



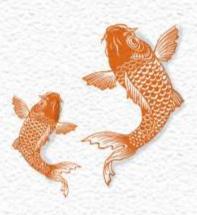
CONTENTS

FY21 Overview	02
Our Response to Covid-19	06
Our Guiding Principles	12
Our Diversified Business Model	14
Our Governance	- 22
Our Customer Experience	24
Our People	26
Our Technology	28
Letter from the Chairman	30
Sustainability Report	42
EdelGive Foundation	59
Board of Directors	65
Company Information	69
Board's Report	70
Management Discussion & Analysis	76
Integrated Reporting	95
Corporate Governance Report	125
Consolidated Financial Statements	141
Standalone Financial Statements	296
Notice	389
Awards & Recognition	409





The references to Zen symbols and principles in our Annual Report are based on information available publicly. Readers of the Annual Report are advised to independently verify facts and information.





A Purposeful Reflection

The year gone by has been like never before, with a pandemic of epic proportions testing us, as anxiety, fear and anguish coursed through the world. One that has united humanity together, compelling us to pause and look inward, urging us to bring about a positive systemic shift that leaves no one behind. Tapping into the reservoir of inner resilience — mentally, physically and emotionally, it meant stepping back without stepping away, to reflect mindfully, reset our inner compass and move ahead with renewed vigor.

At Edelweiss as well, the last year was a journey of resilience, determination and persistence. As an organisation, we have always believed in reinventing ourselves during downturns and coming back stronger. While we derived strength from our values to help us stay grounded and mindful, we resolutely went about further strengthening our organisation, transforming it to be future-ready.

In a year when the world became more conscious of the interconnected nature of life, through this Annual Report, we find inspiration in the principles of Zen. We set course for the future by being more mindful of our purpose, finding greater balance in our businesses and becoming more empathetic to the needs of all our stakeholders.

As we culminate the first 25 years of our journey, we take the inherent strength of our businesses and the wisdom and learnings from the years gone by and take a fresh guard as we look forward to the next 25 years!



FY21 OVERVIEW

FINANCIAL HIGHLIGHTS







STRONG BALANCE SHEET & LIQUIDITY

Strong Net Worth



Debt Equity Ratio



Declined from 4.4x in FY19

Strong Liquidity



Reduced Borrowings



declined by 41% over FY19





VALUE UNLOCKING IN EDELWEISS WEALTH MANAGEMENT (EWM)



Successfully closed PAG Partnership



Edelweiss will hold 38.5% stake in EWM with an option to increase it to ~44%



Distribution of value, through the demerger and subsequent listing

WELL CAPITALISED BUSINESSES

High Capital Adequacy



CAPAD of 25%+ in Credit and ARC businesses



Solvency ratio of more than 200% in insurance businesses

ROBUST CUSTOMER FRANCHISEE

Growing Customer Assets



35% YoY growth demonstrating the continued trust reposed by customers **Increasing Customer Base**



42% YoY growth





India's Leading Alternative Assets Platform





Among the fastest growing Asset Management companies





Equity Assets Net Inflow **₹36 billion** (vs outflows of ₹550 billion for the industry)



Retail folios **#5.5 lacs** 19x growth over last 5 years



Investor Base ~420,000 up from ~275,000 in FY20



ASSET RECONSTRUCTION: Leading ARC in the country

Steady Fee Income



Robust Recoveries



Total recoveries over last five years ~₹274 billion







Life Insurance – among the fastest growing companies





25% YoY growth in Individual APE



General Insurance – digitally enabled fast growing company



49% YoY growth in Gross Direct Premium Income (GDPI)



2.2 x growth in no. of policies issued to ~188,200



CREDIT: Moving to Asset Light business



Focus on Asset Light Retail Credit model, through partnership with Banks



Total Retail Credit collection efficiency at 96% in March'21



Rapid sell down and reduction in wholesale book, scaled down ECLF book by 35% from FY19 levels



WEALTH MANAGEMENT: 2nd Largest non-bank Wealth Manager in India



Assets under Advice(AuA) – **5.3x** growth in 5 years to ~₹1.55 trillion (₹295 billion in FY16)



Strong Customer Franchise UHNI: ~2,600 Affluent clients: ~700,000



The **Cherry Blossom 'Sakura'**, is a timeless exhibit of the transient nature of life, reminding us that after every fall, there is a season of spring, urging us to revel in the promise of a better tomorrow.



OUR RESPONSE TO COVID-19

At Edelweiss, mindful of the uncertainty and unpredictability caused by COVID-19, we compassionately committed ourselves to the well-being of all our stakeholders. We prioritised safety and well-being over all else. While our digital preparedness enabled us to adapt nimbly, operate efficiently, empower our people, offer seamless business continuity and meet customer expectations, we drew upon our collective strength to navigate the difficult times and reinvented ourselves to better support the needs of our customers and society in a transitory world.

AS A RESPONSIBLE CORPORATE CITIZEN

EdelGive Foundation significantly stepped up its efforts to support vulnerable communities through its NGO partners, offering them not only financial assistance but also working hand in hand to ensure minimum disruption to their ongoing programmes.





In FY21, we funded and raised over ₹1 billion for COVID-related work



Partnered with 46 NGOs in providing aid and relief to people residing in difficult geographies and vulnerable communities



Emphasised on providing urgent aid and relief through our grassroot partners, who are at the centre of relief and response work in difficult geographies and vulnerable communities



Edelites collectively raised ₹3.2 million to support COVID-relief initiatives



Contribution directed towards helping affected families with cash transfers, food grains, oxygen and health supplies, etc.



Contributed ₹20 million to PM Cares Fund and ₹5 million to CM Relief Fund, Maharashtra



EdelGive also became a founding signatory to the Common Charter for the Indian Donor and Philanthropic Community - an initiative created to offer collective support to NGOs, signed by some of India's leading philanthropies such as Ford Foundation, Wipro Limited, Rohini Nilekani Philanthropies and Oxfam India, agreeing to abide by a common set of values as funders.



With the second wave hitting the country, declaration of emergency lockdowns, curfews, acute shortage of oxygen and the limitations of our infrastructure to address the magnitude of the problem, we have sensitive communities across the globe joining us in battling the crisis. The nationwide lockdown has not only had an adverse impact on already distressed communities but also the grassroots organisations who continued to work with such communities while barely managing to survive themselves. We fear that organisations and the communities they serve will only be pushed further to the brink.

In these times of uncertainty, it is our mission to ensure that the relief measures trickles down to the grassroots, for the vulnerable communities, who need it the most. Thus, at EdelGive, we are looking at COVID relief through both short and long-term approaches.



- Short term Support to grassroots organisations engaged in immediate relief activities such as providing emergency ration kits, oxygen and health supplies and awareness generation activities etc.
- · Launched The GROW Fund (Grassroots Resilience Ownership and Wellness) a unique collective of global and Indian philanthropists, working towards jointly supporting and sustaining 100 grassroot organisations across India, over a period of 24 months.







OUR RESPONSIBILITY TOWARDS OUR PEOPLE

The lockdown was the first of its kind we have ever witnessed. While Edelweiss was proactive in handling the situation and transitioning to working from home, this year, the majority of our focus was to ensure that transition smoothly. We prioritised employee safety and well-being while at the same time ensured that business continued to operate at the same levels of efficiency as earlier.



Our Preparation

A Central Task Force was set in conjunction with business teams, all businesses' Business Continuity Plan (BCP) were evaluated and associated risk assessments were completed.



Focus areas during the transition

A three-tier people strategy has been crafted after a detailed deliberation and introspection of external and internal factors. As an organisation, the primary pillars of our people strategy are:

- Employee safety and well-being
- Communication
- Productivity