

ECLF/SEC/2019-106

April 24, 2019

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

Dear Sir/Madam,

Sub: Filing of Interim Condensed Standalone Ind AS Financial Statements

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Interim Condensed Standalone Ind AS Financial Statements as at and for nine months period ended December 31, 2018 which are approved by the Debentures Committee of ECL Finance Limited.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For ECL Finance Limited



Jitendra Maheshwari
Company Secretary

Encl: a/a

Limited Review Report

Review Report to
The Board of Directors
ECL Finance Limited
Mumbai

1. We have reviewed the accompanying interim condensed standalone Ind AS financial statements of ECL Finance Limited (the "Company"), which comprise the interim condensed standalone balance sheet as at December 31, 2018, and the related interim condensed standalone Statement of Profit and Loss, interim condensed standalone Statement of Comprehensive Income, interim condensed standalone Statement of Cash Flows and interim condensed standalone Statement of Changes in Equity for the period ended December 31, 2018, and a summary of select explanatory notes (together hereinafter referred to as the "Interim Condensed Standalone Ind AS Financial Statement"). As more fully described in Note 2, the Interim Condensed Standalone Ind AS Financial Statement have been prepared by the Company to include in offer document for the purpose of NCD issue.
2. The preparation of Interim Condensed Standalone Ind AS Financial Statements in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34, "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, is the responsibility of the Company's management and have been approved by committee of Board of Directors. Our responsibility is to issue a report on the Interim Condensed Standalone Ind AS Financial Statement based on our review.
3. We conducted our review 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 is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and 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 Interim Standalone Condensed Ind AS Financial Statement has not been prepared in all material respects in accordance with recognition and measurement principles of Ind AS 34 prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies.
5. We draw attention to Note 3 to the accompanying Interim Condensed Standalone IND AS Financial Statements which describes the possibility that these financial statements may require adjustments for matters described therein. Our conclusion is not modified in respect of this matter.
6. The comparative financial information for the corresponding nine months ended December 31, 2017 included in these Interim Condensed Standalone Ind AS Financial Statements of the Company, are based on the previously issued unaudited special purpose condensed interim



standalone financial statements prepared in accordance with recognition and measurement principles of Accounting Standard 25 "Interim Financial Reporting", as specified under section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and reviewed by the predecessor auditor whose report for the nine months ended December 31, 2017 dated April 24, 2014 expressed an unmodified conclusion on those unaudited special purpose condensed interim standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been reviewed by us.

The comparative financial information as at March 31, 2018 included in these Interim Condensed Standalone Ind AS Financial Statements of the Company, are based on the previously issued financial statements for the year ended and as at March 31, 2018 and audited by the predecessor auditor who expressed an unmodified opinion on those financial statements on May 2, 2018, as adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been reviewed by us.

7. This report on the Interim Condensed Standalone Ind AS Financial Statement has been issued solely for the information and use of the management of the entity in connection with inclusion of Interim Condensed Standalone Ind AS Financial Statement in offer documents for the purpose of NCD issue, and should not be used or referred to for any other purpose, or distributed to any other person, without our prior written consent.

For S.R. BATLIBOI & CO. LLP

ICAI Firm registration number: 301003E/E300005

Chartered Accountants



per Shrawan Jalan

Partner

Membership No.: 102102

Mumbai

April 24, 2019.



ECL Finance Limited

Condensed Standalone Balance Sheet as at December 31, 2018
(Currency: Indian rupees in million)

	As at December 31, 2018 Unaudited	As at March 31, 2018 Unaudited
ASSETS		
Financial assets		
(a) Cash and cash equivalents	2,941.27	1,627.97
(b) Bank balances other than cash and cash equivalents	645.41	985.32
(c) Derivative financial instruments	2,279.28	31.41
(d) Securities held for trading	26,185.93	24,973.45
(e) Other Investments	7,155.99	5,727.29
(f) Receivables		
(i) Trade receivables	85.03	5,476.32
(g) Loans	2,28,059.22	2,20,032.82
(h) Other financial assets	5,307.71	1,819.20
	2,72,659.84	2,60,673.78
Non-financial assets		
(a) Current tax assets (net)	432.17	457.72
(b) Deferred tax assets (net)	1,222.03	1,432.70
(c) Property, Plant and Equipment	532.63	541.35
(d) Capital work in progress	12.36	-
(e) Intangible assets under development	36.16	43.21
(f) Other Intangible assets	80.53	41.92
(g) Other non- financial assets	533.88	259.62
	2,849.76	2,776.52
TOTAL ASSETS	2,75,509.60	2,63,450.30
LIABILITIES		
Financial liabilities		
(a) Derivative financial instruments	123.79	356.38
(b) Payables		
(i) Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,105.82	1,301.94
(c) Debt securities	88,411.66	62,494.91
(d) Borrowings (other than debt securities)	1,22,797.28	1,46,068.89
(e) Subordinated Liabilities	15,733.26	13,994.64
(f) Other financial liabilities	8,182.82	9,366.02
	2,37,354.63	2,33,582.78
Non-financial liabilities		
(a) Current tax liabilities (net)	700.40	568.40
(b) Provisions	31.78	147.47
(c) Other non-financial liabilities	211.55	59.18
	943.73	775.05
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	2,138.27	1,948.11
(b) Other equity	35,072.97	27,144.36
	37,211.24	29,092.47
TOTAL LIABILITIES AND EQUITY	2,75,509.60	2,63,450.30

The accompanying notes are an integral part of the condensed financial statements
As per our report of even date attached.

1 to 15

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firms Registration Number: 3010035/E300005
per Shrawan Jadan
Partner
Membership No: 102102



Mumbai April 24, 2019

For and on behalf of the Board of Directors

Deepak Mittal
Deepak Mittal
Managing Director & CEO
DIN : 00010337
Sarju Simaria
Sarju Simaria
Chief Financial officer

Himanshu Kaji
Himanshu Kaji
Executive Director
DIN : 00009438
Jitendra Maheshwari
Jitendra Maheshwari
Company Secretary

Mumbai April 24, 2019

ECL Finance Limited

Condensed Standalone Statement of Profit and Loss for Nine Months ended December 31, 2018

(Currency: Indian rupees in million)

	For Nine months ended December 31, 2018 Unaudited	For Nine months ended December 31, 2017 Unaudited
Revenue from operations		
Interest income	28,866.10	20,527.11
Dividend income	0.70	0.70
Fee and commission income	677.19	1,181.38
Net gain on fair value changes	845.06	758.63
Other income	28.94	22.26
Total Revenue	30,417.99	22,490.08
Expenses		
Finance costs	18,183.91	14,080.42
Net loss on derecognition of financial instruments under amortised cost category	970.36	1,366.60
Impairment on financial instruments	982.53	768.73
Employee benefits expense	1,652.78	862.25
Depreciation, amortisation and impairment	73.47	32.06
Other expenses	2,036.46	945.75
Total expenses	23,899.51	18,055.81
Profit before tax	6,518.48	4,434.27
Tax expenses		
(1) Current tax	2,273.49	1,667.17
(2) Deferred tax (net)	51.41	-205.34
Profit/(loss) for the period/year from continuing operations	4,193.58	2,972.44
Profit/ (Loss) for the period	4,193.58	2,972.44
Other Comprehensive Income		
(a) Items that will not be reclassified to profit or loss		
Remeasurement gain / loss on defined benefit plans (OCI)	2.67	3.93
Income Tax - OCI - that will not be reclassified	-0.93	-1.36
Total	1.74	2.57
Total Comprehensive Income	4,195.32	2,975.01
Earnings per equity share (for continuing operation:) (Face value of ₹1 each):		
(1) Basic	2.06	1.57
(2) Diluted	2.06	1.57

The accompanying notes are an integral part of the condensed financial statements
As per our report of even date attached.

1 to 15

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firms Registration Number: 301003E/E300005

per Shrawan Jain

Partner

Membership No: 102102



Mumbai April 24, 2019

For and on behalf of the Board of Directors

Deepak Mittal

Deepak Mittal
Managing Director & CEO
DIN : 00010337

Sarju Simaria

Sarju Simaria
Chief Financial officer

Himanshu Kaji

Himanshu Kaji
Executive Director
DIN : 00009438

Jitendra Maheshwari

Jitendra Maheshwari
Company Secretary

Mumbai April 24, 2019

ECL Finance Limited

(Currency: Indian rupees in million)

Condensed Standalone Statement of Changes in Equity for Nine Months ended December 31, 2018

A. Equity Share Capital

	For the Nine Months ended December 2018			For the Nine Months ended December 2017		
	Outstanding as on April 1, 2018	Issued during the period	Outstanding as on December 31, 2018	Outstanding as on April 1, 2017	Issued during the period	Outstanding as on December 31, 2017
Issued, Subscribed and Paid up (Equity shares of Re.1 each, fully paid-up)	1,948.11	190.16	2,138.27	1,891.85	-	1,891.85

B. Other Equity

	Securities Premium	Retained Earnings	Special Reserve	Debenture Redemption Reserve	Deemed Capital Contribution - Equity shares	Deemed Capital Contribution - Preference shares	Total Attributable to equity holders
Balance as at 1st April 2018	7,983.01	14,309.19	3,892.55	1,720.61	84.98	-845.98	27,144.56
Profit for the period		4,193.58					4,193.58
Other Comprehensive Income		1.74					1.74
Total comprehensive income	7,983.01	18,504.51	3,892.55	1,720.61	84.98	-845.98	31,339.68
Securities premium on Shares Issued during the Period	3,865.94						3,865.94
ESOPS charged during the period					26.59		26.59
Income tax effect of ESOP		-159.24					-159.24
Balance as at 31st December 2018	11,848.95	18,345.27	3,892.55	1,720.61	111.57	-845.98	35,072.97

	Securities Premium	Retained Earnings	Special Reserve	Debenture Redemption Reserve	Deemed Capital Contribution - Equity shares	Deemed Capital Contribution - Preference shares	Total Attributable to equity holders
Balance as at 1st April 2017	6,839.25	10,045.92	2,968.46	2,122.26	57.18	-506.20	21,526.87
Profit for the period		2,972.44					2,972.44
Other Comprehensive Income		2.57					2.57
Total comprehensive income	6,839.25	13,020.93	2,968.46	2,122.26	57.18	-506.20	24,501.88
ESOPS charged during the period					20.28		20.28
Income tax effect of ESOP		59.65					59.65
Add: Contribution during the period						-371.07	-371.07
Balance as at 31st December 2017	6,839.25	13,080.58	2,968.46	2,122.26	77.46	-877.27	24,210.74

As per our report of even date attached.

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firms Registration Number: 301003E/E300005

Shrawan Jalan

per Shrawan Jalan
Partner
Membership No: 102102



Mumbai April 24, 2019

For and on behalf of the Board of Directors

Deepak Mittal

Deepak Mittal
Managing Director & CEO
DIN : 00010337

Sarju Simaria
Sarju Simaria
Chief Financial officer

Mumbai April 24, 2019

Himanshu Kaji

Himanshu Kaji
Executive Director
DIN : 00009438

Jitendra Maheshw
Jitendra Maheshw
Company Secretary

ECL Finance Limited

Condensed Standalone Cash Flow Statement

(Currency: Indian rupees in million)

	For Nine months ended December 31, 2018 Unaudited	For Nine months ended December 31, 2017 Unaudited
A Cash flow from operating activities		
Profit before tax	6,518.48	4,434.27
<i>Adjustments for</i>		
Depreciation and amortisation	73.47	32.06
Impairment of financial assets	982.53	768.73
Profit on sale of investments	(548.09)	(175.33)
Unrealised loss/(gains) on securities held for trading	25.34	(216.87)
Dividend on investments	(0.70)	(0.70)
Expense on Employee Stock Option Scheme	26.59	20.26
Loss on sale of of fixed assets	(0.36)	0.42
Operating cash flow before working capital changes	7,077.26	4,862.84
<i>Add / (Less): Adjustments for working capital changes</i>		
Decrease/(Increase) in trade receivables	5,391.29	4.93
Decrease/(Increase) in Securities held for trading	(1,237.82)	(8,212.07)
Decrease/(Increase) in receivables from financing business	(9,008.93)	(19,754.85)
Decrease/(Increase) in Other Financial Assets	(5,396.47)	(1,358.36)
Decrease/(Increase) in Other Non Financial Assets	(274.26)	(102.96)
Increase / (Decrease) in Trade Payables	803.88	470.44
Increase / (Decrease) in Non Financial liabilities and provisions	34.94	(203.46)
Increase / (Decrease) in Other Financial Liability	(1,415.79)	1,007.01
Cash used in operations	(4,025.90)	(23,286.48)
Income taxes paid	(2,112.44)	(1,479.56)
Net cash used in operating activities - A	(6,138.34)	(24,766.04)
B Cash flow from investing activities		
Purchase of fixed assets and Intangible Assets	(104.75)	(296.97)
Increase in Capital Work-in-progress and Intangibles under development	(5.31)	219.68
Proceeds from Sale of fixed assets and Intangible Assets	1.75	4.94
Purchase of Other investments	(11,322.74)	-
Sale of other investments	10,442.13	1,446.71
Dividend on other investments	0.70	0.70
Net cash generated from / (used in) investing activities - B	-988.22	1,375.06
C Cash flow from financing activities		
Proceeds from issuance of Share capital (including Securities Premium)	4,056.10	-
Debt Securities (including Premium) issued	49,231.59	3,068.70
Debt Securities Repaid	(21,576.22)	(2,898.10)
Borrowings other than Debt Securities Issued	2,03,252.11	4,22,698.23
Borrowings other than Debt Securities Repaid	(2,26,523.72)	(4,12,167.04)
Subordinate Debt Issued	-	4,964.97
Net cash generated from financing activities - C	8,439.86	15,666.76
Net increase / (Decrease) in cash and cash equivalents (A+B+C)	1,313.30	(7,724.21)
Cash and cash equivalent as at the beginning of the year	1,627.97	10,870.13
Cash and cash equivalent as at the end of the year	2,941.27	3,145.92

As per our report of even date attached.

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firms Registration Number: 301003E/E300005


per Shrawan Jalan
Partner
Membership No: 102102



Mumbai April 24, 2019

For and on behalf of the Board of Directors


Deepak Mittal
Managing Director & CEO
DIN : 00010337

Sarju Simaria
Chief Financial officer


Himanshu Kaji
Executive Director
DIN : 00009438

Jitendra Maheshwari
Company Secretary

Mumbai April 24, 2019

Notes to Condensed Standalone financial statements

1. Background

ECL Finance Limited ('the Company') a public limited company domiciled and incorporated under the provisions of the Companies Act applicable in India is subsidiary of Edelweiss Financial services Limited. The Company was incorporated on July 18, 2005 and is registered with the Reserve Bank of India ('RBI') as a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI).

The Company's Primary business is advancing Loans and financing. The Company focuses on Credit business, a mix of diversified and scalable verticals like retail credit, corporate credit and distressed credit. It offers Home finance, retail construction finance, Loan against property, SME finance Agri & Rural finance and Loan against securities under retail credit and structured collateralised credits to corporates, Real estate finance to developers under Corporate Credit.

2. Statement of compliance

These standalone financial statements comprise the Balance Sheet as at December 31, 2018, the standalone Statement of Profit and Loss, the standalone Statement of Cash Flows and the standalone Statement of changes in equity for the period ended December 31, 2018 and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Interim Condensed Standalone Ind AS Financial Statements").

These Interim Condensed Standalone Ind AS Financial Statements have been prepared using the recognition and measurement principles of Ind AS 34 "Interim Financial Reporting" solely for inclusion in the offer document, prepared by the Company in connection with its proposed Public issue of Non-Convertible Debentures (NCD). However, all disclosures required under Ind AS and relevant regulatory requirements have not been furnished in these Interim Condensed Standalone Ind AS Financial Statements. Only a complete set of financial statements with all disclosures can provide a fair presentation of a Company's state of affairs (financial position), profit (financial performance including other comprehensive income), cash flows and the changes in equity.

3. Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) amendment Rules, 2016 and other relevant provisions of the Act with effect from April 1, 2018. Previous period figures have been restated to Ind AS In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at March 31, 2018, March 31, 2017 and December 31, 2017 of the Total comprehensive income for the year ended March 31, 2018 and for the Nine months ended December 31, 2017.

The Company's Interim Condensed Standalone Ind AS Financial Statements have been prepared on a historical cost basis, except for the following:



Notes to Condensed Standalone financial statements

- Certain financial assets and liabilities (including derivative instruments and assets held of trading) which are measured at fair value / amortised cost;
- Defined benefit plans-plan assets measured at fair value; and
- Share based payments

The financial statements are presented in Indian Rupees and all amounts disclosed in the financial statements and notes have been rounded off upto two decimal points to the nearest Million (as per the requirement of Schedule III), unless otherwise stated.

The Interim Condensed Standalone Ind AS Financial Statements do not include all the information and disclosures required in the annual financial statements, The Company will prepare and issue its first complete Ind AS financial statements as at and for the year ending March 31, 2019. Until the first complete Ind AS financial statements are issued, the balances in these Interim Condensed Standalone Ind AS Financial Statements are preliminary and may require adjustments if :-

- there are any new Ind AS standards issued through March 31, 2019;
- there are any amendments/modifications made to existing Ind AS standards or interpretations thereof through March 31, 2019 affecting the Ind AS balances in these financial statements;
- if the Company makes any changes in the elections and/or exemptions selected on adoption of Ind AS at its transition date of April 1, 2017; and
- if there are any guidelines issued by Reserve Bank of India or Ministry of Corporate Affairs in this regard.

3.1 Presentation of Financial statement

The Company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to the Companies Act, 2013.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without t being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the company and or its counterparties

Derivative assets and liabilities with master netting arrangements (e.g. ISDAs) are only presented net when they satisfy the eligibility of netting for all of the above criteria and not just in the event of default.



4. Significant accounting policies

4.1 Recognition of Interest income and Dividend income

4.1.1 Effective Interest Rate (EIR):

The Effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument or, when appropriate a shorter period to the carrying amount of financial instrument.

The EIR is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle including prepayments penalty interest and charges.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

4.1.2 Interest Income:

The company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the EIR to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

For purchased or originated credit-impaired (POCI) financial assets (as set out in Note 4.6.4), the Group calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets.

Penal interest income on delayed EMI or pre EMI is recognised on receipt basis.

4.1.3 Dividend income

The Company recognised Dividend income when the Company's right to receive the payment has been established, it is probable that the economic benefits associated with



Notes to Condensed Standalone financial statements

the dividend will flow to the Company and the amount of the dividend can be measured reliably.

4.2 Financial Instruments:

4.2.1 Date of recognition

The Company recognised the Financial Assets and liabilities except loans and borrowings on the trade date, i.e. the date the Company becomes a party to the contractual provisions of the instrument, this includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans are recognised when funds are transferred to the customers' account. The Company recognises borrowings when funds reach the Company.

4.2.2 Initial measurement of financial instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

4.2.3 Classification & Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The changes in carrying value of financial assets is recognised in profit and loss account.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The changes in fair value of financial assets is recognised in Other Comprehensive Income



Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL. The Company measures all financial assets classified as FVTPL at fair value at each reporting ate. The changes in fair value of financial assets is recognised in Profit and loss account

4.3 Financial Assets and Liabilities

4.3.1 Financial assets held for trading

The Company classifies financial assets as held for trading when they have been purchased primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there evidence of a recent pattern of short-term profit is taking. Held-for-trading assets are recorded and measured in the balance sheet at fair value. Changes in fair value are recognised in net gain on fair value changes.

4.3.2 Derivative contracts

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate, market risk and foreign exchange rate risks.

Company has designed a risk strategy to cover the exposure on issuance of Market Linked Debentures, by entering into a derivative contracts either to minimize the loss or to earn a minimum committed income. Above strategy has been approved by the risk committee and ensures that risk is fully or partially covered.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss.

4.3.3 Debt securities and other borrowed funds

The Company measures debt issued and other borrowed funds at Amorised cost at each reporting date. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR.

The Company issues certain non-convertible debentures, the return of which is linked to performance of specified indices over the period of the debenture. Such debentures have a component of an embedded derivative which is fair valued at a reporting date. The resultant 'net unrealised loss or gain' on the fair valuation of these embedded derivatives is recognised in the statement of profit and loss. The debt component of such debentures is measured at amortised cost using yield to maturity basis.



4.3.4 Financial Guarantee

Financial guarantees are contract that requires the Company to make specified payments to reimburse to holder for loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of a debt instrument.

Financial guarantee issued or commitments to provide a loan at below market interest rate are initially measured at fair value and the initial fair value is amortised over the life of the guarantee or the commitment. Subsequently they are measured at higher of this amortised amount and the amount of loss allowance.

4.3.5 Loan Commitment

Loan commitments are commitments under which, over the duration of the commitment, the Company is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of the ECL requirements,

4.4 Reclassification of Financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. The company didn't reclassify any of its financial assets or liabilities in current period and previous period.

4.5 Derecognition of financial Instruments

4.5.1 Derecognition of financial Asset:

A financial asset is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumed a contractual obligation to pay the cash flows in full without material delay to third party under pass through arrangement .

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following conditions are met:



Notes to Condensed Standalone financial statements

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates
- The Company cannot sell or pledge the original asset other than as security to the eventual recipients

The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset; or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

The Company derecognises a financial asset, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new financial asset, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised financial assets are classified as Stage 1 for ECL measurement purposes, unless the new financial asset is deemed to be POCI.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

4.5.2 Derecognition of financial liabilities:

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the



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Notes to Condensed Standalone financial statements

carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

4.6 Impairment of financial assets

The Company started recognising provisions based on expected credit loss model ("ECL") on all loans, other debt financial assets measured at amortised cost together with undrawn loan commitment and financial guarantee contracts, in this section all referred to as "Financial instrument". Equity instruments are not subject to impairment.

ECL is a probability-weighted estimate of credit losses. A credit loss is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive discounted at the original effective interest rate. Because ECL consider the amount and timing of payments, a credit loss arises even if the entity expects to be paid in full but later than when contractually due.

Company categories its financial assets as follows:

Stage 1 Assets includes financial instruments that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these assets, 12-month expected credit losses (resulting from default events possible within 12 months from reporting date) are recognised.

Stage 2 Assets includes financial instruments that have had a significant increase in credit risk since initial recognition For these assets lifetime ECL (resulting from default events possible within 12 months from reporting date) are recognised.

Stage 3 For Assets considered credit-impaired the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

The ongoing assessment of whether a significant increase in credit risk has occurred for working capital facilities is similar to other lending products. The interest rate used to discount the ECLs for working capital facilities is based on the average effective interest rate that is expected to be charged over the expected period of exposure to the facilities.

Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

The expected credit losses on the loan commitment have been recognised together with the loss allowance for the financial asset.

The Company's product offering includes a working capital facilities with a right to company to cancel and/or reduce the facilities with one day's notice. The Company does not limit its exposure to credit losses to the contractual notice period, but, instead calculates ECL over a period that reflects the Company's expectations of the customer behaviour, its likelihood of



Notes to Condensed Standalone financial statements

default and the Company's future risk mitigation procedures, which could include reducing or cancelling the facilities.

4.7 Collateral valuation:

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit /guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the Company's balance sheet. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a quarterly basis. However, some collateral, for example, securities relating to margin requirements, is valued daily.

To the extent possible, the company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as mortgage brokers, or based on housing price indices.

4.8 Collateral repossessed:

The Company's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category at the lower of their repossessed value or the carrying value of the original secured asset. Assets for which selling is determined to be a better option are transferred to assets held for sale at their fair value (if financial assets) and fair value less cost to sell for non-financial assets at the repossession date in line with the Company's policy.

In its normal course of business, the Company does not physically repossess properties or other assets in its retail portfolio, but engages external agents to recover funds, generally at auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, the residential properties under legal repossession processes are not recorded on the balance sheet.

4.9 Write-Offs

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in statement of profit and loss.



4.10 Determination of fair value

The Company measures financial instruments, such as, derivatives at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

- Level 1 financial instruments –Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.
- Level 2 financial instruments–Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.
- Level 3 financial instruments –Those that include one or more unobservable input that is significant to the measurement as whole.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting



Notes to Condensed Standalone financial statements

period. The Company periodically reviews its valuation techniques including the adopted methodologies and model calibrations.

Therefore, the Company applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for non-collateralised financial instruments.

The Company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period.

4.11 Operating leases

The determination of whether an arrangement is lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

Lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the increase is in line with expected general inflation, in which case lease payments are recognised based on contractual terms. Contingent rental payable is recognised as an expense in the period in which they it is incurred.

4.12 Earnings per Share

Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding for the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

4.13 Foreign currency transactions

The Interim Condensed Standalone Ind AS Financial Statements are presented in Indian Rupees which is also functional currency of the company. Transactions in currencies other than Indian Rupees (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are



Notes to Condensed Standalone financial statements

retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise

4.14 Retirement and other employee benefit

4.14.1 Provident fund and national pension scheme

The Company contributes to a recognised provident fund and national pension scheme which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognised in the statement of profit and loss.

4.14.2 Gratuity

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted. The present value of the obligation under such benefit plan is determined based on independent actuarial valuation using the Projected Unit Credit Method.

Re-measurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurement are not reclassified to profit or loss in subsequent periods

4.14.3 Compensated Absences

The eligible employees of the Company are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. The Company recognises the charge in the statement of profit and loss and corresponding liability on such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing annual leave benefits is determined using the projected unit credit method.

4.14.4 Deferred Bonus:

The Company has adopted a Deferred Bonus Plan under its Deferred Variable Compensation Plan. A pool of identified senior employees of the Company is entitled for benefits under this plan. Such deferred compensation will be paid in a phased manner over a future period of time. The measurement for the same has been based on actuarial assumptions and principles.



4.14.5 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services that are granted by the ultimate parent company are measured by reference to the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

4.15 Property, plant and equipment

Property plant and equipment is stated at cost excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

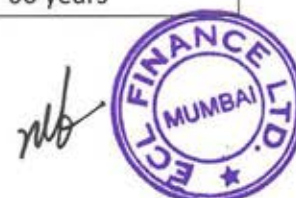
Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are recognized in profit or loss during the reporting period, in which they are incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives. Depreciation is provided on a written down value basis from the date the asset is ready for its intended use or put to use whichever is earlier. In respect of assets sold, depreciation is provided upto the date of disposal.

As per the requirement of Schedule II of the Companies Act, 2013, the Company has evaluated the useful lives of the respective fixed assets which are as per the provisions of Part C of the Schedule II for calculating the depreciation. The estimated useful lives of the fixed assets are as follows:

Estimated useful lives of the assets are as follows:

Nature of assets	Estimated useful lives
Building (other than Factory Building)	60 years



Notes to Condensed Standalone financial statements

Nature of assets	Estimated useful lives
Plant and Equipment	15 years
Furniture and fixtures	10 years
Vehicles	8 years
Office Equipment	5 years
Computers - Servers and networks	6 years
Computers - End user devices, such as desktops, laptops, etc.	3 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The carrying amount of those components which have been separately recognised as assets is derecognised at the time of replacement thereof. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1 April 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

4.16 Intangible assets

Intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

Intangibles such as software are amortised over a period of 3 years based on its estimated useful life. For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of 1 April 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

4.17 Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and



Notes to Condensed Standalone financial statements

loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment is reversed subject to a maximum carrying value of the asset before impairment.

4.18 Provisions and other contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, It is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents.

4.19 Income tax expenses

Income tax expense represents the sum of the tax currently payable and deferred tax.

4.19.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

4.19.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.



4.19.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

5. Significant accounting judgements, estimates and assumptions:

The preparation of these financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the standalone financial statements are included are given below:

5.1 Business model assessment

The Company determines the business model at a level that reflects how the financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held.

5.2 Fair value of financial instruments

The Fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions based on market conditions existing at the end of each reporting period. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk, funding value adjustments, correlation and volatility.

5.3 Effective Interest Rate (EIR) Method

The Company's EIR methodology, as explained in Note 2.2.1, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle including prepayments and penalty interest and charges.



Notes to Condensed Standalone financial statements

This estimation, by nature requires an element of judgement regarding the expected behavior and life cycle of the instrument, as well expected changes India's base rate and other fee income, expenses that are integral part of the instrument

5.4 Impairment of Financial assets:

The impairment provisions for the financial assets are based on assumptions about estimation of the amount and timing of future cash flows, collateral values, assessment of a significant increase in credit risk, probability of default (PD) and Loss given default (LGD) rates. The company uses judgements in making these assumptions and selecting the inputs for impairment calculations based on its past history, existing market conditions and forward looking estimates at the end of each period.

The company's expected credit loss (ECL) calculations are output of model with number of underlying assumptions regarding choice of variable inputs and their interdependencies Elements of the ECL models that are considered accounting judgements and estimates include:

1. The Company's internal credit grading model, which assigns PDs to the individual grades based on ageing
2. The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
3. The segmentation of financial assets when their ECL is assessed on a collective basis
4. Development of ECL models, including the various formulas and the choice of inputs Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs
5. Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

5.5 Impairment of Non-Financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exist, the company estimates the asset's recoverable amount. An asset's recoverable amount is higher of an asset's fair value less cost of disposal and its value in use. Where the carrying amount exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.



5.6 Provisions and contingent liabilities:

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of its business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

5.7 Provisions for Income Taxes :

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

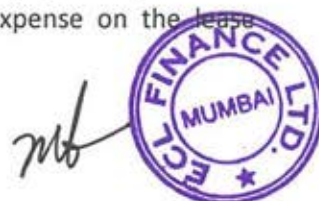
Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectation of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

5.8 Investment in Security Receipts (SRs) :

The Company holds security receipts ('SRs') issued by certain asset reconstruction trusts only as an investor interested in capital appreciation on the investment made. It neither has any power over these trusts nor has any significant influence regardless of percentage holding in these trusts. Since the Company doesn't have any power or significant influence over these trusts, these are not treated as subsidiaries or associates under Ind AS and hence, are not consolidated

6. Standards issued but not yet effective

Ind AS 116 Leases replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease



Notes to Condensed Standalone financial statements

liability and the depreciation expense on the right-of-use asset. As the Company does not have any material leases, therefore the adoption of this standard is not likely to have a material impact in its Financial Statements.

7. Accounts for the previous year March 31, 2018 were audited by previous auditors – Price Waterhouse & Co LLP.

- 8. Events after reporting date**

Pursuant to Shareholders' Agreement dated March 5, 2019 with Edelweiss Financial Services Limited, Edelweiss Securities Limited, Edelweiss Rural & Corporate Services Limited (Formerly known as Edelweiss Commodities Services Limited) and Edel Finance Company Limited collectively referred to as the "Promoters") and CDPQ Private Equity Asia Pte Limited (as the "Investor"), a wholly owned subsidiary of Caisse de dépôt et placement du Québec (CDPQ), for an investment amounting to Rs 1800 Crores (approximately US\$ 250 millions) into the Company. The Planned investment would contribute towards establishing a large and diversified credit platform. This proposed investment will close after customary regulatory approvals

The company has also made an application under section 230 to 232 of the Companies Act, 2013 filed before the National Company Law Tribunal Mumbai Bench on March 26, 2019 in relation to the merger of Edelweiss Retail Finance Limited ("ERFL") with our Company.



ECL Finance Limited

Notes to Condensed Standalone financial statements

9. Earnings per Share

	For Nine months ended December 31, 2018 Unaudited	For Nine months ended December 31, 2017 Unaudited
Net Profit attributable to Equity holders of the Company (In Millions) - A	4,193.58	2,972.44
Weighted average Number of Shares		
- Number of equity shares outstanding at the beginning of the year	1,948.11	1,891.85
- Number of equity shares issued during the year	190.16	-
Total number of equity shares outstanding at the end of the year	2,138.27	1,891.85
Weighted average number of equity shares outstanding during the year (based on the date of issue of shares) - B	2,037.04	1,891.85
Basic and diluted earnings per share (in rupees) (A/B)	2.06	1.57

The basic and diluted earnings per share are the same as there are no dilutive/ potential equity shares

10. Contingent Liability & Commitment:

Contingent Liability

	For Nine months ended December 31, 2018 Unaudited	For Nine months ended December 31, 2017 Unaudited
Taxation matters of assessment year 2013-14 and Assessment year 2014-15 in respect of which appeal is pending	Rs. Nil	Rs. Nil
Litigation pending against the company	Rs. 1.92 millions	Rs. 28.90 million

The Company's pending litigations mainly comprise of claims against the Company pertaining to proceedings pending with Income Tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in the financial statements. The Company believes that the outcome of these proceedings will not have a materially adverse effect on the Company's financial position and results of operations.

Commitment

	For Nine months ended December 31, 2018 Unaudited	For Nine months ended December 31, 2017 Unaudited
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	Rs. 59.72 millions	Rs 36.21 millions
Undrawn committed credit lines	Rs. 49,586 millions	Rs 50,423.51 millions



ECL Finance Limited

Notes to Condensed Standalone financial statements

11. Segment Reporting

Primary Segment (Business segment)

The Company's business is organised and management reviews the performance based on the business segments as mentioned below:

Segment	Activities covered
Capital based business	Income from treasury operations, income from investments and dividend
Financing business	Wholesale and retail financing

Income for each segment has been specifically identified. Expenditure, assets and liabilities are either specifically identified with individual segments or have been allocated to segments on a systematic basis. Based on such allocations, segment disclosures relating to revenue, results, assets and liabilities have been prepared.

Secondary Segment

Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

The following table gives information as required under the Accounting Standard-17 on Segment Reporting

Particulars	December 18	December 17
I Segment Revenue		
a) Capital based business	2,160.81	2,474.91
b) Financing business	27,665.14	20,014.89
c) Unallocated	1.77	0.29
Total Income	29,827.72	22,490.08
II Segment Results		
a) Capital based business	(893.42)	93.95
b) Financing business	9,791.29	4,397.32
c) Unallocated	(108.01)	(53.07)
Profit before taxation	8,789.86	4,438.20
Less : Provision for taxation	21.38	1,463.19
Profit after taxation	8,768.48	2,975.01
III Segment Assets		
a) Capital based business	33,895.77	35,243.09
b) Financing business	2,16,167.37	1,90,894.69
c) Unallocated	1,147.47	2,075.40
Total	2,51,210.60	2,28,213.17
IV Segment Liabilities		
a) Capital based business	22,139.26	29,182.33
b) Financing business	1,96,595.48	1,72,514.57
c) Unallocated	1,955.68	413.68
Total	2,16,779.06	2,02,110.58
V Capital expenditure (Including intangibles under development)		
a) Capital based business	-	-
b) Financing business	153.63	364.35
c) Unallocated	-	-
Total	153.63	364.35
VI Depreciation and amortisation		
a) Capital based business	11.92	5.20
b) Financing business	61.13	26.67
c) Unallocated	0.42	0.18
Total	73.47	32.06
VII Significant non-cash expenses other than		
a) Capital based business	-	(21.51)
b) Financing business	56.79	790.24
c) Unallocated	-	-
Total	56.79	768.73



ECL Finance Limited

Notes to Condensed Standalone financial statements

12. Fair Value measurement:

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained in Note 2.3.6

A. The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy

as at December 31, 2018

	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Derivative financial instruments				-
Exchange-traded derivatives	2,216.10			2,216.10
OTC derivatives		63.18		63.18
Financial Assets held for trading (Stock in trade)				
Government Debt Securities	20,614.74			20,614.74
Treasury Bills	43.13			43.13
Corporate Debt Securities		1,245.89		1,245.89
Mutual Fund Units	4,191.63			4,191.63
Equity Shares	90.54			90.54
Investments				
Securitisation trust securities			6,308.67	6,308.67
Units of Trust Fund			150.49	150.49
	27,156.14	1,309.07	6,459.16	34,924.37
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				-
Exchange-traded derivatives	97.21			97.21
OTC derivatives		26.58		26.58
	97.21	26.58	-	123.79

as at March 31, 2018

	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Derivative financial instruments (assets):				
Exchange-traded derivatives	3.91			3.91
OTC derivatives		27.50		27.50
Financial Assets held for trading (Stock in trade)				
Government debt securities	16,662.92			16,662.92
Corporate debt securities		4,382.81		4,382.81
Mutual fund units	3,603.53			3,603.53
Equity instruments	121.00			121.00
Others* (Preference Shares)	203.19			203.19
Investments				
Security receipts			4,878.85	4,878.85
Units of AIF			195.35	195.35
	20,594.55	4,410.31	5,074.20	30,079.06
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments (Liabilities):				
Exchange-traded derivatives	321.28			321.28
OTC derivatives		35.06		35.06
	321.28	35.06	-	356.34



ECL Finance Limited

Notes to Condensed Standalone financial statements

12. Fair Value measurement:

B. Financial assets and financial liabilities are measured at fair value using the below valuation techniques

Financial Assets/Financial Liabilities	Fair Value hierarchy	Valuation technique and key inputs	Significant Unobservable inputs	Relationship of unobservable input to fair value
Equity - Futures & Options	Level 1	Quoted bid prices in an active Market	NA	NA
Government Debt Securities & Treasury Bills	Level 1			
Units of Mutual Fund	Level 1			
Equity Shares	Level 1			
Preference Shares	Level 1			
Interest Rate Swaps	Level 2	Discounted Cash flow. Future cash flows are estimated based on forward interest rates (from observable yield curve at the end of the reporting period) and contract interest rates.	NA	NA
Corporate Debt Securities	Level 2	Discounted Cash flow. Future cash flows are estimated based on current risk free rate at the end of the reporting period adjusted for counterparty credit risk	NA	NA
Units of Trust Fund	Level 3	Discounted Cash flow. The present value of expected future economic benefits to be derived from the ownership of the underlying investments of the fund.	Expected future cash flows, risk-adjusted discount rate	A significant increase in the expected cash flows would result in a significant increase in the fair value. A slight decrease in the risk-adjusted discount rate would result in a significant increase in fair value.
Securitisation trust securities	Level 3	Discounted Cash flow. The present value of expected future economic benefits to be derived from the ownership of the underlying investments of the Trust.	Expected future cash flows, risk-adjusted discount rate	

C. There have been no transfers between levels during the period of nine months



D. The Following table shows the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

For Nine Months ended December 31, 2018

	Balance as at March 31, 2018	Purchase	Sales/Redemptions	Transfer into Level 3	Transfer from Level 3	Net Interest Income, Trading income	Balance as at December 31, 2018	Unrealised Gain/Loss
Securities Receipts	4,878.84	10,289.78	-9,081.00	-	-	221.05	6,308.67	603.06
Units of Trust Fund	194.93	-	-50.95	-	-	6.08	150.06	5.36
	5,073.77	10,289.78	-9,131.95	-	-	227.13	6,458.73	608.42

For Year Ended March 31, 2018

	Balance as at March 31, 2017	Purchase	Sales/Redemptions	Transfer into Level 3	Transfer from Level 3	Net Interest Income, Trading income	Balance as at March 31, 2018	Unrealised Gain/Loss
Securities Receipts	5,383.83	2,033.61	-2,489.12	-	-	-49.48	4,878.84	382.01
Units of Trust Fund	209.59	-	-7.87	-	-	-6.79	194.93	11.44
	5,593.42	2,033.61	-2,496.99	-	-	-56.27	5,073.77	393.45



ECL Finance Limited

Notes to Condensed Standalone financial statements

12. Fair Value measurement:

F. Fair value of financial instruments not measured at fair value

Particulars	As at December 31, 2018 (Unaudited)				
	Total Carrying Amount	Total fair value	Level 1	Level 2	Level 3
Financial assets:					
Cash and cash equivalent	2,941.27	2,941.27	2,941.27		
Bank balances other than cash and cash equivalent	645.41	645.41		645.41	
Trade Receivables	85.03	85.03		85.03	
Loans	2,28,059.22	2,19,407.28		2,19,407.28	
Investments at amortised cost	696.83	628.91		628.91	
Other financial assets	5,307.71	5,307.71		5,307.71	
Total	2,37,735.47	2,29,015.61	2,941.27	2,26,074.34	-
Financial liabilities					
Trade payables	2,105.82	2,105.82		2,105.82	
Debt securities	88,411.66	89,250.38		89,250.38	
Borrowing (other than debt securities)	1,22,797.28	1,22,797.28		1,22,797.28	
Subordinated liabilities	15,733.26	15,382.58		15,382.58	
Other financial liabilities	8,182.82	8,182.82		8,182.82	
Total	2,37,230.84	2,37,718.88	-	2,37,718.88	-

Particulars	As at March 31, 2018 (Unaudited)				
	Total Carrying Amount	Total fair value	Level 1	Level 2	Level 3
Financial assets:					
Cash and cash equivalent	1,627.97	1,627.97	1,627.97		
Bank balances other than cash and cash equivalent	985.32	985.32		985.32	
Trade Receivables	5,476.32	5,476.32		5,476.32	
Loans	2,20,032.82	1,99,230.94		1,99,230.94	
Investments at amortised cost	653.09	580.26		580.26	
Other financial assets	1,819.20	1,819.20		1,819.20	
Total	2,30,594.72	2,09,720.01	1,627.97	2,08,092.04	-
Financial liabilities					
Trade payables	1,301.94	1,301.94		1,301.94	
Debt securities	62,494.91	60,700.98		60,700.98	
Borrowing (other than debt securities)	1,46,068.89	1,46,068.89		1,46,068.89	
Subordinated liabilities	13,994.64	15,008.55		15,008.55	
Other financial liabilities	9,366.02	9,366.02		9,366.02	
Total	2,33,226.40	2,32,446.38	-	2,32,446.38	-



ECL Finance Limited

Notes to Condensed Standalone financial statements

13. Expected Credit Loss:

The table below shows the credit quality and the maximum exposure to credit risk and year-end stage classification. The amounts presented are gross of impairment allowances.

a Credit Quality of Assets

	As at December 31, 2018 (Unaudited)				As at March 31, 2018 (Unaudited)			
	Stage I	Stage II	Stage III	Total	Stage I	Stage II	Stage III	Total
Performing								
High Grade	1,67,029.69			1,67,029.69	1,94,171.59			1,94,171.59
Standard grade	32,260.39			32,260.39	3,967.83			3,967.83
Sub-Standard grade		31,505.29		31,505.29		23,630.82		23,630.82
Non-Performing								
Individually impaired			3,902.63	3,902.63			4,015.82	4,015.82
	1,99,290.08	31,505.29	3,902.63	2,34,698.00	1,98,139.42	23,630.82	4,015.82	2,25,786.06

b Reconciliation of ECL Balance is given below

	Nine Months ended December 31, 2018				Nine Months ended December 31, 2017			
	Stage I	Stage II	Stage III	Total	Stage I	Stage II	Stage III	Total
ECL Allowance - Opening Balance	1,580.07	510.36	2,381.53	4,471.96	1,232.00	361.54	2,077.83	3,671.37
New Assets Originated	746.17	76.42	23.23	845.81	754.90	65.72	23.91	844.53
Assets derecognised or repaid	(338.35)	(197.69)	-	(536.04)	(393.54)	(109.67)	-	(503.21)
Transfer to Stage 1	37.09	(22.62)	(14.46)	-	15.49	(11.22)	(4.27)	-
Transfer to Stage 2	(537.15)	537.15	-	-	(270.36)	270.36	-	-
Transfer to Stage 3	(171.49)	(934.92)	1,106.40	-	(1,113.99)	(5.58)	1,119.57	-
Additional Provision	524.76	923.61	-	1,448.37	1,145.37	3.69	-	1,149.06
Amounts Written off	-	-	(1,050.00)	(1,050.00)	-	-	(1,064.62)	(1,064.62)
ECL Allowance - Closing Balance	1,841.10	892.30	2,446.70	5,180.10	1,369.87	574.84	2,152.42	4,097.13

Methodology for calculation of ECL Provision is explained in Note 4.6



ECL Finance Limited

Notes to Condensed Standalone financial statements

14. Transition to Ind AS

These financial statements for the nine months ended December 31, 2018 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has complied with the requirements of Ind AS 101, First-Time Adoption of Indian Accounting Standards, with April 1, 2017 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 1 have been applied in preparing the financial statements for the nine months ended December 31, 2018 and the comparative information.

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly elected to apply the following exemptions / excepton from retrospective application

Share based payment:

The Company has opted to apply Ind AS 102 only on share based payments that are unvested on transition date.

Deemed cost for property Plant & Equipment:

The Company has opted to continue with carrying value for all of it Property Plant & Equipment as recognised in its previous GAAP as deemed cost at the transition date.

De-recognition of financial assets and liabilities:

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS on the transactions occurring on or after the date of transition.

Investment in Subsidiary, Jointly controlled entities and associate:

The Company has opted to measure the investment in associate at carrying amount under previous GAAP at transition date and use this as deemed cost

Classification and measurement of financial assets:

The Company has classified and measured the financial assets on the basis of facts and circumstances that exist at the date of transition to Ind

The reconciliations of equity and total Comprehensive income in accordance with Previous GAAP to Ind AS are explained below.

Reconciliation of Equity as at:

Particulars	March 31, 2018	December 31, 2017	March 31, 2017
Equity as per Previous GAAP	29,393.79	26,582.39	23,573.30
<u>Adjustments:</u>			
Preference shares investment in Group companies	(346.91)	(397.04)	(115.32)
Fair valuation of non-current investments (quoted)	-	-	-
Fair valuation of stock-in-trade (quoted)	72.50	15.00	9.14
EIR on borrowings	386.12	385.34	342.73
Expected credit loss allowance on credit book	(1,213.07)	(1,192.50)	(998.81)
ESOP cost	-	-	-
Assignment	16.69	10.24	16.27
Stage 3 Income recognition	401.41	426.87	371.31
Fees Income	(844.58)	(892.61)	(597.00)
Fair Valuation of SRs	898.01	597.85	377.40
Total effect of transition to Ind AS	(629.83)	(1,046.85)	(594.28)
Tax on Above	328.51	567.05	439.70
Equity as per Ind AS	29,092.47	26,102.59	23,418.72

Reconciliation of total comprehensive income is given as under

Particulars	for Year ended March 31, 2018	for Nine months ended December 31, 2017
Net profit after tax as reported under Indian GAAP	4,620.47	3,009.09
Ind AS adjustments increasing / (decreasing) net profit as reported under Indian GAAP:		
Preference shares investment in Group companies	108.18	89.35
Fair valuation of non-current investments (quoted)	(6.79)	9.44
Fair valuation of stock-in-trade (quoted)	63.36	5.86
EIR on borrowings	43.38	42.60
Expected credit loss allowance on credit book	(214.26)	(193.69)
ESOP cost	(27.79)	(20.26)
Assignment Transaction	0.42	(6.03)
Stage 3 Income recognition	30.10	55.56
Fees Income amortisation	(247.52)	(295.59)
Fair Valuation of Securities Receipts	527.40	211.00



Gratuity	(1.24)	(1.36)
Net profit as per Ind AS	275.24	(103.12)
Other Comprehensive Income after tax as per Ind AS	(52.83)	69.04
Total Comprehensive Income as per Ind AS	4,842.88	2,975.01

Reference notes to reconciliation of Equity and profit & Loss

1 Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year

2 Share Based Payment

Under the previous GAAP, the cost of ESOPs were recognised using the intrinsic value method. Under Ind AS, the cost of equity settled share-based plan is recognised based on the fair value of the options as at the grant date.

3 Trade receivables /Loans:

Under Previous GAAP the Company has created provision for impairment of receivables and Loans based on incurred losses where as under Ind AS, Impairment allowance has been determined based on Expected credit loss model (ECL).

4 EIR

Under previous GAAP, Loan Processing fees charged to customer was recognised upfront in Statement of profit and loss while under Ind AS, such fees are included in initial recognition amount of financial assets.

Under previous GAAP, transaction cost on borrowings were charged to Statement of profit and loss upfront while under Ind AS, such cost are included in initial recognition amount of financial liability and is amortised over the tenure of the borrowings.

5 Deferred Tax

Previous GAAP focuses on difference between the taxable profit and accounting profit where as Ind AS requires the company to follow balance sheet approach, which focuses on temporary difference between carrying amount of an asset and liabilities in balance sheet and its tax base.

6 Valuation of Investments/Stock in trade

Under Previous GAAP Investments in Shares, Debentures, Mutual fund units, Govt Securities and securities receipts were classified in Current Investment, Stock in trade and long term investment based on intent of holding period and realisability Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments and Stock in trade were carried at lower of cost and market value. Under Ind AS, these investments, other than investments in Preference shares, are measured at fair value. The investment in Preference shares is measured at amortised cost.

7 Reclassification of provisions for standard /non-performing assets (NPA)

Under Previous GAAP provision for NPAs and standard assets were presented under liabilities however under Ind AS those are netted off against the financial assets (Loans).



ECL Finance Limited

Notes to Condensed Standalone financial statements

15. Related Party Disclosure

List of Related Party as on 31 December 2018

Name of related parties by whom control is exercised : Holding Company	Edelweiss Financial Services Limited - Holding company
Fellow Subsidiaries (with whom transactions have taken place)	Edelweiss Housing Finance Limited Edelweiss Finvest Private Limited EC Commodity Limited ECap Equities Limited Edel Investments Limited Edelcap Insurance Advisors Edelweiss General Insurance Company Limited Edelweiss Metals Limited EFSL Comtrade Limited Edel Finance Company Limited Edelcap Securities Limited EdelGive Foundation Edelweiss Asset Management Limited Edelweiss Broking Limited Edelweiss Commodities Services Limited Edelweiss Finance and Investments Limited Edelweiss Investment Adviser Limited Edelweiss Securities Limited Edelweiss Agri Value Chain Limited Edelweiss Business Services Limited Edelweiss Global Wealth Management Limited Edelweiss Tokio Life Insurance Company Limited Edelweiss Custodial Services Limited Edelweiss Asset Reconstruction Company Limited Edelweiss Retail Finance Limited Edelweiss Alternative Asset Advisors Limited Edelweiss Insurance Brokers Limited Alternative Investment Market Advisors Private Limited
Key Management Personnel (with whom transactions have taken place)	Raviprakash R. Bubna Rashesh Shah Himanshu Kaji Deepak Mittal
Relative of Key Management Personnel (with whom transactions have taken place)	Sharda R Bubna Pooja Mittal Sandhya Raviprakash Bubna Ramautar Shriniwas Bubna
Enterprises over which promoter /KMPs/ Relatives exercise significant influence , with whom transactions have taken place	Ravi R Bubna HUF Evyavan Global Private Limited Evyavan Mercantile Private Limited



Rs in Million

Particulars	Dec 2018	Dec 2017
Capital account transactions		
Equity Shares issued to		
Edelweiss Financial Services Limited	3,456.10	-
Edel Finance Company Ltd	600.00	-
Current account transactions		
Loans taken from		
Edelweiss Commodities Services Limited	30,447.56	47,476.59
Loan repaid to		
Edelweiss Commodities Services Limited	42,084.98	54,276.63
Loans given to		
Edelweiss Commodities Services Limited	2,243.19	-
Edelweiss Financial Services Limited	-	7,000.00
Loans given to Key Management Personnel		
Ravi R Bubna HUF	282.62	404.94
Evyavan Global Private Limited	15.34	-
Evyavan Mercantile Private Limited	94.31	-
Raviprakash Ramautar Bubna	-	1.03
Sandhya Raviprakash Bubna	-	1.02
Ramautar Shrinivas Bubna	-	1.02
Sharda R Bubna	-	1.02
Pooja Mittal	235.63	-
Repayment of loans by Key Management Personnel		
Ravi R Bubna HUF	55.54	525.51
Evyavan Global Private Limited	24.79	-
Evyavan Mercantile Private Limited	210.51	-
Raviprakash Ramautar Bubna	-	1.03
Sandhya Raviprakash Bubna	-	1.02
Ramautar Shrinivas Bubna	-	1.02
Sharda R Bubna	-	1.02
Pooja Mittal	300.90	-
Deepak Mittal	6.60	-
Repayment of loans by		
Edelweiss Commodities Services Limited	2,243.19	4,000.00
Edelweiss Financial Services Limited	-	-
Issuance - benchmark linked debentures		
ECap Equities Limited	-	-
Edelweiss Commodities Services Limited	-	42.00
Redemption - benchmark linked debentures		
ECap Equities Limited	3,061.86	1,024.27
Edelweiss Commodities Services Limited	4.45	-
Sale / redemption of Commercial Papers to		
Edelweiss Commodities Services Limited	-	14,920.45
Purchase / Subscription of Commercial Papers from		
Edelweiss Commodities Services Limited	49.55	4,997.23
Secondary market transactions		
Purchases of securities (Stock in trade) from		
ECap Equities Limited	580.30	-
Edelweiss Commodities Services Limited	14,373.91	7,191.64
Edelweiss Finance and Investments Limited	177.28	7,084.04
Edelweiss Broking Limited	53.47	-
Edelweiss Tokio Life Insurance Company Limited	539.21	-



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Rs in Million

Particulars	Dec 2018	Dec 2017
Edelweiss Finvest Private Limited	1,259.15	229.98
Edelweiss General Insurance Company Limited	108.19	-
Sale of securities (Stock in trade)		
ECap Equities Limited	790.33	2,741.54
Edelweiss Commodities Services Limited	21,577.79	7,605.82
Edelweiss Finance and Investments Limited	2,453.20	7,583.10
Edelweiss Securities Limited	206.29	-
Edelweiss Broking Limited	304.38	-
Edelweiss Tokio Life Insurance Company Limited	252.19	889.73
Edelweiss Securities Limited	306.85	-
Edelweiss Finvest Private Limited	-	245.17
Margin placed with		
Edelweiss Securities Limited	1.20	0.43
Edelweiss Custodial Services Limited	881.29	236.07
Margin refund received from		
Edelweiss Securities Limited	2.36	1.98
Edelweiss Custodial Services Limited	342.31	188.21
Amount paid to Broker for trading in cash segment		
Edelweiss Securities Limited	14,325.56	850.06
Amount received from Broker for trading in cash segment		
Edelweiss Securities Limited	14,321.19	838.71
Assignment of Loan book from		
Edelweiss Housing Finance Limited	4,481.59	-
Purchase of Securities receipts from		
Edelweiss Finvest Private Limited	1,833.30	-
Sale of Loans to		
Edelweiss Asset Reconstruction Company Limited	5,828.60	2,600.00
Income		
Arranger fees received from		
Edelweiss Finvest Private Limited	16.41	22.91
Edelweiss Housing Finance Limited	-	6.12
Cost reimbursement received from		
Edelweiss Financial Services Limited	0.07	-
Edelweiss General Insurance Company Limited	0.07	-
EFSL Comtrade Limited *	0.00	-
Dividend received on investments		
Edelweiss Commodities Services Limited	0.70	0.70
Interest income on margin placed with brokers		
Edelweiss Custodial Services Limited	5.97	12.00
Edelweiss Securities Limited	0.03	0.02
Interest income on Loans given to		
Ravi R Bubna HUF	8.15	23.79
Evyavan Mercantile Private Limited	27.56	-
Evyavan Global Private Limited	4.96	-
Raviprakash Ramautar Bubna	-	0.00
Sandhya Raviprakash Bubna	-	0.00
Ramautar Shrinivas Bubna	-	0.00
Sharda R Bubna	-	0.00
Deepak Mittal	0.68	-
Raja Mittal	19.52	-
Edelweiss Commodities Services Limited	6.05	44.35



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Rs in Million

Particulars	Dec 2018	Dec 2017
Interest received on Securities (Stock in trade)		
Edelweiss Housing Finance Limited	6.95	-
Rent received from		
Alternative Investment Market Advisors Private Limited	0.01	-
EC Commodity Limited	0.02	-
Edel Investments Limited	0.01	-
Edelcap Securities Limited	0.01	0.03
Edelweiss Alternative Asset Advisors Limited	2.55	2.72
Edelweiss Broking Limited	0.54	0.24
Edelweiss Business Services Limited	0.10	0.08
Edelweiss Commodities Services Limited	0.67	0.20
Edelweiss Custodial Services Limited	1.94	0.01
Edelweiss Finance and Investments Limited	0.03	0.01
Edelweiss Financial Services Limited	0.74	-
Edelweiss Finvest Private Limited	0.53	0.11
Edelweiss General Insurance Company Limited	10.77	-
Edelweiss Global Wealth Management Limited	1.10	0.12
Edelweiss Housing Finance Limited	3.48	0.41
Edelweiss Retail Finance Limited	0.05	0.15
Edelweiss Securities Limited	1.12	0.46
Edelweiss Tokio Life Insurance Company Limited	2.18	0.07
Edelweiss Comtrade Limited	-	0.41
Expense		
Advisory fees paid to		
Edelweiss Asset Reconstruction Company Limited	26.72	112.55
Edelweiss Housing Finance Limited	169.36	-
Edelweiss Broking Limited	-	0.50
Service Fees Paid to		
Edelweiss Housing Finance Limited	0.07	-
Corporate Guarantee support fee paid to		
Edelweiss Financial Services Limited	7.44	-
Clearing charges paid to		
Edelweiss Custodial Services Limited	0.20	-
Edelweiss Securities Limited	2.26	0.22
Commission and brokerage paid to		
Edelweiss Global Wealth Management Limited	268.08	210.77
Edelweiss Investment Advisors Limited	1.77	1.93
Edelweiss Securities Limited	53.91	0.03
Cost reimbursement paid to		
ECap Equities Limited	1.82	0.66
Edelweiss Agri Value Chain Limited	0.66	0.22
Edelweiss Asset Management Limited	0.57	-
Edelweiss Broking Limited	3.21	2.21
Edelweiss Business Services Limited	0.07	-
Edelweiss Commodities Services Limited	10.07	10.05
Edelweiss Financial Services Limited	26.05	4.83
Edelweiss Global Wealth Management Limited	0.07	0.00
Edelweiss Housing Finance Limited	2.12	3.20
Edelweiss Retail Finance Limited	19.61	-
Edelweiss Securities Limited	1.22	-
EFSL Trading Limited (Formerly EFSL Commodities Limited)	-	0.04
Eternity Business Centre Limited	-	0.26
Edelcap Securities Limited	-	0.80
CSR Expenses paid to		
EdelGive Foundation	95.00	48.60



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Rs in Million

Particulars	Dec 2018	Dec 2017
Enterprise Service charge paid to		
Edelweiss Business Services Limited	217.34	71.08
Interest paid on loan		
Edelweiss Commodities Services Limited	1,467.75	847.40
Edelweiss Financial Services Limited	-	62.51
Management Fees Paid to		
Edelweiss Alternative Asset Advisors Limited	88.99	-
Rating support fees paid to		
Edelweiss Financial Services Limited	1.31	153.50
Rent paid to		
ECap Equities Limited	16.92	5.74
Edelweiss Agri Value Chain Limited	1.70	0.48
Edelweiss Asset Management Limited	2.47	-
Edelweiss Broking Limited	6.47	3.59
Edelweiss Business Services Limited	0.11	-
Edelweiss Commodities Services Limited	70.69	57.03
Edelweiss Global Wealth Management Limited	0.36	0.02
Edelweiss Retail Finance Limited	19.60	0.13
Edelweiss Securities Limited	4.42	1.09
Auris Corporate Centre Limited	-	0.93
Burlington Business Solutions Limited	-	1.13
Eternity Business Centre Limited	-	1.01
Edelweiss Housing Finance Limited	-	3.42
EFSL Trading Limited (Formerly known as EFSL Commodities Limited)	-	0.07
Olive Business Centre Limited	-	0.03
Interest paid on Bench mark linked debentures		
ECap Equities Limited	625.96	401.95
Edelweiss Commodities Services Limited	0.45	-
Assets		
Advances recoverable in cash or in kind or for value to be received		
Edelweiss Agri Value Chain Limited	0.37	-
Edelweiss Broking Limited	0.04	-
Edelweiss Finance and Investments Limited *	0.00	-
Interest accrued on Margin		
Edelweiss Custodial Services Limited	5.97	12.00
Edelweiss Securities Limited	0.03	0.02
Interest accrued on Loans		
Edelweiss Commodities Services Limited	6.05	-
Investments in preference shares		
Edelweiss Commodities Services Limited	696.83	650.12
Edelweiss Investment Adviser Limited	-	172.84
Margin money balance with		
Edelweiss Broking Limited	0.11	-
Edelweiss Custodial Services Limited	665.22	685.47
Edelweiss Securities Limited	0.21	0.64

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Rs in Million

Particulars	Dec 2018	Dec 2017
Loan given outstanding		
Ravi R Bubna HUF	262.73	59.70
Evyavan Mercantile Private Limited	292.90	-
Evyavan Global Private Limited	67.59	-
Deepak Mittal	59.27	-
Pooja Mittal	262.92	-
Trade receivables		
EC Commodity Limited	0.01	-
ECap Equities Limited *	0.00	-
Fdeleap Securities Limited	0.51	-
Edelweiss Alternative Asset Advisors Limited	0.97	0.98
Edelweiss Broking Limited	0.24	0.13
Edelweiss Business Services Limited	0.07	0.08
Edelweiss Custodial Services Limited	1.07	0.01
Edelweiss Financial Services Limited	34.50	7.16
Edelweiss Finvest Private Limited	1.30	-
Edelweiss General Insurance Company Limited	5.31	-
Edelweiss Global Wealth Management Limited	0.53	0.05
Edelweiss Insurance Brokers Limited	0.10	-
Edelweiss Metals Limited *	0.00	-
Edelweiss Retail Finance Limited	0.25	0.39
Edelweiss Tokio Life Insurance Company Limited	2.58	0.08
Edelweiss Finvest Private Limited	16.41	24.14
Edelweiss Housing Finance Limited	-	39.55
Edelweiss Finance & Investments Limited	-	0.20
Edelweiss Securities Limited	-	15.04
Edelweiss Asset Reconstruction Company Limited	-	0.19
Edelweiss Agri Value Chain Limited	-	0.01
Non convertible debentures (stock in trade)		
Edelweiss Commodities Services Limited	1,194.99	-
Liabilities		
Interest accrued on borrowings		
Edelcap Insurance Advisors *	0.00	-
Edelweiss Financial Services Limited *	0.00	-
Edelweiss Commodities Services Limited	1,467.75	847.40
Short term borrowings		
Edelweiss Commodities Services Limited	487.45	7,230.68
Edelweiss Financial Services Limited	-	3,000.00
Trade payables		
ECap Equities Limited	5.96	4.39
Edel Finance Company Ltd *	0.00	-
Edelweiss Agri Value Chain Limited	1.60	0.29
Edelweiss Alternative Asset Advisors Limited	88.99	-
Edelweiss Asset Management Limited	1.71	-
Edelweiss Broking Limited	0.03	-
Edelweiss Business Services Limited	104.59	37.61
Edelweiss Commodities Services Limited	27.51	35.83
Edelweiss Financial Services Limited	-	154.61
Edelweiss Finvest Private Limited	0.06	-
Edelweiss Global Wealth Management Limited	93.97	91.81
Edelweiss Housing Finance Limited	172.52	-
Edelweiss Investment Advisors Limited	0.04	0.48
Edelweiss Retail Finance Limited	16.92	0.59
Edelweiss Securities Limited	1.18	0.71
Edelweiss Financial Services Limited	8.74	-
Edelweiss Asset Reconstruction Company Limited	-	40.82
EFSL Trading Limited (Formerly known as EFSL Commodities Limited)	-	0.08
Edelweiss Finance & Investments Limited	-	0.67



Rs in Million

Particulars	Dec 2018	Dec 2017
Corporate guarantee taken from Edelweiss Financial Services Limited	54.00	2,677.70

* Represent amount less than 0.01 million

Notes:

Note 1: Previous period figures have been recast/restated where necessary

Note 2: The intra group Company loans are generally in the nature of revolving demand loans. Loan given/taken to/from parties and margin money placed / refund received with/ from related parties are disclosed based on the maximum incremental amount given/taken and placed / refund received during the reporting period.

Note 3 : Loan given to subsidiaries and fellow subsidiaries are for general corporate business.

Note 4: The above list contains name of only those related parties with whom the Company has undertaken transactions for the period mentioned above.

Note 5 : Remuneration to key managerial persons have not been disclosed as it is not required for the purpose for which these financial statements have been prepared.

