

Cyqure India Private Limited

September 04, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Non-convertible debentures	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 in Aasia Enterprises LLP (AELLP, where CIPL had a 97% partnership interest), which, utilised proceeds for acquiring 24.95% stake in Reliance General Insurance Company Limited (RGIC), a 26% stake in Reliance Nippon Life Insurance Company Limited (RNLIC), and a 26% stake in Reliance Health Insurance Company Limited (RHIC). RGIC, RNLIC, and RHIC are group insurance companies of Reliance Capital Limited (RCL), 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, whereby it holds shares in different companies spread across sectors.

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

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

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.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

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 structure, where debentures are secured by first ranking security charge on all assets, including future cashflows of Cyqure India Private Limited (CIPL) and Aasia Enterprise LLP (AELLP; where CIPL has 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 sale of shares held in underlying insurance companies will form part of security offered to debenture holders. Cashflows 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 SPV of IIHL (held 100% by IIFL BFSI Holdings).
- IIHL 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 proceeds received by AELLP from sale of shares held in underlying insurance companies having book value at ₹3,200 crore and fair valuation of combined stake as on March 31, 2025, at ₹5,649 crore. CareEdge Ratings derives comfort from key covenants mandate of resident shareholders to maintain minimum 51% stake in CIPL in the future, liquidity of ₹2,500 crore being maintained in the form of unencumbered listed shares at IIHL level and the promoter's demonstration of support to their group companies in the past. This is additionally supported by put option on IIHL in favour of debenture holders.

The rating is based on estimation of cashflows arising from monetisation of underlying insurance companies; RGIC and RNLIC, presence of liquidity cover, supported by the escrow payment mechanism, and legal structure of the transaction. Estimated cashflows from monetisation in underlying insurance companies backed by liquidity cover provide sufficient asset cover for rated instruments in CareEdge Ratings' opinion.

CareEdge Ratings derives comfort from promoters' status as well-known industrialists and high net worth individuals. Promoters have been involved in successfully running and supporting companies with a track record of turning around acquired businesses and timely repayment of debt taken.

Key weaknesses**Susceptibility to delay in envisaged cash flow generation**

Cash flows required for repayment of rated debentures are primarily expected to be generated by monetisation of insurance companies, RGIC and RNLIC. Proceeds from stake sale/ divestment at either holding companies or refinancing rated debt shall

be utilised to repay CIPL's rated debentures. Since CIPL does not have operating cashflows, delay in cash flow generation from monetisation might impact timely debt repayment, since 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 to promote, develop and establish enterprises in diversified businesses including general insurance, life insurance, health insurance, or other 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 Aasia Enterprise LLP with ~97% contribution, and rest are Shom Hinduja, Ashok Hinduja and Harsha Hinduja with contribution of 1% each.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	Q1FY26 (UA)
Total Income	0.00	2,374.91	7.52
PAT	-0.003	2,111.51	-116.50
Total assets	0.002	5,531.52	NA
Net NPA (%)	0.00	0.00	0.00
ROTA (%)	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

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
Debentures-Non-Convertible Debentures	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 2025-2026	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
1	Debentures-Non-Convertible Debentures	LT	3000.00	CARE BBB-; Stable	-	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: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Non-Convertible Debentures	Simple

Annexure-5: Lender details

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

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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