Anand Rathi Share & Stock Brokers Ltd. IPO

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Anand Rathi Share and Stock Brokers Limited (ARSSBL) is an established full-service brokerage house in India with over 30 years of experience, incorporated in 1991 and part of the Anand Rathi group. The company provides broking services, margin trading facilities, and distribution of financial products under the 'Anand Rathi' brand to a diverse client base including retail investors, high-net-worth individuals (HNIs), ultra-HNIs, and institutions. As of Mar-2025, ARSSBL operates through 90 branches across 54 cities, a network of 1,125 Authorized Persons spanning 290 cities, and digital platforms. The company's investment offerings span equity, derivatives, commodities, and currency markets, with a focus on cash-delivery and intra-day trading. Revenue from operations grew from INR 4,678.26 mn in FY23 to INR 8,456.98 mn in FY25 at a CAGR of 34.45%, driven by a client base of 886,644 and assets under custody of INR 813,684.76 mn as of FY25.

ARSSBL's operations span Broking Services, MTF, and Distribution of Investment Products. Broking Services enable trading in equities (cash-delivery, intra-day, futures & options), commodities, and currencies via branches, 1,125 Authorized Persons, and digital platforms like TradeMobi, contributing 54.33% of FY25 brokerage income. MTF allows collateral-based equity cash delivery, with the book growing from INR 3,766.38 mn in FY23 to INR 6,855.13 mn in FY25 (34.91% CAGR). Distribution includes mutual funds, AIFs, and portfolio management, with assets under management rising from INR 31,572 mn in FY23 to INR 64,598.27 mn in FY25 (43.04% CAGR), bolstered by 36.65% digital brokerage income.

ARSSBL leads with the highest ARPC at INR 29,347 in FY25, driven by a mature client base (84.36% over 30) and tailored management. A pan-India network and digital infrastructure enhance scalability, while zero NPA in MTF and the trusted Anand Rathi brand aid retention and cross-selling. However, Regulatory risks loom with potential SEBI penalties for non-compliance in non-convertible debenture placements. Competition from discount brokers, related-party conflicts, and INR 3,773.40 mn contingent liabilities in FY25 add further pressure.

Industry	Financial Services

Scrip Details	
Listing	BSE &NSE
Open Date	Sep 23, 2025
Close Date	Sep 25, 2025
Price Band	INR 393 – 414
Face Value	INR 5.0
Market Lot	36 Shares
Minimum Lot	1

Issue Structure	
Issue Size (INR cr)	745.00
Issue Size (Shares)	1,79,95,169
QIB Share (%)	≤50%
Non-Inst Share (%)	≥15%
Retail Share (%)	≥35%
Pre Issue sh. (cr)	4.47
Post Issue sh. (cr)	6.27
Post Issue Market Cap (cr)	2,596.2

Shareholding (%)	Pre (%)	Post (%)
Promoter	98.1	69.9
Public	1.9	30.1
TOTAL	**100**	**100**

Key Consolidated Financial Data (INR Cr, unless specified)

	Revenue	EBITDA	PAT	EBITDA	PAT	Adj EPS	Adj BVPS	RoE	RoIC	EV/EBITDA	P/BV	P/E
FY23	467.8	115.1	37.7	24.6	8.1	6.0	42.3	14.2	-43.7	18.3	9.8	68.8
FY24	681.8	230.6	77.3	33.8	11.3	12.3	62.6	19.7	-72.6	8.3	6.6	33.6
FY25	845.7	311.3	103.6	36.8	12.3	16.5	80.3	20.6	-34.8	8.8	5.2	25.1

Source: Company RHP

Issue Structure and Offer Details

Anand Rathi Share IPO is a book build issue of INR 745.00 crores. The issue is entirely a fresh issue of 1.80 crore shares of INR 745.00 crore.

Issue Structure

Investor Category	Allocation
QIB	**Not more than 50% of the Net Issue**
NII (HNI)	**Not less than 35% of the Net Issue**
Retail	**Not less than 15% of the Net Issue**

Number of shares based on a higher price band of INR 414

Source: Company Reports

Objects of the Issue

The Company Anand Rathi Share IPO proposes to utilise the Net Proceeds from the Issue towards the following objects:

- Funding long-term working capital requirements of the Company (INR 190 cr).
- General Corporate Purposes.

Financial Summary

Fig in INR Cr (unless specified)	FY23	FY24	FY25
Income Statement			
Revenue	467.8	681.8	845.7
YoY Growth (%)	*10.5*	*45.7*	*24.0*
Employee Cost	169.1	214.8	272.5
Employee Cost to Sales (%)	*36.1*	*31.5*	*32.2*
Other Expenses	183.7	236.4	261.9
Other Exp to Sales (%)	*39.3*	*34.7*	*31.0*
EBITDA	115.1	230.6	311.3
Margin (%)	*24.6*	*33.8*	*36.8*
YoY Growth (%)	*1.3*	*100.4*	*35.0*
Depreciation & Amortization	15.5	20.1	25.5
EBIT	99.6	210.5	285.8
Margin (%)	*21.3*	*30.9*	*33.8*
YoY Growth (%)	*(0.9)*	*111.4*	*35.8*
Other Income	0.9	1.5	1.3
Interest	49.5	96.5	146.7
Fin Charges Coverage (X)	2.0	2.2	1.9
Exceptional Item	0.0	0.0	0.0
PBT	51.0	115.4	140.4
Margin (%)	*10.9*	*16.9*	*16.6*
YoY Growth (%)	*(19.8)*	*126.3*	*21.6*
Tax Expense	13.2	38.1	36.8
Tax Rate (%)	*26.0*	*33.0*	*26.2*
PAT	37.7	77.3	103.6
Margin (%)	*8.1*	*11.3*	*12.3*
YoY Growth (%)	*(25.7)*	*104.8*	*34.0*
Min Int/Sh of Assoc	0.0	0.0	0.0
Net Profit	37.7	77.3	103.6
Margin (%)	*8.1*	*11.3*	*12.3*
YoY Growth (%)	*(25.7)*	*104.8*	*34.0*
Balance Sheet			
Share Capital	20.2	22.2	22.2
Total Reserves	245.1	370.5	481.6
Shareholders Fund	265.2	392.7	503.8
Long Term Borrowings	125.0	233.9	81.0
Deferred Tax Assets / Liabilities	(7.6)	1.0	1.4
Other Long Term Liabilities	8.8	18.1	20.6
Long Term Trade Payables	0.0	21.8	0.1
Long Term Provisions	0.0	0.0	0.0
Total Liabilities	391.4	667.5	606.8
Net Block	48.6	66.8	84.2
Capital Work in Progress	0.0	0.0	0.0
Non Current Investments	0.0	0.0	0.0
Other Financial Assets	7.9	9.7	9.7
Net Current Assets	334.8	591.1	513.0
Total Assets	391.4	667.5	606.8

Fig in INR Cr (unless specified)	FY23	FY24	FY25
Per share data & Yields			
Adjusted EPS (INR)	6.0	12.3	16.5
Adjusted Cash EPS (INR)	8.5	15.5	20.6
CFO Yield (%)	0.6	7.2	26.6
Adjusted FCF per share (INR)	5.0	34.1	120.4
FCF Yield (%)	1.2	8.2	29.1
Solvency Ratio (X)			
Total Debt to Equity	1.6	2.3	0.3
Net Debt to Equity	(1.9)	(1.7)	0.3
Net Debt to EBITDA	(4.3)	(3.0)	0.5
Return Ratios (%)			
Return on Equity	14.2	19.7	20.6
Return on Capital Employed	10.6	11.0	13.5
Return on Invested Capital	(43.7)	(72.6)	(34.8)
Working Capital Ratios			
Payable Days (Nos)	686	642	801
Inventory Days (Nos)	0	83	83
Receivable Days (Nos)	159	132	109
Net Working Capital Days (Nos)	-527	-427	-609
Net Working Capital to Sales (%)	(144.3)	(139.7)	(189.5)
Valuation (X)			
P/E	68.8	33.6	25.1
P/BV	9.8	6.6	5.2
EV/EBITDA	18.3	8.3	8.8
EV/Sales	4.5	2.8	3.2
Cash Flow Statement			
PBT	51.0	115.4	140.4
Adjustments	(64.8)	(190.1)	(40.0)
Change in Working Capital	42.2	299.7	628.2
Less: Tax Paid	(13.2)	(38.1)	(36.8)
Cash Flow from Operations	15.1	186.9	691.8
Net Capital Expenditure	(20.7)	(38.0)	(35.3)
Change in Investments	(116.0)	(561.3)	(542.1)
Cash Flow from Investing	(136.7)	(599.3)	(577.4)
Change in Borrowings	157.6	465.1	34.4
Less: Finance Cost	(49.5)	(96.5)	(146.7)
Proceeds from Equity	0.0	50.0	0.0
Cash flow from Financing	108.1	418.6	(112.3)
Net Cash Flow	(13.4)	6.2	2.1
Forex Effect	0.0	0.0	0.0
Opening Balance of Cash	42.3	28.9	35.1
Closing Balance of Cash	28.8	35.1	37.2

Source: Company RHP

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