

EW/Sec/2020/124

July 4, 2020

BSE Limited

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

Dear Sirs,

Ref.:- Scrip Code:- 532922
Sub: Outcome of the Board Meeting

This is to inform you that the Board of Directors of the Company at its meeting held today, approved the following:

1. Audited Financial Results of the Company for the financial year ended March 31, 2020:-
 - a) Consolidated Financial Results; and
 - b) Standalone Financial Results.

The copies of the aforesaid results together with the Independent Auditor's Report issued by the Auditors of the Company are enclosed.

M/s. S.R. Batliboi, Chartered Accountants LLP, the Auditors of the Company have issued an unmodified opinion on the financial results.

2. Raising of funds by way of issue of securities including but not limited to Equity Shares and /or any other securities convertible into or exchangeable with Equity Shares and / or Non Convertible Debentures with or without warrants and/or American Depository Receipts and / or Global Depository Receipts, through Rights Issue / Further Public Offer/ Qualified Institutions Placement (QIP) / Preferential Issue or through any other permissible mode or a combination thereof, as may be permitted under applicable laws, subject to approval of the members of the Company, if required and other appropriate approvals, for an aggregate amount of upto Rs. 1,500 crore (Rupees One Thousand Five Hundred Crore Only).

The meeting of the Board of Directors of the Company commenced at 7:00 p.m. and concluded at 8:15 p.m. The signed copies of the Audited Financial Results were received from the Auditors at 9:38 p.m.

The above information is given pursuant to the provisions of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

Kindly take the same on record.

Thanking you,
For Edelweiss Financial Services Limited

B. Renganathan
Executive Vice President & Company Secretary

Encl. a/a

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641
 Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098
 Tel: +91-22-40094400 Fax: +91-22-40863610
 Website : www.edelweissfin.com


Consolidated Financial Results for the quarter and year ended 31 March 2020

(₹ in Crores)

Particulars	Quarter Ended			Year Ended	
	March 31, 2020 (Audited) (Refer Note 15)	December 31, 2019 (Reviewed)	March 31, 2019 (Audited) (Refer Note 15)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
1 Revenue from operations					
(a) Interest income	1,373.45	1,455.81	1,603.48	5,901.95	6,837.89
(b) Dividend income	104.64	49.51	209.15	162.18	227.07
(c) Fee and commission income	476.92	701.82	478.83	2,099.30	2,133.36
(d) Net gain on fair value changes	(456.29)	187.85	330.81	194.96	881.51
(e) Premium from insurance business	414.67	230.40	391.48	1,056.78	884.04
(f) Other operating income	22.01	14.26	21.87	98.15	113.64
Total revenue from operations	1,935.40	2,639.65	3,035.62	9,513.32	11,077.51
2 Other income	30.47	9.91	5.58	89.31	83.71
3 Total Income (1+2)	1,965.87	2,649.56	3,041.20	9,602.63	11,161.22
4 Expenses					
(a) Finance costs	1,155.12	1,246.23	1,237.68	4,793.04	4,783.22
(b) Impairment on financial instruments	2,039.05	220.48	102.61	2,690.26	484.89
(c) Change in valuation of credit impaired loans (Refer note 9)	510.35	213.83	82.50	871.24	218.84
(d) Employee benefits expense	366.90	332.16	435.94	1,407.30	1,649.99
(e) Depreciation and amortisation expense	85.71	49.48	40.60	232.23	131.63
(f) Change in insurance policy liability - actuarial	132.34	198.48	316.54	642.10	716.23
(g) Policy benefits paid	62.64	41.76	27.67	158.92	74.16
(h) Other expenses	432.71	295.64	392.03	1,264.19	1,362.75
Total expenses	4,784.82	2,598.06	2,635.57	12,059.28	9,421.71
5 Profit before share in (loss)/profit of associates and tax (3-4)	(2,818.95)	51.50	405.63	(2,456.65)	1,739.51
6 Share in profit of associates	-	-	-	-	4.20
7 (Loss)/Profit before tax (5+6)	(2,818.95)	51.50	405.63	(2,456.65)	1,743.71
8 Tax expense (Refer Note 8)					
Current tax	(44.84)	129.15	(19.18)	297.08	654.87
Deferred tax and MAT	(492.56)	(112.97)	178.49	(709.96)	44.47
9 Net (Loss)/Profit for the period (7-8)	(2,281.55)	35.32	246.32	(2,043.77)	1,044.37
10 Other Comprehensive Income/(Loss)	485.04	(54.01)	7.25	472.64	57.33
11 Total Comprehensive (Loss)/Income (9+10)	(1,796.51)	(18.69)	253.57	(1,571.13)	1,101.70
12 Net Profit / (Loss) for the period attributable to:					
Owners of the company	(2,245.14)	16.71	232.39	(2,045.24)	995.17
Non controlling interests	(36.41)	18.61	13.93	1.47	49.20
13 Other Comprehensive Income / (Loss) for the period attributable to:					
Owners of the company	458.14	(57.56)	1.57	424.15	38.41
Non controlling interests	26.90	3.55	5.68	48.49	18.92
14 Total Comprehensive Income / (Loss) for the period attributable to:					
Owners of the company	(1,787.00)	(40.85)	233.96	(1,621.09)	1,033.58
Non controlling interests	(9.51)	22.16	19.61	49.96	68.12
15 Earnings Per Share (₹) (Face Value of ₹ 1/- each)					
- Basic (Refer Note 5)	(25.24)	0.19	2.62	(23.01)	11.28
- Diluted (Refer Note 5)	(25.24)	0.18	2.58	(23.01)	11.09

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641
Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098
Tel: +91-22-40094400 Fax: +91-22-40863610
Website : www.edelweissfn.com



Notes:

- The consolidated financial results of Edelweiss Financial Services Limited ('EFSL' or 'the Company') and its subsidiaries (together referred as 'Group') for the quarter and year ended 31 March 2020 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 04 July 2020.
- The Company has opted to publish Extracts of the Audited Consolidated Financial Results, pursuant to option made available as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Standalone financial results are available on the Company's website viz. www.edelweissfn.com and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com). Key standalone financial information is given below:

Particulars	Quarter Ended			Year Ended	
	March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
	(Audited) (Refer Note 15)	(Reviewed)	(Audited) (Refer Note 15)	(Audited)	(Audited)
Profit / (Loss) before Tax	(13.11)	(24.88)	25.18	79.56	105.92
Net Profit / (Loss) after Tax for the period	(1.71)	(13.08)	22.32	82.59	102.87
Other Comprehensive Income / (Loss) after tax	(0.11)	0.02	(0.22)	(0.05)	0.08
Total Comprehensive (Loss)/Income after tax	(1.82)	(13.06)	22.10	82.54	102.95

- The attribution of profit before tax between owners of the company and non controlling interests is as per below table:

Particulars	Quarter Ended			Year Ended	
	March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
	(Audited) (Refer Note 15)	(Reviewed)	(Audited) (Refer Note 15)	(Audited)	(Audited)
Profit / (Loss) before tax attributable to:					
Owners of the company	(2,737.90)	6.20	365.52	(2,478.78)	1,598.02
Non controlling interests	(81.05)	45.30	40.11	22.13	145.69
Profit / (Loss) before tax	(2,818.95)	51.50	405.63	(2,456.65)	1,743.71

- During the quarter ended 31 March 2020, the Company has issued 180,600 equity shares of face value of ₹ 1 each to the employees of the company and its subsidiaries on exercise of employee stock options.
- Earnings per share for the quarters ended 31 March 2020, 31 December 2019, 31 March 2019 are not annualised.
- Effective 1 April 2019, the Group has adopted Ind AS 116 'Leases' and applied it to all lease contracts existing on 1 April 2019 using the 'Modified Retrospective Approach'. Based on the same and as permitted, the Group has not restated the comparative figures. On transition, Group has accounted for recognition of right-of-use asset and a corresponding lease liability impacting reduction in networth by ₹ 20.96 crores. The effect of adoption is insignificant on the profit for the quarter and for the year ended March 31, 2020.
- The Group decided to move to revaluation model from cost model for accounting class of asset (i.e. Flats and buildings) as at 31 March 2020. The management approved revaluation of owned flats and buildings classified under property plant and equipment after assessing the valuation made by duly appointed independent valuer. These valuations were determined basis open market values of similar property and its intrinsic value. Flats and buildings are fair valued and recognised gain of ₹ 767.48 crores. The gross carrying value of flats and building is increased by ₹ 703.47 crores after adjusting accumulated depreciation of ₹ 64.01 crores. A revaluation surplus is accounted in other comprehensive income as revaluation reserves amounting to ₹ 513.99 crores net of deferred tax liability of ₹ 253.49 crores.
- Pursuant to the introduction of Section 115BAA of the Income Tax Act, 1961, in FY 2019-20, 15 subsidiaries Companies in the Group have opted for the reduced tax rate of 25.17% under the said Section. Accordingly these entities have recognised provision for income tax for the year ended March 31, 2020 and have also re-measured their deferred tax asset/liabilities (net) and MAT credit (wherever applicable) resulting in tax charge of ₹ 4.38 crore.
- Change in valuation of credit impaired loans represents valuation movement of loans originated by consolidated ARC trusts.
- The Covid-19 pandemic outbreak across the world including India has resulted in most countries announcing lockdowns and quarantine measures that have sharply stalled economic activity. The Indian Government too has imposed lockdowns starting from March 24, 2020. The Indian economy would be impacted by this pandemic and the resultant lockdown, due to the contraction in industrial and services output across small and large businesses. The impact of the COVID -19 pandemic on Group's results, including credit quality and provisions, remains uncertain and dependent on the current and further spread of COVID -19, steps taken by the government and the RBI to mitigate the economic impact and also the time it takes for economic activities to resume and reach the normal levels.

In accordance with the regulatory package announced by the Reserve Bank of India (RBI) on March 27, 2020 and April 17, 2020 the Group has granted a moratorium of 3 months and extended the same for a further period of 3 months in accordance with the announcement by the RBI on May 22, 2020 for the payment of all instalments falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers that have opted to avail the same. In respect of accounts overdue but standard as at February 29, 2020 where moratorium benefit has been granted, the staging for the accounts is based on staging existing as at that date. As per the assessment done by the Group, this staging standstill has not been on its own considered to be triggering any substantial increase in credit risk. Based on the assessment of the Group, in the absence of other credit risk indicators, the granting of the moratorium does not itself result in accounts becoming past due and triggering Stage 2 and Stage 3 classification criteria.

The Group has assessed the impact of the COVID-19 pandemic on its liquidity and ability to repay its obligations as and when they are due. Management has considered various stimulus packages announced by the Government of India which will directly or indirectly benefit NBFCs and outcome of definitive agreement for sale of loans, Group's lenders to extend moratorium and various other financial support from other banks, agencies and its parent entity in determining the Group's liquidity position over the next 12 months. Based on the foregoing and necessary stress tests considering various scenarios, management believes that the Group will be able to pay its obligations as and when these become due in the foreseeable future. The Group would continue to focus on maintaining adequate capital and ensuring liquidity during current period and for the period going forward.

In assessing the recoverability of loans, receivables, intangible assets (including goodwill), deferred tax assets and investments, the Group has considered internal and external sources of information, including credit reports, economic forecasts and industry reports up to the date of approval of these financial results. Group has also considered the impact of COVID - 19 pandemic while estimating the recoverability during the quarter March 31, 2020. Since the situation is rapidly evolving, its effect on the operations of the Group may be different from that estimated as at the date of approval of these financial results. The Group will continue to closely monitor material changes in markets and future economic conditions.

- Two Employee Welfare Trust(s) hold an aggregate 44,896,780 equity shares of the Company for incentive and welfare benefits for group employees as per extant applicable SEBI regulations. Pursuant to the exercise of right available under Regulation 29 of SEBI (Share Based Employee Benefits) Regulations, 2014, the Company has applied before the expiry date of 27 October 2019 for extension of the time limit for disposing of aforesaid equity shares. The said application is under consideration and approval for extension from SEBI is awaited as at date.
- During the year ended March 31, 2020 and March 31, 2019, four subsidiaries of the Group have sold certain financial assets aggregating to ₹ 5,314 crores (net of provisions and losses) and ₹ 583 crores (net of provisions of losses) respectively to various asset reconstructions company trusts ('ARC Trusts') and acquired security receipts (SR) amounting to ₹ 4,765 crores. Ind AS 109 - Financial Instruments, prescribed under section 133 of the Companies Act, 2013, requires substantial risks and rewards to be transferred for the purpose of de-recognition of such financial assets from these subsidiaries' financial statements. EFSL, the holding company, and Edelweiss Rural and Corporate Services Limited (ERCSL), a subsidiary, have guaranteed significant risks and assumed rewards in respect of financial assets aggregating to ₹ 3,557 crores. As a result, these financial assets are de-recognized in subsidiaries' financial statements. Further, as the risks and rewards continues in the Group, these are accounted as financial assets in the consolidated financial statements and the consequent expected credit loss will be recorded in the financial statements of ERCSL or EFSL.

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641
Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098
Tel: +91-22-40094400 Fax: +91-22-40863610
Website : www.edelweissfin.com



13 During the quarter ended March 31, 2020, the Group completed its re-assessment of probability of default, loss given default in respect of exposures to certain sectors that were experiencing operational challenges. Credit and market risks for certain counter parties increased significantly relative to such risks at initial recognition, resulting in recognition of higher amount of expected credit losses and gain/loss on fair value changes for the quarter ended March 31, 2020. Management judgement for expected credit losses and gain/loss on fair values changes has been accentuated on account of factors caused by the COVID-19 pandemic. Accordingly, the Group has recorded for the quarter ended March 31, 2020 an amount of ₹ 2,624 crores towards expected credit losses, write-offs, loss on sale to ARC Trusts and Funds and net loss on fair value changes.

14 Three NBFs in the Group had initiated sale of certain financial assets before March 31, 2020 and for which definitive contracts were executed post the balance sheet date. These financial assets sold subsequent to March 31, 2020, amounted to ₹ 1,657 crores to alternative assets fund and asset reconstruction companies trusts. As per Ind AS 109, Financial Instruments, prescribed under section 133 of the Companies Act, 2013 significant judgement is involved in classification of assets which has been accentuated on account of factors caused by COVID 19. Accordingly, management assessed that such loans sold by the subsidiaries subsequent to March 31, 2020 had an increased risk but were not credit impaired. Of the above, on ₹ 845 crores sold to alternative asset funds, EFSL, the holding Company, has, vide a put agreement dated July 1, 2020, undertaken to purchase part of these financial assets amounting to ₹ 450 crores under certain contingencies as per the agreement. Further, on financial assets amounting to ₹ 812 crores sold to asset reconstruction trusts, EFSL, the holding Company, and ERCSL, fellow subsidiary, have, guaranteed significant risks and assumed rewards in respect of an aggregate value of financial assets of ₹ 612 crores. As at March 31, 2020, there are no impact on the financial statements of the Group other than expected credit loss already provided amounting to ₹ 556 crores.

15 The figures for quarter ended 31 March 2020 and for the quarter ended 31 March 2019, are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the nine months ended 31 December 2019 and nine months ended 31 December 2018 respectively. The figures up to the end of the nine months period ended 31 December 2019 and nine months period ended 31 December 2018 were subjected to a limited review by the Statutory Auditors of the Company.

16 Consolidated Segment Results for the quarter and year ended 31 March 2020.

Particulars	(₹ in Crores)				
	Quarter Ended			Year Ended	
	March 31, 2020 (Audited) (Refer Note 15)	December 31, 2019 (Reviewed)	March 31, 2019 (Audited) (Refer Note 15)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
1 Segment revenue [Total income]					
Agency	285.50	271.21	304.74	1,126.85	1,367.46
Capital Based	792.10	1,024.80	1,309.42	4,465.20	5,910.43
Insurance business	317.11	353.59	467.97	1,246.25	1,109.54
Asset Reconstruction business	356.09	737.10	409.34	1,820.71	1,600.77
Treasury	195.21	251.61	541.93	883.97	1,154.11
Unallocated	19.86	11.25	7.80	59.65	23.11
Total income	1,965.87	2,649.56	3,041.20	9,602.63	11,165.42
2 Segment results [Profit / (Loss) before tax]					
Agency	33.15	54.39	95.58	256.00	447.93
Capital Based	(2,607.68)	(164.92)	184.70	(2,790.10)	844.66
Insurance business	(125.59)	(87.81)	(88.43)	(367.01)	(330.01)
Asset Reconstruction business	(121.07)	183.23	161.85	334.93	655.93
Treasury	(0.69)	65.11	73.91	116.16	151.88
Unallocated	2.93	1.50	(21.98)	(6.63)	(26.68)
Total (Loss)/Profit before tax	(2,818.95)	51.50	405.63	(2,456.65)	1,743.71
3 Segment Assets					
Agency	4,528.77	4,596.24	4,392.73	4,528.77	4,392.73
Capital Based	33,943.49	37,576.86	40,327.38	33,943.49	40,327.38
Insurance business	4,395.37	4,274.02	3,885.55	4,395.37	3,885.55
Asset Reconstruction business	6,594.91	7,390.42	7,086.28	6,594.91	7,086.28
Treasury	3,277.36	4,955.80	7,400.21	3,277.36	7,400.21
Unallocated	1,540.43	1,161.35	1,061.39	1,540.43	1,061.39
Total assets	54,280.33	59,954.69	64,153.54	54,280.33	64,153.54
4 Segment Liabilities					
Agency	3,888.30	4,070.08	3,961.87	3,888.30	3,961.87
Capital Based	32,818.16	34,575.51	36,524.45	32,818.16	36,524.45
Insurance business	3,521.26	3,369.52	2,836.82	3,521.26	2,836.82
Asset Reconstruction business	4,650.54	5,444.31	5,296.83	4,650.54	5,296.83
Treasury	1,859.22	3,297.64	6,181.85	1,859.22	6,181.85
Unallocated	335.77	368.18	636.73	335.77	636.73
Total liabilities	47,073.25	51,125.24	55,438.55	47,073.25	55,438.55
5 Capital employed [Segment assets - Segment liabilities]					
Agency	640.47	526.16	430.86	640.47	430.86
Capital Based	1,125.33	3,001.35	3,802.93	1,125.33	3,802.93
Insurance business	874.11	904.50	1,048.73	874.11	1,048.73
Asset Reconstruction business	1,944.37	1,946.11	1,789.45	1,944.37	1,789.45
Treasury	1,418.14	1,658.16	1,218.36	1,418.14	1,218.36
Unallocated	1,204.66	793.17	424.66	1,204.66	424.66
Total capital employed	7,207.08	8,829.45	8,714.99	7,207.08	8,714.99

The Company has made its consolidated segment reporting to meaningfully represent its business lines Agency, Capital business, Asset reconstruction business, Insurance & Treasury business. Agency includes broking, advisory, product distribution and other fee based businesses; Capital Based represents lending business; Asset reconstruction business represents purchase and resolution of distress assets; Insurance business represents life insurance business and general insurance business. Treasury business represents income from trading and investment activities.

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641
 Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098
 Tel: +91-22-40094400 Fax: +91-22-40863610
 Website : www.edelweissfin.com


17 Consolidated statement of assets and liabilities as at 31 March 2020

(₹ in Crores)

Particulars	As at	As at
	March 31, 2020 (Audited)	March 31, 2019 (Audited)
A ASSETS		
1 Financial assets		
(a) Cash and cash equivalents	4,942.52	3,115.82
(b) Other bank balances	3,667.09	3,339.60
(c) Derivative financial instruments	532.19	194.09
(d) Stock in trade	1,745.81	3,913.67
(e) Trade receivables	1,305.24	2,754.01
(f) Loans [^]	28,360.68	38,408.31
(g) Investments	8,266.60	8,799.05
(h) Other financial assets	830.23	609.85
Sub-total - Financial assets	49,650.36	61,134.40
2 Non-financial assets		
(a) Inventories	43.61	169.13
(b) Reinsurance assets	294.44	288.62
(c) Current tax assets (net)	583.98	432.66
(d) Deferred tax assets (net)	956.47	490.59
(e) Investment property	445.73	314.45
(f) Property, plant and equipment	1,501.26	547.79
(g) Capital work-in-progress	11.16	10.29
(h) Intangible assets under development	32.08	33.39
(i) Goodwill on consolidation	172.34	174.27
(j) Other intangible assets	225.58	228.26
(k) Other non-financial assets	363.32	329.69
Sub-total - Non-financial assets	4,629.97	3,019.14
TOTAL - ASSETS	54,280.33	64,153.54
B LIABILITIES AND EQUITY		
Liabilities		
1 Financial liabilities		
(a) Derivative financial instruments	381.25	192.95
(b) Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	0.22	0.41
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,283.14	1,974.87
(c) Insurance claims payable	7.45	4.56
(d) Debt Securities	20,758.51	24,591.05
(e) Borrowings (other than debt securities)	13,321.06	19,045.35
(f) Deposits	216.90	143.68
(g) Subordinated Liabilities	2,360.88	2,367.66
(h) Other financial liabilities	4,925.05	3,912.70
Sub-total - Financial liabilities	43,254.46	52,233.23
2 Non-financial liabilities		
(a) Current tax liabilities (net)	90.63	143.51
(b) Provisions	35.11	32.77
(c) Provision for policyholders' liabilities	3,007.68	2,449.28
(d) Deferred tax liabilities (net)	264.37	253.27
(e) Other non-financial liabilities	421.00	326.49
Sub-total - Non-financial liabilities	3,818.79	3,205.32
3 Equity		
(a) Equity share capital	88.95	88.78
(b) Other equity	6,039.76	7,588.20
Equity attributable to owners of the parent	6,128.71	7,676.98
Non-controlling interest	1,078.37	1,038.01
Total Equity	7,207.08	8,714.99
TOTAL LIABILITIES AND EQUITY	54,280.33	64,153.54

[^] Loans include the credit exposure held by the consolidated ARC trusts.

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641
 Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098
 Tel: +91-22-40094400 Fax: +91-22-40863610
 Website : www.edelweissfin.com


18 Consolidated statement of cash flows for the year ended 31 March 2020

(₹ in Crores)

Particulars	Year Ended	
	March 31, 2020 (Audited)	March 31, 2019 (Audited)
A Cash flow from operating activities		
(Loss)/Profit before tax	(2,456.65)	1,743.71
Adjustments for:		
Depreciation and amortisation expenses	232.23	131.63
Expense on employee stock option plans	39.08	22.55
Impairment of Goodwill	1.93	-
Impairment on financial instruments	1,404.72	484.90
Change in valuation of credit impaired loans	871.24	218.84
Interest on income tax refund	(30.47)	(26.30)
Dividend Income	(162.18)	(227.07)
(Profit) / loss on sale of property, plant and equipment ¹	(0.46)	0.09
(Profit) / loss on sale of investment property (net) ¹	-	(1.75)
Realised fair value (gain)/loss on financial instruments	(1,233.21)	(675.22)
Unrealised fair value (gain)/loss on financial instruments	1,038.25	(206.30)
Provision for policyholders liability	642.10	716.23
Finance costs	881.59	908.49
Operating cash flow before working capital changes	1,228.17	3,089.80
Adjustments for:		
Decrease/ (increase) in trade receivables	1,466.16	266.76
Decrease/(increase) in stock-in-trade and Inventory	2,293.38	910.74
Decrease/(increase) in Other financial/non financial assets	(259.83)	389.84
Decrease/(increase) in Derivative Financial Instruments	(149.80)	756.72
Decrease/(increase) in loans	7,755.75	(682.27)
Increase / (decrease) in trade payables	(691.92)	383.82
Increase / (decrease) in insurance claim payable	2.89	(0.95)
Increase / (decrease) in other financial liabilities	906.94	1,435.16
Increase / (decrease) in Provisions	(2.04)	(57.61)
Increase / (decrease) in provision for policyholders' liabilities	(83.70)	79.25
Increase / (decrease) in other non-financial liabilities	94.41	(272.71)
Cash generated / (used) in operations	12,560.41	6,298.55
Income taxes paid (net of refund)	(461.99)	(613.26)
Net cash generated / (used) in operating activities - A	12,098.42	5,685.29
B Cash flow from investing activities		
Purchase of property, plant and equipment and intangibles	(121.13)	(243.63)
Proceeds from sale of property, plant and equipment	8.71	57.99
(Purchase) / sale of investment property ¹	(165.33)	(135.42)
(Purchase) / sale of investments ¹	642.30	(32.52)
Dividend on investments	162.18	227.07
(Investment) / Maturity of Bank deposits	(327.48)	(1,185.92)
Net cash generated / (used) in investing activities - B	199.25	(1,312.43)
C Cash flow from financing activities		
Proceeds from issue of shares including premium and share application money	7.99	67.53
Investment by Non Controlling Interest	39.05	141.22
Proceeds/(repayment) from Debt securities ¹	(3,885.37)	(347.50)
Proceeds/(repayment) from Borrowings (other than debt securities) ¹	(5,724.21)	(2,344.28)
Proceeds/(repayment) from Deposits ¹	73.22	(197.54)
Proceeds/(repayment) from Subordinated Liabilities ¹	(6.78)	72.86
Dividend and dividend distribution tax paid	(36.89)	(148.94)
Lease payment	(78.53)	-
Finance cost paid	(859.45)	(908.49)
Net cash generated / (used) in financing activities - C	(10,470.97)	(3,665.14)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	1,826.70	707.72
Cash and cash equivalents as at the beginning of the year	3,115.82	2,408.10
Cash and cash equivalents as at the end of the year	4,942.52	3,115.82

¹ Net figures have been reported on account of volume of transactions.

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.

19 The previous period/year figures have been regrouped/reclassified wherever necessary to conform to current period's/year's presentation.

20 The consolidated financial results will be available on the Company's website - www.edelweissfin.com

On behalf of the Board of Directors

RASHESH
 CHANDRAKAN
 T SHAH

Rashesh Shah
 Chairman

Mumbai, 04 July 2020.

Independent Auditor's Report on the Quarterly and Year to Date Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Edelweiss Financial Services Limited

Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date consolidated financial results of Edelweiss Financial Services Limited ("Holding Company") and its subsidiaries and trusts (the Holding Company, its subsidiaries and trusts together referred to as "the Group") for the quarter and for the year ended March 31, 2020 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 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, the Statement:

- i. includes the results of the subsidiaries and trusts (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 quarter and for the year ended March 31, 2020.

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 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.

Emphasis of Matter

We draw attention to Note 10 to the Statements, which describes the economic and social disruption as a result of COVID-19 pandemic of the Group's business and financial metrics including the Group's estimates of impairment of loans, financial assets, investments, investment in properties, intangible assets (including goodwill) which are highly dependent on uncertain future developments. Our opinion is not modified in respect of this matter.

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 loss and other financial information of the Group for the quarter and year ended March 31, 2020 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 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group 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 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 are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective 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 companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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 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 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 of which we are the independent auditors 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.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matters

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

- a) 36 subsidiaries, whose financial results/statements include total assets of Rs. 13,232.42 crores as at March 31, 2020, total revenues of Rs. 853.92 crores and Rs. 2,983.85 crores, total net loss after tax of Rs. 193.27 crores and Rs. 471.42 crores, total comprehensive loss of Rs. 285.71 crores and Rs. 632.24 crores, for the quarter and the year ended on that date respectively, and net cash inflows of Rs. 119.65 crores for the year ended March 31, 2020, as considered in the Statement which 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 is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.

- b) The actuarial valuation of liabilities of Edelweiss Tokio Life Insurance Company Limited (ETLIFE) for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2020 is the responsibility of ETLIFE's Appointed Actuary. The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2020 has been duly certified by the ETLIFE 's Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with Ind AS 104 "Insurance Contracts", Ind AS 109 "Financial Instruments", the guidelines and norms issued by the Insurance Regulatory and Development Authority of India ('IRDAI') and the Institute of Actuaries of India in concurrence with IRDAI. The auditors have relied upon the ETLIFE's Appointed Actuary's certificate for expressing their conclusion in this regard.
- c) The actuarial valuation of liabilities Edelweiss General Insurance Company Limited (EGICL) for Incurred But Not Reported and Incurred But Not Enough Reported claims of EGICL as at March 31, 2020 is the responsibility of EGICL's Appointed Actuary. The actuarial valuation of these liabilities has been duly certified by the EGICL's Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with Ind AS 104 "Insurance Contracts", the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with IRDAI. The auditors have relied on the EGICL's Appointed Actuary's certificate for expressing their conclusion in this regard.

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.

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the end of 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
KUMAR JALAN
DN: cn=SHRAWAN KUMAR
JALAN, c=IN, o=Personal,
email=shrawan.jalan@srb.in
Date: 2020.07.04 21:27:56 +05'30'

per Shrawan Jalan

Partner

Membership No.: 102102

UDIN: 20102102AAAAHX4888

Place of Signature: Mumbai

Date: July 04, 2020

Annexure A

SUBSIDIARIES:	SUBSIDIARIES:	TRUSTS:
ECL Finance Limited	Edelweiss Securities (Hong Kong) Private Limited	EARC TRUST SC 332
Edelweiss Rural & Corporate Services Limited	Edelweiss Financial Services (UK) Limited	EARC TRUST SC 334
Edelweiss Asset Reconstruction Company Limited	EW Special Opportunities Advisors LLC	EARC TRUST SC 342
Edelweiss Housing Finance Limited	Edelweiss Trusteeship Company Limited	EARC TRUST SC 344
Edelweiss Finance & Investments Limited	Retra Ventures Private Limited (upto March 19, 2020)	EARC TRUST SC 347
Edelweiss General Insurance Company Limited	Lichen Metals Private Limited	EARC TRUST SC 348
Edelweiss Finvest Private Limited	ECap Equities Limited	EARC TRUST SC 349
Edelweiss Retail Finance Limited	Edelweiss Investment Advisors Private Limited	EARC TRUST SC 351
Edelweiss Tokio Life Insurance Company Limited	EdelGive Foundation	EARC TRUST SC 352
Edelweiss Custodial Services Limited		EARC TRUST SC 357
Edelweiss Securities Limited		EARC TRUST SC 360
Edelweiss Broking Limited	TRUSTS:	EARC TRUST SC 361
Edelcap Securities Limited	ESAF - I TRUST	EARC TRUST SC 363
Allium Finance Private Limited	EARC SAF - 2 TRUST	EARC TRUST SC 370
EC Global Limited	EARC SAF - 3 TRUST	EARC Trust SC 381
Edelweiss Securities and Investment Private Limited	EARC TRUST - SC 6	EARC Trust SC 383
Edelweiss International (Singapore) Pte. Limited	EARC TRUST - SC 7	EARC Trust SC 386
EW Clover Scheme-1 (upto December 31, 2019)	EARC TRUST - SC 9	EARC Trust SC 384
Edel Investments Limited	EARC TRUST SC - 102	EARC Trust SC 391
Edelweiss Capital (Singapore) Pte. Limited	EARC TRUST SC - 109	EARC Trust SC 392
EC Commodity Limited	EARC TRUST SC - 112	EARC Trust SC 395
Aster Commodities DMCC	EARC TRUST - SC 130	EARC Trust SC 380
Edelweiss Asset Management Limited	EARC TRUST SC 223	EARC Trust SC 387
EC International Limited	EARC TRUST SC 229	EARC Trust SC 388
Edelweiss Global Wealth Management Limited	EARC TRUST SC 238	EARC Trust SC 393
Edel Land Limited	EARC TRUST SC 245	EARC Trust SC 372
Edelweiss Comtrade Limited	EARC TRUST SC 251	EARC Trust SC 373
Edelweiss Multi Strategy Fund Advisors LLP	EARC TRUST SC 262	EARC Trust SC 374
Edelweiss Gallagher Insurance Brokers Limited (formerly known as Edelweiss Insurance Brokers Limited)	EARC TRUST SC 263	EARC Trust SC 375
Edelweiss Private Equity Tech Fund	EARC TRUST SC 266	EARC Trust SC 376
Edelweiss Value and Growth Fund	EARC TRUST SC 293	EARC Trust SC 385
EFSL International Limited (upto December 12, 2019)	EARC TRUST SC 297	EARC Trust SC 394
EAAA LLC	EARC TRUST SC 298	EARC Trust SC 399
ESL Securities Limited	EARC TRUST SC 306	EARC Trust SC 401
Edelweiss Alternative Asset Advisors Limited	EARC TRUST SC 308	EARC Trust SC 402
Edel Finance Company Limited	EARC TRUST SC 314	EARC TRUST SC 350 (upto November 30, 2019)
Edelweiss Securities (IFSC) Limited	EARC TRUST SC 318	EARC TRUST SC 354 (upto November 30, 2019)
Edelweiss Investment Adviser Limited	EARC TRUST SC 321	
Edelweiss Financial Services Inc.	EARC TRUST SC 325	
Edelweiss Alternative Asset Advisors Pte. Limited	EARC TRUST SC 329	
Edelweiss Resolution Advisors LLP	EARC TRUST SC 331	

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641
 Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098
 Tel: +91-22-40094400 Fax: +91-22-40863610
 Website : www.edelweissfin.com



Standalone Financial Results for the quarter and year ended 31 March 2020

(₹ in Crores)

	Particulars	Quarter Ended			Year Ended	
		March 31, 2020 (Audited) (Refer Note 9)	December 31, 2019 (Reviewed)	March 31, 2019 (Audited) (Refer Note 9)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
1	Revenue from operations					
	(a) Interest income	1.40	3.03	1.98	12.12	26.35
	(b) Dividend income	19.66	-	35.35	69.47	118.40
	(c) Fee and commission income	24.11	6.46	31.20	95.98	156.22
	(d) Net gain on fair value changes	(17.68)	(17.51)	1.91	13.47	2.06
	(e) Other operating income	13.29	11.14	-	45.65	-
	Total revenue from operations	40.78	3.12	70.44	236.69	303.03
2	Other income	8.77	3.01	3.21	22.33	17.34
3	Total Income (1+2)	49.55	6.13	73.65	259.02	320.37
4	Expenses					
	(a) Finance costs	6.00	8.43	4.82	32.31	16.43
	(b) Employee benefits expense	34.87	13.36	25.11	79.77	108.46
	(c) Depreciation and amortisation expense	0.74	0.74	1.02	3.22	3.86
	(d) Impairment on financial instruments	0.84	(0.29)	(1.28)	1.87	(4.35)
	(f) Other expenses	20.21	8.77	18.80	62.29	90.05
	Total expenses	62.66	31.01	48.47	179.46	214.45
5	Profit / (Loss) before tax (3-4)	(13.11)	(24.88)	25.18	79.56	105.92
6	Tax expense					
	Current tax	(4.27)	(6.77)	7.30	0.19	7.30
	Deferred tax and MAT	(7.13)	(5.03)	(4.44)	(3.22)	(4.25)
7	Net Profit / (Loss) for the period (5-6)	(1.71)	(13.08)	22.32	82.59	102.87
8	Other Comprehensive (Loss)/Income	(0.11)	0.02	(0.22)	(0.05)	0.08
9	Total Comprehensive (Loss)/Income (7+8)	(1.82)	(13.06)	22.10	82.54	102.95
10	Earnings Per Share (₹) (Face Value of ₹ 1/- each)					
	- Basic (Refer note 4)	(0.02)	(0.15)	0.25	0.93	1.17
	- Diluted (Refer note 4)	(0.02)	(0.15)	0.25	0.92	1.15

Notes:

- The standalone financial results of Edelweiss Financial Services Limited ('EFSL' or 'the Company') for the quarter and year ended 31 March 2020 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 04 July 2020.
- The standalone financial results of EFSL for the quarter and year ended 31 March 2020 have been subjected to audit by the Statutory Auditors of the Company.
- During the quarter ended 31 March 2020, the Company has issued 1,80,600 equity shares of face value of ₹1 each to the employees of the Company and its subsidiaries on exercise of employee stock options.
- Earnings per share for the quarters ended 31 March 2020, 31 December 2019 and 31 March 2019, have been calculated for three months and are not annualised.

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641

Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098

Tel: +91-22-40094400 Fax: +91-22-40863610

Website : www.edelweissfin.com



- 5 The COVID-19 pandemic outbreak across the world including India has resulted in most countries announcing lockdowns and quarantine measures that have sharply stalled economic activities across the world. The Indian Government too has imposed lockdowns starting from March 24, 2020. The Indian economy is impacted and would continue to be impacted by this pandemic and the resultant lockdown, due to the contraction in industrial and services output across small and large businesses. The impact of the COVID -19 pandemic on the Company's results, including credit quality and provisions, gain/loss on fair value changes, investment impairments, remains uncertain and dependent on the current and further spread of COVID -19, steps taken by the government and other regulators to mitigate the economic impact and also the time it takes for economic activities to resume and reach the normal levels.

As at 31 March 2020, the Company has sufficient capital and liquidity position. Asset quality is being reviewed as part of the risk management and provisioning assessment. With sufficient capital, liquidity and ability to raise funds, provides adequate support that Company would continue to fulfill all required contractual obligations. The management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future. The Company would continue to focus on maintaining adequate capital and ensuring liquidity at all points in time.

In assessing the recoverability of loans, receivables, intangible assets, deferred tax assets and investments, the Company has considered internal and external sources of information, including credit reports, economic forecasts and industry reports up to the date of approval of these financial results. Since the situation is rapidly evolving, its effect on the operations of the Company may be different from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor material changes in markets and future economic conditions.

- 6 Two Employee Welfare Trust(s) hold an aggregate 44,896,780 equity shares of the Company for incentive and welfare benefits for group employees as per extant applicable SEBI regulations. Pursuant to the exercise of right available under Regulation 29 of SEBI (Share Based Employee Benefits) Regulations, 2014, the Company has applied before the expiry date of 27 October 2019 for extension of the time limit for disposing of aforesaid equity shares. The said application is under consideration and approval for extension from SEBI is awaited as at date.
- 7 During the year ended March 31, 2020 and March 31, 2019, four subsidiaries of the Company have sold certain financial assets aggregating to ₹ 5,314 crores (net of provisions and losses) and ₹ 583 crores (net of provisions of losses) respectively to various asset reconstructions company trusts ('ARC Trusts') and acquired security receipts (SR) amounting to ₹ 4,765 crores. Ind AS 109 - Financial Instruments, prescribed under section 133 of the Companies Act, 2013, requires substantial risks and rewards to be transferred for the purpose of de-recognition of such financial assets from these subsidiaries' financial statements. EFSL, the holding company, and Edelweiss Rural and Corporate Services Limited (ERC SL), a subsidiary, have guaranteed significant risks and assumed rewards in respect of financial assets aggregating to ₹ 3,557 crores. As a result, these financial assets are de-recognized in subsidiaries' financial results. Further, as the risks and rewards continues in the Group, these are accounted as financial assets in the consolidated financial results of the Group and the consequent expected credit loss, if any, will be recorded in the financial statements of ERC SL or EFSL.
- 8 Three NBFCs subsidiaries of the Company had initiated sale of certain financial assets before March 31, 2020 and for which definitive contracts were executed post the balance sheet date. These financial assets sold subsequent to March 31, 2020, amounted to ₹ 1,657 crores to alternative assets fund and asset reconstruction companies trusts. As per Ind AS 109, Financial Instruments, prescribed under section 133 of the Companies Act, 2013 significant judgement is involved in classification of assets which has been accentuated on account of factors caused by COVID 19. Accordingly, management of these subsidiary companies assessed that such loans sold by these subsidiaries subsequent to March 31, 2020 had an increased risk but were not credit impaired. Of the above, on ₹ 845 crores sold to alternative asset funds, the Company, has, vide a put agreement dated July 1, 2020, undertaken to purchase part of these financial assets amounting to ₹ 450 crores under certain contingencies as per the agreement. Further, on financial assets amounting to ₹ 812 crores sold to asset reconstruction trusts, the Company, and ERC SL, a subsidiary, have, guaranteed significant risks and assumed rewards in respect of an aggregate value of financial assets of ₹ 612 crores. As at March 31, 2020, there are no impact on the financial results of the Company and on the Group's consolidated financial results other than expected credit loss already provided amounting to ₹ 556 crores in the consolidated financial results.
- 9 The figures for quarter ended 31 March 2020 and for the quarter ended 31 March 2019, are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the nine months ended 31 December 2019 and nine months ended 31 December 2018 respectively. The figures up to the end of the nine months period ended 31 December 2019 and nine months period ended 31 December 2018 were subjected to a limited review by the Statutory Auditors of the Company.

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641
 Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098
 Tel: +91-22-40094400 Fax: +91-22-40863610
 Website : www.edelweissfin.com



10 Standalone Segment Results for the quarter and year ended 31 March 2020

(₹ in Crores)

Particulars	Quarter Ended			Year Ended	
	March 31, 2020 (Audited) (Refer Note 9)	December 31, 2019 (Reviewed)	March 31, 2019 (Audited) (Refer Note 9)	March 31, 2020 (Audited)	March 31, 2019 (Audited)
1 Segment revenue [Total income]					
Agency	20.45	7.27	26.86	80.82	126.22
Holding Company activities	29.09	(1.36)	46.05	177.36	187.40
Unallocated	0.01	0.22	0.74	0.84	6.75
Total income	49.55	6.13	73.65	259.02	320.37
2 Segment results [Profit / (Loss) before tax]					
Agency	(22.92)	(4.53)	5.42	(3.38)	26.07
Holding Company activities	9.80	(20.56)	19.03	82.10	73.11
Unallocated	0.01	0.21	0.73	0.84	6.74
Total Profit before tax	(13.11)	(24.88)	25.18	79.56	105.92
3 Segment Assets					
Agency	14.05	15.51	31.12	14.05	31.12
Holding Company activities	3,576.12	3,725.99	3,701.72	3,576.12	3,701.72
Unallocated	91.92	71.75	63.85	91.92	63.85
Total assets	3,682.09	3,813.25	3,796.69	3,682.09	3,796.69
4 Segment Liabilities					
Agency	28.32	7.33	16.15	28.32	16.15
Holding Company activities	184.32	354.45	427.99	184.32	427.99
Unallocated	14.88	7.76	0.94	14.88	0.94
Total liabilities	227.52	369.54	445.08	227.52	445.08
5 Capital employed [Segment assets - Segment liabilities]					
Agency	(14.27)	8.18	14.97	(14.27)	14.97
Holding Company activities	3,391.80	3,371.54	3,273.73	3,391.80	3,273.73
Unallocated	77.04	63.99	62.91	77.04	62.91
Total capital employed	3,454.57	3,443.71	3,351.61	3,454.57	3,351.61

Agency includes investment banking; Holding Company activities comprise of development, managerial and financial support to the businesses of subsidiaries and investment activities. Segment data for previous financial period has been reclassified to conform to current financial period's presentation.

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641
 Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098
 Tel: +91-22-40094400 Fax: +91-22-40863610
 Website : www.edelweissfin.com



11 Standalone statement of assets and liabilities as at March 31, 2020

(₹ in Crores)

Particulars	As at	As at
	March 31, 2020 (Audited)	March 31, 2019 (Audited)
ASSETS		
Financial assets		
(a) Cash and cash equivalents	1.37	11.00
(b) Other bank balances	0.96	6.00
(c) Trade receivables	61.89	52.76
(d) Loans	0.67	253.87
(e) Investments	3,467.29	3,339.25
(f) Other financial assets	39.33	46.50
Sub-total - Financial assets	3,571.51	3,709.38
Non-financial assets		
(a) Current tax assets (net)	61.86	42.58
(b) Deferred tax assets (net)	29.11	25.86
(c) Property, Plant and Equipment	0.84	1.38
(d) Intangible assets under development	0.92	1.00
(e) Other Intangible assets	1.68	3.22
(f) Other non- financial assets	16.17	13.27
Sub-total - Non-Financial assets	110.58	87.31
TOTAL ASSETS	3,682.09	3,796.69
LIABILITIES AND EQUITY		
Financial liabilities		
(a) Derivative financial instruments	-	0.25
(b) Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	0.09	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	8.03	10.69
(c) Debt securities	73.41	-
(d) Borrowings other than debt securities	73.25	366.06
(e) Other financial liabilities	57.71	60.30
Sub-total - Financial liabilities	212.49	437.30
Non-financial liabilities		
(a) Current tax liabilities (net)	6.98	4.59
(b) Provisions	0.91	1.03
(c) Other non-financial liabilities	7.14	2.16
Sub-total - Non-financial liabilities	15.03	7.78
Equity		
(a) Equity share capital	88.95	88.78
(b) Other equity	3,365.62	3,262.83
Total Equity	3,454.57	3,351.61
TOTAL LIABILITIES AND EQUITY	3,682.09	3,796.69

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641
 Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098
 Tel: +91-22-40094400 Fax: +91-22-40863610
 Website : www.edelweissfin.com



12 Standalone statement of cash flows for the year ended 31 March 2020

(₹ in Crores)

Particulars	Year Ended	
	March 31, 2020 (Audited)	March 31, 2019 (Audited)
A Cash flow from operating activities		
Profit before tax	79.56	105.92
Adjustments for:		
Depreciation and amortisation expenses	3.22	3.86
ESOP and SAR cost	9.97	6.53
Reversal / (impairment) on financial instruments	1.87	(4.35)
Dividend on investments	(69.47)	(118.40)
Profit on sale of property, plant and equipment	(0.14)	(0.12)
Fair value change in investments	0.30	(1.80)
Profit on sale of investments	(15.66)	(0.27)
Interest income	(11.69)	(25.43)
Finance costs	32.31	16.43
Operating cash flow before working capital changes	30.27	(17.63)
Adjustments for:		
Decrease in trade receivables	19.21	25.48
Decrease in other financial assets	7.17	0.77
(Increase)/decrease in other non- financial assets	(2.90)	18.70
(Increase)/decrease in derivative financial instruments	(0.25)	4.52
Decrease in trade payables	(3.73)	(15.73)
Decrease in provisions and other financial liabilities	(2.71)	(30.21)
Decrease /(increase) in other bank balances	5.04	(0.52)
Decrease/(Increase) in other non financial liabilities	4.95	(2.19)
Cash generated/(used in) from operations	57.05	(16.81)
Income taxes paid	(17.08)	(0.95)
Net cash generated/(used in) from operating activities - A	39.97	(17.76)
B Cash flow from investing activities		
Purchase of property, plant and equipment	(1.17)	(1.77)
Proceeds from sale of property, plant and equipment	0.26	0.29
Sale of investments	43.14	83.51
Purchase of investments	(155.82)	(685.41)
Dividend on investments	69.47	118.40
Repayment of loans	239.07	216.78
Interest received	25.82	24.36
Net cash generated/(used in) investing activities - B	220.77	(243.84)

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641
Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098
Tel: +91-22-40094400 Fax: +91-22-40863610
Website : www.edelweissfin.com



12 Standalone statement of cash flows for the year ended 31 March 2020 (Continued) (₹ in Crores)

Particulars	Year Ended	
	March 31, 2020 (Audited)	March 31, 2019 (Audited)
C Cash flow from financing activities		
Proceeds from issuance of Share capital (including securities premium)	7.99	67.53
Repayment of non convertible debentures	-	(27.65)
Proceeds from Debt securities	73.41	-
Proceeds from/(repayment of) borrowings (refer note) ¹	(292.81)	366.06
Dividend distribution tax paid	-	(2.47)
Dividend paid	(26.65)	(124.12)
Finance costs	(32.31)	(16.43)
Net cash (used in) / generated from financing activities - C	(270.37)	262.92
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(9.63)	1.32
Cash and cash equivalents as at the beginning of the year	11.00	9.68
Cash and cash equivalents as at the end of the year	1.37	11.00

¹ Net figures have been reported on account of volume of transactions.

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 The previous period/year figures have been regrouped/reclassified wherever necessary to conform to current period's/year's presentation.

14 The Standalone financial results will be available on the Company's website - www.edelweissfin.com

On behalf of the Board of Directors

RASHESH
CHANDRAK
ANT SHAH

Digitally signed by RASHESH CHANDRAK ANT SHAH
DN: c=IN, o=Personal, postalCode=400016, st=Maharashtra, 2.5.4.20+e61327104a112591b3b6baa29c3a0c144a08172258f8a8a600503f82, serialNumber=193c15412d76187387d8902caff233a271da1048b0494a2a290e0ff38, cn=RASHESH CHANDRAK ANT SHAH
Date: 2020.07.04 19:49:21 +05'30'

Rashesh Shah
Chairman

Mumbai, 04 July 2020.

Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**To
The Board of Directors of
Edelweiss Financial 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 Financial Services Limited (the "Company") for the quarter and for the year ended March 31, 2020 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 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, 2020 and net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2020.

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.

Emphasis of Matter

We draw attention to note 5 of the Statement, which describes the economic and social disruption as a result of COVID-19 pandemic of the Company's business and financial metrics including the Company's estimates of impairment investments and other assets, which are highly dependent on uncertain future developments. Our opinion is not modified in respect of this matter.

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 and other financial information of the Company for the quarter ended March 31, 2020 and net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2020 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 33 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.

S.R. BATLIBOI & Co. LLP

Chartered Accountants

Other Matter

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 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
KUMAR JALAN

Digitally signed by SHRAWAN
KUMAR JALAN
DN: cn=SHRAWAN KUMAR
JALAN, c=IN, o=Personal,
email=shrawan.jalan@srb.in
Date: 2020.07.04 21:27:15 +05'30'

per Shrawan Jalan

Partner

Membership Number:102102

UDIN: 20102102AAAAHY2908

Place of Signature: Mumbai

Date: July 04, 2020