Share India Securities Limited

July 07, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Non-convertible debentures	250.00	CARE A+; Stable	Assigned
Non-convertible debentures	100.00	CARE A+; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

The list of facilities / instruments falling under the purview of various financial sector regulators (FSRs), along with the names of respective FSRs has been disclosed under Annexure-7.

Rationale and key rating drivers

Ratings assigned to debt instruments of Share India Securities Limited (SISL) factors in the company's comfortable capitalisation profile, promoters' extensive experience, and long operational track record in capital markets business. However, ratings remain constrained by SISL's proprietary trading dependent earnings profile, which is susceptible to volatility in capital markets and regulatory changes.

CARE Ratings Limited (CareEdge Ratings) has also noted the group's ongoing expansion initiatives, including the scaling up of its margin trading facility (MTF) book, aimed at diversifying its revenue base and reducing the concentration risk. CareEdge Ratings expects these initiatives to support topline diversification in the medium term, although a significant share of revenue is likely to continue to be derived from proprietary trading income.

CareEdge Ratings notes the recent resignation of an Independent Director of the company. On June 03, 2026, SISL, through its public disclosure to stock exchanges, informed about the resignation of Subhash Chander Kalia, Independent Director and member of the Audit Committee. In his resignation letter, Kalia stated that his observations and suggestions on agenda items placed before the Board were not accorded due consideration. In this regard, CareEdge Ratings engaged with stakeholders, including the Chairman of the Audit Committee and bankers, and based on the discussions, believes that this development does not have any material impact on the company's credit profile.

Rating sensitivities: Factors likely to lead to rating actions

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

- Sizeable scaleup of operations and sustained profitability.
- Diversification of revenue base with reduced reliance on proprietary trading.

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

- Decline in size and scale of operations on a sustained basis.
- Weakening capital structure with gearing levels, including non-fund based facilities remaining above 2x on a sustained basis.
- Regulatory changes materially affecting the business profile of the company.

Analytical approach: Consolidated

CareEdge Ratings has consolidated business and financial risk profiles of SISL and its subsidiaries, known as the Share India group, given strong operational synergies, common promoters, and senior management. Details of consolidated entities are given under Annexure-6.

Outlook: Stable

Stable outlook factors in CareEdge Ratings' expectation that SISL will be able to increase its scale of operations and profits while maintaining a comfortable capital structure.

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

Detailed description of key rating drivers:

Key strengths

Comfortable capitalisation profile

SISL had a consolidated tangible net worth of ₹2,651 crore as on March 31, 2026, up from ₹2,344 crore a year earlier. The company's overall gearing was 1.37x as on March 31, 2026, compared to 1.14x as on March 31, 2025. Of total borrowings of ₹3,635 crore, ₹2,964 crore was in the form of non-fund-based bank guarantee (BG) limits. These were mainly used to keep margins with exchanges and credit facilities and are usually backed by 50–70% fixed deposits (FDs). Given its current scale, the company's capitalisation remains comfortable. CareEdge Ratings expects SISL to maintain healthy capitalisation, with overall gearing likely to stay below 2x in the medium term.

Long track record of the company and experienced management driving the group's expansion

SISL, incorporated in 1994, has an established track record of over three decades in capital markets. SISL is a listed public entity engaged in proprietary trading, stockbroking, and allied activities. Strategy based proprietary trading continues to be a key driver, contributing 64% [PY: 65%] of the company's total income in FY26. The company is promoted by Mr. Yash Pal Gupta, Mr. Parveen Gupta, Mr. Rajesh Gupta, who bring over 30 years of experience in capital markets, and Mr. Sachin Gupta who serves as a Whole-time Director and Chief Executive Officer of the Company with industry experience of 22 years. Promoters remain actively involved in the company's strategy and operations. They are supported by Kamlesh Vadilal Shah, Managing Director, who also has over three decades of industry expertise. The second generation's induction into the business provides continuity to the group's management and supports its succession planning.

Over the years, SISL expanded in multiple allied financial services. The group's lending arm operates under Share India Fincap Private Limited, while algo-trading solutions for retail investors are offered through the uTrade Algo platform under uTrade Solutions Private Limited. The group also provides high-frequency trading strategies through Silverleaf Securities Research Private Limited, and merchant banking services are undertaken through Share India Capital Services Private Limited. In the recent years, SISL has also ventured into the wealth management business. These initiatives have broadened the group's product offerings and customer base, by leveraging synergies and strengthening its integrated financial services platform across the group to deliver comprehensive solutions to retail and institutional clients.

Adequate risk management systems

SISL has established a robust risk management framework, which remains a key pillar of its proprietary trading operations. The company has an in-house research and development team that develops and validates trading strategies through rigorous back-testing. These strategies incorporate predefined stop-loss mechanisms to limit downside risk and safeguard capital during adverse market movements. The company's proprietary trading book is predominantly intraday in nature, limiting overnight event risk. Risk exposure is further monitored through simulation models that assess unhedged positions on a real-time basis. The risk management framework is supported by multiple layers of oversight, with centralised monitoring at the head office. The senior management determines trading strategies to be deployed in advance and prescribes fund allocation limits for individual traders. Trading limits are set up front and unhedged exposures are monitored on a real-time basis. SISL's in-house high-frequency trading (HFT) platform executes trades seamlessly with minimal manual intervention. The management follows a risk-averse philosophy, with no directional bets and all positions maintained as fully hedged. The company also undertakes real-time stress testing of its positions, enabling timely identification of potential volatility and appropriate risk mitigation measure. As a result of adequate risk management system, the company has not reported losses on standalone and consolidated basis for last six years.

Key weaknesses

Moderate earnings profile with high dependency on proprietary trading income

Strategy-based proprietary trading continues to remain the primary contributor of SISL's business model and the largest contributor to its operating income, with trading and brokerage income accounting for 73% of the consolidated total income. Trading activity in capital markets are influenced by macroeconomic conditions, regulatory developments, geopolitical events, and investor sentiment. Given the nature of this business, the company's earnings remain susceptible to capital market activity and volatility, which was reflected in the relatively moderate revenue growth in FY26. On a standalone basis, total revenue increased by 7.60% to ₹1,246 crore in FY26 compared to ₹1,158 crore in the previous fiscal year.

Subsequently, revenue diversification remains limited, and the company's earnings profile continues to be highly sensitive to market movements. To address this, SISL, has been expanding its presence across complementary financial services businesses to diversify its revenue streams. These initiatives include the scaling up of its lending, merchant banking, insurance broking, and wealth management businesses. In the recent years, the group has commenced offering wealth management products to midnet-worth individual (MNI) and high-net-worth individual (HNI) clients, which are expected to generate recurring fee-based trail income. While these businesses are expected to improve revenue diversification in the medium term, proprietary trading is likely to continue to account for a significant proportion of the group's earnings. Accordingly, CareEdge Ratings will continue to monitor the pace of scale-up of these businesses and their contribution towards achieving a more diversified and stable earnings profile.

Susceptibility to regulatory changes
The capital market industry has experienced continuous regulatory changes aimed at enhancing transparency and preventing misuse of funds. These include the requirement for brokers to upstream client funds to clearing corporations in the form of cash, FD liens, or pledged mutual fund (MF) units, resulting in higher operational and compliance costs. In October 2024, the Securities and Exchange Board of India (SEBI) introduced a series of measures to curb retail participation in the derivatives segment, which became effective in a phase-wise manner between November 2024 to April 2025. Key measures included upfront collection of option premiums, withdrawal of certain margin offsets (including calendar spread benefits on expiry day), higher minimum contract sizes for index derivatives, restrictions on the number of weekly expiry contracts, and additional margins on short option positions. In addition, transaction-related taxes, including securities transaction tax (STT), and the taxation framework for long-term and short-term capital gains have also undergone revisions. Collectively, these regulatory changes have influenced investor participation and trading activity, impacting earnings profile of capital market intermediaries. However, given SISL's predominantly proprietary trading-focused business model, these regulatory changes have not materially affected its overall operations on an ongoing basis.

In addition, the Reserve Bank of India (RBI), through its amended directions dated February 13, 2026 (effective July 1, 2026), has introduced a comprehensive framework governing bank credit to capital market intermediaries, including stockbrokers. Revised norms mandate fully collateralised lending, prescribe higher collateral quality (with significant cash components), and impose minimum haircuts, particularly on equity securities.

The broking industry has experienced a moderation in trading volumes, particularly in derivatives, since H2 FY25. This was due to these regulatory guidelines and global market volatility. The operating environment also remains highly competitive, with the continued presence of low-cost brokerage firms exerting pressure on profitability of traditional players. Overall, while the evolving regulatory framework strengthens resilience and transparency of the capital market ecosystem, it also necessitates continuous investments in systems, processes, and compliance infrastructure, and may moderate growth in trading volumes.

CareEdge Ratings will continue to monitor SISL's ability to adapt its technology, systems, and risk management processes to the evolving regulatory landscape while maintaining its business profile and competitive position.

Liquidity: Adequate
SISL's funding requirements are largely towards maintaining margin with stock exchanges. Margin requirements are largely met through BGs, which are backed by FDs. On a consolidated basis, as on March 31, 2026, SISL had an overall borrowing of ₹3,635 crore, which included fund-based debt of ₹671 crore. Against this, it had an unencumbered cash balance of ₹535 crore and undrawn sanctions of ₹349.92 crore.

Environment, social, and governance (ESG) risks
Although SISL's service-oriented business model limits its direct exposure to environmental risks, credit risk may arise if operations are adversely impacted by environmental factors. Social risks in the form of cybersecurity threat or customer data breach or mis-selling practices can affect SISL's regulatory compliance and reputation, and hence, remain a key monitorable.

SISL's Board comprises 14 Directors, including seven Independent Directors and two female Directors.

Applicable criteria
Definition of Default
Rating Outlook and Rating Watch
Financial Ratios - Financial Sector
Broking Firms
Consolidation

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Capital markets	Stockbroking and allied

SISL is a public limited company, which is engaged in proprietary trading, stock broking, and other related financial services. The company was incorporated in 1994. It is primarily engaged in strategy-based trading business and offers kinds of financial products and services, including equity, futures and options (F&O), commodity and currency broking services, research, lending services, MF advisory and distribution, portfolio management services, merchant banking services, and insurance broking services.

Consolidated Financials of SISL:

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	March 31, 2026 (A)
Total income	1,489	1,470	1,489
PAT	426	328	324
Tangible net worth*	1,757	2,344	2,651
Loan Book (MTF)	71	237	403
Total Assets*	2,864	3,776	4,586
Cost-to-Income (%)	58.93%	65.15%	62.48%
Interest coverage (times)	7.35	6.01	4.49
Overall Gearing (x)	1.13	1.14	1.37
PAT Margin (%)	29.03%	24.01%	24.05%
RONW (%)	30.70%	16.00%	12.99%
ROTA (%)	18.11%	9.88%	7.76%
Net NPA (%)	NA	NA	NA

A: Audited; UA: Unaudited; Note: These are latest available financial results.
*Adjusted to intangible assets

Status of non-cooperation with previous CRA: SISL has not cooperated with Infomerics Valuation and Rating Limited (INFOMERICS), which have classified the company as non-cooperative through release dated September 22, 2025. The reason provided by INFOMERICS is lack of availability of adequate information/annual surveillance fee and the resultant uncertainty around its credit risk.

SISL has not cooperated with Acuité Ratings & Research, which have classified the company as non-cooperative through release dated May 08, 2026. The reason provided by Acuité is lack of availability of adequate information for surveillance and review of the rating, citing information risk.

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
Non Convertible Debentures	INE932X07031	31-Dec-2025	10.50	10-Dec-2027	50.00	CARE A+; Stable
Non Convertible Debentures	NA	-	-	-	50.00	CARE A+; Stable
Non Convertible Debentures	NA	-	-	-	250.00	CARE A+; 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	Non Convertible Debentures	LT	100.00	CARE A+; Stable	-	1)CARE A+; Stable (08-Oct-25)	1)CARE A+; Stable (09-Oct-24)	-
2	Non Convertible Debentures	LT	250.00	CARE A+; Stable	-	-	-	-

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](#)

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Share India Securities (IFSC) Private Limited	Full	Wholly owned Subsidiary
2	Share India Capital Services Private Limited	Full	Wholly owned Subsidiary
3	Share India Algoplus Private Limited	Full	Wholly owned Subsidiary
4	Share India Fincap Private Limited	Full	Wholly owned Subsidiary
5	Total Securities (IFSC) Private Limited	Full	Wholly owned Subsidiary
6	Share India Global Pte. Ltd	Full	Wholly owned Subsidiary

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
7	Share India Smile Foundation	Full	Wholly owned Subsidiary
8	Share India Wealth Multiplier Solutions Private Limited	Full	Wholly owned Subsidiary
9	Share India Cred Capital Private Limited	Full	Wholly owned Subsidiary
10	Algowire Trading Technologies Private Limited	Full	Subsidiary
11	Utrade Solutions Private Limited	Full	Subsidiary
12	Silverleaf Securities Research Private Limited (incorporated on July 03, 2024)	Full	Subsidiary
13	Share India Insurance Brokers Private Limited	Full	Subsidiary

Annexure-7: List of facilities/instruments and FSRs

As required by SEBI Circular dated February 10, 2026, to Credit Rating Agencies (CRAs), the list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is disclosed below:

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments [2]
1.	Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities)	SEBI
2.	Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities)	MCA
3.	Listed PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	SEBI
4.	Listed PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	SEBI
5.	Unlisted PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	RBI
6.	Listed Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
7.	Unlisted Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
8.	Loan Facilities (Fund / Non-Fund Based) From Banks / NBFCs / NHB / FIs ^	RBI
9.	External Commercial Borrowings and Other Similar Borrowings	RBI
10.	Certificates of Deposit	RBI
11.	Fixed Deposits Raised by Banks, NBFCs, HFCs, FIs	RBI
12.	Fixed Deposits Raised by Corporates Other Than Banks, NBFCs, HFCs, FIs	MCA
13.	Inter Corporate Deposits / Loans Extended by Corporates	MCA
14.	Borrowing Programme ~	-
15.	Issuer Ratings #	-
16.	Credit Ratings for Capital Protection Oriented Schemes (By Mutal Funds and AIFs)	SEBI
17.	Credit Quality Ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18.	Listed Security Receipts	SEBI
19.	Unlisted Security Receipts	RBI
20.	Independent Credit Evaluation (ICE)	RBI
21.	Expected Loss Ratings (For Loan Facilities (Fund / Non-Fund Based) from Banks / NBFCs / NHB / FIs)	RBI
22.	Expected Loss Ratings (Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities))	SEBI
23.	Expected Loss Ratings (Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities))	MCA
24.	Unlisted PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

* Includes securitisation transactions involving assignee payout, acquirer's payout.

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), among others. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon

[2] 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.

issuance. In the press releases subsequent to issuance(s), CareEdge Ratings shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

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.

@ These ratings were assigned in regulatory regime prior to introduction of SEBI CRA Circular dated February 10, 2026, and the investor side regulators have accordingly been included.

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

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

Media Contact	Analytical Contacts
Mradul Mishra Director **CARE Ratings Limited** Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in **Relationship Contact** Pradeep Kumar V Senior Director **CARE Ratings Limited** Phone: 044-28501001 E-mail: pradeep.kumar@careedge.in	Priyesh Ruparelia Director **CARE Ratings Limited** Phone: 022-67543593 E-mail: Priyesh.ruparelia@careedge.in Shreekiran Rao Director **CARE Ratings Limited** Phone: 022-6754-3405 E-mail: Shreekiran.rao@careedge.in Punit Joshi Analyst **CARE Ratings Limited** E-mail: Punit.joshi@careedge.in

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

For detailed Rating Report and subscription information,
please visit www.careratings.com