



Press Release

Findoc Investmart Private Limited (FIPL)

February 27, 2025

Ratings

Instrument / Facility	Amount (Rs. Crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	125.00	IVR BBB+/Stable [IVR Triple B Plus with Stable Outlook]	IVR BBB+/Stable [IVR Triple B Plus with Stable Outlook]	Rating Reaffirmed	Simple
Short Term Bank Facilities	385.00 (Enhanced from Rs.310.00)	IVR A2 [IVR A Two]	IVR A2 [IVR A Two]	Rating Reaffirmed	Simple
Total		510.00 (Rupees Five Hundred and Ten Crore Only)			

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics ratings has reaffirmed its ratings assigned to the bank facilities of FIPL as it continues to derive comfort from the experienced management, comfortable capitalization and healthy scale of operations with improved margins. However, these strengths are partially offset by susceptibility to uncertainties inherent in capital market business along with Intense competition.

The stable outlook reflects consistent improvement in the trading volumes which has resulted in improved financial profile of the company and expected improvement in trading volumes given the established track record of the group and comfortable capitalisation.

Key Rating Sensitivities:

Upward Factors



Press Release

- Substantial and sustained improvement in scale of operations and profitability margins while maintaining comfortable capitalisation and liquidity.

Downward Factors

- Substantial decline in trading volumes and profitability.
- Substantial increase in gearing levels.
- Changes in the regulatory environment impacting the operations of the company.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

Healthy scale of operations with improved margins

Total operating income of FIPL has increased by ~14% YoY to Rs.377.68 crore in FY24 (refers to period April 1st, 2023, to Mar 31, 2024) as against Rs.331.05 crore in FY23 on account of increase in trading volumes in FY24. FIPL has successfully managed to maintain & improve its profitability margins over the years. EBITDA & PAT margins of FIPL have improved to 48.99% & 32.61% respectively in FY24 as against 42.88% & 28.97% respectively in FY23.

Comfortable capitalization

FIPLs tangible net worth increased to Rs.498.35 crore as on March 31, 2024, as against Rs.374.82 crore as on March 31, 2023, on account of retention of profits. The gearing stood low at 0.01 times as on March 31, 2024. The company has its major borrowings through overdraft & bank guarantee for meeting the working capital requirement and has security deposits in favor of various exchanges. The company's major bank facilities are non-fund based in nature and hence despite the increase in borrowings, Interest coverage ratio stood healthy at 8.97x in FY2024.

Experienced management

FIPL was incorporated in the year 2010 and has over a decade of presence in the broking industry. The company is led by Mr. Hemant Sood, Managing Director and Founder of FIPL. He has over a decade of experience in capital markets. FIPL is a member of various stock exchanges like NSE, BSE, MCX, among others. It has a basket of diversified products being offered which includes proprietary trading services, broking services in all segments (equity, derivatives, commodities and currency).



Press Release

Key Rating Weaknesses

Susceptibility to uncertainties inherent in capital market business

FIPL is engaged in the stock broking business and the stock markets are volatile in nature, Market indexes like Sensex and Nifty goes up and down throughout the day and the company's operating performance is linked to the capital markets, which are inherently volatile as they are driven by economic and political factors as well as investor sentiments.

Intense Competition

Broking is a highly volatile and cyclical business with the presence of many established players who provide significant competition to the other fragmented and small players. The competition from large and established players and technology-focused new entrants is expected to continue to impact the revenue profile of players. This limits the profitability margins of the industry.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Financial Institutions/Non-Banking Finance companies](#)

[Policy on Default Recognition and Post – Default Curing Period](#)

[Criteria of assigning Rating Outlook](#)

[Complexity level of rated instruments/Facilities](#)

[Financial Ratios & Interpretation \(Financial Sector\)](#)

Liquidity – Adequate

FIPL has maintained adequate liquidity in the form of gross cash accruals of Rs. 139.24 crore, and cash and bank balance of Rs. 563.43 crore, as on 31 March 2024. The current ratio for FY2024 stood comfortable at 2.00x and the quick ratio stood at 1.99x, indicating adequate liquidity.



Press Release

About the Company

Incorporated in August, 2010 Findoc Investmart Private Limited (FIPL), a Ludhiana-based equity broking firm, is a corporate member of both the National Stock Exchange of India and Bombay Stock Exchange. It offers full spectrum equity, derivatives, currency broking, and commodity derivative services, and provides depository services and professional services.

FIPL provides depository services, professional services, loan syndication, consultancy, broking, and trading in various segments, including BSE-CASH, NSE-CASH, CD-NSE, and NSE-Commodity derivatives.

FIPL, part of the Findoc Group of Punjab, engages in various sectors including financial retailing, NBFC, commodity broking, outdoor advertising, real estate development, and trading electronics and healthcare devices. During FY24, FIPL relocated from Chandigarh to Gift City Gujarat, benefiting from monthly stamp duty savings, and its group company, Findoc Investmart (IFSC) Private Limited, is also located in Gift City Gujarat.

Financials (Standalone)*:

	(Rs. Crore)	
For the year ended / As on	31-Mar-2023 (Audited)	31-Mar-2024 (Audited)
Total Operating Income	331.05	377.68
EBITDA	141.94	185.01
PAT	95.98	123.73
Total Debt	2.84	7.30
Adjusted Tangible Net worth	374.82	498.35
Ratios		
EBITDA Margin (%)	42.88	48.99
PAT Margin (%)	28.97	32.61
Overall Gearing Ratio (x)	0.01	0.01
Interest Coverage (x)	17.25	8.97

**Classification as per Infomerics standards*

Status of non-cooperation with previous CRA: None

Any other information: None



Press Release

Rating History for last three years:

		Current Ratings (Year 2024-25)			Rating History for the past 3 years		
Sr. No.	Name of Instrument / Facilities	Type	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24
Press Release					25-Nov-2024	15-Oct-2024	15-Sep-2023
1.	Fund Based – Intraday Limit	Long Term	125.00	IVR BBB+/Stable	IVR BBB+/Stable	IVR BBB+/RWDI	IVR BBB+/Stable
2.	Non-Fund Based – Bank Guarantee	Short Term	385.00	IVR A2	IVR A2	IVR A2/RWDI	IVR A2
3.	Non-Fund Based – Proposed	Short Term	0.00	--	IVR A2	IVR A2/RWDI	IVR A2

Name and Contact Details of the Rating Analyst:

Name: Sree Harsha Tel: (022) 62396023 Email: sree.harsha@infomerics.com	Name: Amey Joshi Tel: (022) 62396023 Email: amey.joshi@infomerics.com
---	--

About Infomerics:

Infomerics Valuation and Rating Limited (Infomerics) was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.



Press Release

Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations.

For more information visit www.infomerics.com

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Listing status	Rating Assigned/ Outlook
Long Term – Fund Based – Intraday Limits	–	–	–	125.00	-	IVR BBB+/ Stable
Short Term – Non-Fund Based – Bank Guarantee	–	–	–	385.00	-	IVR A2

Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/len-findoc-feb25.pdf>

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not applicable

Annexure 4: List of companies considered for consolidated analysis: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.