



Before the Bell: IPO Edition

by

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Company Overview

- Shreni Shares Limited is a SEBI registered stock broking firm engaged in the business of Share Broking and Market Making Services. The Company is one of the leading players among the top 10 market makers in the SME exchange Eco-system in India.
 - The Company is currently in the process of active market-making for 41 companies listed on the SME platform. Along with market-making services, the company also provides broking services and margin trading facility.
 - The Company also carries out capital business which consists of proprietary trading and Investment activities including market making related fund-based activities. The Company primarily deploys its capital across a range of equity investments with both short-term and long-term horizons.
- **Competitive Advantages:**
 - **Strong Market Presence:** The Company has remained in the top-10 market-makers in the SME segment from FY 2023 to FY 2025.
 - **Latest and Advance Technology and Infrastructure:** The Company through its mobile application provides a unified interface for seamless execution.
 - **Increased HNI/UHNI participation:** The growing population of high-net-worth individuals has supported demand for sophisticated broking and capital market services.
 - **Risks/Challenges:**
 - **Brand Trust and Customer Experience:** Investor preference is largely driven by brand credibility, service reliability, and overall customer experience
 - **Extensive Regulations:** Establishing operations in capital markets requires multiple approvals from SEBI, stock exchanges, and depositories..
 - **Intense competitive landscape:** Intense competition among brokers and financial intermediaries has resulted in significant pressure on brokerage rates and transaction fees.

Financial Overview

(Amount in INR Crores)

Income Statement	FY 2023A	FY 2024A	FY 2025A
Revenue from Operations	12	32	29
EBITDA	9	28	25
PBT	8	27	23
PAT	6	20	17

Revenue by Segment (FY 2025):

- Treasury Operations
 - Revenue: INR 19.40 crores (68%)
- Broking Commission, Fees & Consultancy:
 - Revenue: INR 5.93 crores (20.80%)
- Market Making Fees:
 - Revenue: INR 1.02 crores (3.58%)
- MTF Interest Income:
 - Revenue: INR 1.54 crores (5.40%)
- Others
 - Revenue: INR 0.64 crores (2.23%)

Key Points:

- Revenue increased from INR 12 crores in FY 2023 to INR 32 crores in FY 2024, reflecting strong growth of 165%, before declining by 9.89% to INR 29 crores in FY 2025.
- Alongside revenue growth, EBITDA and PAT Margins have improve significantly from 77% and 46% in FY 23 to 86% and 59% in FY 25, respectively.
- The Company generated positive cash flow from operations in FY 2023; however, it reported negative operating cash flows in FY 2024 and FY 2025.

Important Points

- The Company derives a significant portion of its revenue being approx. ~77% from treasury operations. Any adverse movement in treasury performance or decline in revenue from this segment would have an adverse impact on the Company.
- The Company has been penalized in the past for not complying with regulations by the Stock Exchanges and has also received warnings from the NSE for non-compliance in reporting of clients' level cash and cash equivalents. If the Company is subjected to penalties in the future, it may have adverse impact on the Company.
- **Financial Summary for Nine-months ended 31st December, 2025:**
 - Revenue: INR 46 Crores
 - EBITDA: INR 42 Crores
 - PAT: INR 30 Crores
- **Revenue by Segment (Nine-months ended 31st December, 2025):**
 - Treasury Operations
 - Revenue: INR 35.27 crores (76.78%)
 - Broking Commission, Fees & Consultancy:
 - Revenue: INR 2.91 crores (6.33%)
 - Market Making Fees:
 - Revenue: INR 3.89 crores (8.46%)
 - MTF Interest Income:
 - Revenue: INR 3.16 crores (6.87%)
 - Others
 - Revenue: INR 0.72 crores (1.56%)
- Out of the Net Fresh Issue proceeds, INR 57 crores are earmarked for meeting the working capital requirements and INR 8 crores are earmarked for repayment of borrowings availed by the Company, with the balance fund to be used for general corporate purposes.

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