

Nuvama Wealth Management Limited

August 06, 2026

Facilities/Instruments	Name of the Regulator ¹	Amount (₹ crore)	Rating ²	Rating Action
Long-term / short-term bank facilities	RBI	500.00	CARE AA; Stable / CARE A1+	Reaffirmed
Issuer rating	-	0.00	CARE AA; Stable	Reaffirmed
Commercial paper	RBI	1,500.00 (Enhanced from 1,000.00 crore)	CARE A1+	Reaffirmed

Details of instruments/facilities in Annexure-1.

Issuer Ratings: There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has considered consolidated financials of Nuvama Wealth Management Limited (NWML) and its subsidiaries including Nuvama Wealth and Investment Limited (NWIL), Nuvama Wealth Finance Limited (NWFL) and Nuvama Clearing Services Limited. (NCSL), along with its associate and a joint venture (together referred as Nuvama Group) while arriving at ratings.

Ratings assigned to debt instruments and bank facilities of NWML factors in steady growth in the wealth management, asset services and capital market segments, which further strengthened its already established market presence. The rating also factors in Nuvama group's improving profitability, primarily supported by a diversified business model across wealth management, asset management, asset services and capital markets (comprising institutional equities and investment banking). As on March 31, 2026, Nuvama Group's client assets stood at ₹4,52,548 crore (FY25: ₹4,30,651 crore), recording a y-o-y growth of 5%, making it the second-largest independent wealth management player in India. The growth in client assets was mainly driven by scale up in the wealth management segment supported by healthy net new money flows.

On a consolidated level, NWML reported a consolidated profit after tax (PAT) of ₹1,040 crore in FY26, up from ₹985 crore in FY25, translating into return on net worth (RoNW) stood of 27.89% in FY26. The group's cost to income ratio marginally increased to 62.32% in FY26 from 60.28% in FY25, mainly considering steady Relationship Manager (RM) base expansion, and investments in technology, AI capabilities, and asset management business expansion. Cost-to-income ratio is expected to remain in similar range, as the company is focusing on building wealth management capabilities by onboarding RMs and also establishing core teams for its mutual fund. Ratings also factor in comfortable capitalisation with reported tangible net worth (TNW) of ₹4,053 crore, which is adequate to support the current scale of operations.

However, ratings remain constrained by the concentrated resource profile, with 25% of borrowings sourced from its own client base via Principal Protected Market Linked Debentures (PPMLDs), 31% from non-convertible debentures (NCDs), and 35% from commercial papers (CPs). The Nuvama Group's earnings are susceptible to volatility in capital markets, regulatory changes, and attrition risk, particularly in its wealth management business, where client relationships are closely tied to individual RMs.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors: Factors that could individually or collectively lead to positive rating action/upgrade:

- Improvement and diversification in the profitability profile of the company on a sustained basis.
- Sustained growth in client assets with higher share of annual recurring revenue (ARR) assets.

¹SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

²Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Negative factors: Factors that could individually or collectively lead to negative rating action/downgrade:

- Material and prolonged erosion in the AUM with high client and employee attrition.
- Regulatory action in wealth management segments resulting in change in the business profile.
- Overall gearing exceeding 3x on a consolidated basis.
- Venturing into unrelated businesses.

Analytical approach: Consolidated

NWML owns 100% in most subsidiaries and the management or line functions for these businesses is common with significant operational and financial integration among them. As on March 31, 2026, the group had 15 subsidiaries, one associate and one joint venture, that are enlisted in Annexure 5.

Outlook: Stable

CareEdge Ratings believes that NWML, at a consolidated level, will continue to demonstrate stable financial performance considering its established presence in the wealth management business while maintaining comfortable capitalisation and synergies with group companies.

Detailed description of key rating drivers:
Key strengths
Established market position in wealth management business

The Nuvama Group operates in four business segments; wealth management (ultra-high net worth individuals [UHNIs], high net worth individuals [HNIs]) and Affluent), asset management, asset services and capital markets (institutional equities and investment banking). The number of relevant UHNIs families served by the company increased from 4,250 in FY25 to 4,750 in FY26. The company currently serves over ~1.3 million affluent and HNI clients. It is the second-largest independent wealth management player in India as reflected in the client assets, which stood at ₹ 4,52,548 crore as on March 31, 2026, with net new money flows of ₹ 26,124 crore in wealth segment and ₹1,798 crore in asset management segment in FY26. The asset management business being relatively at a nascent stage, has an AUM of ₹12,807 crore as on March 31, 2026, and is expected to scale up steadily. Asset servicing segment's asset under custody and clearing remained at similar level of ₹1,25,954 crore.

NWML has a subsidiary, NWFL, which is a registered non-banking finance company (NBFC) that provides loans against securities, ESOP funding, to the existing clients of the wealth management business with a loan book of ₹5,184 crore as on March 31, 2026. The reported asset quality indicators remain comfortable with no reported gross non-performing asset (GNPA), collateral cover of ~3x and zero credit losses since inception. Since the loan book is backed by financial assets, the books are susceptible to volatility in the capital markets.

NCSL is a wholly owned subsidiary of NWML, which is a professional clearing member (PCM), engaged in clearing business and settles trades of clients and further provides fund accounting services and is a Category-I, Registrar and Share Transfer Agent ("RTA") registered with SEBI. It serves over 275+ institutional clients including Foreign Institutional investors (FII), Alternate Investment Funds (AIF) and Portfolio Management Services (PMS). NCSL is the largest revenue and profitability contributor of the Nuvama group. In FY26, assets under clearing reported de-growth of 19% primarily due to subdued market activity while it contributed 23% to the consolidated revenue and 49% to the consolidated PAT.

NWIL, which is wholly owned subsidiary of NWML, primarily provides wealth management solutions, broking services, margin trade funding (MTF) and ESOP Funding having a loan book of ₹2,475 crore as of March 2026.

Improving Profitability considering diversified business segments

The group's earnings profile remains resilient despite subdued market activity in FY26, supported by consistent growth in income and profitability across market cycles. On a consolidated basis, NWML reported a PAT of ₹1,040 crore on total income of ₹4,650 crore in FY26, compared to ₹985 crore on total income of ₹4,169 crore in FY25, reflecting steady profitability. RoNW remained healthy at 27.89% as on March 31, 2026 (FY25: 31.79%), underscoring sustained profitability despite a relatively challenging capital market environment. The earnings profile is further strengthened by diversification across business segments, with meaningful contributions from asset services, wealth management, and lending operations, enhancing stability and predictability of cash flows.

Operating efficiency moderated slightly, with the cost-to-income ratio³ increasing to 62.32% in FY26 from 60.29% in FY25, primarily considering continued investments in expanding distribution capabilities and strengthening the relationship management franchise and technological investments. While these investments may keep efficiency metrics range-bound in the near term, they are expected to support long-term growth. Overall, the group's diversified revenue mix and scalable platform continue to provide resilience to earnings, partially offsetting the impact of market-driven volatility. Going forward, CareEdge Ratings expects further diversification of profitability with steady scale up asset management business and sustained growth of other segments.

Strong and resourceful promoter and experienced management

PAG is an Asia-based alternative investment manager with ~US\$55 billion in AUM across private equity, real assets, and credit, operates through offices in Asia, London, and New York. PAG has invested ₹2,366 crore to acquire a majority stake in NWML and held 54.13% as of March 31, 2026.

Nuvama benefits from an experienced management team, led by Ashish Kehair, who has over two decades of experience in wealth management. The board comprises eight directors, including four independent directors, while team leaders and relationship managers have an average experience of over five years, supporting the group's position as a leading independent wealth management player.

Comfortable Capitalisation level

NWML's capitalisation remains comfortable with tangible net worth of ₹4,053 crore as on March 31, 2026, compared to ₹3,408 crore as on March 31, 2025, supported by healthy internal accruals post dividend payout. In FY26, the company's gearing on a consolidated basis stood at 2.85x (PY: 2.30x). Gearing level is expected to remain within 3x in the medium term. CareEdge Ratings expects NWML to continue maintaining healthy capitalisation in the future, supported by steady earnings and a balanced approach to dividend payouts.

Key weaknesses

Concentrated resource profile

NWML's resource profile remains concentrated with the company's borrowings largely being from CPs (~35% of the consolidated borrowings as on March 31, 2026), followed by non-convertible debentures (NCDs; 31%) and market-linked debentures (MLDs; 25%). The other source of fund are bank facilities (9%). The company's total borrowing is majorly deployed towards lending book (loan against securities, MTF and ESOP funding) while balance is used towards meeting margin requirement with the stock exchanges. CareEdge Ratings expects the borrowing to be deployed only for the lending, temporary warehousing of securities for down selling purpose and margin requirement purposes, and use of the same remains monitorable. The company was able to raise borrowings at competitive rates in FY26 with average cost of borrowings at 8.75% (PY: 9.05%) and the company's ability to further reduce its cost of funds will be a key monitorable.

Exposure to volatile capital markets, regulatory risk, and attrition risk

NWML's earnings remain exposed to the cyclicity and volatility of capital markets, as investor sentiment and portfolio flows directly influence revenue generation in the wealth management business. Consequently, periods of subdued market activity or lower net inflows may impact transaction volumes and fee income.

The group is also subject to regulatory risks given the highly regulated nature of its operations across wealth management and capital market segments. Adverse or unanticipated regulatory changes, such as restrictions on commissions or changes in margin requirements, could impact profitability.

The wealth management business significantly depends on RMs, making the group susceptible to attrition risk, as loss of key personnel could impact client relationships and business volumes. Additionally, regret attrition at RM level stood at moderate level with ~2% during FY26. CareEdge will continue to monitor attrition levels, given the business's reliance on RMs for growth and client retention.

While its diversified platform provides some mitigation, exposure to market volatility, regulatory changes, client concentration, and talent retention remains a key monitorable.

Liquidity: Strong

The company has strong liquidity with no negative cumulative mismatch per its asset liability maturity profile as on March 31, 2026. On a consolidated basis, NWML has strong liquidity cushion, comprising of ~₹1,275 crore in unencumbered cash and cash

³ Cost to income ratio has been calculated as per financials (Operating expenses/ Total income net off interest expenses)

equivalents and unutilised lines of ₹523 crore against scheduled repayments of ₹3,670 crore for the next three months. The company holds liquid trading securities ₹1,892 crore providing further financial flexibility.

Environment, social, and governance (ESG) risks

The company adopted a structured ESG framework aligned with the United Nations Sustainable Development Goals, with initiatives spanning environmental sustainability, social responsibility, and governance practices. On the governance front, it has implemented a board-approved ESG policy and established a dedicated ESG Committee. It published Business Responsibility and Sustainability Report (BRSR) for FY25 and conducted its first Information Security Systems Audit in FY26. The BRSR for FY 2025–26 is currently undergoing third-party assurance, as per SEBI requirements. All employees have been trained on data privacy and security, and the company reported zero instances of non-compliance, corruption, or data breaches during the year. NWML has four experienced independent directors (including one female independent director) with good mix of business and functional skills.

Applicable criteria

[Consolidation](#)

[Definition of Default](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios - Financial Sector](#)

[Service Sector Companies](#)

[Broking Firms](#)

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About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Capital markets	Other capital market related services

Erstwhile Edelweiss Securities Limited, NWML was incorporated in 1993. It was earlier a wholly owned subsidiary of Edelweiss Financial Services Limited. Incorporated in 1993, NWML is a public limited company incorporated under the provisions of the Companies Act. PAG is the promoter of NWML. The Company has its Equity Shares listed on National Stock Exchange of India Limited and BSE Limited. The company is registered as a trading-cum-clearing member with the National Stock Exchange of India Limited and the BSE Limited. NWML is registered as a Trading Member with Metropolitan Stock Exchange of India Limited, Multi Commodity Exchange of India Limited and National Commodity Exchange of India Limited.

NWML is the flagship company of the group. NWML carries on broking and trading in equity securities (including derivatives and currencies) listed on stock exchanges in India and in futures contracts, for institutional and non-institutional (including retail) clients. It is also registered with SEBI as Research Analyst, Investment Adviser and Merchant Banking. NWML through its subsidiaries provides wealth management, asset management and custody services to its clients and trading in securities and derivatives.

PAG is the parent of the Nuvama Group holding 54.13% stake as on March 31, 2026. Nuvama primarily serves affluent, HNI, and UHNI segments, catering to ~1.3 million affluent and HNI clients, and 4,750 families as of March 2026. As on March 31, 2026, the group's AUA stood at ₹4,52,548 crore, compared to ₹4,30,651 crore in FY25.

NWML- Consolidated

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	March 31, 2026 (A)
Total income	3,158	4,169	4,650
Profit after tax (TAX)	625	985	1,040
Tangible Net worth (TNW)	2,797	3,408	4,053
Loan Book	4,863	4,600	7,660
Adjusted total assets	20,285	28,302	34,421
Cost-to-Income (%)	66.52%	60.28%	62.32%

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	March 31, 2026 (A)
Overall Gearing (x)*	2.41	2.30	2.85
Return on total assets (ROTA) (%)	3.79%	4.06%	3.32%
Return on net worth (RONW) (%)	25.05%	31.76%	27.89%

A: Audited; Note: these are latest available financial results; Tangible net worth and adjusted total assets are net of intangible and deferred tax assets.

All ratios are per CareEdge's calculations.

*Overall gearing is total borrowings/ tangible net worth

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

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of the regulators:

A list of facilities / instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Commercial Paper	RBI	Simple	INE531F14GA5	01-07-2026	7.85%	10-09-2026	35.00	CARE A1+
Commercial Paper (Standalone)-Proposed	RBI	Simple	-	-	-	-	1,465.00	CARE A1+
Fund -based/ non-fund -based-LT/ST	RBI	Simple	-	-	-	-	400.00	CARE AA; Stable / CARE A1+
Fund -based/ non-fund -based-LT/ST-Proposed	RBI	Simple	-	-	-	-	100.00	CARE AA; Stable / CARE A1+
Issuer Rating	-	-	-	-	-	-	0.00	CARE AA; Stable

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 2026-2027	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024
1	Commercial Paper-Commercial Paper (Standalone)	ST	1500.00	CARE A1+	1)CARE A1+ (03-Jul-26)	1)CARE A1+ (04-Jul-25)	1)CARE A1+ (05-Jul-24)	1)CARE A1+ (07-Nov-23) 2)CARE A1+ (06-Jul-23)
2	Debentures-Market Linked Debentures	LT	-	-	-	-	-	1)Withdrawn (06-Jul-23)
3	Debentures-Market Linked Debentures	ST	-	-	-	-	-	1)Withdrawn (06-Jul-23)
4	Issuer Rating-Issuer Ratings	LT	0.00	CARE AA; Stable	1)CARE AA; Stable (03-Jul-26)	1)CARE AA; Stable (04-Jul-25)	1)CARE AA-; Stable (05-Jul-24)	1)CARE AA-; Stable (07-Nov-23) 2)CARE AA-; Stable (06-Jul-23)
5	Fund-based/Non-fund-based-LT/ST	LT/ST	500.00	CARE AA; Stable / CARE A1+	1)CARE AA; Stable / CARE A1+ (03-Jul-26)	1)CARE AA; Stable / CARE A1+ (04-Jul-25)	1)CARE AA-; Stable / CARE A1+ (05-Jul-24)	1)CARE AA-; Stable / CARE A1+ (07-Nov-23) 2)CARE AA-; Stable / CARE A1+ (06-Jul-23)

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities

Not applicable

Annexure-4: Lender detailsTo view lender-wise details of bank facilities please [click here](#)**Annexure-5: List of entities consolidated**

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Nuvama Clearing Services Limited	Full	Subsidiary
2	Nuvama Financial Services Inc.	Full	Subsidiary
3	Nuvama Financial Services (UK) Limited	Full	Subsidiary
4	Nuvama Investment Advisors (Hongkong) Private Limited	Full	Subsidiary
5	Nuvama Asset Management Limited	Full	Subsidiary
6	Nuvama Wealth Finance Limited	Full	Subsidiary
7	Nuvama Wealth and Investment Limited	Full	Subsidiary
8	Nuvama Capital Services (IFSC) Limited	Full	Subsidiary
9	Nuvama Investment Advisors Private Limited	Full	Subsidiary
10	Nuvama Investment Advisors LLC	Full	Subsidiary

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
11	Pickright Technologies Private Limited	Proportionate	Subsidiary
12	Nuvama Private (DIFC) Limited	Full	Subsidiary
13	Nuvama Mutual Fund Trusteeship Services Limited (w.e.f. November 14, 2025)	Full	Subsidiary
14	Nuvama Trusteeship Services Limited (w.e.f. December 09, 2025)	Full	Subsidiary
15	Nuvama India Acess LVF (w.e.f. December 22, 2025)	Full	Step-down Subsidiary
16	Nuvama Custodial Services Limited	Proportionate	Associate
17	Nuvama and Cushman & Wakefield Management Private Limited	Proportionate	Joint Venture

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

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About us:

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