrowings) / Total assets.
- 5 Current ratio, Long term debt to working capital, Bad Debts to account receivables ratio, Current liability ratio, Debtors turnover,Debts Service Coverage ratio, Inventory turnover and Operating margin (%), Net Profit Margin (%) are not applicable owing to the business model of the company.

Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Edelweiss Rural & Corporate Services Limited

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date standalone financial results of Edelweiss Rural & Corporate Services Limited (the "Company") for the quarter ended March 31, 2023 and for the year ended March 31, 2023 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement 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 loss and other comprehensive loss and other financial information of the Company for the quarter ended March 31, 2023 and 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 Standalone 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 Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual 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 loss and other comprehensive loss of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder 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 Standalone 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 skepticism 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 Matter

The Statement includes the results for the quarter ended March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2023 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. BATLIBOI & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

SHRAWAN
BHAGWATI
JALAN

Digitally signed by SHRAWAN
BHAGWATI JALAN
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Date: 2023.05.22 18:34:08 +05'30'

per Shrawan Jalan

Partner

Membership No.: 102102

UDIN: 23102102BGXJDY6145

Place of Signature: Mumbai

Date: May 22, 2023

Financial Results for the quarter and year ended 31 March 2023
(Rs.In Crores)

	Particulars	Quarter Ended			Year Ended	
		March 31, 2023 (Audited)	December 31, 2022 (Unaudited)	March 31, 2022 (Audited)	March 31, 2023 (Audited)	March 31, 2022 (Audited)
1	Revenue from operations					
	(a) Interest income	23.76	34.14	33.30	177.86	369.93
	(b) Fee and commission income	15.14	16.24	19.75	78.33	75.42
	(c) Net gain/(loss) on fair value changes	(22.42)	6.36	81.79	(4.39)	24.93
	(d) Sale of commodities	-	201.06	222.51	472.95	458.48
	(e) Rental income	8.82	9.84	8.02	35.54	36.77
	Total revenue from operations	25.30	267.64	365.37	760.29	965.53
2	Other income	0.74	1.60	114.72	40.92	118.60
3	Total Income (1+2)	26.04	269.24	480.09	801.21	1,084.13
4	Expenses					
	(a) Finance costs	63.43	66.23	161.56	325.42	539.99
	(b) Employee benefits expense	26.68	10.32	6.42	43.17	53.70
	(c) Depreciation and amortisation expense	28.50	5.98	6.46	46.36	40.87
	(d) Purchase of commodities	-	200.91	222.43	472.65	458.30
	(e) Impairment (gain)/loss on financial instruments	61.72	(0.63)	23.24	19.88	12.07
	(f) Other expenses	18.66	16.19	18.59	69.04	61.25
	Total expenses	198.99	299.00	438.70	976.52	1,166.18
5	Profit/(Loss) before tax (3-4)	(172.95)	(29.76)	41.39	(175.31)	(82.05)
6	Tax expense					
	Current tax	-	-	-	-	-
	Deferred tax	13.13	(0.90)	(13.60)	21.55	(7.45)
7	Net Profit/(Loss) for the period (5-6)	(186.08)	(28.86)	54.99	(196.86)	(74.60)
8	Other Comprehensive Income	(0.27)	-	(2.67)	(0.27)	(1.81)
9	Total Comprehensive Income (7+8)	(186.35)	(28.86)	52.32	(197.13)	(76.41)
10	Earnings Per Share (₹) (Face Value of ₹ 10/- each)					
	- Basic (Not annualised)	(25.74)	(3.99)	8.39	(27.23)	(11.38)
	- Diluted (Not annualised)	(25.74)	(3.99)	8.39	(27.23)	(11.38)

1 Edelweiss Rural & Corporate Services Limited (the 'Company') 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.

2 The above audited financial results of the Company are reviewed and recommended by the Audit Committee and have been approved by the Board of Directors at its meeting held on May 22, 2023.

3 The above financial results 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.

4 "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 NCSL'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. 92 crores belonging to the Company and the said lien has been set aside. During the previous quarter the Company had transferred, such perpetual bond that was given as undertaking to investigating agencies, amounting to Rs. 195 crores to Edel Finance Company Limited in accordance with undertaking submitted to investigating agency that total given undertaking will remain with Edelweiss Group. In the results for the quarter and nine month ended December 31, 2022, the Company had mentioned that was in the process of writing a letter to investigating agency to update them on this matter. However, the Company inadvertently missed to disclose the fact that it had already received the permission to substitute securities from the City Civil & Sessions Court vide order dated December 07, 2022. Further, the Company also missed to disclose the additional asset provided as security amounting to Rs. 35 crores. The disclosure in the results for the quarter ended December 31, 2022 stands restated for the above mentioned points.

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.

5	<p>The Income Tax Authorities (" the Department") had conducted a search under section 132 of the Income Tax Act, 1961 on the premises of the Company during March 2023. The Company had provided the requisite details which were sought by the income tax authorities during the course of the search. Subsequently, the Company has received summons under section 131 (1A) of the Income Tax Act, 1961 seeking certain data/information, which the Company is in the process of responding. The Company confirms that neither the Department has raised any tax demand nor the Company has admitted any tax liability. Further, no proceeding or assessment orders have been issued post the search conducted by the Department. While uncertainty exists regarding the outcome of the proceedings by the Department, the Company is extending its full cooperation with the concerned income tax authorities and based on current internal assessment management is of the view that this will not have any impact on the Company's financial statements for the year ended March 31, 2023.</p>
6	<p>The net loss of the Company at standalone level for the year ended March 31, 2023 stands at Rs. 197 crores and for the year ended 31 March 2022 was Rs. 76 crores. Management assessments of stress testing included recoveries from sale of its investments, scheduled recovery from group company receivables, expected borrowing and future cash flows that will be generated from operations. Basis this expected cumulative assets maturing in the next one year are Rs. 747 crores and cumulative liabilities maturing in the next one year are Rs. 668 crores. Edelweiss Financial Services Limited (the 'Ultimate Holding Company') and Edel Finance Company Limited (the 'Holding Company') have represented that they will continue to provide operating and financial support to the Company and Ultimate Holding Company and Holding company have sufficient financial resources to provide support as and when necessary.</p> <p>Further, during FY 2021-22, the Holding Company had infused equity capital amounting to Rs. 250 crores into the Company. The Board of Directors have approved the business plan, the liquidity, asset liability management of the Company and Ultimate Holding Company has also given support letter to the Company in order to meet the shortfall in its fund requirements over borrowings and other liabilities including loans from other group companies (if any), for a period of not less than 12 months from the date of financial closure of accounts of the Company for the period ended March 31, 2023. Based on business plan, the liquidity, asset liability management of the Company and support letter from Ultimate Holding Company, the management believes that the Company will be able to operate as going concern pay its obligations as and when these become due in the next one year.</p>
7	<p>During FY 2021-22, 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, the Company has recorded accelerated depreciation on the remaining book value of Rs. 22.7 crores.</p>
8	<p>During the year, Company has provided Corporate Guarantee to BPEA Credit India Fund III ('Barings') amounting to Rs. 365 cr on behalf of its wholly owned subsidiary Edelweiss Investment Advisors Ltd (EIAL) in respect of credit facilities obtained by EIAL. Such guarantees given during the year were approved by the Operations Committee on August 10, 2022 and March 21, 2023. Such credit facilities of EIAL are secured by EIAL's investments in Participative Non-Convertible Debentures (PNCD) of Rs. 204 crores issued by Edelweiss Asset Reconstruction Company (EARC), a fellow subsidiary, and mortgage of a property in favour of EIAL by Ecap Equities Limited (Formerly Edel Land Limited), a fellow subsidiary. As at 31 March 2023 we confirm that total guarantee of Rs. 549.50 crores has not been invoked by various ultimate lenders and hence there is no impact required to be recorded in the books of the Company.</p>
9	<p>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 13 November 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.</p>
10	<p>The figures for the quarter ended March 31, 2023 and March 31, 2022 are the balancing figures between audited figures in respect of year ended March 31, 2023 and March 31, 2022 and reviewed figures of nine months ended December 31, 2022 and December 31, 2021 respectively.</p>

11 Statement of Assets and Liabilities as at March 31, 2023

(Rs.In Crores)

	Particulars	As at	
		March 31, 2023 (Audited)	March 31, 2022 (Audited)
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment		209.43	229.89
(b) Investment property		167.77	192.61
(c) Other Intangible assets		0.95	0.89
(d) Financial Assets			
(i) Investments		1,258.63	2,246.08
(ii) Bank balances other than cash and cash equivalents		37.84	34.04
(iii) Loans		6.13	805.12
(iv) Other financial assets		3.35	3.25
(e) Deferred tax assets (net)		88.72	110.12
(f) Income tax assets (net)		155.91	154.60
(g) Other non-current assets		1.88	4.77
Total Non-current assets		1,930.61	3,781.37
(2) Current assets			
(a) Financial Assets			
(i) Stock-in-trade		17.80	62.50
(ii) Investments		660.38	0.37
(iii) Trade & Other receivables		35.24	18.79
(iv) Cash and cash equivalents		7.59	11.78
(v) Bank balances other than cash and cash equivalents		4.73	6.75
(vi) Loans		23.63	288.43
(vii) Other financial assets		0.21	0.43
(b) Other current assets		21.77	20.27
Total Current assets		771.35	409.32
TOTAL ASSETS		2,701.96	4,190.69
EQUITY AND LIABILITIES			
I. Equity			
(a) Equity share capital		46.54	46.54
(b) Instruments entirely equity in nature		950.00	950.00
(c) Other equity		(563.98)	(367.28)
Total Equity		432.56	629.26
II. LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings		1,414.50	1,570.07
(ii) Other financial liabilities		6.80	14.20
(iii) Lease liabilities		0.11	0.31
(b) Provisions		0.53	0.53
Total Non-current liabilities		1,421.94	1,585.11
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings		795.41	1,938.64
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises		-	0.21
Total outstanding dues to creditors other than micro enterprises and small enterprises		22.08	9.51
(iii) Other financial liabilities		26.62	23.97
(b) Other current liabilities		2.87	3.85
(c) Provisions		0.48	0.14
Total Current liabilities		847.46	1,976.32
TOTAL EQUITY AND LIABILITIES		2,701.96	4,190.69

Edelweiss Rural & Corporate Services Limited

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 Hyderabad-500034 Tel: +040-4031-6900



12 Statement of Cash Flow for the year ended March 31, 2022 (Rs.In Crores)

	Particulars	Year Ended	
		March 31, 2023 (Audited)	March 31, 2022 (Audited)
A	Cash flow from operating activities		
	Loss before tax	(175.31)	(82.05)
	Adjustments for		
	Impairment on financial instruments (net)	(4.92)	12.07
	Depreciation and amortisation expense	46.36	40.87
	Profit on sale of fixed assets (net)	0.85	(0.42)
	Provision for employee benefits	0.34	2.92
	Profit / (Loss) on sale of current and non-current investments	(11.17)	(105.91)
	Fair valuation of non-current investments	35.63	23.54
	Share of profit from partnership firm	-	(0.41)
	Finance costs	324.80	531.66
	Operating cash flow before working capital changes	216.59	422.27
	Changes in working capital		
	(Increase) / Decrease in trade receivables	39.48	3.28
	(Increase) / Decrease in stock-in-trade	44.70	106.89
	(Increase) / Decrease in loans and advances	1,063.78	1,021.75
	(Increase) / Decrease in other assets	(0.83)	43.90
	Increase / (Decrease) in Trade Payable	12.03	(34.95)
	Increase / (Decrease) in liabilities and provisions	(5.14)	(82.55)
	Cash generated from operations	1,370.61	1,480.59
	Taxes paid (net of refunds)	(1.45)	3.11
	Net cash generated from operating activities - A	1,369.16	1,483.70
B	Cash flow from investing activities		
	Purchase of property, Plants and equipments	(2.07)	(40.93)
	Proceeds from sale of property, plants and equipment	0.10	17.63
	Net addition of capital work in Progress	-	0.21
	Purchase current and non-current investments	(56.89)	(1,036.47)
	Sale of current and non-current investments	309.29	180.35
	Net cash generated from / (used in) investing activities - B	250.43	(879.21)
C	Cash flow from financing activities		
	(Repayment of) / Proceeds from loans (net) (Refer note a)	(814.04)	(338.48)
	Proceeds from / (Redemption of) subordinated liabilities	(178.74)	-
	Issue of Equity share capital	-	250.12
	Proceeds from issuance of commercial paper	-	25.00
	Redemption of commercial paper	(280.93)	-
	Principal repayment of leases (Ind AS 116)	(0.19)	(2.45)
	Interest paid	(349.89)	(559.26)
	Net cash (used in) / generated from financing activities - C	(1,623.78)	(625.07)
	Net increase in cash and cash equivalents (A+B+C)	(4.19)	(20.58)
	Cash and cash equivalents as at the beginning of the year	11.78	32.36
	Cash and cash equivalents as at the end of the period	7.59	11.78

Note:

- Bank Receipt and Bank payments for transaction with group companies in which the turnover is quick, the amount are large, and the maturities are short are presented on net basis in accordance with Ind AS-7 Statement of Cash Flows.
 - Above Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 under the Companies Act, 2013.
- 13 Previous period / year figures have been regrouped / reclassified wherever necessary to conform to current period's / year's presentation.

For and on behalf of the Board of Directors of
 Edelweiss Rural & Corporate Services Limited

RAVINDRA
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Digitally signed by
 RAVINDRA BABAN
 DHOBALÉ
 Date: 2023.05.22
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Ravindra Dhobale
 Executive Director & Chief Financial Officer
 DIN.: 05147051

Place : Mumbai
 Date : May 22,2023

Edelweiss Rural & Corporate Services Limited

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Annexure A

(i) Pursuant to Regulation 52(7) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that issue proceeds of Non-Convertible Debentures (NCDs) issued by the Company and outstanding as on March 31, 2023 are being utilized as per the objects stated in the offer document. Further, we also confirm that there have been no deviations in the use of proceeds of issue of NCDs from the objects stated in the offer document.

(ii) Pursuant to Regulation 54 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, we would like to state that all secured Non-Convertible Debentures (NCDs) issued by the Company and outstanding as on March 31, 2023 are fully secured by way of mortgage of identified immovable property as stated in the respective debenture trust deed(s) and/or by way of charge/ hypothecation of book debts/loan receivables or both, on first pari-passu basis, to the extent stated in the respective information memorandum. Accordingly, the Company is maintaining asset cover of 1.1x or such higher asset cover required as per the terms of offer. document/Information Memorandum.

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

Particulars	Year Ended	Year Ended
	31 March 2023	31 March 2022
1 Debt-Equity Ratio (Refer Note 1)	4.63	5.58
2 Net worth (Rs in Crores) (Refer note 2)	432.56	629.26
3 Debt Service Coverage Ratio (Refer note 3)	0.13	0.28
4 Interest Service Coverage Ratio (Refer note 4)	0.46	0.85
5 Outstanding redeemable preference shares (no.of shares)	22,045,000	22,045,000
6 Outstanding redeemable preference shares capital (Rs.in Crores)	44.71	223.45
7 Capital redemption reserve (Rs.in Crores)	3.00	3.00
8 Debenture redemption reserve (Rs.in Crores)	120.21	120.21
9 Net profit after tax (Rs.in Crores)	(196.86)	(74.60)
10 Earnings Per Share Rs. (Face Value of Rs. 10/- each)		
-Basic	(27.23)	(11.38)
- Diluted	(27.23)	(11.38)
11 Total debt to Total assets (%) (Refer Note 5)	0.00	0.84

Notes:

- 1 Debt-equity Ratio = Total Debt (Debt securities + Borrowings other than debt securities + subordinated liabilities) / Net worth
- 2 Net worth = "Equity Share capital + Instruments entirely equity in nature+ Other Equity"
- 3 DSCR = Profit before interest and tax / (Interest expense + Principal repayment in next six months)
- 4 ISCR = Profit before interest and tax / Interest expense
- 5 Total debt to Total assets = (Debt securities + Borrowings other than debt securities + subordinated liabilities) / Total assets.
- 6 Current ratio, Long term debt to working capital, Bad Debts to account receivables ratio, Current liability ratio, Debtors turnover, Inventory turnover and Operating margin (%), Net Profit Margin (%) are not applicable owing to the business model of the company.

STATEMENT OF DEVIATION OR VARIATION						
Name of listed entity		Edelweiss Rural & Corporate Services Limited				
Mode of Fund Raising		Not applicable				
Type of instrument		Not applicable				
Date of Raising Funds		Not applicable				
Amount Raised		Nil				
Report for the 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						
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
-	-	-	-	-	-	-
Deviation could mean: (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.						
CHIRAG DILIPKUMAR SHAH		Digitally signed by CHIRAG DILIPKUMAR SHAH Date: 2023.05.22 18:57:07 +05'30'				
Name of the Signatory: Chirag Shah Designation : Company Secretary Date : May 22, 2023						

Independent Auditor's Report on Security Cover, Compliance with all Covenants and book value of assets as at March 31, 2023 pursuant to Regulation 56(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and SEBI Circular dated May 19, 2022 for submission to IDBI Trusteeship Services Limited (the 'Debenture Trustee')

To
The Board of Directors
Edelweiss Rural & Corporate Services Limited
Edelweiss House,
Off CST Road, Kalina,
Mumbai - 400098.

1. This Report is issued in accordance with the terms of the service scope letter dated May 22, 2023 and master engagement agreement dated September 15, 2022 with Edelweiss Rural & Corporate Services Limited (hereinafter the "Company").
2. We S.R. Batliboi & Co. LLP, Chartered Accountants, are the Statutory Auditors of the Company and have been requested by the Company to examine the accompanying Statement showing 'Security Cover as per the terms of Information Memorandum and/or Debenture Trust Deed, Compliance with Covenants and book value of assets' for listed non-convertible debt securities as at March 31, 2023 (hereinafter the "Statement") which has been prepared by the Company from the Board approved audited standalone financial results, underlying books of account 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and SEBI Circular dated May 19, 2022 on Revised format of security cover certificate, monitoring and revision in timelines (hereinafter the "SEBI Regulations and SEBI Circular").

This Report is required by the Company for the purpose of submission with IDBI Trusteeship Services Limited (hereinafter the "Debenture Trustee") of the Company to ensure compliance with the SEBI Regulations and SEBI Circular in respect of its secured listed non-convertible debt securities ('Debentures'). The Company has entered into an agreement with the Debenture Trustee as stated in the 'Table III' of 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 responsible for ensuring that the Company complies with all the relevant requirements of the SEBI Regulations and SEBI Circular including maintenance of hundred per cent security cover or higher security cover as per the terms of offer document/Information Memorandum and/or Debenture Trust Deed sufficient to discharge the principal amount and the interest thereon at all times for the non-convertible debt securities issued. The management is also responsible for providing all relevant information to the Debenture Trustee and for complying with all the covenants as prescribed in the Debenture Trust Deed/Information Memorandum.

Auditor's Responsibility

5. It is our responsibility to provide a limited assurance and conclude as to whether the:
 - (a) Company has maintained hundred percent Security cover or higher Security cover as per the terms of the offer document / information memorandum and /or Debenture Trust deed; and
 - (b) Company is in compliance with all the covenants (including financial covenants) as mentioned in the Debenture Trust Deed/Information Memorandum as on March 31, 2023.
 - (c) Book values of assets as included in the Statement are in agreement with the books of account underlying the audited standalone financial results of the company as at March 31, 2023.
6. We have audited the financial statements of the Company for the year ended March 31, 2023 and issued an audit opinion vide our report dated May 22, 2023. Our audit of such financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by Institute of Chartered Accountants of India ('ICAI'). Those Standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.
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, our procedures included the following in relation to the Statement:
 - a) Obtained and read the Debenture Trust Deed and noted that as per such debenture trust deed the Company is required to maintain 1.1x or more security cover.
 - b) Obtained the Board approved audited standalone financial results of the Company for the period ended March 31, 2023.
 - c) Traced and agreed the principal amount and the interest thereon of the secured listed non-convertible debt securities outstanding as on March 31, 2023 to the Board approved audited standalone financial results of the Company and the underlying books of account maintained by the Company as on March 31, 2023.
 - d) Obtained and read the list of security cover in respect of secured listed non-convertible debt securities outstanding as per the Statement. Traced the value of assets from the Statement to the audited financial statements of the Company as on ended March 31, 2023 or books

of accounts and records of the Company underlying the Board approved audited financial results as on March 31, 2023.

- e) 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 Security Cover in the attached Statement.
- f) 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 Security Cover in respect of secured listed non-convertible debt security.
- g) Examined and verified the arithmetical accuracy of the computation of Security Cover, in the accompanying Statement.
- h) Obtained the Security Cover as determined by the management and evaluated whether the listed entity is required to maintain hundred percent security cover or higher security cover required to be maintained as per Trust Deed/ Information Memorandum/ Offer document.
- i) With respect to compliance with covenants (including financial, affirmative, informative and negative covenants) included in the Statement, we have performed following procedures:
 - i. We have verified the compliance of financial debt covenants as per the Debenture Trust Deed/Information Memorandum till date of this certificate. With respect to the financial covenants for the 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 course.
 - ii. Performed necessary inquiries with the management regarding any instances of non-compliance of covenants during the half year ended on March 31, 2023.
 - iii. Obtained the bank statements and traced the date of repayment of principal and interest due during the period October 1, 2022 to March 31, 2023
- j) With respect to covenants other than those mentioned in paragraph 10(i) 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 Debenture Trust Deed/Information Memorandum as at March 31, 2023.
- k) Traced the book value of assets from the books of accounts of the company underlying the Board approved standalone financial results as at March 31, 2023.
- l) Performed necessary inquiries with the Management and obtained necessary representations.

Conclusion

- 11. 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 the:
 - a) Company has not maintained hundred percent security cover or higher security cover as per the terms of the offer document / information memorandum and /or Debenture Trust deed; and
 - b) Company is not in compliance with all the covenants (including financial covenants) as mentioned in the Debenture Trust Deed/Information Memorandum.
 - c) Book values of assets as included in the Statement are not in agreement with the books of account underlying the audited standalone financial results of the company as at March 31, 2023.

Restriction on Use

12. 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 Trustee 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 Report for events and circumstances occurring after the date of this report.

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

SHRAWAN
BHAGWATI
JALAN

Digitally signed by SHRAWAN
BHAGWATI JALAN
DN: cn=SHRAWAN BHAGWATI
JALAN, c=IN, o=Personal, email=
shrawan.jalan@srb.in
Date: 2023.05.22 18:35:29 +05'30'

per Shrawan Jalan

Partner

Membership Number: 102102

UDIN: 23102102BGXJDX7995

Place of Signature: Mumbai

Date: May 22, 2023

Edelweiss Rural & Corporate Services Limited

Corporate Identity Number-U45201TG2006PLC078157
Regd. Off: 2nd Floor, M.B. Towers, Plot No 5, Road No 2, Banjara Hills, Hyderabad-500034
Tel: +040-4031-6900



Annexure - Security Cover

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

Sr .No.	ISIN	Facility	Secured/Unsecured	Outstanding Principal Amount in Cr.
1	INE657N07613	Non-convertible Debt Securities	Secured	400
2	INE657N07621	Non-convertible Debt Securities	Secured	200
3	INE657N07431	Non-convertible Debt Securities	Secured	20
	Grand Total			620

b) Security cover for Listed Debt Securities

(i) The financial information as on 31 March 2023 has been extracted from the books of accounts for the quarter and nine months ended 31 March 2023 and other relevant records of Edelweiss Rural & Corporate Services Limited

(ii) The assets of the listed entity provide coverage of 1.1 in accordance with the terms of issue/ debenture trust deed (calculation as per statement of security cover ratio for the Secured Debt securities - Annexure A)

Annexure A

Amount 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 relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Debt not backed by any assets offered as security	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets ²	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Bank Balance, DSRA market value is not applicable)	Total Value ^(M+N+O)
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)			debt amount considered more than once (due to exclusive plus pari passu charge)					Relating to	
		Book Value	Book Value	Yes/ No	Book Value	Book Value									
ASSETS															
Property, Plant and Equipment	Property	203.20	-	Yes	-	-	-	174.00	-	377.20	709.23	-	-	-	709.23
Capital Work-in-Progress		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Right of Use Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Goodwill		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	0.95	-	0.95	-	-	-	-	-
Intangible Assets under Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments		-	-	-	-	-	-	1,919.00	-	1,919.00	-	-	-	-	-
Loans	Receivables	-	-	Yes	22.56	-	-	7.21	-	29.77	-	-	22.56	-	22.56
Inventories		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Receivables		-	-	-	-	-	-	35.20	-	35.20	-	-	-	-	-
Cash and Cash Equivalents		-	-	-	-	-	-	7.59	-	7.59	-	-	-	-	-
Bank Balances other than Cash and Cash Equivalents		-	-	-	-	-	-	42.57	-	42.57	-	-	-	-	-
Others		-	-	-	-	-	-	289.68	-	289.68	-	-	-	-	-
Total		203.20	-	-	22.56	-	-	2,476.21	-	2,701.96	709.23	-	22.56	-	731.79
LIABILITIES															
Debt securities to which this certificate pertains		644.75	-	Yes	20.51	-	-	-	-	665.26	644.75	-	20.51	-	665.26
Other debt sharing pari-passu charge with above debt		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Debt		-	-	-	-	-	-	783.91	-	783.91	-	-	-	-	-
Subordinated debt		-	-	-	-	-	-	44.71	-	44.71	-	-	-	-	-
Borrowings	not to be filed	-	-	-	-	-	-	729.67	-	729.67	-	-	-	-	-
Bank		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Securities		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade payables		-	-	-	-	-	-	22.08	-	22.08	-	-	-	-	-
Lease Liabilities		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provisions		-	-	-	-	-	-	1.01	-	1.01	-	-	-	-	-
Others		-	-	-	-	-	-	22.78	-	22.78	-	-	-	-	-
Total		644.75	-	-	20.51	-	-	45.85	-	2,269.40	644.75	-	20.51	-	665.26
Cover on Book Value															
Cover on Market Value¹											64.48	-	2.05	-	-
Security Cover Ratio											1.10	-	1.10	-	-

For the purpose of Security Coverage Ratio ("SCR"), the fair value of the Investment Property i.e. Edelweiss House amounting to Rs. 709.23 crores (WDV Rs. 203.20 crores) has been considered. The fair value report of the property is submitted annually to relevant Trustees, implying that the fair value is considered for the purpose of SCR. This fair value is based on valuation done by an Independent Valuer as per the report dated May 02, 2023.

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.

Edelweiss Rural & Corporate Services Limited

Corporate Identity Number-U45201TG2006PLC078157
Regd. Off: 2nd Floor, M.B. Towers, Plot No 5, Road No 2, Banjara Hills, Hyderabad-500034
Tel: +040-4031-6900



c) Compliance of the covenants / terms of issue in respect of listed secured debt securities of the listed entity.

Details of Debenture Trust Deeds entered by the Company

Sr. No	Particulars	Trustee Name	Complied with Covenants	If no, reason for non-compliance
1	DTD dated September 11, 2015	IDBI trusteeship services limited	Complied	Not applicable
2	DTD dated August 23, 2017	IDBI trusteeship services limited	Complied	Not applicable
3	DTD dated August 24, 2017	IDBI trusteeship services limited	Complied	Not applicable

Ravindra Dhobale
Executive Director and Chief Financial Officer

RAVINDRA
BABAN
DHOBALÉ

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DHOBALÉ
Date: 2023.05.22 16:14:17
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Date: 22 May 2023