



Press Release
CHOICE EQUITY BROKING PRIVATE LIMITED
August 06, 2025
Rating Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	130.00	ACUITE A- Stable Reaffirmed	-
Bank Loan Ratings	270.00	-	ACUITE A1 Reaffirmed
Total Outstanding Quantum (Rs. Cr)	400.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of **‘ACUITE A-’(read as ACUITE A minus)** on the Rs. 130.00 Cr. bank facilities of Choice Equity Broking Private Limited (CEBPL). The outlook is **‘Stable’**.

Acuite has reaffirmed the short-term rating of **‘ACUITE A1’(read as ACUITE A one)** on the Rs. 270.00 Cr. bank facilities of Choice Equity Broking Private Limited (CEBPL).

Rationale for rating

The rating takes into account the sustained growth in revenue and significant improvements in the earning profile at the consolidated level marked by its PAT of Rs. 162.71 Cr. during FY2025 (FY2024:- Rs.130.86 Cr.) For FY2025, the total operating income of the Group stood at Rs 910.38 Cr. as against Rs 750.68 Cr. in FY 24. The operating income for Q1FY 26 stood at Rs 233.88 Cr. The rating further derives strength from healthy capital structure, experienced management and established position in its segment. The rating takes into account the group’s low leveraged profile and Networth which stood at 0.70x and Rs. 960.87 Cr. for FY 25 as compared to 0.81x and Rs 563.22 Cr. for FY 24 respectively. Acuite takes cognizance of CEBPL’s growing retail and institutional clientele, higher share of revenues from retail broking with negligible dependence on proprietary profits. Acuite also takes note of CEBPL's growth in PAT and scale of operations.

The rating is however constrained on account of CEBPL’s revenue susceptibility to the level of volatility/ turnover in the capital markets as well as highly competitive landscape in broking business. Going forward, continued promoters support and ability of the company to sustainably improve its operating performance are key monitorables.

About the Company

Incorporated in 2010, Choice Equity Broking Private Limited (commonly known as Choice Broking) is a Mumbai-based full-service stockbroking firm. Choice broking is a subsidiary of a publicly listed financial services firm named 'Choice International Limited' that was formed in 1993. Choice Broking offers online trading and premium financial services for an entire range of financial products like Equity, Derivatives, Currency, Commodities, Mutual Funds, wealth management, Portfolio management, Insurance, and Loan against share. The company has a depository membership with CDSL and NSDL and is a member of NSE, BSE, MCX, NCDEX, and ICEX. The brokerage charges of Choice Broking are claimed to be one of the lowest in India when compared to other full-service brokers in the industry.

About the Group

Choice International Limited was incorporated in 1993. Listed on NSE and BSE as Choice International Limited (Choice) is more than two decades old company under the leadership of Mr. Kamal Poddar (MD). It is an end to

end financial services conglomerate. Choice Group has successfully created a FinTech ecosystem which combines a suite of platforms under one roof for all financial services. The company through its multiple subsidiaries offers financial and consultancy services catering to retail and institutional clients, corporates and state and central governments.

Unsupported Rating

Not Applicable

Analytical Approach

Extent of Consolidation

- Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuité has adopted a consolidated approach and considered the business and financial risk profile of Choice International Limited (CIL) and its subsidiaries, (the Company and its subsidiaries together referred to as the Group) for arriving at the rating. The approach is driven by common management, shared brand, and strong operational and financial synergies between the group companies.

Key Rating Drivers

Strength

Strategic importance and ownership benefits from CIL & group synergies; experienced management

Choice Equity Broking Private Limited is the wholly owned subsidiary of Choice International Limited. CEBPL benefits from common management, shared brand, and strong operational and financial synergies between the group companies. Choice International Limited was incorporated in 1993 and is engaged in providing financial services. It operates through the segments of NBFC services, Broking & Distribution, Advisory services, and IT Services Business. The company generates majority of the revenue from Broking and distribution services. It offers services like equity trading, commodity derivative trading, financial planning, currency futures trading, fund distribution, advisory, and structured products. The company conducts its business operations mainly in India. As on March 31, 2025, the group has 6 subsidiaries and 12 step down/ jointly controlled subsidiaries.

The management team is led by Mr. Kamal Poddar, a Fellow Member of the Institute of Chartered Accountants of India, is the Managing Director of Choice International Limited. He is involved in all the strategic decisions of the group. Mr. Ajay Kejriwal (Executive Director- CIL), who has experience of more than 15 years in financial markets. He possesses extensive experience in understanding the financials of companies and fund management within division. The BoD consists of 12 members, out of which 7 are independent members. The management team has more than two decades of experience in capital markets and has developed strong expertise in securities market trends, compliance and business development strategies.

Acuité believes, that the company's consolidated business profile will be supported by expertise of seasoned professional managing the operations and established track record of operations.

Comfortable capital structure

At group level, Choice group's capitalization levels were comfortable marked by tangible Networth of Rs. 563.22 Cr. as on March 31, 2024 (excluding revaluation reserve and intangible assets), the networth has increased to Rs. 960.87 Cr. in FY2025. Gearing of the Group stood at 0.70x during FY2025 as compared to 0.81x during FY2024. CEBPL (standalone) also has adequate capitalization levels marked by Networth of Rs. 311.48 Cr. for Prov. FY25 (Rs 225.52 Cr. as on March 31, 2024) and a gearing of 0.77 times as on Prov. FY 25 (0.45 times as on March 31, 2024).

Acuité believes that the company's comfortable capitalization levels will support its growth plans over the medium term.

Earnings profile

Choice Group reported total operating income of Rs.910.38 Cr. in FY 2025 from key business verticals as compared to Rs.750.68 Cr. in FY2024. The company reported a PAT of Rs 162.71 Cr. for FY25. The businesses at Group level are categorized as Equity & Broking, Insurance Broking, Wealth Management, Retail Loan Distribution, Management Consulting, Government Advisory and Others. For FY2025, the Broking business contributed Rs 551.18 Cr. followed by Advisory services (Rs 250.28 Cr.), NBFC services (Rs 114.80 Cr.) and others (Rs 33.10 Cr.). The group reported total revenue (not adjusted for inter segment revenue) of Rs. 921.66 Cr. for FY2025. The group reported total revenue (not adjusted for inter segment revenue) of Rs. 759.34 Cr. for FY2024 where Broking business contributed Rs. 454.59 Cr. followed by Advisory services (Rs. 225.93 Cr.), NBFC services (Rs. 86.84 Cr.). The Group reported PAT of Rs. 130.86 Cr. for FY2024 as compared to Rs. 60.07 Cr. for FY2023. At Standalone level, CEBPL reported a PAT of Rs. 81.78 Cr. for Prov. FY2025 as compared to Rs. 64.86 Cr. for FY2024. As on June 30, 2025, the group reported total revenue of Rs 237.95 Cr., where Broking business contributed Rs. 135.73 Cr. followed by Advisory services (Rs. 59.97 Cr.), NBFC services (Rs. 38.61 Cr.) The Group reported PAT of Rs. 47.96 Cr. as of June 30, 2025. Acuité believes that despite an improvement in Choice Group earning profile, its business operations would remain susceptible to inherent risks

in capital market and overall economic environment.

Weakness

Risks involving general economic and market conditions

Broking is a highly volatile and cyclical business with the presence of a large number of established players who provide significant competition to the other fragmented and small players. 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. Also, revenues generated from businesses like broking, wealth management, private client broking and investment advisory business, are directly related to the volume and value of the transactions. Any adverse market movement (downturn) would result in decline in transaction volumes leading to a decline in the group's revenues received from commissions earned from such businesses. While the Group continues to benefit from its business model the level of activity in the equity, commodities and F&O markets will be key determinant of its revenue profile and future growth trajectory. Given the competition from larger brokerages and technology-focused new entrants, the ability of the group to grow its brokerage revenues on a sustainable basis will be a key monitorable. Acuité believes that the level of activity in the capital markets will continue to be a key determinant of its revenue profile and future growth trajectory.

ESG Factors Relevant for Rating

Incorporated in 1993, Choice International Limited is a Maharashtra based company. It is involved in Activities auxiliary to financial intermediation, except insurance and pension funding. Mr. Suyash Sunil Patodia & Mr. Kamal Poddar are the managing directors of the company. The group ensures that it takes up initiatives towards sustainability and reduction in carbon emissions and promotes eco- friendly practices. The group is committed to upholding strong governance practices and drive value for its stakeholders while fostering an ethical and transparent work environment. The board of Choice International Limited comprises of 12 members including executive, non-executive, and independent directors and adheres to all applicable regulations to maintain integrity, excellence and responsible growth. Further the group is dedicated to ensure an inclusive and encouraging work environment. dedicated to work towards employee development through skills training programs, coaching and mentorship, ensuring as well as employee wellness programs.

Rating Sensitivity

- Changes/ dilution in shareholding and promoter support
- Movement in Business volumes & operating performance
- Change in profitability metrics due to sharp movement in capital market
- Changes in regulatory environment & regulatory actions against the company

Liquidity Position

Adequate

Business growth of Choice Group has been supported by the group's internal accruals, the company's dependence on debt is very low as reflected in low gearing of 0.70 times as on March 2025. Hence, the company has no significant term debt obligations over the near term. The group currently has Cash and bank balance of Rs. 138.79 Cr. as on March 31, 2025. CEBPL has bank facilities comprising of bank guarantee and overdraft facilities, which are used for margin requirements. CEBPL has a cash and cash equivalents of Rs 27.63 Cr. for Prov. FY25. Acuité believes the liquidity position will remain adequate in the near to medium term.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials - Standalone / Originator

Particulars	Unit	FY25 (Prov)	FY24 (Actual)
Operating Income	Rs. Cr.	504.39	336.96
PAT	Rs. Cr.	81.78	64.86
PAT Margin	(%)	16.21	19.25
Total Debt/ Tangible Network	Times	0.77	0.45
PBDIT/ Interest	Times	5.17	11.09

* Ratios as per Acuite's Calculations

Key Financials (Consolidated)

Particulars	Unit	FY25 (Actual)	FY24 (Actual)

Operating Income	Rs. Cr.	910.38	750.68
PAT	Rs. Cr.	162.71	130.86
PAT Margin	(%)	17.87	17.43
Total Debt/ Networth	Times	0.70	0.81
PBDIT/ Interest	Times	4.48	5.65

*Ratios as per Acuite's calculations

*Tangible Networth is been considered for FY24 calculations

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any Other Information

None

Applicable Criteria

- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>
- Non-Banking Financing Entities: <https://www.acuite.in/view-rating-criteria-44.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
31 May 2025	Proposed Secured Overdraft	Long Term	40.00	ACUITE A- Stable (Reaffirmed)
	Secured Overdraft	Long Term	40.00	ACUITE A- Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	30.00	ACUITE A- Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	20.00	ACUITE A- Stable (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	125.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	25.00	ACUITE A1 (Reaffirmed)
	Proposed Bank Guarantee	Short Term	80.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	40.00	ACUITE A1 (Reaffirmed)
08 Oct 2024	Secured Overdraft	Long Term	60.00	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)
	Working Capital Demand Loan (WCDL)	Long Term	30.00	ACUITE A- Stable (Assigned)
	Proposed Secured Overdraft	Long Term	40.00	ACUITE A- Stable (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	40.00	ACUITE A1 (Upgraded from ACUITE A2+)
	Bank Guarantee (BLR)	Short Term	30.00	ACUITE A1 (Assigned)
	Proposed Bank Guarantee	Short Term	200.00	ACUITE A1 (Assigned)
21 Jul 2023	Bank Guarantee/Letter of Guarantee	Short Term	60.00	ACUITE A2+ (Reaffirmed)
	Secured Overdraft	Long Term	40.00	ACUITE BBB+ Stable (Reaffirmed)
02 May 2022	Bank Guarantee/Letter of Guarantee	Short Term	30.00	ACUITE A2+ (Assigned)
	Proposed Bank Guarantee	Short Term	30.00	ACUITE A2+ (Assigned)
	Secured Overdraft	Long Term	40.00	ACUITE BBB+ Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
ICICI Bank Ltd	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	125.00	Simple	ACUITE A1 Reaffirmed
Federal Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	25.00	Simple	ACUITE A1 Reaffirmed
Indusind Bank Ltd	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	40.00	Simple	ACUITE A1 Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Bank Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	80.00	Simple	ACUITE A1 Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	40.00	Simple	ACUITE A- Stable Reaffirmed
IDFC First Bank Limited	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	40.00	Simple	ACUITE A- Stable Reaffirmed
Aditya Birla Finance Limited	Not avl. / Not appl.	Working Capital Demand Loan (WC DL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE A- Stable Reaffirmed
Aditya Birla Finance Limited	Not avl. / Not appl.	Working Capital Demand Loan (WC DL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	30.00	Simple	ACUITE A- Stable Reaffirmed

*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)

Sr. No	Name of the companies
1	Choice International Limited
2	Choice Equity Broking Private Limited ("CEBPL")
3	Choice Consultancy Services Private Limited
4	Choice Finserv Private Limited
5	Choice Capital Advisors Private Limited
6	Choice Insurance Broking India Private Limited
7	Arete Capital Services Private Limited
8	Choice AMC Private Limited
9	Choice Trustees Services Private Limited
10	Choice Wealth Private Limited
11	Choice Tech Lab Solutions Private Limited
12	Choice Connect Private Limited
13	Choice Corporate Services Private Limited
14	Thoughts Consultants Jaipur Private Limited
15	SKP Green Ventures Private Limited
16	CCSPL-I&R
17	Mars Planning and Engineering
18	CCSPL- PD& EX JV

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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