

Press Release
February 8, 2019

All actions taken on Reliance ADAG Group share sale are legal, affirms Edelweiss Group

Mumbai 8th February, 2019: Edelweiss Group strongly refutes the entirely unfounded, baseless and false allegations of the Reliance ADAG Group with reference to the media statement released by Reliance ADAG Group on February 8, 2019.

Edelweiss Group had granted credit facilities against pledge of shares to Reliance ADAG Group. Over the last several months, Edelweiss Group has reached out numerous times to Reliance ADAG Group to address concerns on shortfall in margins (via regular margin call notices) and resultant fall in collateral valuation. Despite our best efforts, not only did Reliance ADAG Group fail to address any of the concerns raised by Edelweiss Group, but also continued to breach contractual obligations.

On 4th February 19, there was a sharp drop in the prices of Reliance ADAG group shares, which led to further erosion in the collateral value. Edelweiss group once again gave due opportunity for remediation. Since there was no response from Reliance ADAG Group, it necessitated liquidation of the collateral as per the agreed contractual terms. Throughout this process, Edelweiss has acted in a lawful and responsible manner.

Edelweiss Group has at all times acted responsibly, not only in safeguarding the interests of its investors but also in ensuring that market integrity is maintained.

About Edelweiss Group

About Edelweiss Financial Services The Edelweiss Group is one of India's leading diversified financial services company providing a broad range of financial products and services to a substantial and diversified client base that includes corporations, institutions and individuals. Edelweiss's products and services span multiple asset classes and consumer segments across domestic and global geographies. Its businesses are broadly divided into Credit Business (Wholesale & Retail Mortgages, SME and Business Loans, Agri and Rural Finance, Structured Collateralised Credit and Distressed Credit), Franchise & Advisory Business (Wealth Management, Asset Management and Capital Markets) and Insurance (life and general insurance). Edelweiss has an asset base of ~INR 55,800 cr, as of 31 st December, 2018. The Group had a revenue of INR 8,623 cr and PAT of INR 890 cr for FY18. The group's research driven approach and proven history of innovation has enabled it to foster strong relationships across all client segments. The group has sizeable presence in large retail segment through its businesses such as Life Insurance, Housing Finance, Mutual Fund and Retail Financial Markets. Together with strong network of Sub-Brokers and Authorized Persons, Edelweiss group has presence across all major cities in India

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