

## ECL Finance Limited

October 08, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long-term bank facilities	3,256.66 (Reduced from 5,286.66)	CARE A (RWN)	Continues to be on Rating Watch with Negative Implications
Long-term instruments (subordinate debt)	380.00	CARE A (RWN)	Continues to be on Rating Watch with Negative Implications
Long-term instruments (subordinate debt)	45.00	CARE A (RWN)	Continues to be on Rating Watch with Negative Implications
Long-term instruments (subordinate debt)	305.00 (Reduced from 455.00)	CARE A (RWN)	Continues to be on Rating Watch with Negative Implications
Non-convertible debentures	147.00 (Reduced from 313.50)	CARE A (RWN)	Continues to be on Rating Watch with Negative Implications
Non-convertible debentures	111.90	CARE A (RWN)	Continues to be on Rating Watch with Negative Implications
Non-convertible debentures	317.30 (Reduced from 545.90)	CARE A (RWN)	Continues to be on Rating Watch with Negative Implications
Market-linked debentures	-	-	Withdrawn
Commercial paper	-	-	Withdrawn
Commercial paper	-	-	Withdrawn

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

CARE Ratings Limited (CARE Ratings) has taken a consolidated view of Edelweiss Financial Services Limited (EFSL) for rating of debt instruments of EFSL and its subsidiaries. Ratings continue to be on 'Rating watch with Negative implications' considering business restrictions placed by the Reserve Bank of India (RBI) (regulator) on two subsidiaries of EFSL, ECL Finance Limited (ECLF) and Edelweiss Asset Reconstruction Company Limited (EARC) on May 29, 2024. The regulator has cited material supervisory concerns while imposing these restrictions and will review the restrictions once corrective actions are taken.

The regulator has directed ECLF to cease and desist from undertaking structured transactions in respect of ECLF's wholesale exposures, other than repayment and/or closure of accounts in its normal course of business. CARE Ratings notes that effective January 01, 2024, ECLF decided not to undertake new business in real estate or structured finance verticals. CARE Ratings understands that remedial actions have been submitted by the company and the regulator's response is awaited. ECLF has also stated they will continue with their strategy to reduce wholesale exposure in the normal course of business and growth in the retail MSME book through co-lending.

With respect to EARC, the regulator has directed the company to cease and desist from acquisition of financial assets including security receipts (SRs), and from re-organising existing security receipts (SRs) into senior and subordinate tranches. CARE Ratings does not expect material impact on recovery efforts and resolution of the existing portfolio to be managed by EARC, which would continue normally. As stated by the management, EARC has submitted remedial actions to the regulator, however, the latter's response is awaited. EARC mentioned that operations will be aligned with regulatory expectations, wherever needed.

CARE Ratings will continue to monitor corrective actions to be taken by Edelweiss group as also developments on future business prospects, liability franchise, liquidity and overall impact on the group.

<sup>1</sup>Complete definition of ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Limited's publications.

Ratings continue to be supported by the diversified business profile of the Edelweiss group, which results in income diversification across sectors such as credit, asset management, asset reconstruction, alternative asset investments, and insurance. The group maintains adequate capitalisation and successfully reduced its wholesale credit book. The group demonstrated its ability to monetise stakes in its different businesses. Recently, the group liquidated ~6% stake of Nuvama Wealth Management Limited (Nuvama) for ~₹1500 crore as of September 27, 2024, enhancing its liquidity. The remaining stake in Nuvama is expected to be sold by March 2025. The group plans to divest 10% to 20% of its stake in Edelweiss Alternative Asset Management (EAAA) by September 2025, with proceeds strategically used to reduce debt. This move will also provide a buffer against adverse developments that could significantly impact business or financial risk profile. Ratings also reflect the group's strong intention to monetise investments in other businesses, such as mutual funds, insurance, and housing finance, where the group has created substantial value relative to the initial capital invested.

Leverage across businesses improved in the last few years due to reduced debt. However, the group's gearing increased because consolidated tangible net worth declined compared from ₹7,376 crore as on March 31, 2023, to ₹4,770 crore as on March 31, 2024. This decline was primarily due to the distribution of 30% of stake in Nuvama to EFSL shareholders as part of the de-merger.

However, ratings continue to remain constrained considering lower-than-expected growth in the retail asset under management (AUM), despite some improvement in FY24. As on March 31, 2024, AUM of the retail book stood at ₹5,368 crore up from ₹4879 crore as on March 31, 2023. However, there was a slight decline to ₹5,320 crore by June 30, 2024. The group experienced slower disbursements in the MSME sector in FY24 and Q1FY25 compared to the housing sector, primarily due to funding constraints caused by RBI's increased risk weights for unsecured lending. Going forward, the group's lending business will focus on co-lending model, which is expected to result in slower book growth and diversification of liabilities.

In the last five years, as the group has wound down its former wholesale credit business, it has faced asset quality challenges with remaining assets. A significant portion of loan assets was sold to asset reconstruction companies (ARC) and alternative investment funds (AIF), including EARC, often involving subordinated structures. However, for many of assets and SRs sold, the group (mainly through the holding company, EFSL) has retained risk and put options on structured deals.

Although the stressed assets (on consolidated basis) decreased from ₹13,149 crore as on March 31, 2023, to ₹9,586 crore as on June 30, 2024, they continue to remain high. CARE Ratings will continue to monitor the recovery from these stressed assets as anticipated by the group as remaining assets may be difficult to recover. CARE Ratings acknowledges provisions maintained for these stressed assets. As on June 30, 2024, net stressed assets stood at ₹6,144 crore.

As of August 22, 2024, the group maintains adequate liquidity amounting to ₹1795 crore. This includes overnight liquidity of ₹1125 crore, available bank lines of ₹44 crore, and other treasury assets worth ₹626 crore. This liquidity is sufficient to cover debt obligations and operating expenses for three months without considering inflows from business assets. The group's liquidity was further enhanced by liquidation of Nuvama shares for ₹1500 crore in September 2024.

CARE Ratings has withdrawn ratings assigned to commercial paper (CP) at the request of the client and is in line with CARE Ratings' withdrawal policy.

## **Rating sensitivities: Factors likely to lead to rating actions**

### **Positive factors**

- Significant scale up in retail lending businesses with return on total AUM of over 2.5% on sustained basis.
- Significant reduction in stressed assets without impacting net worth.
- Significant improvement in group profitability.

### **Negative factors**

- Slower than expected reduction in consolidated debt, due to inability to monetise group's businesses worth ~₹4500 crore by March 2026 or recovery from stressed assets.
- Deterioration in group profitability or asset quality
- Depletion in liquidity buffer (cash & bank balances) maintained by the group.
- Adverse developments, impacting business risk and/or financial risk profile significantly.

**Analytical approach:** Consolidated.

As the flagship company of the Edelweiss group, EFSL owns 100% in most of its subsidiaries and the management/line functions for these businesses are common with significant operational and financial integration among them. Hence, CARE Ratings has considered a consolidated view of EFSL for arriving at rating. Subsidiaries considered for consolidation are listed under Annexure 6.

**Outlook:** Not applicable

**Detailed description of key rating drivers:****Key strengths****Diversified presence across business segments**

Edelweiss group is a diversified financial services group with presence verticals as such credit, advisory and insurance businesses. Their credit services include mortgage finance, SME credit. Advisory and fee businesses comprise of asset management (Mutual funds and alternatives) and asset reconstruction business. They offer life and general insurance. The group's strategy involves separating these businesses into distinct entities with independent boards and management teams, eventually transferring control to third-party investors.

In FY24, the group's total consolidated income stood at ₹ 9602 crore mainly derived from interest income accounting for 30% (FY22: 34%) of the total income, broking and fee-based income comprising of 13% (FY22: 14%) and insurance premium contribution steadily increased over the years from 12% in FY21 to 24% in FY24 (FY23: 22%).

**Experienced management team**

EFSL has a strong management team with a rich experience in the financial sector. EFSL's senior management team has been quite stable in the last few years and most of the senior management have been with the company for a long tenure. CARE Ratings notes that all business divisions such as ARC, AMC, alternative, credit and insurance verticals have strong management teams for respective businesses.

**Demonstrated track record of monetisation of investments in subsidiaries**

The group has demonstrated its ability to monetise its investment in subsidiaries to shore up its capitalisation level. In September 30, 2024, the group sold around 6% stake in Nuvama Wealth Management Limited Limited (Nuvama) for a consideration of ₹1500 crore. Further, the group holds 8% in Nuvama which is expected to be monetised by March 2025. The group has envisaged divesting 10% to 20% of its stake in Edelweiss Alternative Asset Management (EAAA) monetising ~₹2000 crore, which is to be closed in tranches till September 2025, proceeds of which, are expected to be deployed for debt reduction.

The group has raised ~₹6100 crore over the years through stake monetisation in businesses such as NBFC, asset reconstruction company, insurance broking and wealth management.

Going forward, CARE Ratings expects the group to monetise investments in some of its subsidiaries such as alternatives, housing, mutual fund, insurance in the medium term, based on suitable valuations.

**Key weaknesses****Increase in group's leverage; however, businesses leverage declines**

As of March 31, 2024, Edelweiss Group's consolidated gross debt (excluding Compulsorily Convertible Debentures [CCDs]) stood at ₹20,249 crore (excluding collateralised borrowing and lending obligation [CBLO] is ₹18,268 crore), down from ₹21,001 crore (excluding CBLO is ₹19,841 crore) on March 31, 2023. While the group's shift to an asset-light model has contributed to debt reduction over the years, significant decreases are still needed. Sale of wholesale assets with recourse to the parent has partially offset this reduction by adding other financial liabilities. The group's overall gearing ratio increased to 4.20x as of March 31, 2024, from 2.85x a year earlier. Tangible net worth, including CCDs, was ₹7,376 crore on March 31, 2023, but declined to ₹4,770 crore as on March 31, 2024, due to transferring 30% holdings in Nuvama to EFSL shareholders.

The group faces a contingent liability related to the Anugrah case, stemming from EFSL's indemnity to Nuvama Clearing Services Limited (NCSL). According to a Securities Appellate Tribunal (SAT) order, NCSL must reinstate securities worth approximately ₹460 crore sold in Q4FY20 and Q1FY21. NCSL has appealed this order to the Supreme Court of India, with the hearing still pending. Any adverse developments in this case will be closely monitored.

Despite these challenges, individual businesses within the group have significantly reduced their debt in the last few years, improving leverage. Since March 2019, the group has seen a notable decrease in debt obligations, particularly from March 2019 to March 2022. Significant debt reductions have occurred in the NBFCs, ECL Finance, and Edelweiss Retail Finance Limited, which managed the wholesale business. The group's treasury entities have also reduced debt since its peak, although their debt has increased over the last three years to support credit entities. The group expects further debt reduction through stake monetisation and recovery from stressed assets.

### **Asset quality challenges continue**

As of June 30, 2024, the gross stage 3 (GS3) assets in Edelweiss Group's lending business stood at 13.5%, up from 13% on March 31, 2024, and 10.5% on March 31, 2023. The net stage 3 (NS3) assets stood at 2.7% on June 30, 2024, compared to 2.6% on March 31, 2024, and 2.4% on March 31, 2023. Despite a reduction in absolute terms, the GS3 ratio remains high due to a run-down in the loan book. For the retail book, GS3 and NS3 stood at 2.3% and 1.6%, respectively, as of June 30, 2024, compared to 1.8% and 1.2% on March 31, 2024, and 3.0% and 2.6% on March 31, 2023.

The group has significantly reduced its wholesale book in the last few years through cash recoveries and sell-downs to asset reconstruction companies (ARCs) and alternative investment funds (AIFs). These assets retained at the consolidated entity as financial assets, have decreased in the last three years. The stage 3 portion of these assets was ₹9,586 crore on June 30, 2024, down from ₹9,597 crore on March 31, 2024, and ₹13,149 crore on March 31, 2023. As of June 30, 2024, these assets included ₹733 crore in the lending book, ₹6,799 crore in credit loans sold to EARC (held as SRs in credit entities and ARC), ₹1,685 crore in credit loans sold to AIF, ₹290 crore in ARC lending, and ₹79 crore in credit loans sold to external ARC. Despite reductions, the portfolio remains high. The group has provided put options to external parties for these assets.

The group has maintained adequate provisioning and collateral for overall stage 3 assets. Net stage 3 assets were ₹6,144 crore on June 30, 2024, compared to ₹6,224 crore on March 31, 2024, and ₹8,305 crore on March 31, 2023. CARE Ratings notes that the group's ability to reduce the residual book through recoveries without further provisioning challenges will be a key rating monitorable.

### **Lower growth in retail AUM, despite improvement**

As of June 30, 2024, Edelweiss Group's overall loan book (excluding portfolio recourse to the parent) was ₹5,447 crore, down from ₹5,537 crore on March 31, 2024, and ₹7,548 crore on March 31, 2023. The retail segment, which includes housing finance, loans against property, construction finance, SME loans, and business loans, had a loan book of ₹4,321 crore on June 30, 2024, up from ₹4,261 crore on March 31, 2024, and ₹3,795 crore on March 31, 2023, marking a 14% growth since March 31, 2023.

Focusing on an asset-light model, the group improved disbursements through co-lending partnerships in the retail book, leading to growth in assets under management (AUM). In FY24, the group disbursed ₹2,342 crore in loans, with ₹1,235 crore through co-lending (compared to ₹1,176 crore in FY23, with ₹438 crore through co-lending). In Q1FY25, the group disbursed ₹519 crore in loans, with ₹240 crore through co-lending. The group also resorts to securitization for the retail loan book. Due to increased disbursements, the AUM of the retail book was ₹5,320 crore as on June 30, 2024, and ₹5,368 crore as on March 31, 2024, up from ₹4,879 crore on March 31, 2023.

The wholesale loan book has significantly decreased in the last few years. As of June 30, 2024, it stood at ₹1,126 crore, down from ₹1,276 crore on March 31, 2024, and ₹3,753 crore on March 31, 2023 (₹5,698 crore on March 31, 2022). This reduction is due to actual recoveries and substantial sell-downs to asset reconstruction companies (ARCs) and alternative investment funds (AIFs). Sell-downs to ARCs have generated security receipts (SRs) in the credit entities. As of June 30, 2024, SRs outstanding in credit entities were ₹3,880 crore, down from ₹4,120 crore on March 31, 2024, however, increased from ₹3,101 crore on March 31, 2023. Edelweiss Group has retained risk and rewards on a large portion of the assets sold to ARCs and AIFs, so these wholesale assets (loans and SRs) are reported as financial assets (loans) on a consolidated basis. The group's consolidated loans have decreased from ₹17,354 crore on March 31, 2023, to ₹14,676 crore on June 30, 2024.

### **Distressed assets business**

As on June 30, 2024, EARC's AUM stood at ₹29,905 crore against ₹31,590 crore as on March 31, 2024, and ₹37,100 crore as on March 31, 2023. AUM decline is attributed to regulator's order to cease and desist from acquisition of new assets. The company submitted remedial plans on observations received with implementation timelines response of the regulator is awaited. CARE Ratings does not expect material impact on recovery efforts and resolution of the existing portfolio to be managed by EARC and the same would continue normally. EARC reported a PAT of ₹355 crore in FY24 against ₹318 crore in FY23. In Q1FY25, PAT stood at ₹85 crore.

The ARC business demonstrated growth in the last few years with steady recoveries and profitability, inherent high riskiness of the business leads to uncertainty and credit risk. The group has acquired a large portfolio of distressed assets in the last few years and the resolution in such cases needs to be seen. Implementation of Insolvency and Bankruptcy Code (IBC) has improved pace of resolution. The company is gradually moving towards retail, where of the total capital employed of ₹4322 crore as on June 30, 2024, ~14% is towards the retail book.

### **Moderate profitability supported by net fair gains**

On a consolidated basis, Edelweiss Group's profitability remains moderate largely supported by net fair value gains. In FY24, the group reported a profit after tax (PAT) of ₹528 crore, up from ₹406 crore in FY23, driven by lower credit costs and higher fair value gains. The return on total assets (ROTA) and return on tangible net worth (RONW) were 1.26% and 8.70%, respectively, for FY24, compared to 0.96% and 6.59% for FY23. In Q1FY25, the group reported a PAT of ₹85 crore, up from ₹78 crore in Q1 FY24, due to increased total income supported by higher interest income and fair value gains.

Among the group's businesses, all are profitable except the insurance business. The ARC and alternative asset management business are largest contributors to consolidated profitability, accounting for about 70% of the consolidated profit (excluding the insurance business). The profitability of the credit business has improved in the last few years due to lower credit costs, but it remains subdued. Insurance businesses are expected to break even in the next three years. Going forward, EARC's profitability may be slightly impacted by the ongoing RBI order on asset acquisition, and profitability of the credit business will be monitored due to the shift to co-lending partnerships, which may lead to slower growth in the loan book.

### **Liquidity: Adequate**

The liquidity profile of the group remains adequate. As on August 22, 2024, the group has liquidity to the tune of ₹1795 crore comprising overnight liquidable assets of ₹1125 crore, treasury assets of ₹626 crore and available bank lines of ₹ 44 crore. The group has debt repayment obligation of ₹5300 crore for the next one year, as on June 30, 2024. This liquidity is sufficient for around four months of debt repayment obligation.

The group sold ~6% stake in Nuvama, which further augmented liquidity as on September 30, 2024. However, uncertainty exists on timeliness of inflows due to exposure to relatively weaker asset profile in its wholesale credit book and recovery timeline of sticky stressed assets.

### **Environment, social, and governance (ESG) risks**

The Environmental, Social and Governance (ESG) agenda is overseen by the ESG Council (Vidya Shah- Chairperson), which aims to embed sustainability at Edelweiss. The board is headed by eight board members. Through EdelGive Foundation, the company interacts with stakeholders – communities. EdelGive Foundation is a philanthropic asset manager and advisory partner to funders such as individuals, HNIs, corporates, institutions and foundations—both international and domestic—with specialisation in multi-stakeholder collaboration. EdelGive also launched initiatives such as GROW, and Landscape Study on Women Entrepreneurship, among others, which helped Edelweiss to strengthen its foot in the ESG framework.

### **Applicable criteria**

[Consolidation](#)

[Definition of Default](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios - Financial Sector](#)

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[Non Banking Financial Companies](#)

[Market Linked Notes](#)

### **About the company and industry**

#### **Industry classification**

Macroeconomic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Finance	Non-banking financial company (NBFC)

Previously known as Edelweiss Capital Limited, EFSL was incorporated in 1995 by Rashesh Shah and Venkat Ramaswamy. EFSL is registered as a Category I Merchant Banker with SEBI and is the holding company of the Edelweiss Group. On a standalone basis, the company is primarily engaged in investment banking services and provides development, managerial and financial support to businesses of the Edelweiss group entities. The Edelweiss Group offers a range of products and services, spanning

varied asset classes and diversified consumer segments. Businesses of Edelweiss are organised around three broad lines – credit including housing finance, SME loans, Franchise & advisory businesses including, asset management and capital markets and insurance including life and general insurance. The Balance-sheet Management Unit (BMU) attends to the group's balance sheet and liquidity management. The Edelweiss group comprised Edelweiss Financial Services Limited (EFSL, the parent company) has 30 subsidiaries and associates as on March 31, 2024.

Brief Financials for EFSL (Consolidated) (₹crore)	March 31, 2023 (A)	March 31, 2024 (A)	June 30, 2024 (UA)
Total operating income	8,633	9,602	2337
PAT (including share of associates)	406	528	85
Interest coverage (times)	1.10	1.16	1.15
Total assets	42,677	41,175	-
Net Stage 3 (%) for credit book entities	2.39	2.56	2.75
ROTA (%)	0.96	1.28	-

A: Audited UA: Unaudited; Note: these are latest available financial results

**Status of non-cooperation with previous CRA:** Not applicable

**Any other information:** Not applicable

**Rating history for last three years:** Annexure-2

**Detailed explanation of covenants of rated instrument / facility:** Annexure-3

**Complexity level of instruments rated:** Annexure-4

**Lender details:** Annexure-5

#### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan	-	-	-	31-Mar-28	2757.07	CARE A (RWN)
Fund-based - LT-Term Loan-proposed	-	-	-	-	499.59	CARE A (RWN)
Debentures-Non Convertible Debentures	INE804IA7139	23-May-19	NA	23-May-29	35.5	CARE A (RWN)
Debentures-Non Convertible Debentures	INE804IA7105	23-May-19	NA	23-May-24	0	Withdrawn
Debentures-Non Convertible Debentures	INE804IA7113	23-May-19	NA	23-May-24	0	Withdrawn
Debentures-Non Convertible Debentures	INE804IA7121	23-May-19	NA	23-May-24	0	Withdrawn
Debentures-Non Convertible Debentures	INE804IA7220	28-Nov-19	NA	28-Nov-24	47.4	CARE A (RWN)
Debentures-Non Convertible Debentures	INE804IA7238	28-Nov-19	NA	28-Nov-24	94.7	CARE A (RWN)

Debentures-Non Convertible Debentures	INE804IA7147	23-May-19	NA	23-May-29	6.6	CARE A (RWN)
Debentures-Non Convertible Debentures	INE804IA7246	28-Nov-19	NA	28-Nov-29	49	CARE A (RWN)
Debentures-Non Convertible Debentures	INE804IA7253	28-Nov-19	NA	28-Nov-29	40.5	CARE A (RWN)
Debentures-Non Convertible Debentures	INE804IA7212	28-Nov-19	NA	28-Nov-24	86.1	CARE A (RWN)
Debentures-Non Convertible Debentures	INE804IA7188	28-Nov-19	NA	28-Nov-24	14.5	CARE A (RWN)
Debentures-Non Convertible Debentures (Proposed)	-	-	-	-	54.9	CARE A (RWN)
Debentures-Non Convertible Debentures	INE804I077P8	09-Jan-17	9.00%	09-Jan-24	0	Withdrawn
Debentures-Non Convertible Debentures	INE804I07YF6	01-Dec-14	10.50%	01-Dec-24	10	CARE A (RWN)
Debentures-Non Convertible Debentures	INE804I07YP5	24-Dec-14	10.40%	24-Dec-24	10	CARE A (RWN)
Debentures-Non Convertible Debentures	INE804I07ZE6	16-Feb-15	10.10%	14-Feb-25	5	CARE A (RWN)
Debentures-Non Convertible Debentures	INE804I07ZT4	28-Mar-15	10.20%	28-Mar-25	10	CARE A (RWN)
Debentures-Non Convertible Debentures	INE804I07ZY4	21-Apr-15	10.00%	21-Apr-25	10	CARE A (RWN)
Debentures-Non Convertible Debentures	INE804I07E34	05-Oct-15	9.80%	03-Oct-25	20	CARE A (RWN)
Debentures-Non Convertible Debentures	INE804I07E42	06-Oct-15	9.81%	06-Oct-25	12.5	CARE A (RWN)
Debentures-Non Convertible Debentures	INE804I07H49	22-Dec-15	9.80%	22-Dec-25	25	CARE A (RWN)
Debentures-Non Convertible Debentures (Proposed)	-	-	-	-	44.5	CARE A (RWN)
Debentures-Market Linked Debentures (Proposed)	-	-	-	-	0	Withdrawn
Debt-Subordinate Debt	INE804I08643	04-Feb-15	11.25%	03-May-25	300	CARE A (RWN)
Debt-Subordinate Debt	INE804I08767	14-Jun-17	9.60%	13-Jun-25	5	CARE A (RWN)
Debt-Subordinate Debt	INE804I08668	03-Sep-15	10.62%	03-Sep-25	10	CARE A (RWN)

Debt-Subordinate Debt	INE804I08676	30-Sep-15	10.60%	30-Sep-25	10	CARE A (RWN)
Debt-Subordinate Debt	INE804I08692	16-Jun-16	10.15%	16-Jun-26	250	CARE A (RWN)
Debt-Subordinate Debt	INE804I08726	05-May-17	9.75%	30-Apr-27	45	CARE A (RWN)
Debt-Subordinate Debt	INE804I08759	13-Jun-17	9.65%	08-Jun-27	10	CARE A (RWN)
Debt-Subordinate Debt (Proposed)	-	-	-	-	100	CARE A (RWN)
Commercial paper (IPO financing) (Proposed)	-	-	-	-	0	Withdrawn
Commercial paper (proposed)	-	-	-	-	0	Withdrawn

### Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Debt-Subordinate Debt	LT	-	-	-	-	1)Withdrawn (06-Oct-22)	1)CARE A+; Stable (07-Oct-21)
2	Fund-based-Long Term	LT	2757.07	CARE A (RWN)	1)CARE A (RWN) (06-Jun-24)	1)CARE A+; Stable (03-Jan-24) 2)CARE A+; Negative (05-Oct-23) 3)CARE A+; Negative (16-May-23)	1)CARE A+; Negative (06-Oct-22)	1)CARE A+; Stable (07-Oct-21)
3	Debt-Subordinate Debt	LT	380.00	CARE A (RWN)	1)CARE A (RWN) (06-Jun-24)	1)CARE A+; Stable (03-Jan-24)	1)CARE A+; Negative (06-Oct-22)	1)CARE A+; Stable (07-Oct-21)



						2)CARE A+; Negative (05-Oct-23) 3)CARE A+; Negative (16-May-23)		
4	Commercial Paper-Commercial Paper (Standalone)	ST	-	-	1)CARE A1 (RWN) (06-Jun-24)	2)CARE A1+ (05-Oct-23) 3)CARE A1+ (16-May-23)	1)CARE A1+ (06-Oct-22)	1)CARE A1+ (07-Oct-21)
5	Debentures-Non Convertible Debentures	LT	147.00	CARE A (RWN)	1)CARE A (RWN) (06-Jun-24)	2)CARE A+; Negative (05-Oct-23) 3)CARE A+; Negative (16-May-23)	1)CARE A+; Negative (06-Oct-22)	1)CARE A+; Stable (07-Oct-21)
6	Debentures-Market Linked Debentures	LT	-	-	1)CARE PP-MLD A (RWN) (06-Jun-24)	2)CARE PP-MLD A+; Negative (05-Oct-23) 3)CARE PP-MLD	1)CARE PP-MLD A+; Negative (06-Oct-22)	1)CARE PP-MLD A+; Stable (07-Oct-21)

						A+; Negative (16-May-23)		
7	Debt-Subordinate Debt	LT	45.00	CARE A (RWN)	1)CARE A (RWN) (06-Jun-24)	1)CARE A; Stable (03-Jan-24) 2)CARE A+; Negative (05-Oct-23) 3)CARE D (16-May-23) 4)CARE A+; Negative (16-May-23)	1)CARE A+; Negative (06-Oct-22)	1)CARE A+; Stable (07-Oct-21)
8	Fund-based-Long Term	LT	499.59	CARE A (RWN)	1)CARE A (RWN) (06-Jun-24)	1)CARE A; Stable (03-Jan-24) 2)CARE A+; Negative (05-Oct-23) 3)CARE A+; Negative (16-May-23)	1)CARE A+; Negative (06-Oct-22)	1)CARE A+; Stable (07-Oct-21)
9	Commercial Paper-Commercial Paper (IPO Financing)	ST	-	-	1)CARE A1 (RWN) (06-Jun-24)	1)CARE A1 (03-Jan-24) 2)CARE A1+ (05-Oct-23) 3)CARE A1+ (16-May-23)	1)CARE A1+ (06-Oct-22)	1)CARE A1+ (07-Oct-21)

10	Debentures-Non Convertible Debentures	LT	111.90	CARE A (RWN)	1)CARE A (RWN) (06-Jun-24)	1)CARE A; Stable (03-Jan-24) 2)CARE A+; Negative (05-Oct-23) 3)CARE A+; Negative (16-May-23)	1)CARE A+; Negative (06-Oct-22)	1)CARE A+; Stable (07-Oct-21)
11	Debentures-Non Convertible Debentures	LT	317.30	CARE A (RWN)	1)CARE A (RWN) (06-Jun-24)	1)CARE A; Stable (03-Jan-24) 2)CARE A+; Negative (05-Oct-23) 3)CARE A+; Negative (16-May-23)	1)CARE A+; Negative (06-Oct-22)	1)CARE A+; Stable (07-Oct-21)
12	Debt-Subordinate Debt	LT	305.00	CARE A (RWN)	1)CARE A (RWN) (06-Jun-24)	1)CARE A; Stable (03-Jan-24) 2)CARE A+; Negative (05-Oct-23) 3)CARE A+; Negative (16-May-23)	-	-

LT: Long term; ST: Short term

**Annexure-3: Detailed explanation of covenants of rated instruments/facilities – Not available**

#### Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Commercial Paper-Commercial Paper (IPO Financing)	Simple
2	Commercial Paper-Commercial Paper (Standalone)	Simple
3	Debentures-Market Linked Debentures	Highly Complex
4	Debentures-Non Convertible Debentures	Complex
5	Debt-Subordinate Debt	Complex
6	Fund-based-Long Term	Simple

#### Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

#### Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	ECL Finance Limited	Full	Subsidiary
2	Edelcap Securities Limited	Full	Subsidiary
3	Edelweiss Asset Management Limited	Full	Subsidiary
4	Ecap Securities & Investments Limited (ECap Equities Limited)	Full	Subsidiary
5	Edelweiss Trusteeship Company Limited	Full	Subsidiary
6	Nido Home Finance Limited (formerly known as Edelweiss Housing Finance Limited)	Full	Subsidiary
7	Edelweiss Investment Advisors Private Limited, Singapore	Full	Subsidiary
8	Ecap Equities Limited (formerly known as Edel Land)	Full	Subsidiary
9	Edel Investments Limited	Full	Subsidiary
10	Edelweiss Rural & Corporate Services Limited (ERC SL) (Formerly Edelweiss Commodities Services Limited. (ECSL))	Full	Subsidiary
11	Comtrade Commodities Services Limited (Edelweiss Comtrade Limited.)	Full	Subsidiary
12	Edel Finance Company Limited.	Full	Subsidiary
13	Edelweiss Retail Finance Limited	Full	Subsidiary
14	Edelweiss Multi Strategy Fund Advisors LLP	Full	Subsidiary
15	Zuno General Insurance Limited (formerly known as Edelweiss General Insurance Company Limited)	Full	Subsidiary
16	Edelweiss Securities and Investments Pvt Limited	Full	Subsidiary
17	EC International Limited, Mauritius (ECIL)	Full	Subsidiary
18	Edelweiss Alternative Asset Advisors Pte. Limited [in Singapore]	Full	Subsidiary
19	Edelweiss International (Singapore) Pte. Limited	Full	Subsidiary
20	Edelgive Foundation	Full	Subsidiary
21	Edelweiss Alternative Asset Advisors Limited	Full	Subsidiary
22	Edelweiss Private Equity Tech Fund	Full	Subsidiary
23	Edelweiss Value and Growth Fund	Full	Subsidiary
24	Edelweiss Asset Reconstruction Company Limited	Full	Subsidiary
25	Edelweiss Tokio Life Insurance Company Limited	Full	Subsidiary
26	Allium Finance Private Limited	Full	Subsidiary
27	Edelweiss Global Wealth Management Limited	Full	Subsidiary

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
28	Nuvama Custodial Services Limited (Formerly known as Edelweiss Capital Services Limited)	Full	Subsidiary
29	Edelweiss Real Assets Managers Limited	Full	Subsidiary
30	Sekura India Management Limited	Full	Subsidiary

**Note on complexity levels of rated instruments:** CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for clarifications.

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