Edelweiss
Ideas create, values protect

EW/Sec/2019/247

August 23, 2019

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

Ref.:- Symbol - EDELWEISS

Re.: Clarification on News item

Enclose please find the clarification issued by Edelweiss Asset Reconstruction Company Limited (EARC), a subsidiary of the Company, on news item appearing in media.

Thanking you,

Yours faithfully,

Edelweiss Financial Services Limited

B. Renganathan
Executive Vice President & Company Secretary

Encl. as above

Clarification

Public Sector Banks had extended loans to Kohinoor Square project in 2010 which subsequently turned NPA. From 2015 onwards, Edelweiss ARC participated in public auctions and bought the loans. EARC exposure is about 120 cr invested under the 15:85 structure.

With the intention of completing the project and providing relief to both the small business owners, home buyers and banks, Edelweiss ARC took the company through IBC process. A plan was approved by NCLT that would deliver unit owners their houses and small offices along with payment to lenders. The project is moving at fast pace and is nearing completion with small shop owners having already been offered possession. The resolution of the asset is also on track to provide all lenders with maximum possible recovery.

Enforcement Directorate has asked for some information and understanding of the process and the same has been briefed to them by us.

The current probe by IL&FS on Kohinoor transactions are for the period of 2005-12 and related to transactions entered into by IL&FS and certain parties. Edelweiss group had no exposure to Kohinoor during that period.

