February 04, 2026

The Manager – Debt Listing
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400 001

Ref: - **Scrip Code: -973204 and ISIN: - INE923I07171**

Dear Sir/ Madam,

Sub: - Intimation of Press release issued by Care Ratings Limited on revision in Credit Rating of IndusInd Securities Limited

Pursuant to the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that Care Ratings Limited (CareEdge Ratings) has issued a press release regarding the revision in credit rating of IndusInd Securities Limited.

The rating has been **upgraded from CARE PP-MLD B+ and removed from Rating Watch with Developing Implications**, with a **Stable outlook assigned.**

Current Rating: - CARE PP-MLD BBB-; Stable

A copy of the aforesaid press release issued by CARE Ratings Limited is enclosed herewith for your information and records.

Thanking you.

Yours faithfully,
For and on Behalf of Board of Directors
For IndusInd Securities Limited
(Formerly known as "Reliance Securities Limited")

SUMIT RISHI NARAYAN SHARMA

Sumit Sharma
Company Secretary and Compliance Officer
Membership No.: A49264

Encl: - As mentioned above

IndusInd Securities Limited
(Formerly Reliance Securities Limited)
Registered & Corporate Office : 11th Floor, R-Tech IT Park, Nirlon Compound, Off Western Express Highway,
Goregaon (East), Mumbai - 400063
Tel.: +91 22 4168 1200 | Fax.: +91 22 4168 1220 | Email : ISLCS.Secretarial@IndusIndMoney.com | www.indusindmoney.com
Corporate Identification Number (CIN): U65990MH2005PLC154052
An IIHL Company

INDUSIND SECURITIES LIMITED

February 03, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Market Linked Debentures	0.90 (Reduced from 2.00)	CARE PP-MLD BBB-; Stable	Upgraded from CARE PP-MLD B+ and removed from Rating Watch with Developing Implications; Stable outlook assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has resolved the "Ratings Watch with Developing Implications" on instrument of IndusInd Securities Ltd (ISL) (earlier Reliance Securities Limited) and upgraded the rating to "CARE PP-MLD BBB-" while assigning a Stable outlook following the successful acquisition of its parent company Reliance Capital Ltd (RCL) by IndusInd International Holdings Ltd. (IIHL).

Rating upgrade also takes into account the benefits accruing to ISL in the form of business synergies across group entities of IIHL and recent change in the branding, which will support its business growth. CareEdge Ratings expects ISL to remain strategically important to IIHL group and benefit from participation of its senior management in the revamped Board. The rating also continues to factor in comfortable leverage position of ISL.

The rating is, however, constrained by volatile earnings profile, reduction in the scale of operations in FY26 and competitive nature of the industry in which ISL operates.

Rating sensitivities: Factors likely to lead to rating actions

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

- Improvement in credit profile of the parent, RCL
- Significant improvement in trading volumes, income and profits on a sustained basis.

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

- Deterioration in credit profile of its parent, RCL
- Weakening of revenue and profitability on a sustained basis.
- Any material changes in the shareholding/support from parent.

Analytical approach:

CareEdge Ratings has analysed the standalone business and financial risk profile of ISL, while also factoring in the linkages and synergies with its parent company (RCL) and IIHL group.

Outlook: Stable

The outlook is 'Stable' considering expectation of improved business growth and profitability while maintaining comfortable capitalisation.

Detailed description of key rating drivers:

Key strengths

Promoter support and synergies

ISL is a wholly owned subsidiary of RCL (rated CARE BBB-; Stable) as on September 30, 2025. RCL is out of corporate insolvency post successful implementation of resolution plan by ultimate promoter IndusInd International Holdings Ltd (IIHL), which is part of the Hinduja Group. IIHL has infused ₹2,500 crore into the parent entity, RCL, and also holds 12.05% stake in IndusInd Bank Ltd (rated CARE A1+) and 60% stake in Invesco Asset Management (India) Private Limited (rated CARE AAA; Stable/ CARE A1+) as on December 31, 2025.

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

ISL's Board includes Mr. Anand Agarwal, President of the Hinduja Group, and Mr. Mosalkanti Vasudev Rao, General Counsel of the Hinduja Group, as independent directors. Their presence enhances oversight and alignment with the ultimate parent, IIHL.

CareEdge Ratings expects the overall business to increase considering the strategic importance of ISL and various business synergies across group entities, on account of change in the branding.

Adequate leverage

ISL's overall gearing has improved to 0.009x as of September 30, 2025, from 0.016x as of March 31, 2025 [P.Y.: 0.016x] on account of modest debt levels due to decline in scale. ISL's tangible net worth stood at ₹ 161.62 crore as of September 30, 2025 [Mar'25.: ₹167.54 crore] as against ₹157.93 crore as of September 30, 2024 [Mar'24.: ₹154.60 crore].

Key weaknesses

Volatile earnings profile

During FY25, the company's profits remained largely stagnant, rising modestly from ₹12.75 crore in FY24 to ₹13.71 crore in FY25, mainly due to a decline in overall broking operations and treasury activities. Brokerage income continued its downward trend, falling to ₹66.13 crore in FY25 from ₹69.11 crore in FY24. In an effort to enhance operational efficiency, the company significantly reduced its operating expenses to ₹129.90 crore in FY25 compared with ₹193.66 crore in FY24.

In H1FY26, the company reported losses of ₹6.42 crore compared to net profit of ₹2.87 crore in H1FY25. This deterioration was driven by a slowdown in overall business during the period. Given the subdued business environment, the company has refrained from availing external borrowings and is instead relying on its net worth to support day-to-day operations. With the full resolution of RCL, business activity levels are expected to improve over the medium term.

However, the earnings profile remains susceptible to market volatility, especially till the time the company achieves a meaningful scale up in operations.

Reduced scale of operations

As part of its cost-optimization efforts, the company has scaled down its operations by rationalizing its pan-India branch network, reducing business partners, and lowering headcount. Additionally, the NSE active client base has continued its downward trajectory, declining to 64,543 in FY25 from 74,678 in FY24, and further dropping to 38,410 as of September 2025.

The company's turnover also contracted significantly, falling from ₹60,21,705 crore in H1FY25 to ₹33,68,577 crore in H1FY26. The proprietary book is funded entirely through the company's own capital. During periods of market downturn, this proprietary exposure may face adverse impacts, which could consequently weaken the company's capitalization.

High dependence on capital market

The broking industry is currently experiencing a slowdown in both active client growth and trading volumes, driven by heightened volatility in capital markets due to various global developments. As a result, many brokerage firms have seen a decline in their share of the active client base. In this environment, the company's ability to sustain its market share will remain an important area to watch.

Furthermore, intense competitive pressures—particularly from discount brokerage firms gaining ground over traditional players—continue to weigh on brokerage fees and profit margins.

Liquidity: Adequate

As on September 30, 2025, the company's liquidity remained adequate with free cash and balances of ₹4.20 crore and liquid investment/securities held for trading of ₹128 crore, against which the company has a debt repayment of ₹1.38 crore in next 1 year.

Assumptions/Covenants

Not Applicable

Environment, social, and governance (ESG) risks

Not Applicable

Applicable criteria

[Policy on Default Recognition]

Financial Ratios - Financial Sector
Assigning 'Outlook' or 'Rating Watch' to Credit Ratings
Broking Firms
Market Linked Debentures
Notching by Factoring Linkages in Ratings

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial Services	Financial Services	Capital Markets	Stockbroking & Allied

IndusInd Securities Ltd. (ISL) (Earlier Reliance Securities Ltd), incorporated in June 2005, is a SEBI licensed stock broking company. The company is the broking arm of Reliance Capital Ltd. (RCL) which holds 100% equity stake in the company. The company provides broking services to its clients for dealing in equities, future & options, IPOs, mutual funds and debt market. The company is majorly engaged in retail broking. The company has closed its investment services group vertical and focusing on the retail broking to match the cost structure to function as a going concern.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	H1FY26 (UA)
Total income	212.65	148.06	43.34
PAT	12.75	13.71	-6.42
Tangible Net worth	154.60	167.54	161.62
Loan Book (Margin Trading Facility)	14.35	11.67	11.98
Cost-to-Income (%)	92.70	89.00	115.31
Overall Gearing* (x)	0.02	0.02	0.01
RONW (%)	8.66	8.51	-7.80#

*including non-fund-based limits utilised
#annualised
A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'

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-Market Linked Debentures	INE923I07171	28-Apr-2021	Market Linked	29-May-2026	0.90	CARE PP-MLD 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-Market Linked Debentures	LT	0.90	CARE PP-MLD BBB-; Stable	-	1)CARE PP-MLD B+ (RWD) (04-Feb-25)	1)CARE PP-MLD B+ (RWD) (07-Feb-24)	1)CARE PP-MLD B+ (RWD) (08-Feb-23) 2)CARE PP-MLD B+ (RWD) (27-Dec-22)

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Market Linked Debentures	Highly Complex

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.

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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