Cyqure India Private Limited

September 03, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Non-convertible debentures	SEBI	3,000.00	CARE BBB-; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited's (CareEdge Ratings') analytical approach is based on, estimation of cashflows arising from monetisation of underlying insurance companies, supported by liquidity cover, escrow payment mechanism, and legal structure of the transaction, among other things.

Proceeds of the rated issue were utilised towards Cyqure India Private Limited's (CIPL) contribution to Aasia Enterprises LLP (AELLP, where CIPL had a 97% partnership interest), which utilised proceeds to acquire a 24.95% stake in IndusInd General Insurance Company Limited (IGIC), a 26% stake in IndusInd Nippon Life Insurance Company Limited (INLIC), and a 26% stake in IndusInd Health Insurance Company Limited (IHIC). IGIC, INLIC, and IHIC are group insurance companies of IndusInd Capital Limited (ICL; formerly Reliance Capital Limited), which have been acquired by IndusInd International Holdings Limited (IIHL, a Mauritius-based entity). IIHL is a global business (Category 1) licensee company incorporated in Mauritius. The principal activity of IIHL is investment holding, where it holds shares in different companies spread across sectors.

The transaction includes covenants linked to performance of underlying insurance entities, IGIC and INLIC, which are scheduled to be assessed half-yearly in March and September each year. CareEdge Ratings notes that, for the testing date March 31, 2026, the company has obtained deferral for certain financial covenants in respect of IGIC from the debenture trustee, considering the broader operating environment and performance trends within the general insurance industry. Accordingly, the covenant evaluation for IGIC has been rescheduled to coincide with the financial performance review as of September 30, 2026. CareEdge Ratings will continue to closely monitor the entity's performance and covenant compliance trajectory.

Rating reaffirmation of non-convertible debentures (NCDs) of CIPL (a company promoted by Ashok Hinduja and Family) hinges on a structure where rated NCDs are secured by a first-ranking security charge on all assets, including future cash flows of CIPL and AELLP arising from distributions in the form of dividend, repayment of shareholder loans, or sale proceeds from assets/businesses held. Proceeds received by AELLP from the sale of shares held in the underlying insurance companies will form part of the security offered to debenture holders. The rating continues to be supported by presence of a put option in favour of debenture holders. Under terms of the put option, IIHL holds unencumbered listed shares aggregating at least ₹2,500 crore. Estimated cash flows from monetisation of underlying insurance companies and liquidity cover offer sufficient asset cover for servicing the rated instruments, in CareEdge Ratings' opinion.

CareEdge Ratings also takes cognisance of the capital infusion of ₹400 Crores into IGIC by existing promoters, of which ₹101 Crores infused by AELLP during March 2026. The infusion supported maintenance of solvency requirements and improvement in networth of IGIC.

Rating sensitivities: Factors likely to lead to rating actions

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

- Additional cashflows supporting accelerated debt repayments.

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

- Non-adherence to pre-defined covenants - financial, shareholding, and other customary covenants as defined under executed debenture trustee deed.
- Delay in monetisation of company's stake in underlying insurance companies.

[1]SEBI: 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
[2]Complete definitions of ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

Analytical approach:

The rating is based on, inter alia, estimation of cashflows arising from monetisation of underlying insurance companies. This is further supported by liquidity cover, escrow payment mechanism, and legal structure of the transaction.

Outlook: Stable

The outlook is 'Stable' considering estimated cashflows from monetisation of underlying insurance companies and liquidity cover, which provides sufficient asset cover for rated instruments in CareEdge Ratings' opinion.

Detailed description of key rating drivers

Key strengths

Strength of transaction structure and escrow mechanism

The rating of NCDs factors in the structure, where debentures are secured by a first-ranking security charge on all assets, including future cash flows of CIPL and Aasia Enterprise LLP (AELLP; where CIPL has a 97% partnership interest), arising from distributions in the form of dividend, repayment of shareholder loans, or sale proceeds from assets/businesses held.

Proceeds received by AELLP from the sale of shares held in underlying insurance companies will form part of the security offered to debenture holders. Cash flows shall flow into an escrow account, which shall be utilised for repayment of debenture holders.

Some key covenants include:

- IIHL to indirectly retain at least 51% of shareholding and voting rights/ control over IIHL BFSI (India) Limited, an indirect special purpose vehicle (SPV) of IIHL (held 100% by IIFL BFSI Holdings).
- IIHL has entered put option agreement, on exercise of which, IIHL shall be obligated to purchase NCDs issued by CIPL.
- IIHL shall hold unencumbered listed shares (having a value of) or cash of at least ₹2,500 crore

Comfortable cover for debenture holders

The security cover for debenture holders includes CIPL's stake in the underlying insurance companies, IGIC and INLIC, having a fair valuation of the combined stake as on June 30, 2025, stood at ₹5,993.81 crore. CareEdge Ratings derives comfort from key covenants mandating resident shareholders to maintain a minimum 51% stake in CIPL, liquidity of ₹2,500 crore maintained in the form of unencumbered listed shares through a put option on IIHL in favour of debenture holders, and promoters demonstrated support to group companies in the past.

The rating is based on estimated cash flows arising from monetisation of underlying insurance companies, IGIC and INLIC; the liquidity cover, supported by escrow payment mechanism, and legal structure of the transaction. Estimated cash flows from monetisation of stakes in underlying insurance companies, backed by liquidity cover, provide sufficient asset cover for the rated instruments in CareEdge Ratings' opinion.

CareEdge Ratings derives comfort from promoters' status as well-known industrialists and high-net-worth individuals. Promoters have successfully managed and supported companies, demonstrating a track record of turning around acquired businesses and ensuring timely repayment of debt.

Key weaknesses

Susceptibility to delay in envisaged cash flow generation

Cash flows required for repayment of the rated debentures are primarily expected to be generated by monetisation of insurance companies, IGIC and INLIC, held by CIPL. Proceeds from stake sale/divestment by the holding companies or refinancing of the rated debt shall be utilised to repay CIPL's rated debentures. Since CIPL does not have operating cash flows, delay in cash flow generation from monetisation might impact timely debt repayment, as monetisation of assets depends on market forces.

Liquidity:

Not applicable, since there are no cashflows in the company and rated debt is zero-coupon bond.

Assumptions/Covenants

Not applicable

Environment, social, and governance (ESG) risks

Not applicable

Applicable criteria

Policy on Default Recognition
Investment Holding Companies
Assigning 'Outlook' or 'Rating Watch' to Credit Ratings
Financial Ratios - Financial Sector

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Finance	Holding company

CIPL is a company belonging to the Hinduja Group incorporated with a view to promote, develop and establish enterprises in diversified businesses including general insurance, life insurance, health insurance, asset reconstruction, corporate advisory, and medium and small enterprises in India and abroad, and to trade, deal, import, export and carry on business in commodities.

There are three shareholders in CIPL: Shom Hinduja – 40%, Ashok Hinduja – 30% and Harsha Hinduja – 30%. CIPL is one of the partners in AELLP with ~97% contribution, and rest are Shom Hinduja, Ashok Hinduja and Harsha Hinduja with contribution of 1% each.

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (A)	Q1FY27 (UA)
Total Income	2,374.91	93.37	0.02
Profit after tax (PAT)	2,111.51	-402.84	-135.14
Assets under management (AUM)	NA	NA	NA
On-book gearing (x)	1.32	1.84	2.05
AUM / tangible net-worth (TNW) (x)	NA	NA	NA
Gross non-performing assets (NPA) / gross stage 3 (%)	NA	NA	NA
Return on managed assets (ROMA) (%)	NA	NA	NA
Capital adequacy ratio (CAR) (%)	NA	NA	NA

A: Audited UA: Unaudited; Note: these are latest available financial results
NA: Not applicable

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 regulators:
A list of facilities / instruments falling under the purview of 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
Debentures-Non-Convertible Debentures	SEBI	Simple	INE0Z4807015	17-Sep-2024	14.5	17-Mar-2028	3000.00	CARE BBB-; 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	Debentures-Non Convertible Debentures	LT	3000.00	CARE BBB-; Stable	-	1)CARE BBB-; Stable (04-Sep-25)	1)CARE BBB-; Stable (20-Dec-24) 2)CARE BBB-; Stable (27-Sep-24) 3)Provisional CARE BBB-; Stable (09-Jul-24)	-

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Lender details

To view lender-wise details of bank facilities please click here

Annexure-5: List of entities consolidated: Not applicable

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.

Contact us

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About us:

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com

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