



“Gretex Corporate Services Limited  
Q3 & 9M FY26 Earnings Conference Call”

January 19, 2026

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**MANAGEMENT: MR. ALOK HARLALKA – MANAGING DIRECTOR AND  
CHIEF FINANCIAL OFFICER – GRETEX CORPORATE  
SERVICES LIMITED  
MR. ARVIND HARLALKA – WHOLE-TIME DIRECTOR –  
GRETEX CORPORATE SERVICES LIMITED  
MR. SUMEET HARLALKA – WHOLE-TIME DIRECTOR –  
GRETEX CORPORATE SERVICES LIMITED**



**Moderator:**

Ladies and gentlemen, good day and welcome to the Gretex Corporate Services Limited Earnings Conference Call to discuss the Unaudited Financial Performance for the Quarter and Nine-Month ended 31st December 2025. As a reminder, all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes.

Should you need assistance during this conference call, please signal an operator by pressing star, then zero on your touch-tone phone. Please note that this conference is being recorded. We have with us today Mr. Alok Harlalka, Managing Director and CFO, Mr. Arvind Harlalka, Whole-Time Director, and Mr. Sumeet Harlalka, Whole-Time Director.

Before we proceed, I would like to bring to your attention that certain statements made during this discussion may constitute forward-looking statements. These statements are based on the current expectations, assumptions, and beliefs regarding future developments and are inherently subject to various risks, uncertainties, and factors beyond your control. Such forward-looking statements involve both known and unknown risks, and we advise you to interpret them with caution.

I will now hand the conference over to Mr. Alok Harlalka, Managing Director and CFO, for his opening remarks. Thank you and over to you, sir.

**Alok Harlalka:**

Good morning, everyone, and welcome to Gretex Corporate Services Limited's earnings call for Q3 and 9M FY '26. Joining me on the call today are Mr. Arvind Harlalka and Mr. Sumeet Harlalka, our Whole-Time Directors. Thank you all for taking the time to participate.

The financial results and investor presentation have been uploaded on the stock exchanges and are also available on our company website. We trust you have had the opportunity to review them. For the benefit of participants who may be new to the company, let me begin with a brief overview of the Gretex Group.

Gretex today operates as an integrated capital markets platform combining merchant banking, broking, and market-making capabilities to enable capital access and growth for emerging enterprises in India. At the core of the group is Gretex Corporate Services Limited, our listed entity, and a SEBI Registered Category-I Merchant Banker, supported by our subsidiary Gretex Share Broking Limited and associate company Gretex Industries Limited.

Together, these entities function as a cohesive ecosystem delivering end-to-end, client-centric solutions across the capital markets value chain. Since inception, Gretex has built a strong execution-led franchise with a clear focus on compliance, governance, and long-term value creation. GCSL has successfully executed 60 public issues, including 58 SME IPOs, 1 Main Board IPO, and 1 follow-on public offer, and has also facilitated multiple private placements.



Complementing this, GSBL operates as a SEBI Registered stockbroker and market maker, providing liquidity support to 63 SME listed companies while serving institutional and retail clients through a diversified broking platform.

This integrated model enables Gretex to support clients across the entire lifecycle from fundraising and listing to post-listing liquidity and investor engagement. Coming to the broader industry environment, India's capital markets continue to remain structurally strong and supportive for businesses like ours.

The primary equity market remained active in FY '26 with a INR1.46 lakh crores raised through IPOs up to November 2025, of which Main Board IPOs accounted for INR1.38 lakh crores and SME platform issuances contributed INR8,033 crores, reflecting sustained demand for growth capital from corporates. This continues to provide a favorable backdrop for merchant banking and IPO Advisory Services.

At the same time, domestic participation in the equity market has remained robust, supported by a growing investor base and increasing financialization of savings. Liquidity conditions in the secondary markets have been stable, which is particularly important for the SME ecosystem and reinforces the relevance of market-making and broking services.

We are also seeing a gradual shift towards professionally managed investment solutions with rising interest across mutual funds, PMS and alternative investment platforms. Overall, these industry trends continue to support long-term opportunities across the capital markets value chain and remain aligned with Gretex's integrated business model.

Against this supportive industry backdrop, we have also taken steps to expand our presence in the alternative investment space. As part of this initiative, the company has proposed an investment in a CATEGORY II AIF to be sponsored and managed through Bahutex Ventures LLP, in which Gretex Corporate Services Limited will hold a 50% partnership interest as a designated partner.

The proposed fund will have a target corpus of up to INR100 crores, including a green shoe option, and the investment is being undertaken in the ordinary course of business in line with applicable SEBI regulations. We believe this initiative aligns well with the evolving investor preference for alternative investment products and complements our existing capital markets platform.

During the quarter passed by, we successfully completed the listing of several client companies including Flywing Simulator Training Centre Limited, M P K Steel India Limited and Munish Forge Limited. In addition, we received In-Principle approval for SSG Furnishing Solutions Limited, Vama Wovenfab Limited and Shreyas Fabtech Limited. We also filed DRHP for Brandman Retail Limited, Sureflo Techcon Limited and Acetech E-Commerce Limited collectively. These milestones highlight the strong execution momentum and the continued robust of our IPO pipeline.

Moving forward to the financial highlights, during Q3 FY '26, the company continued to deliver resilient operating performance across its delivered business model. Total income for the quarter



stood at INR54.8 crores, reflecting sustained business activity across core segments. The company reported an EBITDA of INR12.3 crores in Q3 FY '26, demonstrating a strong improvement in operating profitability on a sequential basis.

EBITDA margin stood at 22.4%, underscoring the inherent operating leverage and disciplined cost structure of the business. Profit after tax stood at INR6.9 crores, marking a meaningful sequential expansion. PAT margin improved to 12.5%, reflecting healthy bottom line conversion.

On a nine-month basis, performance remained steady with total income of INR144.8 crores and income from operation of INR143.7 crores. EBITDA for nine-month FY '26 was INR34.2 crores, translating into an EBITDA margin of 23.6%, indicating consistency in operating performance over the year. Profit after tax for nine-month FY '26 stood at INR20.7 crores, with a PAT margin of 14.3%, reinforcing the company's ability to maintain profitability through varying market conditions.

We continue to maintain a strong and well-balanced pipeline across both our merchant banking and broking businesses. On the IPO front, we currently have 20 active IPOs under execution, comprising 14 SME IPOs on NSE Emerge and BSE platforms and six mainboard IPO mandates, providing healthy visibility across market segments.

In addition, our market-making business remains with 26 active market-making mandates. Of these, 14 mandates are on the NSE Emerge and BSE SME platforms, while 12 mandates are from institutional clients, reflecting the growing scale and depth of our market-making operations. Overall, this diversified pipeline positions us well for sustained execution momentum in the coming quarters.

Our subsidiary, Gretex Share Broking Limited, continues to progress towards its proposed listing. During the quarter, we remained actively engaged in preparatory work for the same, which we believe will further strengthen the platform and support the next phase of growth across our market-making and broking operations.

Looking ahead, we will continue to prioritize execution excellence while building scale across our merchant banking and broking platforms in a measured and sustainable manner. With the continued evolution of India's capital markets, we believe the operating environment remains favorable and Gretex is well positioned to capitalize on emerging opportunities.

We appreciate the continued support of our stakeholders and remain focused on maintaining open and transparent engagements. Thank you for your time and we will now be happy to take your questions.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Parth Patel from Patel Investments. Please go ahead.

**Parth Patel:** Good morning, sir. Am I audible? Yes, sir.

**Alok Harlalka:** Yes, you are audible. Good morning.



**Parth Patel:** Thank you for the opportunity.

**Alok Harlalka:** Yes.

**Parth Patel:** I just have a couple of questions. First one is regarding the recent SEBI order that you received earlier this January. So I just wanted to know that is this as a final conclusion of the inspection and does the payment of the penalty effectively close the book or is there something else that is pending on it?

**Alok Harlalka:** See, this is the final, I mean this is the last inspection which we had and this final conclusion order has been there now. So, nothing is pending. After this, nothing is pending.

**Parth Patel:** Okay. Got it. And even though INR15 lakhs is not that big of an amount, I just wanted to check that when it comes to the operational impact of it, can we still fulfill all the orders that we have when it comes to the AIF license or is there any short-term shadow ban that has been put on us?

**Alok Harlalka:** I didn't get your question. Can you repeat your question again?

**Parth Patel:** So, what I mean here is along with the INR15 lakhs fine, is there any ban imposed by SEBI on us for a short period that you cannot fulfill any orders during this period or we can continue with our daily operations?

**Alok Harlalka:** Yes, there is no ban apart from this financial liability which SEBI has charged to us. There is no ban as such and even no ban is going to have later on as well.

**Parth Patel:** Got it. So, it is just the financial penalty. That's all?

**Alok Harlalka:** Yes, that's it. That's it. Yes.

**Parth Patel:** Okay. Next question, Alok ji, I have for you. So, in the last quarter when we had the con call, I had a query regarding the bottom line for our business and you had mentioned that we will receive somewhere -- we will reach somewhere around 40% to 50% PAT level margins. So, I just wanted to know by when we will be able to achieve this?

**Alok Harlalka:** See, we are expecting in this quarter, I mean this current quarter because if you remember right now is the report which I just read out. So, we have mentioned that we have got an approval of three companies. Approval is already there in our hand. Remaining three, four companies we are also expecting approval by this month only and hope to list all the companies within this quarter only. So, once we will have all the listing in place, so definitely what I have proposed last quarter, we will be able to reach this quarter.

**Parth Patel:** So, Q4, FY '26, we will be able to reach about let's say 45% PAT.

**Alok Harlalka:** Yes, consolidated I am talking about.

**Parth Patel:** Consolidated.

**Alok Harlalka:** Yes.



- Parth Patel:** Okay. Got it, sir. That's all from my side for now. I will join the queue again.
- Alok Harlalka:** Yes. Thank you.
- Moderator:** Thank you. The next question is from the line of Vikrant Verma from RK Advisory. Please go ahead.
- Vikrant Verma:** Good morning, sir. Thanks for the opportunity. I just have a few questions. Like what is the Gretex own capital commitment to the AIF and is it expected to be material enough to impact the dividends?
- Alok Harlalka:** No. We are committing only the 2.5% as a capital commitment of the overall fund that we are raising. That is INR2.5 crores overall. And obviously, this INR2.5 crores is not going to stop this dividend distribution. So, hopefully, this dividend distribution can be there. This is not going to impact our AIF investment as well.
- Vikrant Verma:** And what is like the INR100 crores AIF Bahutex Ventures is the focus on pre-IPO investment in companies...
- Alok Harlalka:** Yeah. Majority pre-IPO investment. Yes.
- Vikrant Verma:** And are there any safeguards are in place to manage contracts between fund entry valuations and eventual IPO pricing?
- Alok Harlalka:** Yes. Yes. They will be separate in all the team. I mean, the investment managers, everyone are the separate entity. So, obviously, conflicts of interest are there. But definitely, yes. First of all, we are not going to invest only in such pre-IPO where Gretex is involved. This fund is going to invest in some other transition where Gretex is not involved. So, that's part one.
- And as I said, the investment team and all are the professional people. So, definitely, all the checks and balances will be there. Some strategies are also there. So, they are also assuring that there will be no benefit to be given to the Gretex directly or indirectly.
- Vikrant Verma:** One more question I have. With the six ongoing main board IPO mandates that have longer execution cycles versus SME IPOs, should we expect more uneven or lumpy revenue recognition in the upcoming quarters?
- Alok Harlalka:** Yes. Definitely, yes.
- Vikrant Verma:** Okay. Thanks for the answers, sir. I will join the queue again.
- Alok Harlalka:** Sure. Thank you.
- Moderator:** Thank you. The next question is from the line of Tejpal Singh, an Individual Investor. Please go ahead.



- Tejpal Singh:** Hello. Good morning, Tejpal this side, we are seeing some sign of SME IPO fatigue with subscription numbers starting to normalize. Do you foresee this leading to pricing pressure on merchant banking fee, as the issue tries to lower their cost of capital?
- Alok Harlalka:** I didn't get your question. Please repeat me again.
- Tejpal Singh:** Sir, there are a lot of talks about SME IPOs fatigue. There are less and less subscriptions about SME IPOs. So, are we seeing any impact on pricing as a merchant banking partner?
- Alok Harlalka:** No, no. You mean what pricing? Pricing means?
- Tejpal Singh:** Pricing means the merchant bankers, their charge to the issuer on the issuers. So, is there any pressure because their subscription is less?
- Alok Harlalka:** Okay, okay. See, no. To be very honest, I mean, though we have seen in past, even currently we are also working in so much of mandates. So, definitely we are not decreasing our fees, whatever we are charging. So, there is no, I mean, compromising in terms of our fees. If market is doing very poor, it doesn't mean our efforts has gone down. Even our efforts has gone more if the market is not doing well.
- So, obviously, we don't decrease our cost if market is not too good. Even we try to increase, though we don't do that, but yes, our objective is to meet our expenses and the effort must be put in. So, minimum what we charge, we should get. That's all from our side.
- Tejpal Singh:** Okay, okay, sir. Thank you.
- Moderator:** Thank you. The next question is from the line of Nimesh Pandya, an Individual Investor. Please go ahead.
- Nimesh Pandya:** Yes. So, my question is like, you spoke about the tech growth from the broking arm. Could you share what kind of capital expenditure budget you have allocated for technology upgrades in coming year like FY '26 and '27? And just to stop at like how the growth would be?
- Alok Harlalka:** No, I didn't get your question. Please repeat me again.
- Nimesh Pandya:** I spoke about the tech-led growth for the broking arm?
- Alok Harlalka:** Tech-led group?
- Nimesh Pandya:** Tech, yes. Could you share the kind of capital expenditure budget you have allocated for technology upgrades?
- Alok Harlalka:** Technology upgrade, even obviously, it is a regular course of updation is going to happen. But there is no as such big capex going to be there in broking. There is nothing like that.
- Nimesh Pandya:** Okay, okay. So, my next question is, so, there has been, you know, significant volatility in your EBITDA margin. Swinging from 2.6% Q3, if I am not wrong, last year to 22.4% this time. So,



as we look ahead, what should we consider as a sustainable margin band? You know, so, is this the range of the new normal or should we expect it to fluctuate based on the EBITDA?

**Alok Harlalka:**

So, in the business like us, always Q1 and Q2 may be the lower margin in terms of regular. Because if you see the listing, the number of companies which got listed, obviously, first quarter will not have any much listing. Second quarter, we may have little bit. Third quarter, again, we may have little bit and fourth quarter will also have major one.

So, second quarter and fourth quarter will always have better revenue. And first quarter and third quarter will have always lesser revenue. Then only we can have consolidated, we will have 20% to 22% average for last two, three years. This year, we are expecting 40% to 45% PAT margin, considering all four quarters put together.

**Alok Harlalka:**

Okay, got it, got it. Thank you. That's it from my side.

**Moderator:**

The next question is from the line of Rohan Mehta, an Individual Investor.

**Rohan Mehta:**

Hi, good morning, sir. And thank you for the opportunity. I wanted to get some qualitative insights from you in terms of there has been some talk in the market about SEBI, you know, potentially increasing the minimum threshold of net worth or sort of the track record criteria for investment bankers. You know, so relative to smaller companies, how well capitalized are we to handle such norms, if the norms are made more stringent by SEBI?

**Alok Harlalka:**

You're talking about for this eligibility for the investment merchant bank licenses which SEBI has just recently increased the criteria, right?

**Rohan Mehta:**

Right, yes.

**Alok Harlalka:**

Yeah so, to be very honest, this is a very good step which SEBI has taken. It's not like that I'm asking for myself. It is about this entire industry. So, definitely, because this listing, I mean, whichever company wanted to list, they need to go to merchant bank like us. So, it is always important to have such people only who has the knowledge, who has that capabilities to do the right, I mean, disclosure has to happen.

And considering all these things, it is very much important that the person who is taking the responsibility to disclose everything in the document which we are submitting with exchanges and SEBI, that has to be perfectly right. And I have seen so much of inconsistency in terms of the disclosure which keeps happening for the last two, three years.

Lot many new merchant bankers have joined this industry, taken the license. They are trying their best, but things are not happening in a right manner. So, these steps were very important. So, according to me, in this industry, only such people should come in this industry who has the right capabilities, I mean, right knowledge.

And as well as to have the more stronger ecosystem to sustain this market. So, I think this is the right decision which SEBI has taken and only limited people should come. Then only this



industry can do best performance because, as I said, we have seen so many irregularities in this entire ecosystem. So, these steps were correctly taken by SEBI, according to me.

**Rohan Mehta:**

Got it, got it. Okay, sir. That's very useful. Sir, just a little insight on the number of SME IPOs that have been coming out after such a surge in SME IPOs over the recent past. Do you see the number plateauing out in the coming months? And do you foresee any pricing pressure in terms of merchant banking fees because of this?

That is one thing. And second question was pertaining to the same aspect is, if Main Board IPOs, do you see in terms of executing Main Board IPOs, does it require a different level of investment in terms of skills compared to SME IPOs?

**Alok Harlalka:**

See, first question was about the, you mean, how the valuation is going to happen, how the merchant banking fees is going to impact, right? That was the first question.

**Rohan Mehta:**

Right, sir. Considering whether you see that the number of SME IPOs sort of slowing down compared to the rate at which they were coming in the recent past.

**Alok Harlalka:**

Yeah, yeah. So, currently, if you see the current scenario in the market, definitely there are lines of companies wanted to list. But yes, because of market sentiments are not very good, even for SME or Main Board both. So, definitely, there will be impact in terms of number of listing which was happened last year compared to last year. What we remember, what I thought that number of listings will reduce compared to last year.

Though, as I said, not many approvals are there even with us, even with some other merchant banker as well. So, we understand the kind of market behavior, especially for SMEs. It's not too good, but yes, listing is going to happen. Yeah. So, number of listings may not be just like last year.

And as you are asking the fees of the merchant banker which we generally charge, so according to me, we will not be reducing our cost because our efforts are more. If market is not doing well, we have to do more effort because we always get challenges to get the investors on board even for any company, be it for SME. So, according to me, there will be no cost of merchant banker fees to be reduced from the IPO activities, according to me.

**Rohan Mehta:**

I see. I see. Got it, sir. So, just one last question, if you could throw some light on that we have around, I think, six odd Main Board IPO mandates currently. And I believe Main Board takes a longer time also in terms of the execution cycle compared to SME and maybe a little more expertise. So, maybe the investment involved in conducting a Main Board IPO might be more.

So, if you could throw some light on how you see the revenue coming in over the next few cycles from these Main Board IPO mandates. And also, if we are looking to tighten our internal risk limits with the market making portfolio of 60 plus companies that we have, whether we are seeing any inventory risk due to the volatility.

**Alok Harlalka:**

Yeah. So, first of all, in terms of even quality checking, I mean, for the Main Board, a lot many due diligence is required, comparing with SME, right? That's your first question?



- Rohan Mehta:** Yes, sir.
- Alok Harlalka:** So definitely, if you talk about this Main Board, definitely we have more, I mean, stronger team, which we already have. So, definitely today we have two set of, I mean, manpower in the entire ecosystem within Gretex. One is for SME, one is for Main Board. So, technically, definitely we need to have, I mean, more strength, I mean, having the proper due diligence for Main Board company.
- So, we have two set of employees. One is for SME, one is for Main Board. So, Main Board people have that kind of skill set, which is required for Main Board, which we already have. So, we don't need to increase any cost, per se, for the Main Board as well. That we have already in place, right? So, that is there. I think your first question is answered, right?
- Rohan Mehta:** Right. Right, sir. And the second part was in terms of market making portfolio, the inventory risk that we are exposed to, given the correction in mid and small cap, with that volatility in context, whether we are looking at tightening our internal risk limits?
- Alok Harlalka:** Yeah. See, now, if you, I mean, I don't know whether you have attended our first call or not, I don't remember that. So, what I remember that in first call, when we have internally discussed that we will be reducing the, I mean, SME IPOs gradually. We will be transforming our entire business model to the Main Board focused.
- So, that our business, I mean, revenue will be much more and there will be lesser risk because in SME only, you need to invest at least 5% of the IPO size minimum as a market maker. As our market maker entities managed by us only. So, the investment is compulsory to be done in most of the SMEs companies which we brought. So, gradually we are going to decrease the SME IPOs and focusing on the main board, that's how we wanted to have.
- So, definitely that risk we are reducing gradually going forward and we will be focusing majorly on main board and yes, SME we will be doing but very limited company will be doing by Gretex going forward in future. So, that's how we have internally we have discussed.
- Rohan Mehta:** Got it, sir. Thank you very much. That's very useful and all the best, sir. Thank you.
- Alok Harlalka:** Thank you.
- Moderator:** A reminder to all the participants, you may press star and 1 to ask a question. The next question is from the line of Shania Jain, an Individual Investor. Please go ahead.
- Shania Jain:** Hello. Hi, sir.
- Alok Harlalka:** Yeah. Hi.
- Shania Jain:** I just had few questions. First one, like why there is so significant volatility in EBITDA margins?
- Alok Harlalka:** Okay. See, in this industry, it's very important. We need to understand this industry. This listing happens, I mean the business model what we have, once company gets listed, that time only we will get major revenue. It's not everyday listing happening. It's not like that.



So, that's the reason this EBITDA margin keeps volatile. But yes, at the end of the year, our EBITDA margin will be 20% to 22%, which is the past record of 2-3 years. And this year, we are targeting 40% to 45% PAT margin at least in this financial year. So, this happens if you see last 2-3 quarters results, then you will see the same kind of volatility will be there in last 2-3 years quarters.

**Shania Jain:** Okay. Sure, sir. Sir, also like given the sharp reduction in the top line revenue number, does this also translate to a lower working capital requirement for our business or how is it?

**Alok Harlalka:** Yes.

**Shania Jain:** Okay. Sure, sir. That's it from my side. Thank you so much.

**Alok Harlalka:** Thank you.

**Moderator:** Thank you. A reminder to all the participants, you may press star and 1 to ask a question. As there are no further questions from the participants, I would now like to hand the conference over to Mr. Alok Harlalka for the closing comments. Thank you and over to you, sir.

**Alok Harlalka:** Thank you. Thank you, all the participants who have given your time, to attend this call. And I'm sure that this financial year FY'25-FY'26 will be the best year according to me, where we are trying to achieve more and more listing to happen, so that revenue will be much and profit margin will be much. So, I hope to reach that target very soon. Thank you all for joining us again. Thanks.

**Moderator:** Thank you very much. On behalf of Gretex Corporate Services Limited, that concludes this conference. Thank you for joining with us today and you may now disconnect your lines.