

May 09, 2024

## Nido Home Finance Limited: Ratings withdrawn for matured instruments

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Retail non-convertible debentures	530.03	530.03	[ICRA]A+ rating watch with negative implications; outstanding
Subordinated debt programme	50.00	50.00	[ICRA]A+ rating watch with negative implications; outstanding
Non-convertible debenture programme	525.00	525.00	[ICRA]A+ rating watch with negative implications; outstanding
Non-convertible debenture programme	50.00	0.00	[ICRA]A+ rating watch with negative implications; withdrawn
Bank lines – Long-term fund-based TL	2,715.00	2,715.00	[ICRA]A+ rating watch with negative implications; outstanding
<b>Total</b>	<b>3,870.03</b>	<b>3,820.03</b>	

\*Instrument details are provided in Annexure I

### Rationale

ICRA has withdrawn the [ICRA]A+ rating assigned to Rs. 50 crore of non-convertible debenture programme of Nido Home Finance Limited as there are no obligations outstanding against the rated instruments. This is in accordance with ICRA's policy on the withdrawal of credit ratings. The previous detailed rating rationale, which captures the key rating drivers and their description, liquidity position, rating sensitivities and key financial indicators is available at the following link: [Click here.](#)

### Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	<a href="#">ICRA's Credit Rating Methodology for Non-banking Finance Companies</a> <a href="#">Policy on withdrawal of credit ratings</a>
Parent/Group support	Not applicable; while arriving at the rating, ICRA has considered the consolidated financials (ex-insurance) of Edelweiss and has taken a consolidated view of the credit profiles of Edelweiss and its subsidiaries, which are engaged in retail lending and wholesale lending, and the asset management business due to the close linkages between the entities, common promoters and senior management team, shared brand name, and strong financial and operational synergies.
Consolidation/Standalone	ICRA has considered the consolidated financials (ex-insurance) of Edelweiss. Details of the subsidiaries are provided in Annexure II.

### About the company

Nido Home Finance Limited (Nido) is a housing finance company registered with National Housing Bank. It was incorporated in FY2011 following the Group's strategy of creating a footprint in the affordable housing space. As a part of the Group's positioning exercise, the company was rechristened Nido Home Finance Limited (Formerly Edelweiss Housing Finance Limited) in May 2023. In recent years, the company has realigned its strategy to focus on low ticket-sized home loans.

Nido reported a net profit of Rs. 16.1 crore on total income of Rs. 444.7 crore in FY2023 compared to Rs. 13.8 crore and Rs. 513.9 crore, respectively, in FY2022. As of March 31, 2023, its capitalisation profile was characterised by a net worth of Rs. 794.5 crore, a gearing of 2.33 times and a capital adequacy ratio of 32.1%.

### Edelweiss Financial Services Limited (parent)

Edelweiss Financial Services Limited (Edelweiss), the holding company of the Edelweiss Group of companies, was incorporated in 1995 to offer investment banking services primarily to technology companies. At present, the Group is engaged in wholesale

and retail lending, home finance, distressed assets resolution, general insurance, life insurance, alternatives and asset management. On a standalone basis, Edelweiss posted a total income of Rs. 3,089 crore and a PAT of Rs. 2,388 crore in FY2023 compared to total income of Rs. 1,373 crore and PAT of Rs. 933 crore in FY2022. While on a consolidated basis, Edelweiss posted a total income of Rs. 8,633 crore and a PAT of Rs. 344 crore in FY2023 compared to total income of Rs. 7,305 crore and PAT of Rs. 189 crore in FY2022. With fair valuations of stake held in Nuvama in FY2023, the Group had a consolidated net worth of Rs. 7,846 crore as of March 31, 2023. However, with allotment of 30% stake held in Nuvama to shareholders of Edelweiss, the consolidated net worth declined to ~Rs. 5,547 crore as of September 30, 2023.

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

**Any other information: None**

### Rating history for past three years

Instrument	Type	Current Rating (FY2025)		Chronology of Rating History for the Past 3 Years					
		Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating in FY2025	Date & Rating in FY2024		Date & Rating in FY2023	Date & Rating in FY2022	
				May 09, 2025	Dec 28, 2023	Jun 30, 2023	Jun 22, 2023	Jun 24, 2022	Jun 29, 2021
1 Non-convertible debenture	Long term	525.00	75.00 <sup>^</sup>	[ICRA]A+; rating watch with negative implications	[ICRA]A+; rating watch with negative implications	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Negative)
2 Subordinated debt	Long term	50.00	50.00	[ICRA]A+; rating watch with negative implications	[ICRA]A+; rating watch with negative implications	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Negative)
3 Bank lines – Long-term fund-based TL	Long term	2,715.00	1,009.72 <sup>^</sup>	[ICRA]A+; rating watch with negative implications	[ICRA]A+; rating watch with negative implications	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Negative)
4 Retail non-convertible debenture	Long term	530.03	380.03	[ICRA]A+; rating watch with negative implications	[ICRA]A+; rating watch with negative implications	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Negative)

<sup>^</sup> Balance yet to be issued/allocated

### Complexity level of the rated instrument

Instrument	Complexity Indicator
Retail non-convertible debenture programme	Simple
Non-convertible debenture programme	Simple
Subordinated debt programme	Moderately Complex
Bank lines – Long-term fund-based TL	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

**Annexure I: Instrument details**

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE530L07210	Retail non-convertible debentures	Jul 19, 2016	9.57%	Jul 18, 2026	24.84	[ICRA]A+; rating watch with negative implications
INE530L07228	Retail non-convertible debentures	Jul 19, 2016	10.00%	Jul 18, 2026	349.21	[ICRA]A+; rating watch with negative implications
INE530L07236	Retail non-convertible debentures	Jul 19, 2016	Zero Coupon	Jul 18, 2026	5.98	[ICRA]A+; rating watch with negative implications
INE530L07293	Non-convertible debentures	Jun 21, 2017	8.55%	Jun 21, 2022	50.00	[ICRA]A+ rating watch with negative implications; withdrawn
INE530L07160	Non-convertible debentures	Apr 29, 2016	9.62%	Apr 29, 2026	25.00	[ICRA]A+; rating watch with negative implications
NA	Non-convertible debentures – Proposed	NA	NA	NA	500.00	[ICRA]A+; rating watch with negative implications
INE530L08010	Subordinated debt	Feb 04, 2015	11.25%	May 03, 2025	50.00	[ICRA]A+; rating watch with negative implications
NA	Bank lines – Term loans and working capital	Feb 13, 2015	NA	Dec 01, 2024	2,015.00	[ICRA]A+; rating watch with negative implications
NA	Bank lines – Term loans and working capital (unallocated)	NA	NA	NA	700.00	[ICRA]A+; rating watch with negative implications
NA	Retail non-convertible debentures (Yet to be issued)	NA	NA	NA	65.13	[ICRA]A+; rating watch with negative implications
INE530L07582	Retail non-convertible debentures	Sep 15, 2023	8.95%	Sep 15, 2025	21.02	[ICRA]A+; rating watch with negative implications
INE530L07541	Retail non-convertible debentures	Sep 15, 2023	Zero	Sep 15, 2025	2.02	[ICRA]A+; rating watch with negative implications
INE530L07533	Retail non-convertible debentures	Sep 15, 2023	9.20%	Sep 15, 2026	19.43	[ICRA]A+; rating watch with negative implications
INE530L07624	Retail non-convertible debentures	Sep 15, 2023	9.60%	Sep 15, 2026	10.25	[ICRA]A+; rating watch with negative implications
INE530L07616	Retail non-convertible debentures	Sep 15, 2023	Zero	Sep 15, 2026	1.72	[ICRA]A+; rating watch with negative implications
INE530L07608	Retail non-convertible debentures	Sep 15, 2023	9.67%	Sep 15, 2028	5.00	[ICRA]A+; rating watch with negative implications
INE530L07558	Retail non-convertible debentures	Sep 15, 2023	10.10%	Sep 15, 2028	15.88	[ICRA]A+; rating watch with negative implications
INE530L07566	Retail non-convertible debentures	Sep 15, 2023	Zero	Sep 15, 2028	0.77	[ICRA]A+; rating watch with negative implications
INE530L07574	Retail non-convertible debentures	Sep 15, 2023	10.00%	Sep 15, 2033	2.51	[ICRA]A+; rating watch with negative implications
INE530L07590	Retail non-convertible debentures	Sep 15, 2023	10.45%	Sep 15, 2033	6.27	[ICRA]A+; rating watch with negative implications

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

**Annexure II: List of entities considered for consolidated analysis\***

Edelweiss Financial Services Limited	Edelweiss Group Ownership	Consolidation Approach
<b>Subsidiaries:</b>		
ECL Finance Limited	100.00%	
Edelcap Securities Limited	100.00%	
Edelweiss Asset Management Limited	100.00%	
ECap Equities Limited	100.00%	
Edelweiss Trusteeship Company Limited	100.00%	
Edelweiss Housing Finance Limited	100.00%	
Edelweiss Investment Adviser Limited	100.00%	
Edel Land Limited	100.00%	
Edel Investments Limited	100.00%	
Edelweiss Rural & Corporate Services Limited	100.00%	
Comtrade Commodities Services Limited	100.00%	
Edel Finance Company Limited	100.00%	
Edelweiss Retail Finance Limited	100.00%	
Edelweiss Multi Strategy Fund Advisors LLP	100.00%	
Edelweiss Resolution Advisors LLP	100.00%	
Edelweiss Securities and Investment Private Limited	100.00%	
EC International Limited	100.00%	
EAAA LLC	100.00%	
Edelweiss Alternative Asset Advisors Pte. Limited	100.00%	
Edelweiss International (Singapore) Pte. Limited	100.00%	
Edelgive Foundation	100.00%	
Edelweiss Alternative Asset Advisors Limited	99.05%	
Edelweiss Private Equity Tech Fund	95.60%	
Edelweiss Value and Growth Fund	70.05%	
Edelweiss Asset Reconstruction Company Limited	59.82%	
EW Special Opportunities Advisors LLC	67.00%	
Allium Finance Private Limited	85.00%	
Edelweiss Global Wealth Management Limited	100.00%	
Edelweiss Capital Services Limited	51.00%	
India Credit Investments Fund - II	100.00%	
Edelweiss Real Assets Managers Limited	100.00%	
Sekura India Management Limited	100.00%	

ICRA has taken a consolidated view of the parent and its subsidiaries

Source: Edelweiss Financial Services Limited; As on June 23, 2023

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