Press Release

September 23, 2026

Rudra Shares & Stock Brokers Limited

Long-term rating of ACER BB+ (Stable) assigned to Proposed NCD

Rating Action

Instrument*	Date of Issuance	Coupon Rate (%)	Maturity date	Amount (Rs. crore)	Rating with Outlook	Regulator^
Proposed Non-Convertible Debentures (NCDs)	-	-	-	10.00	ACER BB+ (Stable); assigned	SEBI
Total Rated Limits				**10.00**		

**Refer to Annexure I for details of instruments*
^Please refer to Annexure IV containing the list of activities/instruments and their respective regulators

Brief Summary of the Rating Action

The assigned rating reflects the company's experienced management with over three decades of industry experience, established presence in the stock broking segment, diversified product and revenue profile, comfortable capital structure and operational control framework. However, the rating is constrained by the modest scale of operations, customer concentration, and the inherent sensitivity of the share broking business to capital market conditions, regulatory developments and evolving IT and cyber security risks. ACER notes that moderation in the financial profile during FY2026 has led to a moderation in debt servicing indicators, which remains a key monitorable over the medium term. Further, the company is in the process of strengthening its governance framework through appointment of Independent Directors.

Analytical Approach

ACER has considered the standalone credit profile of Rudra Shares & Stock Brokers Limited (RSSBL) while arriving at the rating.

Key Rating Drivers

Credit Strengths

Management track record

RSSBL is promoted by seasoned professionals with over three decades of experience in the capital markets and financial services industry. The promoters are supported by a team of over 100 experienced professionals. The company offers a diversified suite of products comprising equity, derivatives, commodity, depository, and mutual funds. Further, its revenue profile is supported by multiple operating income streams, while its presence across nine locations enables it to cater to a diversified retail and High Net-worth Individuals (HNI) client base.

Comfortable capital structure

RSSBL has maintained a comfortable capital structure, with gearing of around 0.50x over FY2024-2026 and net worth increasing to Rs. 21.3 crore as on March 31, 2026. The debt profile primarily comprises unsecured borrowings from related parties, providing financial flexibility as only interest obligations are currently being serviced, as represented by the management. The company has also availed Rs. 28 crores of bank guarantee facilities backed by fixed deposits towards exchange margin requirements, which remains a monitorable considering its modest scale of operations.

Established risk management and operational control framework

RSSBL has implemented a technology-driven risk management framework with real-time monitoring of client trades, margin utilisation and exchange exposures. The system generates automated alerts for margin shortfalls and overutilisation, enabling timely risk mitigation. The company maintains audit trails and voice recordings for telephonic trades, while internal exposure limits for Margin Trading Facility (MTF) clients remain within the regulatory limits prescribed by the Securities and Exchange Board of India (SEBI), as represented by the management.

Credit Weakness

Modest Scale of Operations amid Customer Concentration
RSSBL's modest scale of operations is reflected in its limited market share in the cash, futures & options, and commodity segment based on FY2026 turnover. The company had 13,198 active clients as on March 31,2026. The broking industry remains highly competitive, with the top five brokerage firms accounting for nearly 70% of industry trading volumes, thereby constraining the RSSBL's competitive positioning and scalability.

The customer profile also reflects moderate concentration, with the top ten clients contributing 31.3% of total trading turnover in FY2026 (FY2025: 38.7%; FY2024: 49.6%). Although the concentration has moderated over the past two years, the company's business remains susceptible to lower trading activity and attrition of key clients, given its relatively modest scale of operations.

Exposure to Market, Regulatory, and Cybersecurity Risks
RSSBL's operating performance remains sensitive to capital market activity and is influenced by investor sentiment, trading volumes, interest rate movements, liquidity conditions and broader macroeconomic developments. Further, the share broking industry operates under a stringent regulatory framework prescribed by SEBI and recognized stock exchanges, requiring adherence to capital adequacy, risk management and compliance requirements. Accordingly, any adverse regulatory changes or instances of non-compliance could impact the company's operations, profitability and reputation.

The share broking industry is highly dependent on technology-driven platforms for order execution, settlement and client servicing. Any system outage, cyber-attack or data breach could disrupt operations, affect customer confidence and expose the company to regulatory and reputational risks. Accordingly, the adequacy of the company's IT infrastructure, cyber security framework, disaster recovery mechanisms and compliance with regulatory cyber security requirements remains a key monitorable from a credit perspective.

Liquidity position: Adequate

RSSBL's liquidity profile is adequate, with funding requirements primarily arising from the placement of margins with stock exchanges and other working capital requirements. The company's funding mix comprises bank guarantees, overdraft facility and unsecured borrowings from related parties, with the banking facilities backed by fixed deposits maintained with the banks. As on July 28, 2026, the company had an unutilized margin of Rs. 7.12 crore, which provides a liquidity cushion to absorb temporary funding requirements, mitigate the risk of margin shortfalls and accommodate sudden spikes in trading volumes. Further, the company has maintained unencumbered cash and cash equivalents of Rs. 2.71 crore as on March 31, 2026.

Rating sensitivities

Positive factors: Factors that could, individually or collectively, lead to positive rating action/upgrade
- Significant increase in market share in terms of overall turnover and active client base.
- Significant and sustained improvement in the company's earnings and liquidity profile, resulting in a comfortable liquidity position and healthy debt service coverage consistently maintained above 2.0x.

Negative factors: Factors that could, individually or collectively, lead to negative rating action/downgrade
- Deterioration in market share impacting broking income.
- Sustained moderation in the company's earnings and liquidity profile, coupled with weakening capitalisation leading to gearing increase beyond 1.2x.
- Change in regulatory environment, weakening the business and financial risk profiles.
- Non-compliance with applicable regulatory requirements and corporate governance practices.

Status of non-cooperation with previous CRA (if applicable): Not applicable

About the Company

Rudra Shares & Stock Brokers Limited (RSSBL), incorporated in 2008, is a public limited company engaged in stock broking and allied financial services, with a presence in the retail and high net-worth individual (HNI) client segments. The company offers a diversified suite of products and services, including equity, derivatives, and commodity, along with distribution of mutual funds, IPOs, depository services, and other investment-related solutions.

RSSBL is registered with the Securities and Exchange Board of India (SEBI) and holds membership with NSE, BSE, MCX, NCDEX, India INX. It is also a depository participant with CDSL, a repository participant with CCRL and is registered as a mutual fund distributor. The company operates through its network across Kanpur, Lucknow, Ahmedabad, Bareilly, Dehradun, Delhi, Kolkata, Mumbai, and Varanasi.

Key Financial Indicators (Standalone)

Particulars (Rs. Crore)	FY2024 (A)	FY2025 (A)	FY2026 (P)	Q1 FY2027 (UA)
Total Assets	125.8	117.1	132.8	119.2
Total Income	26.8	27.9	25.7	6.1
Profit After Tax (PAT)	1.6	1.8	0.8	0.8
Net worth	18.7	20.5	21.3	22.1
ROTA (%)	1.2%	1.5%	0.7%	2.7%#
RONW (%)	8.6%	8.9%	3.9%	3.6%#
Gearing (times)	0.52x	0.47x	0.52x	0.50x
Interest Coverage Ratio (times)	1.75x	1.63x	1.43x	3.84x

#Annualised
A: Audited, P: Provisional, UA: Unaudited; Source: RSSBL

Any other information: None

Applicable Rating Criteria

[Rating Criteria for Service Sector Companies](#)
[Criteria for Financial Ratios for the Non-Financial Sector](#)
[Disclosure on Rating Outlook, Watch and Liquidity](#)
[Disclosure on the Complexity of Rated Instruments](#)
[Policy for Default Recognition](#)

Rating history for the past three years

Sr. No.	Name of Security	Current Rating (FY2027)			Chronology of Rating History for the past 3 years		
		Type	Amount rated (Rs. Crore)	Rating	Date and Rating (FY2026)	Date and Rating (FY2025)	Date and Rating (FY2024)
1	Proposed Non-Convertible Debentures	Long Term	10.00	ACER BB+ (Stable) (23-09-2026)	-	-	-

Complexity level of the rated instruments

Instrument type	Complexity indicator
Non-Convertible Debentures	Simple

The complexity level reflects the relative ease of understanding the structure and expected cash flows of a rated instrument. It is not a measure of credit risk, which is indicated separately by the credit rating assigned by ACER. For details on ACER's Complexity of Rated Instruments, please refer to the relevant policy available on ACER's website: [Click here](#)

Annexure I: Instrument/Facility Details

ISIN	Instrument Name	Allotment date	Coupon rate	Redemption Date	Amount rated (Rs. Crore)	Rating and outlook
NA	Non-Convertible Debentures#	NA	NA	NA	10.00	ACER BB+ (Stable)

#Yet to be issued and proposed to be listed

Annexure II: Facility-wise lender details: Not Applicable

Annexure III: List of companies considered for Consolidated analysis: Not Applicable

Annexure IV: List of activities/instruments and names of regulators

A. Rating Activity

Sr. No.	Instrument/activity Name	Regulator of the instrument
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (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	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FI's	MCA
6	Inter Corporate Deposits/Loans extended by Corporates	MCA
7	Borrowing programme ~	-
8	Issuer Ratings #	-
9	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
10	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
11	Listed Security Receipts	SEBI
12	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
13	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
14	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), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In Press Release(s) subsequent to issuance(s), CRA shall separately capture the rated quantum details along with names of respective regulators.
 # 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 during regulatory regime prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side regulators have been included.

B. Other activities:

Sr. No.	Activity Name	Regulator of the activity
1	Monitoring Agency	SEBI
2	Research activities, incidental to rating, such as research for Economy, Industries and Companies @	NA

@permitted by SEBI vide SEBI Master Circular for CRAs.

Analytical Contacts

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