



Dated: 02.02.2026

To  
**Department of Corporate Services,**  
BSE Limited,  
25th Floor, P.J. Towers,  
Dalal Street, Mumbai-400001

**Scrip Code: 538882**

Dear Sir/Madam,

**Subject: Submission of Investor/ Analysts Meet Transcripts**

In continuation of the letter dated January 22, 2026 related to the Investor Conference Call to discuss the Financial Results for the Quarter ended December 31, 2025 and pursuant to Regulations 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), please find enclosed the Transcripts of the Company's Investor Call.

The said Transcript is also available on the website of the Company at <https://emeraldfin.com/wp-content/uploads/2026/02/Kirin-EmeraldFin-Concall-Transcript-31.12.2025.pdf>

It is further confirmed that no unpublished price sensitive information was shared/discussed in the meeting / call.

We request you to take the same on record.

Yours Sincerely  
**For Emerald Finance Limited**

AMARJE ET KAUR  
Digitally signed by  
AMARJEET KAUR  
Date: 2026.02.02  
14:29:57 +05'30'

**(Amarjeet Kaur)**  
**Company Secretary cum Compliance Officer**  
**Membership No. : F13755**

EMERALD FINANCE LIMITED

CIN • L65993CH1983PLC041774

Registered Office: S.C.O 7, Industrial Area Phase II, Chandigarh (India), 160002

Ph: +91-172-4005659, +91-172-4603859 | E-mail: [info@emeraldfin.com](mailto:info@emeraldfin.com) | Website: [www.emeraldfin.com](http://www.emeraldfin.com)





**“Emerald Finance Limited  
Q3 and 9M FY '26 Results Conference Call”  
January 29, 2026**



**MANAGEMENT: MR. SANJAY AGGARWAL – MANAGING DIRECTOR –  
EMERALD FINANCE LIMITED  
MRS. GURMEET KAUR – CHIEF RISK OFFICER –  
EMERALD FINANCE LIMITED  
MR. TALIN AGGARWAL – HEAD, BUSINESS  
DEVELOPMENT – EMERALD FINANCE LIMITED**

**MODERATOR: MR. RONAK – KIRIN ADVISORS PRIVATE LIMITED**

**Moderator:**

Ladies and gentlemen, good day, and welcome to Q3 and 9M FY '26 Results Conference Call of Emerald Finance Limited. As a reminder, all participants' 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 touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Ronak. Thank you, and over to you.

**Ronak:**

Thank you. On behalf of Kirin Advisors, I welcome you all to the conference call of Emerald Finance Limited. From the management team, we have Mr. Sanjay Aggarwal, Managing Director; Mrs. Gurmeet Kaur, Chief Risk Officer; and Mr. Talin Aggarwal, Head of Business Development. Over to you, sir. Thank you.

**Sanjay Aggarwal:**

Welcome to Q3FY2026 Earnings call for Emerald Finance Limited. With me is Ms. Gurmeet, our Chief Risk Adviser; and Talin, who is the Chief Business Advisor and heading the tech team. On behalf of the management team, I extend my sincere appreciation to all our stakeholders, investors, analysts for joining us today. We have concluded first nine months of FY '26 on a decent note and with a healthy financial growth, operational progress and expansion on all the three verticals in which we are operating in.

Our EWA as well as gold loan syndication business has continued to gain more attraction, supported by our rising digital adoption in our company. For the first nine months, our total stand-alone income grew by 68%, and our net profit jumped by 104% to INR8.7 crores. On a consolidated basis, our total income has increased by 42% to INR21.4 crores and our net profit grew by 73% to INR10.7 crores.

The results highlight the strength of our asset-light model and effective cost management. Operationally, our third quarter reflected a steady progress in our digital and lending initiatives. We have launched our mobile app, plus we have become one of the few companies in India -- finance companies in India to do disbursement via WhatsApp. Also, we have done a syndication of more than INR105 crores in gold loans only in the month of December.

In the previous quarter, we were thoroughly audited by CRISIL for the annual review. And I'm glad to inform you that CRISIL has upgraded our investment grade to BBB- from the previous BBB+ rating. This will help us in further raising of funds and reduce cost -- reduction in the cost of our funds.

Before I conclude, I would like to thank all our shareholders, customers, partners, employees for their continued trust and support. And lastly, I would like to point out in the last year, we have a deposit total tax of INR2.22 crores. And for the first nine months, we have already made a provision for INR3.63 crores. As well on the CSR front, last year, we did a CSR of INR18.46 lakhs. This for the first nine months, we have done already done INR28 lakhs.

With this strong foundation and disciplined execution, we are confident of sustaining our growth momentum and building Emerald Finance into a scalable and more importantly, a resilient financial enterprise.

I will now open for question-and-answer, please.

**Moderator:** Thank you. We will now begin the question and answer session. The first question is from the line of Rohit Arora, an Individual Investor. Please go ahead.

**Rohit Arora:** Sir, as previously at the start of this financial year, our guidance was to add around 250 EWA clients, and currently, we have reached 180.

**Sanjay Aggarwal:** Yes, 180. If you look at for the guidance, 70 some short.

**Rohit Arora:** Yes, 70. And are we still comfortable to achieve?

**Sanjay Aggarwal:** Yes. There is one thing we received a lot of applications in the last quarter, but there were a lot of rejection from our side. So given the market turbulence, we are very careful on the credit part. So there is a lot of rejections that time -- see rather than achieving 250, we are more focused on the credit quality, what we are underwriting the corporate that should be good.

**Rohit Arora:** We are looking to add...

**Sanjay Aggarwal:** Come again?

**Rohit Arora:** We are looking to add corporates of size of almost?

**Sanjay Aggarwal:** No, what is -- like normally, we undertake corporates of 100 -- with 100 employees plus. Of course, we did a lot of application, as we continue to receive a lot of applications, but we are tightening our credit norms. Given the turbulence in the market and the overall economic situation, we are very careful in onboarding the corporates. So that is why we just onboarded 30 corporates in the last quarter.

**Rohit Arora:** Yes. That's why I was asking the question.

**Sanjay Aggarwal:** Yes.

**Talin Aggarwal:** So if I may just pitch in here, sorry. So actually, we revised our underwriting and credit policy on the 1st of October 2025, given the market situation. So as sir mentioned that we indeed received a lot of applications and interest from companies. But given the tightening of our own credit tools, a lot of them were rejected, right? So we are actually are focusing on the quality of corporates we're getting, rather than the quantity alone.

So we, actually see towards the business front, our business has increased at a much faster pace than the corporates have -- than the pace at which we have onboarded new corporates. The idea is to now focus on the quality we are onboarding given the turbulent market conditions given -- especially in the MSME space.

**Sanjay Aggarwal:** But in spite of the tight credit norms, both the top line and the bottom line have grown in the last quarter.

**Rohit Arora:** Yes, that is very good. And are we looking to add different corporates, which are working in different businesses?

**Sanjay Aggarwal:** Yes. We are open to all types of business lines.

**Rohit Arora:** And are we expanding to more geographies?

**Sanjay Aggarwal:** Yes, we are also already operating pan-India. We are operating as far as Chennai, Chennai this side Calcutta. We are already operating in Surat, Pune, Hyderabad.

**Rohit Arora:** And what are the qualities that we are looking in the corporates before acquiring them as an EWA customer?

**Talin Aggarwal:** So before we partner with any company, we essentially are looking at two major things. One is the cash flow statement and financial position. Second is the credit history. So has the corporate effectively defaulted on any trade lines or has any outstanding DPD is one. Second is the corporate cash rate or is the corporate profitable so they can meet salaries for the next three months.

So these are the major criteria. Then we, of course, have further underwriting, which we do on the corporates.

**Rohit Arora:** And energy-related IPP, Independent Power Producers are doing very good. Are we adding them as a client?

**Talin Aggarwal:** Sorry, who?

**Rohit Arora:** So electricity renewable related projects related companies?

**Talin Aggarwal:** If we get an opportunity to partner, we'll follow our underwriting and definitely partner with them.

**Rohit Arora:** Okay. Thank you.

**Moderator:** Thank you. The next question comes from the line of Abhi Jain from AJ Capital. Please go ahead.

**Abhi Jain:** Sir, I am new to the company. So I just wanted to understand, one, in terms of the crowded market, this whole NBFC space that you are in, given that the two main product lines that I understand you operate in the gold loan and EWA space. Can you help us understand and can you help the broader investor community understand what is the scope and what is the breadth of the market that currently you are operating in?

I mean, how much can this market grow? What is your penetration and whether you would need to diversify into other products? And just give us a five or seven year blueprint to help understand what is the ambition of the company and where can it go from here?

**Talin Aggarwal:**

So let me -- let me -- sure. Let me take this. So I'll just expand the horizon a little. So we're not only into gold loan sourcing and EWA. So again, just to go back, so we incorporated back in '94, '95, we started as a loan sourcing agent for Citi Finance back then. And in 2015, we received the BSE listing along with our NBFC license. So if you essentially see our balance sheet today, we have two major verticals.

One, we are a loan sourcing agent for 40-plus banks and NBFCs for whom we do retail loans, wholesale loans. So gold loan is part of the syndication business itself within the subsidiary. Second, we are an NBFC. So we have roughly INR103 crores in AUM. Now the majority of this is made of business loans, MSME business loans. And EWA is a very small portion of this.

So essentially, we have an entire suite of financial services which we cater to, wherever we onboard a corporate or employees in general. So combined, both the entities, we have a breadth of products, which we have and a good suite of technology, I would say there.

Now going forward, the idea is to increase the book size of Emerald from INR100 crores to another INR200 crores to INR300 crores in the next about five to six years, while simultaneously increasing the syndication business. On the syndication business, we receive a healthy fees without any risk. And we see a good pool of customers being sourced through our DSAs.

**Abhi Jain:**

So breaking my next question into two parts. On the syndication side, how -- what is the current month-on-month growth that you are witnessing? And secondly, again, coming back to the question on the NBFC side, given that it's a crowded space, right, and the ambition right now is to grow the book from INR100 crores to INR200 crores, INR300 crores in the next five to six years. I mean, there is a plethora of NBFCs, which are at a much larger scale, growing at a much faster pace. So what differentiates you?

And just to understand, I mean, what is the differentiator? And how does an investor understand like how well the company understands and analyse and underwrites risk because, I mean, risk calibrated growth is something that stands out in NBFC. So can you just throw some light around that also? And secondly, on the distribution side, what is the month-on-month growth?

**Talin Aggarwal:**

Sure. So I'll just start maybe with the risk part here. So our historical risk in the past 11 years since the NBFC has been in operations. Since we've received the license, our historical NPA has been lower than 0.4%, 0.5% historically, right? So I think in terms of our underwriting/risk, we are very, very prudent there and that reflects with our NPA numbers as well.

Now coming to the distribution growth. So last year, we did close to INR900 crores worth of distribution or about INR1,000 crores worth of distribution combined for all the banks and NBFCs. This year, we're projecting to do about INR1,200 crores to INR1,300 crores. So last quarter, in fact, we did INR400 crores in totality as syndication. And this quarter, we are expecting it to grow by a bit.

Now where the moat here comes in, is our distribution, right? Because again, if you're doing INR400 crores a quarter for other banks, we see the kind of quality clients we're getting. So it's not very difficult for us to maybe source even 10% of that into our own books, right? So our distribution is very much sorted from that end.

And again, in the distribution business, as we mentioned, is growing decently. We did about INR115 crores of GL last month itself, which has been growing tremendously for us. And thirdly, being we are a technology company, we have an entire in-house technology team and the entire -- our EWA stack is built in-house. A lot of our processes are built in-house.

So I think that allows us to leverage technology at a much larger scale. So even if you see our PAT margins, our PAT margins have been growing quarter-on-quarter. So last quarter, we had a PAT margin of close to 51%.

**Sanjay Aggarwal:**

So in India, only three companies are right now focused on the EWA. One is us, other is Refyne; third is Jify in Bombay. Refyne is Chennai based. As you look at the EWA companies worldwide, they are growing at a tremendous speed, and there's no doubt that India is such a huge market that we should in the coming years, grow at a much faster speed. And it's a lot of - - we have taken checks and balances, and that's why the NPS numbers are very low.

**Abhi Jain:**

That is helpful. But since the company is still new to the investor sector, what would help and if I could follow that suggestion is that, if you could lay out as part of investor deck or going forward just as a presentation, a five-year, 10-year kind of a road map, just to understand, I mean, where do you see yourself going? What are the sectors that will grow? How will your growth will be risk adjusted, risk calibrated?

Because that really gives an insight into what can be expected. And then people can track you down from there as to whether the organization is going in the right direction because currently, it's blue ocean in terms of understanding the company. There are so many companies, it's such a crowded space. So to give a valuation premium or just to understand the company better, you will need much more insights into the company. That's what my assumption is.

**Sanjay Aggarwal:**

Absolutely. Two years back, our total EPS was INR1.37. Last year, it was INR2.57. And for the first nine months, we have crossed INR3. If you just extrapolate, I think we should close this year on a INR4-plus EPS. And on a year-on-year basis, almost growing 70% to 80%. Might be close to INR4-plus EPS this year, I think hopefully, we should touch anywhere with 7% to 8% next year.

**Abhi Jain:**

That's what interests me, the growth interests me.

**Sanjay Aggarwal:**

Come again.

**Abhi Jain:**

For the long-term investors, it helps to have a vision and a road map so that we can also understand and align ourselves to that. So the road map document would really help. Yes.

**Talin Aggarwal:** Yes. Sure, sure. We've noted it from the next probably in the next analyst call, we will take care of it.

**Sanjay Aggarwal:** We are already given that we're going to 8x to 10x in next three, four years. I think we're on track for that. Quarter here or two this year because if you look at it, we are almost having 70% year-on-year basis.

**Abhi Jain:** I wish you all the best. And from whatever I hear from your comments, I wish you all the best and I will be tracking journey.

**Sanjay Aggarwal:** There is a huge scope in EWA. So as you say, there is huge scope in EWA now. We have not even scratched the surface. India is such a huge market. If you look at companies in Philippines or Indonesia, they have grown so big in advance. There's no reason why companies in India will not grow.

**Abhi Jain:** Thank you. That's it from my side. I'm hoping to attend more calls and understand the company better.

**Moderator:** Thank you. The next question comes from the line of Pratik from Qode Advisory LLP. Please go ahead.

**Pratik:** I just wanted to understand how much of the interest income that we generated in this quarter 3 comes from EWA and for the fee-based income, how much of that revenue comes from gold?

**Talin Aggarwal:** Sure. I'll take that. So only on the EWA front, so EWA we don't charge any interest. We only charge a processing fee. So it's booked under the processing fee income.

**Pratik:** Okay. So when we are seeing fee-based income was around INR4 crores for quarter 3, EWA would be included in this?

**Talin Aggarwal:** Correct. So if I just give you the revenue split altogether between all the three verticals, 4.5% of the consolidated revenue was from EWA, about 47% was interest income, the balance was fee-based income.

**Pratik:** And gold as a percentage of fee-based income would be?

**Sanjay Aggarwal:** 60% to 65% of that.

**Pratik:** 60% to 65% of the fee-based was from gold, right, the gold loans.

**Sanjay Aggarwal:** See, there's a lot of cross-selling also. A lot of gold loans which are sourcing come from EWA clients. So we've already done a lot of cross-selling from the existing database, a lot of EWA clients, employees we are giving them gold loans also. So that comes...

**Pratik:** Any delinquencies on the EWA front for Q3 that we saw?

**Talin Aggarwal:** Yes, yes.



**Sanjay Aggarwal:** Gurmeet, would you like to take that?

**Gurmeet Kaur:** Yes, Sanjay. Yes. So in the Q3, we had an NPA of about INR26 lakhs, and that was driven by one corporate, who underwent fundamental liquidity issue. That particular corporate we had paused operations with them. And out of INR26 lakhs from that -- from that out of INR25 lakhs to INR26 lakhs that we had reported to RBI as an NPA, the collection is on. And I think we'll be able to do the complete recovery of the outstanding amount by the end of February. So they don't have any...

**Sanjay Aggarwal:** INR17 lakhs is already recovered.

**Gurmeet Kaur:** INR17 lakhs is already recovered from them.

**Sanjay Aggarwal:** Out of this INR26 lakhs.

**Gurmeet Kaur:** Yes. And then we do have -- so that is the only NPA that we had and that was mainly driven by one corporate, who started facing some liquidity issue.

**Pratik:** So in that particular case, do we block them or do we give them an additional time to make the payment? Like what happens in that case with that corporate?

**Gurmeet Kaur:** So they cannot avail further disbursement. So any further outflow of the money is paused. And then our collection efforts, then the collection processes are kick started. And that is what is exactly happening with them now.

**Pratik:** Okay. Understood.

**Sanjay Aggarwal:** But there's nothing to worry about this particular company because Tata and IBM are also their representatives are also on their board. They have a tie-up with them, Tata and the IBM. So out of INR26 lakhs, what we reported as on 31st December to RBI, INR17 lakhs we have already recovered in the month of Jan. And the balance...

**Pratik:** Another question I had was the current run rate for EWA earlier, it was, I think, INR4 crores a month, and then we had gone to INR6 crores, and the guidance was to get to INR13 crores to INR15 crores by FY '26. So could you just give some clarity on where we are right now?

**Talin Aggarwal:** So in the last month, we did about INR8 crores, INR8.5 crores worth of disbursement with 180 corporates. So the idea is that by the end of March, we should be between INR11.5 crores to INR12 crores.

**Pratik:** Last question. From the borrowing cost and balance sheet growth, how much of it can be supported without further equity dilution? If you can give some guidance on that, that would be really helpful. And what is the cost of funds for us currently? And post this rating upgrade, how do you see that helping us?

**Sanjay Aggarwal:** The debt equity ratio is only 0.2%. There is ample scope for taking the -- raising further debt. Already we will talk with now State Bank and other banks also now. Once we have now got the investment grade rating, now a lot of other banks should also open up. We are approaching

-- we are forwarding for a couple of more banks both in the private and the public sector and we should raise funds from there. Even after the meeting, I have a meeting with the General Manager of State Bank at 6:00, after this con call and I am going to State Bank, meeting with the GM.

**Pratik:** So in terms of -- as you mentioned when you said about revenue breakup, you said there's a lot of cross-sell income. How should we look at when we look at like the revenue breakup going forward in terms of the mix? Like I have tracked it historically, we have around 49 -- around 50-50 mix between interest income and fee-based income. Going forward, how do you see this split going? And like will it always remain at these levels with the growth rates that you have projected as an answer to the previous question?

**Talin Aggarwal:** Going forward, we actually expect that EWA's profitability will increase to anything between 6% to 7%. So that would be our target going forward as all the segments increase grow together rather. And the cross-sell is again then booked as a processing fee or interest given the status of the loan, whether we have financed it on our own books or we sourced it to other banks.

**Pratik:** Right. But in terms of our aspiration and growth, do you think that then the interest income would become a larger share in terms of the mix? Would it still be 50-50 or we would have like a 70-30 kind of a mix?

**Talin Aggarwal:** So again, as we mentioned, we're trying to grow both our segments, right? So if you say interest income becomes 70%, my processing fee becomes close to 30% then. So again, that means my syndication business is not growing, right, which is...

**Pratik:** So we think of it as growing...

**Talin Aggarwal:** Correct. Correct. I think the ideal mix here would be about 46%, 46% for both and another 8% for EWA.

**Pratik:** Thank you so much.

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

**Ankit:** Yes. My question was on the, follow-up question on the NPA. What went wrong with the company? And like was it outstanding for a single month, the entire INR26 lakh?

**Gurmeet Kaur:** I just explained that. So since it is an EWA -- since it is an EWA product, this was disbursement that was done in one particular month. And when that particular -- whatever that we have disbursed, they could not pay on the required due date in the following months, the limits were paused for them. They had some internal operational issues and which led to some financial crisis. And they kind of told us in advance that they will take about two to three months to fix that up.

So given that it is a very credible corporate and which has got some known names on their board, they took some time to do an internal reshuffling and internal rejig of their processes and their management. And as committed by them, once they are able to stabilize their processes completely, they started to pay us. So out of INR26 lakhs, which is due, INR17 lakhs has already been received and the remaining INR9 lakhs is expected to come any time in February.

**Ankit:** So like they are not paying salaries even to their employees?

**Talin Aggarwal:** They are paying salaries.

**Sanjay Aggarwal:** I think they are paying their salaries also. Our money will come, there is no problem as such.

**Gurmeet Kaur:** Like I said that they had a temporary issue, which they had to sort. And so the organization is running well. It is still running. The employees are getting paid. This is a bulk payment, which the corporate was supposed to do post deduction from the salaries of the employees. This is what is going to be coming to us now. So we no longer kind of do any more disbursements to the organization.

**Ankit:** Yes, that's correct. But like my question was on that EWA model. Because if they are paying a salary, if they have money to pay the salary to the employees, then they need to first clear up the EWA loan, right? So if they -- in the case they are not paying salary, it's fine. If they are paying salaries and they are saying, we will block this EWA loan payment, that is not

**Gurmeet Kaur:** Ankit, let me just -- let me just answer it in a slightly different way. When you do a lending business, we are in the business of taking calculated risk. And during the journey with any of the corporates or with the employee or with any individual lender, there can be opportunities, where there is an inability to pay or there is inability to pay because of a temporary hiccup.

So I'm sure that during that particular period, they did have an issue in doing the full payment to their employees as well. According, we are in constant touch with them. They have already confirmed to us about the reorganization and getting the organization back on track. So my intent is, as a lender, I look at two things. One, can I proactively ensure that I don't lose more money and that we are able to do.

As soon as there was a delay of more than five days and after talking to them, we understood their current situation, we blocked any further disbursements. The second thing is my capability to be able to collect the overdue money. Now since the group is renowned and they have intent to pay, they just asked us that they will take some time to make the complete payment. So that is how it is going.

**Ankit:** That is helpful. So like can you briefly tell what is the current EWA run rate monthly and like where are we going in this financial year?

**Talin Aggarwal:** Also as mentioned earlier, so last month, we did about INR8 crores in disbursements in EWA. And by the end of this financial year, that is by March '26, we should be anywhere around INR11.5 crores to INR12 crores.

- Ankit:** And with the -- last question, with the gold loan increasing, with the value increase, so like would you focus more on gold loan as well or we are...
- Sanjay Aggarwal:** So we are focused -- our mortgage business is also doing pretty well. Our mortgage syndication business has also picked up well. So all the three lines, we are focused on all the three lines. Some quarters, one particular product does better than the other two products. That will keep on changing.
- Ankit:** And sir, I have been following the company
- Sanjay Aggarwal:** So Ankit, we are looking at -- Ankit, we are looking at -- so we are looking a steady growth in the top line as well as maintaining a healthy bottom line. See we are on track for both. If you look at for the last seven, eight quarters, we are steadily growing our top line as well as the bottom line. Even in this turbulent market, thanks to the entire management team and all my colleagues, they have maintained a steady growth both at the top line as well as the bottom line.
- Ankit:** Yes. I have been following the company, so like when we were at INR4 crores PAT, there was a discussion on the future outlook like around 8x to 10x. Then next year, we did INR9 crores, right? And this year, we are a bit less on track? Or are we still on that path to reach 8x, 10x?
- Sanjay Aggarwal:** If you look at, we already done top line of INR21 crores for the first nine months. And EPS also has -- EPS also crossed Rs.3 And I think we should be full year, we should be crossing INR4-plus. See, it's very important, see we should -- we keep on delinquencies in control. We did not get berserk in this particular market.
- Ankit:** So like do you see headwinds to grow or like because of a constrained like growth or like are we are not in a...
- Sanjay Aggarwal:** Come again. Come again, please.
- Ankit:** Like macroenvironment.
- Sanjay Aggarwal:** Come again. I cannot hear properly. Can you speak a bit loudly, please.
- Ankit:** So like we are looking at growth and while controlling NPA, right? So is it -- we are not in a good overall environment to grow or are we just keeping additional sets.
- Sanjay Aggarwal:** See the market is more than turbulent. We have to be very careful, while onboarding any clients. As I told you last month, there was a lot of rejections. Last month, there were a -- last quarter, there were lot of rejections. So we have to keep it -- in our kind of business, I think the bottom line is much more important than growing the top line. It is easy to do the top line growth.
- I think Gurmeet has got disconnected. Can you take her again. I think she got disconnected.
- Sanjay Aggarwal:** Yes. If you are looking at steady growth, we are growing from 7-8 quarters, both in top line, as well as bottom line. But in this particular suite of -- I'm in this line for the last 30 years, one

thing I have learned not to run in this particular market. See, whichever NBFCs you look at, our benchmark -- I have already said in the earlier con calls also we want to make -- grow our company a business like what Kotak and HDFC have done.

We have been growing steadily keeping the very tight control on the NPAs and the portfolio which we have built. If we have to build the top line, it is very easy. To control it, it becomes even difficult, if you build up and grow. And if you look at it, ours is a very asset-light model. We do not need too much money to grow. In EWA as well, next month we receive our payments back and this is a huge scope.

If you look at worldwide EWA companies, they are growing big. There's no reason why we should not grow in India. The only problem is it is difficult to sell, people don't even know this kind of product exists in the market. When somebody else third person has been part of your salary.

**Ankit:** Yes. In the West, I think there is a weekly salary concept as well. So India is, I think, a bit picking up for this EWA thing.

**Sanjay Aggarwal:** Yes. See U.S. they pay you salary after every two weeks. Here we get once in a month. So that concept is not there here. I have onboarded a pharma company. My boys are gone there with the presentation. Employees were shocked, they were not aware that there is a product like this that exists, where in the midst of the month they can withdraw money to the extent of 20%, 30%.

**Moderator:** Ankit, are you there on the call.

**Ankit:** Yes, yes.

**Moderator:** Yes. Hope you got your answers.

**Sanjay Aggarwal:** Gurmeet is here now.

**Ankit:** That's all from my side. Thank you and all the very best.

**Moderator:** She is there. The next question comes from the line of Chirayu from CD Investment. Please go ahead.

**Chirayu:** Yes, sir. In last quarter, we had two small delinquencies in EWA, I think 10,000 and 6,000. So what is the status on those?

**Sanjay Aggarwal:** One we have recovered, other is still pending.

**Chirayu:** Other is...

**Sanjay Aggarwal:** I think some -- the gentleman is hospitalized I think for medical this thing problem. He said once I join some business -- join some company, I will pay you off. 6,000 we have recovered.

**Chirayu:** So the purpose was to ask about how efficient we are in the collection process.

**Sanjay Aggarwal:** Come again. Come again. Your voice -- come again please.

**Talin Aggarwal:** Yes, yes. 6,000 we've recovered, the balance 10,000 is NPA. But we do follow up regularly with them despite being an NPA account, we do keep up our collection efforts.

**Chirayu:** Yes. We don't have any further small delinquencies in this quarter, in Q3.

**Sanjay Aggarwal:** Come again. Your voice is -- can you speak a little louder please.

**Moderator:** Mr. Chirayu, we cannot hear you properly because your volume is very, very low.

**Chirayu:** Hope I'm now audible now. Hope I'm now audible now.

**Sanjay Aggarwal:** Yes. Now you are audible. Yes.

**Chirayu:** So sir, any small delinquencies in quarter three apart from this big delinquency of

**Sanjay Aggarwal:** Major is this -- with the university only almost 70% we have recovered.

**Chirayu:** So no small delinquencies from any individual corporates.

**Sanjay Aggarwal:** I think about three or four are there, they are the small ones, which should be driven. Actually, when -- in case the employee leaves mid-way, then we recover directly from the employee. Three or four are there but we will recover that's not an issue. That's a small one.

**Chirayu:** Now sir, my next question is what is -- we have 180 active -- 180 clients. So how many of them are active at the moment?

**Talin Aggarwal:** 150, 150.

**Chirayu:** Perfect. Now sir, my third question is mainly for a bit long term, what is our vision for, say, next year? And how are we targeting to improve the return on equity for the shareholders?

**Talin Aggarwal:** So the idea is to, one, increase our debt. So as I mentioned, currently our debt equity ratio sits at about 20%, giving us ample room to increase our debt leverage. And given that we have just been upgraded to BBB- that improves our cost of debt as well. So as we take more debt and deploy the same, that will hence help in improving our return on equity.

And the idea going forward into the next year is to, one, increase our AUM from the current INR103 crores by about 20%, 25% being on the prudent side. And the idea is to then again increase the number of corporate partnerships we have. So that two things happen. One, the EWA income increases; second, the cross-sell increases.

**Chirayu:** So sir, actually, why I'm asking this question that we have the option to increase the leverage. But as you mentioned that we are seeing the turbulence in the market, so we are being cautious. So I mean -- I mean, so how aggressive or how cautious are we in this case? Because one side, we need to increase more debt to increase the return on equity, but we also need

avenues to deploy it so that our -- and our -- and want to keep our delinquencies under the target. So what is the vision of the management?

**Talin Aggarwal:** Correct. Correct. As you mentioned, again, INR103 crores is the current AUM as of the last quarter. So the idea is to increase it by 20% to 25% on the prudent side given the market conditions. And accordingly, we'll pick up debt.

**Sanjay Aggarwal:** We already have in our book, State Bank is the main lender. There are a lot of other lenders also. We have done a debenture issue also. And we are already -- as I said to you, we are already in touch with a couple of more banks now. So we think that should not be an issue with us.

But based on the requirement we raise the funds. If we grow like this, from 1.37 -- after we already reached -- reaching 4-plus this year and next year if everything goes on track, we should be anywhere between 7 to 8 by these current standards only. Our top line has already reached INR21 crores in the first nine months.

**Chirayu:** Yes, yes. Actually, the business model is new in India now. So I think if we are cautious and it's always better.

**Sanjay Aggarwal:** It doesn't make sense to go berserk. So we will go step by step and slow.

**Talin Aggarwal:** Let's move on to other participant.

**Moderator:** Yes. Mr. Harsh, you're audible to us.

**Harsh:** Yes. No, I didn't hear you, sorry. Thanks for the opportunity. So the growth seems to be good. We are progressively getting better, improving top and bottom line. But just wanted to understand, like we have three business verticals, right? So we basically do MSME lending. We have -- we are in EWA and then we have this thing loans, gold loans. You were also talking about some mortgage loans. What was that exactly?

**Talin Aggarwal:** So, let me take this. Sir, let me take this. So basically, we have two verticals, debt syndication plus lending. Under lending, we have multiple products, MSME loan, EWA. Under syndication, we have multiple loans, gold loan, personal loan, mortgage for other banks. So the two major verticals happen to be debt syndication and lending. Under these, we have multiple products.

**Harsh:** And debt syndication accounts for fee-based revenue, the fee-based earnings and lending for the interest-based. The revenue is bifurcated into two parts, right?

**Talin Aggarwal:** Major, you can say. Because in lending, we charge processing fee as well, right, when disbursing a loan. So, that book gets booked under fee-based income.

**Harsh:** Understood. Also, yes, I think the space is really gaining traction now. This -- the EWA space, even though it is not a very huge opportunity, if you calculate in terms of TAM. But yes, I mean, I think Sanjay sir said that Refyne and Jify are the only players right now in this space. But I would like to add a few more players that have recently come up in the EWA space,

especially, there is SalarySe, there's Fibe, I don't know how they pronounce it, but it was formerly known as...

**Sanjay Aggarwal:** Fibe is not into EWA. They are into personal loans, EarlySalary.

**Harsh:** Yes, they were formerly known as EarlySalary. Now they have changed, they have rebranded themselves.

**Sanjay Aggarwal:** In our case, the repayment comes from the employers. They take directly from the employees.

**Talin Aggarwal:** I think what sir wants to say is the EarlySalary and your SalarySe, we have studied their models thoroughly. So what these guys do is they essentially give a loan against salary, wherein the repayment is made by the employee itself, by the employee themselves. Essentially, the payment is not coming from the employer.

**Harsh:** But this is highly risky, right? So I would loop in back to Ankit's question previously, one of the co-investors here, right? So he asked about -- if this thing is payroll linked, EWA is payroll linked and it is the employer who has to pay us now, then how are their delinquencies, right? Because unless and until there are some solvency issues on the employer front, only then can we have this.

But if they are giving out salary to their employees, they should actually first pay us, right, since we have rolled out loans to their employees on their behalf. So basically, it's just the salary. So I didn't understand that part clearly, pardon me, but if you would please take some pain to explain that.

**Gurmeet Kaur:** I'll just take it here. So they did have a temporary operational issue where it's more than the solvency. They also delayed the payment of salaries to their employees. So they had about two months where they had to do some internal recalibration. And post that, they have been able to kind of get it back on track. So they did have a temporary issue, and that is why there was a delay in clearing whatever was due.

**Harsh:** Okay. Thanks for the clarity. One more question is related to the related party transaction. So I mean, why is Eclat -- I mean, I'll put it very simply, you can answer this. Why is Eclat not a wholly-owned subsidiary of Emerald?

**Sanjay Aggarwal:** See, Emerald was about 81%. It has been since day one like that only, 81% was held by Emerald and 12% is the family, rest is with HNI. So maybe going forward -- I cannot promise, but I think maybe going forward, when we make it 100% subsidy. But as of now it is that only, 81% is held by Emerald and 12% is with the family and the balance 7% is with the HNI.

**Harsh:** Yes, yes. I've seen that the shareholding pattern, sir, I've seen that split. I was just trying to understand because since this is a public company, right, so it makes more sense in order to operate through subsidy than they are...

**Sanjay Aggarwal:** I agree with you. I agree with you. I totally agree with you. Based on that, I think maybe going forward is something we might do it. And in '27, in '27, March '27, we'll become eligible for



NSE listing also. After this '26 balance sheet and the March '27 balance sheet, we should be eligible for NSE listing that also.

**Harsh:** Awesome. That sounds great. Thank you so much for the opportunity once again. And I hope that we keep growing at the pace we are. Thank you.

**Moderator:** Thank you. The next question comes from the line of Daljit Singh, Individual Investor. Please go ahead.

**Daljit Singh:** Yes, Sir, I am asking why the smaller DSA need us as intermediaries. They can directly reach the banks or NBFCs.

**Sanjay Aggarwal:** Again, I can't -- your voice is cracking, please.

**Daljit Singh:** Why do smaller DSAs need us as intermediaries?

**Moderator:** Mr. Daljit can you just increase your volume from your end?

**Daljit Singh:** Okay. Am I audible now? Sir, I was asking why do DSA's need us as intermediary to connect with the bank?

**Sanjay Aggarwal:** What do you mean by sub DSA?

**Gurmeet Kaur:** I will -- Sanjay, let me just answer this. We are one of the largest DSA to multiple banks. As part of our acquiring business for these banks, we deploy sub-DSA. So given the size of these particular sub DSAs and quite a few of them are individual contributors, I don't think they qualify directly as per the qualification criteria of the bank to tie up directly.

**Sanjay Aggarwal:** Sourcing companies for EWA also employees of DSAs. So sourcing corporates business also, having employee pan India.

**Daljit Singh:** I have one more question that normally the DSAs at local level, they are dealing with customers. It means they do not earn more from the -- they take commission directly from the customer. And we are not engaged in that kind of activity. We are just engaged in purchasing of their loan. Is my understanding correct?

**Moderator:** Sir, there is a lot of disturbance in your voice. Whatever the question was asked was not loud and clear to us.

**Talin Aggarwal:** Right. I think if you can just write to us maybe -- if you can just write to us, we'll reply on mail. I think that would be more convenient for everyone.

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

**Shubham Gupta:** So just wanted to check like with this -- with RBI cutting down the rates, how will this impact Emerald Finance? Like how will it impact the growth journey of Emerald Finance?

**Sanjay Aggarwal:** See, cost of borrowing will go down with that, and it should positively affect our profit margins. It will be good for us if RBI cuts rates further, our cost of borrowing will go down with that.

**Talin Aggarwal:** Okay. But given the current -- if I may just extend that, I think given the current repo rate, which is about 5.25%, I don't think the RBI will reduce it further. It is on a historic low given India's rates pre-COVID.

**Shubham Gupta:** Okay. Okay. So this is like if it reduces more, then it will be only positive for you because...

**Sanjay Aggarwal:** Yes obviously.

**Shubham Gupta:** Thank you.

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

**Rohit Arora:** My question has already been answered.

**Moderator:** Thank you. The next question comes from the line of Pratik from Qode Advisory LLP. Please go ahead.

**Pratik:** Yes. I had a follow-up question. In terms of our monthly transacting users for EWA, I think it was historically -- like should we get an update on that? I think last quarter, we were at 2,400 or 2,500 monthly transacting users, growing at 10%, 15%, yes?

**Talin Aggarwal:** Correct. So we're only 2,400. Right now, we are close to 2,900 to 2,950 -- so it equates to roughly 13% to 14% of our entire user base.

**Pratik:** So the entire employee base was around 17,000 to 18,000 across employers for Q2, if I'm not wrong. So that would be roughly you're saying?

**Talin Aggarwal:** So that is right now sitting at about 24,000.

**Pratik:** 24,000, okay. Another question. In terms of cost of funds, I think I asked this, but I think it got missed. What is the borrowing rate for us? I think it was 10.95% historically?

**Sanjay Aggarwal:** Yes, it's 10.9%. I think SBI will revise within a month or two. Ours is six months MPLR. So I think in the month or two, they'll be revising it downwards. With an upgrade in our rating also, we should go down. We are waiting for fresh rating. I'll be meeting them today evening. So I think I'll speak to them both, for increase and as well as increase in the interest rates.

**Pratik:** Got it. And last question on the gold loan numbers. If you could just give an updated number. I think I missed in your opening remarks, you had mentioned, if you could just repeat that?

**Sanjay Aggarwal:** Come again, again. Can you repeat again, please?

**Talin Aggarwal:** So in the last month, we did INR115 crores in gold loan syndication alone. And in the last quarter, we did INR300 crores in gold loan, INR400 crores overall.

**Pratik:** So INR400 crores overall, last month was INR115 crores?

**Sanjay Aggarwal:** INR115 crores in gold loans. Actually, we had informed INR105 crores. Once we did Jan 1st, I think after that, we will get the updated figure, it was INR115 -- around INR115 crores. This month also track for that. Maybe there will be a slight increase this month also in Jan. We already crossed INR115 crores in this month in Jan for gold loans.

**Pratik:** And for margin guidance, last quarter, you had given around 75% to 80% for EBITDA and PAT should have been around 40% to 45%. Is that the guidance that we are maintaining?

**Sanjay Aggarwal:** Yes, yes, absolutely.

**Pratik:** Thank you.

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

**Raj:** Actually, I just wanted to ask like how much -- from the revenue, like how much percentage is of EWA product currently?

**Talin Aggarwal:** 4.5% on a consolidated basis.

**Raj:** Okay. And how much we are planning to do in like, let's say, after a year?

**Talin Aggarwal:** About 6%, 6% to 7%.

**Raj:** Okay. So actually, like we are doing this EWA stuff since, I think, one year and still after a year, it will be around only 6%. So any plans on rapidly expanding this thing?

**Talin Aggarwal:** So the idea here is, there have been two reasons for this. One, the entire company is growing as a whole. So all our verticals are growing. So the denominator keeps increasing. Second, the idea behind launching EWA was to not only generate revenue from EWA, but to cross-sell. Now the entire cross-sell revenue gets booked under processing fee, under the processing fee mix. So standalone from EWA itself, the target was always about 6% to 7%.

**Sanjay Aggarwal:** Okay. If you look at our gold loan business also, a lot of the cross-sell is coming from that EWA business only.

**Raj:** Okay. And we have like some unlisted competitors, right, for this EWA product in India. So like how much is our market share for the EWA product in India?

**Talin Aggarwal:** The numbers are not publicly available given that all of these are private limited companies. So they're not mandated to give the exact revenue split or the numbers as we are mandated by the SEBI guidelines. But as per our last estimates, we would have close to 15%, 10% to 15% in pure EWA.

- Raj:** Okay. And every quarter, like we do this con call after, I think, a day or two, right after the results. But this time, I think we have delayed it more than two weeks. So any reason?
- Talin Aggarwal:** Because the management was traveling, the management was traveling internationally. Hence, the -- what do you say, the time zones weren't matching. So hence, we had to push it till the management was back in the country.
- Raj:** Okay. And we are planning to do the con calls, right, in the future, like let's say, for another one or two years, right?
- Talin Aggarwal:** I mean, absolutely, we don't see any reason -- we don't see any reason not to. However, if you have any -- yes, sorry, please continue.
- Raj:** Yes. Currently, like how much fund we have unutilized and how much like SBI -- we had raised the request to limit some -- to raise the limit of debt, right, from SBI?
- Sanjay Aggarwal:** I'm meeting them today and I'll check up with them. We're applying to other banks also now. This is only we received upgraded rating from CRISIL. So we are talking to other banks also. We're looking at one or two more options also other than bank line. As and when something suitifies, we'll let you know. We don't have a problem to increase the business
- Raj:** Okay. So how much percentage of funds are unutilized currently?
- Talin Aggarwal:** I think sir wants to know what is our cash in bank?
- Sanjay Aggarwal:** 5.46 Crores we have that money with us. The payment keeps coming.
- Raj:** Because to grow, we will have -- we will require more funds, right, to grow.
- Sanjay Aggarwal:** That's not an issue. That's not an issue. That's not an issue. We have short term funding Next month the money will come back from EWA. Also a fee based monthly income, comes from there.
- Talin Aggarwal:** Just to summarize the discussion, we have adequate funds at our disposal, plus we have the ability to raise more. Given our debt equity ratio only sits at 20% and NBFCs are allowed as per the RBI guidelines to go up to 600% in terms of debt-equity ratio, we have ample margin on us. And given the recent rating upgrade, now we are getting offers from all avenues, including banks, NBFCs, debentures, private markets to raise more funds. So as and when we have the need to raise funds, we can do it very easily in the form of debt.
- Sanjay Aggarwal:** Credit rating upgrade also gives confidence to the market, CRISIL was there for almost for 1.5 months. The audited, they check the entire system, they checked our books also and on all the parameters, that gives a lot of confidence to the market also once we upgrade.
- Raj:** Right. So this EWA business is very less risky, right, compared to other loans. So why are we not like rapidly -- like two months rapidly increasing this thing? We have only like 24,000 employees, right?

- Talin Aggarwal:** I think there are -- again, just to add to that, there are two issues now. So one is customer awareness. So as I mentioned earlier that within the Indian market, there are only three to four competitors. So again, the market awareness is not much. So one is market awareness.
- And we are expecting that in the next two to three years as the competition will increase and including us and our current competitors, the market awareness will -- the market itself rather will grow at a decent rate. Second, the market is very turbulent in the current time. Hence, we have tightened our credit policies as well just to avoid any risk.
- Raj:** And how is this public sector companies are responding to this EWA product?
- Gurmeet Kaur:** I think you have to understand that a lot of public companies, the banks, the armed forces, the state government and the central government is outside the preview of the EWA product. The public sector companies have their own robust internal employee loans and funding ability. There are multiple privileges that run to them. And since they are also governed, two different company compliances, that is also not our target set. So Wipros and Accentures of the world, they do have their own internal line of funding, which is available to them.
- Raj:** Okay. Thank you.
- Moderator:** Thank you. The next question comes from the line of Rohit Juneja, an Individual Investor.
- Rohit Juneja:** I just wanted to understand, are we on plan to onboard 250, 260 companies by the end of this year?
- Talin Aggarwal:** Rohit, we are really working hard on that. But you may not -- maybe by 2030 corporates miss that target. But as far as the volume is concerned, we are almost on track for that and overall growth is there. So overall growth target, we should meet. Maybe 250 may not be able to reach maybe in next quarter of the next financial year. But as far as the overall top line and the bottom line growth is concerned, we should be, I think, on target.
- Moderator:** Ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to Mr. Ronak for closing remarks.
- Ronak:** Thank you for joining the call of Emerald Finance Limited. Should you have any queries, you can drop in e-mail to [research@kirinadvisors.com](mailto:research@kirinadvisors.com). Thank you all for joining the call. Thank you.
- Moderator:** On behalf of Kirin Advisors Private Limited, that concludes this conference. Thank you for joining us, and now you may disconnect your lines.