



Press Release
AUM CAPITAL MARKET PRIVATE LIMITED
June 26, 2025
Rating Upgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	80.00	ACUITE A- CE Stable Upgraded	-
Bank Loan Ratings	110.00	ACUITE BBB- Stable Upgraded	-
Bank Loan Ratings	10.00	-	ACUITE A3 Upgraded
Total Outstanding Quantum (Rs. Cr)	200.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has upgraded the long-term rating to **'ACUITE A-(CE)' (read as ACUITE A minus (Credit Enhancement))** from **'ACUITE BB+(CE)' (read as ACUITE double B plus (Credit Enhancement))** on the Rs. 80.00 crore bank facility of Aum Capital Market Private Limited (ACMPL). The outlook is **'Stable'**.

Acuite has upgraded the long-term rating to **'ACUITE BBB-' (read as ACUITE triple B minus)** from **'ACUITE BB' (read as ACUITE double B)** on the Rs.110.00 crore bank facilities of Aum Capital Market Private Limited (ACMPL). The outlook is **'Stable'**.

Acuite has upgraded the short-term rating to **'ACUITE A3' (read as ACUITE A three)** from **'ACUITE A4+' (read as ACUITE A four plus)** on Rs. 10.00 crore bank facility of Aum Capital Market Private Limited (ACMPL).

Rationale for the rating

The rating upgrade and migration from 'Issuer Non-Cooperating' factors the growth in the scale of operations and improvement in earning profile. The rating takes into account the growth in the revenue from operations of ACMPL from Rs. 39.71 Cr. in FY2023 to Rs. 54.08 Cr. in FY2024; Rs. 56.34 Cr. for 9MFY2025. PAT levels significantly improved from Rs.3.73 Cr. in FY 2023 to Rs. 9.13 Cr. in FY2024; Rs. 11.46 Cr. for 9MFY2025. The rating also factors in the stability in the debt market volumes for FY2024 and 9MFY2025. The rating factors in ACMPL's large and reputed client network of more than 50 institutional clients and more than 7500 retail clients as on December 31, 2024. Acuité also considers the established presence of ACMPL in the domestic capital market and the long-standing relationship with various clients. The rating further factors in the benefits arising from the strength of the structure and the underlying pledge of highly liquid securities while arriving at the rating.

The rating is however constrained on account of ACMPL's trading revenues susceptibility to the level of volatility in the capital markets, low margin in this business segment as well as highly competitive landscape in broking business. Going forward, the company's ability to grow its business in wealth and fixed income market, maintain share of retail and institutional broking revenues and thereby maintain earnings growth shall be key monitorable.

About the company

Incorporated in 2005, Kolkata based, Aum Capital Market Private Limited (ACMPL) is a securities broking company engaged in offering brokerage services mainly to Institutional clients. The company is focusing on wealth segment and fixed income market and also provides ancillary services like providing depository services,

distribution of mutual funds, financial advisory etc. ACMPL is a member of National Stock Exchange (NSE), Bombay Stock Exchange (BSE) and Multi Commodity Exchange of India Limited (MCX). The company's Board consists of Mr. Aditya Vikram Choudhary (Executive Director), Mr. Vaibhav Jain (Executive Director) and Mr. Dinesh Jain (Managing Director). ACMPL has three subsidiary companies Aum Bima Suraksha Broking Private Limited (Insurance broking), Nathkripa Tradelink Private Limited (Investment company) and Fingeek Digital

Unsupported Rating

Acuite BBB-/Stable/A3

Analytical Approach

Acuite has assigned differential ratings based on the structure and stipulations of the lenders in respect of each facility. In respect of one of the facilities, which has been secured by the pledge of highly rated bonds/debentures, Acuite has considered a notch up approach from the standalone rating. Acuite has considered the standalone financial and business risk profile of ACMPL to arrive at the standalone rating in respect of the other Bank facilities (no similar structure is present) and the proposed bank facilities.

Key Rating Drivers

Strength

Established Business Model based on Diversified Revenue Streams

Aum Capital Market Private Limited (ACMPL) has been in the capital market business of stock broking since 2007. The company is promoted by Mr. Aditya Vikram Choudhary. Over the years, the company has built a relationship with more than 50 Institutional Clients and 7500 Retail Clients (including HNIs) as on December 31, 2024. The company has active operations in Debt and Equity Markets, both in Cash and F&O. They also have a presence in Mutual Fund and Financial Advisory (Debt Syndication). The major revenue contributing segments are Brokerage Income, Trading Income and Financial Advisory Services. Of the Revenue from Operations during 9MFY2025, Broking Income contributed 46.06% (Rs. 25.94 Cr. in 9MFY2025 as compared to Rs. 28.99 Cr. in FY2024). Besides Brokerage revenue, the company is active in Trading in Debt and Equity Market. The Trading Income contributed 30.92% of the total revenue (Rs. 17.42 Cr. in 9MFY2025 as compared to Rs. 4.07 Cr. in FY2024). The Financial Advisory Services contributed 22.32% of the total revenue (Rs. 12.58 Cr. in 9MFY2025 as compared to Rs. 19.82 Cr. in FY2024).

With the expected buoyancy in the debt market segment, Acuité believes that ACMPL will benefit from its relations with institutional clientele and its expertise in Debt Market.

Strength of underlying structure in respect of one of the rated instruments

In respect of facilities of Rs. 80 Cr. rated at ACUITE A-(CE), Acuite has been guided by the structure of the underlying facilities. The structure being assessed envisages an aggregate borrowing limit of Rs. 80.00 crore in the form of cash credit from the bank secured by a pledge in the form of Central & State Government Securities with margin stipulations and other risk mitigations measures in place. The Rs 80.00 Cr. facility has a Rs. 25 Cr. sub-limit from the bank by a pledge of AAA, AA+ rated and above (PSU/Pvt) Bonds.

The mentioned bank facility also has Intraday sub limit of Rs. 160 Cr. for trading in Central & State Government Securities. The government securities purchased by the company will be held in a designated Constituent Subsidiary General Ledger (CSGL) Account, which will be duly pledged to the bank. The joint holding of the account between the bank and the borrower facilitates for strict monitoring at the lenders end with respect to transactions. The bank stipulates a margin requirement of 10 percent for Overnight trading and 5 percent for Intraday trading. The stipulations also include the options available to the lending bank in case of a margin shortfall. The structure further provides for a shorter duration of the securities held like in case of securities outstanding in CGSL account for more than 30 days would not be reckoned while calculating drawing power. Hence, the exposure to credit risk is limited to the period the security is held and the structure facilitates for a shorter duration.

Acuité believes that the structure sanctioned by the lending bank provides for adequate covenants to safeguard the interest of the lenders. The lending bank has adequate buffers available to initiate corrective action and mitigate the risk arising out of any adverse market movements.

Weakness

Susceptibility to operating performance to volume and level of activity in capital markets

Aum Capital Market Private Limited's business performance is linked to the level of activity in the bond markets, which in turn is linked to the overall economic activity. The volumes in the debt capital market are influenced by economic cyclicity and other macroeconomic factors such as GDP, growth rate, inflation, movement in interest rates and policy actions adopted by RBI. ACMPL generally engages in to buy and sell transactions on behalf of its clients, which comprise provident and pension funds, mutual funds, banks, family offices etc. Most of the purchases of the securities are simultaneously sold to its clients. As a prudent strategy, ACMPL prefers to minimize the holding period in respect of any securities, which significantly mitigates the associated credit risk and market risk. However, since a complete matching and synchronization of purchase and sale orders may always not be feasible, ACMPL will always be required to maintain certain inventory at any point of time. This exposes

the company to certain credit and market risk. The risk assumed by ACMPL depends on the nature of the security, volatility in the price of the security and the period of the holding. The timely churning of the portfolio also becomes important. Such events could also trigger demands for accelerated payments by lenders in case of pledge-based borrowings. Besides trading of bonds, the company also has revenue streams from broking business, which is highly volatile and cyclical business with the presence of a large number of established players who provide significant competition to the other fragmented and small players. The company's operating performance is linked to the capital markets, which are inherently volatile as they are driven by economic and political factors as well as investor sentiments. Trading volume and earnings depend heavily on the level of trading activity in the capital market.

Acuité believes that the ability to manage the trade-off between various risks such as credit risk, market risk and operational risk and the returns is critical to the maintenance of a stable credit risk profile.

Susceptibility of Credit Profile to the performance of equity division

As on March 31, 2024, Networth stood at Rs.51.35 Cr. as compared to Rs. 42.34 Cr. as on March 31, 2023. On the back of this, the company had equity investments of Rs. 3.06 Cr. as on March 31, 2025 as compared to Rs. 10.47 Cr. as on March 31, 2024 (March 31, 2022: Rs. 3.61 Cr.). The company has demonstrated the propensity to initiate large equity investment to gain from the likely capital appreciation.

In view of the above, the susceptibility of performance of large equity investments is expected to influence the credit profile over the near to medium term. Acuité believes that the propensity of the company to initiate large equity exposures vis a vis network will impinge the credit profile of the company.

Assessment of Adequacy of Credit Enhancement under various scenarios including stress scenarios (applicable for ratings factoring specified support considerations with or without the “CE” suffix)

The structure provides for covenants to safeguard the interest of the lending bank and has buffers available to initiate timely corrective action and effectively mitigate the risk arising out of any adverse market movements.

Rating Sensitivity

- Changes in Credit Quality of any securities in the investment portfolio.
- Changes in Regulatory environment

All Covenants

ACMPL is subject to the following financial covenants as stipulated in the Federal Bank sanction letter:

1. Company should not incur PAT level losses.
2. Company should maintain minimum TNW of Rs. 25 Crore.

In case of breach of above covenants, that promoters shall bring equity/subordinate debt/unsecured loans to bring the parameters under control.

Liquidity Position

Adequate

ACMPL had unencumbered cash and cash equivalents of Rs. 6.46 Cr. as on March 31, 2024. Currently, the company has a cash credit limit of Rs. 80.00 Cr. against the pledge of Central and State Government Securities. ACMPL also has a Line of Credit of Rs. 40 Cr. against pledge of highly rated corporate bonds and also avails additional fund and non-fund-based facilities in the form of Overdraft (Against shares & Against Property) and Working Capital demand loan from banks.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials - Standalone / Originator

Particulars	Unit	FY24 (Actual)	FY23 (Actual)
Total Assets	Rs. Cr.	107.00	66.58
Total Income*	Rs. Cr.	60.26	40.94
PAT	Rs. Cr.	9.13	3.73

Net Worth	Rs. Cr.	51.35	42.34
Return on Average Assets (RoAA)	(%)	10.52	5.01
Return on Average Net Worth (RoNW)	(%)	19.50	9.21
Debt/Equity	Times	0.02	0.27
Gross NPA	(%)	NA	NA
Net NPA	(%)	NA	NA

**Total income is net of interest expense.*

Status of non-cooperation with previous CRA (if applicable):

Not applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Banks And Financial Institutions: <https://www.acuite.in/view-rating-criteria-45.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Explicit Credit Enhancements: <https://www.acuite.in/view-rating-criteria-49.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
20 Aug 2024	Bank Guarantee/Letter of Guarantee	Short Term	10.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	40.00	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+ Stable)
	Proposed Long Term Bank Facility	Long Term	58.25	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+ Stable)
	Secured Overdraft	Long Term	6.75	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+ Stable)
	Working Capital Demand Loan (WCDL)	Long Term	10.00	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+ Stable)
	Cash Credit	Long Term	75.00	ACUITE BB+ (CE) (Downgraded & Issuer not co-operating* from ACUITE A- (CE) Stable)
23 May 2023	Cash Credit	Long Term	75.00	ACUITE A- (CE) Stable (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	10.00	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	40.00	ACUITE BB+ Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	58.25	ACUITE BB+ Stable (Reaffirmed)
	Secured Overdraft	Long Term	6.75	ACUITE BB+ Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	10.00	ACUITE BB+ Stable (Reaffirmed)
22 Feb 2022	Cash Credit	Long Term	50.00	ACUITE A- (CE) Stable (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	10.00	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE BB+ Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	103.25	ACUITE BB+ Stable (Reaffirmed)
	Secured Overdraft	Long Term	6.75	ACUITE BB+ Stable (Reaffirmed)
	Secured Overdraft	Long Term	5.00	ACUITE BB+ Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	10.00	ACUITE BB+ Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
ICICI Bank Ltd	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE A3 Upgraded (from ACUITE A4+)
Federal Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	80.00	Simple	ACUITE A- CE Stable Upgraded (from ACUITE BB+ CE)
ICICI Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	40.00	Simple	ACUITE BBB- Stable Upgraded (from ACUITE BB)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	48.25	Simple	ACUITE BBB- Stable Upgraded (from ACUITE BB)
Federal Bank	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.75	Simple	ACUITE BBB- Stable Upgraded (from ACUITE BB)
ICICI Bank Ltd	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE BBB- Stable Upgraded (from ACUITE BB)
ICICI Bank Ltd	Not avl. / Not appl.	Working Capital Demand Loan (WCDL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE BBB- Stable Upgraded (from ACUITE BB)

Contacts

Mohit Jain Chief Analytical Officer-Rating Operations	Contact details exclusively for investors and lenders
Nivedita Gokul Associate Analyst-Rating Operations	Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Ratings assigned by Acuité are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind, arising from the use of its ratings. Ratings assigned by Acuité are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité. Please visit <https://www.acuite.in/faqs.htm> to refer FAQs on Credit Rating.

Note: None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.