

October 28, 2021

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

National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai - 400 051.

Sub: Submission of Financial Results for the quarter and half year ended September 30, 2021 as per Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/madam,

With reference to the captioned subject, we enclose the following:

- a) Unaudited Financial Results of the Company for quarter and half year ended September 30, 2021 together with the Limited Review Report of the Auditors' thereon;
- b) Information as required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- c) Information as required pursuant to Regulation 52(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular SEBI/HO/DDHS/08/2020 dated January 17, 2020.

Kindly take the above on record.

Thanking you,

Yours faithfully,

For Edelweiss Retail Finance Limited



Jignesh Gaglani
Company Secretary

Encl: as above

Edelweiss Retail Finance Limited

Corporate Identity Number: U67120MH1997PLC285490

Registered Office : Tower 3, Wing ' B', Kohinoor City Mall , Kohinoor City, Kiroi Road, Kurla (west), Mumbai - 400070, Maharashtra; ☎ +91 22 4272 2200

Corporate Office: Edelweiss House, Off. C.S.T Road, Kalina, Mumbai-400098, Maharashtra ☎ +91 22 4009 4400 Fax: +91 22 4019 4925 www.edelweissretailfin.com

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Financial Results of the Company Pursuant to the Regulation 52(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
Edelweiss Retail Finance Limited

1. We have reviewed the accompanying statement of unaudited financial results of Edelweiss Retail Finance Limited (the "Company") for the quarter ended September 30, 2021 and year to date from April 1, 2021 to September 30, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS 34 prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 4 to the Statement, which describes the economic and social disruption as a result of COVID-19 pandemic on the Company's business and financial metrics including the Company's estimates of impairment of loans to customers and investments which are highly dependent on uncertain future developments.

Our conclusion is not modified in respect of this matter.

For S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005



per Shrawan Jalan
Partner
Membership No.: 102102
UDIN: 21102102AAAEO05173




Place: Mumbai
Date: October 28, 2021

Financial Results for the quarter and half year ended September 30, 2021

Particulars	Quarter Ended						Half Year Ended	
	September	June	September	September	September	March		
	30, 2021	30, 2021	30, 2020	30, 2021	30, 2020	31, 2021	(₹ in Crores)	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)		
1 Revenue from operations								
(a) Interest income	37.61	41.56	52.56	79.17	109.60	218.30		
(b) Dividend income	-	-	-	-	-	20.84		
(c) Fee and commission income	1.69	0.89	0.64	2.58	1.87	5.46		
(d) Net gain on fair value changes	1.72	4.83	(0.38)	6.55	(3.52)	1.27		
Total revenue from operations	41.02	47.28	52.82	88.30	107.95	245.87		
2 Other income	0.12	2.56	1.82	2.68	2.46	4.19		
3 Total Income (1+2)	41.14	49.84	54.64	90.98	110.41	250.06		
4 Expenses								
(a) Finance costs	22.97	23.17	34.30	46.14	70.21	134.91		
(b) Employee benefits expense	4.51	3.48	1.29	7.99	2.30	12.21		
(c) Depreciation and amortisation expense	1.00	1.10	1.07	2.10	2.52	4.13		
(d) Impairment on financial instruments	(6.44)	1.50	3.27	(4.94)	1.05	35.46		
(e) Other expenses	22.89	11.04	4.29	33.93	9.61	30.40		
Total expenses	44.93	40.29	44.22	85.22	85.69	217.11		
5 Profit / (Loss) before tax (3-4)	(3.79)	9.55	10.42	5.76	24.72	32.95		
6 Tax expense (refer note 5)	(1.90)	3.57	2.89	1.67	6.55	6.11		
Current tax	(1.95)	1.41	4.53	(0.54)	7.16	11.54		
Deferred tax	0.05	2.16	(1.64)	2.21	(0.61)	(5.43)		
7 Net Profit / (Loss) for the period (5-6)	(1.89)	5.98	7.53	4.09	18.17	26.84		
8 Other Comprehensive Income	-	-	-	-	(0.01)	0.03		
(i) Items that will not be reclassified to profit or loss	-	-	-	-	(0.01)	0.04		
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	(0.01)		
9 Total Comprehensive Income (7+8)	(1.89)	5.98	7.53	4.09	18.16	26.87		
10 Earnings Per Share (₹) (Face Value of ₹ 10/- each)								
- Basic (Not Annualised)	(0.44)	1.39	1.75	0.95	4.23	6.26		
- Diluted (Not Annualised)	(0.44)	1.39	1.75	0.95	4.23	6.26		

Notes:

- Edelweiss Retail Finance Limited (the 'Company'/'ERFL') has prepared unaudited financial results (the 'Statement') for the quarter and half year ended September 30, 2021 in accordance with Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations, 2015' as amended) 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 provisions of the Companies Act, 2013, as applicable.
- The above financial results of the Company are reviewed and recommended by the Audit Committee and have been approved by the Board of Directors of the Company at their respective meetings held on October 28, 2021.
- During the quarter and half year ended 30 September 2021, the Company had sold certain financial assets amounting to NIL and Rs. 17.89 crores (net of provisions and losses) respectively, to various asset reconstructions company trusts ('ARC Trusts') and acquired security receipts (SR) amounting to NIL and Rs. 15.21 crores respectively 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. EFSL, the 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.

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4. 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 had imposed lockdowns starting from 24 March 2020. Subsequently, the national lockdown was lifted by the government for certain activities in a phased manner outside specified containment zones, but regional lockdowns/restrictions continued to be implemented in areas with a significant number of COVID-19 cases. The Indian economy is impacted however in recent period the industry is reporting encouraging results signaling a slow but steady positive return of growth of economy. The impact of the COVID-19 pandemic, on Company's results, including credit quality and provisions, gain/loss on fair value changes, investment, remains uncertain and dependent on actual visibility of growth over coming quarter and steps taken by the government, RBI and other regulators to mitigate the economic impact and speedier growth. Further, the Company 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 financial support from banks and other fundraising opportunities in determining its liquidity position over the next 12 months. Based on the foregoing and necessary stress tests considering various scenarios, management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future. In assessing the recoverability of loans, receivables, deferred tax assets, investments and in case of life insurance business, estimate of claims, 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 continue to evolve, 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.

5 (a) Details of Resolution plan implemented under the Resolution Framework for COVID-19 related stress as per circular dated August 6, 2020.
 Format - A: As at September 30, 2021

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Number of accounts where resolution plan has been implemented under this window	Exposure to accounts mentioned at (A) before implementation of the plan	Of (B), aggregate amount of debt that was converted into other securities	Additional funding sanctioned, if any, including between invocation of the plan and implementation	Increase in provisions on account of the implementation of the resolution plan
Personal Loans	17	36.42	-	-	3.62
Corporate persons*	1	62.13	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	18	98.55	-	-	3.62

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Format - B: For the half year ended September 30, 2021

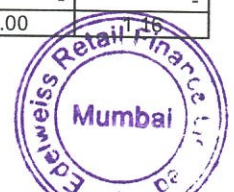
Type of borrower	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans	-	-	-	-	-
Corporate persons*	61.67	-	-	-	61.67
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	61.67	-	-	-	61.67

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

5 (b) Information as required by the Reserve Bank of India Circular on Resolution Framework -2.0: Resolution of COVID-19 related stress of Individuals and small Businesses dated May 5, 2021.

Description	Individual Borrowers		Small businesses
	Personal Loans	Business Loans	
(A) Number of requests received for invoking resolution process under Part A	6	10	14
(B) Number of accounts where resolution plan has been implemented under this window	5	0	11
(C) Exposure to accounts mentioned at (B) before implementation of the plan	22.91	0.00	12.22
(D) Of (C), aggregate amount of debt that was converted into other securities	-	-	-
(E) Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
(F) Increase in provisions on account of the implementation of the resolution plan	2.46	0.00	-

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- 5 (c) Micro, Small and Medium Enterprises (MSME) sector - Restructuring of advances as at September 30, 2021
 The Company has restructured the accounts as per RBI circulars DBR.No.BP.BC.100/21.04.048/2017-18 dated February 7, 2018, DBR.No.BP.BC.108/21.04.048/2017-18 dated June 6, 2018, circular DBR.No.BP.BC.18/21.04.048/2018-19 dated January 1, 2019, circular DOR.No.BP.BC.34/21.04.048/2019-20 dated February 11, 2020 and DOR.No.BP.BC/4/21.04.048/2020-21 dated August 6, 2020.

(₹ in Crores)

Type of borrower	No. of accounts restructured	Amount
MSME	79	86.30

6. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
7. A Scheme of Amalgamation for merger (Merger by Absorption) of Edelweiss Retail Finance Limited ("ERFL") with the Company ("Transferee Company") and their respective shareholders under section 230 to 232 of the Companies Act, 2013 and the Rules made there under has been filed with the Hon'ble National Company Law Tribunal ("NCLT") on March 26, 2019. Further, on March 25, 2019, the Company had applied for approval from the Reserve Bank of India in relation to the said merger, which was approved by the RBI on September 27, 2019. The Company is in process to obtain NOCs from all the lending banks.
8. **Statement of assets and liabilities as at September 30, 2021**

	(₹ in Crores)	
	As at Sep 30, 2021 (Unaudited)	As at March 31, 2021 (Audited)
ASSETS		
Financial assets	1,314.57	1,460.81
(a) Cash and cash equivalents	36.64	70.44
(b) Bank balances other than (a) above	29.73	27.72
(c) Stock in trade	5.20	5.95
(d) Receivables		
(i) Trade receivables	1.22	1.96
(e) Loans	1,133.42	1,192.39
(f) Investments	102.58	95.79
(g) Other financial assets	5.78	66.56
Non-financial assets	52.41	57.67
(a) Current tax assets (net)	4.33	15.14
(b) Deferred tax assets (net)	14.06	16.26
(c) Property, Plant and Equipment	12.62	11.15
(d) Intangible assets under development	7.34	5.23
(e) Other Intangible assets	0.22	0.40
(f) Other non- financial assets	13.84	9.49
TOTAL ASSETS	1,366.98	1,518.48
LIABILITIES AND EQUITY		
Financial liabilities	851.85	1,012.67
(a) Payables		
(i) Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues to creditors other than micro enterprises and small enterprises	9.49	11.14
(b) Debt securities	289.39	292.38
(c) Borrowings (other than debt securities)	313.38	450.26
(d) Subordinated Liabilities	219.90	211.90
(e) Other financial liabilities	19.69	46.99
Non-financial liabilities	20.74	15.88
(a) Current tax liabilities (net)	12.24	9.53
(b) Provisions	1.21	0.87
(c) Other non-financial liabilities	7.29	5.48
Equity	494.39	489.93
(a) Equity share capital	42.95	42.95
(b) Other equity	451.44	446.98
TOTAL LIABILITIES AND EQUITY	1,366.98	1,518.48

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9. Statement of cashflow for the half year ended September 30, 2021

(₹ in Crores)

	September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)
A Cash flow from operating activities		
Profit before tax	5.76	24.72
Adjustments for		
Depreciation, amortisation and impairment	2.10	2.52
Impairment of financial assets	(8.24)	(0.93)
Interest on lease liabilities	0.70	0.61
Gain on buyback of NCDs	-	(0.02)
Loss / (Profit) on sale of Property, plant and equipment	-	0.59
Operating cash flow before working capital changes	0.32	27.49
Add / (Less): Adjustments for working capital changes	-	-
Decrease/(Increase) in Trade receivables	0.74	(0.74)
Decrease/(Increase) in Loans (net)	67.22	5.64
Decrease/(Increase) in Other financial assets	59.51	14.99
Decrease/(Increase) in Other non financial assets	(4.00)	(5.19)
Increase / (Decrease) in Trade payables	(1.65)	5.49
Increase / (Decrease) in Non financial liabilities and provisions	2.15	(0.60)
Increase / (Decrease) in Other financial liability	(26.02)	(28.25)
Cash generated from operations	98.27	18.83
Income taxes refund (net)	14.06	1.45
Net cash generated from operating activities - A	112.33	20.28
B Cash flow from investing activities		
Purchase of Property, plant and equipment and Intangible Assets	(3.39)	3.33
Decrease/(Increase) in Intangibles under development	(2.11)	(3.11)
Sale of Property, plant and equipment	-	0.29
Purchase of investments	(6.79)	(51.65)
Net cash used in investing activities - B	(12.29)	(51.14)
C Cash flow from financing activities		
Increase / (Decrease) in Debt Securities ¹	(2.99)	18.77
Increase / (Decrease) in Borrowings other than Debt Securities ¹	(136.88)	(126.06)
Increase / (Decrease) in Subordinate Debt	8.00	7.83
Repayment of lease obligations	(1.97)	(1.52)
Net cash used in financing activities - C	(133.84)	(100.98)
Net decrease in cash and cash equivalents (A+B+C)	(33.80)	(131.84)
Cash and cash equivalent as at the beginning of the period	70.44	268.14
Cash and cash equivalent as at the end of the period	36.64	136.30

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

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

On behalf of the Board of Directors




Phanindranath Kakarla

Director

DIN: 02076676

Mumbai
 October 28, 2021

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 BY 
 28/10/21
S.R. BATLIBOI & CO. LLP
MUMBAI



Edelweiss Retail Finance Limited
Annexure - A

Disclosure in compliance with regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the half year ended September 30, 2021

Sr. No.	Particulars	Ratio
1	Debt-equity Ratio (refer note 1)	1.71
2	Debt service coverage ratio (DSCR)	NA
3	Interest service coverage ratio (ISCR)	NA
4	Outstanding redeemable preference shares (quantity and value)	NA
5	Debenture redemption reserve (Rupees in Crores)	6.78
6	Net worth (refer note 2) (Rupees in Crores)	480.33
7	Net profit after tax (Rupees in Crores)	4.09
8	Earnings per share (not annualised)	
8.a	Basic (Rupees)	0.95
8.b	Diluted (Rupees)	0.95
9	Current ratio	NA
10	Long term debt to working capital	NA
11	Bad debts to Account receivable ratio	NA
12	Current liability ratio	NA
13	Total debts to total assets (refer note 3)	0.60
14	Debtors turnover	NA
15	Inventory turnover	NA
16	Operating margin (%)	NA
17	Net profit margin (%) (refer note 4)	4.63%
18	Sector specific equivalent ratios as on September 30, 2021	
	(a) Capital to risk-weighted assets ratio (CRAR) (%)	34.19%
	(b) Tier I CRAR (%)	22.38%
	(c) Tier II CRAR (%)	11.81%
	(d) Stage 3 ratio (gross) (%) (refer note 5)	4.60%
	(e) Stage 3 ratio (net) (%) (refer note 6)	3.93%

Notes:

- Debt-equity Ratio = Total Debt (Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities) / Net worth
- Net worth = Share capital + Share application money pending allotment + Reserves & Surplus - Deferred Tax Assets
- Total debts to total assets = Total Debt / Total assets
- Net profit margin (%) = Net profit after tax / Revenue from Operations
- Stage 3 ratio (gross) = Gross Stage 3 loans / Gross Loans
- Stage 3 ratio (net) = (Gross stage 3 loans - impairment loss allowance for Stage 3) / Gross Loans

Carindhat K

The secured non-convertible debentures issued by the Company are fully secured by first pari passu charge by mortgage of the Company's identified immovable property as stated in the debenture trust deed(s) and/ or by way of charge/ hypothecation of book debts/ receivables/ loan Receivables and other assets, to the extent stated in the respective information memorandum read with the underlying debenture trust deed. Further, the Company has maintained asset cover as stated in the information memorandum which is sufficient to discharge the principal amount and other dues at all times for the non-convertible debt securities issued by the Company.

For Edelweiss Retail Finance Limited

A handwritten signature in black ink, appearing to read 'Phanindranath Kakarla', with a stylized flourish at the end.

Phanindranath Kakarla

Director

ANNEXURE A
Statement of Deviation or Variation in the use of proceeds of issue of listed non-convertible debt securities

Statement of Deviation or Variation	
Name of listed entity	Edelweiss Retail Finance Limited
Mode of Fund Raising	Public Issues / Private Placement
Type of instrument	Non-Convertible Debentures
Date of Raising Funds during half year ended September 30, 2021	-
Amount Raised during half year ended September 30, 2021 (in Rs.)	NIL
Report filed for half year ended	September 30, 2021
Is there a Deviation / Variation in use of funds raised?	Not applicable
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	-
Explanation for the Deviation / Variation	-
Comments of the audit committee after review	-
Comments of the auditors, if any	-
Objects for which funds have been raised and where there has been a deviation, in the following table:	

Edelweiss Retail Finance Limited

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Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilised of	Amount of Deviation/ Variation for the half year according to applicable object (INR Crores and in %)	Remarks, if any
-	-	-	-	-	-	-
For Edelweiss Retail Finance Limited <div style="display: flex; align-items: center;"> <div style="margin-right: 10px;"> <p>SHILPA GATTANI</p> </div> <div> <p>Digitally signed by SHILPA GATTANI Date: 2021.10.28 11:33:44 +05'30'</p> </div> </div> <p>Shilpa Gattani Director</p>						

Edelweiss Retail Finance Limited

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