

August 24, 2022

Share India Securities Limited: Rating withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Short-term non-fund based lines	500.00	-	[ICRA]A2+; withdrawn
Total	500.00	-	

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the rating assigned to the bank facilities of Share India Securities Limited (SISL). The rating has been withdrawn in accordance with ICRA's policy on the withdrawal of credit ratings, at the request of the company and based on the no objection confirmation received from the bank. ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The key rating drivers, liquidity position, rating sensitivities, and key financial indicators have not been captured as the rated instrument has been withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Rating Methodology for Entities in the Broking Industry Consolidation and Rating Approach Policy on Withdrawal of Credit Ratings
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the rating, ICRA had considered the consolidated financials of SISL, along with its nine subsidiaries and one associate company, which are all enlisted in Annexure II

About the company

Incorporated in 1994, Share India Securities Limited (SISL) is a securities broking company registered with the National Stock Exchange (NSE), the Bombay Stock Exchange (BSE), the Multi Commodity Exchange (MCX) and the National Commodity & Derivatives Exchange (NCDEX). The company was promoted as FMS Securities Limited by Mr. Parveen Gupta and Mr. Rajesh Gupta and was renamed Share India Securities Limited in 2010.

SISL, a publicly listed company, serves as the holding company of the Share India Group, which is primarily engaged in strategy-based arbitrage/derivate (proprietary) trading and the securities broking business. During the last three years, the Group has diversified its portfolio by foraying into mutual fund and insurance distribution and lending and merchant banking services. Other key Group entities include Share India Fincap Private Limited (lending business), Share India Capital Services Private Limited (merchant banking services), Share India Securities (IFSC) Private Limited (derivative trading in Gujarat International Finance Tec-City), M/s Share India Global Pte. Ltd (strategy-based proprietary trading in international equity) and Share India Insurance Brokers Private Limited (insurance distribution business). Moreover, SISL acquired majority stakes in Utrade Solutions and Algowire Trading Technologies in H1 FY2022 to further build its expertise in technology-based trading systems.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2023)				Chronology of Rating History for the Past 3 Years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Current Rating	Date & Rating in FY2022	Date & Rating in FY2021		Date & Rating in FY2020
					Aug 24, 2022	Nov 29, 2021	Mar 2, 2021	Feb 10, 2021	-
1	Short-term non-fund based bank guarantee	Short term	500.00	415.00	[ICRA]A2+; withdrawn	[ICRA]A2+	[ICRA]A2	[ICRA]A2	-
2	Short-term fund-based overdraft	Short term	-	-	-	[ICRA]A2+; withdrawn	[ICRA]A2	-	-

*As on March 31, 2022

Complexity level of the rated instrument

Instrument	Complexity Indicator
Short-term non-fund based bank lines	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: www.icra.in

Annexure I: Instrument details

Banker Name	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Bank guarantee	NA	NA	NA	500.00	[ICRA]A2+; withdrawn

Source: Company

Annexure II: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Share India Securities Limited	100.00%	Full Consolidation
Share India Fincap Private Limited	100.00%	Full Consolidation
Share India Insurance Brokers Private Limited	100.00%	Full Consolidation
Share India Securities (IFSC) Private Limited	100.00%	Full Consolidation
Share India Capital Services Private Limited	100.00%	Full Consolidation
Total Securities (IFSC) Private Limited	100.00%	Full Consolidation
Total Securities Overseas Limited	100.00%	Full Consolidation
Total Commodities (India) Private Limited	100.00%	Full Consolidation
Share India Commodity Brokers Private Limited	37.12%	Partial Consolidation
Share India Global Pte. Ltd	100.00%	Full Consolidation
Share India Smile Foundation	100.00%	Full Consolidation

Source: SISL's annual report FY2021 and investor presentation

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Branches



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