

Press Release

Nuvama Wealth Finance Limited (Erstwhile Edelweiss Finance A Investments Limited)

March 21, 2023



Rating Withdrawn

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Non Convertible Debentures (NCD)	400.00	Not Applicable Withdrawn	-
Non Convertible Debentures (NCD)	200.00	-	Not Applicable Withdrawn
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	600.00	-	-

Rating Rationale

Acuite has withdrawn the long-term rating on the Rs. 400.00 Cr. Proposed Secured Retail Non-Convertible Debentures of NUVAMA WEALTH FINANCE LIMITED (ERSTWHILE EDELWEISS FINANCE AND INVESTMENTS LIMITED).

Acuite has withdrawn the short-term rating on the Rs. 200.00 Cr. Proposed Secured Retail Non-Convertible Debentures of NUVAMA WEALTH FINANCE LIMITED (ERSTWHILE EDELWEISS FINANCE AND INVESTMENTS LIMITED).

The rating is withdrawn on account of the request received from the company. The withdrawal is as per Acuite's policy on withdrawal of ratings.

About the Company

NUVAMA WEALTH FINANCE LIMITED (ERSTWHILE EDELWEISS FINANCE AND INVESTMENTS LIMITED) was incorporated in 1994. NWFL is a wholly owned subsidiary of Nuvama Wealth Management Limited. Nuvama Wealth Management Limited and PAGAC Ecstasy Pte. Limited (PAGAC) are the promoters of the Company.

The Company is registered as a Non-Banking Financial Institution not accepting public deposits with the Reserve Bank of India since March 30, 2002. The name of the Company was changed to "Nuvama Wealth Finance Limited" with effect from September 19, 2022.

About the Group

Nuvama Wealth Management (NWM) is one of India's largest wealth management platforms, servicing over 2,400 of India's wealthiest families as well as ~670,000 affluent and high net-worth individuals. NWM business presently includes Investment Management, Mutual Fund Distribution, Research Analysis, Stock Broking, Clearing and Custody business, Portfolio Management business, Depository participant, Debt Syndication; Securities trading and advisory. The business is spread across India and abroad in countries like Singapore, Hong Kong, USA and UK. The Group was formed after PAG bought 56% of the shares from Edelweiss group. The group began operating as NWM in 2022.

Analytical Approach

Not Applicable

Rationale for Consolidation or Parent / Group / Govt. Support

Not Applicable

Key Rating Drivers

Strength

Not Applicable

Weakness

Not Applicable

Rating Sensitivity

Not Applicable

Material Covenants

Not Applicable

Liquidity Position

Not Applicable

Outlook : Not Applicable

Other Factors affecting Rating

None

Key Financials - Standalone / Originator

Particulars	Unit	FY22 (Actual)	FY21 (Actual)
Total Assets	Rs. Cr.	3368.78	2066.58
Total Income*	Rs. Cr.	195.99	102.40
PAT	Rs. Cr.	44.82	14.35
Net Worth	Rs. Cr.	696.40	651.49
Return on Average Assets (RoAA)	(%)	2.66	0.99
Return on Average Net Worth(RoNW)	(%)	12.87	2.58
Total Debt/Tangible Net Worth (Gearing)	Times	3.47	2.11
Gross NPA	(%)	-	-
Net NPA	(%)	-	-

*Total income equals to Total Income net off interest expense
Ratios as per Acuite calculations

Key Financials (Consolidated)

Particulars	Unit	FY22 (Actual)	FY21 (Actual)
Total Assets	Rs. Cr.	10595.81	7332.77
Total Income*	Rs. Cr.	1342.61	1097.10

PAT	Rs. Cr.	857.13	(482.81)
Net Worth	Rs. Cr.	1912.85	1609.48
Return on Average Assets (RoAA)	(%)	9.56	(7.70)
Return on Average Net Worth (RoNW)	(%)	49.61	(34.52)
Total Debt/Tangible Net Worth (Gearing)	Times	1.84	0.87
Gross NPA	(%)	-	-
Net NPA	(%)	-	-

*Total income equals to Total Income net off interest expense
Ratios as per Acuité calculations

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

Not Applicable

Any Other Information

Refer Previous PR: [Here](#)

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.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. Acuité'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
05 Aug 2022	Proposed Non Convertible Debentures	Long Term	150.00	ACUITE AA- Negative (Downgraded from ACUITE AA Negative)
	Proposed Non Convertible Debentures	Long Term	250.00	ACUITE AA- Negative (Downgraded from ACUITE AA Negative)
	Proposed Non Convertible Debentures	Short Term	200.00	ACUITE A1+ (Reaffirmed)
04 Feb 2022	Proposed Non Convertible Debentures	Long Term	250.00	ACUITE AA Negative (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	150.00	ACUITE AA Negative (Reaffirmed)
	Proposed Non Convertible Debentures	Short Term	200.00	ACUITE A1+ (Reaffirmed)
04 Jan 2022	Proposed Non Convertible Debentures	Long Term	250.00	ACUITE AA Negative (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	150.00	ACUITE AA Negative (Reaffirmed)
	Proposed Non Convertible Debentures	Short Term	200.00	ACUITE A1+ (Reaffirmed)
24 Sep 2021	Proposed Non Convertible Debentures	Long Term	250.00	ACUITE AA Negative (Reaffirmed)
	Proposed Non Convertible Debentures	Short Term	200.00	ACUITE A1+ (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	150.00	ACUITE AA Negative (Reaffirmed)
31 Aug 2021	Proposed Non Convertible Debentures	Long Term	150.00	ACUITE AA Negative (Reaffirmed)
	Proposed Non Convertible Debentures	Short Term	200.00	ACUITE A1+ (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	250.00	ACUITE AA Negative (Reaffirmed)
23 Jul 2021	Proposed Non Convertible Debentures	Long Term	150.00	ACUITE AA Negative (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	250.00	ACUITE AA Negative (Reaffirmed)
	Proposed Non Convertible Debentures	Short Term	200.00	ACUITE A1+ (Reaffirmed)
19 Jul 2021	Proposed Non Convertible Debentures	Long Term	150.00	ACUITE AA Negative (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	250.00	ACUITE AA Negative (Reaffirmed)
	Proposed Non Convertible Debentures	Short Term	200.00	ACUITE A1+ (Reaffirmed)
06 Apr 2021	Proposed Non Convertible Debentures	Long Term	250.00	ACUITE AA Negative (Reaffirmed)
	Proposed Non Convertible Debentures	Short Term	200.00	ACUITE A1+ (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	150.00	ACUITE AA Negative (Reaffirmed)
05 Mar 2021	Proposed Non Convertible Debentures	Long Term	250.00	ACUITE AA Negative (Reaffirmed)
	Proposed Non Convertible Debentures	Short Term	200.00	ACUITE A1+ (Reaffirmed)
	Proposed Non	Long		

	Convertible Debentures	Term	150.00	ACUITE AA Negative (Reaffirmed)
05 Feb 2021	Proposed Non Convertible Debentures	Short Term	200.00	ACUITE A1+ (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	250.00	ACUITE AA Negative (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	150.00	ACUITE AA Negative (Reaffirmed)
08 Sep 2020	Proposed Non Convertible Debentures	Long Term	250.00	ACUITE AA Negative (Reaffirmed)
	Proposed Non Convertible Debentures	Short Term	200.00	ACUITE A1+ (Assigned)
	Proposed Non Convertible Debentures	Long Term	150.00	ACUITE AA Negative (Reaffirmed)
30 Apr 2020	Proposed Non Convertible Debentures	Long Term	250.00	ACUITE AA Negative (Assigned)
	Proposed Non Convertible Debentures	Long Term	150.00	ACUITE AA Negative (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Not Applicable	Not Applicable	Proposed Secured Non-Convertible Debentures	Not Applicable	Not Applicable	Not Applicable	Simple / Complex	200.00	Not Applicable Withdrawn
Not Applicable	Not Applicable	Proposed Secured Non-Convertible Debentures	Not Applicable	Not Applicable	Not Applicable	Simple / Complex	150.00	Not Applicable Withdrawn
Not Applicable	Not Applicable	Proposed Secured Retail Non-Convertible Debentures	Not Applicable	Not Applicable	Not Applicable	Simple / Complex	250.00	Not Applicable Withdrawn

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in Basil Paul Manager-Rating Operations Tel: 022-49294065 basil.paul@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@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.