ANANDRATHI

January 21, 2026

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 Third Quarter and Nine Months Ended December 31, 2025, held on January 15, 2026

Dear Sir/Madam,

This is in continuation to our letter dated January 15, 2026, wherein we had informed regarding the audio link of the earnings call with analysts/investors for the third quarter and nine months ended December 31, 2025. In this regard, we are enclosing herewith copy of the earnings conference call transcript for the Third Quarter and Nine Months Ended December 31, 2025, held on January 15, 2026.

The transcript is also available on the Company's website at
https://anandrathi.com/investors/Finalcial_tab/Earnings+Conference+Call_Transcript_Q3+FY26.pdf

We request you to kindly take the above on record.

Thanking you.

Yours faithfully,
For **Anand Rathi Share and Stock Brokers Limited**

CHETAN PRAVIN PRAJAPATI
Digitally signed by CHETAN PRAVIN PRAJAPATI
Date: 2026.01.21 17:12:55 +05'30'

Chetan Prajapati
Company Secretary and Compliance Officer
Membership No.: A39130

Enclosed: As above

"Anand Rathi Share & Stock Brokers Limited
Q3 & 9 Months FY26 Earnings Conference Call"
January 15, 2026

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 day and welcome to the Anand Rathi Share and Stock Brokers Limited Q3 and 9 months FY26 Earnings Call. As a reminder, all participant lines will be 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 the conference call, please signal an operator by pressing star, then zero on your touchtone phone.

Please note that this conference is being recorded. I now hand the conference over to Mr. Diwakar Pingle from EY. Thank you and over to you, sir.

Diwakar Pingle: Thank you so much, Alaric. Good afternoon, everyone, and welcome to the Q3 FY26 results of Anand Rathi Share and Stock Brokers Limited. The company has published its results and has uploaded its investor presentation on the exchanges, and you can also find the same on the company's 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 risk and uncertainties, which could 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. Participants are cautioned not to place undue reliance on these forward-looking statements when making investment decisions. On that note, let me introduce you to the management participating and present on today's conference call.

We have Mr. Pradeep Gupta, Chairman and Managing Director, Mr. Roop Kishor Bhootra, Whole-Time Director, Mr. Tarak Shah, Chief Financial Officer. Without further ado, I'd like to hand over the call to Mr. Pradeep Gupta. Thank you, and over to you, Pradeep.

Pradeep Gupta: Thank you, Diwakar. Good afternoon to everyone. Wish you all and your family members a very happy and prosperous New Year, and thank you for joining us for our earnings call for the quarter and nine-month ended December 2025. I'm delighted to inform you that we had yet another successful quarter behind us, reinforcing our endeavor to deliver consistent growth and long-term value for all our stakeholders.

I'm joined with Mr. Roop Kishor Bhootra, Whole-Time Director, Mr. Tarak Shah, Chief Financial Officer, along with me on this call. We will begin with an overview of companies' Q3 and nine-month's performance and then open the floor to the questions. The Indian capital markets had a rough ride in financial year 26 with the Sensex and Nifty delivering lackluster gains underperforming other significant global peers.

There was pressure from sustained selling by foreign investors, citing concerns over weak earnings, stretched valuations, and currency volatility which resulted in benchmark indexes remaining subdued despite brief mid-year rallies. Despite this backdrop, our business continued to grow.

As of December 25, I am delighted to report that our total assets under custody stood at ₹ 1,058 billion, growing at a healthy rate of about 48% compared to the corresponding period last year. We also witnessed a heavy growth in our MTF book, which stood at ₹ 12,317 million, up by a robust 46% from ₹ 8,429 million last year. We are on track to achieve book size of about ₹ 15,000 million by the end of this financial year.

Our total assets under management grew 32% Y-o-Y and stood at about ₹ 83,688 million, which is up from ₹ 63,357 million in the same period last year, reflecting our clients' continued confidence and our commitment to prudent financial stewardship. All of this led to our total consolidated revenue from operations standing at ₹ 2,482 million for Q3 financial year '26, representing a 21% year-on-year basis growth, EBITDA at ₹ 1,012 million, representing a 32% Y-o-Y growth and a healthy EBITDA margin of 41%, and our PAT stood at about ₹ 370 million, representing a 72% Y-o-Y growth and 15% PAT margin.

Our diversified revenue model continues to be one of our biggest trends. Broking and related services, which includes brokerage income, depository income, and interest on delayed payments, continues to remain our core business driver, which is contributing about 52% of the quarterly revenue at ₹ 1,287 million.

However, the contribution from non-broking business, which consists of 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 ₹ 251 million during Q3 financial year '26, which is representing a healthy growth of about 38% Y-o-Y, while our interest on MTF stood at about ₹ 438 million, surging by as much as about 46% Y-o-Y.

On a nine-month basis, our income from broking and related services stood at about ₹ 3,554 million, while our interest on MTF income stood at about ₹ 1,083 million, and our distribution income stood at about ₹ 776 million. 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 about 1,58,601 clients in Q3 financial year '26.

The depth of our relationship is a key strength of our company. I am happy to report that 55% of our active clients remained engaged with us over three years during nine months of financial year '26.

80% of our active clients fell in the age bracket of over 30 years, which is a key age demographic that translates into a greater investable corpus and more investment maturity, often needing multiple investment products and advice.

Finally, our balance sheet continues to strengthen. The debt-equity ratio as of December 31, 2025 has moved to 0.59, down from 2.36 as of December 31st, 2024, showcasing our progress towards a more efficient and resilient capital structure of the company.

I now hand over to our whole-time director, Mr. Roop Bhootra, to take us through the financials. Thank you, and once again, Happy New Year.

Roop Bhootra: Thank you, Pradeepji, and good afternoon, everyone. I will now take you through our financial and business performance for the quarter and the nine-month period ended December 31st, 2025.

During quarter 3, financial year '26, our total consolidated revenue from operations stood at ₹2,482 million, reflecting Y-o-Y growth of 21.5%. EBITDA at ₹1,012 million, reflecting year-on-year growth of 31.5% and PAT stood at ₹370 million, reflecting year-on-year growth of 71.8%. The quarter-3 EBITDA margin was 14.8 % while the PAT margin stood at 14.9% growing 433 bps sequentially. On a nine-month basis, our consolidated revenue from operations stood at ₹6,765 million while EBITDA and PAT stood at ₹2,685 million and ₹877 million respectively.

Coming to a segmental breakdown of our revenue, the mix between broking segments comprising income from broking and related services and the non-broking segment comprising interest from MTF and distribution income was 52% and 28% respectively for Q3 financial year '26 and 53% and 27% for the nine month period.

The total active clients for the nine-month period ending December 31, 2025 stood at 1,97,937 clients. Within the broking segment for Q3 financial year 2026, the revenue mix between the equity cash segment and F&O and other segments stood in a 50:50 ratio. The number of active clients in the broking segment during the quarter stood at 96,851, representing a 4.9% increase quarter-on-quarter and a 6.5% increase year-on-year.

Out of these clients, 96.8% i.e. 93,771 clients actively traded in the Equity Cash segment alongside their participation in other segments like F&O, Currency and Commodities. Our MTF book continued to grow steadily, surging 46.1% year-on-year and 13.6% quarter-on-quarter and stood at ₹ 12,317 million as of December 31, 2025. 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 ₹ ₹ 438 million during Q3 '26, representing a healthy jump of 20.4% quarter-on-quarter and 45.7% year-on-year. I am delighted to highlight that we continue to have zero NPAs on the MTF book and out of our total book, 61.4% outstanding as on December 31, 2025 was from clients whose outstanding was less than ₹ ₹ 1 crore mark.

As of December 31, 2025, our total AUM under distribution services stood at ₹ ₹ 83,688 million with a healthy 32.1% jump year-on-year. During our Q2 earnings call, we shared an update on the acquisition of a corporate agency license in the insurance booking space which adds an additional revenue stream for the company.

We have also appointed senior leaders to drive the insurance business and strengthen the team, positioning us for improved performance in coming quarters. Our wide geographical reach and particularly our ability to go beyond the top cities to serve clients 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 December 31, 2025, we had a pan-India footprint across 353 cities, through 97 own branches, where we have opened 5 new branches during last quarter and total 1,243 business partners are there. Finally, we continue to attract good talent and grow our employee base and had 2,231 employees as on December 31, 2025 which is representing net addition of 223 employees Y-o-Y basis.

With that update, now I would like to open the floor for Q&A session. Thanks.

Diwakar Pingle: Alaric, you can go ahead with the questions.

Moderator: Thank you, sir. We will now begin the question and answer session. The first question comes from the line of Sucrit Patil from Eyesight Fintrade. Please go ahead.

Sucrit Patil: Good afternoon, team. My name is Sucrit Patil. I have two questions. First question is… both the questions are forward-looking ones. My first question is, as India's capital markets evolve rapidly and new retail participation is also seen, how is Anand Rathi positioning itself to capture the next wave of investor demand, particularly in areas like AI-driven advisory or wealth-tech platforms or any differentiated product offerings coming down the line? Could you share how you see the firm's role evolving over the next one to two years in shaping the investor? Thank you. That's my first question. I'll ask my second question after this.

Pradeep Gupta: Okay. Thank you, Sucrit. Let me explain to you. I think if you really see, and we have been constantly talking that our model is a kind of a phygital model. And on a phygital model, what we are trying to do is more of a relationship management business. And we are dealing with investments-related activities of any customer.

And when I'm talking about that, we are largely driving the total investment basket of a specific person and trying to address the need of investments of a specific person or a customer to whichever category and giving them investment products, whether it is direct equity, mutual fund, PMS, AIF, bonds, etcetera. Right.

So it's more of a model where we are also having a digital model as well as on-ground relationship management through our people model, RM model, which is being built up and which we are trying to pursue. Yes, you are absolutely right. The investor fraternity overall is increasing and expanding.

And those people who want assistance guidance through our relationship manager and wants to have a long term view on investments and wants to invest for a long term cycle are the right customers and to those kind of customers we are tapping.

And you will find that 30-years and above, we have got a population of about 85% in our customer base. That itself shows that those people who are serious about investments are coming and staying and sticking with us.

Similarly, another data which we keep on addressing that with us, more than three years kind of a scenario, there are about which is 60% customers[1] which is there with us. So that's what we are trying to address.

[1] Correction: This should be read as 55% and not 60%,

Now coming back to the address of AI, wealth-tech platform or more specifically how we are dealing with a digital space on a digital platform. All our deliveries are available on a digital platform. One is on for broking side, one is from distribution side. Right now two platforms are there. And we are constantly upgrading those platforms.

We are incorporating AI tools also in those platforms over a period of time. And we do have a plan over a period of time, how we can bring those two platforms into one single delivery. So that work is constantly happening by our technology team.

Now these platforms are available to all our customers, whether they are assisted or those customers who want to come and independently trade or independently work, which is called in normal terms, as DIY customer.

So they can come and probably execute trade if a customer is well aware which product he has to buy and probably look at. So that we keep on strengthening our deliverable platforms over there. We are also incorporating this AI tool for our other activities.

For example, since we do have RMs and since we do have certain amount of dealers at our branches who are addressing the needs of our customer. So we are we are working and improvising our processes along with that AI also.We are putting that AI tool, which we are working on, that AI will help us to understand what kind of interaction happening between our customer and these dealers or RMs, and how we can improvise that scenario and improvise the skills of our RMs as well as understand our customer well, that what he is expecting and how he is trying to address or probably look at various different products. So that's how we are trying to use these AI tools into the system. So we are well aware of it and we are constantly working on it and improvising our processes and systems in that fashion. Thank you.

Sucrit Patil: My second question is with regards to margins. With rising competition and margin pressure in broking, what forward-looking steps are you taking to optimize cost structures while still investing in technology and client acquisition? Specifically, how do you see operating leverage playing out over the next few quarters and what benchmarks are you setting for sustainable margin expansion? Thank you.

Pradeep Gupta: So typically if you really see these days, I mean from a regulatory perspective or even otherwise, lots of regulatory requirements are there, lots of compliances which are to be met and lots of work which can be automized and reduce the people. So AI as well as technological advancement is going to help to reduce our cost further and on which again, as I said, we are constantly looking at it.

Many of our processes have been automized so that we are trying to reduce the cost and putting those man hours towards generating revenue or probably skillful work which they can probably execute and give us different kind of analysis on a constant or instant basis. So that is how we are upgrading our technology platform on support function side also and working on it. Roop ji, would you like to add something over there?

Roop Bhootra: Yes. One important thing, Mr. Sucrit. Out of our total broking revenue almost 40% is coming directly where client is executing at his own level. So, by that way, we were able to reduce our total manpower requirement related to dealers. So for execution part we were able to reduce.

At the same time, you have mentioned that 'how you were able to optimize existing resources in terms of business generation'. So there, the team members, where they were, I can say, comparatively, I can say better productivity management in terms of, they are able to sell now the multiple products to the same client because client relationship is already there in place.

So our existing team members, the dealers they are getting spare time to sell additional products to the client and our idea is that how we can ensure that each and every client on a regular basis should have at least three products from us. By that way, it will improve our revenue and productivity of the team members.

Sucrit Patil: I just have an extension to the question. Can I ask my question?

Management: Go ahead, please.

Sucrit Patil: Yes, thank you. So just touching based on the last part, which actually makes sense wherein you are saying the client themselves are putting the trades or executing the orders. Anything specifically you are doing or you will be doing in the coming days, that that will enhance this process more and so it helps the client to take his own calls and executing trades? Anything the company is doing to enhance this particular tactic?

Pradeep Gupta: Yes. So, Sucrit, I think apart from providing an execution platform, most of our individual or daily kind of research is also available to customers. So a customer who is completely used to the technological world, on app, more specifically mobile app, if he is used to and he is conversant with, can do all, flawlessly work on the app, he can definitely go through, research the call, look at our calls.

And based on that, he can execute that trade in terms of broking side. In terms of distribution or a non-broking side, he can easily access and see which are the kind of app, compare and see which are the kind of products which are good and useful as per his requirement and then execute the trade over there or execute or invest his money into various different products.

Right now only mutual fund is available, but gradually all other products are going to come in place. So that's how we are going to work. And yes, this is happening to a certain extent. And this is also going to work on an overall basis.

Moderator: Thank you. The next question comes from the line of Aman Dugar from Nuvama Wealth Management. Please go ahead.

Aman Dugar: Hello Sir. Firstly, congratulations on a great set of numbers and thanks for taking my question. Just had a few questions regarding the revenue line items. So the interest income is reported at 1132 million. This includes 438 million from MTF and estimate around 285 million would be from like the delayed, just like the T+5 book. So this leaves around 408 million from interest earned on FD, like in lieu with the exchange. So am I right in understanding these numbers?

Roop Bhootra: Yes, you are rightly mentioned. So basically it's the 438 which is there from the MTF and the delayed payment which is there, that is there, which is 183.

Pradeep Gupta: You are right in terms of your understanding.

Aman Dugar: Yes, so I mean, if I just include the broken income, like you know, 1287 million and if I add MTF and distribution, this other interest income, it adds to only 2384 million, but the reported revenue is 2482 million. So I am having this 100 million gap in this?

Roop Bhootra: It is the other income which is coming in terms of the interest on the FD from our margin FDs which are there with the regulator. So we are, we have a stream of the income…

Aman Dugar: That comes around 408 million, right?

Roop Bhootra: Yes, right. So it includes the, I can say both the client FD as well as over FD which is kept for the margin purpose.

Aman Dugar: Okay.

Pradeep Gupta: So income from operation largely, income from operation is largely from whatever funds is being deployed for operation is being considered and interest being generated in different mode is being considered as an income from operation.

Aman Dugar: And lastly on this, what is your take on this distribution segment? Like we see it declining sequentially. Is it just because purely how the equity market has been or is there something else? And have you started earning LI and GI commission?

Pradeep Gupta: So LI, GI commission we have started generating, but that consists of a very miniscule part because as you know, last quarter only we procured the license and started the activity. The selling and marketing has started happening, but there are lots of compliance and process related requirements. Since this agency is being recently procured, we have to go slow on that.

And now as being mentioned in our address, that senior people team and other people is in place. Now they are fully geared. This whole system is fully geared and we are expecting good amount of revenue generation during this last quarter - quarter 4 - which is a key main period for LI, GI, which is January, February and March.

So from this month or this quarter, we are expecting good amount of revenue from there also. That is point number one. Now coming back to your question on distribution side, basically what had happened last year, there was aggressive marketing on certain products by our teams because last quarter was a little bit, subdued quarter from a broking angle and people were started looking at various different businesses and trying to look at distribution.

So we have been able to work on certain AIF, PMS and mutual fund, that is where the revenue has been generated. And the second thing, because of one another reason, whatever AUM which has been garnered in this quarter, obviously on mutual fund, you will be able to generate revenue over a period of time. So you will see the impact of those of AUM which is being collected in this quarter, in next 2 quarters, which is in 3 to 6 months from here onwards.

And by and large, if you really see the revenue in distribution is directly correlated with the market value. And if you really look at last quarter, whole of the quarter, markets were a little bit subdued, pricing was a little less. So that market impact is also happening in overall revenue side.

So that's how one should look at it. But if you really look at our AUM, that is constantly and consistently increasing. If you really look at it from a continuous revenue, that is continuously, you know, growing.

Roop Bhootra: On AUM side, even in last quarter, we have grown in terms of our AUM into mutual fund, PMS, AIF by 8%. And on the Y-o-Y basis, we have grown by 32%. So AUM side, we are continuously growing, as Pradeep ji has rightly mentioned.

Since in last quarter, the revenue, especially in terms of the existing AUM, which was there, naturally that AUM, the value has not increased. In fact, it has reduced to some extent. And naturally on that basis, the trail revenue, which was less in last quarter. But overall basis in mutual fund, despite that, we are able to grow in terms of our distribution revenue side.

Aman Dugar: Great. Thanks. And sir, that's it from my side, and all the best.

Pradeep Gupta: Thank you.

Moderator: Thank you. The next question comes from the line of Arka Bhattacharjee from Finedge Analytics. Please go ahead.

Arka Bhattacharjee: Yes. Good afternoon, sir. Congratulations on the good set of numbers. I have two questions. One is on the…

Pradeep Gupta: I am sorry. Can you speak a little loudly? We are not being able to hear you.

Arka Bhattacharjee: Okay. Sir, congratulations on the good set of numbers. I just wanted to know that since you have mentioned that the industry is facing significant headwinds and a…

Moderator: I am sorry to interrupt. Arka, you are still not audible. Could you please use your phone on your handset mode, in case if you are using the speaker? Thank you.

Arka Bhattacharjee: Yes. Am I audible now?

Moderator: Yes, please go ahead.

Arka Bhattacharjee: Yes. Sir, I wanted to know that regarding the headwinds that the industry is facing, how would you expect to maintain this kind of margins going forward? And also, the second question would be that regarding the broking segment that you have mentioned as 51%, would you be maintaining this going forward or are you going to reduce this because this particular segment does not do very well because of industry regulators?

Pradeep Gupta: So, typically, if you really see, we have been continuously talking and our endeavor is that first we are going to bring our revenue mix to a 50%-50% level, along with the desired growth path which we are trying to set for ourselves in both the businesses, both the revenue streams, which is broking as well as non-broking.

And having said that, with a specific amount of growth in broking side and a specific amount of growth in non-broking side, which is distribution and other products. So that is how we are trying to see that how we can stabilize our revenue mix in such a way that our revenue does not directly or heavily impact because of market volatility.

Because as you know, even if at a 50% broking revenue, if sharp change or sharp downfall is happening in broking side or a market side, your revenue will get impacted on a broking side. So, we are trying to see that angle. And for that, since beginning, we have been talking that by end of March '27, we will see that we will be able to reach to that level, point number one.

And post that, we will start working and evaluating how and until what stage we have to probably constantly work upon it. Having said that, our endeavor is to grow on both the segments, which is broking and non-broking, and that is how we are trying to bring the productivity and stability in our revenue stream.

Roop Bhootra: Apart from that, one important thing which I want to highlight, cash market is always, I can say, our key focus. The delivery business is always the key focus. And there, an important part, like you have mentioned is broking, there will be a downfall or something will be there.

So, last quarter, if I will compare it with the quarter prior to that, the exchange volume has increased by 3% only, whereas our volume has increased by 11%. So, effectively, we are trying to improve our markets here also towards that particular path. So by improving that particular market share, we will try to maintain the growth momentum.

And along with this MTF book, which we are continuously expanding, that is supporting us in terms of that particular delivery-based business. And by expanding that particular MTF book, again, it's giving us a consistent kind of interest income or NIM, which is helping us in terms of maintaining the momentum which is there in our growth currently.

Arka Bhattacharjee: Okay. Okay. And I would like to continue one last question regarding the guidance. Most of the interviews, we have not given any guidance since the IPO. Would you be giving any margin guidance for this particular fiscal year?

Pradeep Gupta: At the moment, we are not giving any kind of a guidance. What we are trying to say, I think the major thing which we are talking is on two counts. One is our AUM on a distribution book, which we are trying to acquire or to reach somewhere around ₹ 9,500 crores to ₹ 10,000 crores. And in terms of our MTF book, we are trying to reach to about ₹ 1,500 crores. So, we have already achieved ₹ 1,232 crores by December '25.

Roop Bhootra: In MTF book. And in terms of AUM, we have reached to ₹ 8,400 crores.

Arka Bhattacharjee: Okay. Thank you. Thank you, sir.

Pradeep Gupta: Thank you.

Moderator: Thank you. The next question comes from the line of Nayan Gaba from Nayan Securities. Please go ahead. Nayan, please go ahead with your question and unmute yourself in case if you are on mute.

Nayan Gaba: Hello, sir. First of all, congratulations for these robust numbers. Am I audible?

Pradeep Gupta: Thank you, Nayan. Yes, yes. We are audible. Please go ahead.

Nayan Gaba: So, I wanted to ask…

Moderator: Nayan, please go ahead with your question. Nayan, you are not audible.

Diwakar Pingle: Alaric, why don't you take the next caller and we will get Nayan back in the queue later?

Moderator: Sure, sir. The next question comes from the line of Jainam from Jayan Wealth. Please go ahead.

Jainam: I want to ask one basic question to you. Have all one-time costs from the new labour code have been fully booked or should we expect any further impact?

Pradeep Gupta: So, just to share with you about labour code, we are not going to get impacted because of a simple reason. We are already following whatever changes is being decided and given, you know, proclaimed in this new labour laws. So, I believe it's not going to impact to us.

Jainam: I will ask you two more basic questions on the business. First one is, what steps are you taking to reduce the impact of market volatility on your business and which parts of the company are most insulated during volatile market conditions? And the second one is, which emerging segments or client categories are you expecting to drive material revenue growth from over the next few years? And do you plan to expand your physical presence in Tier 2 and Tier 3 cities to capture growth from lower-ticket clients?

Pradeep Gupta: Thank you, Jainam. If you really hear and look at our overall communication, yes, we are doing all the things what you are trying to say. We are -- and our presence is largely in Tier 2, Tier 3 cities. And we are constantly working towards it. In fact, we have increased our branch network. Five branches have been increased and opened in last quarter, and most of them are in North India in Tier 2, Tier 3 cities. That's how we are expanding.

In terms of addressing which category of client, so almost all categories of customers are being addressed in this company. But if you really look at it, we are looking for overall total investment need of a specific customer for all the category of customer, whether it is retail MNI, HNI or Corporate or NRI or Institutional. So that's how this whole company delivery is. So I believe I have answered all your questions. What was the first question?

Diwakar Pingle: On Market volatility?

Pradeep Gupta: Yes. So in terms of market volatility, if you really see, I have addressed that, we are trying to match our revenue mix in certain manner, through which we are trying to address the market volatility, because most of the time it is the market denominated revenue which is brokerage, which gets impacted based on the market volatility.

In terms of when we start creating, and we have already started creating a huge book from an annuity side, so the more annuity income we will be able to garner and generate, the more AUM is being garnered towards annuity income generating side, we are going to probably reduce the market volatility from overall perspective, and that's what we are doing. And I have explained that in my earlier questions, how we are doing and what exactly the steps which we are taking going forward. Thank you, Jainam.

Jainam: Thank you sir. And one more basic question is, what capex plans are you thinking to support tech upgrades for 1 lakh plus daily active users amid T+0 settlement?

Pradeep Gupta: So if you really look at our overall scenario, we constantly invest in various different technologies and systems wherever it is desired and required. So right now, if you really look at it, about 1.5%-2% kind of investments are going towards technology side, and we will constantly and continuously invest in the technology in the same fashion, same way.

Jainam: Thank you, sir. Thank you.

Moderator: Thank you. The next question comes from the line of Arup Dey, an Individual Investor. Please go ahead.

Arup Dey: Good afternoon.

Management: Yes, Mr. Arup, good afternoon.

Arup Dey: My question is on capital allocation. If I look at your balance sheet for H1 FY'26, there is more than ₹ 3,000 crores lying as bank balance. How do you plan to allocate this capital, and will it be deployed into the MTF book or used elsewhere?

Roop Bhootra: Sir, you are mentioning about the bank balance. That bank balance is mainly into FDs which are given to exchange for the margin purpose. It includes our own money as well as the client money, both things on the combined basis, which is compulsory to be kept. So out of this particular thing, nothing can be allocated to anything else. It is the funds which we require to do upstream into the exchange on regular basis. So this is related to that particular part.

As far as concerned with MTF book, we can utilize out of our capital and borrowed money, which we are doing completely separate than this and that activity is going on currently also. So this ₹ 2,000 crores[2] which may further increase once we will increase the clientele and business margins. Another thing that may further increase, but that will be measured in form of FD where we are able to generate the interest income on that.

Arup Dey: Okay, okay. Thank you.

Moderator: Thank you. The next question comes from the line of Aman Dugar from Nuvama Wealth Management. Please go ahead.

[2] Correction: This needs to be read as Rs. 3,000 crore. The bank balance as per the H1FY26 balance sheet is Rs. 3,351 crore.

Aman Dugar: Hi, thanks for taking my question again. Just one question on the finance cost front. We see a sequential decline. Is there anything to read on this thing because the MTF book is doing healthily. Yes.

Roop Bhootra: So yes, Mr. Aman, you have asked related to the reduction of this particular thing. As you know, we went for IPO and we have generated the money entirely coming into the company side. So naturally, immediately after receipt of that particular money, we will be able to reduce some of our loan.

And you can see that our debt equity ratio, which was earlier there 2.3 plus kind of level that has reduced now to 0.58. So effectively, automatically the loan book which has been reduced, and because of that our finance cost in terms is also reducing simultaneously. So I hope it's clear to you now.

Aman Dugar: Okay. Thank you.

Moderator: Thank you. A reminder to all participants, please press star and one to ask a question. Ladies and gentlemen, as there are no further questions, I would now like to hand the conference over to the management for the closing remarks.

Pradeep Gupta: Thank you investors once again for your participation. Each one of you have really asked intelligent and nice questions, which I'm really, really delighted to answer. If any further questions, feel free to be in touch with our investment relationship team. They will be happy to address them and have a nice day and night from here onwards. Thank you. Thanks a lot.

Moderator: Thank you, sir. Ladies and gentlemen, on behalf of Anand Rathi, Share and Stock Brokers Limited, that concludes this conference call. Thank you for joining us and you may now disconnect your lines.