September 03, 2026

India | NBFC |
Initiating Coverage

JM Financial

OnEMI Technology Solutions (Kissht)

Foot off the price, not the pace

Trading yield for quality | **Operating leverage in motion** | **Mass market, premium returns**

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OnEMI Technology Solutions Ltd (Kissht) is a digital-first NBFC serving India's mass market, offering personal loans (PL) and loan against property through its mobile application. PL constituted ~92% of AUM as of Q1FY27, with the rapidly scaling LAP business gradually diversifying the portfolio. We believe Kissht is at an inflection point where a deliberate repricing towards higher-quality borrowers is being funded by three structural cost levers—operating leverage on an already-built technology base, a rating-led decline in funding cost, and improving credit loss experience—leaving RoAAUM stable at ~5% even as total income/AAUM falls. LAP, which grew 396% YoY to INR 6.2bn, adds capital efficiency and lower loss given default to a predominantly unsecured book. We expect AUM/PAT to grow at a CAGR of 44%/49% over FY26–28E and build average RoAAUM/RoE of 5.1%/21.8% over FY27E/28E. We initiate coverage on Kissht with a BUY rating and a TP of INR 385, valuing the company at 2x FY28E P/B.

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OnEMI Technology Solutions

Foot off the price, not the pace

OnEMI Technology Solutions Ltd (Kissht) is a digital-first lender focused on the mass-market segment, offering personal loans (PL) and loan against property (LAP) through its mobile app. PL made up ~92% of AUM as of Q1FY27, although the rapidly scaling LAP business is gradually diversifying the portfolio.

The company has built a sizeable customer franchise, with 74.6mn registered customers and 12.3mn unique customers served as of Q1FY27. We expect AUM to clock 44% CAGR over FY26–28E, supported by continued PL growth and rising contribution from LAP.

Its fully digital origination model, large registered customer base, and proprietary AI/ML underwriting platform provide a strong foundation for growth without adding costs, while falling cost of funds and improving loss experience offer scope for sustained returns.

Underwriting continues to improve, with 95.5% of FY26 additions carrying a 700+ CIBIL score and FOIR for new customers declining to 30.2% from 34.4% in FY25.

Management's strategy of passing on operating leverage and lower funding costs to customers through better pricing supports asset quality but compresses total income/AUM. With opex/AUM moderating 440bps and credit cost declining 200bps by FY28E, we expect RoAAUM to hold at ~5% and PAT to compound at ~49% over FY26–28E.

Risks: The portfolio remains heavily skewed towards unsecured PL, making earnings sensitive to credit cycles and regulatory change. More than half of AUM sits off-book, limiting direct visibility on underlying asset quality.

Optionality: Beyond LAP, Kissht plans to add gold loans, business loans, and loan against mutual funds to build the secured portion of the book, alongside insurance and mutual fund distribution as capital-light fee income. Currently, we have not built in additional revenue from these streams.

Digital-first approach supports high PL AUM growth; LAP gives portfolio diversification: AUM grew 61% YoY/13% QoQ in Q1FY27, ahead of management's FY27 guidance of over 40%. The digital origination model reaches a broad mass-market base, with ~60% of PL loan count in the top 50 cities; registered customers rose 33% YoY to 74.6mn and unique customers served 26% YoY to 12.3mn. LAP has scaled up to INR 6.2bn, 7.7% of AUM from 2.5% a year earlier, adding capital efficiency and lower loss given default (LGD) to a predominantly unsecured book.

Improving funding profile provides margin protection: Average cost of borrowings declined to 14.45% in Q1FY27 from 15.7% YoY, aided by the rating migration from CRISIL BBB+/Stable to A-/Stable and CRAR of 40.2% post-IPO. NCDs now account for 56.4% of on-book debt against 33.6% a year ago, while PTC securitisation has fallen to 6% from 22% across 45+ borrowing lenders. Management has guided for a 100bps improvement over FY27E and overall 2%-3% over three years, with a further upgrade offering optionality into FY28E.

Operating leverage – the larger offset to falling yields: Opex fell to 17.99% of average AUM from 20.01% a year ago, as the cost base grew 4.5% QoQ against AUM at 13.2% QoQ. The technology base is already built— headcount there rose 9.7% since FY25 while AUM grew 96% and LAP, which absorbs 52% of employees for 7.7% of AUM, is guided to break even by Q3FY27. Management identifies 800–900bps of three-year total income/AAUM headroom keeping a 5% RoAAUM floor.

Valuations and view: We expect Kissht to generate RoAAUM of ~5% and RoAE above 21% while compounding AUM at 44% and PAT at 49% over FY26–28E. Management is repricing its yields lower towards better borrowers, and the give-up is more than covered by 440bps of operating leverage and 200bps of credit cost decline through FY28E. We initiate coverage on Kissht with a BUY rating and a target price of INR 385, valuing it at 2x FY28E P/B.

Recommendation and Price Target	
Current Reco.	BUY
Current Price Target (12M)	INR385
Upside/(Downside)	27.9%

Key Data – KISSHT IN EQUITY	
Current Market Price	INR301
Market cap (bn)	INR53.3/US$0.6
Free Float (%)	44.1
Shares in issue (mn)	177.3
Diluted share (mn)	177.3
3-mon avg daily val (mn)	INR732.3/US$7.8
52-week range	INR352/190
Sensex/Nifty	76,570/23,914
INR/US$	95.0

Price Performance

%	1M	6M	12M
Absolute	-5.3	0.0	0.0
Relative*	-2.8	0.0	0.0

*To the NSE Nifty 50

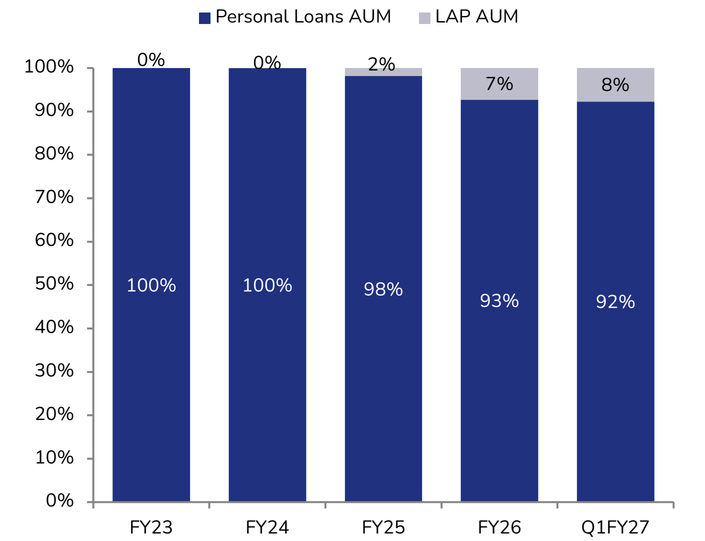
Financial Summary (INR mn)

Y/E	FY25A	FY26A	FY27E	FY28E	FY29E
Net Profit	1,606	2,815	4,458	6,291	8,499
Net Profit (YoY) (%)	-18.6	75.2	58.4	41.1	35.1
PPOP (YoY) (%)	-38.9	53.8	42.1	36.7	36.9
AUM (YoY) (%)	56.9	72.9	47.6	41.1	36.2
ROAAUM	4.80	5.05	5.10	5.00	4.89
ROE (%)	17.7	24.0	22.4	21.3	23.0
EPS (INR)	29.9	23.7	26.5	37.3	50.4
EPS (YoY) (%)	-27.4	-20.9	11.7	41.1	35.1
P/E (x)	10.0	12.7	11.4	8.1	6.0
BV (INR)	**187.6**	**113.1**	**156.6**	**194.0**	**244.4**
BV (YoY) (%)	11.4	-39.7	38.5	23.8	26.0
P/BV (x)	1.6	2.7	1.9	1.6	1.2

Source: Company data, JM Financial. Note: Valuations as of September 02, 2026

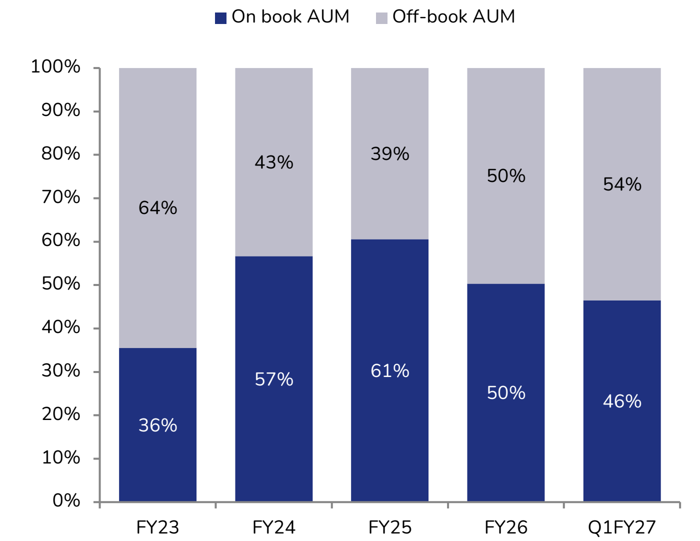
Focus Charts

Exhibit 1: AUM mix – Unsecured book ~92% of total AUM



Source: Company, JM Financial

Exhibit 2: AUM mix – Off-book 54% of AUM



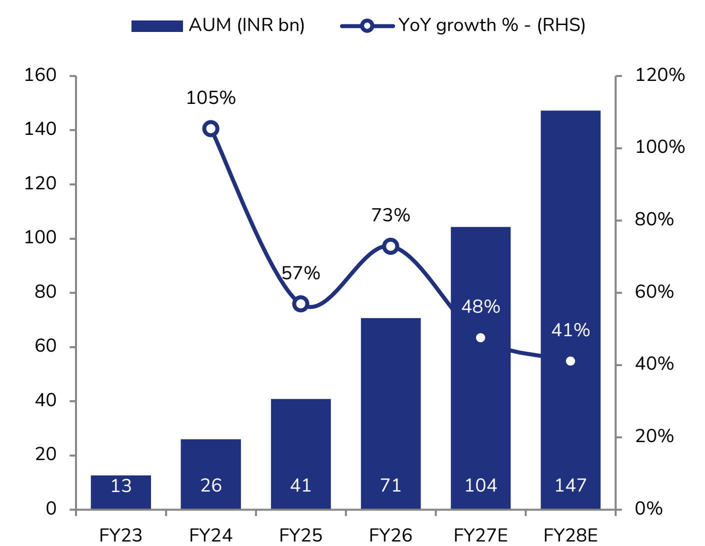
Source: Company, JM Financial

Exhibit 3: Product specifications (as of Q1FY27)

Product	Description of product	AUM (INR mn)	AUM mix %	Tenure	Ticket size	Location
Personal loans	Offered to salaried and self-employed individuals for various consumption and business needs	73,840	92%	Up to five years	Up to INR 0.5 mn	Pan India - 17,000+ pin codes served
Loan against property	Offered to asset-owning MSME and salaried individual seeking long term loans for business expansion and working capital needs	6,170	8%	Up to 15 years	Up to INR 1.5 mn	Seven states i.e., Maharashtra, Tamil Nadu, Gujarat, Uttar Pradesh, Uttarakhand, Telangana and Andhra Pradesh, and one union territory, i.e., Puducherry

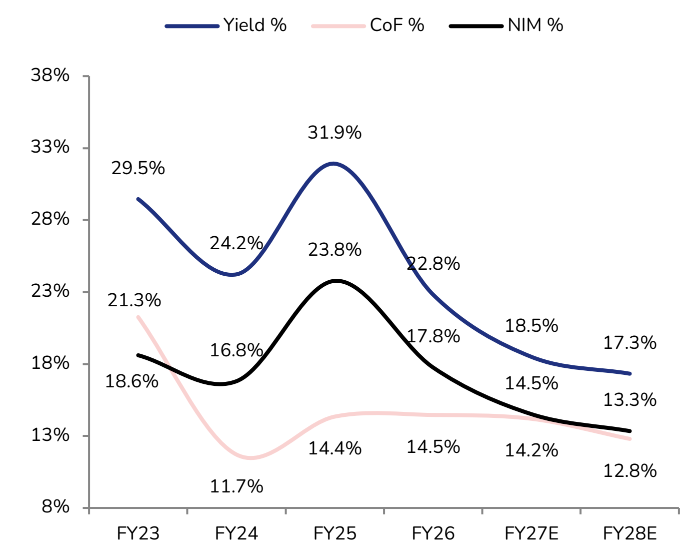
Source: Company, JM Financial

Exhibit 4: AUM to grow at ~44% CAGR over FY26–28E as...



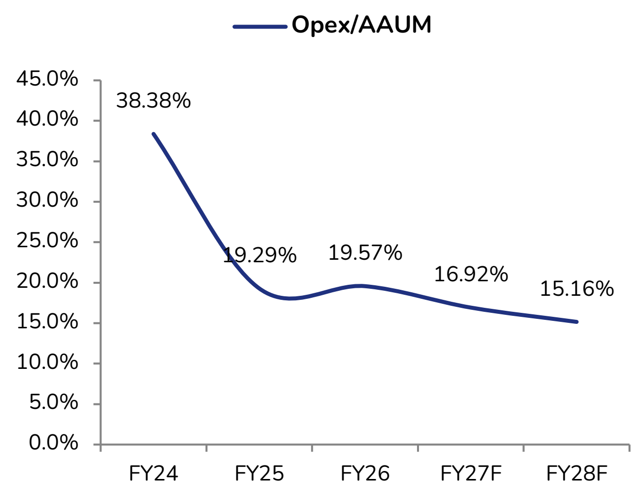
Source: Company, JM Financial

Exhibit 5: ...Kissht passes on lower rates to better-quality customers



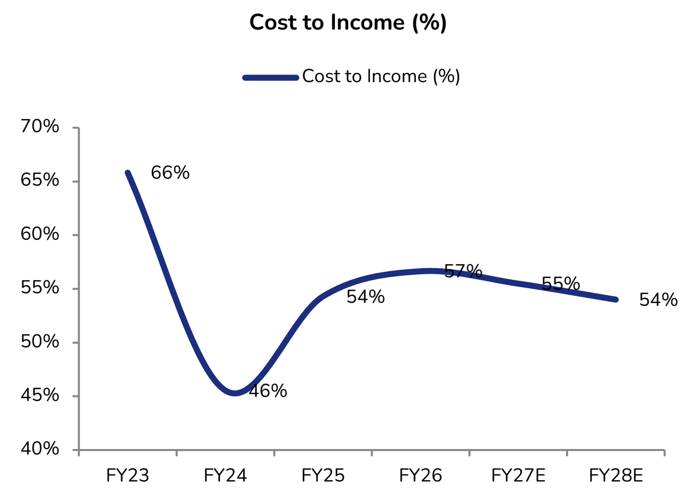
Source: Company, JM Financial

Exhibit 6: Opex/AUM to continue improving with operating leverage...



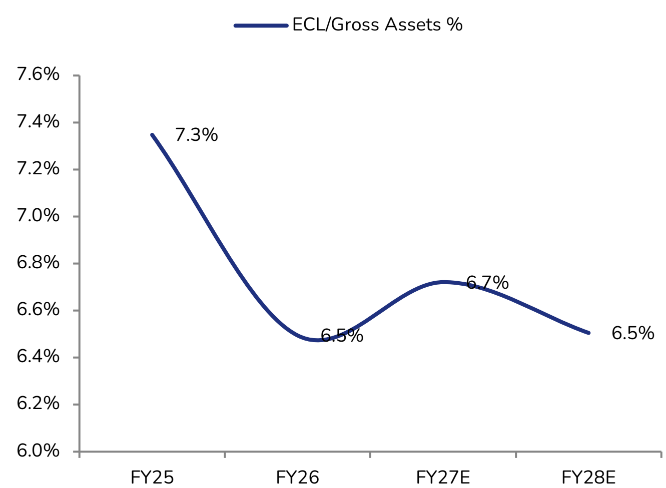
Source: Company, JM Financial

Exhibit 7: ...Visible in C/I ratio as well



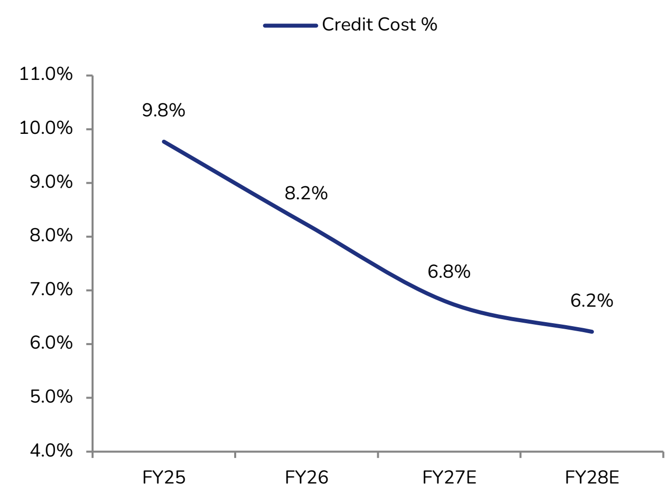
Source: Company, JM Financial

Exhibit 8: ECL cover has declined for five consecutive quarters



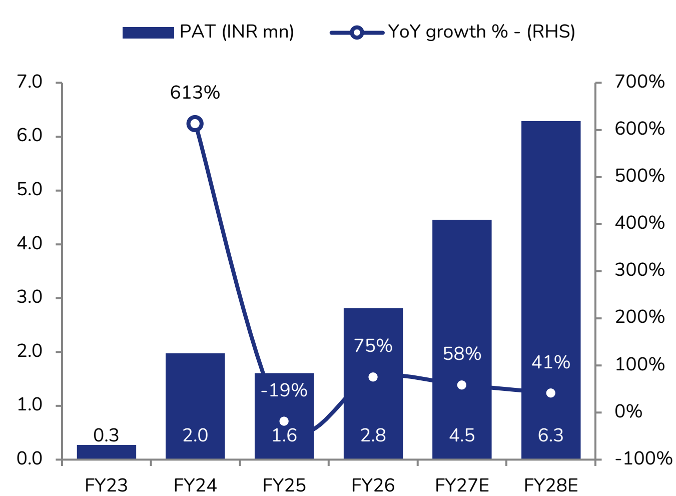
Source: Company, JM Financial

Exhibit 9: We expect credit cost (% of AUM) to decline further



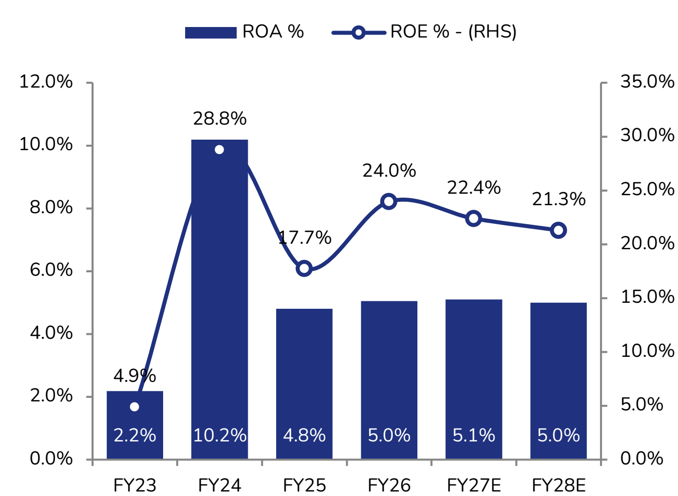
Source: Company, JM Financial

Exhibit 10: PAT to grow 49% CAGR over FY26–28E



Source: Company, JM Financial

Exhibit 11: Return ratios to be stable despite falling yields



Source: Company, JM Financial

Exhibit 12: Kissht has higher RoE compared to larger peers

FY26	Kissht (on AUM)	BAF	Chola	HDBF	Five Star
Interest income	22.8%	13.9%	12.7%	13.6%	20.7%
Interest expense	5.1%	5.5%	6.4%	5.9%	4.9%
Net interest income	**17.8%**	**8.4%**	**6.3%**	**7.7%**	**15.8%**
Other income	16.8%	1.8%	1.4%	2.3%	0.8%
Total income	**34.6%**	**10.2%**	**6.3%**	**10.0%**	**16.6%**
Emp expense	**4.5%**	**1.7%**	**1.9%**	**3.4%**	**4.2%**
Other expenses	**15.0%**	**1.7%**	**1.1%**	**1.3%**	**1.3%**
Total Opex	**19.6%**	**3.4%**	**2.9%**	**4.7%**	**5.5%**
PPOP	15.0%	6.8%	4.7%	5.3%	11.1%
Provision	**8.2%**	**1.8%**	**1.6%**	**2.4%**	**1.4%**
PBT	6.8%	4.9%	3.1%	2.9%	9.7%
PAT- RoA	**5.0%**	**3.7%**	**2.3%**	**2.2%**	**7.3%**
Leverage	4.7	5.0	8.3	6.4	2.2
RoE	**24.0%**	**18.4%**	**19.3%**	**13.9%**	**16.1%**

Source: Company, JM Financial

Investment Thesis

i) Large under-served digital pool funds strong AUM growth

- The combined TAM for PL and LAP stood at INR 11.6tn in FY25 and is expected to clock 24% CAGR over FY25–30E to reach INR 33.4tn. Kissht addresses the digital slice of India's mass-market credit pool, not the whole of it. That slice is projected to grow ~7x from INR 600bn in FY25 to INR 4.1tn by FY30E, a CAGR of 48%.

- Meanwhile, Kissht's AUM stood at INR 80bn at end-Q1FY27, +61% YoY/+13% QoQ, which tracks well ahead of management's full-year FY27 guidance of over 40%. Disbursements were INR 38.1bn, +37% YoY/–4% QoQ.

- **Growth composition shifting**: Ticket size rose to INR 37k (+27% YoY/+11% QoQ) and tenure to 17.1 months (+30% YoY/+2% QoQ), implying loan count of +7.7% YoY/–12.9% QoQ. The tenure extension is decelerating sharply (17.09 months in Q1FY27 versus 16.72 months QoQ) and we expect further growth to come from volume and ticket size expansion.

- **Funnel quality improving:** 95.5% of FY26 additions carried a 700+ CIBIL score (94.8% in FY25), the 760+ cohort rose to 24.8% of loan count in Q1FY27 from 22.8% in Q4FY26, and new-customer FOIR fell to 30.2% from 34.4%.

- Post-IPO net worth of INR 22.5bn (+107% YoY/+67% QoQ) lifted CRAR to 40.2%, providing a long runway for strong AUM growth.

ii) Rating upgrade to benefit funding cost from H2FY27

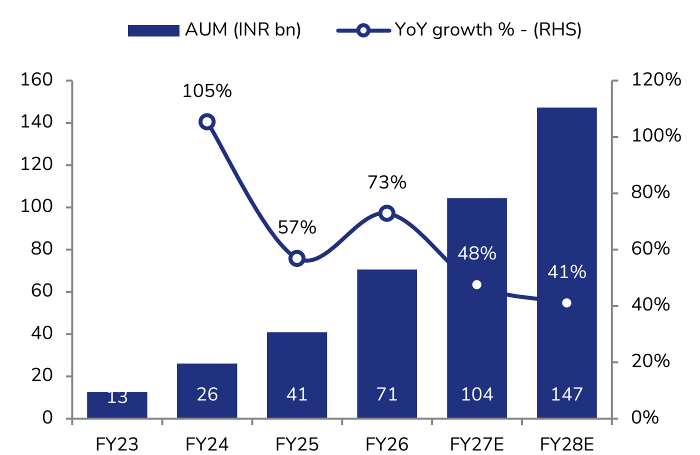
- Average cost of borrowings was 14.45% in Q1FY27 against 15.68% in Q1FY26 (–123bps YoY/–10bps QoQ). Three agencies now rate the NBFC subsidiary A-/Stable—Acuite (Aug'25), India Ratings (Nov'25) and CRISIL (Feb'26, from BBB+).

- **Marginal pricing sits well below average:** Management cites a 200bps improvement in marginal cost since Feb'26; the sole Q1FY27 raise priced at 12.9% is fully loaded and the Jul'26 NCD of INR 3,250mn carries an 11.0% coupon, 345bps below the Q1FY27 cost.

- The borrowing mix has simultaneously shifted toward cheaper, more flexible instruments and NCDs are now 56.4% of on-book debt, up from 34.1% in FY25, while higher-cost PTC securitisation has shrunk from 19.9% to 6.0% and the lender base has diversified to 45+ borrowing lenders spanning banks (21%), NBFCs (49%) and fund houses (29%).

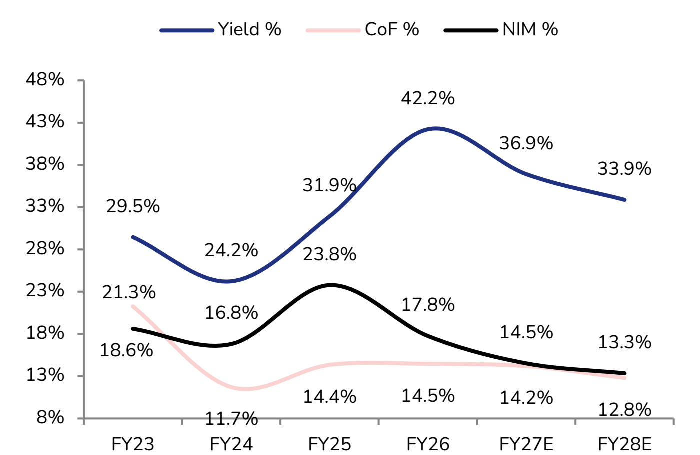
- With the existing book contracted at 18–24 month tenors, repricing accrues as maturing debt is refinanced rather than through an immediate reset; we estimate roughly half the on-book liability reprices within 12 months. Management guides for a minimum 100bps improvement in overall cost of borrowings over the next three quarters, weighted to H2FY27, and 200–300bps over three years. We build in average cost of borrowings of ~14.2% in FY27E and 12.8% in FY28E.

Exhibit 13: AUM to clock 44% CAGR over FY26–28E



Source: Company, JM Financial

Exhibit 14: NIMs to decline led by yield compression and mix change



Source: Company, JM Financial

iii) Fixed technology base and LAP breakeven to drive operating leverage

- Opex fell to 17.99% of average AUM in Q1FY27 (–202bps YoY/–193bps QoQ). The improvement to date is led by a flat fixed-cost base and improving acquisition economics. LAP breakeven, guided around Q3FY27, is yet to contribute.

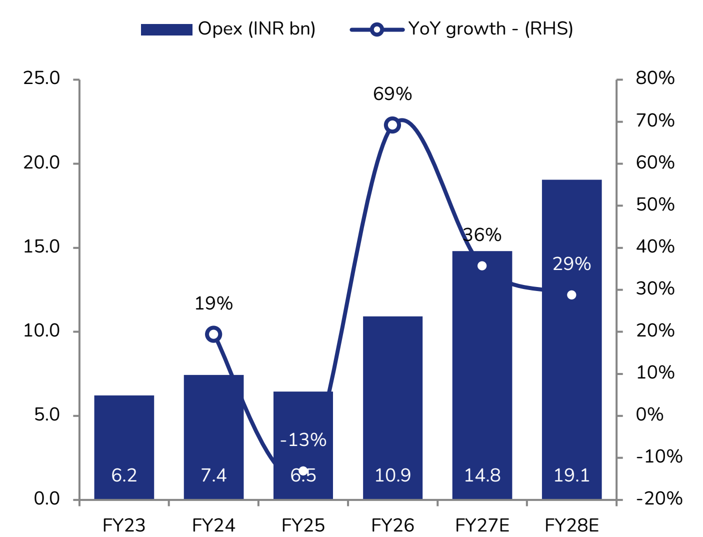
- **The fixed base is demonstrably fixed:** Technology headcount was 327 in Q1FY27 against 298 in Q4FY25 (+9.7%) while AUM grew +96%. Management places 50–55% of costs as fixed and growing at inflation and aided by AI. Management claimed over 80% of internal code is AI-assisted and voice agents recover at 80%+ of human efficiency.

- **LAP carries entire drag**: 1,128 of 2,167 employees as of Q1FY27—52% of headcount for 7.7% of AUM—across 101 branches. Breakeven is guided around Q3FY27, with branch payback of 7–8 months against 16–18 months for industry, as over 40% of LAP customers come from the existing PL base at nil acquisition cost.

- **Acquisition economics improving on two fronts**: Organic sourcing reached 31% of new customers in Q1FY27 (27% in Q4FY26, 8% in FY23), with management targeting 40–50%. Repeat customer AUM share inflected to 51.4% from 49.5% QoQ. The approval rates stand at 11.2% for new versus 73.5% for repeat customers.

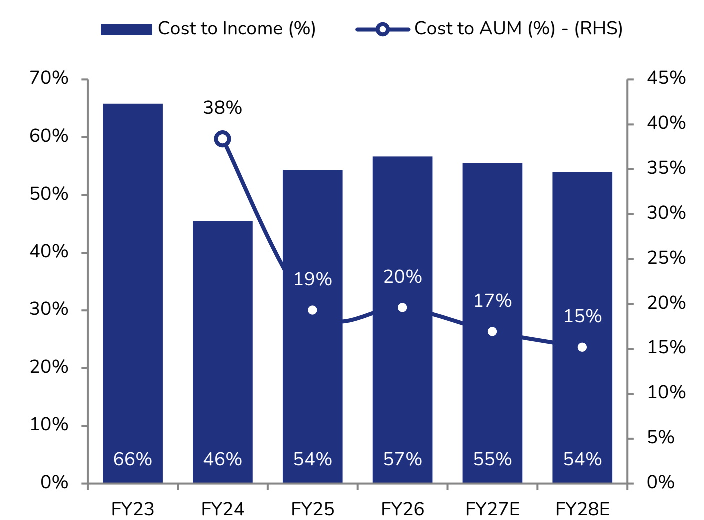
- We build in opex at 16.9%/15.2% of average AUM in FY27E/FY28E. Management guides for 400–500bps of operating leverage over three years from the 18% level as of Q1FY27. Our FY28E projections imply ~280bps improvement over Q1FY27-FY28E.

Exhibit 15: Opex growth to remain high led by branch expansion



Source: Company, JM Financial

Exhibit 16: Cost ratios to moderate as a % of AUM and income



Source: Company, JM Financial

iv) Credit cost falls on focussed borrower selection

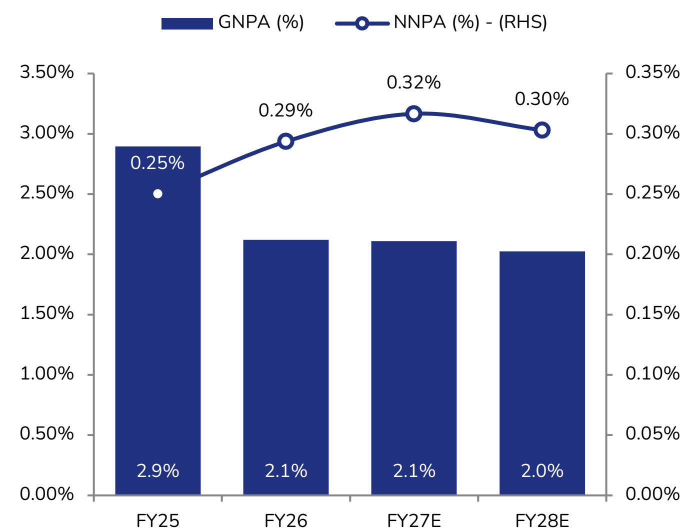
- Impairment cost fell to 6.80% of average AUM in Q1FY27 from 8.85% in Q1FY26 (–205bps YoY/–22bps QoQ) extending the decline from 9.77% in FY25 and 8.23% in FY26. In absolute terms impairment rose +27.9% YoY against AUM at +60.9% YoY—losses compounding at under half the rate of the book. Guidance is for 15% reduction in FY27.

- **The driver is mix:** Repeat customers are 51.4% of AUM, having inflected from a 49.5% trough, with repeat AUM +18% QoQ against new at +9% QoQ; approval rates run at 73.5% for repeat against 11.2% for new. Incoming quality has also improved—95.5% of FY26 additions at 700+ CIBIL, the 760+ cohort at 24.8% of loan count from 22.8% and new-customer FOIR at 30.2% from 34.4%. Secured lending adds a further 7.7% of AUM against 1.85% at FY25.

- Leading indicators place the improvement in underwriting rather than collections catch-up. First-EMI 90 DPD risk has fallen to 0.7% from 1.6% in Jun'25. As these cohorts season into reported credit cost over roughly nine months, the Q1FY27 impairment line reflects FY26 vintages rather than current origination.

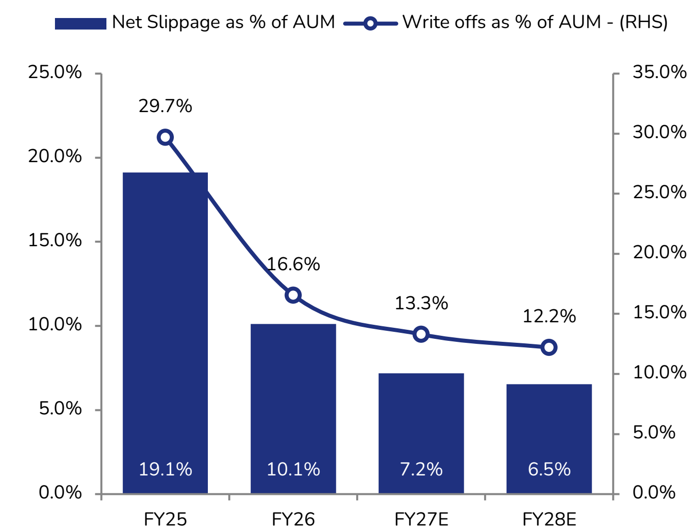
- Reported credit cost overstates economic loss against peers with write-off at 150 days past due, against an industry norm nearer 180. This accelerates credit cost recognition and depresses reported GNPA.
- **Near-term metrics mixed**: Bounce rate 13.60% (+14bps YoY/+54bps QoQ), collection efficiency 96.82% (–33bps YoY/–33bps QoQ), Stage 2 at 3.15% from 2.40% and GNPA at 2.25% are all at the guided ceiling. Management attributes this to a recurring Q1 pattern and reports improvement in July.
- We build in credit cost of 6.8%/6.2% and GNPA of 2.1%/2.0% in FY27E/FY28E, requiring the decline to come from lower realised losses rather than coverage release.

Exhibit 17: Asset quality to strengthen with GNPA/NNPA declining...



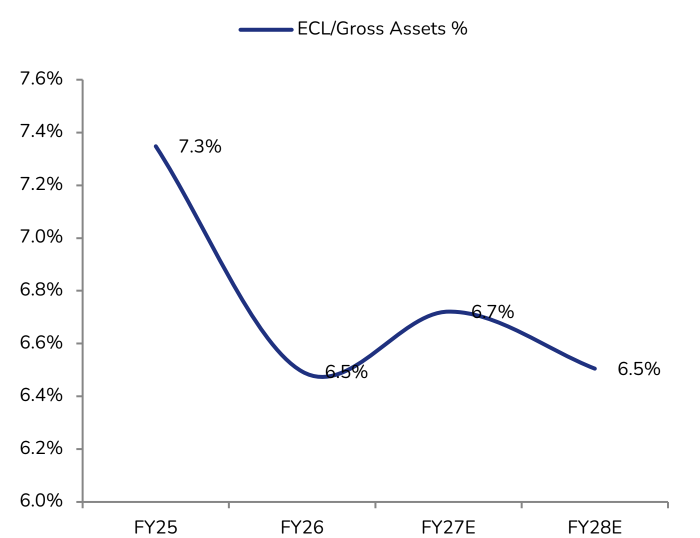
Source: Company, JM Financial

Exhibit 18: ...due to reduction in net slippages



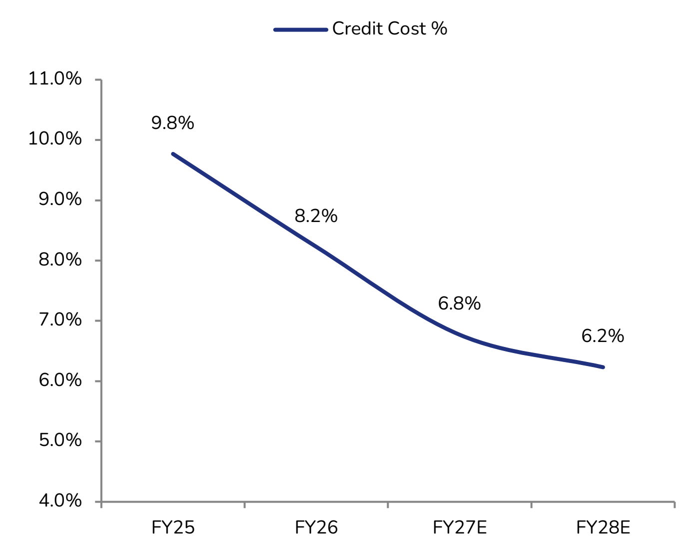
Source: Company, JM Financial

Exhibit 19: ECL coverage moderating across Stage 2 and Stage 3...



Source: Company, JM Financial

Exhibit 20: ...as a result, credit cost is expected to decline materially



Source: Company, JM Financial

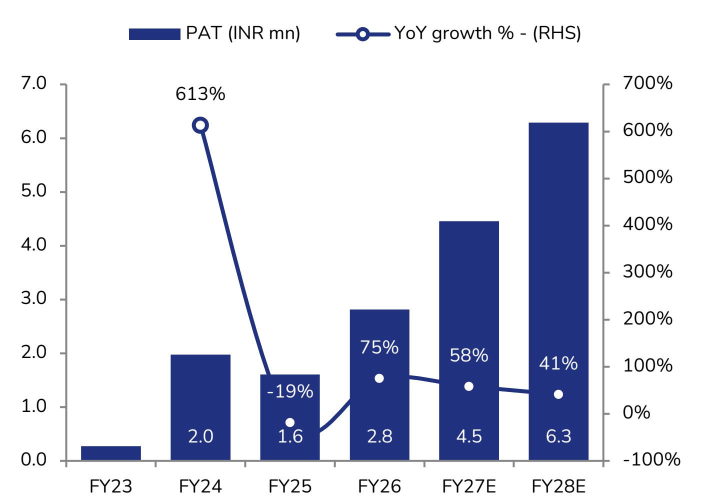
v) LAP earns its place on risk efficiency

- LAP AUM reached INR 6.17bn, 7.7% of the book in Q1FY27 against 2.5% in Q1FY26 (+396% YoY/+19% QoQ), across 101 branches in eight states and union territories.
- **LAP dilutive to yield**: LAP prices average 21.8% within a 16–24% range against a PL headline of 29–30%. At the current mix, the blended drag is immaterial, but the direction is unambiguous.
- **The case rests on capital**: Secured exposures attract materially lower risk weights than the 125% applied to unsecured consumer credit, permitting higher leverage on the same equity. Management targets 20%+ RoE on LAP despite a lower RoA and expects the book to be RoE-neutral to accretive at group level once breakeven is achieved.
- Collateral discipline is conservative and guided range-bound, with LTV at ~48%.
- At the current pace, we build in share of LAP at 11% of AUM by FY28E, where every incremental point of LAP mix is expected to lower blended impairment cost and support NIM stability even as unsecured competition intensifies.

vi) Total income/AAUM falls, but RoA holds near 5%

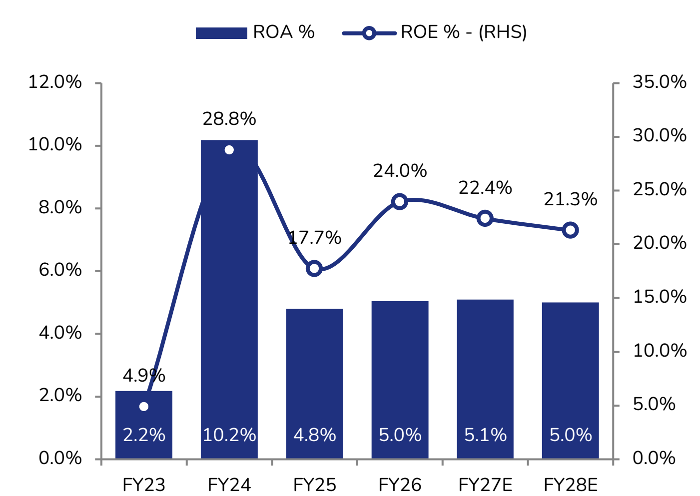
- **Yields are being cut deliberately and trade is accretive**. Total income fell to 35.9% of average AUM in Q1FY27 (–520bps YoY/–249bps QoQ). The repricing is part of the broader strategy as the origination is shifting to higher-quality and repeat borrowers, written at lower rates, with credit cost falling from 8.85% to 6.80% as the offset. Over FY25–26 total income/AAUM fell 82bps while RoAAUM rose 25bps to 5.05%.
- **Rising off-book share a second, quarter-specific driver**. Off-book AUM moved to 53.6% in Q1FY27 from 47.5% YoY. The partner-originated loans earn a servicing fee over an agreed cost of funds, not a lending yield. This portion is self-funding with no borrowing cost and credit exposure capped at the 5% FLDG. So, revenue forgone is matched by costs never incurred.
- RoAE of 21.20% against 25.31% in Q4FY26 reflects IPO capital alone. We build in average RoAAUM/RoAE of 5.1%/21.8% over FY27E/28E with PAT compounding 49% over FY26–28E.

Exhibit 21: PAT to grow 49% CAGR over FY26–28E despite NIM compression led by operating leverage and lower credit cost...



Source: Company, JM Financial

Exhibit 22: ...resulting in stable RoA



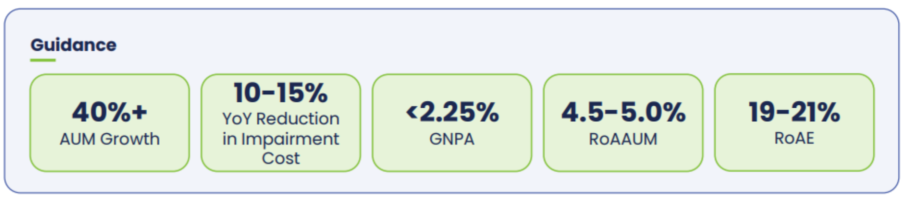
Source: Company, JM Financial

Exhibit 23: Kissht has the best in-class RoE amongst larger peers

FY26	Kissht (on AUM)	BAF	Chola	HDBF	Five Star
Interest income	22.8%	13.9%	12.7%	13.6%	20.7%
Interest expense	5.1%	5.5%	6.4%	5.9%	4.9%
Net interest income	**17.8%**	**8.4%**	**6.3%**	**7.7%**	**15.8%**
Other income	16.8%	1.8%	1.4%	2.3%	0.8%
Total income	**34.6%**	**10.2%**	**6.3%**	**10.0%**	**16.6%**
Emp expense	**4.5%**	**1.7%**	**1.9%**	**3.4%**	**4.2%**
Other expenses	**15.0%**	**1.7%**	**1.1%**	**1.3%**	**1.3%**
Total Opex	**19.6%**	**3.4%**	**2.9%**	**4.7%**	**5.5%**
PPOP	15.0%	6.8%	4.7%	5.3%	11.1%
Provision	**8.2%**	**1.8%**	**1.6%**	**2.4%**	**1.4%**
PBT	6.8%	4.9%	3.1%	2.9%	9.7%
PAT- RoA	**5.0%**	**3.7%**	**2.3%**	**2.2%**	**7.3%**
Leverage	4.7	5.0	8.3	6.4	2.2
RoE	**24.0%**	**18.4%**	**19.3%**	**13.9%**	**16.1%**

Source: Company, JM Financial

Exhibit 24: Management guidance



Source: Company, JM Financial

Valuation and view – BUY with TP of INR 385

- Kissht presents a strong growth story supported by an AUM CAGR of ~77% over FY23–26; the AUM is expected to expand from ~INR 71bn in FY26 to ~INR 147bn by FY28E. The expected shift in product mix toward LAP, supported by a strengthening underwriting stack and cleaner vintages, will help improve asset quality.

- We build in lower net slippages of ~6.5% (10.1% in FY26) by FY28E to support a 200bps decline in credit cost to 6.2%. Meanwhile, operating efficiency is expected to improve with cost-to-income decreasing to ~54% by FY28E (57% in FY26) and opex/average AUM moderating 440bps to 15.2% aided by a fixed-cost technology stack and maturing LAP branches. These offset the yield compression we build in (22.8% in FY26 to 17.3% by FY28E) as management passes on the benefit of a falling cost of funds through to better-quality customers, leaving RoAAUM broadly flat at ~5.0%.

- We initiate coverage on Kissht with a **BUY**, **valuing the stock at 2x FY28E book, which yields a TP of INR 385**. We build in average RoAAUM/RoAE of 5.1%/21.8% over FY27E/28E with PAT compounding 49% over FY26–28E.

- At INR 301, Kissht trades at 1.6x FY28E book and 8.1x FY28E EPS. Our TP implies 28% upside, at 2x FY28E book and 10.3x FY28E EPS.

- **Key risks to our call:** i) Asset-quality deterioration in the small-ticket unsecured segment, with tenure extension potentially deferring rather than reducing lifetime losses; ii) More than half of AUM sitting off-book, which limits direct asset-quality visibility and concentrates risk in FLDG capped at 5%; and iii) Higher-than-expected yield compression from rising competitive intensity.

Exhibit 25: We derive a target price of INR 385/share, valuing it at 2x FY28E BVPS

	INR mn	Contribution to value	Avg. ROA assumption	Avg. ROE assumption
June-26 net worth	22,450	39.8%		
PV of RI over FY27-Mar-36F (incl dividends)	15,817	28.0%	4.6%	20.5%
PV of RI over FY37-46F (incl dividends)	10,517	18.6%	4.3%	17.4%
Terminal value	7,633	13.5%	4.1%	16.1%
Total value of the firm	**56,418**	**100.0%**		
Total number of shares (mn)	168			
Target price per share	**385**			
Implied P/B-FY28E	**2.0**			
Cost of equity assumption	14.9%			
Terminal growth assumption	7.0%			

Source: Company, JM Financial

Exhibit 26: Sensitivity of valuation estimates to asset growth, RoA, RoE

	Bear Case	Base Case	Bull Case
Average AUM growth	19%	21%	23%
Average RoA	4.0%	4.5%	4.6%
Average RoE	17.0%	18.9%	20.1%
Fair Value	**171**	**385**	**554**
Upside/downside	*-45%*	*23%*	*79%*
Implied P/B-FY28F	0.9	2.0	2.9
Implied P/E-FY28F	4.6	10.3	14.8

Source: Company, JM Financial

Exhibit 27: Kissht to keep generating +4.7% RoA during FY26–36E

Long-term	FY23-26	FY26-36F	FY36-46F
CAGR of AUM (%)	77%	25%	16%
Mean ROA (%)	6.7%	4.7%	4.3%
Mean ROE (%)	23.5%	20.8%	17.6%

Source: Company, JM Financial

Exhibit 28: Sensitivity of target price to terminal growth rate and CoE

Target price		Terminal growth rate				
		6.0%	6.5%	7.0%	7.5%	8.0%
CoE	13.9%	508	516	526	536	549
	14.4%	438	443	449	456	463
	14.9%	378	381	**385**	389	393
	15.4%	328	329	331	332	334
	15.9%	284	284	285	285	286

Source: Company, JM Financial

Exhibit 29: Valuation summary – Kissht delivers higher RoE amongst the lot

Name	EPS CAGR	AUM CAGR	P/B			P/E			RoA (%)			RoE (%)		
	FY26-28E		FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Diversified Players														
BAF	28%	23%	6.0	5.1	4.3	34.9	25.5	21.2	3.7%	4.1%	4.0%	18.4%	21.3%	21.5%
Tata Capital	36%	23%	3.5	3.0	2.6	32.0	22.8	17.3	1.8%	2.1%	2.3%	13.0%	14.2%	16.1%
ABFL	27%	24%	2.5	2.2	1.8	18.1	14.3	11.2	2.0%	2.1%	2.1%	11.5%	12.9%	14.3%
HDB Financial	28%	16%	2.8	2.4	2.1	22.4	17.0	13.8	2.2%	2.5%	2.7%	13.9%	15.1%	16.2%
LTF	28%	23%	2.9	2.6	2.3	27.1	20.5	16.5	2.3%	2.5%	2.6%	11.2%	13.4%	14.9%
Poonawalla	103%	42%	3.7	2.9	2.5	70.5	25.1	17.1	1.1%	2.3%	2.4%	5.9%	13.4%	15.7%
PFL	45%	23%	1.8	1.7	1.5	33.3	21.5	15.8	1.5%	1.9%	2.2%	5.4%	8.0%	10.1%
Vehicle Financiers														
CIFC	25%	20%	5.2	4.2	3.4	30.2	24.0	19.4	2.3%	2.5%	2.5%	19.3%	19.6%	19.6%
SHFL	17%	18%	3.2	2.3	2.0	21.0	18.1	15.3	3.3%	4.1%	4.1%	16.4%	15.9%	14.0%
MMFS	21%	14%	2.2	2.0	1.8	19.3	13.8	13.2	2.0%	2.5%	2.3%	12.5%	14.9%	14.2%
HFCs														
LIC HF	4%	8%	0.7	0.6	0.6	5.2	5.2	4.8	1.8%	1.6%	1.7%	14.4%	12.6%	12.4%
PNB HF	11%	19%	1.6	1.4	1.3	13.5	12.8	11.0	2.6%	2.4%	2.3%	12.7%	11.8%	12.2%
BHFL	20%	24%	3.1	2.7	2.4	27.3	23.3	18.9	2.2%	2.1%	2.1%	12.1%	12.5%	13.5%
Aadhar	19%	20%	2.7	2.3	2.0	18.6	15.8	13.2	4.4%	4.3%	4.3%	16.0%	15.8%	16.2%
Aptus	18%	22%	2.6	2.1	1.8	13.7	11.6	9.8	7.8%	7.9%	7.8%	20.1%	20.1%	20.0%
Aavas	19%	17%	2.0	1.8	1.5	15.6	13.4	11.0	3.3%	3.3%	3.4%	13.9%	14.0%	14.7%
HomeFirst	26%	26%	2.8	2.5	2.1	22.9	17.3	14.5	3.9%	4.3%	4.3%	15.7%	15.2%	15.9%
NBFC-MFIs														
Credag	61%	21%	2.9	2.4	2.0	29.7	13.2	11.4	2.6%	4.9%	4.8%	10.5%	20.0%	19.1%
Satin Creditcare	33%	23%	0.9	0.8	0.6	7.5	5.5	4.3	2.6%	2.8%	3.1%	12.3%	14.6%	16.2%
Fusion Finance	443%	27%	1.3	1.2	1.1	239.4	11.5	8.1	0.2%	3.3%	4.1%	0.7%	11.1%	13.9%
Other lenders														
Five Star	17%	21%	2.1	1.8	1.5	13.8	12.7	10.1	7.3%	7.0%	7.3%	16.1%	15.1%	16.2%
SBFC	24%	25%	3.0	2.6	2.2	24.8	20.0	16.1	4.6%	4.5%	4.5%	13.0%	14.0%	15.0%
Fedfina	34%	24%	2.0	1.7	1.5	17.4	12.0	9.7	2.3%	2.7%	2.8%	12.6%	15.8%	16.5%
Aye Finance	53%	30%	1.7	1.5	1.3	22.3	12.1	9.5	2.7%	4.1%	4.2%	9.2%	13.2%	14.5%
Indostar Finance	38%	25%	1.1	1.1	1.0	32.2	43.0	16.9	1.3%	1.0%	2.1%	3.6%	2.5%	6.2%
Kissht	**26%**	**44%**	**2.7**	**1.9**	**1.6**	**12.7**	**11.4**	**8.1**	**5.0%**	**5.1%**	**5.0%**	**24.0%**	**22.4%**	21.3%

Source: Bloomberg, JM Financial, Priced as on 27th August 2026

Key Risks

- **High susceptibility to credit cycles:** The book remains 92.3% unsecured PL as of Q1FY27, making earnings highly sensitive to the credit cycle despite the increasing focus on LAP. The borrower base is skewed toward mass-market and mass-affluent customers, with 53% being self-employed and 22% of the book outside the top 100 cities as of Q1FY27. While Kissht navigated the 2023–25 unsecured stress episode well, its book was only a third of the current size and the platform is yet to be tested through a full credit cycle.

- **Tenure extension could defer asset-quality stress:** Holding tenure constant at Q1FY26 levels, Q1FY27 AUM growth would have been ~24% YoY versus reported 61% YoY, which means a large part of the growth is driven by duration extension, and longer-tenor unsecured loans to mass-market borrowers can result in higher lifetime losses with stress emerging later as the book seasons. The risk is partly mitigated by tenure extension being concentrated among repeat borrowers with established repayment histories and continued improvement in first-EMI-to-DPD-90 metrics; nonetheless it remains a key risk to reported asset quality.

- **High off-book AUM limits visibility:** Off-book AUM increased to 53.6% in Q1FY27 from 47.5% in Q1FY26, improving capital efficiency but reducing visibility on underlying asset quality as more than half of the franchise does not have directly disclosed asset-quality metrics. Any deterioration in off-book pools could first emerge through FLDG invocation, which is capped at 5%, limiting the potential downside, but it does indeed raise key transparency concerns. Further, the top three partners held 45.75% of total AUM as of Dec'25 across a base of 8+ lending partners. These relationships also churn—Partner 4 fell from 56.43% of AUM in FY23 to 0.89% by Dec'25—and are non-exclusive and terminable on notice. The loss of a top-three partner would remove a significant portion of AUM, making funding continuity the key risk.

- **Partner-dependent revenue:** Sourcing and servicing fees contributed 27% of revenue from operations in FY26, while insurance commissions and rewards contributed an additional 3% in FY26; hence, roughly 30% of revenue is dependent on partners and any weakening of sourcing or servicing relationships could adversely impact revenue growth and profitability.

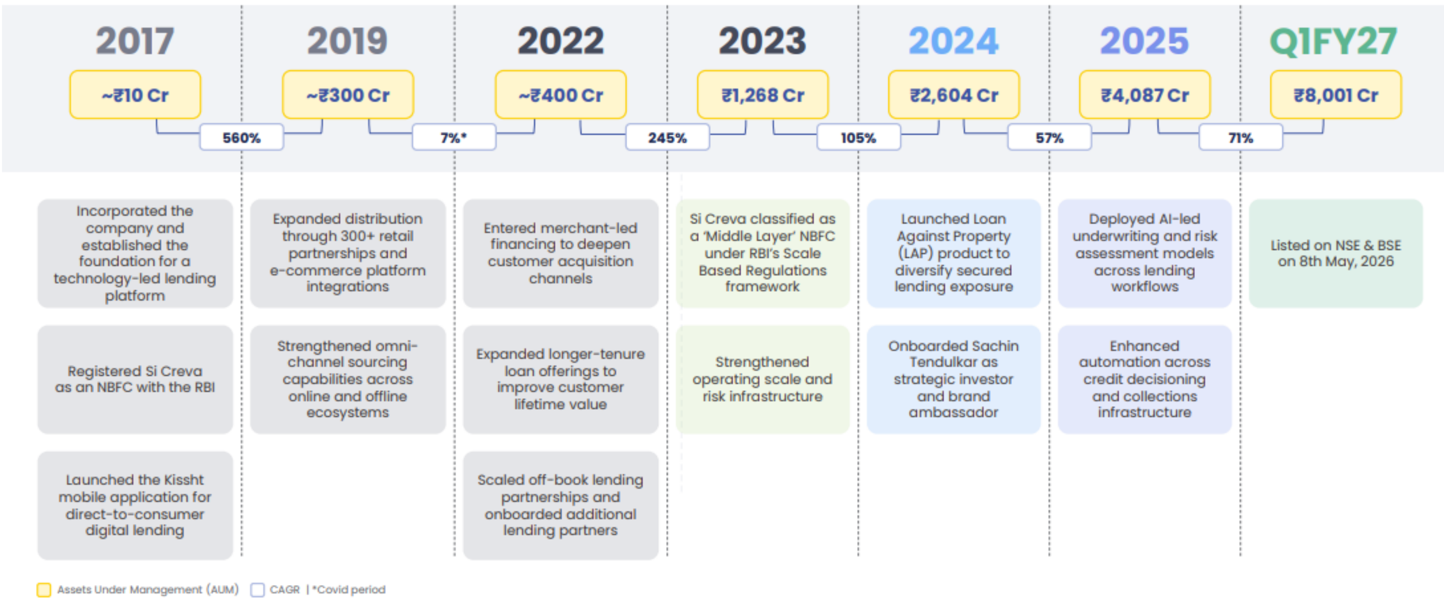
- **Rising competitive intensity:** Growing digital participation by banks in the mass-market segment could intensify competition and pressure growth, pricing and customer acquisition economics.

- **Regulatory risk:** RBI has raised risk weights on consumer credit to 125% from 100% for most unsecured retail lending, increasing the capital intensity of unsecured lending for NBFCs. The 2023 Digital Lending Guidelines also capped FLDG at 5%, while the 2025 Co-Lending Directions require partner banks/NBFCs to retain at least 10% of co-lent loans on their own books. These measures directly affect Kissht's unsecured and off-book model.

Company Overview

OnEMI Technology solutions, operating under the brand Kissht, is a digital-first lender offering personal loans and LAP via its mobile application. With the intent to provide swift, accessible, and personalised credit solutions for various consumption and business needs, Kissht focuses on young individuals primarily within the mass market in urban centres; ~60% of its PL loan count is in the top 50 cities of the country as of Q1FY27. The platform carries a 4.9 rating on Google Play across over 1.4mn reviews as of Aug'26 and a 4.3 rating on the App Store following its iOS launch in Dec'25.

Exhibit 30: Company's key milestones



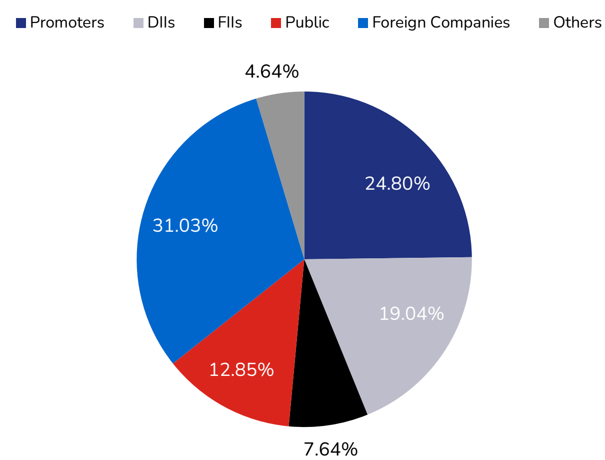
Source: Company, JM Financial

Exhibit 31: Key financial metrics

(INR bn)	FY24	FY25	FY26	Q1FY27
AUM	26.0	40.9	70.7	80.0
Disbursements	185.3	98.6	128.1	38.1
PAT	2.0	1.6	2.8	1.0
Total income/ Avg. AUM		40.4%	39.6%	35.9%
CoF		15.1%	14.8%	14.5%
Net total income / avg AUM		35.5%	34.6%	31.6%
Gross Stage 3	0.79%	2.89%	2.12%	2.25%
Net Stage 3	0.0%	0.25%	0.29%	0.36%
Credit Cost on AUM		9.77%	8.23%	6.80%
RoAAUM	10.2%	4.8%	5.1%	5.0%
RoE	29%	18%	24%	21%

Source: Company, JM Financial

Exhibit 32: Shareholding pattern at end-Q1FY27



Source: Company, JM Financial

Experienced and professional leadership

The company benefits from the presence of seasoned founding team members. Notably, CEO Mr Ranvir Singh brings 15 years of experience across financial institutions in India and SEA and CFO Mr Krishnan Vishwanathan has 15 years of experience in financial services, product design, technology, and digital systems.

Exhibit 33: Kissht - key management personnel

Name	Designation	Description
Mr Ranvir Singh	Chairman, Chief Executive Officer and Executive Director of the Board	Over 15 years across financial institutions in India and Southeast Asia. B Tech (Mechanical), IIT Bombay; PGDM, IIM Bangalore. Previously with McKinsey & Company – India. Founding member of the Fintech Association for Consumer Empowerment.
Mr Krishnan Vishwanathan	Chief Financial Officer and Executive Director	Over 15 years in financial services, product design and digital systems. B Tech (Electrical), IIT Delhi; MBA, Yale University. Previously with McKinsey & Company – India, Analog Devices and Alliance Semiconductor.
Ms Neha Shivran	Chief Data and Analytics Officer	With the company since Jan'19; leads the machine-learning framework and advanced analytics underpinning underwriting decisions. BE (Instrumentation and Control), University of Delhi; MBA, Cranfield University. Previously with Lenddo, TransUnion, State Bank of India and RBS India.
Mr Sandeep Kadam	Chief Technology Officer	With the company since Jun'24; responsible for technology strategy, engineering functions and technical operations. BE (Computer), University of Pune; MS (Computer Science), University of Southern California. Previously with Dhani Loans and Services, Saavn and Yahoo.

Source: Company, JM Financial

Products

The company's marquee product is the **personal loans segment**, forming ~92% of AUM as of Q1FY27. These PL customers are sourced via online marketing, credit QR installed at partner small merchants and shop owners and collaborations with e-commerce players and aggregators. This fully digital journey helps Kissht issue loan offers to >85% of fresh customers in under 10 minutes.

In addition, the company started its **LAP product** in Q4FY24, designed to cater to the rising demand for longer-term loans for business expansion, working capital, debt consolidation, and personal requirements from its existing customer base. Kissht has rapidly scaled this segment with the LAP AUM growing at 396% YoY from INR 1.24bn in Q1FY26 to INR 6.17bn in Q1FY27. Under its interest rate policy, the company may charge up to 36% on PLs and 34% on LAP as of 31st Mar'26. Realised rates are materially lower, with LAP averaging 21.8% within a 16–24% range in Q1FY27.

Exhibit 34: Product specifications (as of Q1FY27)

Product	Description of product	AUM (INR mn)	AUM mix %	Tenure	Ticket size	Location
Personal loans	Offered to salaried and self-employed individuals for various consumption and business needs	73,840	92.3%	Up to five years	Up to INR 0.5 mn	Pan India - 17,000+ pin codes served
Loan against property	Offered to asset-owning MSME and salaried individual seeking long term loans for business expansion and working capital needs	6,170	7.7%	Up to 15 years	Up to INR 1.5 mn	Seven states in India, i.e., Maharashtra, Tamil Nadu, Gujarat, Uttar Pradesh, Uttarakhand, Telangana and Andhra Pradesh, and one union territory in India, i.e., Puducherry

Source: Company, JM Financial

Exhibit 35: PL and LAP AUM and average ticket size

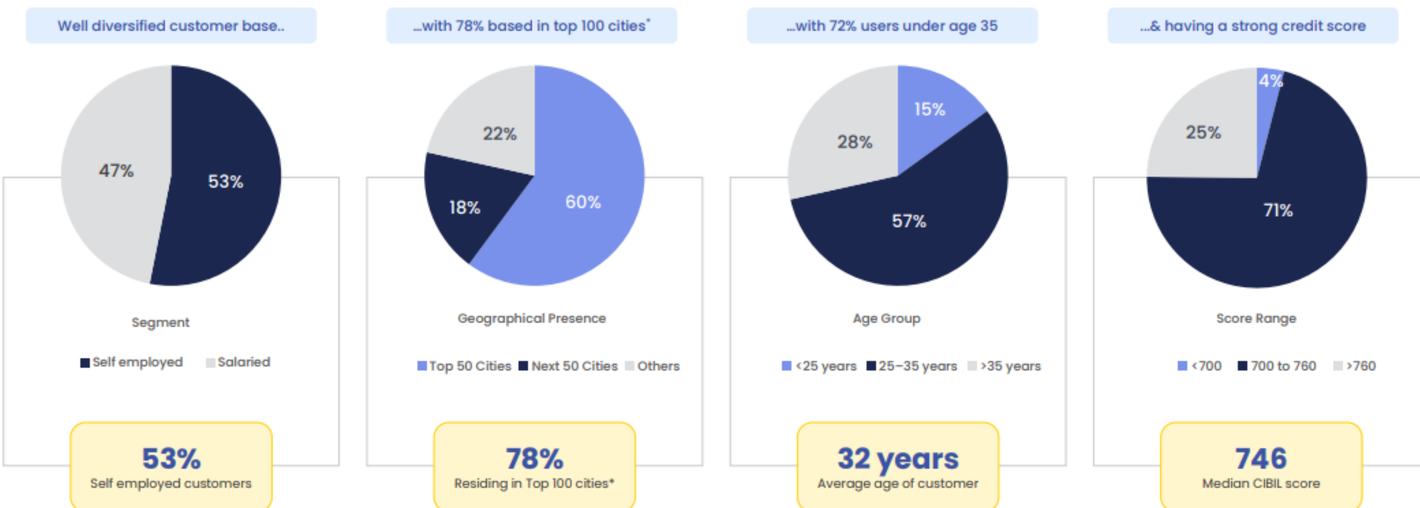
Particulars	FY23	FY24	FY25	FY26	Q1FY27
PL					
AUM from PLs (INR mn)	12,679	26,036	40,111	65,480	73,840
AUM from PLs as a % of total AUM (%)	100.0%	99.97%	98.2%	92.7%	92.3%
Average ticket size of PL (INR)	7,172	14,720	31,573	NA	NA
LAP					
AUM from LAP (INR mn)	NA	7	755	5,180	6,170
AUM from LAP as a % of total AUM (%)		0.03%	1.85%	7.3%	7.7%
Number of branches		2	62	98	101
Average ticket size (INR)		6,27,273	4,82,653	NA	NA

Source: Company, JM Financial

Customer base

As of Q1FY27, the company had 74.60mn registered customers, with 3.49mn active borrowers forming the total AUM of INR 80.01bn and having served a total of 12.25mn customers. The active borrower base comprises individuals with an average age of 32 years and a median CIBIL score of 746. The customers form a healthy 47:53 mix of salaried versus self-employed individuals and with ~67% of the borrower base in the monthly income range of INR 25–75k as of Dec'25.

Exhibit 36: Kissht's customer base



Source: Company, JM Financial, Data pertains to PL customers - Based on loan counts for Q1FY27 | *Top 100 cities refers to the 100 cities with the highest loan counts among those served in Q1FY27

Investment arguments

Large under-served digital pool funds strong AUM growth

Kissht addresses the digital slice of India's mass-market credit pool rather than the whole of it. The combined PL and LAP pool stood at INR 11.6tn in FY25 and is projected to reach INR 33.4tn by FY30E at 24% CAGR; within this, digital lending in the mass market is expected to grow ~7x from INR 600bn to INR 4.1tn at 48% CAGR. Our FY28E AUM estimate of INR 147.2bn represents ~3.6% of that pool, leaving the growth runway intact without recourse to a headline market Kissht can't originate against.

AUM stood at INR 80.0bn in Q1FY27, **+61% YoY/+13% QoQ**, against full-year FY27 guidance of over 40%; management indicated on the Q1FY27 call that it expects to over-deliver. Disbursements were INR 38.1bn, +37% YoY/–4% QoQ. We build in AUM CAGR of 44% over FY26–28E to INR 147.2bn.

Growth composition shifting from duration to volume

Average ticket size rose to INR 37,312 (+27% YoY/+11% QoQ) and average tenure to 17.1 months (+30% YoY/+2% QoQ) implying loan count growth of +7.7% YoY and –12.9% QoQ. Tenure extension, which tripled contractual duration between FY24 and FY26 and carried AUM through the FY25 decline in disbursements, is now decelerating sharply—tenure rose just 2% QoQ against AUM growth of 13% QoQ. Incremental growth must therefore come from volume and ticket rather than duration, which we regard as a healthier if less mechanical mix. Ticket size also positions Kissht at the upper end of its cohort: fintech NBFC disbursements averaged INR 16.8k in Q1FY27 (Source: CRIF), so Kissht writes loans at roughly 2.2x the peer average. The industry is moving the same way as larger-ticket fintech disbursements above INR 0.1mn grew 88% YoY in Q1FY27.

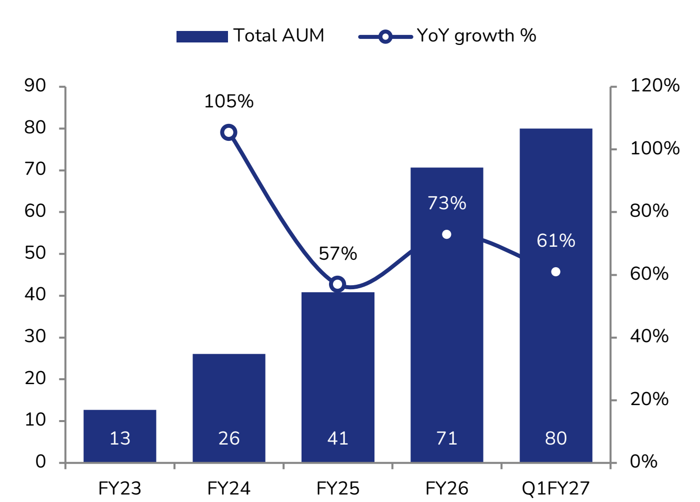
Funnel quality improving alongside scale

Registered users reached 74.60mn (+33% YoY/+9% QoQ) and cumulative customers served stood at 12.25mn (+26% YoY/+4% QoQ), with active borrowers at 3.49mn (+111% YoY/+7% QoQ). Of FY26 additions, 95.5% carried a 700+ CIBIL score against 94.8% in FY25; the above-760 cohort rose to 24.8% of loan count in Q1FY27 from 22.8% in Q4FY26; and FOIR for new customers fell to 30.2% from 34.4%. **The company does not lend to new-to-credit customers.**

Personal loans remain the volume and cash-generation engine

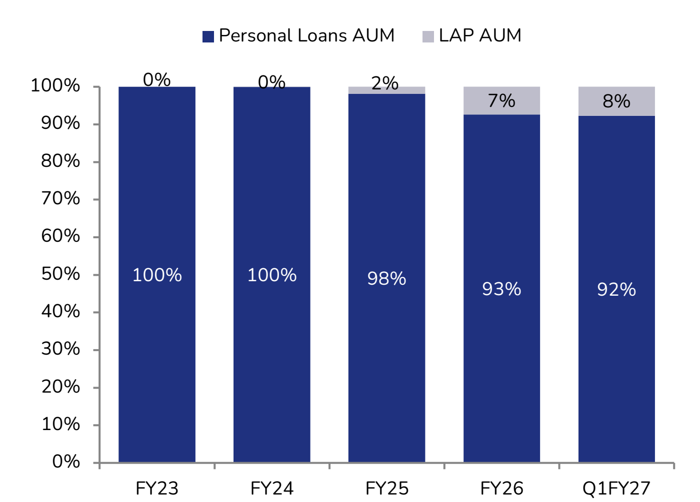
PL AUM stood at INR 73.8bn in Q1FY27, 92.3% of total AUM, offered pan-India across 17,000+ pin codes with ticket sizes of up to INR 0.5mn and tenure of up to five years. Sourcing is fully digital with instant decisioning against 400+ underwriting variables, enabling loan offers to over 85% of fresh customers in under 10 minutes. The digital-only cost structure keeps marginal disbursement cost low. The trade-off is that unsecured lending to a mass-market and largely self-employed base is inherently more volatile through a credit cycle.

Exhibit 37: Total AUM clocked 77% CAGR over FY23–26



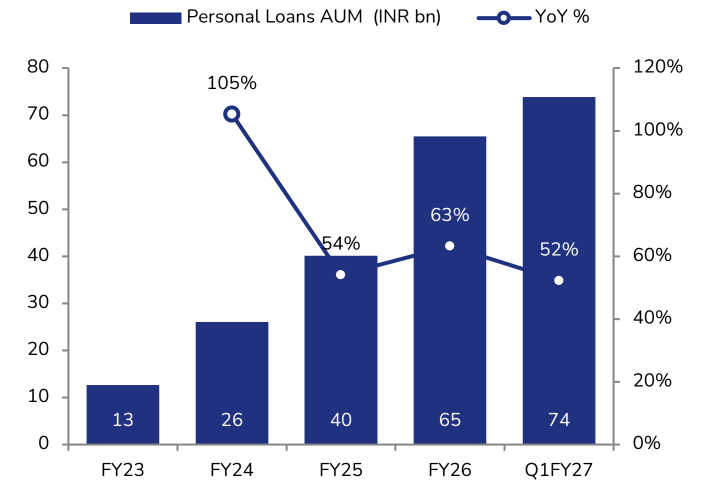
Source: Company, JM Financial

Exhibit 38: LAP mix rose to 8% by Q1FY27



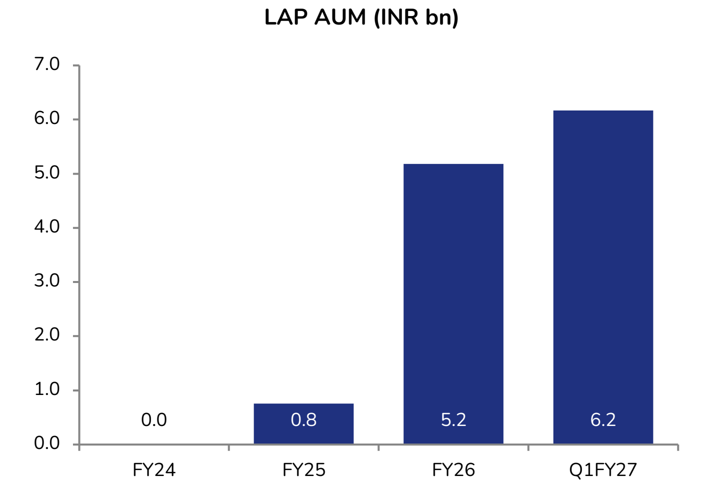
Source: Company, JM Financial

Exhibit 39: PL AUM clocked 73% CAGR over FY23–26



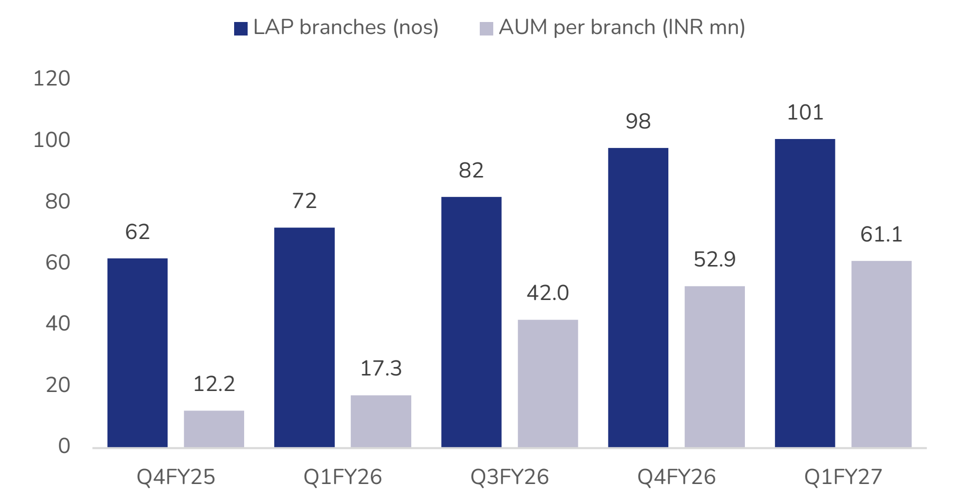
Source: Company, JM Financial

Exhibit 40: LAP started in Q4FY24, scaled to INR 6.2bn by Q1FY27



Source: Company, JM Financial

Exhibit 41: No of branches rose 48% CAGR in Q4FY25–Q1FY27; LAP AUM/branch clocked 262%



Source: Company, JM Financial

The off-book model funds growth without consuming capital

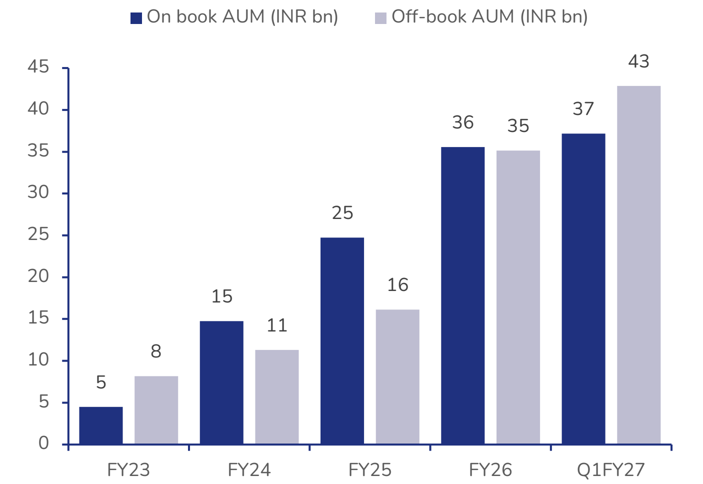
On-book AUM—loans held on Si Creva's own balance sheet—was 46.4% of total AUM in Q1FY27, down from 60.6% in FY25, even as absolute on-book AUM grew from INR 4.5bn in FY23 to INR 37.2bn. On this book Kissht earns the full spread and bears the full credit risk. Off-book AUM rose to 53.6% in Q1FY27 from 47.5% in Q1FY26 (+81% YoY/+22% QoQ) and operates through three structures:

- **100-0 arrangements:** The entire loan sits on the partner's book and Kissht earns sourcing and servicing fees, with minimal balance sheet usage. At INR 23,372mn as of Q1FY27, this remains 54.5% of off-book AUM.
- **Co-lending:** Loans are jointly originated with the partner retaining a pre-agreed share and Kissht earns spread income on the retained portion and fee income on the balance. At INR 17.9bn (+133% YoY/+46% QoQ) this channel forms 41.7% of off-book AUM. The RBI Co-Lending Directions, 2025, require partners to retain at least 10% of each loan.
- **Direct assignment:** Loans are originated and assigned shortly after disbursement, again fee income with minimal balance sheet exposure. At INR 1,604mn (4% of off-book AUM) as on Q1FY27, this remains the smallest channel.

Service fees on off-book AUM compounded at 96% over FY23–26 to INR 5,794mn and rose from 10% of revenue in FY24 to 27% in FY26.

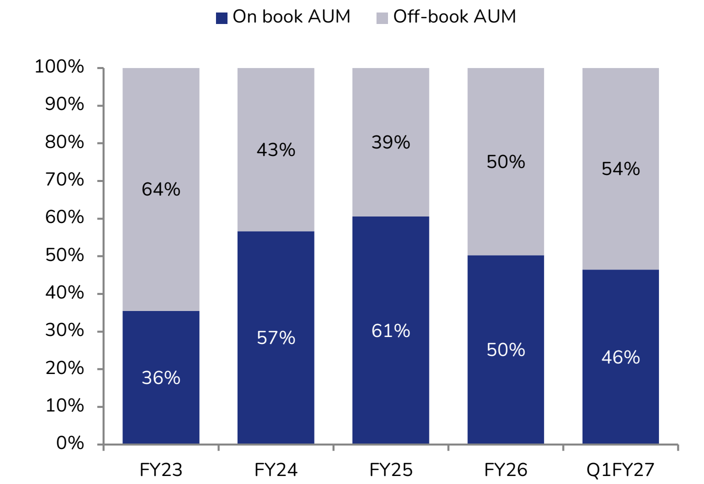
Kissht provides FLDG of up to 5% on 100-0 and co-lending arrangements, so off-book AUM is capital-light but not risk-free and the partner base is concentrated, with the top three partners accounting for 45.75% of total AUM as of Dec'25 across 8+ lending partners.

Exhibit 42: On/Off-book AUM clocked 99%/63% CAGR over FY23–26



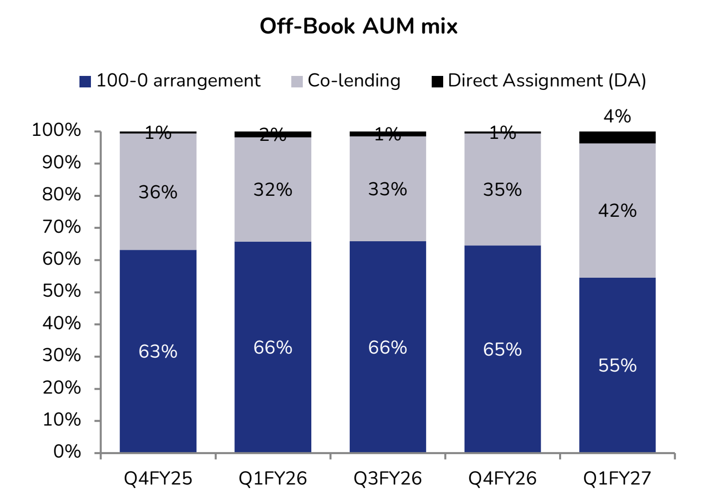
Source: Company, JM Financial

Exhibit 43: On/Off book AUM mix remains range-bound



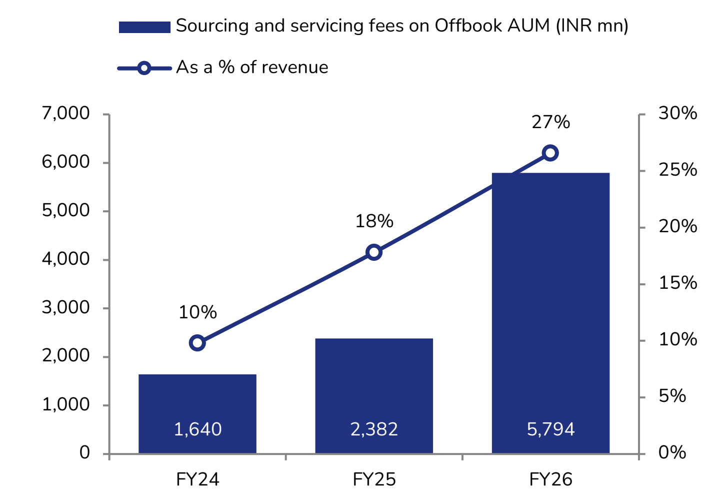
Source: Company, JM Financial

Exhibit 44: 100-0 arrangement dominates off-book AUM



Source: Company, JM Financial

Exhibit 45: Fees on off-book AUM rose to 27% of revenue



Source: Company, JM Financial

Rating upgrade to benefit funding cost from H2FY27

Average cost of borrowings was 14.45% in Q1FY27 against 15.68% in Q1FY26, **–123bps YoY/ –10bps QoQ**. Three agencies now rate Si Creva A-/Stable—Acuite (Aug'25), India Ratings (Nov'25) and CRISIL (Feb'26, migrated from BBB+/Stable)—on the back of demonstrated profitability and a capital base.

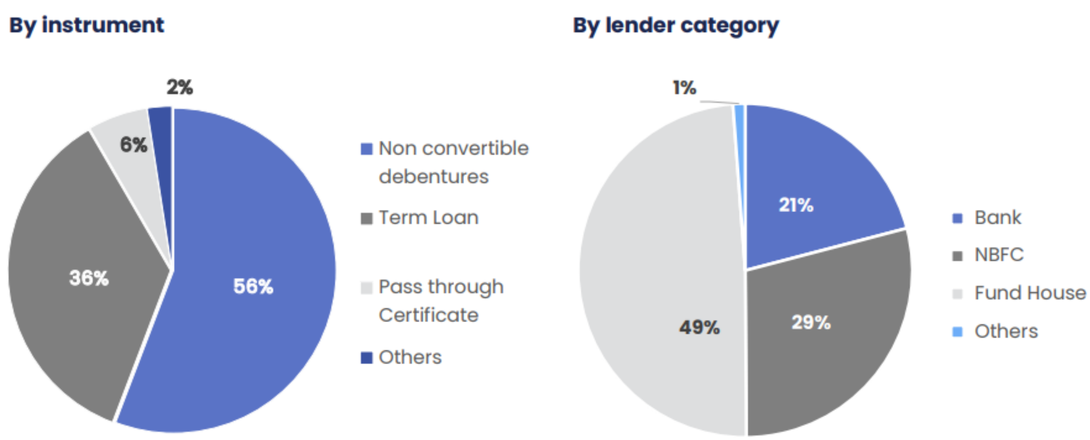
Marginal pricing already sits well inside average

Management cites a 200bps improvement in marginal cost of borrowing since the CRISIL upgrade in Feb'26. The sole incremental raise completed in Q1FY27 was priced at a fully loaded 12.9%, ~150bps below the FY26 average, with certain current lines drawn at 12–12.4%. Furthermore, Kissht issued INR 3.3bn secured, rated, listed NCD in Jul'26, which carries 11% coupon, 345bps below the Q1FY27 average cost.

Liability mix rebuilt

NCDs constitute 56.4% of on-book borrowings as of Q1FY27 against 33.6% in Q1FY26, while higher-cost PTC securitisation has fallen to 6% from 22%—a shift toward a more flexible, less securitisation-dependent structure consistent with the rating migration, with term loans broadly stable. On-book borrowings stood at INR 20.4bn as of Q1FY27, –15% QoQ, as IPO equity displaced debt. The base of 45+ lenders spans banks, NBFCs and fund houses and provides reasonable diversification.

Exhibit 46: Source of funding as of Q1FY27



Source: Company, JM Financial

Repricing accrues as borrowings mature, weighting benefit to FY28

With the existing borrowings book contracted at 18–24 month tenors, repricing accrues as maturing debt is refinanced rather than going through an immediate reset. We estimate roughly half the on-book liability reprices within 12 months. Management guides for a minimum 100bps improvement in overall cost of borrowings over the next three quarters, weighted to H2FY27, and 200–300bps over three years.

A further upgrade is likely as the three variables moved decisively in the company's favour within 12 months – capital adequacy has risen to 40.19%, GNPA has declined from 3.64% to 2.25% and RoAAUM has sustained above 5%. The transition from private to public ownership brings an associated governance and disclosure upgrade. We build in average cost of borrowings of ~14.2%/12.8% in FY27E/28E.

Exhibit 47: Rating history

	FY25	Q3FY26	Q4FY26	Q1FY27
CRISIL	BBB+/Stable	BBB+/Stable	A-/Stable	A-/Stable
India Ratings	—	A-/Stable	A-/Stable	A-/Stable
Acuité	A-/Stable	A-/Stable	A-/Stable	A-/Stable

Source: Company, JM Financial

Fixed tech base, LAP breakeven and repeat customer mix to drive operating leverage

Opex fell to 17.99% of average AUM in Q1FY27 from 20.01% in Q1FY26, **–202bps YoY/–193bps QoQ**, as the cost base grew +4.5% QoQ against AUM at +13.2% QoQ. In FY26 full-year, opex/AUM rose to 19.57% from 19.29% on LAP branch build-out and a one-time collections-team investment in Q4FY26. We build in opex at 16.9%/15.2% of average AUM in FY27E/28E.

The fixed base is demonstrably fixed

Technology and systems headcount stood at 327 in Q1FY27 against 298 in Q4FY25, an increase of 9.7%, while AUM grew 96% over the same window. Total headcount grew 4% QoQ in Q1FY27 against AUM growth of 13% QoQ. Management places 50–55% of the cost base as fixed and expects it to grow at inflation, augmented by AI-led productivity. Over 80% of internal code is now AI-assisted and voice agents recover at more than 80% of human efficiency in early DPD buckets.

LAP carries entire drag and breakeven guided to Q3FY27

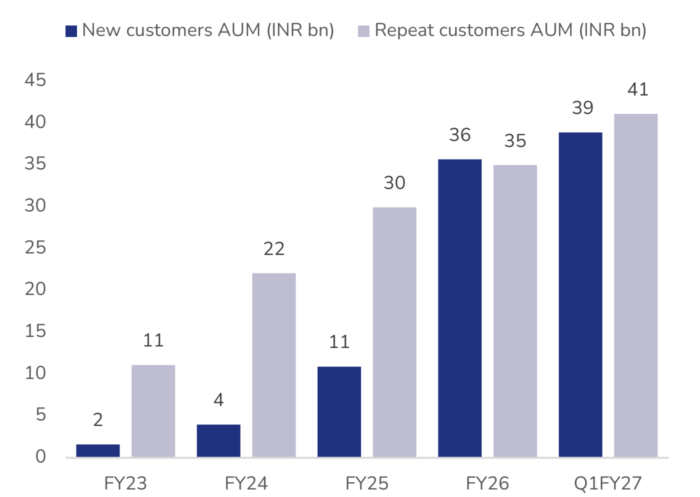
LAP accounted for 1,128 of 2,167 employees in Q1FY27—52% of headcount supporting 7.7% of AUM—across 101 branches and 550+ dedicated sales managers. Management guides for LAP breakeven around Q3FY27, with branch payback of seven–eight months against an industry norm of 16–18, because more than 40% of LAP customers are sourced from the existing PL base at nil acquisition cost. Reported opex therefore overstates steady-state opex and the unwind of this drag is the single largest identified source of operating leverage over FY27–28E.

Repeat customer mix inflected in Q1FY27

Repeat customers accounted for 51.4% of AUM in Q1FY27, up from a trough of 49.5% in Q4FY26. The longer-run decline from 87.4% in FY23 reflects rapid new-user acquisition rather than weak retention as the registered base grew 2.4x from 31.39mn in FY23 to 74.60mn, so the absolute pool of repeat borrowers expanded alongside accelerating first-time cohorts. The inflection matters for acquisition economics since approval rates run at 73.5% for repeat applicants against 11.2% for new and the acquisition cost for repeat customers is negligible.

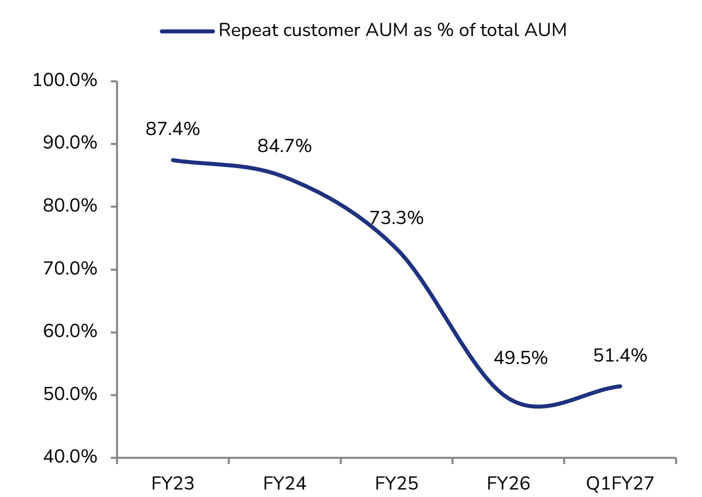
Underwriting discipline on repeat cohorts remains strict. The dedicated repeat model integrates repayment track record with bureau movement, leverage indicators and income patterns since last closure. Kissht declined 26.46% of repeat applicants in 9MFY26 despite positive repayment history where the overall risk profile was deemed unacceptable.

Exhibit 48: New customers grow at 167% CAGR (FY23–Q1FY27)...



Source: Company, JM Financial

Exhibit 49: ...leading to fall of repeat ratio from 87% to 51% in Q1FY27



Source: Company, JM Financial

Organic sourcing at 31% lowers acquisition cost

For the nine months till Dec'25, digital marketing contributed 45.51% of new customer acquisition, followed by merchant partnerships at 23.28%, organic at 23.70%, and e-commerce and aggregators at 7.51%. Organic acquisition reached 31% in Q1FY27 against 27% in Q4FY26 and 8% in FY23 and management expects it to stabilise at 40–50% as brand recall compounds.

- **Digital marketing** across search, social, affiliate, OEM display and streaming carries the highest CAC, but also the highest control and scalability, being performance-based and optimised in real time.
- **Merchant partnerships** via Credit QR at retail outlets carry lower CAC and are embedded at the point of need, but scale more slowly geographically.
- **E-commerce and aggregator APIs** carry near-zero incremental CAC once integrated and are driven by contextual offers but depend on partner platform traffic.
- **Organic** acquisition through word-of-mouth and app-store optimisation carries effectively zero marginal CAC. At 31% of new acquisition, it is the clearest evidence of brand equity, and on an opex base, running at ~18% of average AUM, of which roughly half is variable sourcing and collections cost, a structural deflator as the mix rises towards the guided 40–50%.

Exhibit 50: CAC breakdown (9MFY26)

Notes:
- Data pertains to April-December 2025
- ^ Merchant CAC excludes onboarding costs
- ^^ E-commerce CAC a function of loan ticket size
- * Excludes brand-building expenses and brand ambassador fees

Source: Company, JM Financial

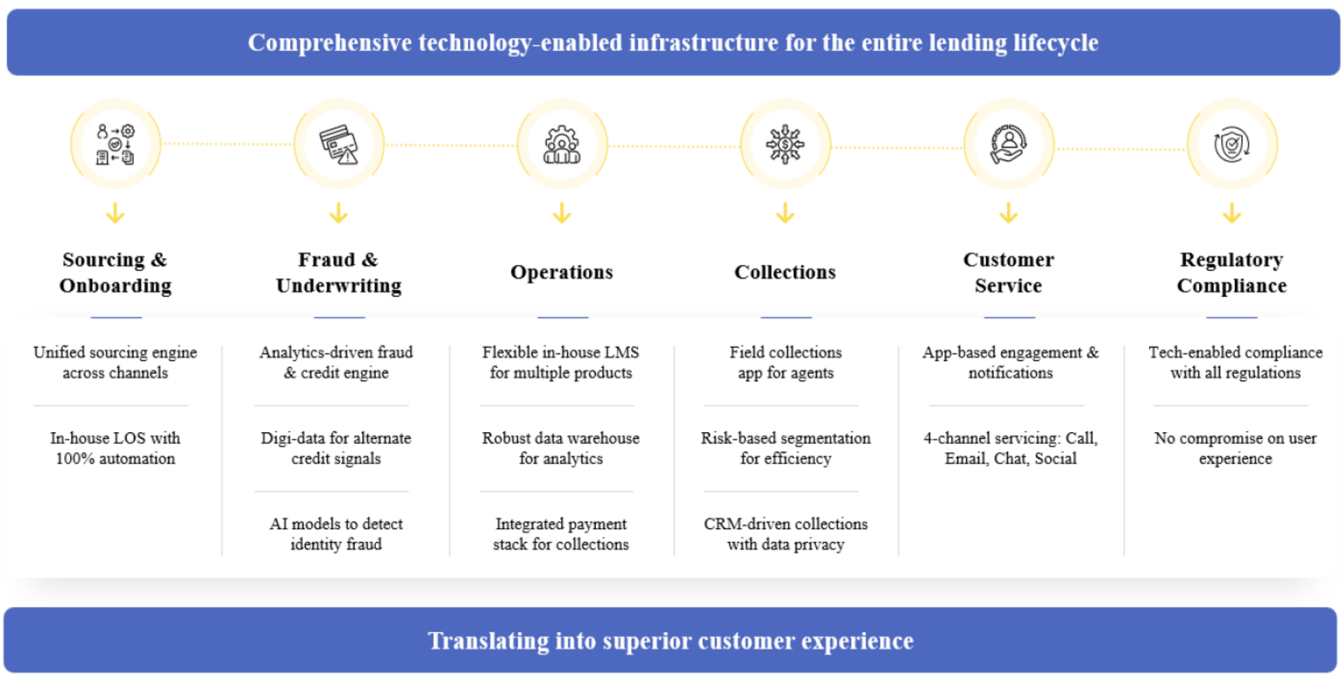
Credit cost falls on borrower selection

Impairment cost declined to 6.80% of average AUM in Q1FY27 from 8.85% in Q1FY26, **–205bps YoY/–22bps QoQ**, extending the trend from 9.77% in FY25 and 8.23% in FY26. In absolute terms, impairment rose 27.9% YoY against AUM growth of 60.9% YoY, so losses are compounding at under half the rate of the book. Management guides for a 15% reduction in FY27. We build in credit cost (as a % of average AUM) of 6.8%/6.2% and GNPA of 2.1%/2% in FY27E/28E.

Underwriting and risk management

Kissht caters to the historically underserved mass market by leveraging proprietary AI/ML-based underwriting and risk models to plug gaps in credit information. Its data science team of 48 (in Q1FY27) maintains an in-house suite of 40 deployed models drawing on a feature library of over 7,000 variables, of which 400+ are credit variables and 200+ are fraud triggers. The models rejected ~89% of new applicants and ~26% of repeat applicants in the nine months till Dec'25. This has translated into 30 DPD collection efficiency of 96.82%, GS3 of 2.25%, and NS3 of 0.36% as on Q1FY27.

Exhibit 51: Tech-enabled process for underwriting



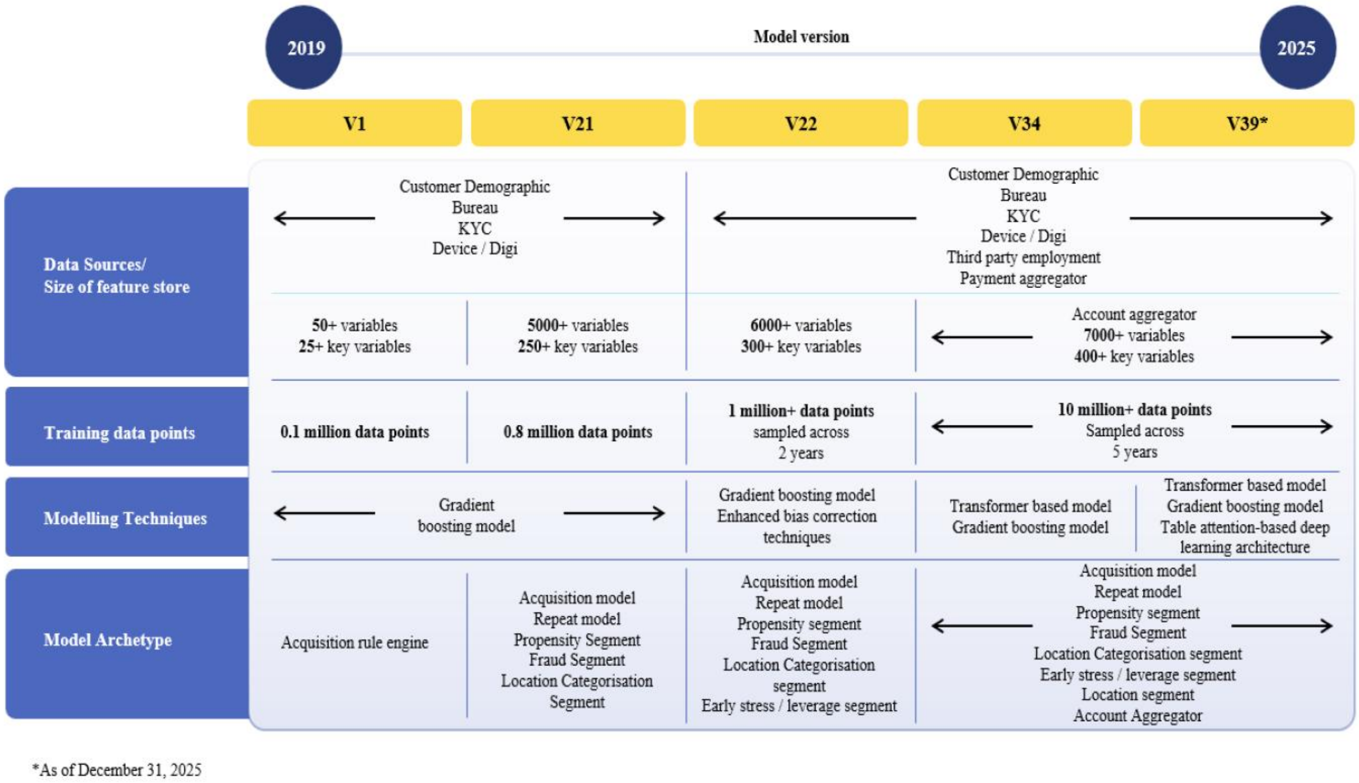
Source: Company, JM Financial

Tech-led risk management that improves with time

Kissht has been building its AI stack since 2019, when the feature library held only ~200 variables against over 7,000 today. The modelling technique has progressed through three generations—logistic regression, then gradient boosting, and now transformer-based architectures—with model AUC* improving to 74% in 2026 from 66% in 2023. The architecture as of Q1FY27 comprises 40 specialised sub-models, each tailored to a specific customer cohort or decision point, rather than a single monolithic scorecard – this allows individual components to be retrained without disturbing the whole.

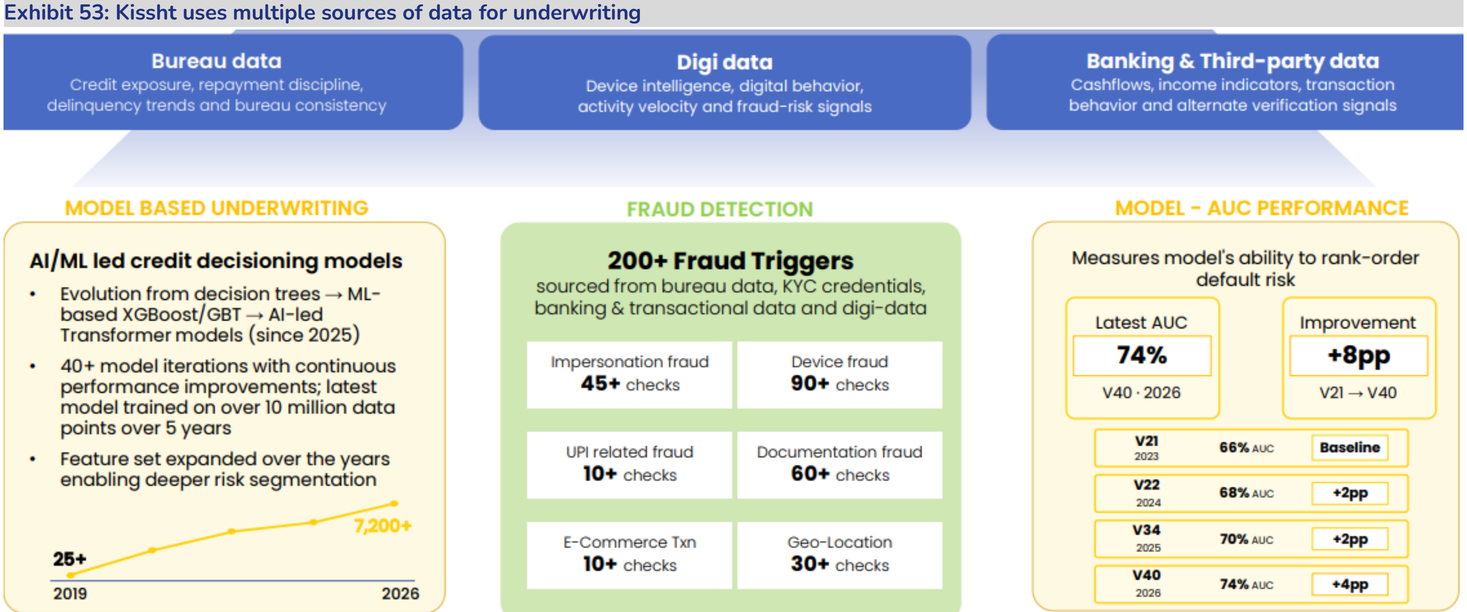
* AUC: Area Under the Curve is a discrimination statistic. It measures how well a credit model rank-orders borrowers by default probability – the probability that a randomly chosen defaulter is scored riskier than a randomly chosen non-defaulter.

Exhibit 52: Kissht's underwriting model – Timeline of evolution



Source: Company, JM Financial

Exhibit 53: Kissht uses multiple sources of data for underwriting



Source: Company, JM Financial

Proprietary models provide ~2.5x the risk separation of bureau score alone

Traditional lenders struggle to rank mass-market borrowers with thin credit files. On FY26 disbursements measured at nine months on book, Kissht's internal score separates 90+ DPD outcomes across a 0.40% to 10.72% range—a ~5.88x spread against ~2.40x for bureau score alone, or approximately 2.5x greater separation power. The overall nine-month T90 default rate on that vintage was 4.53%. We would note that this measures ranking ability rather than loss level – it says the model sorts out risk better than the bureau, not that the book loses less.

Exhibit 54: Kissht models provide 2.5x more risk separation than bureau for loans given to the segment

All numbers are 9 MOB 90+

Kissht score (derived from gradient boosting + transformer model): Best risk → Worst risk

Bureau score: Best risk → Worst risk

Bureau score \ Kissht score	Excellent	Strong	Moderate	Weak	Poor	Total
Very High	0.40%	1.66%	2.90%	3.49%	4.83%	2.66%
High	0.86%	2.39%	3.64%	4.70%	6.89%	3.60%
Medium	1.39%	3.13%	4.38%	6.00%	8.13%	4.53%
Low	1.97%	3.90%	5.50%	6.79%	9.88%	5.46%
Very Low	2.65%	4.68%	6.45%	7.98%	10.72%	6.40%
Total	1.40%	3.14%	4.53%	5.82%	8.26%	4.53%

Bureau risk separation ~2.40x

Kissht Model risk separation ~5.88x

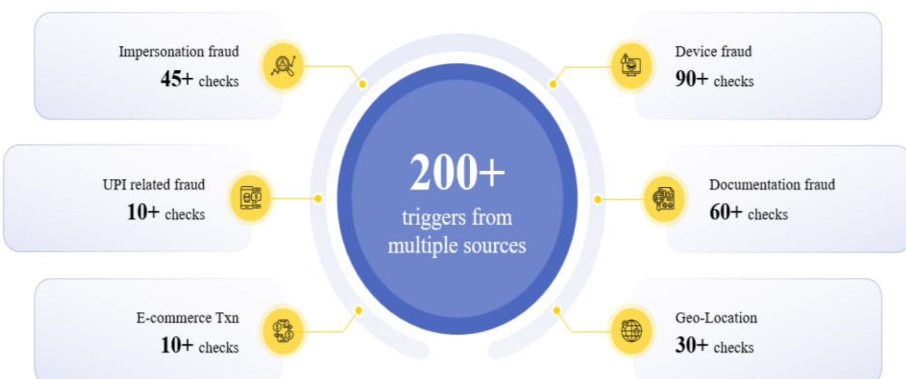
~2.5x risk separation difference

Source: Company, JM Financial, Default rates represent 9M T90 risk, reflecting the performance of the latest quarter based on disbursements made in FY26 that have now completed nine months and reached the 90+ DPD stage. Both Bureau and Kissht scores are segmented into five risk bands with aligned population distributions: Very high/Excellent (Top 5%), High/Strong (Next 30%), Medium/ Moderate (Next 30%), Low/Weak (Next 30%), and Very low/ Poor (Bottom 5%)

Fraud detection – a second, distinct layer above underwriting

Fraud detection functions independently from credit underwriting in order to separate bad actors from bad credit. Anchored on a base of over 20mn verified KYC customers, the framework evolved in Q1FY27 with additional device-intelligence and digital-behaviour triggers. Physical operational risk remains, which the portfolio-level controls below are designed to contain.

Exhibit 55: Multiple fraud detection triggers



Source: Company, JM Financial

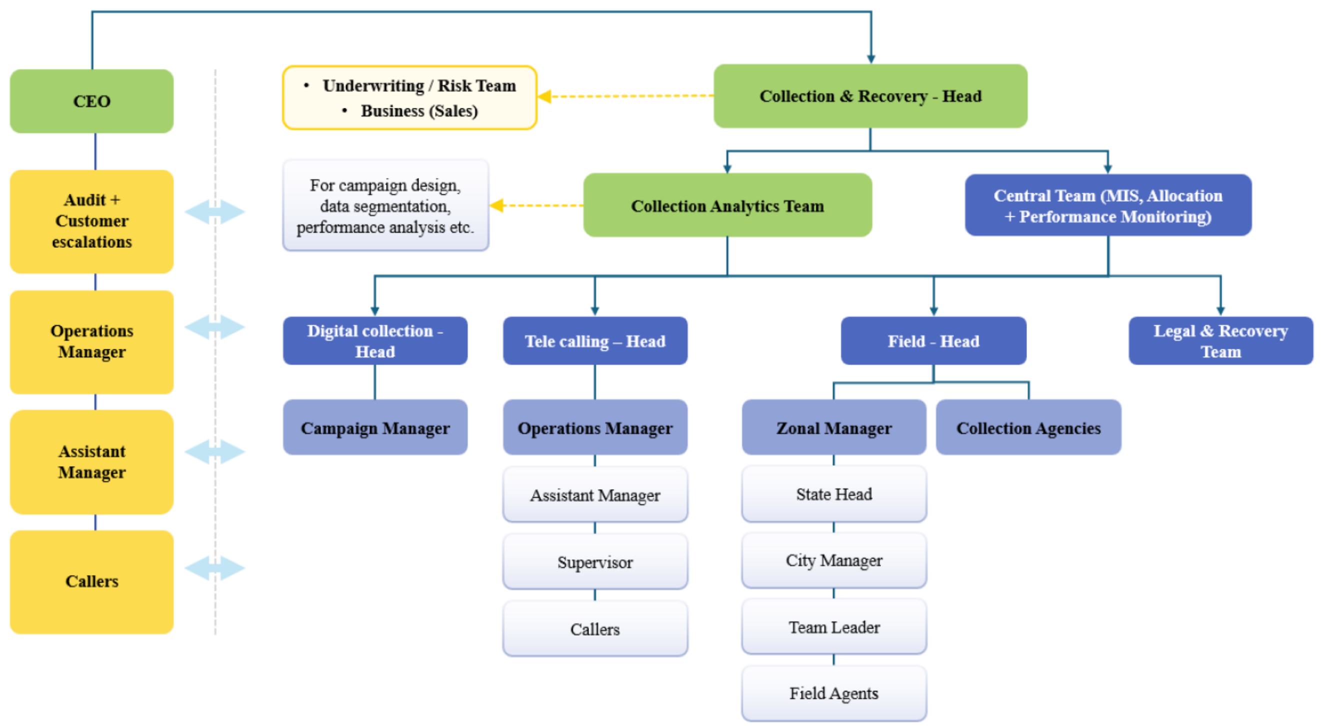
Early-warning triggers drive pin-code level portfolio action

Beyond individual loan underwriting, the platform monitors portfolio-level signals and could freeze disbursement to specific geographies where risk indicators deteriorate. During 9MFY26, it flagged 419 distinct instances that prompted immediate action, including the discontinuation of 305 pin codes. Of approximately 11,000 pin codes accounting for 98% of business, 450 were paused in Q4FY26; 180 were reopened in Q1FY27 on improved vintage performance while 270 remain paused. Underwriting was separately tightened on salaried profiles lacking recent EPFO credits and on self-employed cohorts showing banking-credit volatility.

Collections built for the loss curve rather than bolted onto it

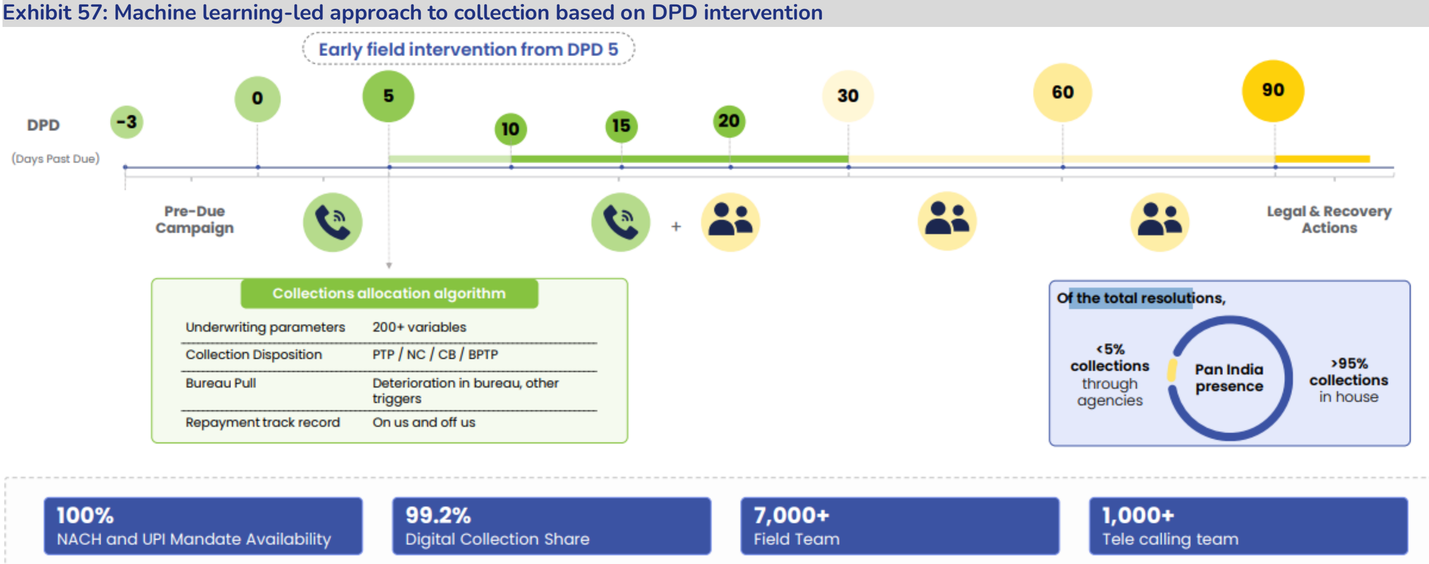
NACH and UPI mandate availability is 100% and digital collection share 99.2%, with field intervention commencing from DPD 5. The function is run at scale and in-house—over 7,000 field agents and 1,000 tele-callers, with under 5% of resolutions routed through external agencies—which converts collections from a variable recovery cost into part of the fixed base. Allocation is algorithmic, drawing on 200+ underwriting variables, collection disposition, bureau deterioration triggers, and on-us and off-us repayment track record.

Exhibit 56: Kissht's collection process



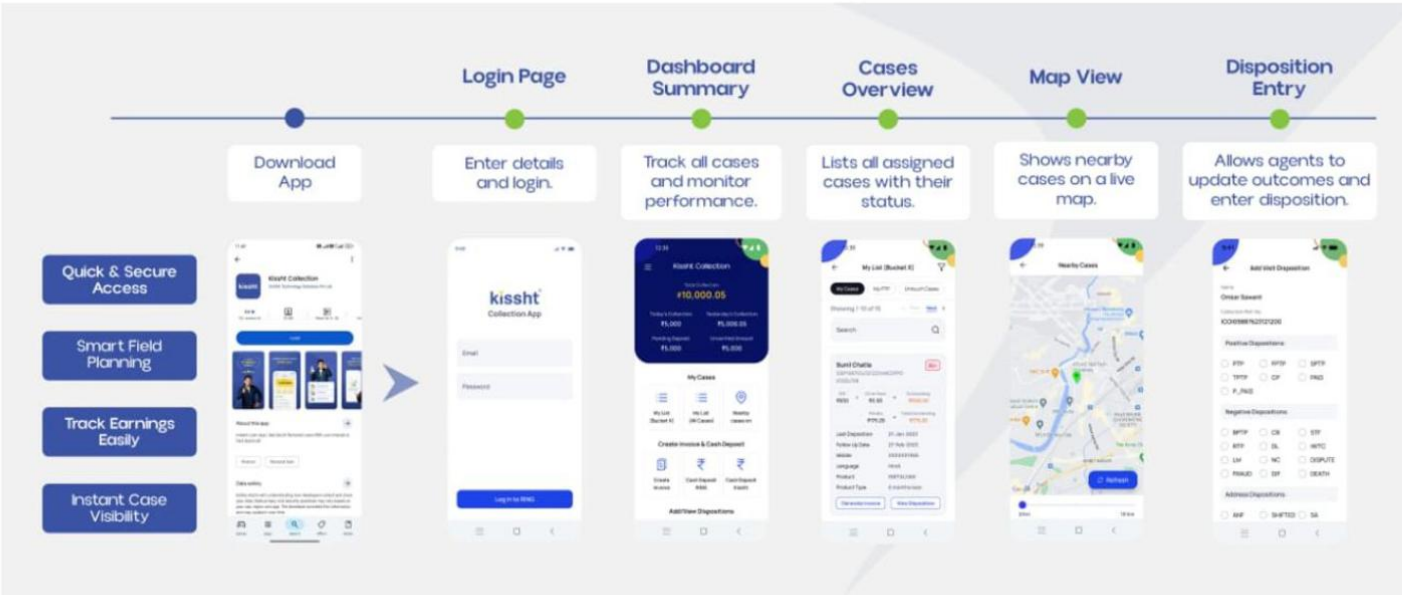
Source: Company, JM Financial

Exhibit 57: Machine learning-led approach to collection based on DPD intervention



Source: Company, JM Financial

Exhibit 58: Collection dashboard



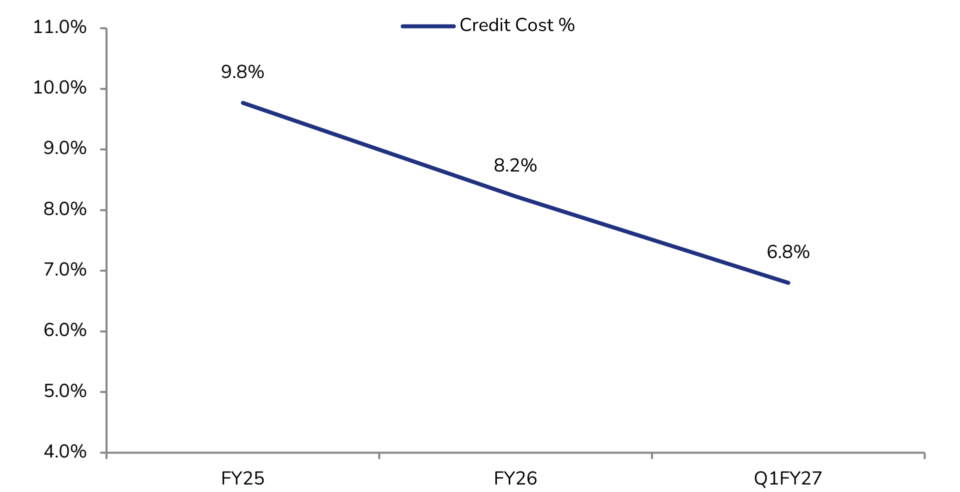
Source: Company, JM Financial

The 150-day write-off policy distorts cross-sectional comparison

During FY26, Kissht extended its write-off timeline from 120 to 150 days past due, keeping stressed loans on the books for an additional 30 days before removal. Against the company's own history, this mechanically raised reported GNPA without any change in credit quality; against the industry norm of around 180 days, it remains conservative, accelerating recognition relative to peers. Either way, Gross NPA is a poor basis on which to compare Kissht with lenders that write off at 90 or 180 days. Credit cost, which captures both provision charges and 100% of write-offs, is the appropriate metric.

In FY26, Kissht wrote off ~INR 4,097mn, representing 89% of its total INR 4.6bn impairment charge, with only INR 491mn arising from movements in expected credit loss provisions. Write-offs equated to 10% of opening AUM and 16.6% of opening on-book AUM. Unsecured lending at this ticket size is a high write-off intensity business by design – pricing is set to absorb the loss velocity and reported profit is struck only after fully absorbing it. Although such a write-off rate would signal distress at a collateralised lender, here it is the intended operating model and still leaves RoAAUM at 5.05%.

Exhibit 59: Sustained credit cost improvement

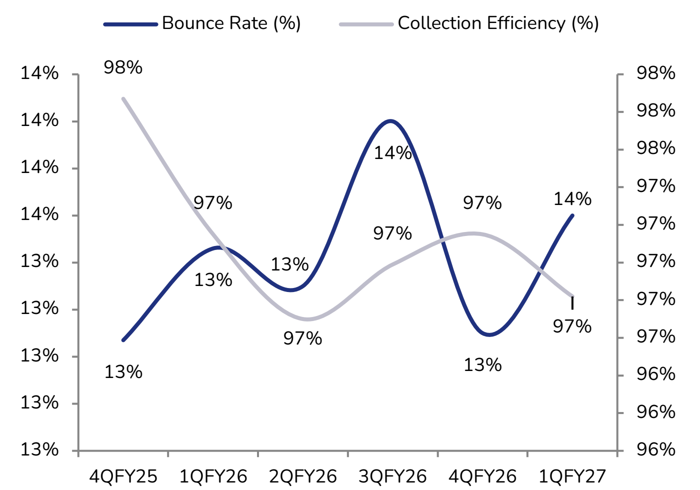


Source: Company, JM Financial

Mixed near-term indicators

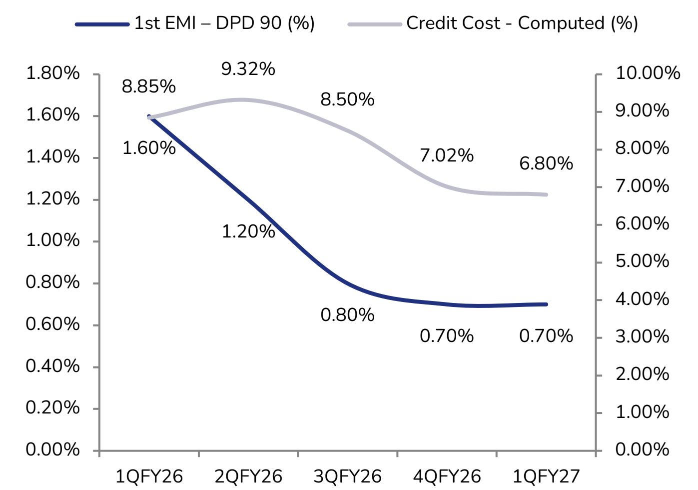
Bounce rate was 13.60% (+14bps YoY/+54bps QoQ), collection efficiency 96.82% (–33bps YoY/–33bps QoQ), Stage 2 rose to 3.15% from 2.40%, GNPA at 2.25% sits at rather than below the guided ceiling, and first-EMI risk has been flat at 0.7% for two consecutive quarters. Management attributes the sequential moves to a recurring Q1FY27 seasonal pattern, notes that seasoned borrowers bounce less and that technical bounces contribute, and reports improvement in July against June. It further notes that the pin-code reopening decision was driven by early indicators on post-December sourcing rather than by aggregate collection metrics, and that credit cost—which improved 22bps QoQ and 205bps YoY—is the more complete measure.

Exhibit 60: Bounce rate and collection efficiency sees QoQ decline...



Source: Company, JM Financial

Exhibit 61: ...yet credit cost improved and 90 DPD was stable



Source: Company, JM Financial

LAP earns its place on risk efficiency

Kissht launched LAP in Q4FY24 to serve rising demand from its existing customer base for longer-tenor credit for business expansion, working capital and debt consolidation. LAP AUM reached INR 6,169mn in Q1FY27, 7.7% of total AUM against 2.5% in Q1FY26 (+391% YoY/+19% QoQ), across 101 branches in eight states and union territories. We build in LAP at 11.0% of AUM by FY28E, constrained by the pace of branch rollout rather than by demand.

LAP dilutive to yield – we do not argue otherwise

LAP prices average 21.8% within a 16–24% range against a PL headline rate of 29–30% and an all-in yield of 36–37%, including processing and ancillary fees. Under its interest rate policy, the company may charge up to 36% on PLs and 34% on LAP, but realised rates are materially lower. With the current mix, the blended drag is immaterial – management characterises the sequential impact of a 40bps mix shift as minimal – but the direction is unambiguous; it is one of the reasons blended revenue margin is falling.

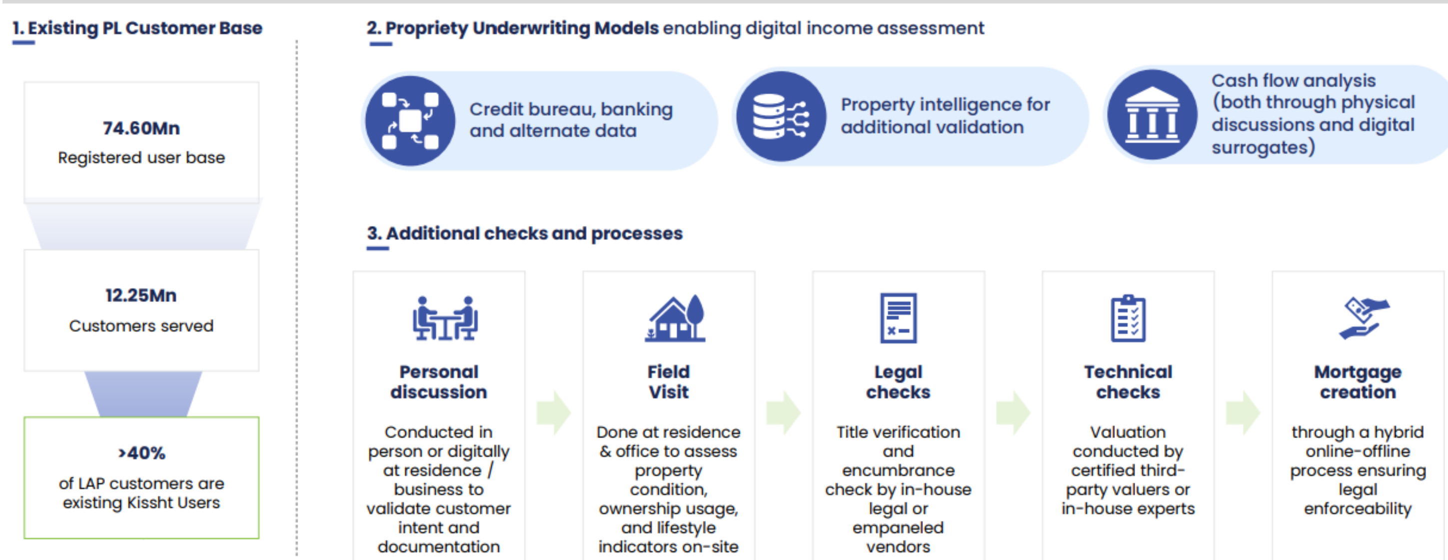
Case rests on capital efficiency and loss given default

Secured exposures attract materially lower risk weights than the 125% applied to unsecured consumer credit since Nov'23, permitting higher leverage against the same equity. Management targets +20% RoE on the LAP book despite a structurally lower RoA. Once breakeven is achieved around Q3FY27, the book is expected to be RoE-neutral to accretive at the group level. Collateral, not tenure, is what limits loss – enforceability against residential and commercial property caps loss given default in a way that is unavailable on the unsecured book.

Collateral discipline conservative; guided, range-bound

LTV is held at 48% and management has guided for it to remain range-bound. Underwriting is hybrid – digital creditworthiness is established first through the existing PL stack, followed by branch-led physical verification, AI-validated property valuation and smart document processing, which has reduced credit queries by 50%. More than 40% of LAP customers come from the existing Kissht customer base, so this is predominantly a cross-sell against an already-underwritten cohort rather than new customer acquisition, which de-risks the scale-up relative to a standalone secured lender starting from zero.

Exhibit 62: Hybrid tech and physical underwriting for LAP risk management



Source: Company, JM Financial

Total income/AAUM falls, though RoAAUM around 5%

Total income fell to 35.92% of average AUM in Q1FY27 from 41.13% in Q1FY26, –520bps YoY/–249bps QoQ. Over FY25–26, total income/AAUM fell 82bps, while RoAAUM rose 25bps to 5.05%. The decline is deliberate, and ROAAUM is accretive.

epricing towards better borrowers – the primary driver

Management describes repricing as part of the strategy as origination shifts towards higher-quality and repeat borrowers, who carry materially lower risk, and loans are written at lower rates with decline in credit cost from 8.85% to 6.80%. The benefits of lower funding cost and an improving loss experience are passed to customers on a roughly one-quarter lag, and only once the 5% RoAAUM and 20% RoE thresholds are secured. This sequencing is what makes return stability structural.

Rising off-book share – the second, quarter-specific driver

Off-book AUM moved to 53.6% in Q1FY27 from 47.5% YoY, and partner-originated loans earn a servicing fee over an agreed cost of funds rather than a full lending yield. This portion is largely self-funding – off-book AUM consumes no borrowing cost and its credit exposure is contractually capped at the 5% FLDG, so the revenue forgone through mix is matched by costs never incurred.

Q1FY27 DuPont walk demonstrates the trade in a single period

A 520bps decline in Total income/AAUM was absorbed by 88bps of finance cost, 201bps of opex and 204bps of impairment, for a net PBT give-up of 26bps and RoAAUM of 5.05% (against 5.28%).

Exhibit 63: Q1FY27 DuPont walk – 520bps of income/AAUM margin absorbed by 495bps of cost

% of average AUM	Q1FY26	Q4FY26	Q1FY27	YoY Δ (bps)
Total income	41.13	38.41	35.92	–520
Finance costs	5.23	4.70	4.35	–88
Net total income	**35.90**	**33.71**	**31.58**	**–432**
Operating expenses	20.01	19.92	17.99	–201
Pre-provisioning operating profit	**15.89**	**13.79**	**13.58**	**–231**
Impairment cost	8.85	7.02	6.80	–204
Profit before tax	**7.04**	**6.77**	**6.78**	**–26**
RoAAUM	**5.28**	**5.05**	**5.05**	**–23**
RoAE	22.88	25.31	21.20	–168

Source: Company, JM Financial

Management identifies 800–900bps of three-year margin headroom

Against a 5% RoAAUM floor, management frames cumulative headroom of 800–900bps of total income/AAUM that could be passed to customers over three years — 400–500bps from operating leverage on an 18% opex base, of which 50–55% is fixed, 200–300bps from cost of funds, and approximately 40% lower credit cost. Our forecasts sit within this framework as we build in RoAAUM/RoAE of 5.1%/22.4% in FY27E and 5%/21.3% in FY28E, with PAT compounding 49% over FY26–28E.

Fee income offers unmodelled optionality

Insurance gross premium rose to INR 891mn in 9MFY26 from INR 67mn in FY25 on 1.45mn policies, and the wholly-owned distribution subsidiary has secured AMFI registration for mutual fund distribution. Both lines are capital-light and carry no credit risk – we do not build material contribution from either, or regard them as optionality rather than forecast.

Exhibit 64: Kissht has best in-class RoE amid larger peers

FY26	Kissht (on AUM)	BAF	Chola	HDBF	Five Star
Interest income	22.8%	13.9%	12.7%	13.6%	20.7%
Interest expense	5.1%	5.5%	6.4%	5.9%	4.9%
Net interest income	**17.8%**	**8.4%**	**6.3%**	**7.7%**	**15.8%**
Other income	16.8%	1.8%	1.4%	2.3%	0.8%
Total income	**34.6%**	**10.2%**	**6.3%**	**10.0%**	**16.6%**
Emp expense	**4.5%**	**1.7%**	**1.9%**	**3.4%**	**4.2%**
Other expenses	**15.0%**	**1.7%**	**1.1%**	**1.3%**	**1.3%**
Total Opex	**19.6%**	**3.4%**	**2.9%**	**4.7%**	**5.5%**
PPOP	15.0%	6.8%	4.7%	5.3%	11.1%
Provision	**8.2%**	**1.8%**	**1.6%**	**2.4%**	**1.4%**
PBT	6.8%	4.9%	3.1%	2.9%	9.7%
PAT- RoA	**5.0%**	**3.7%**	**2.3%**	**2.2%**	**7.3%**
Leverage	4.7	5.0	8.3	6.4	2.2
RoE	**24.0%**	**18.4%**	**19.3%**	**13.9%**	**16.1%**

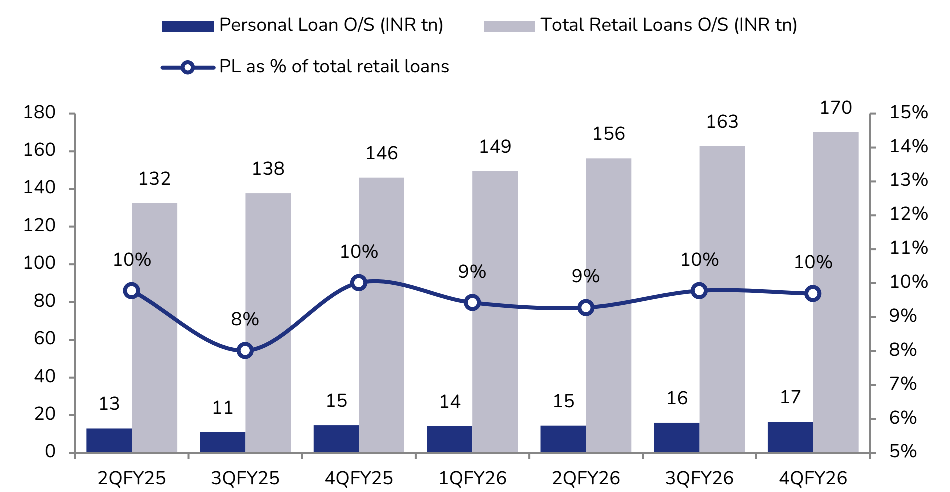
Source: Company, JM Financial

Recent industry trends

Personal loans hold a steady 10% of retail credit

Personal loans have maintained a steady 10% share of total retail loans over a seven-quarter horizon. While absolute credit volumes expanded – with total retail outstanding expanding from INR 132tn in Q2FY25 to INR 170tn in Q4FY26 – personal loan volumes kept pace by scaling up proportionally from INR 13tn to INR 17tn, both clocking 18% CAGR.

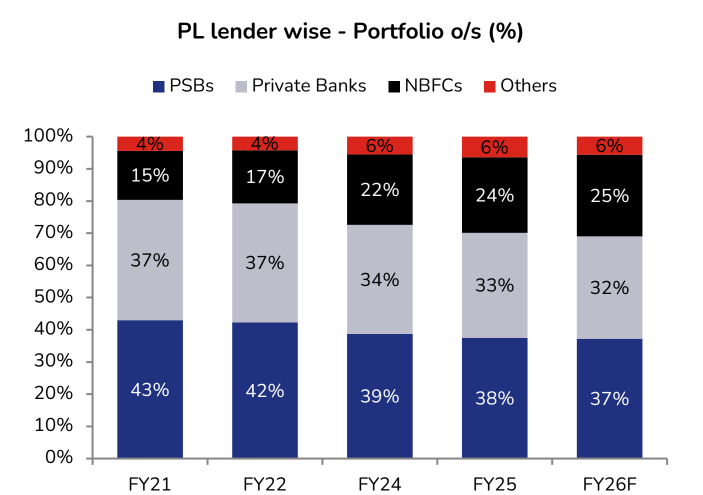
Exhibit 65: Share of PL as % of retail is stable at 10% over seven quarters



Source: CRIF, JM Financial

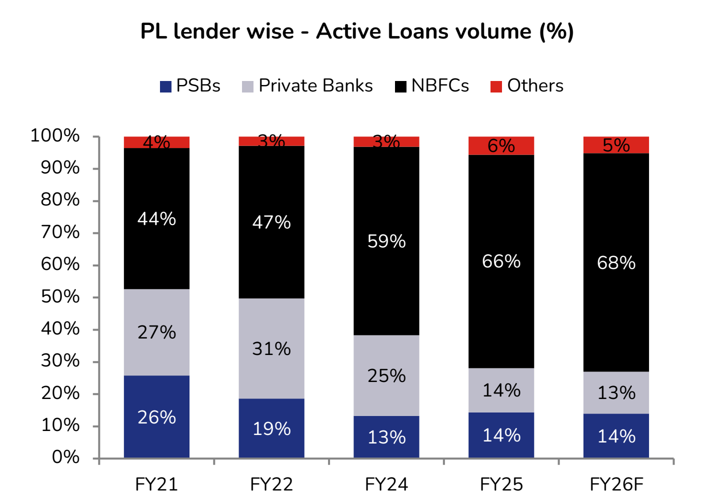
Public sector and private banks collectively made up 69% of the outstanding portfolio value in FY26E, as they typically lend high-ticket loans targeting premium borrowers. NBFCs, conversely, have cornered the mass market, with their share of active loan volumes rising from 44% in FY21 to 68% by FY26E.

Exhibit 66: Banks dominate the PL portfolio in value terms while...



Source: CRIF, JM Financial

Exhibit 67: ...NBFCs dominate volume



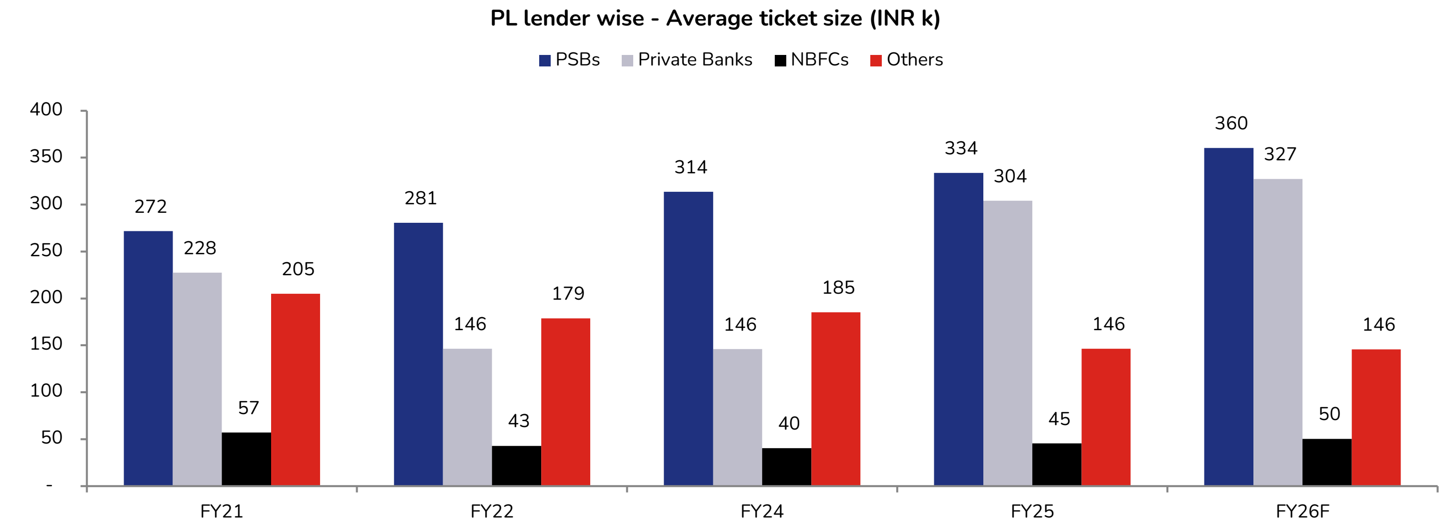
Source: CRIF, JM Financial

Traditional banking institutions cater to the premium, high-value segment, with average ticket sizes rising steadily to INR 360k and INR 327k, respectively, by FY26F as they target stable, salaried demographics. NBFCs operate in an entirely different tier, maintaining a flat, range-bound ticket size between INR 40k and INR 57k over the same period.

NBFCs dominate the smaller ticket segment because conventional lenders have limited underwriting capability for thin-file, self-employed and mass-market borrowers, relying on manual, bureau-only credit assessment — precisely the gap that Kissht's alt-data and AI underwriting stack is built to fill.

Kissht operates at the upper end of this cohort, with an average ticket size of INR 37k in Q1FY27 against INR 16.8k for fintech NBFC disbursements, positioning it closer to the salaried, better-scored segment than to the micro-loan pack.

Exhibit 68: Average ticket size of personal loans for NBFCs sees an uptick from FY22

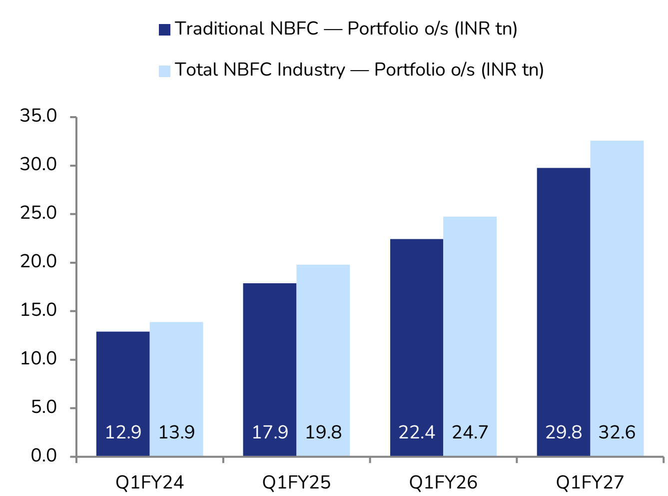


Source: CRIF, JM Financial, Note: FY26F is JMFe

Fintech NBFCs compounding at 41%, well ahead of traditional lenders

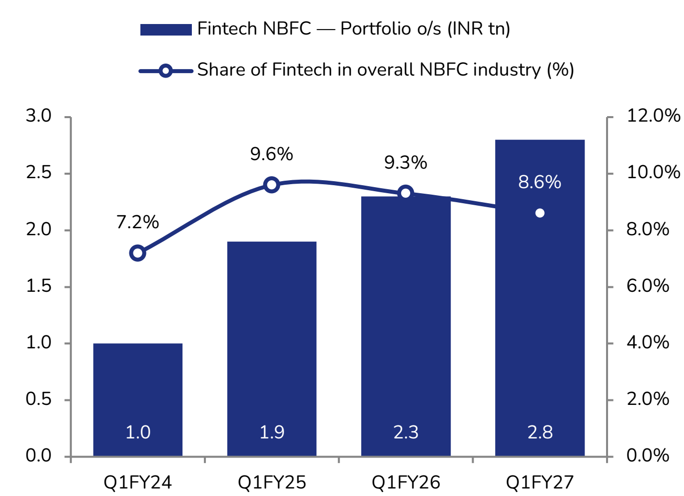
Fintech NBFC portfolios compounded at 41% CAGR over Q1FY24 to Q1FY27, reaching an outstanding portfolio of INR 2.8tn, against 32% CAGR for traditional NBFCs over the same period. Within personal loans specifically, fintech NBFC outstandings grew at 32.2% CAGR over Q1FY25–27 to INR 1.3tn, taking their share to 26.9% of the NBFC personal loan pool. Over the same period, fintech NBFCs have been actively transitioning away from volatile, high-velocity segments such as unsecured business loans and small-ticket personal loans.

Exhibit 69: NBFCs clock 32% CAGR over Q1FY24 to Q1FY27 while...



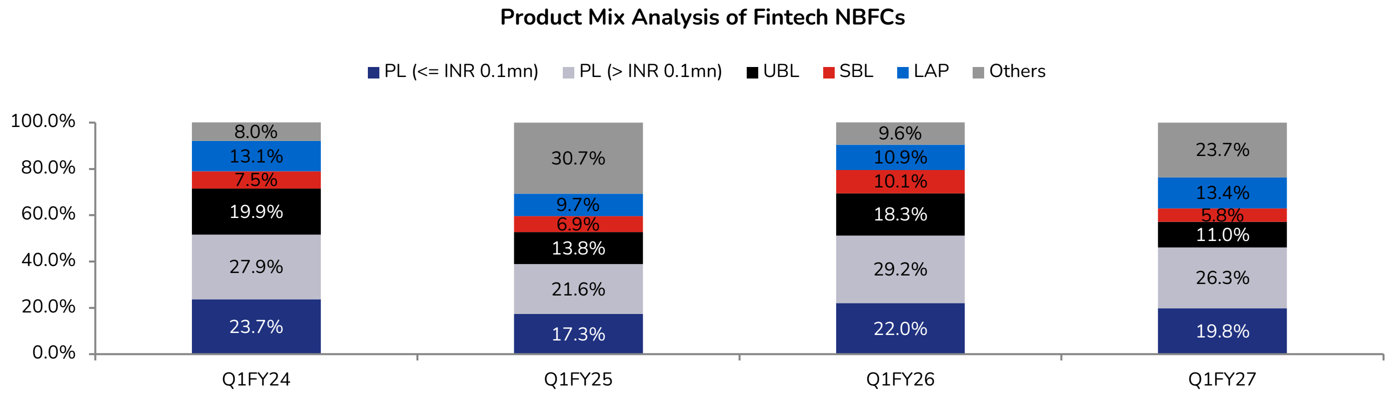
Source: CRIF, JM Financial

Exhibit 70: ...fintechs grew at a higher 41% CAGR over same period



Source: CRIF, JM Financial

Exhibit 71: Fintech NBFCs moving away from unsecured business loans and small business loans



Source: CRIF, JM Financial

Kissht's LAP build is the same pivot. Secured lending has scaled from 0.03% of AUM in FY24 to 7.7% in Q1FY27 and we build in 11% by FY28E — placing the company on the industry's trajectory rather than against it while its unsecured book continues to move up the ticket curve.

Fintechs dominate origination volume – moving up the ticket curve

Fintech NBFCs accounted for 81% of new origination volume in Q1FY27, though only 42% by value, reflecting a far smaller average ticket. Their personal loan book compounded at 32% CAGR over Q1FY25–27. Growth was led by an 88% YoY surge in larger-ticket disbursements (>INR 0.1mn) while micro-loan (≤INR 0.1mn) disbursements remained strong at 52% YoY. The shift lifted average disbursement ticket size to INR 16.8k (38.7% YoY) in Q1FY27.

Exhibit 72: Analysis of Fintech NBFC and traditional NBFCs' personal loan portfolios from Q1FY25 to Q1FY27

Personal loans-O/s	Q1FY25	Q1FY27	2Year CAGR	% mix
NBFCs - Loans (INR tn)	**3.3**	**4.8**	**21.3%**	
NBFC-Fintech	***0.7***	***1.3***	**32.2%**	***26.9%***
<=INR 0.1mn	*0.3*	*0.6*	29.9%	*11.5%*
>INR 0.1mn	*0.4*	*0.7*	34.0%	*15.3%*
NBFC-Traditional	**2.5**	**3.5**	**17.9%**	***73.1%***
<=INR 0.1mn	*0.5*	*0.7*	19.6%	*14.7%*
>INR 0.1mn	*2.0*	*2.8*	17.5%	*58.4%*
NBFCs - Active loans (mn)	**76.5**	**88.6**	**7.6%**	
NBFC-Fintech	**42.7**	**52.6**	**10.9%**	***59.3%***
<=INR 0.1mn	40.2	48.7	10.0%	*54.9%*
>INR 0.1mn	2.5	3.9	24.1%	*4.4%*
NBFC-Traditional	**33.8**	**36.0**	**3.2%**	***40.7%***
<=INR 0.1mn	23.6	22.9	-1.5%	*25.9%*
>INR 0.1mn	10.2	13.1	13.5%	*14.8%*
NBFCs - ATS (INR k)	**42.7**	**54.2**	**12.7%**	
NBFC-Fintech	**17.3**	**24.6**	**19.2%**	
<=INR 0.1mn	8.2	11.4	18.0%	
>INR 0.1mn	162.2	189.1	8.0%	
NBFC-Traditional	**74.7**	**97.4**	**14.2%**	
<=INR 0.1mn	20.9	30.8	21.5%	
>INR 0.1mn	199.6	213.9	3.5%	

Personal loans-Disbursements	Q1FY26	Q1FY27	YoY	% mix
NBFCs - Originations value (INR tn)	**na**	**1.4**	**na**	
NBFC-Fintech				
NBFC-Fintech	***0.4***	***0.6***	**63.5%**	***42.1%***
<=INR 0.1mn	*0.2*	*0.4*	51.5%	*26.2%*
>INR 0.1mn	*0.1*	*0.2*	88.1%	*15.9%*
NBFC-Traditional	***na***	**0.8**	**na**	***57.9%***
<=INR 0.1mn	*na*	*0.2*	na	*15.8%*
>INR 0.1mn	*na*	*0.6*	na	*42.1%*
NBFCs - Originations volume (mn)	**na**	**44.0**	**na**	
NBFC-Fintech	**30.2**	**35.6**	**17.9%**	***81.0%***
<=INR 0.1mn	29.7	34.7	17.0%	*79.0%*
>INR 0.1mn	0.5	0.9	68.5%	*2.0%*
			na	
NBFC-Traditional	**na**	**8.4**	**na**	***19.0%***
<=INR 0.1mn	na	6.5	na	*14.7%*
>INR 0.1mn	na	1.9	na	*4.3%*
NBFCs - ATS (INR k)	**na**	**32.2**	**na**	
NBFC-Fintech	**12.1**	**16.8**	**38.7%**	
<=INR 0.1mn	8.3	10.7	29.5%	
>INR 0.1mn	227.3	253.7	11.6%	
NBFC-Traditional	**na**	**98.1**	**na**	
<=INR 0.1mn	na	34.7	na	
>INR 0.1mn	na	313.5	na	

Source: CRIF, JM Financial

Financial Tables (Consolidated)

Income Statement					(INR mn)
Y/E	FY25A	FY26A	FY27E	FY28E	FY29E
Net Interest Income	8,299	9,903	12,702	16,781	21,722
Fee & Other Income	3,432	9,067	13,625	18,009	24,020
Non-Interest Income	**3,584**	**9,366**	**13,975**	**18,512**	**24,716**
Total Income	**11,883**	**19,269**	**26,678**	**35,293**	**46,438**
Operating Expenses	6,452	10,914	14,803	19,057	24,203
Pre-provisioning Profits	**5,431**	**8,355**	**11,875**	**16,236**	**22,234**
Loan-Loss Provisions	3,268	4,588	5,923	7,836	10,887
Total Provisions	**3,268**	**4,588**	**5,923**	**7,836**	**10,887**
PBT	**2,163**	**3,767**	**5,952**	**8,399**	**11,347**
Tax	556	952	1,494	2,108	2,848
PAT (Pre-Extraordinaries)	1,606	2,815	4,458	6,291	8,499
Reported Profits	**1,606**	**2,815**	**4,458**	**6,291**	**8,499**
Dividend paid	-	-	-	-	-
Retained Profits	**1,606**	**2,815**	**4,458**	**6,291**	**8,499**

Source: Company, JM Financial

Balance Sheet					(INR mn)
Y/E	FY25A	FY26A	FY27E	FY28E	FY29E
Equity Capital	54	119	168	168	168
Reserves & Surplus	10,006	13,311	26,219	32,511	41,010
Networth	10,060	13,430	26,388	32,679	41,178
Borrowings	15,070	23,960	28,580	49,750	68,146
Other Liabilities	1,880	2,500	3,800	2,524	2,926
Total - Liabilities	**27,010**	**39,890**	**58,769**	**84,953**	**112,250**
Investments	-	80	106	147	200
Net Advances	21,580	31,890	48,649	71,559	97,619
Cash & Equivalents	1,450	2,410	4,016	5,888	6,013
Fixed Assets	3,980	5,510	5,998	7,359	8,418
Total - Assets	**27,010**	**39,890**	**58,769**	**84,953**	**112,250**

Source: Company, JM Financial

Key Ratios					
Y/E	FY25A	FY26A	FY27E	FY28E	FY29E
Growth (YoY) (%)					
Advances	2,378.2	47.8	52.6	47.1	36.4
Total Assets	50.3	47.7	47.3	44.6	32.1
NII	-27.4	19.3	28.3	32.1	29.4
Non-interest Income	-26.8	161.3	49.2	32.5	33.5
Operating Expenses	-13.2	69.2	35.6	28.7	27.0
Operating Profits	-38.9	53.8	42.1	36.7	36.9
Core Operating profit	-38.8	52.6	43.1	36.5	36.9
Provisions	-47.4	40.4	29.1	32.3	38.9
Reported PAT	-18.6	75.2	58.4	41.1	35.1
Yields / Margins (%)					
Interest Spread	36.00	27.75	22.71	21.07	19.81
NIM	24.81	17.76	14.52	13.34	12.50
Profitability (%)					
Non-IR to Income	30.2	48.6	52.4	52.5	53.2
Cost to Income	54.3	56.6	55.5	54.0	52.1
ROAAUM	4.80	5.05	5.10	5.00	4.89
ROE	17.7	24.0	22.4	21.3	23.0
Asset Quality (%)					
Slippages	12.19	5.85	4.86	4.63	4.80
Gross NPA	2.89	2.12	2.11	2.02	1.82
Net NPAs	0.25	0.29	0.32	0.30	0.27
Provision Coverage	91.5	86.2	86.0	86.0	86.0
Specific LLP	16.00	12.99	11.36	10.65	10.86
Net NPAs / Networth	0.6	0.8	0.6	0.7	0.6
Capital Adequacy (%)					
Tier I	25.2	24.4	42.0	37.1	36.4
CAR	25.2	25.3	42.8	38.0	37.3

Source: Company, JM Financial

DuPont Analysis					
Y/E	FY25A	FY26A	FY27E	FY28E	FY29E
NII / AUM	20.31	14.02	12.18	11.40	10.84
Other Income / AUM	8.77	13.25	13.40	12.58	12.33
Total Income / AUM	29.08	27.27	25.58	23.98	23.17
Cost / AUM	15.79	15.45	14.19	12.95	12.08
PPP / AUM	13.29	11.82	11.38	11.03	11.09
Provisions / AUM	8.00	6.49	5.68	5.32	5.43
PBT / AUM	5.29	5.33	5.71	5.71	5.66
ROAAUM	4.80	5.05	5.10	5.00	4.89
ROE	17.74	23.96	22.39	21.30	23.01

Source: Company, JM Financial

Valuations					
Y/E	FY25A	FY26A	FY27E	FY28E	FY29E
Shares in Issue (mn)	53.6	118.8	168.5	168.5	168.5
EPS (INR)	29.9	23.7	26.5	37.3	50.4
EPS (YoY) (%)	-27.4	-20.9	11.7	41.1	35.1
PER (x)	10.0	12.7	11.4	8.1	6.0
BV (INR)	187.6	113.1	156.6	194.0	244.4
BV (YoY) (%)	11.4	-39.7	38.5	23.8	26.0
P/BV (x)	1.60	2.66	1.92	1.55	1.23
DPS (INR)	-	-	-	-	-
Div. yield (%)	-	-	-	-	-

Source: Company, JM Financial

APPENDIX I

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