

May 20, 2026

To, National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 Scrip Symbol: MANBA	To, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai- 400 001 Scrip Code: 544262
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Sub: Transcript of conference call held in respect of the Financial Results for the quarter and year ended 31st March, 2026

Ref: Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations')

Dear Sir / Madam,

In furtherance of our letter dated April 30, 2026 for Analyst / Investor Earning Conference Call and in pursuant to Regulation 30 and 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, enclosed herewith the transcript of the Earning Conference Call with the Investors and Analysts held on Tuesday, 19th May, 2026 at 02.00 P.M. (IST) to discuss the operations and financial performance for the quarter and year ended on 31st March, 2026.

The transcript of the earning conference call will be available on the website of the Company at: www.manbafinance.com

You are requested to take the above on record.

Thanking You.

For Manba Finance Limited

Bhavisha Jain
Company Secretary and Compliance Officer

Encl: As Above

Manba Finance Limited
Q4 & FY26 Earnings Conference Call
May 19, 2026

Moderator: Ladies and gentlemen, good day and welcome to the Q4 FY 2026 Conference Call of Manba Finance Limited, hosted by Valorem Advisors.

As a reminder, all participants' lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes.

Should you need any assistance during this conference, please signal an operator by pressing "*" and then "0" on your touchtone telephones. Please note that this conference is being recorded. I now hand the conference over to Ms. Purvangi Jain from Valorem Advisors. Thank you and over to you, ma'am.

Purvangi Jain: Thank you. Good afternoon, everyone and a very warm welcome to you all. My name is Purvangi Jain from Valorem Advisors.

We represent the investor relations of Manba Finance Limited. On behalf of the company and Valorem Advisors, I would like to thank you all for participating in the Company's Earnings Conference Calls for the 4th Quarter and full year ended of the Financial Year 2026.

Before we begin, let me mention a short cautionary statement:

Some of the statements made in today's Earnings Call may be forward-looking in nature. Such forward-looking statements are subject to risk and uncertainty, which could cause actual results to differ from those anticipated. Such statements are based on management's belief as well as assumptions made by and information currently available to the management. Audiences are cautioned not to place any undue reliance on these forward-looking statements in making any investment decision.

The purpose of today's Earnings Call is purely to educate and bring awareness about the company's fundamental business and financial quarter under review.

Let me now introduce you to the management participating with us in today's Earnings Call and hand it over to them for their opening remarks.

We have with us Mr. Manish Shah – Managing Director and Mr. Jai Mota – Executive Director and Chief Financial Officer.

Without any delay, I request Mr. Manish Shah to start with his opening remarks. Thank you and over to you, sir.

Manish Shah:

Good afternoon everyone and thank you for joining our Earnings Call today to discuss the performance for the 4th Quarter ended Financial Year 2026.

I would also like to thank Valorem Advisors for hosting this Earnings Call.

Let me first start by giving a brief overview of the company and operational highlights followed by which our CFO will brief you on the financial performance for the 4th Quarter and Financial Year 2026.

Manba Finance Limited is an NBFC offering a range of financial solutions including loans to new 2-Wheeler, 3-Wheeler, used car, small business loan, top-up loan and used 2-Wheeler loans. We are currently operating in 130 locations across 6 states, precisely Maharashtra, Gujarat, Rajasthan, MP, Chhattisgarh and UP. Our distribution network includes over 1,500 plus dealers.

We have secured funding from three public sector, 10 private sector and small finance banks and 25 NBFCs. We have total team size of approximately 1,800 employees out of which more than 900 plus employees are part of sales team. Our internal collection team ensures low NPA in the industry.

The company commands one of the fastest turnaround time for loan sanction in the industry with over 60% of our loans sanctioned in one minute and 92% sanctioned within a day.

During the quarter, we further strengthened our used 2-Wheeler ecosystem through the onboarding of additional dealers. We also entered into a strategic MOU with TVS Motor Company enabling deeper collaboration across the dealer ecosystem and enhancing our reach in 3-Wheeler financing segment.

Further, during the year, company declared an interim dividend of 7.5% per equity share on a face value of INR 10 and has also recommended final dividend of 2.5% per equity share subject to shareholders' approval. Reflecting our continued commitment towards shareholder value creation.

Looking forward, we remain confident in our ability to deliver sustainable and profitable growth and long-term value to our stakeholders.

Now, I request our Executive Director and CFO – Mr. Jai Mota, to brief you on financial performance for the period under review. Over to Jai.

Jai Mota:

Thank you, Manish Sir.

Let me provide a brief overview of the Financial Performance for the 4th Quarter and the full Financial Year 2026:

For the 4th Quarter under review, net interest income stood at INR 50 crore registering a significant growth of 34% year-on-year. Profit after tax for the quarter increased by 39% year-on-year to INR 11 crore reflecting a healthy profitability and continued operational momentum.

For the Financial Year 2026, net interest income stood at INR 162 crore reflecting a healthy growth of 24% year-on-year supported by a steady growth and improving funding efficiency. Profitability remained strong during the year with net interest margin at 13.63% supported by a gross yield of 22.85%. Profit after tax for the Financial Year 2026 stood at INR 45 crores registering a growth of 20% year-on-year reflecting our continued focus on the sustainable and profitable expansion.

As of 31st March 2026, our asset under management stood at INR 1,713 crore reflecting a robust year-on-year growth of 29%. Our balance sheet side stood at INR 1,979 crore.

During the period, we have achieved a disbursement of INR 977 crore compared to INR 842 crore in the same period last year. The strong performance was primarily driven by encouraging demand in the 2-Wheeler segment supported by the continued expansion of our dealer network and addition to the new location during the quarter.

During the quarter, we have also added around 28,500 new customers taking our total live customer base over INR 2.20 lakh. We further expanded our presence across Uttar Pradesh, Madhya Pradesh and Rajasthan, strengthening our portfolio in these states.

Turning to the portfolio mix:

The split between our MFL business, co-lending partnership and DA and BC arrangement stood at 91.84%, 2.62%, 4.43% and 1.11% respectively.

Talking about the product mix for the period under review:

The 2-Wheeler accounted for 84.5%, small business loan for 4.93%, top-up loan for 4.70%, 3-Wheeler 3.28% and used vehicle loan 1.50%. This clearly demonstrates that over 95% of our portfolio remained secure.

On the liability side, we continued to enhance our funding profile with total fund raise of INR 420 crore during the quarter. This includes sanction of INR 100 crore term loan from the SBI, successful issuance of INR 50 crore from the NCD and onboarding a new lending partner such as Protium Finance, Godrej Finance, Godrej Housing Finance.

Also, for the full year FY26, total fund raise stood at INR 1,265 crore of which the term loan accounted for approximately INR 651 crore while NCD issuance was INR 365 crore. These developments further diversify our borrowing mix and reinforce the lender's confidence in our operating model and growth trajectory.

As of 31st March 2026, the Stage-1 asset stood at INR 1,601 crore accounting for 93.49% of the total portfolio and reflecting a strong asset quality. Stage-2 asset were INR 54 crore of 3.18% of the gross asset and remained lower compared to the previous quarter. Gross Stage-3 asset stood at INR 57 crore i.e. 3.33% of the gross asset, improving from 3.38% in December 2025 while the net Stage-3 asset is declined to 2.46% from 2.57%. Our asset quality continues to remain well under control as at the end of the quarter gross NPA stood at 3.33% and net NPA was 2.46%. Credit cost remained extremely stable with the losses consistently around 1% reaffirming the strength of our collection engine and the quality of our underwriting process.

On the provisioning front, we continue to maintain prudent trends. Our expected credit loss provision stood at INR 23 crore compared to IRAC requirement of INR 14 crore resulting in a healthy excess buffer.

Further, our capital adequacy ratio remained healthy at 24.46%, well above the regulatory requirement providing ample headroom to support future growth. Our credit profile remains well supported by the external rating with CARE rating assigning us BBB+ Positive Outlook and Acuité Rating assigning us A-.

On the funding side, our average cost of borrowing is currently 10.64% an improvement from 10.80% last year which has declined and benefiting from the improved credit and favorable market conditions.

Our return ratio also continued to improve with ROE increased from 10.25% in FY25 to 11.65% in FY26 while ROA improved from 2.58% to 2.63% reflecting stronger profitability and improved operating efficiency.

Overall, we believe the company remains well positioned for the sustainable long-term growth supported by the strong momentum in the AUM and disbursement growth, strong asset quality, improving profitability metrics, a healthy capital position and continued strengthening of our liability franchisees.

Going forward, we remain focused on the disciplined growth, deeper market penetration, prudent risk management and delivering consistent value of our all stakeholders.

With this, we can now open the floor for the question-and-answer session.

Moderator:

Thank you very much, sir. Ladies and gentlemen, we will now begin with the question-and-answer session. We will wait for a moment while the question queue assembles. The first question is from the line of Gulshan Singh from Sundhi Securities. Please go ahead.

Gulshan Singh: Good afternoon. Thank you, sir. Sir, I have two questions. The first question is on the loan book side. As you mentioned, we have mainly 84% of our loan from the 2-Wheeler side. My question is regarding in future what kind of a split we are looking like. Will we heavily skew toward this 2-Wheeler or will we reduce this dependency? Also, I just wanted to know about your geographical expansion. What kind of a new geography we are looking to expand?

Manish Shah: The answer to your first question is that gradually our dependency on one product of 2-Wheeler is reducing. Before three years, it was almost 97% 2-Wheeler. From there, it has come down to almost 84%. Going forward, the way we are becoming more aggressive in the 3-Wheeler as well as used car, small business loan, and also we have started the MSME LAP also. Looking at all these things, as per our business plan, we are expecting that after three years, the 2-Wheeler ratio will be around 65% and 35% will be other products. Answering to your second question about the geographical, yes, before only Maharashtra was a major contributor to the business. Today, onboarding customers, it has from almost 58% of contribution from Maharashtra. It has come down to almost 40%. Now, Gujarat is also contributing around 27%. Rajasthan is contributing around 15%. And now, in this current year, we are going to focus more on UP and MP for diversified growth as well as geographical growth. Maybe in 2nd Quarter, we will start our operation in Karnataka also. So, this will further add our geographical diversification.

Gulshan Singh: Sir, my next question is regarding this AI. So, right now, we are seeing a lot of big banks and NBFC, they are using AI to improve their efficiency and in the loan distribution system. So, also reducing their, we can say, the cost and all the things. So, how we are seeing these things and also we are going to implement this thing in our process also, sir?

Manish Shah: So, we have hired a team for the same and initially, we have started taking this benefit for the collection purpose. You know, the customers who have been continuously, by trend-by trend, it is showing that they are paying within a week's time after the bouncing. So, we are not distributing those data to our callers and that second thing we are doing. The same way, which are the days good for 2-Wheeler, which are the seasonal impact going on. So, a lot of data learning is going on so far and which will definitely help us. We are also coming up with a dynamic pricing only because of the AI support that where with the backend working and where we are coming to know that the loss in this particular loan transaction will be lesser than the normal loan transaction. There we are giving some benefit to customers and sometimes some benefits to dealer for sourcing such kind of customers. So, these are the few initiatives we have taken on the AI front.

Gulshan Singh: And all the best for the future.

Manish Shah: Yes, thanks.

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

Danish Shah: Good afternoon, sir.

Moderator: Sir, I am sorry your voice is not very audible. Could you use your handset?

Danish Shah: Now I am audible?

Moderator: Yes, sir. Please proceed. Thank you.

Danish Shah: Yes. So, first of all, congratulations for a very healthy set of numbers. My first question is regarding the AUM. So, the company has shown a 20% AUM growth. So, I wanted to understand what will be a sustainable growth rate for AUM going forward?

Manish Shah: So as a philosophy and as a strategy, the company is focusing on 25% to 30% growth every year. And same, as per our business plan also, it shows that same kind of growth we will be able to achieve this year also. And for that, you can say that we will end up around INR 2,300 to INR 2,400.

Danish Shah: So, my next question is, are you planning for any strategic significance and business potential arising from big OEMs like TVS going forward or any other brand, any big brands?

Manish Shah: Not exactly for 2-Wheeler because 2-Wheeler, all the four very, very active and popular brands such as Honda, Hero, TVS and Suzuki, we are well connected. We are well penetrated across the location where we are. But as far as 3-Wheeler is concerned, we have an All-India tie-up with the TVS Motor Company, which is going to help us for the further penetration in 3-Wheeler. And rest all these are the four 2-Wheeler brands which are predominantly doing good from years, and they keep on bringing more and more new variants also, new vehicles also. So, our penetration will be in line of their new initiatives only.

Danish Shah: Okay, sir. So, one last question. So, I just noticed, why is the provision coverage ratio has been increased for the company like from 24% to 26%?

Manish Shah: Yes. So, this is just to strengthen the balance sheet. Of course, our credit loss is around 1% to 1.25% only across the year at the AUM of INR 100 crores and at INR AUM 1700 crores also. But still to overcome any kind of natural calamity or anything in the future, year-by-year, we are strengthening our PCR and because this year also, we had a good profitability. So, we thought this is the right time to provide more for such kind of Stage-3 assets and strengthen our balance sheet.

Danish Shah: Got it, sir. Thank you so much, sir. And all the best.

Moderator: Thank you. The next question is from the line of Devansh Jain from Eternal Capital. Please go ahead.

Devansh Jain: Yes. Thank you so much for the opportunity, sir. So, my first question was more on the financial side. So, the GNPA and NNPA as I see it have remained largely stable and despite a lot of progressive geographic expansion into states like I think UP and MP. So, are you seeing any warning indicators or basically what I would like to know is how is the management tracking these relatively newer markets?

Manish Shah: Yes. Absolutely. It's a very good question. I would like to say that all the new geography, we landed a little lesser IRR to get very good profile customers because in the new geography, it takes some time to create your collection bandwidth. Sales you can start on the day one but the collection, it takes some time. So, what we do instead of 21%-22% lending, we generally lend at 18%-19% to new geography where we will try to take good customers only and that's the reason our GNPA and NNPA are quite stable in spite of adding new geography.

Devansh Jain: Got it, sir. And I just wanted to understand, sir, now that the demographics have changed in West Bengal, the political stability is also going to come into play. So, is there any plans to enter those markets because that is one market where this microfinance is very much required?

Manish Shah: Yes, yes. So, we are studying especially our Chief Business Officer and Executive Director – Monil Shah is constantly study and research on the new geography expenses. So, first, we will start with Karnataka and later on because as you rightly said, Kolkata is one of the biggest markets for 2-Wheeler, especially for used 2-Wheeler also. So, we are definitely looking at it but not immediately. 2nd Quarter, we are definitely starting Karnataka but maybe by end of this year or maybe in the next year, we start looking at West Bengal.

Devansh Jain: Okay. Thank you for the positive comments. And one last question if I can. So, the dealer count has increased sharply from around 1200 to I think 1650. So, how much is the incremental disbursement growth coming from productivity and improvement versus the network expansion that is happening?

Manish Shah: Yes. So, dealer addition is mainly because we had added used 2-Wheelers and so there are most of the, I will say around (+200) dealers have been onboarded in the last quarter only, last two quarters only, I will say. So, productivity has remained almost similar but with this new counter where placement is going on and we are able to put our manpower also. So, disbursement is also grown by almost 16% from the last year but all this dealer expansion will definitely have a major impact in this coming year.

Devansh Jain: Okay, perfect. Thank you so much, sir. That's it from my side.

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

Sampath: Sir, in the last Earnings Call, the Management highlighted MSME LAP as the upcoming new launch product. So, could you please share the current progress of the same?

Manish Shah: Yes. So, this product is already started. We have already started the disbursement and initially, we have been started two branches, one at Mumbai and one at Pune. So, almost all the hiring of the RAs, business manager, BCM, everything has been done and disbursement at both the branches has started and we are getting a very good response also.

Moderator: Sir, do you have any more questions?

Sampath: No. Okay. Thank you.

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

Rohit Arora: Sir, what is our incremental cost of borrowing in Q4 FY26 and current Q1 FY27?

Manish Shah: Yes. So, Jai, you can take this. Incremental cost of borrowing.

Jai Mota: Hello. Yes. Can you repeat the question?

Rohit Arora: Sir, incremental cost of borrowing in Q4 FY26 and Q1 FY27 currently?

Jai Mota: So, currently, we are raising the funds at 10.50%.

Rohit Arora : Has it increased from Q3 FY26?

Rohit Arora: Has it been increased from Q3 FY26?

Jai Mota: No, it has decreased.

Rohit Arora: From?

Manish Shah: I will just clarify that we are borrowing presently at 10.50% and it has been almost reduced from our previous borrowing which was around 11.25%. So, in last entire year, we have been able to reduce our borrowing cost by 1.10%. And because majorly we have done a PTC transaction is almost 9.75%. We got a SBI approval cum disbursement of INR 100 crore at only 10%. So, my average cost of borrowing will further go down and we are not borrowing anything more than 10.50%.

Rohit Arora: And, sir, are we seeing any further reduction in cost of borrowing?

Manish Shah: Yes. So, of course, on every milestone or every result we are pushing all of our lenders, making them understand, showing our performance and trying for 20 paisa, 25 paisa, 50 paisa to reduce down in this quarter also. But, of course, because of the external situation, it looks a little difficult but, of course, yes, we will not be, we will not at least borrow at a higher price. That is for sure.

Rohit Arora: Okay, sir. And, sir, what are the yields on the MSME LAP business which we have recently started?

Manish Shah: Yes. So, yield is, we are the gross yield is around 18 to 19% because it is a secured asset.

Rohit Arora: Yes. And, sir, LTV?

Manish Shah: LTV, it is there are two, three schemes and all depend upon the personal capacity and we are not only depending on the value of the assets, we also see the paying capacity of the customers. So, relatively, on the valuation part, we go up to 60%.

Rohit Arora: 60% and average ticket size, sir?

Manish Shah: Average ticket size starts from INR 5 lakh to INR 20 lakhs.

Rohit Arora: Okay, sir. And are we looking to add more geographies?

Manish Shah: Yes, definitely, but not immediately. This quarter, we will have only these two branches. Then, in the next quarter, we are going to start at Nasik and Ahmedabad.

Rohit Arora: And further expansion into Rajasthan.

Moderator: I am sorry, sir, could you return to the question queue, Mr. Arora?

Rohit Arora: Okay.

Moderator: Thank you. The next question is from the line of Prashant Kumar from Sunidhi Securities and Finance. Please go ahead.

Prashant Kumar: Thanks for the opportunity. Am I on audible?

Moderator: Yes.

Prashant Kumar: Yes. So, my question is on asset quality trend in current macro-challenging environment, especially the rise in fuel price and the company's higher concentration in vehicle financing. So, are you seeing any early sign of stress in borrower behavior, such as collection efficiency trend or overdue buckets or bonds rates? In a specific customer segment or geography?

Manish Shah: Yes. So, so far, not much because we are basically into 100 cc to 125 CC only. Well, these are the customers who buys this, who take this loan for their basic necessity, for their main basic commuting from residence to office or from residence to school to drop their child. So, they are cautious in repaying and especially the amount of EMI is pretty low. It is around 3,500 to 4,000. Thirdly, we did handsome down payment at the time of disbursement that is around 20% to 25%. So, customer equity is already there. So, they will not be happy to surrender their

vehicle or we may seize their vehicle. So, so far, the scenario has not disturbed this product. But, yes, on a small business loan, we are becoming more cautious and our rejection ratio have been increased and growth sector very enthusiastic environment is not there. So, we are not very much focused on the small business loan because that is the only unsecured product company is having and, of course, the outer limit of the AUM is only less than 5%. So, so far, nothing much has been visible for the war situation which is going on. But, of course, yes, we have tightened our credit policy for new customers onboarding to take a precautionary measure.

Prashant Kumar: For such an elaborative answer. And, if I go some deeper, like, could you provide some more color on customer profiling, like including income segment or occupation mix or they are the first time borrower or repeat customer?

Manish Shah: Yes. So, as far as customers are concern, our 50% of the customers are salaried and 50% is self-employed. We focus more on old house customers who are having their own house. So, our 92% of our customers are having old house. That has always helped us in better collection. As far as the income part is concerned, we this is a very small loan product. So, we just take their income. For Perfios and all, we are not taking, we are taking this for all measures for small business loan. And, as far as new-to-customers are concerned, we always restrict 35% to 40% of our total portfolio for the new-to-customers. So, this all, and in that scenario also, whenever the customer is NTC, we restrict our LTV to 70% to 75%.

Prashant Kumar: Thank you so much sir. And that is it from my side.

Moderator: Thank you. The next question is from the line of Saket Kapoor from Kapoor & Company. Please go ahead.

Saket Kapoor: Sir, I am new to this organization. I am just scratching the surface in terms of trying to understand the model. And, sir, firstly, sir, we are only financing to the ICE model and not to the EV space, or what portion of the EV 2-Wheeler segment can we look forward for financing as there are lots of variations and there are many price variants also there.

Manish Shah: Yes. So, we are into financing of both the variant ICE as well as EV. And our portfolio is always in the similarity of the industry. Today, the industry contribution of EV 2-wheeler is around 7 to 8%. And, same is reflecting in my portfolio also. As far as 3-wheeler is concerned, we are more aggressive in the EV segment. And, of our 3-wheeler portfolio is around INR 50 crore. Out of that, almost INR 40 crore is EV. So, we are well diversified and we are well focused on EV products. Especially, in 2-Wheeler is concerned, iQube, we are very focused. Bajaj Chetak, Ather we are focused. Ather, we are focused. And, as far as 3-Wheeler is concerned, Piaggio, we are focused. Greeves and TV Motor Company.

Saket Kapoor: And, sir, when we look at the risk profile, particularly, EV as a space where technology is also changing rapidly and then the component part of it is also in terms of that getting redundant

quickly is also much higher. So, what are the risks that we are aligning to the same and then the NPAs in that segment also would be slightly higher because the recent price for, I think, so EV, 2-Wheeler and all is much lesser than what the ICE engine would be. That is a more mature market. Yes. What is your understanding?

Manish Shah:

So, as far as 2-Wheelers are concerned, our, so far whatever output has come, as far as collection is concerned, it is better than ICE, I will say. I will say because they are very informed customers. They know that taking this vehicle will not get that kind of speed, but they are taking it for the economy purpose. And mostly educated customers are going forward to buy EV 2-Wheeler. So, as far as EV 2-Wheeler is concerned, my NPAs is only 1% after almost three-and-a-half years of operations. And as far as 3-Wheeler EV is concerned, where you are right, the customer profile are little dicey, and if you will not have a better control on their cash flow, there are possibility that you may end up in high NPA or maybe more credit loss. Because the usage of such a 3-Wheeler EV in India unfortunately, RTOs and all are not so strict because usually they get a permission of four people, but they allow 10 to 12 people. So, the usage and the depreciation of such auto 3-Wheeler, is getting faster than what expected. And when they surrender such kind of vehicle or we see such kind of vehicle, there is a huge loss. So, absolutely, I will say that funding 3-Wheeler and collection of 3-Wheeler is always very, very challenging. One should be very cautious and that's the reason we are growing on a very, very slow pace and on a very, very select OEM only we are going on.

Saket Kapoor:

Right, sir. So, this is space that what should be our book likely for the end of the current year? I mean, how are we like to grow the book which will be more towards the EV space. What should be the size? It should be around the same, the way the market is growing or we will take extra leverage on the EV segment as the variants are going to be much more than what the ICE and the entry level is also less. If we take today the type of example in case of TVS Activa, we find the entry level above 1 lakh, whereas in the EV segment, it ranges from 40,000, 45,000 to in that range. So, half of the prices. So, that gives the ticket size also goes down and hence the market might be more lucrative for you, sir. Is that the understanding correct?

Manish Shah:

First of all, I will correct no good 2-Wheeler is, EV 2-Wheeler is available less than INR 1,25,000. So, those are INR 40,000, INR 45,000 vehicle category of vehicle are unregistered vehicle. They are not from a reputed OEM brands. They are all assembled and imported from China, and we are not into that kind of segment of financing. So, now coming into the first question is that, yes, we will definitely be aggressive in EV financing, especially we are getting a lot of comfort in iQube and Ather as far as 2-Wheeler is concerned. And we are even our lending rate for the same product is also less than our ICE engine, other vehicles lending. And because of the performance, our NPAs are less than 1%. So, we will become more aggressive in the EV. As far as 3-Wheeler EV is concerned, recently we have been able to strike two MOUs where OEM, very renowned and very older OEM employees who are there in the market for many years. They promised us to take a 50% off hit of the POS amount outstanding at the time of the NPA or at the time of the seeding of the vehicle. So, by getting this comfort, we will definitely become little aggressive in the 3-Wheeler EV space also. So, of course, the first goal will be to

align with the industry growth of EV and definitely we will grow in the EV financing sector more than in the industry penetration.

Saket Kapoor: Okay, sir. Thank you for your reply. Thank you.

Moderator: Thank you. The next question is from the line of Mayuresh from Invest4Edu. Please go ahead.

Mayuresh: First of all, congratulations for good sales of number. And thank you for the opportunity, sir. Sir, my first question is on the TVS Motor partnership. Like how is the partnership shaping up and how meaningful can it be for our AUM growth? Are we looking at similar OEM or dealer-led partnership in the future, sir?

Manish Shah: Yes. So TVS Motor, this is an all-India MOU which we entered, and this MOU has been entered before almost three months. So, in this three months, we will be able to onboard 70 TVS dealers who are into 3-Wheeler distribution and this is giving a lot of push to my 3-Wheeler book also because there is a clear communication going from TVS Motor Company to each one of these dealers that Manba is very, very active and most ideal financier for 3-Wheeler and this has helped us. They also have been given us a good subvention at the beginning of the transaction as well as they are going to support us in the event of any credit loss also.

Mayuresh: Got it, sir. And sir, my second question is on the portfolio mix. Are we seeing any change between new vehicles and used vehicle loans? How is this impacting ticket size, yield and asset quality? And also, for used vehicle loans, what is the broad framework for deciding LTV?

Manish Shah: Yes. For used 2-Wheeler, right?

Mayuresh: Yes, sir.

Manish Shah: Yes. So, used 2-Wheeler, of course, the ticket size is up to INR 55,000 to INR 60,000 whereas in the new it is around INR 80,000 to INR 85,000. The yield has also been different whereas the new 2-Wheeler we are lending at around INR 21,000 whereas used 2-Wheeler we can lend at around INR 24,000 to INR 26,000. As far as the quality profile of the customers are concerned, of course, LTC is more than in used 2-Wheeler. It is around 50% to 55%. And as far as behavior of the customers are concerned for both the sectors new and used, so far, of course, the used 2-Wheeler penetration is not much because our presence is only at 150 dealership whereas our presence in the new 2-Wheeler dealership is around more than 1,200 plus. But yes, the first-year performance of the used 2-Wheeler is very promising, and we are not seeing that bigger credit loss. It will be maybe 1% or maybe 1.5% to 2% max.

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

Rohit Arora: Sir, what are the expected timelines of equity fundraise which we talked about in previous con-call?

Manish Shah: Yes, in the previous call also we have already discussed that it is in the targeted quarter is second or maybe 3rd Quarter. But looking at the current scenario it can go into the 3rd or maybe the 4th Quarter. So, but yes, there will be definitely new fundraise will be happening this year.

Rohit Arora: And, sir, are we comfortable to raise funds at low valuation such as are we trading it right now?

Manish Shah: See, that is the reason I am telling you that we may postpone for three to four months once this geopolitical problem issues get settled. Because we were trading at around 140 to 150 at the time of February before all this issue has come up. So, once this gets settled, then we may be started trading at around INR 135 or INR 150 where we will be able to raise the fund.

Rohit Arora: And, sir, what debt-to-equity level are we comfortable?

Manish Shah: Below 4.

Moderator: Thank you. The next question is from the line of Sagar Shah from Spark PWM. Please go ahead.

Sagar Shah: Yes. First of all, thank you for the opportunity and many congratulations for an excellent set of earnings actually. So, my first question, sir, was related to that we have achieved almost at around 30% CAGR growth if you compare actually nearly in the last three years. And going forward from around INR 1,718 crores of worth of AUM. In the next two to three years, are you confident for even similar growth or maybe even higher because as we have now more products as compared to last three years where we started? That is the first question. And, sir, second question, then, what is the portfolio mix that we are targeting in the next two to three years? What will be the portfolio mix between the 2-Wheelers, used 2-Wheelers, 3-Wheelers and even the lap portion, which is coming on board now, which is a secure product and quite stable and you can say a very low credit cost as compared to 2-Wheelers actually. So, what kind of portfolio mix are we targeting? That is my second question.

Manish Shah: Yes. So, answering to your first question, yes, of course, we have been strengthening our team and especially our CBO model is working very hard on further sales penetration and we are quite sure that at least 30% growth year-on-year on an incremental AUM we will be able to achieve by adding the new geography and of course we have added almost four new products to our portfolio. So, growing should not be an issue for us because we are present at six states especially when UP and MP is not penetrated so far. We are only 1% market share in the UP. So, there is a huge and in the MP also our market share is only 3%. So, there is a huge scope in MP and UP. So, and of course we are starting Karnataka also. So, growth will not be a constraint for Manba. As far as answering your second question, yes, within a three years' time the 2-Wheeler portfolio will come down to almost 60%-65% where we are going to in absolute number it will always grow but it was percentage contribution is concerned it will be around 65% and we are focusing on top-up loan, personal loan as well as used 2-Wheeler as well as 3-Wheeler because we are having a lot of new tie-ups also coming up and as you rightly said

MSME LAP is also being, in next year will be very-very mature product and it is also safe, it is secure also and always we have seen that credit loss in this product is less than the unsecured So, it will be a very-very ideal combination at this junction for putting the company on 3rd and 4th gear from here no looking back because now we are well placed in the geography as far as geography diversification is concerned and as far as portfolio and product diversification is concerned

Sagar Shah: Okay, so is it I would like to assume sir that 60%-65% will be 2-Wheeler loans and the rest would comprise of 3-Wheelers used car loans, small business loans and personal loans Is it correct?

Manish Shah: Yes, MSME LAP.

Sagar Shah: Thank you so much sir and all the best Thank you

Moderator: Thank you. The next question is from the line of Prashant Kumar from Sunidhi Securities and Finance.

Prashant Kumar: Yes, so thank you sir once again for giving us opportunity and my question is on signing the MOU with the large OEM like TVS Motar So, given the strategic nature of this partnership are you seeing any deeper engagement from TVS ecosystem beyond this business sourcing particularly in interest of taking any equity stake in Manba Finance similar to the recent investment made by TVS Group in Jana Small Finance Bank.

Manish Shah: That is not at this stage but yes this MOU has really helped us to reach out the not only 3-Wheeler dealer but now we are getting help in reaching out the more and more 2-Wheeler dealers also and we are getting more comfort, dealers are also making us more preferred financial in the 2-Wheeler as far as TVS Motor is concerned So, we are in the first phase only, whatever you are talking that kind of communication nothing has been so far started

Moderator: Thank you. The next question is from the line of Jivit Mehta, an individual investor, please go ahead.

Jivit Mehta: Thank you for the opportunity My first question is like how do we process loans for the used car segment Is it same as the 2-Wheeler loans or is it different?

Manish Shah: So, the entire credit team is completely different as far as used car is concerned because that is a completely different segment only So, sales team is also separate, credit is also separate and as far as collection is concerned that is also separate team. So, the paying capacity because the ticket size 2-Wheeler is INR 80,000, here the ticket size is almost around INR 4 lakh. So, there is a complete different process and SOP we set for the used car

Jivit Mehta: And sir, is our turnaround time that fast in the used car or is it a little slow there?

Manish Shah: It is not exactly like a 2-Wheeler where we have a one minute approval in the HTP process but yes, slow and steady we are growing. We are reducing our debt of approval but here the valuation of the vehicle is also important and so it has come down to almost 3 hours but further going we will definitely take initiative in reducing the debt.

Jivit Mehta: My last question will be what were the credit losses for this year and was it similar to the previous year or was it more than the previous year?

Manish Shah: No, so credit loss was almost similar than the previous years. It is around 1.25% 1.25%

Jivit Mehta: I think so it has increased around 0.25%

Manish Shah: Not 0.25% exactly because my exact working is around 1.12% so my 10 bps.

Jivit Mehta: Like on the industry side we are seeing that the MFI industry is now going through a good cycle so do you expect some of the effects coming into the 2-Wheeler financing industry as well?

Manish Shah: Yes, because if you see the last 6 months performance especially after GST so 2-Wheeler every month is growing as compared to the last year also as compared to the previous best month also in the April also in spite of the current scenario 2-Wheeler is the product which has been grown by almost 14%. So, this is a similar trend we are seeing for May also because today almost we are on 19th of May we are having the same level of growing logging for the 2-Wheeler. So, as far as 2-Wheeler is concerned it is going to be grow this year and coming years also.

Jivit Mehta: Okay sir, thank you for the opportunity and all the best for the future Yes, thanks

Moderator: Thank you. As there are no further questions from participants, I hand the floor over to the management for closing comments.

Manish Shah: So, I thank all the participants in this Earning Call I hope we have been able to answer your questions satisfactorily if you have any further questions or would like to know more about the company please reach out to our IR Managers at Valorem advisors Thank you Valorem for organizing this Earning Call. Thank you very much

Moderator: Thank you very much sir. On behalf of Manba Finance Limited that concludes this conference call. Thank you all for joining us and you may now disconnect your lines