EMERALD

Dated: 01.08.2026

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

Scrip Code: 538882

Dear Sir/Madam,

Subject: Submission of Investor/ Analysts Meet Transcripts

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

The said Transcript is also available on the website of the Company at https://emeraldfin.com/wp-content/uploads/2026/07/Transcript-Emerald-Finance-Limited-Q1-FY27.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It is further confirmed that no unpublished price sensitive information was shared/discussed in the meeting / call.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

AMARJEET KAUR
Digitally signed by AMARJEET KAUR
Date: 2026.08.01 10:08:52 +05'30'

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

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"Emerald Finance Limited Q1 FY'27 Results Conference Call"

July 27, 2026

MANAGEMENT:	**MR. SANJAY AGGARWAL - MANAGING DIRECTOR, EMERALD FINANCE LIMITED** **MS. GURMEET KAUR - CHIEF RISK OFFICER, EMERALD FINANCE LIMITED** **MR. TALIN AGGARWAL - HEAD (BUSINESS DEVELOPMENT), EMERALD FINANCE LIMITED** **MS. AMANPREET SODHI – HEAD (EWA SALES), EMERALD FINANCE LIMITED**
MODERATOR:	**MR. KARAN THAKUR – KIRIN ADVISORS PRIVATE LIMITED, EMERALD FINANCE LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Emerald Finance Limited Q1 FY'27 Results Conference Call hosted by Kirin Advisors Pvt. Ltd.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing "*" then "0" on your touchtone phone. Please note that this conference is being recorded.

I would now like to hand over the call to Mr. Karan Thakur from Kirin Advisors Pvt. Ltd. Thank you and over to you, sir.

Karan Thakur: Good afternoon, everyone. On behalf of Kirin Advisors, I welcome you all to the Q1 FY'27 earnings conference call of Emerald Finance Limited.

We have with us the senior management of the Company led by Mr. Sanjay Aggarwal – Managing Director, Ms. Gurmeet Kaur – Chief Risk Officer, Mr. Talin Aggarwal – Head of Business Development and Ms. Amanpreet Sodhi – Head, EWA Sales.

We will start with the brief opening remarks which will be followed by a Q&A session. I would like to hand over the call to Mr. Sanjay Aggarwal – Managing Director. Over to you, sir.

Sanjay Aggarwal: Good evening, everyone and a very warm welcome to all of our investors, analysts, stakeholders, joining us today for the Q1 FY'27 Earnings Conference Call.

Joining me on the call today are Ms. Gurmeet Kaur – Chief Risk Officer, Mr. Talin Aggarwal – Head (Partnerships & Product Integration) and Ms. Amanpreet Sodhi – Head (EWA Sales). On behalf of the Management Team, I sincerely thank all of you for taking the time to join us today.

We are pleased to begin FY'27 on a steady note, delivering healthy growth across all of our key financial parameters other than the goal loan business. The quarter reflects the strength of our diversified business model, expanding partnership ecosystem and our continuous focus on technology, innovation and disciplined execution. This quarter, we have onboarded 32 new corporate organizations, further expanding our employee network and strengthening our employee financial wellness ecosystem.

Our EWA platform continues to witness encouraging adoption with an average ticket size of 26,000. During the quarter, we have also entered into strategic alliance with Credila Financial Services Limited to introduce education loan solutions and we have recently partnered with AU Small Finance Bank to strengthen our gold loan offering.

Coming to our financial performance, I'm pleased to share that Q1 FY'27 has been another decent quarter for Emerald Finance. On consolidated basis, our total income increased by 39.97% on year-on-year basis to Rs. 9.44 Cr, while our net profit increased by 52.72% to Rs. 4.88 crores. Our diluted EPS has improved to 1.44 from 0.92 on a year-on-year basis.

As we move further into FY'27, we remain focused on strengthening our business fundamentals, expanding our corporate partnerships, enhancing our technology platform and broadening our portfolio on financial solutions. We believe our diversified business model, disciplined execution and customer-centric approach, vision as well to capitalize on the growing opportunities in India's financial services sector while continuing to create sustainable long-term value for all our stakeholders. We are also adding new programs and benefits to engage more of existing users and corporates and attract new corporates for our EWA program.

Before I conclude, I would like to sincerely thank all of our shareholders, lending partners, corporate clients, customers and employees and all of our stakeholders for their continued trust and unwavering support. Their confidence continues to inspire us as we build a stronger, more resilient and future-ready financial services platform.

With that, I thank everyone once again for joining for today's call and I request the moderator to open the floor for question-and-answer session.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Divyansh Jaju from Trinetra Asset Managers. Please go ahead.

Divyansh Jaju: Good afternoon, sir. Thank you for the opportunity. So, my first question was, over the last few years, the company has diverged its lending portfolio. So, looking ahead, what would be the ideal mix across all portfolio products over the next few years?

Sanjay Aggarwal: See, our EWA business is continuing to grow as compared to other verticals. In the last quarter, on a consolidated basis, the share of EWA was about 8%. And this year, this quarter, it's almost across 10.5. So, and you know, lending business is going on a steady pace. We had about 12.5% growth in the last quarter. Although there was dip in our syndication business, primarily on account of fall in gold loan business, because RBI put a lot of restrictions on the banks and other financial institutions who are into gold loan business. But, we are taking steady measures to counter, make up for that loss of business. We're already tied up with the AU Bank for furthering our gold loan business. And we have planned to partner with at least one more partner in this quarter to strengthen the gold loan business. Plus, we have already started educational loans. We did only about Rs. 1 crore last month. And I think this portfolio will increase. And we also continue to focus our home loan, LAP and business loan portfolio, is going steady lines.

Divyansh Jaju: Okay, understood. Like my question is that from the borrower behavior, like any recently any changes are there, like they are taking more particularly larger ticket sizes of loan, they are taking any more tenure from particular same customer only existing customer.

Sanjay Aggarwal: You mean the change in the borrower behavior?

Divyansh Jaju: Yes.

Sanjay Aggarwal: No, there's not any change in borrower behavior. Not seen any particular trend.

Divyansh Jaju: Okay, sir. Thank you for sharing it.

Sanjay Aggarwal: Thank you very much.

Moderator: Thank you. The next question is from the line of Rohitash Arora, an individual investor. Please go ahead.

Rohitash Arora: Sir, when are you expected to launch the upcoming products?

Talin Aggarwal: Within this quarter. We're actually working on the final testing of all the top of majority of products with the respective vendors. We expect to launch within a month.

Rohitash Arora: All the products?

Talin Aggarwal: Not all. A few of them. So, we are actually in touch with our various vendors for each of them. And the final compliance and technical integrations are on the way.

Rohitash Arora: And are we going to distribute them through our app only?

Talin Aggarwal: Yes, at portal website. So, there has been multiple distribution channels. Again, catering to not only our existing EWA customers, but the open market in general.

Rohitash Arora: And are we looking to add more employees to distribute these products?

Talin Aggarwal: Not necessarily. I mean, this all required from our end. So, the technology itself will take care of it.

Moderator: Thank you. The next question is from the line of Ketan R. Chheda, from an Individual Investor. Please go ahead.

Ketan R. Chheda: Hi, thanks for the opportunity. And thank you for the added disclosures that you have provided with AUM in this quarter's results presentation. Thank you for that. My question with respect to this Rs. 125 crores AUM that you are showing. So, is this purely MSME loans or we are also providing some other loans to our own balance sheet?

Sanjay Aggarwal: This includes the sum total of all the loans which were given. It is for MSME personal loans and under the EWA clients. The sum total of all the loan book.

Ketan R. Chheda: Correct. But then this is all on the books of our company. This is our AUM.

Sanjay Aggarwal: Yes. These are not the managed ones. These are the books on our company, loans on our books.

Ketan R. Chheda: Okay. So, one more request with respect to this disclosure, like, you know, if you can just go one step ahead and maybe from the next quarter, we can provide the breakup also of this AUM. That again helps us because then we know what segments are related.

Sanjay Aggarwal: It's from Rs. 125 crore book, 12.5 crore is from EWA. And the rest is from MSME book, MSME and personal loan book.

Ketan R. Chheda: Right. So, now when we talk about MSME and personal loan, if you could help with the breakup of these two?

Sanjay Aggarwal: The majority is MSME and I will give the number that I have right now with me. Majority is MSME and some of part of it is personal loans.

Ketan R. Chheda: Okay, and the gold loan is basically pure distribution, right?

Sanjay Aggarwal: Yes, gold load is a pure distribution business for us.

Ketan R. Chheda: Okay. And we have seen our NPAs rising. Like, you've given that data and every data is basically higher than the previous one. So, is there a concern because the NPAs are rising pretty fast?

Talin Aggarwal: The books have been rising at a steady rate. So, we actually expected, some NPAs will come around, right? Plus, it is much lower than what we provisioned for. It is almost 50% of what we have provisioned. Our provisions sit at about 0.3% of the book, 0.3%-0.35%. So, the NPAs are actually well below, even our provisions and what the market expects.

Sanjay Aggarwal: Gurmeet, can you please give the break up?

Gurmeet Kaur: Yes, Sanjay. I think there's, as we look at the portfolio over the quarter, there's no concern. We are also growing our book. And from a percentage standpoint, this is not really concerning to us. So, when we look at, for example, in our EWA, we have provisioned for about 3 lakhs for our 90 plus book. And the population that has reached the write-off window has been up to 3 lakhs. So, that particular amount is quite within the permissible ranges that we have put for ourselves around the portfolio monitoring. And when it comes to the business loan and the personal loan, we have a kind of provision for about 8 odd lakhs for 90 plus. And we have written off over the quarter about 6 lakhs. Having said that, whatever that we had written off till end of March 2026, we had been able to recover another 4 lakhs from there. So, even though we write off, our recovery rate is also -- we continue to follow on recovery. The customers are contactable and we are able to through various collection, permissible collection activities, we are able to get in touch with them and are also able to recover the money.

Sanjay Aggarwal: And this provisioning also includes provisioning what we have to provide as per RBI guidelines for standard assets also.

Gurmeet Kaur: Yes, there's a standard provisioning as well. And which as per RBI, for our layer of NBFC, we have to do a standard provisioning of about 0.25% of the portfolio. However, we take a little more prudent and conservative approach and we provision at about 0.3.

Moderator: Thank you. The next question is from the line of Omkar, an individual investor. Please go ahead.

Omkar: Sir, I want to ask a question. As the Early Wage Access business scale rapidly, the funding requirement for salary advances will increase significantly. What is Emerald Finance long-term capital strategy for EWA product to support this growth while maintaining healthy returns? Are you planning to fund? Are you planning to capital…?

Sanjay Aggarwal: Capital raise, you want to say?

Omkar: What is your capital strategy for EWA products?

Sanjay Aggarwal: See, the current network is around Rs. 90 Cr. Against that, we have debt of Rs. 27 crores. Out of that Rs. 27 crores, almost Rs. 16 crores is from banks, State banks, and we have just announced also that we have got Rs. 10 crore lines from ICICI banks. And the rest is from NBFC. So, we got a huge leeway. Even let's say about 1:1 debt-equity ratio. We can easily rate more than Rs. 63 crores as on date. And we continue to in touch with a couple of more banks and financial institutions for raising debt.

Omkar: Okay. For the EWA product, can we plan co-lending business?

Sanjay Aggarwal: No. We don't want to. We're not short of funds. See, we got a net worth of Rs. 90 crores, we got a huge leeway with us. Against it, outstanding debt is only Rs. 27 crores. So, even if you have Rs. 63 crores more, that debt-equity ratio will be very manageable at 1:1 ratio. As per our graph, you can go to 1:7 ratio.

Gurmeet Kaur: Sanjay, if I may add here, co-lending is a wonderful arrangement provided it is more on an interest-bearing installment loan, which can be business loan, personal loan, or any secured commodity. But since EWA is a product where we do not charge any rate of interest and the customer only pays us a disbursement fee, this is something which may not be permissible to the banks by RBI.

Moderator: Thank you. The next question is from the line of Harshit Singhania from Robo Capital. Please go ahead.

Harshit Singhania: Thank you for the opportunity and congratulations on a great set of results. So, I just wanted to ask, I think I'm new to the company, so I read the last call. So, have you guided for like EPS of 7 for this year? Is that correct? Approximately, not a guidance, but like a guidance?

Sanjay Aggarwal: Yes.

Harshit Singhania: So, do we think we will be on line with it as the quarters go ahead? Because I think that is around a per quarter EPS of 1.75 or so. And right now, we did 1.33-1.4.

Sanjay Aggarwal: 1.44. See, first quarter is normally, in the whole financial services business is normally very slow. I think growth momentum should pick up in the next quarter and we stand by the guidance of 7. I think we should be able to reach around that. We have done back and forth calculation. I think we should be able to reach over there. This past history also, you look at it, we have grown from 1.33 to 2.57 to 4.33 last year while managing our books pretty well, get the delinquencies pretty well. First quarter is normally, across all banks, and the NBFCs first quarter is normally very slow as compared to the fourth quarter.

Harshit Singhania: Okay, and on the EWA side, I think I just saw your last PPT. So, EWA has been growing consistently from 2% to 8% in FY'26. So, like, where do we see the portfolio contribution from EWA stabilizing around?

Management: So, I think in terms of revenue, earlier our expectation was that EWA would platter around 10% of some consolidated revenue, but this quarter we exceeded that. So, now as per the projection, which should stabilize somewhere about 30%-40% assuming that the distribution business continues to grow, and both the other businesses continue to grow at the pace they have been growing at.

Harshit Singhania: Okay, and I can see that we have been growing like, we have posted very strong growth for the last few years. Do we see that, like, how do we see that trend going forward like, medium to long term?

Talin Aggarwal: So, going forward, I think our PAT has been, for the last, what, 2-3 years, going around 90% or 100% CAGR. This should stabilize to somewhere about 40%-50% in the next 2-3 years. You have to scale at the base increases. But, yes, 40%-50% cash flow should be a healthy growth for the company. Considering our PAT margins are more or less now stable at about 50%-51%, and as the company levels up, our interest costs will go up. They will dwindle down the PAT margin of about 40%-45% for the next five years.

Moderator: Thank you. The next question is from the line of Ankit from Zen Nivesh. Please go ahead.

Ankit: Thank you for taking my question. In our presentation, we have clearly shared that there are three-line items, one is the distribution income, the other is interest income, and the third one is

EWA processing fee income. Now, if I look at the interest income, is it fair to say this primarily consists of only the MSME working capital loan, primarily? Or there are something else?

Sanjay Aggarwal: No, primarily that only.

Ankit: So, as of now, as we see, probably around 80% of our business is coming, or more than a little bit of 80% is coming from distribution income and interest income. And EWA is less than 20%, or maybe around 15%, roughly.

Sanjay Aggarwal: No, 10%, 10%. Last quarter was around 10.5%, I think.

Ankit: Yes, so do we see this materially changing two, three years down the line, or do we think that it will be more or less in the same range?

Talin Aggarwal: Oh, well, I think EWA, as I answered in the previous question as well, so EWA has actually grown beyond our expectations. Our expectations was that EWA would not cross 10% of our **(Inaudible) 24:32** revenue, but it managed to do so because our distribution income fell sharply this quarter. So, again, going forward, you know, giving a steady growth in both your interest income and the property income, even if it stabilizes anyway between 12% to 15%.

Ankit: Sure, so now my next question is related to EWA only, which is basically, when I see the competitive scenario, I see a lot of startups now entering this phase in the last three, four years or five years, and they have scaled their EWA business rapidly. So, how do we see that playing out in our case? What is our right to win here?

Talin Aggarwal: I think, this is a really, really going to be even there are many startups and fintechs are coming to **(Inaudible) 25.19**. So, we are actively on the lookout to partner with these in an LSP RE sort of a scenario. We have already in talks with a couple of fintech platforms. We have not yet reported to the exchange since the final MOUs are still outstanding. So, this has two benefits for us. One, they help in creating the market. Suppose tomorrow one start up opens up in Gurgaon and Noida then we will basically tap that market. So, this spreads awareness that there's a product such as EWA, Earned Wage, Early Wage, whatever, within the market. And so then we don't have to spend our capital for brand/product awareness. Secondly, none of these startups can lend on their own. They need to be an NBFC or a bank to lend. And this opens up a huge opportunity for us because then we can enter into an LSP RE partnership with them, fund the customers of all of them. So, what happens now here is, effectively the front end is different for all of these, but the backend, the main company financing becomes the main for Emerald. So, that's the goal we are going for. So, this has been actually a new channel we have developed in the last quarter. We have been constantly on the lookout for such fintech startups, **(Inaudible) 26:40** etc., willing to do EWA to their own clients, to their own customers.

Ankit: So, correct me if I'm wrong, whatever fintech startups which were filed, I think there are at least three to four fintech startups who have either filed for IPO and their DRHP is there out in the open, or there are a few startups which have got listed also. In all these fintech startups, what I see is that they have a fully owned subsidiary which is also into NBFC and lending. So, how do we then feature into this scheme of things. When the front end is also with them and backend they have large banks also, large NBFCs also, you also, and their own 100% subsidiary as well. So, how do we feature in the larger scheme of things when they have so many options?

Talin Aggarwal: Correct, I know which two NBFC cum fintech you are talking about, MoneyView and Refyne. So, both of them were at…

Ankit: I can give you names, MoneyView is one, Kissht is another, the third one is Fable. All these have their own NBFCs.

Talin Aggarwal: Correct. I will answer them one by one then. So, again, all of them were there before we launched our EWA. So, I think MoneyView has been one of the pioneers, they acquired Jify last year. So, they have been one of the pioneers in EWA in India. Kissht doesn't do EWA. Kissht only does mortgage at PPL and higher-ticket loans. And again, Fable Money is more into investment, some higher-ticket e-lending. So, these players have been there even before us, right? So, again, we have not approved and we know that they have NBFC, some banks, and they have their own NBFC arms as well, into subsidiaries. So, this competition, we have already known about it. Also, we got a new startup, last week they are coming to this field, we are talking to partner with them.

Sanjay Aggarwal: So, the main competition right now, earlier also was from Jify, which is owned by MoneyView and Refyne. So, basically, three players are into this, but there's a huge scope for 10 players coming to this market. India is such a huge market, no? There's room for another 10, 15, 20 players, they can come into this market, and there'll be business for each one of us.

Talin Aggarwal: So, I just adding to that. Even basically taking the news people like Ashneer Grover opened has done Fintech Fund My Staff, where they did act as guarantors to employers, to banks sorry, get some employee loans, something like that. So, I think we are just exploring, maybe we are just reaching out to them as well, for an LSP RE option.

Moderator: Thank you. The next question is from the line of Binoy Bhatt from Hydra Capital. Please go ahead.

Binoy Bhatt: Sir, just we talked about some new product coming. Is it possible to throw some light on that, or it's still under construction?

Sanjay Aggarwal: I will tell **Raman** **29:59** to take up this question

Raman Aggarwal: Hi, Mr. Binoy. So, in terms of new product, we don't find many of these process that we have been working on. So, I think in the presentation, also in the upcoming slides we have given. So, currently we are in advanced stages to integrate digital gold, silver, loans that we are already doing, in addition to that small-ticket SIP, pocket insurance. So, we are still in talks with the vendors, we are just on the final integration step. Final technical integration is on the way.

Moderator: Thank you. The next question is from the line of Bibhor Halan, an individual investor. Please go ahead.

Bibhor Halan: So, my first question is what was the total number of gold loan that we distributed in Q1 versus Q4?

Sanjay Aggarwal: Q4, 290 versus 375. In Q4, we distributed about 375 plus, last quarter was about Rs. 290 crores.

Bibhor Halan: And what is the approximate distribution fees that we get from the bank on these loans?

Sanjay Aggarwal: It depends on bank to bank, like from HDFC, we get about 1.25, from ICICI, on an average, we get about 0.75, and from RBL, about 1%.

Bibhor Halan: Okay. So, on an average, can I ask?

Sanjay Aggarwal: On an average, you can say 1% or 0.9%, depending on which particular business, the bank we are doing more business in that particular quarter.

Bibhor Halan: Okay. And how is the Q2 looking like, sir? We are already into one month in Q2. How is the Q2 looking like?

Sanjay Aggarwal: Almost stable as per Q1. See, there won't be like jump what we had in Q4. Always quite tight on these gold-loan lending business. So, the only way we can increase it, is increase the number of partnerships. We already tied up with AU Bank, and we are exploring a partnership with at least one more bank. We are doing special loans also. This is also a new field, not many DSAs are there. We already run one CRO business last month.

Bibhor Halan: Got it. And then the next question, sir. We have onboarded like 32 corporates in the last quarter. Do we see this number to be stable going forward or will it increase or decrease from here?

Sanjay Aggarwal: I will let Aman to take this call.

Amanpreet Sodhi: Good evening, sir. So, we'll be definitely adding on more corporates because we are going forward for certain more tie-ups. We have onboarded a lot of corporate channel partners to generate more business. We are tying up with various trainers who are into corporate trading sectors. So, we'll be definitely adding on to expand the business.

Bibhor Halan: Okay. So, just give me one number. We have said that now our monthly run rate is Rs. 26 crores, right, on EWA?

Amanpreet Sodhi: Yes.

Bibhor Halan: Including the disbursals and distribution, right?

Sanjay Aggarwal: Yes.

Bibhor Halan: So, can you give me a breakup in this Rs. 26 crore, how much is disbursal and how much is distribution?

Amanpreet Sodhi: Okay, so our disbursal for the EWA was Rs. 12.5 crores, and for the cross-sell was Rs. 13.5 crores per month.

Bibhor Halan: And what was the split in the Q4?

Sanjay Aggarwal: Yes, sir, I think Rs. 10 crores and Rs. 12 crores.

Bibhor Halan: And how do we see this run rate going forward? Can we assume like a 20% growth quarter-on-quarter on the monthly run rate?

Sanjay Aggarwal: I think so. See, we are now talking to a lot of big clients also. Earlier, there was a small sector, with a employee base of 1,000. Earlier, the biggest client was 1,500 of these. Now, last month, we onboarded one client who had 11,000 employees. And out of that, we have just given a list of only of one particular plant, which has 1,000 employees. So, even if they give an entire set of seven plants to us, that itself will be 11,000 clients with that one particular client. It's a BSE-listed company.

Bibhor Halan: Okay. Sir, my next question is, like, in the last quarter, you had given a guidance of EPS of 7, right?

Sanjay Aggarwal: Yes.

Bibhor Halan: For the current year.

Sanjay Aggarwal: Yes.

Bibhor Halan: Now, to do the EPS of 7, we need to do a 66% PAT growth year-on-year, assuming there is no equity dilution, right, in the current year?

Talin Aggarwal: Yes. One thing I'd like to say, we are not going for equity dilution right now. Not planning anything as of date for equity dilution.

Bibhor Halan: Yes. So, assuming we hold this plan for the rest of the year, we'll have to grow our PAT, we'll have to grow our PAT by 66% in order to move to EPS of 7. Now, in this quarter, we have grown our PAT by, I think, approximately 55% to 56% which is lesser than the full year guidance. Do we…

Sanjay Aggarwal: Obviously. First quarter is always lower compared to the rest of the quarters.

Bibhor Halan: No, that's okay. But, sir, on the growth piece. The growth, the run rate is less in Quarter 1 versus the full year guidance. So, we will have to…

Sanjay Aggarwal: We will do the full year guidance. See, we have a very good contacts. I cannot say everything right now. Once we have, I think we have a full tie-up, we have talked with a couple of large corporates. We should have a cross-sell, and good jump will be there.

Bibhor Halan: Okay.

Sanjay Aggarwal: Because of the 11,000 employees, I'm only telling you one corporate. We have only 1,000 clients who have given us a database of employees of only one particular plant. The rest 6 plants are there, where 10,000 employees are there. Besides that, also, we are in touch with a couple of plants, corporates, which are a work in progress. Till we get on this thing, we cannot say about that. But I think we should be able to achieve the guidance of 7, we should be able to match that.

Bibhor Halan: Okay.

Sanjay Aggarwal: I think we should pick up gold-loan business. Like, I've talked to a lot of bankers. They said, I think, if it doesn't work in this quarter, then in the third or fourth quarter, they should pick up. Government should relax certain norms.

Bibhor Halan: Okay. Sir, what is our vision, let's say, for the next three years? Because, on the EWA piece, if the market is so huge, and we had earlier thought of like scaling it up much, much faster. Now, what is holding us back, like adding only some 30 corporates quarter-on-quarter? In my view, we should have been doing 100% growth year-on-year, or maybe 40% growth quarter-on-quarter. But, look, is there anything that is holding us back if the market is so huge?

Talin Aggarwal: I will just answer this. So, the market is huge, but we are one with NBFC. So, we have to evaluate risk on a corporate level while onboarding them. So, this will give you a perspective. 32 corporates we onboarded, but we evaluated only 60-64 of them. Our **(Inaudible) 38:08** rate in EWA is at about 50%-55%. This has this primarily because of the economic and macro conditions in the last five to six months. We have seen a very high rise in DPD, a very high rise in NPA, a very high rise in **(Inaudible) 38:25** in banking. Now, our compliance does not allow us to go ahead in case of any of these failure of checks within evaluating the corporate for EWA, one. Two, even in terms of disbursements, we have been going ahead with very tight limits to corporates. We're just evaluating the rest of them.

Bibhor Halan: Okay, got it.

Sanjay Aggarwal: So, we are going on a slow and steady pace, just like Talin said, just like they were my particular client, and it's an NSE-listed company. They were asking for Rs. 2 crores limit, and they gave them only Rs. 50 lakhs limit. We have to see to all of it, the market scenario and all that. We don't want to go overboard. Slowly we will be growing at 10%-12% on Q-on-Q basis. I think we should be able to meet our projections. Plus, as I said, we touch with now pretty large corporates. Hopefully, they should click and there should be a quick jump, but that is subject to, we are all able to onboard those corporates.

Bibhor Halan: Sir, my only suggestion is that we are right in our thought that yes, we should grow with the guardrails of risk, right? But we should not be under-thinking that we should be slow and steady because there might be other players in the market who will end up capturing the market and we might be left behind. So, if we see the risk, then we should put in place a system so that we can guardrail those risks. But I don't think we should compromise the growth, if the growth is in front of us. Because if the growth is in front of us and if anybody is asking for that kind of money and if we see the risk, then I think we should put in place in systems, otherwise it becomes very difficult because we all investors are hungry for growth, right? So, my only request is that, because earlier you had given a guidance of doing about Rs. 32 crores-Rs. 40 crores for FY'26 and we are far behind versus the target, sorry to say this. So, I am just saying that if we can basically put in place both growth and the risk, right, and not one over the other, that would help in meeting what the investors are also looking like.

Talin Aggarwal: Sir, I completely understand with you. But sir, I understand that we are in a risk-taking business. But again, the company is growing at a healthy rate we believe. I mean, the PAT is growing around 80% Y-on-Y. And again, sir, coming to your question there. The company has asked for Rs. 2 crores and we have given Rs. 50 crores. We should have more risk, right, to maybe lend more. I will just take an example of a bank here. Normally, if a MSME bank goes to ask for Rs. 1,000 crores, but given the risk condition, the bank can only lend Rs. 100 crores. So, the bank will go and pay only Rs. 100 crores. The bank will not say that I want to show growth, I will give Rs. 1,000 crores. It is not much of a risk. So, again, I think another challenge which we get, which maybe a normal startup or a fintech doesn't get is, sir, we are listed NBFC. If I show a loss in a quarter or a decline in profit, my share will get battered. Literally battered. This is not the case with a fintech or a startup. They don't care about financials. So, we are actually trying to balance this with customer value, with shareholder value. And I think delivering a PAT growth of almost 10%-12% Q-on-Q or at least 80% Y-on-Y is great

Sanjay Aggarwal: Our Rs. 26 crores has been disbursed again. Direct and indirect, our Rs. 26 crores monthly run rate has started coming from EWA business. We started from zero 2 years ago. On today's date, we have started with Rs. 26 crores month-on-month and this will continue with number to grow.

Bibhor Halan: Right.

Sanjay Aggarwal: It is just a matter of 1 or 2 big clicks, if corporates we are able to click, I mean, much larger corporates.

Bibhor Halan: And Talin, what is this number that we are looking by March '27 of this '26 crore run rate that we are having right now?

Talin Aggarwal: Sir, honestly, we cannot comment on that. Because almost 50% of it is made of distribution income. The distribution income, how it will play out, especially given the tightening of a lot of laws. Actually, in our case also, we haven't taken any internal number. We are just endeavoring to grow Q-on-Q on both, the disbursement and distribution.

Sanjay Aggarwal: The main idea is to get on board more and more corporates, and keep the risk parameters tight. And we have to be very careful on that part of the thing. I don't want to name the other two competitors, they have a lot of delinquencies inside. We don't want to go that route.

Talin Aggarwal: Sir, on the top of that, I will just ask you a question here. How much percent have we grown in PAT this quarter?

Bibhor Halan: Quarter-on-quarter, 12.5%.

Talin Aggarwal: Our PAT growth was 12.5%. If this was say, minus 10%, would you still be investing in my firm?

Bibhor Halan: But Talin, PAT growth is one. But the top line growth was negative quarter-on-quarter.

Sanjay Aggarwal: Yes, that is majorly because of slow down in gold loan business. That is also a business model.

Bibhor Halan: See, distribution business is not in your hand, right? Because if there is an underlying growth in the business, then only distribution will happen. This is a business model.

Sanjay Aggarwal: True, agree with you. For growth the main idea is to get more and more corporates. Our focus is to add more and corporates.

Bibhor Halan: One year back, we were looking like that this run rate will increase per quarter. It will not become like a steady state, 30 corporates per quarter. It will be like we will keep on increasing per quarter.

Sanjay Aggarwal: It's not a question of number of, more than corporates, it's the number of employees that are on-boarding. You know, now, we have on-boarded 11,000 employees. Earlier, we used to on-board 3,000-4,000 employees. Now, a single corporate has 11,000. But we have only on-boarded 1,000 in books. 10,000 are still pending. So, we are closing more and more corporates like this. They have a fairly large number of employees.

Gurmeet Kaur: I think it's very important for us to understand that now we are at a stage when strategically we are in a position to approach the bigger corporates. Given that now we have a history of providing EWA products to a set of corporates. That sets an example and also the trust factor in the market. And that is what is opening doors to diverse corporates now, which can be leveraged. And this is now the time that is what is being leveraged, which will then result in de-risking because we are going to be having a broad base of employees across per se and at the same time also give us a leeway in our growth.

Moderator: Mr. Bibhor Halan sir, I would request you to rejoin the queue for a follow-up question. The next question is from the line of Diya Jain from Sapphire Capital. Please go ahead.

Diya Jain: So, what AUM growth are we targeting for FY'27? And also the credit cost numbers?

Sanjay Aggarwal: And our average borrowing cost right now is about 12%. Our NBFC normally come around 14%. And from SBI is also around 10.5. We already given an enhancement proposal to SBI. It's under process. And we are approaching one or two more banks also for borrowing. Right now, borrowing is around Rs. 27 Cr. as of 30th of June. And, you know, we can easily borrow Rs. 63 Cr more. Then also the debt-equity ratio will come to 1:1 basis only.

Diya Jain: And the AUM growth, sir?

Sanjay Aggarwal: See, at least, we are at 125 Cr. as of 30th of June. We are looking for AUM growth. Lot of leeway is there for both to grow the EWA business as well as your MSME business without even further dilution.

Moderator: Thank you. Thank you. The next question is from the line of Devesh Rathi from Capital Zen Partner. Please go ahead.

Devesh Rathi: Sir, the expenses, employee benefit expenses, depreciation, there is a substantial reduction in this. Last time, if you see from last March quarter also, from 1.5 Cr, only 93 lakhs were left, employee benefit expenses. This has been reduced from last year also, from 1.2 Cr., 94 lakhs. So, what is the reason for this, because depreciation also reduced?

Sanjay Aggarwal: Because of the slowdown of gold loan business, we pay incentives to the employees, so automatically it is reduced. So, it is the base salary plus incentives. So, when the distribution business is less, then more commission will be reduced from salary.

Devesh Rathi: But depreciation or other expenditure has substantially reduced, what would be the reason? For 17 lakhs, it is coming only 12 lakhs.

Sanjay Aggarwal: Depreciation, I am not sure. I will have to check with my auditors. There is more of tightening of expenses. And the main salary decrease, our commissions have also been reduced in it. This means that the expenditures have also been reduced.

Devesh Rathi: Okay.

Sanjay Aggarwal: The gold loan business, almost 40% goes into either employees or some DSAs. So, because the business has been reduced, it has been reduced. Plus, it is more of direct sourcing of business. When we do sourcing from EWA, there is no need to pay commission. When we pay EWA clients, there is no commission you have to pay to any outsider or inside employees.

Devesh Rathi: Okay. EWA is not in business, but gold loan is.

Sanjay Aggarwal: It has a direct impact on the bottom line.

Devesh Rathi: Correct. Sir, the gold loan business has been reduced. Are we expecting it to bounce back during the year?

Sanjay Aggarwal: Not this quarter. At least from the third quarter. I have spoken to a lot of banks, HDFC, ICICI, and a couple of more banks. So, all the banks are looking at their norms. I think from the third or fourth quarter, the swing will start.

Devesh Rathi: Which segments do you expect to see good growth this year?

Sanjay Aggarwal: If we look at gold loans, we have already tied up with the AU Bank. Its business will start from this quarter. Plus, we are talking about at least one more bank we should onboard this quarter. Plus, we have started education loans. And our home loan and mortgage loans, there is an upswing in that. That is the personal loan business. There is a downswing in the gold loan business, but the other three or four segments are doing a pretty decent. Plus, we expect good growth in MSME growth this year. Plus, in EWA, of course, we expect a substantial improvement in the CRE.

Devesh Rathi: Okay. So, you expect good growth in the other segments?

Sanjay Aggarwal: Yes. In EWA, we are talking to big corporates. I cannot say right now at this stage. We were able to onboard in this particular quarter one or two major corporates. You know, we are expecting a good upswing.

Devesh Rathi: Okay. Is there any target for the number of companies that we want to onboard or the number of employees? Anything we have in mind for the next one year or next couple of years?

Sanjay Aggarwal: There is no upper target like that. We are in touch with, we have a network of **51:57 subagent** pan India plus our own direct team. So, there is no upper target that we have to maximize this much. There is no upper limit on that. The only thing is, we want to onboard good quality corporates.

Devesh Rathi: Okay. And what would be the number of active companies around 30th June?

Talin Aggarwal: Roughly 210.

Moderator: Thank you. The next question is from the line of Binoy Bhatt from Hydra Capital. Please go ahead.

Binoy Bhatt: Hello, sir. Sir, I wanted to know how many total employees have registered with us out of which 5050 are using this data every month?

Talin Aggarwal: Sir, there are 40,000.

Binoy Bhatt: Okay, there are 40,000 in total. So, like, and the 11,000 employees of a corporate, you have done 1,000 active now because of the process is pending or we are just checking. So, like, it can go 20% on...

Management: Yes, actually, that's the new corporate which we have onboarded who have the employee strength of 11,000. So, we have onboarded one of the unit's employees and we are in the process of onboarding rest of the plants as well.

Binoy Bhatt: Okay. So, it's going to happen. So, like, 20% rise will come there itself.

Management: Yes. It is all in pipeline and it will happen.

Binoy Bhatt: And just explain me that first, if a corporate is connected with you what is the percentage rate for them to take loan and then how speed is growing because previously, I thought it was 10% but when on a 40,000 employee 5,000 is more than 10% like almost 12% or something. So, can you explain those, what is the behavior line?

Talin Aggarwal: On a portfolio level always it will be in 10% and 13%. In March we had a high of 15%, but now it is down about 12.5%. Depending on our situation we…

Sanjay Aggarwal: For those payments are late, we have also closed. The good thing about the product is we are in constant touch with all the employees. So, there will be some issues, if there some issues happen in the company so once we receive the payment we list out that company.

Binoy Bhatt: I wanted to understand, for example, this new company joins 10,000 employees .So, what is your experience and then how does it repeat? Like, they keep on repeating those people who have given or not how are they getting added? So, how does that percentage change?

Talin Aggarwal: So, our **(Inaudible) 55:17** is about 90%. So, if somebody taking it today, there is a 90% chance that they again taken the following months as well. So, the real challenge is getting them once. Not to just take them once we need to tap into **(Inaudible) 55:30.** If you need something, if you need money **(Inaudible) 55.37.** So, it effectively becomes a seasonal function as well. March is high, (Inaudible) **55:46.** So, people, you know, as we do from here and pay the school fees. But around Diwali we normally see a decent high about 100-200 bps.

Moderator: [Operator Instructions] The next question is from the line of Ketan R. Chheda, an individual investor. Please go ahead.

Ketan R. Chheda: Sir, when I look at your consolidated P&L statement for the last financial year that is FY'26 versus FY'25 and also Q1 of this year versus Q1 of last year, the fees and commission expenses have reduced significantly. Now, I think to one of the questions you explained that the commissions are clubbed under the employee benefit expenses. So, could you explain then what are these fees and commission expenses in that case? And why are they going down?

Sanjay Aggarwal: Fee and commission expenses what we pay to outsiders. And the salary what we pay to employees is included in the salary.

Ketan R. Chheda: Okay. So, but why is it going down?

Sanjay Aggarwal: Fee commission is what we pay to the outside of DSAs. And whatever we pay to the employees it comes under the salary head.

Ketan R. Chheda: Understood. So, why is the fees commission going down on a year-on-year basis for the full year of FY'26 versus FY'25?

Sanjay Aggarwal: Because we are getting more and more direct business. Our employees are sourcing more and more direct business.

Ketan R. Chheda: The corporates with whom you are tying up?

Sanjay Aggarwal: Yes, and fee income it's a one-time cost. Let's say they introduce to us ex-corporate for our syndication business, next time we don't have to pay them. Then only to the employees **57:55 doing something** goes to them.

Ketan R. Chheda: Okay. And in terms of the geographic distribution for your EWA employee base, could you just give a sense like is it concentrated in certain geography like say for example North of India or South of India some sense you can give?

Sanjay Aggarwal: Major of the corporates are right now from North India but we have done funding corporates as far as Chennai, Calcutta, Pune, Bombay side.

Ketan R. Chheda: But the concentrations in the North?

Management: Yes, major concentrations in the North, but if you look at in terms of distribution we have done in Chennai, we have done a very large company in Chennai this quarter.

Moderator: Thank you. The next question is from the line of Omkar, an individual investor. Please go ahead.

Omkar: Hello, sir. I have seen that the downloads of the Play Store app are not increasing. How is the customer engagement with the app? Because customer engagement that can be our biggest motive going forward from the recurring revenue perspective. That is why I asked this question.

Talin Aggarwal: Coming to the app downloads we have multiple channels through which customers reach out to us. We have web portals, mobile apps and WhatsApp. All-in-all, all channels have a decent activity. Coming to the app portion of it, our app is on Android, it is not available on the iOS. Hence you will be seeing relatively low downloads.

Omkar: How are the transactions through WhatsApp?

Talin Aggarwal: We are having many transactions on WhatsApp.

Omkar: Are you going to use any strategy to increase the engagement in App?

Talin Aggarwal: That keeps happening. It is a constant effort. As we more cross-sell products, we hope the engagement to rise.

Moderator: Ladies and gentlemen, due to time constraints, we take that as the last question. I would now like to hand the conference over to Mr. Karan Thakur for closing comments.

Karan Thakur: Thank you for joining the call of Emerald Finance Limited. Would you have any queries you can drop an email to research@kirinadvisors.com. Thank you for all joining the call. Thank you.

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