



Dated: 28.10.2025

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 October 14, 2025 related to the Investor Conference Call to discuss the Financial Results for the Quarter ended September 30, 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/2025/10/Emerald-Finance-Limited-Q2-FY26-Concall-Transcript.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It is further confirmed that no unpublished price sensitive information was shared/discussed in the meeting / call.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**

AMARJEE T KAUR  
Digitally signed by  
AMARJEET KAUR  
Date: 2025.10.28  
16:37:54 +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  
Q2 FY '26 Results Conference Call”  
October 24, 2025**



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

**MODERATOR: MS. SAMIKSHA RAMTEKE – KIRIN ADVISORS PRIVATE  
LIMITED**

**Moderator:**

Ladies and gentlemen, good day, and welcome to Q2 FY '26 Results Conference Call of Emerald Finance Limited hosted by Kirin Advisors Private Limited. As a reminder, all participant lines will be in 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 touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Samiksha Ramteke. Thank you, and over to you, ma'am.

**Samiksha Ramteke:**

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

Now I hand over the call to Mr. Sanjay Aggarwal. Over to you, sir.

**Sanjay Aggarwal:**

Good evening, everyone, and a very warm welcome to the Q2 FY '26 Earnings Call of Emerald Finance Limited. On behalf of the management team, I extend my sincere appreciation to all of our stakeholders, investors and analysts for joining us today.

I am joined today by Mrs. Gurmeet Kaur, our Chief Risk Adviser; and Mr. Talin Aggarwal, Head of Business Development. We concluded the first half of FY '26 on a decent note with a healthy financial growth, operational progress and expansion across various verticals. Our EWA and gold loan syndication business has continued to gain traction, supported by rising digital adoption of -- in our company. In Q2 FY '26, we reported an all-round performance that reflects a consistent operational momentum and financial discipline.

On a stand-alone basis, our total income rose by 66% on a year-on-year basis to INR5 crores and our net profit more than doubled to INR3 crores on a year-on-year basis. On the consolidated level, total income increased by 38% to INR7 crores and net profit jumped by 75% to almost INR4 crores. For the first half year of FY '26, our total stand-alone income grew by 77% to INR10 crores and our net profit jumped by 121% to INR6 crores.

On a consolidated basis, our total income increased by 45% to INR14 crores and net profit grew by 81% to INR7 crores. These results highlight the strength of our asset-light model and effective cost management. Operationally, the quarter reflected steady progress in our digital and lending initiative. We have launched our own mobile app by the name of Emerald EWA on Google Play. Also, we have done a syndication of almost more than INR115 crores of gold loan in this quarter vis-a-vis INR80 crores in the previous quarter.

Plus, I would like to bring to acknowledge that we have deposited last year almost INR3 crores plus as income tax. And for this current year, we have already made a provision of INR2.27 crores for income tax for both the companies combined together. Plus, although we were not required, we did CSR in the previous year of INR31 lakhs. And this year till date for the first 6 months, we've already done CSR about what INR30 lakhs. This is mainly to cancer patients and for the education and girls' education.

Before I would conclude, I would like to thank all our shareholders, customers, partners and employees for their continued trust and support. With a strong foundation and disciplined execution, we are confident of sustaining our growth momentum and building Emerald Finance into a scalable and more importantly, resilient financial enterprise.

With that, I now invite questions from all the participants and would be happy to address them one by one. Thank you all.

**Moderator:** Thank you very much. The first question is from the line of Gaurav Didwania from Qode Advisors LLP. Please go ahead.

**Gaurav Didwania:** [inaudible 0:06:16]...

**Sanjay Aggarwal:** He is not audible.

**Moderator:** Yes, sir, we will move to next question. The next question is from the line of [Inaudible 0:06:44]. Please go ahead.

**Analyst:** Sir, congratulations for putting good numbers, sir, and sir, till date, as I have seen, you have onboarded 145 corporates. And we are on the course for our target to 250 in FY '26. In regarding to this, my question is that how many of them are actively involved as it might be possible that a few of them may be offboarded?

**Sanjay Aggarwal:** Yes, yes, yes. Talin, could you take that question?

**Talin Aggarwal:** Yes. So we have basically 120 corporates which are active. So we essentially maintain an engagement ratio of 80% roughly at any given time.

**Analyst:** Okay, sir. And in this line, my next is further, how many users are involved from these 120 corporates or 145 are availing this facility, sir?

**Talin Aggarwal:** So last month, we had close to 2,400 unique borrowers, unique people making transactions.

**Analyst:** With the run rate of?

**Talin Aggarwal:** Last month, we had 2,400 people making the transactions.

**Analyst:** Okay, sir. And sir, my second question is regarding NPA. And in this respect, as I didn't see anything in the PPT. And sir, I am talking specifically for gold loan and small token loans?

**Sanjay Aggarwal:** Come again? Come again? Come again, please?

**Analyst:** Yes, sir. My second question regarding NPA sir. As I didn't see anything in EWA as you have earlier told, but you have opened a new loan, gold loan and a small token loan as you're giving. So sir, any NPA...

**Sanjay Aggarwal:** We're getting a fee-based activity for us. Gold loan is not booked in our books. That's a fee-based activity for us. So there's no question of NPA in that gold loans.

**Analyst:** Okay. And any NPA in any of the segments, sir?

**Sanjay Aggarwal:** Yes. In business loans, we have one NPA and EWA, there were 2 NPAs.

**Analyst:** Okay, sir, for how much...

**Sanjay Aggarwal:** We are hopeful of recovering that.

**Analyst:** Okay. Sir, roughly numbers, sir, please?

**Sanjay Aggarwal:** For the business, it was about INR30,000. We have written off -- we have written off that money. And in the EWA, I think one case of INR8,000, other is of INR6,000 something. See, there's not customer, they have left the jobs, but we are in touch with both these customers. I think it should come in a month or two. That money should come.

**Gurmeet Kaur:** Sanjay, if I may add.

**Sanjay Aggarwal:** Yes.

**Gurmeet Kaur:** So, in EWA, there are two employee accounts, which are in default, they are yet not NPA. They are in DPD 30 plus. They have not become 90-plus. And in business loan only, we have got one NPA that is INR30,000.

**Analyst:** Okay, ma'am. And sir, my third question...

**Sanjay Aggarwal:** Customers, they have left the job, so we have to recover from directly from them, not from the employer.

**Analyst:** Okay. Okay, sir. Good, sir. Sir, my third question is that as I can see, sir, reducing number in other expenses with respect to last Q2 FY '25 and H1 FY '25. Is there any specific reason for that?

**Sanjay Aggarwal:** Other expenses majorly include commissions we paid to the sub DSAs. So, a lot of business we are getting directly. So that commission part is saved. So, a lot of business comes from the sub DSAs. All our employees directly sourced. In case our employees directly sourced from the customer, you don't have to pay any sub DSA commission.

So that part is getting reduced and more or less, more business are being sourced by our employees. That keeps on fluctuating. In some quarters, some employee source more business. In some quarters, we get more business from the DSAs that keeps on fluctuating.

**Moderator:** The next question is from the line of Mr. Akash Jha from A.J. Wealth. Please go ahead.

**Akash Jha:** A couple of questions from my side. I mean, first question is regarding our margins. We are at 78%. So is this level sustainable. And lastly, on our earlier guidance of growing PAT 8x to 10x by FY '27. So, I mean, since our current growth rate is slowing compared to the targeted trajectory. So, are we still confident about achieving this guidance?

- Sanjay Aggarwal:** See, the year when we gave this guidance, we were almost at 1 plus EPS. Next year, we were at 2.57. And if we continue with this, I think hopefully, we should close at 4 plus this year. And next year, I think we should -- with the increasing more and more corporates are planning as our business is growing, we should be able to achieve our target, subject to 1 or 2 quarters here or there, not more than that.
- Akash Jha:** Okay. And on margins -- on margins, margins, we are at 78%. So, is this level sustainable?
- Talin Aggarwal:** Correct. So, our EBITDA margin is more or less sustainable. So, because, again, we are leveraging technology now to expand the business here forward. So, our EBITDA should more or less remain stagnant between 75%, 80%. The PAT, we -- I think this quarter, the PAT came to close to 52%, if I'm not wrong. So, the PAT might take a bit of a hit as we lever up and our interest expenses go up. But in the longer term, we plan to stabilize the PAT between 40% to 45%.
- Sanjay Aggarwal:** We received a lot of -- more and more technology based. So, with the increase in business, we don't have to recruit more employees. So, our operational costs don't increase in that ratio.
- Moderator:** The next question is from the line of Mr. Ankit Sahay from Fusion Capital.
- Ankit Sahay:** So my question was on our EWA vertical. So, like what is the current run rate for it and future outlook on the run rate for EWA?
- Talin Aggarwal:** So last month, we did INR6 crores in disbursement, and it's growing by close to 15% to 20% month-on-month. So, we expect to touch INR13 crores to INR15 crores by the end of this financial year. By then, we would have 250 corporates as we are projecting, more is favourable. So going in the long run, again, we -- the idea is to keep adding corporates and keep increasing the engagement with our customers.
- Ankit Sahay:** Okay. Got it. And secondly, like initially, we were thinking to give the personal loans, small ticket personal loan to the EWA customers, right? And then we are also thinking on cross-selling opportunities. So how it has been and what is the way forward for like cross-selling?
- Talin Aggarwal:** So cross-selling, we're already doing. So cross-sell, maybe again, we sell the models, all sorts of loans through our subsidiary, including personal loan is being cross-sold to them. So, in fact, in last quarter, we did close to INR4 crores of cross-sell only through EWA, only to the EWA customers. And as of today, most of these loans are being booked by our partner banks. But going forward, we estimate to book a few of those loans in our own books as well, be it across products. So, we're just building the capabilities and technology for that.
- Ankit Sahay:** So, what are we exactly cross-selling, like the small ticket personal loans?
- Talin Aggarwal:** Everything. So name of product, I think in loan, we're doing literally everything from personal loan, business loan to corporates, vehicle loan, gold loan, home loan because the subsidiary Eclat has a partnership with 40-plus banks and NBFCs, wherein we source all these retail loans for them. So, we are essentially using Shubh Bank's network here and cross-selling all those loans to EWA base.

**Moderator:** The next question is from the line of [Chirayu from CEB Investments LLP 0:16:21]. Please go ahead.

**Chirayu:** Right. Yes. So, sir, what is the contribution of EWA in the revenue? How much percentage.

**Talin Aggarwal:** On a consolidated basis, 3.2% on a stand-alone basis, 4.6% revenue.

**Sanjay Aggarwal:** That's what I was talking about, direct revenue.

**Talin Aggarwal:** Without including cross-sell.

**Chirayu:** There's a recommendation if you can give a split in the upcoming PPTs of each vertical and how much contribution that is?

**Talin Aggarwal:** Yes, we've noted the feedback. We'll make the amendments in subsequent quarter.

**Chirayu:** Previous con-call, you...

**Talin Aggarwal:** Your voice is breaking. We couldn't hear the entire question.

**Moderator:** Sorry to interrupt. Could you please rejoin the Q&A? The next question is from the line of Raj from Flair Capital.

**Raj:** Actually, in last con-call, there was mention of 2 NPAs in business loans, right? So like one is written off and one is paid.

**Sanjay Aggarwal:** Yes, yes. One has been paid and one has been written off. But I think we'll recover that also. INR30,000, we have written off, but I think we should be able to recover it. We already touched with that client. He is working with the central government bank in the [inaudible 0:19:01] department. I think money will not go anywhere. It should come. He's facing some short-term problem, but money should come. He's a government employee, central government employee.

**Raj:** Okay. And for NPA in EWA program, like earlier, there was a thing like even if employee resigns, they would be given only the amount for which they have worked, for the number of days they have worked. So in full and final settlement, it would be deducted. But like why there's a default this time?

**Talin Aggarwal:** Because the employee did not serve the notice period and absconded without informing the company. So the company had internal deductions to make. The company has its policy. If the employee does not serve the notice period and absconds early, there are certain deductions to be made. So therefore, after those deductions, there was not enough in the full and final.

**Raj:** Okay. So this is like a very rare scenario, right?

**Talin Aggarwal:** Absolutely.

- Raj:** Yes. And for this EWA disbursement, like currently, it's INR6 crores disbursement per month, right?
- Talin Aggarwal:** Right.
- Raj:** And are we on the guidance to reach like INR15 crores per month?
- Talin Aggarwal:** Correct. So we should be around INR14 crores to INR15 crores plus by the end of this financial year. As mentioned earlier, our disbursements are growing at 15% to 20%.
- Sanjay Aggarwal:** See – seeing the market scenario, ourselves moving step-by-step. We have substantial number of companies, and there are a couple of more corporates in the pipeline who want a bigger amount of funding. But just keeping the market scenario in place, we are going on a restricted and conservative basis, Doing INR15 crores is not difficult work.
- Raj:** Okay. And any big names, like any large corporates in line for EWA?
- Talin Aggarwal:** [Inaudible 0:21:03] we can't disclose that. Unless the MOAs are signed with them, we can't disclose here. But again, as we keep partnering, we are very active with our reporting to the exchange.
- Raj:** Okay. And there is a mention of some CSR activities in this con-call. Is it a required one? Or like what's the benefit for that?
- Sanjay Aggarwal:** No. Previous year, it was voluntarily. We were not required. This year, we are actually required to do CSR of INR8 lakhs, but already we have done INR29 lakhs in this half year. Last year, it was totally voluntarily. This year is -- we have to do a provisioning of INR8 lakhs. But we have already done INR21 lakhs more than that, what was actually required for the full year.
- Raj:** Okay. And last question from my side, like there was one big fund, right, Investec Global, which was selling these tax. So now they have completely sold off or...?
- Sanjay Aggarwal:** Yes, yes, Investec Global has complete sold. Actually, they are changing some corporate structure in Mauritius. That is why they were liquidating all their holdings. They are fully liquid.
- Moderator:** The next question is from the line of [Anuj Goyal from AJ Investments 0:22:23].
- Anuj Goyal:** Sir, I just wanted to understand, is there any change in loans outstanding to related parties since year-end?
- Sanjay Aggarwal:** Since year-end, no, not much. It's more or less 1/10. Majority of the related party transactions through our subsidiary.
- Anuj Goyal:** All right. And one more question I had, is there any change in strategy, which has led to a greater number of corporates being onboarded towards the second half of this quarter?



**Talin Aggarwal:** I think our sales network and our referral partner network began to kicking in. So we spent the entirety of last year building these networks, building the capabilities. Now we are seeing the fruits of that.

**Sanjay Aggarwal:** We have recently signed up with a very large diamond company in Mumbai. I think this should also start referring a lot of clients, good clients in Mumbai.

**Moderator:** The next question is from the line of Gaurav Didwania from Qode Advisors LLP.

**Gaurav Didwania:** Yes. So I had a few questions regarding the fee-based income and the interest income. So the fee-based income has dropped significantly quarter-on-quarter. So could you explain the reason behind that? Also, does EWA form part of the fee-based income line? So that was one question. If you could answer that, I'll ask my follow-up question.

**Sanjay Aggarwal:** No, fee-based income has not fallen. I think stagnant interest income is going up more. It's almost more or less -- it's not growing much, but it's almost vis-à-vis as compared to interest income. Interest income is going up a little faster speed.

**Gaurav Didwania:** Right. And another thing was that the borrowings have marginally decreased, but the loans have grown sharply. So how is the loan book growth funded? And how would you -- like is it entirely internal accruals and existing cash reserves? And how do we plan to grow further? Would it be debt, equity, if you could just explain in terms of your strategy?

**Sanjay Aggarwal:** Debt is almost at a similar level. It has just grown by INR1 crores, but we have raised a lot of equity last year. And plus with internal accruals, we are just pumping those back.

**Gaurav Didwania:** Understood, which is why we see the cash...

**Sanjay Aggarwal:** Yes. PAT is also growing. Interest expense has not increased substantially.

**Gaurav Didwania:** So another thing observation was that other expenses have dropped like nearly 50%. What is the reason for that? Like could you explain -- is there any one-time cost last quarter or any reason for this kind of a difference?

**Sanjay Aggarwal:** See, major chunk of the payoffs is either to the employees for sourcing business or to the sub-DSAs. So this quarter, more business was sourced by our employees rather than the sub-DSAs. When we pay to the sub-DSAs, we pay them commission, which come in other expenses. And most of the business last quarter was sourced by our employees.

But this ratio keeps on changing. Sometimes in some quarter employees source business and sometimes we get a major chunk of the business from sub-DSAs. That keeps on changing. So either we pay to the employees or we pay to the sub-DSAs, either one of them.

**Gaurav Didwania:** And sub-DSAs are part of the other expenses, whereas employee cost that we are doing for the sourcing of the business is not all of that. So that is the ratio keeps changing, which is why this would be...?

- Sanjay Aggarwal:** And commission we pay to the sub-DSAs is more than what the additional incremental salary to pay to the employees. It's always better in sourcing...
- Gaurav Didwania:** Understood. Another thing is that provisions had increased. I understand that you mentioned about the NPAs. Could you like -- should we expect provisions to remain elevated? Is there any change in policy in terms of provisions, if you could give some clarity on that?
- Sanjay Aggarwal:** Provisions for what? Provisions for taxation or what?
- Gaurav Didwania:** No. I'm talking about provisions for non-performing assets or like write-offs.
- Sanjay Aggarwal:** No, no, they're not changed. We hardly have any -- we only just booked 2 cases last quarter, one case last quarter. There's not much change.
- Gaurav Didwania:** Understood. So there's no change.
- Sanjay Aggarwal:** One INR30,000 case. I think by this year-end, we should recover that money that money will not go to the central government, it is just a question of following up with the gentleman.
- Gaurav Didwania:** One last question. In terms of the interest income and the finance charges, interest income has increased and finance charges have decreased. Could you explain like what the increase in interest income this quarter was due to the higher loan book yields or larger disbursements? At the same time, finance costs have declined. Does it reflect lower borrowing rates or repayment of high-cost debt or any change in the funding mix? Like could you just give some clarity on that?
- Sanjay Aggarwal:** So we are not borrowing the repayments are continuing every month and our book size in the March, our total book size was INR80 crores. This year, in September, it is almost crossing INR100 crores. So interest income is increasing. And our borrowings have not increased in the similar proportion. I think in March, our total borrowings are INR13 crores and now it's almost INR14 crores. So they have not increased in the same proportion. So funding most of the new book -- or from the internal accruals.
- Moderator:** The next question is from the line of Nishita from Sapphire Capital.
- Nishita:** Happy Diwali. I'm new to this company. I'm researching about the company for the first time. So I just wanted to understand more about EWA, the early wage access. How does it work? If you can give a better understanding on that?
- Talin Aggarwal:** Sure, Nishita. So I think we just take a step back, just give you a brief of who we are, what the company is, if that's fine with you.
- Nishita:** Yes, sir, sure.
- Talin Aggarwal:** Right. we started business back in '94, '95, starting as a direct selling agent for AFCO back then, which then became Citi Finance. In 2015, we received an NBFC license along with the BSE listing. So today, we have 2 major verticals driving the business.

One is the loan syndication business, which is driven through our partner banks and NBFCs, wherein we source leads for them for all sorts of retail and wholesale loans. The second is our own NBFC. So wherein we book a majority of business loans. So our current book sits at close to INR9,500 crores, which is essentially primarily made of medium ticket business loans.

And about 2.5 years ago, we launched a small ticket personal loan digital loan called early wage access. So this is essentially a program wherein we partner with corporates to give advances to their employees. So if you go into any manufacturing firm or maybe a services firm, so they essentially have advances on a rotational basis to their employees.

So essentially, when we come in, we take over the entire advance policy of the company. And for the same, the employees pay us a certain service fee. So the idea here is that any advance that has to be funded or any employee need for an advance, they do not have to go to their employer, they come to us and we fund the advance and it's a certain percentage of the salary, which we fund. And the repayment of the same is then made by the employer on salary date.

**Nishita:** Okay. Understood. So the employer directly comes to you to take the advances and once the employer receives the salary, they'll pay back to you?

**Talin Aggarwal:** So the employee pays us directly. So the employer pays us directly through salary deduction. So let's say, if I have taken INR5,000 advance from Emerald, the employee will deduct the INR5,000 and pay Emerald directly.

**Nishita:** Okay. Understood. So you collect that money from the employer, not the employee?

**Talin Aggarwal:** Correct. So this secures our repayment to a certain extent.

**Nishita:** Okay. Understood. So in the con call, previously, you mentioned that the 2 employees who are in default from them, you have to collect the money directly to them? So why is that?

**Talin Aggarwal:** Also because the employer -- the employees in question, they left without serving the notice period to the employer. So normally, what our contract with the employer says is that in case someone is gone, the employer pays us through the full and final. But in this case, it was an expansion case. There was no full and final with the employer. So hence, we are bearing the risk and the onus is on us to collect the money.

**Nishita:** Okay. Understood. Also in the presentation, you mentioned that the service fee for this is like for per transaction, it's 1.5% to 2.5%. And annually, it comes up to 30%...

**Talin Aggarwal:** Correct.

**Nishita:** So that 30% is of the salary of the employee...

**Talin Aggarwal:** Service fee -- of the service fee. So let's say if someone in any year takes INR10,000 from me. So I'm essentially earning INR3,000 in the entire year from the person.

**Nishita:** Okay. So the service fees for the amount -- 30% is for the amount that they've taken from you, the advanced amount that they've taken...

**Talin Aggarwal:** Correct. On an annualized basis.

**Moderator:** The next question is from the line of Ravi Patel from Star Investment.

**Ravi Patel:** Sir, I have a question regarding this ROE. So what is the internal ROE target that you have set? Because we can see that we are growing north of -- in this quarter itself has grown 30%...

**Sanjay Aggarwal:** Return on equity, you are saying?

**Ravi Patel:** Yes, yes, ROE.

**Sanjay Aggarwal:** See, I was just checking on the screen. Our return on capital employed, they are showing is 18.4% and ROE is around 14%.

**Ravi Patel:** No, but I am asking about the outlook. Because you are growing much higher rate as compared to ROE. So in that case, we need the external funding. So what is the ROE outlook? And how do you see the external funding requirement in the future? And how you are planning to compensate for that?

**Sanjay Aggarwal:** See, we plan to raise more of debt. So right now, vis-a-vis our equity, our debt is quite low to plan to raise more debt from the banks or NBFCs.

**Ravi Patel:** Okay. To fund that requirement...

**Sanjay Aggarwal:** Future growth, yes. We're already applying to a number of institutions for increase in debt.

**Ravi Patel:** So what is your target debt-to-equity ratio in this case? I mean, any...

**Sanjay Aggarwal:** Currently, it's only 0.2. So we can easily sustain 0.5 to 1x of the equity. Currently, it's only 0.2.

**Ravi Patel:** Yes, yes. And the next question is regarding this growth outlook that we have said. In this quarter, we have grown PAT by 75% and sales by 38%, if I'm not wrong. So my question is what gives you the confidence to achieve this 100% growth target for the next two years in spite that we didn't achieve that in this particular quarter?

**Sanjay Aggarwal:** See, it is not very difficult to increase the top line. I have repeated in the last con calls also. Now, the market conditions are that really, all the [NBKs 00:36:10], NBFCs and banks are very cautious in lending. That is what we also personally believe, one quarter, two quarter, let it be little less the it will be better. But you should not compromise on the quality of the book.

So we are doing it in a very cautious manner. Like we had INR6 crores of EWA. If we want to increase it, we can easily increase it. But per company allotment what we give the sanction to the company, we keep on a very restricted basis. Some companies ask for INR1 crores or INR50 lakhs, we restrict it to INR25 lakhs or INR20 lakhs. So, the quantum, overall exposure on to that particular company. So, whenever we want to leverage the growth, we can do it. We can increase it. Funding -- backup funding is not an issue with us.

**Ravi Patel:** But still, you have confidence that you will reach the target, maybe one quarter to two quarters late.

**Sanjay Aggarwal:** Yes. Yes. Yes. Pretty well, yes. One quarter or two quarters more, we should definitely get it. When we brought 8x to 10x, it will go. You see our past performance. First year was 1.37, next year 2.57. Now already, first two quarters only, we are almost touching 2 EPS.

**Ravi Patel:** And there is no equity funding planned in the future, only debt final.

**Sanjay Aggarwal:** As of date now. As of date now.

**Moderator:** The next question is from the line of [Rohit Juneja from KRJ Investment Group 00:37:33].

**Rohit Juneja:** Hello.

**Sanjay Aggarwal:** Hi, Rohitji.

**Rohit Juneja:** Sir, my -- hello. Hi, sir. I think most of the questions have been asked. So my questions are specifically regarding the guidance that was for this year. The plan is to have 250 to 260 companies onboard. Are we on track to have that for the next two quarters?

**Talin Aggarwal:** Correct. Correct. So if you see in the last quarter, we onboarded close to 50, 55 companies. So even if we maintain that level, we will touch 250, assuming no growth.

**Rohit Juneja:** Okay. And my second question is a lot of companies which are EBIX related are subsidies of EBIX. So if our relation with one company are not going well, does it affect the relation with all other aspects of that same main company, EBIX?

**Sanjay Aggarwal:** Come again, they are all separate companies.

**Talin Aggarwal:** Correct. So they were evaluated individually.

**Rohit Juneja:** Okay.

**Sanjay Aggarwal:** And majority -- all of them are performing very well.

**Rohit Juneja:** Yes. I understand your question. Okay. Cool.

**Moderator:** The next question is from the line of Saptarshee Chatterjee from Groww AMC.

**Saptarshee Chatterjee:** Yes. Hi, sir. Congrats for the good results.

**Sanjay Aggarwal:** Hi, Saptarshee.

**Saptarshee Chatterjee:** Yes. I'm also new to the company and would like to understand the business model better. For the early wage access, this is only one month kind of advances or you are like giving for multiple months, let's say, three months, four months also is the tenure of the early wage access?

- Talin Aggarwal:** So right now, it's only one month. So the idea is to manage cash flows for the employees. So essentially, if an employee is running short on cash towards the end of the month or there's a financial emergency, right? So they can withdraw the money instantly from our system from our portals and the same is deducted in the following month.
- So for this, we do not charge any interest. It's only the processing fee or the service you can call, which we charge based on the amount used. So as of now, it's only one month. Although we do sell -- cross-sell personal loans from other banks and NBFCs, which can again go up to 12 months, 24 months depending on the amount and product.
- Saptarshee Chatterjee:** Got it. And when we are signing up with these corporates, what is typically our pitch. Who are the competitors like versus them? What is our pitch? How do we win the contract?
- Talin Aggarwal:** So the idea here is that every company or the majority of companies have advances ongoing. So this advance is essentially unproductive working capital for them. Right now, there are INR10 lakhs of advance. They are paying interest on this INR10 lakhs, right? Whereas, if we come in, we can put this INR10 lakhs for productive use and again earn return on that.
- So the idea here is two things. So one, the entire working capital, which has gone for advances gets saved. Second, there is no hassle of giving advances. Now, I have 100, 150 employees. Even if 15 of them come to me, and say, give us advance. It's a hassle on my HR, on my finance. When we are there, it's -- we employ the internet directly with us. And it's a completely seamless digital process. And the entire report of it goes to the employer on a daily basis.
- Saptarshee Chatterjee:** Right. Right, sir. Because this is beneficial for the company, as well as employees also. But what I'm seeing is it is a good profitable economic and it's a large economic pool of profit. So my question is that, why the larger banks or larger NBFCs are not penetrated in this segment too much and how we are getting?
- Talin Aggarwal:** Gurmeet, would you like to take that?
- Gurmeet Kaur:** Yes. Yes. Sorry. So where the larger banks are concerned, which are regulated by RBI, they typically do not kind of offer a zero percent interest product. So they cannot offer that. Second thing is that, for the bigger banks it does not make an economic sense given the scale at which they currently operate. So this product is not really lucrative for them in terms of the interest.
- The second thing is that the same thing also goes for majority of the NBFCs in the country. Their first focus has been on a big ticket size or the small ticket size personal loans and mortgage loans. This particular product requires a great deal of operational and tech savviness, and also a lot of patience for growth. So this particular product is what consumer durable is to Bajaj Finserv. So each of the banks and the NBFC has a different expansion model, and this particular product does not fit into already existing NBFC and the bank's landscape.
- So the competition from them per se does not exist. Then there are -- this particular concept took -- this particular concept came into India from about 2018, and it's a replica of what happens in the US, where the earned wage access is a program offered by multiple fintechs. So

this program came into India with the fintechs because fintech which now have become the LSP for various banks came with a lot of operational and tech savviness. Hence, there is very less competition, because it does not make the unit economic sense to a lot of NBFCs and the banks in their current business model.

**Sanjay Aggarwal:** Plus, Gurmeet, on a standalone basis, EWA companies worldwide is going very big now. I was reading somewhere that some a couple of Indonesian companies, they have 10-lakh-plus customers now. We are sitting at...

**Gurmeet Kaur:** Yes.

**Sanjay Aggarwal:** 2,400 and India is such a huge, huge market compared to Indonesia.

**Gurmeet Kaur:** It is not well penetrated at this point of time, and I think, we have the movers advantage in this space, the trust is getting established. And there is operational savviness. And quite a lot of fintechs had gone out of business because it is also kind of a cash guzzler for them, and they have been getting the capital at a very, very high rate. So -- and they have not been able to kind of control their losses.

But we have got a model which is extremely right where the employer is assessed. The first assessment is primarily of the employer. So just to give you kind of a positive anecdote is that we have got the movers advantage. We are just on the tip of the iceberg. And I'm sure that in a few years, if there are other companies who become more tech savvy and they may want to explore this particular space. So, of course, competition can come.

**Talin Aggarwal:** If I may just add to that as recently in India if you see there are only a handful of companies, single-digit companies providing this product. So even if competition comes in, that's good for us because that will help expand the market more. That will help spread customer awareness much faster than all of us combined can do right now.

**Saptarshee Chatterjee:** Got it. Very, very helpful. Just last thing. Can you please reiterate your plan like how many corporates or what is your plan for this year, next year that way?

**Talin Aggarwal:** So we are -- we currently have 145 corporates onboarded already. Last month, we did close to INR6 crores worth of disbursement. So the target for March of FY26 is to have 250 corporates and do about INR13 crores to INR15 crores in monthly disbursement. And going forward, we like to maintain a monthly onboarding of close to 20 to 25 corporates a month and increase the MOM by anywhere between -- increase the disbursement by about 10% to 12% month-on-month.

**Saptarshee Chatterjee:** Got it. Very heartening to hear. Thank you and all the best.

**Moderator:** Thank you. The next question is from the line of Chirayu from CEB Investments LLP. Please go ahead.

**Chirayu:** So actually you told that you are going to raise the debt in future. I remember our previous cost of funding was around 10.5%. Are you expecting a similar range in future?

- Sanjay Aggarwal:** 10.95.
- Chirayu:** 10.95 yes – so in future are you expecting the similar rate of interest on funding or with the rate cuts we are hoping to gain some advantage there?
- Sanjay Aggarwal:** We are hoping to get 0.5% advantage.
- Chirayu:** Only 0.5% advantage. Okay. And sir, second question you said there have been two rare cases, NPAs and EWA program. So I mean, these scenarios can happen in the future as well. So what is our foolproof action for these?
- Talin Aggarwal:** I mean if you see the total amount at risk is 18,000 on a disbursement of INR6 crores. So that's less than 0.01% as well. And we've only baked in these risk parameters. And I think that's the risk we must take, especially in the lending business.
- Gurmeet Kaur:** No. And also, Talin, just to -- if I may just add apart from that we have covered it through contract with the employer, we also have got a vast telecalling, the SMS and e-mail system for collection. And we also have tie-up with the collection agency that even where the customer is not contactable, then we can do a field visit and we can also collect.
- But majority of our risk gets covered because our contract is with the employer, wherein they are responsible for reduction in paying us. So as long as we continue to do our employer assessment correctly, which means we onboard those employers, which has an established stability in the market over a certain period of time and do not have any working capital issues, I think our model will be working fine.
- Chirayu:** Sure ma'am. One follow-up question. How big can we think that EWA program can be part of our revenue in the next, say, 2 years, 3 years? What is our internal target?
- Talin Aggarwal:** So given the growth rate of the company, because the company -- our other products [inaudible 0:49:14] is growing very quickly say normally EWA that's growing. So currently, in the last quarter, EWA's contribution to consolidated revenue was about 3%, 3.5%. Going forward, we would like to in the next about 2 to 3 years increase it, try to increase it between 8% to 10% just from the service fee of EWA.
- But the real money taker is the cross-sell, what the loan, the retail loans we sell to EWA customers. So as I mentioned here that in this case, we do not have to pay any sub-DSA. The entire money is us because we have already paid the cost of acquisition of the customer through EWA. And that cross-sell portion once combined with EWA's revenue, that should be a money -- big money maker for us.
- Chirayu:** Right. Thank you sir and all the very best.
- Moderator:** Thank you. The next question is from the line of Anuj Goyal from AJ Investments. Please go ahead.
- Anuj Goyal:** Hi, sir. I just wanted to understand what led to the increase in [inaudible 0:50:54] from INR68 lakhs to about INR1.2 crores from year-end?



**Sanjay Aggarwal:** Which increase?

**Anuj Goyal:** Property, plant and equipment at the consolidated level?

**Sanjay Aggarwal:** No. We have constructed a new office for EWA. Cost of construction, I would put in that.

**Anuj Goyal:** So, this is a onetime increase we can say that?

**Sanjay Aggarwal:** That's a onetime increase. Yes, we have established a separate office for EWA team. So it was a onetime increase.

**Anuj Goyal:** All right. Thank you.

**Moderator:** Thank you. The next question is from the line of Raj from Flair Capital. Please go ahead.

**Raj:** Across like 145 employers, like how many total employees are there currently?

**Talin Aggarwal:** So total we have an employee base anywhere between 17,000 to 18,000, out of which close to 2,500, 2,400 transact on a monthly basis, growing at about 10% to 15%.

**Raj:** Okay. And currently, our ROI on this EWA product is 30% per year?

**Talin Aggarwal:** That's the annual Paytm recharge.

**Raj:** Okay. Thank you.

**Moderator:** Thank you. The next question is from the line of Chandan Mishra from Fin Investor. Please go ahead.

**Chandan Mishra:** Sir, thank you for the opportunity. Sir, my question is related to EWA. What is disbursement trend rate currently?

**Talin Aggarwal:** So last month, we did INR6 crores worth of disbursements. It's growing at about 15% to 20% MOM.

**Chandan Mishra:** Okay. Next, sir, question related to the gold loan segment. Sir, what is revenue share from this segment and what we are targeting from this segment?

**Sanjay Aggarwal:** See, here this is only a fee-based activity. We normally get anywhere between 1% to 1.3% from the various institutions.

**Chandan Mishra:** And what we are targeting, sir?

**Sanjay Aggarwal:** So we are targeting more and more growth. There's a lot of scope in this and we'll make a couple of one or two more announcements also next week.

**Chandan Mishra:** Sir, my next question related to, sir, out of 145 clients, we have 120 active. Still, sir, last quarter, sir, we have blocked three clients due to late payment. Did this number increased after that quarter?

**Talin Aggarwal:** No.

**Sanjay Aggarwal:** Yes two more. Talin, we blocked two more.

**Chandan Mishra:** Sir, one last question. Actually, more than a question, it is a suggestion, sir. We are NBFC, sir. I suggest, sir, if we -- if you put a presentation like other NBFCs, we get more clarity on revenue share from different segments. So, our questions will be more pointed towards any segment, sir.

**Sanjay Aggarwal:** Sure, please. Sure. Definitely, we will try to do that. Definitely.

**Chandan Mishra:** Okay, sir. Thank you. Best of the luck for future, sir.

**Sanjay Aggarwal:** Thank you.

**Moderator:** Thank you. The next question is from the line of Ranvir Kumar Singh, an Individual Investor. Please go ahead.

**Ranvir Kumar Singh:** Hello, sir.

**Sanjay Aggarwal:** Hi, Mr. Ranvir.

**Ranvir Kumar Singh:** Am I audible, sir?

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

**Ranvir Kumar Singh:** Sir, my question is -- sir, may I speak in Hindi, sir?

**Sanjay Aggarwal:** Yes, yes, [inaudible 0:54:48] please.

**Ranvir Kumar Singh:** Okay, sir. Thank you. Sir, my question is related to corporate governance. Sir, I want to know why is it necessary to have four related party transactions per party of INR15 crores approved by the AGM, please tell us by breaking it down? Sir, I have no idea why it is necessary? But I want to know that this related party transaction is of 69%.

**Sanjay Aggarwal:** Sir, it is not 69%, it is 15.1% of the total revenue. Majority is with the subsidiaries. If we count INR15 crores, if the money goes and comes back, then it is treated as twice. Assume that Emerald has given INR50 lakhs to the subsidiaries, and the subsidiaries have returned INR50 lakhs to him, the account has become zero in book. But if we count the transaction from the ROC perspective, it is always once here.

**Ranvir Kumar Singh:** Sir, I want to know that I can understand the related party transaction from the subsidiaries. But why is it necessary to have the transaction from the other three bodies except the subsidiaries? And why is it necessary for the company? And I also want to know that in the future, will the related party transaction increase with the revenue? Or will it come at a rate that varies between 10%-15% in the other NBFC company?

- Sanjay Aggarwal:** No, it is between 10%-15%. It is still around 15%. We have to disclose it from the ROC perspective. In ROC, if the money comes and goes, we have to call the total of both. So, intentionally, there is such a transition that we take a buffer. That the increase of 22% has reached that level. The money came and went back. So, many times it happens that we give the money to the company from our individual accounts. Sometimes there is an emergency. So, there is a transition in that too and it has the same count that comes in the next quarter. So, that is why we have taken the transaction intentionally this time.
- Ranvir Kumar Singh:** So, other than the subsidiary, why are related party transactions necessary, can you explain?
- Sanjay Aggarwal:** Money comes from there. It does not go in one way from Emerald. Most of the money has outflowed. Yes. So, for that we say that when we do gold loan business, we have to do short-term funding. For example, if someone has a loan of 20%-25% and we get the same credit and go to the [NBFC 0:57:39] bank, it will be at 12%. So, for that, we have to invest our money for 2-3 days, which we don't want to work through the NBFC.
- Ranvir Kumar Singh:** What is the rate of interest? What is the rate of interest, sir, other than the subsidiary?
- Sanjay Aggarwal:** The market interest is more. It is a market and it is an arm's length. In this, the Reserve Bank gives the details of the entire transaction. And in ROC, SEBI and BSE, they file everything. In fact, the return that goes to the RBI, it is specially mentioned in the [inter-party budget 0:58:11]. Its entire disclosure goes to the RBI.
- That means we are 100% compliant, right? And the transaction cost is 15%. For example, we have to show the transaction cost to the RBI at the time of ROC. If the money comes from your side, so we have to account for both the transactions. So that is why we did the subsidiary to increase the interest so that there is no limit.
- Ranvir Kumar Singh:** One more question, sir. The Board of the company has four members. And three out of the four are from the Aggarwal family.
- Sanjay Aggarwal:** The third Aggarwal you are talking about, he is a very qualified chartered accountant from CWC.
- Ranvir Kumar Singh:** Overall, if we look at it, sir, the maximum person in the company is Aggarwal. So, is there anything else in it? I mean, can other than Aggarwal come in the future?
- Sanjay Aggarwal:** Sir, Aggarwal was not there before. He has come now. But he is not related to us. And he is a very qualified chartered accountant.
- Ranvir Kumar Singh:** Okay, sir. Sir, I would like to ask a question. Sir, the run rate of revenue growth is Y-on-Y basis compared to the last quarter, it has gone down by 38%. In the last quarter, the run rate of revenue growth was around 50%.
- Sanjay Aggarwal:** See, these things will keep on changing. See, we have to keep in mind the current market situation also. And you know, we can't exactly go and disburse money. I told you about the last

con call, the role model is HDFC and Kotak Mahindra Bank. We want to go in a step-by-step, graded manner. We don't want to run away.

And you know, over a period of time, you will see where we will reach. See, 2 years ago, we used to write one ETF. Today, we are talking about four plus two ETFs. And next year, maybe, you know, we will be doubling this also. So, we have to go step-by-step. We don't want to run into any delinquency. See, if NBFCs control their portfolio, automatically, the growth comes automatically. See, look at the HDFC bank or Kotak Mahindra Bank, they have never run away. 15-20 years ago, they used to run very conservatively. Today, they run very conservatively. But look at where they have reached.

**Ranvir Kumar Singh:** Sir, one more question. Last question. As you said, you have onboarded 145 companies. So, out of that, how many employees do you have? Out of the 145 corporate that you have onboarded?

**Sanjay Aggarwal:** 17,000. In between [17,000-18,000 1:00:54].

**Ranvir Kumar Singh:** Thank you,

**Moderator:** As there are no further questions, I now hand the conference to Ms. Samiksha Ramteke. With that, we conclude today's Q&A. Thank you.

**Samiksha Ramteke.** Thank you for joining the conference call of Emerald Finance Limited. If you have any queries, you can write to us at [research@kirinadvisors.com](mailto:research@kirinadvisors.com). Once again, thank you for joining the conference call. Thank you, Sanjay, sir, Talin, sir and Gurmeet ma'am. Thank you.

**Sanjay Aggarwal:** Thank you very much.

**Gurmeet Kaur:** Thank you, very much and good evening.

**Moderator:** Thank you, everyone. On behalf of Kirin Advisors Private Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.