

October 24, 2025

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001
Scrip Code: 544530

To,
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex,
Bandra (E), Mumbai - 400051
Symbol: ARSSBL

Dear Sir/ Madam,

Subject: : Earnings Conference Call Transcript for the Second Quarter and Half Year Ended September 30, 2025, held on October 20, 2025.

Dear Sir/Madam,

This is in continuation to our letter dated October 20, 2025, wherein we had informed regarding the audio link of the earnings call with analysts/investors for the quarter and half year ended September 30, 2025. In this regard, we are enclosing herewith copy of the earnings conference call transcript for the Second Quarter and Half Year Ended September 30, 2025, held on October 20, 2025.

The transcript is also available on the Company's website at

[https://anandrathi.com/investors/Finalcial tab/Earnings_Conference_Call_Transcript_Q2%20FY26.pdf](https://anandrathi.com/investors/Finalcial_tab/Earnings_Conference_Call_Transcript_Q2%20FY26.pdf)

We request you to kindly take the above on record.

Thanking you.

Yours faithfully,

For **Anand Rathi Share and Stock Brokers Limited**

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PRAJAPATI
PRAJAPATI
Digitally signed
by CHETAN
PRAVIN
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Date: 2025.10.24
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Chetan Prajapati

Company Secretary and Compliance Officer

Membership No.: A39130

Enclosed: As above



**“Anand Rathi Share & Stock Brokers Limited
Q2 & FY '26 Earnings Conference Call”**

October 20, 2025



**MANAGEMENT: MR. PRADEEP GUPTA– CHAIRMAN AND MANAGING
DIRECTOR – ANAND RATHI SHARE & STOCK BROKERS
LIMITED
MR. ROOP KISHOR BHOOTRA– WHOLE-TIME
DIRECTOR – ANAND RATHI SHARE & STOCK BROKERS
LIMITED
MR. TARAK SHAH– CHIEF FINANCIAL OFFICER –
ANAND RATHI SHARE & STOCK BROKERS LIMITED**

MODERATOR: MR. DIWAKAR PINGLE – ERNST & YOUNG

Moderator: Ladies and gentlemen, good morning and welcome to the Anand Rathi Share & Stock Brokers Limited Q2 FY26 Earnings Conference Call. As a reminder, all participant lines will remain in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal the operator by pressing star then zero on your touchtone telephone.

Please note that this conference is being recorded. I now hand the conference over to Mr. Diwakar Pingle from Ernst & Young for opening remarks. Thank you and over to you, Diwakar.

Diwakar Pingle: Thanks, Ryan. Good morning, everyone, and welcome to the Q2 FY26 results of Anand Rathi Share & Stock Brokers Limited. The company has published its results and has uploaded the investor presentation on exchanges earlier today and you can also find them on the website.

Before we start, a disclaimer. Some of the statements made in today's earnings call may be forward-looking in nature. Such forward-looking statements are subject to risks and uncertainties which cause actual results to differ from those anticipated.

Such statements are based on management beliefs and assumptions made by information currently available to the management. Audiences are cautioned not to place undue reliance on these forward-looking statements while making their investment decisions. On that note, let me introduce you to the management participating in today's conference call.

We have with us Mr. Pradeep Gupta, Chairman and Managing Director, and Mr. Roop Kishor Bhootra, Whole-Time Director, Mr. Tarak Shah, Chief Financial Officer, and other members of the team. Without further ado, I would like to hand over the call to Mr. Gupta for his opening remarks. Thank you and over to you, Mr. Pradeep.

Pradeep Gupta: Thank you, Diwakar. Hello and good morning, everyone, and thank you for joining us on our first earnings call since our recent listing. I would also like to take this moment to wish you all a very happy and healthy and prosperous Diwali to you and your family.

As you will recollect, we had a successful IPO and were listed on NSE and BSE on September 30th. We raised about INR745 crores from the IPO which is primarily to fund the working capital requirements of the company, more specifically to help strengthen our margin trading facility and for maintaining cash margin purposes.

The IPO was oversubscribed by about 22 times and we thank all our shareholders for their support. Let me now walk you through the structure of today's earnings call. I am joined by Mr. Roop Bhootra, Whole-Time Director and Tarak Shah, who is the CFO and other members of our finance team.

We will begin with an overview of the company's Q2 and H1-26 performance and then open the floor for questions. The Indian capital markets have continued to demonstrate remarkable resilience in '26. Despite global headwinds, from persistent inflationary pressure to tightening liquidity and geopolitical uncertainties, India's domestic market participation remains robust.

Retail and HNI investors continue to show faith in equities as an asset class and we have seen sustained inflows into mutual funds, SIPs and other direct equity instruments. While the industry witnessed some turbulence in Q1-26, the resilient market backdrop has supported the steady expansion of our business.

As of September 25, our total asset under custody stood at around INR1,01,961 crores, growing by about 39% compared to INR73,374 crores in the corresponding period last year. We also witnessed a healthy growth in our MTF book, which stood at about INR1,085 crores, up by about 41% from INR771 crores last year. This demonstrates not only the strength of our retail and HNI client relationships, but also the trust investors place in our advisory and broking capabilities.

Our total asset under management stood at about INR7,736 crores, up from INR6,776 crores in the same period last year, reflecting our clients' continued confidence in our commitment to prudent financial stewardship. All of this led to our total consolidated revenue from operations standing at about INR 227 crores* for Q2-26, representing a 13% Q-on-Q growth, EBITDA at about INR93 crores, representing 24% sequential growth at a healthy margin of about 41% and our PAT at about INR28 crores, representing 22% Q-on-Q growth and 12% at margin. Our diversified revenue model continues to be one of our biggest strengths. (**erroneously read as INR 228 crore*)

Broking and Related Services, which includes brokerage income, depository income and interest on delayed payments, continue to remain our core business driver, contributing 51% of quarterly revenue at about INR116 crores. However, the contribution from our Distribution Business and Margin Trading Facility business continues to rise steadily, enhancing the quality and predictability of our earnings.

Our Distribution Income stood at about INR31.6 crores during Q2 financial year 26, representing a healthy 74% Y-o-Y growth, while our interest on MTF stood at INR36.4 crores, surging by as much as 24% Y-o-Y. On a half-yearly basis, total revenue stood at INR430 crores and PAT margin at about INR51 crores.

Income from Broking and Related Services stood at INR226.7 crores, representing a 22% drop in Y-o-Y, while our interest on MTF income stood at INR64.5 crores and our Distribution Income stood at INR52.6 crores, representing a healthy Y-o-Y growth rate of 16% and 55% respectively. Coming to operational aspects, we had an active client base - that is, the segment of clients from our total client base from whom we earned revenue - of 1,49,849 customers as of Q2 financial year 26.

The depth of our relationship is a key strength for our company. I am happy to report that the total active clients as of first half-26, 57% of them have remained engaged with us for over 3 years and 43% of them have been with us for over 5 years. 84% of our active clients fell in the age bracket of over 30 years.

This is a key age demographic that translates into a greater investable corpus and more investment maturity, often needing multiple investment products and advice. Our client vintage,

average age profile and our personalized client management approach have constantly resulted in us enjoying one of the highest ARPC in the industry. For this first half of '26 and for Q2 FY26, our ARPC stood at INR16,671 and INR10,302 respectively.

Finally, our balance sheet continues to strengthen. The debt equity ratio has improved significantly to 0.93 down from 2.31 marking a clear step in our journey towards a more efficient and resilient capital structure. On that note, I now hand over to our Whole-Time Director, Mr. Roop Bhootra to take us through the financials. Over to Roop Bhootra.

Roop Bhootra:

Thank you Pradeepji and good morning everyone. Wishing all of you and family members a happy Diwali and a Prosperous New Year. I will now take you through our financial and business performance for the quarter and half year ended 30th September 2025. As Pradeepji mentioned, Q1 FY26 was a challenging period for the industry as it grappled with multiple global headwinds such as geopolitical tensions that heightened volatility across international markets, tariff-related disruptions that hampered trade flows and sustained outflows by foreign investors, etc.

However, the industry has since rebounded and is steadily regaining its earlier momentum. I will now share a few highlights about the quarter. During Q2 FY26, our total consolidated revenue from operations EBDITA and PAT stood at INR227.2 crores, INR92.6 crores and INR27.9 crores respectively, reflecting sequential quarter-on-quarter growth of 13%, 24% and 22%.

EBDITA margin was 40.8%, while PAT margin stood at 12.2%. On a half-yearly basis, our consolidated revenue from operations stood at INR428.3 crores, representing a slight decline of 3% on a Y-o-Y basis, while EBDITA and PAT stood at INR167.4 crores and INR50.7 crores respectively, with EBDITA and PAT margin of 39.1% and 11.8% respectively. Now I would like to communicate about the segmental performance.

Coming to the segmental breakdown of our revenues, the mix between the Broking segment comprising income from Broking and Related Services and the Non-Broking segment comprising Interest from MTF and Distribution Income was 51% and 30% for Q2 FY26 and 53% and 27% for half-year 26.

Breaking it down further, during Q2 FY26, we earned INR115.8 crores from Broking and Related Services, INR36.4 crores from Interest on MTF, INR31.6 crores from Distribution Income and INR43.5 crores from Other Income from Operations. During quarter ended September 30, 2025, income from Broking and Related Services grew 4% sequentially, while Interest on MTF and Distribution Income registered robust quarter on quarter growth of 30% and 50% respectively. We bring to your kind attention that during the same quarter, the exchange turnover in cash segment reduced by 6%.

Within the Broking segment, we are maintaining the mix between the equity cash segment and F&O and other segments at 50:50 each. Of our 92,326 active broking clients, 97% or 89,208 clients actively traded in the equity cash segment alongside their participation in other segments including F&O, currency and commodities.

Our total active clients stood at 1,49,849 during the quarter and 1,73,998 during half-year 26 and our Assets under Custody as of September 30, 2025, stood at INR1,01,961 crores. Now I would like to communicate about our MTF book.

Our MTF book continued to grow steadily, surging 41% Y-o-Y and 26% quarter on quarter and stood at INR1,085 crores. The MTF facility, which enables clients to leverage their investment for potentially enhanced returns while managing risk remains a key component of our comprehensive investment solutions. Interest income from our MTF book stood at INR36 crores during Q2 FY26 representing a healthy jump of 24% year on year.

I am delighted to highlight that we had zero NPAs on the MTF book and that 66% of the outstanding as of September 30, 2025, was from clients whose holdings were under INR1 crore mark.

Now I would like to communicate about the Distribution revenue. We actively continue to distribute various financial products including mutual funds, PMS and AIFs. As of September 30, 2025, our total AUM under distribution stood at INR7,736 crores, a 14% jump year on year basis. I am delighted to highlight that recently the company has also acquired corporate agency license in insurance booking space and accordingly the company added one more wing in its distribution revenue stream through distribution of insurance products.

I would like to highlight that growth in AUM occurred even after the backdrop of a sluggish capital market with the MTM of the BSE falling by as much as 6.58%. Our ability to expand AUM in such an environment underscores the confidence and loyalty our customers have in us. Our income from distribution for the quarter stood at INR32 crores, representing a 74% jump year-on-year.

Our wide geographical reach is something that we are proud of at Anand Rathi. As much as 71% of our total active clients are from Tier 2 and Tier 3 cities. As of 30th September 2025, we had a pan India footprint across 351 cities through 92 owned branches and 1250 business partners which are franchisee.

With that update we can now open the floor for questions.

Diwakar Pingle:

This is Diwakar Pingle here. I think let me just get the proceedings started. Pradeep, I had a question for you. What is the expected mix between the broking and non-broking business going forward? We see that the non-broking segment contribution has been growing over the past quarters. So just wanted to get a fair feel of how you see this mix over the longer term. I'm not asking the specific numbers, but a general trend of where you see this going forward.

Pradeep Gupta:

Thank you, Diwakar, and for the question also that was raised. See, as a philosophy, we have been maintaining and we have been trying to reach to our revenue ratio between broking and non-broking to be seen at 60-40 over a period of time.

But very clearly in the next two years, by 2027, along with the growth in both the segment proportionately, we are trying to achieve 50-50, 50% from broking and 50% from non-broking kind of revenue. That's what we are trying to achieve and here we are trying to aim.

- Diwakar Pingle:** Okay, that's useful. Maybe another one which I want to kind of just add on before the other participants get on to the line is more on your MTF business. I think Roopji did allude to it. I mean, how do you see that business growing? Obviously, there seems to be a lot of focus on that particular business. So just wanted to get a fair feel of how do you see that business growing and given, I think that seems to be the exciting part of the business.
- Roop Bhootra:** Thanks Diwakar, for this relevant question for which we have brought this particular, I can say, IPO. Here already, if I will say, the March end number that was there at INR685 crores, which has already reached to INR1,085 crores by the September end. And our idea is that how we can reach to almost INR1,500 kind of number by this particular financial year end and into MTF side.
- And our growth I can say demand which is there and earlier this particular demand was restricted more towards the fund side. And now with the availability of funds, more resources available, we will be able to increase our book size without compromising on any risk-related parameter.
- Diwakar Pingle:** Thank you, Roopji. Thanks for that. Very useful. Ryan, you can take people from the queue, please.
- Moderator:** Thank you. We take the next question from the line of Swarnabh Mukherjee from B&K Securities. Please go ahead.
- Swarnabh Mukherjee:** Hi, sir. Thank you for the opportunity. I had a couple of questions. So, one is on the MTF book. So, with the capital raise, right now, what is our thought process? How much can we scale up the book from current levels?
- If you can give some highlight on that. And second is this Other Operating Income that you have provided in the presentation. If you can show some color on that, that you know what do they comprise of, that would be very helpful. So, these two are my questions.
- Pradeep Gupta:** Thank you, Swarnabh, and wish you a very happy Diwali to you and your family. I mean, as you have asked about margin trading funding book, as you know, we have been able to get this whole money at the fag end of this, as on 30th September 2025.
- So, now what we are planning to do is that to increase and expand our base on margin trading funding also, along with other requirement of our working capital needs. But having said that, I think we are aiming by this year end, as being mentioned earlier, planning to reach to somewhere around INR1,500 crores kind of MTF book by March '26. So, that's the first plan.
- And we believe this will be, we will be able to reach to that particular number. We have been, you know, we got restricted because of funds requirement. And obviously, our debt equity, which we would like to keep under control, under two. And that's what we were trying to do. You might have seen it has already been improved now.
- With regards to, you know, about operating income, which is other income, which you are trying to ask, this is largely interest on various fixed deposits, which are being placed to the Stock

Exchange for getting, you know, bank guarantee, for providing bank guarantee to Stock Exchange.

And these fixed deposits, this money is being parked with the banks and, you know, getting bank guarantee and providing to exchanges for getting various different kinds of limits from the exchanges. So, these are the largely working capital limit requirements. So, in other income, we have got interest on fixed deposit, one part and slightly other smaller revenue, which are coming from various different activities. I hope I have been able to answer.

Swarnabh Mukherjee:

Yes, very clear. So, I'll just have a couple of follow-ups on this. So, firstly, on the MTF book with the, you know, I guess that we are allowed to scale it up to, I think, around 5x of our networth.

So, what is the headroom? Like you mentioned, INR1,500 crores by the end of the year. But what would be at the current standing the headroom that we'll have available without any further borrowings or capital raise where we can take it.

So, that is the first one. And on the, you know, fixed deposit rate, led income. So, this would be our own money or this is like customers' money. So, float income on that, or it's backed by our borrowing? Just wanted to understand that.

Pradeep Gupta:

Roopji, would you like to share?

Roop Bhootra:

Yes, sir. I'm reverting back. Yes. So, in regards to, you have mentioned in the availability of this particular, that five-time related thing. So, our earlier capital base, which was there around INR550 crores and currently with this addition of the money, it's already INR1,200 crores in total basis. Out of that 50% money you can utilize for the MTF purpose and balance can be done through the loan related aspect.

Currently, our debt equity ratio is just 0.92. So, we have further room, very well, I can say room available in terms of the borrowing. And we already have the limits available currently also approximately to the tune of INR300 crores also. And along with that, with the announcement of the limits and other things, we can do this particular, this INR1,500 crores. So, effectively it's required only, I can say around INR500 crores, INR400 plus crores, INR450 crores from this particular level.

So, that is on one part. Second thing you have asked in terms of the money related to the FDR. So, FDR side, one side out of our own funds also the FD is there, which is there currently to the tune of around INR400 crores. And balance money is there from the client's money.

So, whatever money is coming from the client's in turn, we need to give the deposit to the exchange against that. So, the same money is given to the exchange. On total basis, it might be around INR3,200 crores will be the total amount of the deposit which has been given to exchange. So, I can say one major part is the client's money, which has been given to the exchange in form of the FD.

- Swarnabh Mukherjee:** Right. So, that's very helpful. Thank you so much for the detailed explanation. Happy Diwali to all of you. I'll come back in the queue. Thank you.
- Pradeep Gupta:** Thank you. Thank you, Mr. Swarnabh.
- Moderator:** Thank you. We take the next question from the line of Diwakar Pingle from Ernst and Young. Please go ahead.
- Diwakar Pingle:** I think just to follow on, I think I heard a reference to insurance broking being a new segment that they've announced this quarter. Just give me some thought process on the strategy for this new business. Obviously, keeping in line with the fact that you talked about 50-50 with broking and non-broking. So, how is insurance going to drive the strategy as far as the company is concerned?
- Pradeep Gupta:** Yes. Thank you, Diwakar, for this question. Basically, if you really look at it, what we are trying to do, we are trying to, you know, address almost all investment needs of a customer. And along with investment needs, whatever requirement from a financial point of view or other point of view, we are trying to resolve those kind of issues of a specific customer. So, insurance is also one of a larger part. Now, with insurance, what we are trying to achieve is trying to give our customers a health plan as well as certain amount of term plan.
- Now, if you really look at our overall scenario where we are addressing retail, MNI, HNI, NRI, corporate as well as institutional customers. So, almost all segment of customer base we are addressing. Now, what we are trying to do, we have created a basket of products suitable to that particular segment.
- And those baskets are being shown to our customer to take a view and they can come and invest in those baskets. So, insurance is also one of the products. Based on the requirement, based on the segment of customer, we are suggesting which insurance is suitable to which segment of customer.
- And based on that, the insurance policies are being shown to customers and being created a business over there. This is largely helping our RM as well as our dealers in terms of having client interaction, in terms of, with the same customers having and going for cross-sale and trying to generate revenue for the company as well as addressing the needs of our customer base also.
- Diwakar Pingle:** Thank you, Pradeepji. One last question from my side. How do you plan to grow your market share as compared to the larger peers who are already present there? I mean, what's the thought process there? Again, a broad thought process.
- Pradeep Gupta:** Yes. So, in terms of market share, Diwakar, we are not really looking at to create a large market share in the marketplace. Because our philosophies are, how we can expand and increase, even based on a specific customer which has already been acquired by us.
- So, we are constantly working on the longevity of a customer and we are trying to see how we can address the investment need at a different point of time. And what are the goals which

customer has and can we pitch in and probably provide assistance, and guide that customer to achieve their goal by way of showing various investment baskets of products to the customer. And that's what we are trying to do.

So, in a way, we are in a business where we are trying to increase and expand the AUM base of a specific customer once the customer is being acquired. Now, obviously, we are also trying to address in a process the investable surplus of any investor, any customer who is bringing investments and who is probably investing in different investable products and which we are trying to address. So, our main motive is there.

But having said that, our expansion of RM in our different branches, our strengthening of online platform which probably provides almost all kind of services. These two channels along with the business partner channel, that is where we are also expanding in Tier 2, Tier 3 cities. So, I think these three channels constantly acquiring customer and trying to see how we can probably fulfil the needs of those investors over a period of time.

So, that's how our acquisition teams are acquiring. And these acquisition teams, by and large, are not spending any larger money on client acquisition. But what they are addressing is to educate investors that they should look at investment and investment products rather than if they do not understand on a trading side or a derivative side, diverting towards a derivative product, which is a little bit tough, a little bit difficult to understand and probably generate return on investment. So, that's how we are positioning in the market.

Diwakar Pingle: That's very useful, Pradeepji. I think, Ryan any questions in the queue?

Moderator: Thank you.

Diwakar Pingle: Given there are no other questions in the queue, I think I will leave it to Pradeepji to give his closing remarks as far as the company is concerned and given this is the first call, in case there are any specific thought process you have, you could put that out here.

Pradeep Gupta: Thank you. I think friends, in total, the whole management team of the company and every single person is literally driving the philosophy which is being created and we are trying to achieve our targeted goal and trying to see how we can create, over a period of time, a complete revenue mix of broking versus non-broking.

And trying to see that how this company can have a sustainable, continuous basis, growth-orientated revenue stream by way of a proper revenue mix of broking versus non-broking and that's what we all are achieving. This year's end target, which is March '26, in terms of MTF, we are planning and trying to reach to somewhere around INR1,500 crores. In terms of AUM of our distribution book, we are aiming somewhere around INR9,500 crores plus/minus.

I think these are the two factors which will further strengthen and give us a good growth in terms of our non-broking side and obviously insurance is something which has started and we will be able to achieve a good number over there also in this quarter.

And having said that, I personally believe the next half is going to be a little better, much robust in comparison to the last year's second half and we believe that we are going to have a good amount of traction in revenue of broking also over there. So I think, as a result, I think this company will surely and definitely grow over a period of time on a sustainable, consistent growth, over a period of time. Thank you.

Diwakar Pingle: Thank you, Pradeepji. On behalf of Anand Rathi Share and Stock Brokers Limited, my pleasure to kind of close the call and happy Diwali to everyone and we will see you again in the next quarter.

Pradeep Gupta: Happy Diwali to all of you, all of you.

Roop Bhootra: Happy Diwali. Thank you.

Moderator: Thank you. Ladies and gentlemen, that concludes this conference. Thank you for joining us. You may now disconnect your lines.