Press Release

NUVAMA WEALTH AND INVESTMENT LIMITED (ERSTWHILE EDELWEISS BROKING LIMITED)

July 28, 2025

Rating Reaffirmed and Withdrawn

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Non Convertible Debentures (NCD)	134.37	ACUITE AA- | Stable | Reaffirmed	-
Non Convertible Debentures (NCD)	165.63	Not Applicable | Withdrawn	-
Total Outstanding Quantum (Rs. Cr)	134.37	-	-
Total Withdrawn Quantum (Rs. Cr)	165.63	-	-

Rating Rationale

Acuité has reaffirmed the long-term rating of **'ACUITE AA-' (read as ACUITE double A minus)** on the Rs. 134.37 Cr. Non-Convertible Debentures of NUVAMA WEALTH AND INVESTMENT LIMITED (ERSTWHILE EDELWEISS BROKING LIMITED). The outlook is **'Stable'.**

Acuité has withdrawn the long-term rating on the Rs. 165.63 Cr. Non-Convertible Debentures facilities without assigning rating as the instrument is fully repaid of NUVAMA WEALTH AND INVESTMENT LIMITED (ERSTWHILE EDELWEISS BROKING LIMITED). The rating is being withdrawn on account of receipt of necessary documentation as per Acuité's policy on withdrawal of ratings as applicable to the respective facility/instrument.

Rationale for the rating:

The rating action factors the specified scenarios of non-payment of debt (principal and/or interest) due to reasons beyond the control of the issuer vide SEBI circular SEBI/HO/DDHS/DDHS-PoD-3/P/CIR/2024/160 dated November 18, 2024. The same has been disclosed in the 'Any other information' section of this press release. The debt-servicing is processed through an escrow account which is funded by the issuer and any failed payments are credited back into and/or not debited from the designated escrow account. Consequently, the principal and interest payment amounting to Rs. 80,73,005 which was due on July 15, 2025 under ISIN INE523L07660, INE523L07694 and ISIN INE523L07702 has been credited back into and/or not debited from the escrow account of the issuer due to absence of correct information on investor details.

The rating continues to factor the healthy capital base, strong and established market position of Nuvama group along with benefits arising out of association with PAGAC Ecstasy Pte. Ltd (PAG). PAG held a controlling stake of 54.78 percent in NWML as on March 31, 2025. These strengths are partially offset by high volatility in the capital market and risk associated with changes in regulatory environment which might have a bearing on the overall business profile of the company.

NWML (Nuvama Wealth Management Limited) is the flagship entity of Nuvama Group. In FY2021, EFSL announced sale of majority shareholding in its wealth management business to PAG. NWML was a wholly owned subsidiary of EFSL (Edelweiss Financial Services Limited). In order to facilitate this sale, the wealth management and asset management businesses were separated into two business verticals viz. Edelweiss Wealth Management (EWM) and Edelweiss Asset Management (EAM) in FY2022. The wealth management business was retained and renamed as Nuvama Wealth Management Limited. Following the completion of the demerger process in June 2023, it got listed on 26th September 2023. Since then, the business synergies between Edelweiss and Nuvama has reduced, with the latter now operating as an independent entity. Acuité has assessed business and financial risk profile of Nuvama Group independently.

About the Company

Mumbai based, Nuvama Wealth And Investment Limited (Formerly known as Edelweiss Broking Limited) was incorporated in 2008. It is a 100 percent subsidiary of Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited). It is registered as a trading member with National Stock Exchange of India Limited, BSE Limited, Metropolitan Stock Exchange of India Limited, Multicommodity Exchange of India Limited, National Commodity and Derivatives Exchange Limited and provides broking services to its clients. NWIL is a distributor for various financial products such as mutual funds, bonds, NCDs, structured products, PMS and alternative investment funds, etc. Mr. Rahul Jain is the Managing Director & CEO. Mr. Birendra Kumar serves as the Chairman & Independent Director.

About the Group

Mumbai based, Nuvama Wealth Management Limited (Formerly known as Edelweiss Securities Limited) is a public limited company, incorporated in 1993. The company is a stock broking entity registered in India and is licensed with and regulated by the Securities and Exchange Board of India to, among other things, conduct trading and broking activities for institutional and retail clients. The company is also licensed with SEBI to distribute research reports on Indian Securities to its clients. The company is also registered as an Investment Adviser with SEBI. The company is also a member of multiple stock exchanges in India including BSE Limited, National Stock Exchange of India Limited, Multi Commodity Exchange of India Limited, National Commodity & Derivatives Exchange Limited and Metropolitan Stock Exchange of India Limited. PAG is the largest shareholder of Nuvama Wealth Management Limited (Formerly known as Edelweiss Securities Limited) with a shareholding of 54.78 percent as on March 31, 2025.

Unsupported Rating

Not applicable

Analytical Approach

Extent of Consolidation

•Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuite has taken a consolidated view of Nuvama Wealth Management Limited (erstwhile Edelweiss Securities Limited) and its subsidiaries (hereafter referred to as NWML Group or the Group) due to the common senior management team, shared brand name, and financial and operational linkages.

Key Rating Drivers

Strength

Comfortable capital base; association with PAG as a marquee investor

The group's consolidated networth stood at Rs. 3,493.11 Cr. as on March 31, 2025 as against Rs. 2898.86 Cr. as on March 31, 2024 with a consolidated gearing of 2.24 times as on FY25 (P.Y: 2.32 times). The borrowings largely comprise short term financing to wealth business clients for margin and ESOP financing. Further, PAG group through PAGAC Ecstatsy Pte. Limited holds 54.78 percent stake in NWML Group as on March 31,2025. PAG is one of the largest Asia focused private investment fund, with an AUM of approximately $57 billion. Acuité expects NWML to benefit from its association with PAG group to further expand its client network and increase business volumes.

Strong market position

The group's offerings include private wealth management, advisory/investment banking, institutional equities, asset management, broking and distribution services to affluent, high-networth individuals (HNIs), ultra HNIs and institutional clients. The Assets under advice improved to Rs. 4.30 lakh crore as on FY25 as compared to Rs. 3.46 lakh crore as of FY24. The Group added net new money of Rs. 20,143 Cr. in FY2025 as against Rs. 14,685 Cr. in FY2024**.** The group had ~4,250 UHNI households approx and ~12 lakh HNI and affluent clients approx as of March 31, 2025.

Weakness

Susceptibility to market and regulatory risk

Broking and wealth management remains a highly volatile business. The company's operating performance is majorly linked to the capital markets, which are inherently volatile as they are driven by economic and political factors as well as investor sentiments. Any fluctuations in market may impact new client assets which in turn may have a bearing on the revenue. Any changes in regulatory environment might have a potential impact on the overall business and financial risk profile of NWML.

ESG Factors Relevant for Rating

Nuvama Group caters to a diverse set of clients which includes ~12 lakh affluent and HNIs and ~4,250 of India's most prosperous families, as of Q4 FY25. Nuvama offers wealth management solutions, covering investment advisory, estate planning, investment management, lending and broking services for individuals, institutions, CXOs, professional investors, and family offices. It also offers a wide bouquet of alternative asset management products and is a leading player in asset services and capital markets. Adoption and upkeep of strong business ethics is a sensitive material issue for the financial services business linked to capital markets to avoid fraud, insider trading and other anti-competitive behaviour. Other important governance issues relevant for the industry include management and board compensation, board independence as well as diversity, shareholder rights and role of audit committee. As regards the social factors, product or service quality has high materiality so as to minimise misinformation about the products to the customers and reduce reputational risks. For the industry, retention, and development of skilled manpower along with equal opportunity for employees is crucial. While data security is highly relevant due to company's access to confidential client information, social initiatives such as enhancing financial literacy and improving financial inclusion are fairly important for the financial services sector. The material of environmental factors is low for this industry. NWML's board comprises of eight directors including one women director. Of the total eight directors, three are independent directors. The Group has formed a Risk Committee for identifying and evaluating risks and development, implementing and tracking risk management efforts.

Rating Sensitivity

- Scale up of business operations
- Movement in profitability metrics
- Movement in capital structure
- Changes in regulatory environment

All Covenants

As confirmed by the issuer, there are no financial covenants for the rated NCDs.

Liquidity Position

Adequate

As on March 31, 2025, the group had adequate liquidity buffers of Rs. 3,814 Cr. which consists of Cash/Bank and fixed deposits of Rs. 1,559 Cr., unutilised bank lines of Rs. 498 Cr., Securities held for trading of Rs. 1,434 Cr., Derivative financial instruments of Rs. 226 Cr. and Investments of Rs. 98 Cr.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials - Standalone / Originator

Particulars	Unit	FY25 (Actual)	FY24 (Actual)
Total Assets	Rs. Cr.	5812.21	5869.80
Total Income*	Rs. Cr.	1388.64	1209.71
PAT	Rs. Cr.	190.38	177.70
Net Worth	Rs. Cr.	844.44	861.63
Return on Average Assets (RoAA)	(%)	3.26	3.37
Return on Average Net Worth (RoNW)	(%)	22.32	23.08
Debt/Equity#	Times	3.63	3.48
Gross NPA	(%)	-	-
Net NPA	(%)	-	-

**Total income equals to Net Interest Income plus other income*

***All ratios are as per Acuite's calculations*

#The D/E after excluding for Derivative financial instruments and Other financial liabilities stands at 3.38 for FY25 and 3.44 for FY24

Key Financials (Consolidated)

Particulars	Unit	FY25 (Actual)	FY24 (Actual)
Total Assets	Rs. Cr.	28357.56	20351.48

Total Income*	Rs. Cr.	3354.72	2539.20
PAT	Rs. Cr.	985.06	624.84
Net Worth	Rs. Cr.	3493.11	2898.86
Return on Average Assets (RoAA)	(%)	4.04	3.78
Return on Average Net Worth (RoNW)	(%)	30.96	24.55
Debt/Equity	Times	2.24	2.32
Gross NPA	(%)	-	-
Net NPA	(%)	-	-

**Total income equals to Net Interest Income plus other income*
***All ratios are as per Acuite's calculations*

Status of non-cooperation with previous CRA (if applicable)
Not applicable

Any Other Information

Name of the security	ISIN	Amount to be paid	Due date of payment	Amount of payment made	Amount of payment failed	Reasons for failure of payment
NON - CONVERTIBLE DEBENTURES	INE523L07660	55,45,15,163.00	15-Jul-25	55,45,15,163.00	51,66,182.00	Absence of correct information on investor details
NON - CONVERTIBLE DEBENTURES	INE523L07694	57,52,93,614.00	15-Jul-25	57,52,93,614.00	18,05,225.00	Absence of correct information on investor details
NON - CONVERTIBLE DEBENTURES	INE523L07702	19,55,28,751.00	15-Jul-25	19,55,28,751.00	11,01,598.00	Absence of correct information on investor details

Applicable Criteria
• Banks And Financial Institutions: https://www.acuite.in/view-rating-criteria-45.htm
• Default Recognition: https://www.acuite.in/view-rating-criteria-52.htm
• Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm
• Consolidation Of Companies: https://www.acuite.in/view-rating-criteria-60.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
12 Jun 2025	Proposed Secured Non-Convertible Debentures	Long Term	1.96	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	30.00	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	11.98	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	55.28	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	53.05	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	15.32	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	54.05	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	23.21	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	7.35	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	36.17	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	11.63	ACUITE AA- | Stable (Reaffirmed)
02 Aug 2024	Proposed Secured Non-Convertible Debentures	Long Term	1.96	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	30.00	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	11.98	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	55.28	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	53.05	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	15.32	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	54.05	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	23.21	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	7.35	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	36.17	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	11.63	ACUITE AA- | Stable (Reaffirmed)
04 Aug 2023	Proposed Secured Non-Convertible Debentures	Long Term	1.96	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	30.00	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	11.98	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	55.28	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	53.05	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	15.32	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	54.05	ACUITE AA- | Stable (Reaffirmed)

	Non-Covertible Debentures (NCD)	Long Term	23.21	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	7.35	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	36.17	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	11.63	ACUITE AA- | Stable (Reaffirmed)
05 Aug 2022	Proposed Secured Non-Convertible Debentures	Long Term	300.00	ACUITE AA- | Negative (Downgraded from ACUITE AA | Negative)
01 Feb 2022	Proposed Secured Non-Convertible Debentures	Long Term	300.00	ACUITE AA | Negative (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Not Applicable	INE523L07710	Non-Convertible Debentures (NCD)	15 Jul 2022	9.16	15 Jul 2027	54.05	Simple	ACUITE AA- | Stable | Reaffirmed
Not Applicable	INE523L07751	Non-Convertible Debentures (NCD)	15 Jul 2022	9.55	15 Jul 2027	23.21	Simple	ACUITE AA- | Stable | Reaffirmed
Not Applicable	INE523L07728	Non-Convertible Debentures (NCD)	15 Jul 2022	Not avl. / Not appl.	15 Jul 2027	7.35	Simple	ACUITE AA- | Stable | Reaffirmed
Not Applicable	INE523L07744	Non-Convertible Debentures (NCD)	15 Jul 2022	9.53	15 Jul 2032	36.17	Simple	ACUITE AA- | Stable | Reaffirmed
Not Applicable	INE523L07736	Non-Convertible Debentures (NCD)	15 Jul 2022	9.95	15 Jul 2032	11.63	Simple	ACUITE AA- | Stable | Reaffirmed
Not Applicable	INE523L07678	Non-Convertible Debentures (NCD)	15 Jul 2022	8.75	15 Jul 2024	30.00	Simple	Not Applicable|Withdrawn
Not Applicable	INE523L07686	Non-Convertible Debentures (NCD)	15 Jul 2022	Not avl. / Not appl.	15 Jul 2024	11.98	Simple	Not Applicable|Withdrawn
Not Applicable	INE523L07660	Non-Convertible Debentures (NCD)	15 Jul 2022	8.80	15 Jul 2025	55.28	Simple	Not Applicable|Withdrawn
Not Applicable	INE523L07694	Non-Convertible Debentures (NCD)	15 Jul 2022	9.15	15 Jul 2025	53.05	Simple	Not Applicable|Withdrawn
Not Applicable	INE523L07702	Non-Convertible Debentures (NCD)	15 Jul 2022	Not avl. / Not appl.	15 Jul 2025	15.32	Simple	Not Applicable|Withdrawn
Not Applicable	Not avl. / Not appl.	Proposed Secured Non-Convertible Debentures	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.96	Simple	ACUITE AA- | Stable | Reaffirmed

***Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)**

Sr.No	Company Name
1	Nuvama Wealth Management Limited
2	Nuvama Wealth and Investment Limited
3	Nuvama Wealth Finance Limited
4	Nuvama Clearing Services Limited
5	Nuvama Asset Mangement Limited
6	Nuvama Investment Advisors (Hongkong) Private Limited
7	Nuvama Capital Services(IFSC) Limited
8	Nuvama Financial Services Inc

9	Nuvama Investment Advisors LLC
10	Nuvama Financial Services (UK) Ltd
11	Nuvama Investment Advisors (Hong Kong) Pvt Ltd
12	Nuvama Custodial Services Ltd
13	Pickright Technologies Pvt Ltd
14	Nuvama and Cushman & Wakefield Management Phivate Limited
15	Nuvama Wealth Management (DIFC) Limited

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