



# **Arman Financial Services Limited**

**Investor Presentation – May 2026**





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# Business Update





# FY26 Performance Highlights

Assets Under Management

**INR 2,728 Crore**  
(21.5% Y-o-Y)

Disbursement

**INR 2,433 Crore**  
(42.0% Y-o-Y)

Shareholder's Equity

**INR 933 Crore**  
CRAR: **Arman (Standalone): 27.86%**;  
CRAR: **Namra : 41.01%**

Profit Before Tax

**INR 77 Crore**  
(12.0% Y-o-Y)

Profit After Tax

**INR 57 Crore**  
(8.7% Y-o-Y)

Provisions and Write offs

**INR 148 Crore\***

*Cumulative Provisions stood at INR 77 Crore as on 31<sup>st</sup> March 2026 (covering 2.8% of the consolidated AUM, 3.3% on book)*

Asset Quality

**GNPA: 3.43%**  
**NNPA: 0.93%**

Return Ratios#

**ROAA: 2.28%**  
**ROE: 6.26%**

Collection Efficiency

**95.8% for FY26**

Active Customer Base

**Approximately 6.3 Lakhs**

\* Sufficient provisions are in place to reflect the ground realities, along with accelerated write-offs



# Track Record of Capital Raising

## 2018: Investment by SAIF Partners

- In 2018, raised Rs. 50 crore by issuing compulsorily convertible debentures (CCDs) to SAIF Partners, a leading private equity firm



## 2022: INR 115 Crore Raised via Preferential Allotment

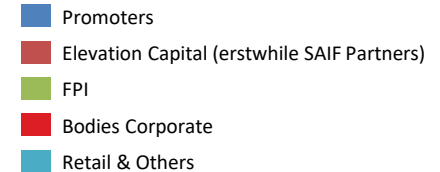
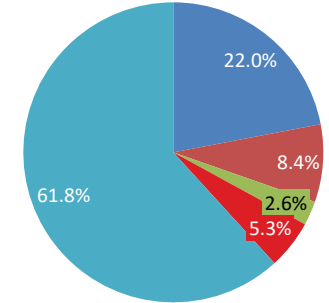
- In September 2022, raised INR 115 crore through a preferential allotment of securities to non-promoter investors.
  - 6,24,388 Unsecured Compulsorily Convertible Debentures (CCDs) at ₹1,230 each, aggregating to ₹76.80 crore.
  - 3,10,972 Optionally Convertible Redeemable Preference Shares (OCRPS) at ₹1,230 each, totalling ₹38.25 crore.



## 2023: INR 230 Crore Raised via Qualified Institutional Placement (QIP)

- In December 2023, raised INR 230 crore through a Qualified Institutional Placement (QIP). The company allotted 10,47,835 equity shares at an issue price of ₹2,195 per share to qualified institutional buyers.

## Shareholding Pattern as on 31<sup>st</sup> March 2026



**Total Shares Outstanding (Fully Diluted) : 1,05,12,921**

*The mix of Tier I & II equity capital will be used to fund the targeted growth plans of taking the organization to INR 5000+ crores with a healthy capital adequacy and debt-equity ratio by leveraging our presence in the MFI, MSME, LAP, Two-Wheeler, and other loan segments which will enable the company to achieve a sustained growth momentum in the coming few quarters.*



# About the Company





# About Arman Financial Services

## About the Company

- A **diversified NBFC** focusing on large under-served rural & semi-urban retail markets
- Founded in **1992** by Mr. Jayendra Patel in Ahmedabad
- Listed on **BSE in 1995** and on **NSE in 2016**
- Strong Management Team having a **combined experience of 100+ years** in the Lending Business

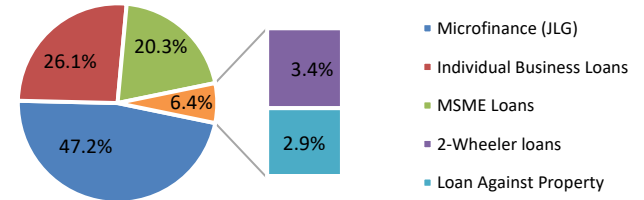
## Strong Historical Financial Performance

- High-Growth Trajectory (**FY16-26 CAGR**):
  - AUM: **~32%**
  - Net Interest Income: **~33%**
  - PAT: **~25%**
- Consolidated debt to equity ratio as on 31<sup>st</sup> March 2026 of 1.7x – Sufficient Capital to drive growth going forward<sup>#</sup>

## Efficient Liability Management

- Consistent rating upgrades backed by strong financial & operating performance
  - Namra & Arman credit rating reaffirmed to A- (Stable Outlook) by ACUITE in January 2026
  - Reaffirmed to A- (Negative Outlook) by CARE Ratings for Arman and Namra
  - MFI-1 (MFI One) rating has been awarded to Namra Finance Limited, the wholly owned subsidiary offering microfinance loans
- Track record of consistent profitability- Never reported an annual loss
- Completely in-house operations with bottoms up driven credit appraisal models and rigorous collections practices

## Presence in Attractive Retail Lending Segments – FY26



**529**

Branches

**162**

Districts

**11**

States

**~6.3 Lakh**

Live Customers

**50+**

Two-Wheeler dealerships

**Positive ALM**

Comfortable Liquidity Position

**38+**

Diversified Borrowing Profile & Relationship with Banks & FIs

Began operations in Gujarat and has continuously undertaken expansion since 2014 to achieve geographic diversifications with footprint in 11 states.

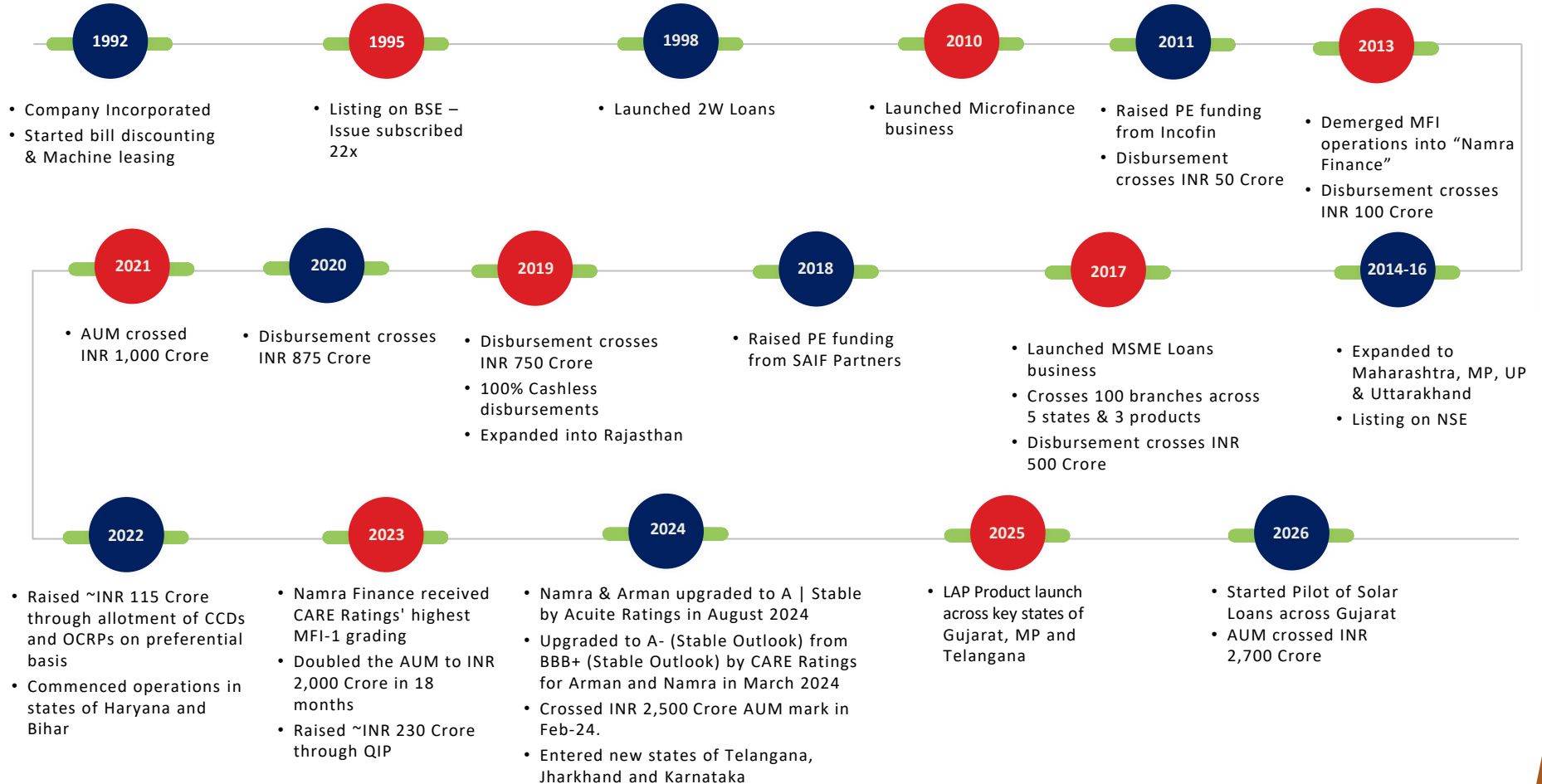
<sup>#</sup>Company's wholly owned subsidiary 'Namra Finance Limited' offers microfinance loans

<sup>#</sup>After adjusting overdrafts (OD) from banks having 100% security against fixed deposits amounts to INR 175 Crore.

Figures may not add up due to rounding off

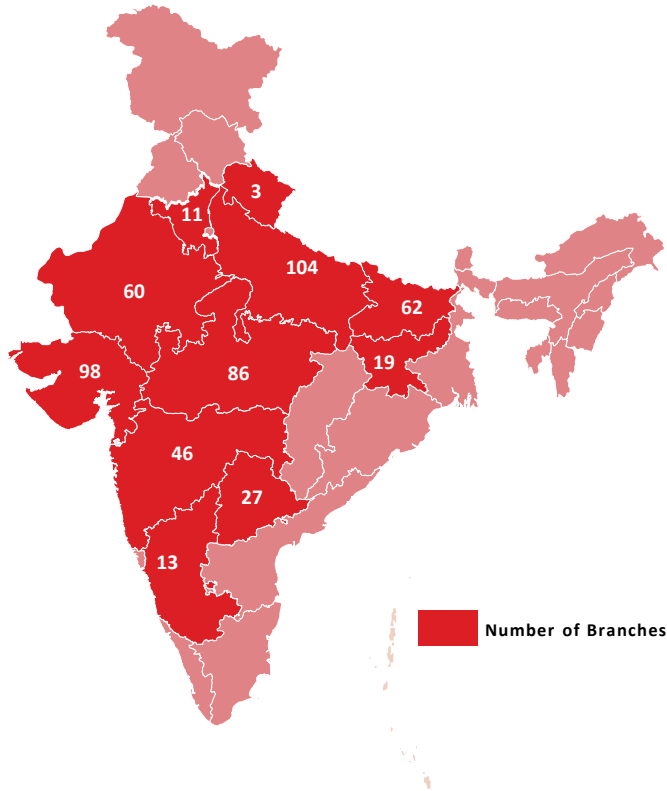


# Journey so Far

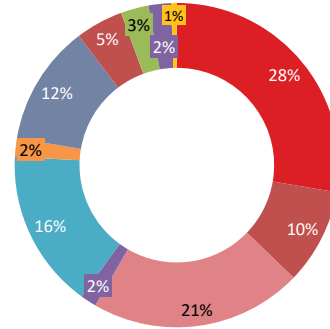




# Geographical Footprint



## Geographical AUM Mix (Consolidated)



- Gujarat
- Madhya Pradesh
- Telangana
- Rajasthan
- Karnataka
- Jharkhand
- Uttar Pradesh
- Bihar
- Uttarakhand
- Haryana
- Maharashtra

Number of Branches	FY26	FY25
Microfinance	404	391
MSME	122	95
2W & Rural 2W	3	3
<b>Total</b>	<b>529</b>	<b>489</b>

**529**

Branches

**~6.3 Lakh**

Active Customers

**4900+**

No of Employees

**4100+**

No of Loan Officers



# Strong Underwriting by Leveraging Digital Transformation

## Loan Management

- Loan Utilization check
- Instant pre-closure and pre-settlement and its simulation for the customer to understand
- Hassle-free check in case of advance or Overdue collection
- Centre & Customer categorization based on repayment trends

## Superior Collection

- Mobile-based collection at Point of transaction
- Customized UPI QR code to each customer facilitating them to Go Cashless
- An easy way out to Prepone and postpone the due dates in case of Holidays
- Instant acknowledgment SMS to the customer in vernacular languages

## Customer Gain

- Paperless disbursement through eSign
- Providing intimation of each relevant transaction through SMS to every customer
- Tele-calling will happen through the system with a call recording facility
- Will develop customer facing app post implementation

## Instant Verification Of Key Details

- The LOS\* & LMS\* System facilitates instant verification
- KYC Validation through OCR and face recognition
- Mobile No. verification through OTP
- Customer identity verification through UPI System
- Bank Account verification through "penny-drop"

## Instant First-level Credit Assessment

- Immediate household-based credit assessment through Credit Bureau API integration and robust rule engine
- Algorithm based risk assessment
- Fully compliant with new RBI regulations for household income assessment
- Overlapping customers will be alerted by the system across products and divisions to avoid over indebtedness

## Traceability

- Better customer traceability by 4D customer Verification, which includes geotagging (Latitude, Longitude), House Picture, auto address capture, and Mobile verification
- Centre Branch Geo fencing to avoid any slippages in the defined process
- Audit trail of each stage



## Arman Suvridha – Customer Service App

- Designed to enhance customer engagement and streamline loan management for its microfinance clientele.
- Loan Account Overview
- Payment Schedule Tracking
- Document Access

**~50% Reduction in TAT between sourcing documents and fund disbursement**



# Eminent Board of Directors

## Alok N. Prasad *Chairman*

- A veteran banker with over 35 years of regulatory, banking and financial services experience, with Senior positions at RBI, NHB, and Citi Bank.
- He was the founder CEO of MFIN, the Industry Body and Self-Regulatory Organization (SRO) for Microfinance Institutions (MFIs) in India.
- He has served on a number of committees of the Ministry of Finance, Govt of India.

## Jayendrabhai B. Patel *Whole Time Director\**

- He has been an entrepreneur for 45 years. He was involved in a pharmacy business in a USA early in his career followed by running a textile start-up in Gujarat.
- He founded Arman in 1992 and has been at the helm of management since then.
- He is the founder member of the Gujarat Finance Companies Association and presently serves as Vice-Chairman of the Association.

## Aalok J. Patel *Vice Chairman & Managing Director\**

- He has 16 years of banking and finance experience, including 12 years at Arman. Prior to Arman, he worked as an independent auditor at KPMG in US.
- He is a licensed Certified Public Accountant (CPA) from USA. He also has served as a visiting professor at HL College of Commerce and is a guest lecturer at IIM-A.
- He holds a Bachelor's in Accounting & Finance and Master's in Accountancy from Drake University, USA.

## Yash K. Shah *Independent Director*

- He is a Chartered Accountant and currently a partner at DBS & Co.
- He is an expert in the fields of Mergers & Acquisitions and Valuations. Prior to DBS, he was at KPMG in the MA division.
- He has written various papers on Domestic Transfer Pricing and Cross Border Transactions and also given numerous lectures in the topic of M&A.

## Ritaben J. Patel *Non-Executive Director*

- She holds Banking qualifications from First National Bank of Chicago, USA and has worked with various other USA banks like Golf Mill Bank and Morton Grove Bank in various capacities for more than a decade. She holds a B. A. in Economics.

## Aakash J. Patel *Non-Executive Director*

- He has over 18 years of Information Technology, Computer Science, and business experiences. Currently, he works as a Manager- PMO for Bullhorn Inc.
- Prior to that, he worked at various other roles such as IT Consulting with Deloitte, software developer at Intellitools, and other companies such as Hewlett Packard, EMC Corporation, Softscape Inc and Sumtotals Systems.
- He holds a MBA from Bentley College, USA.

## Pinakin S. Shah *Independent Director*

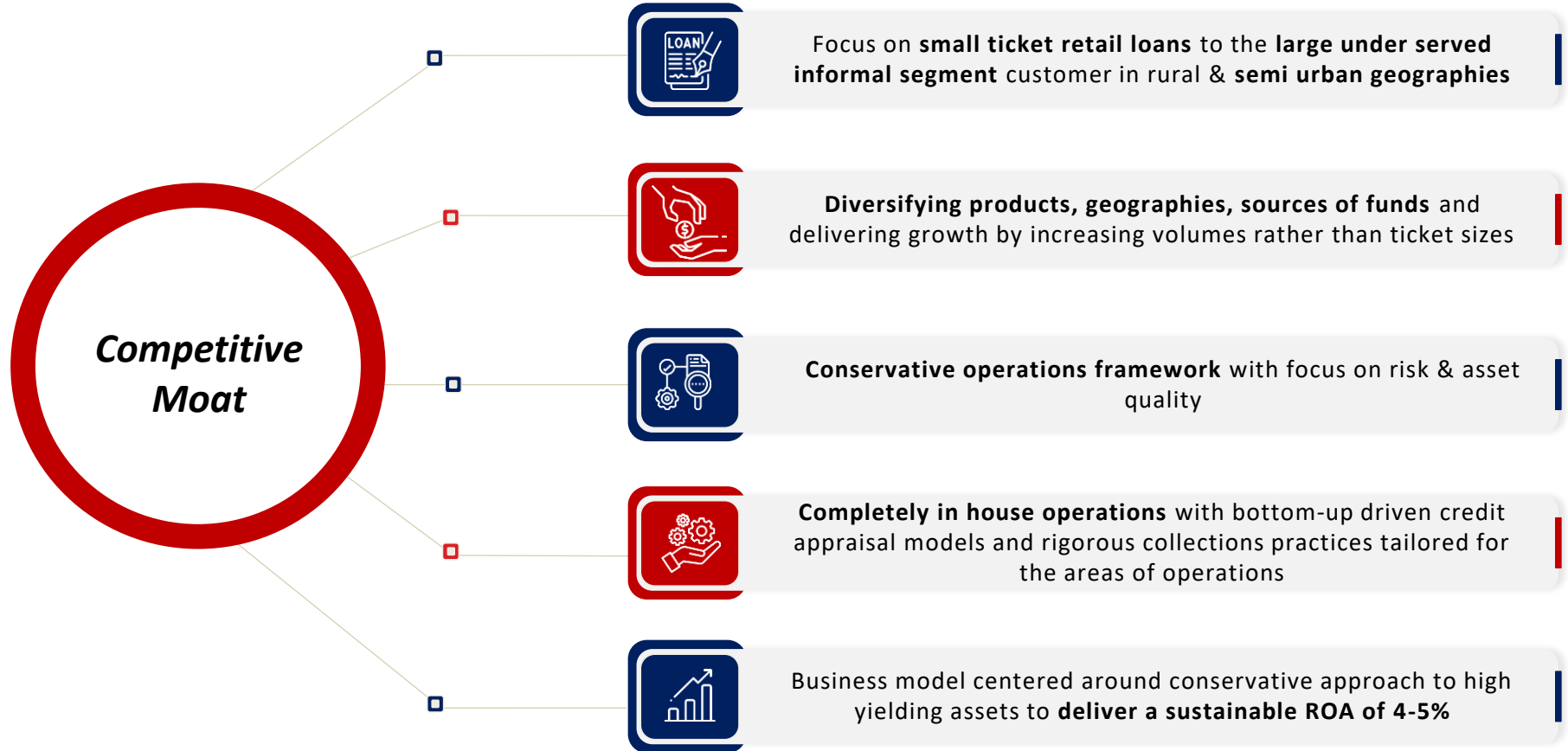
- An accomplished Company Secretary, Registered Valuer, and Insolvency Professional with 40 years of experience.
- He brings a unique blend of legal expertise and financial acumen to the boardroom. Spearheaded Gujarat Lease & Finance Limited (GLFL) for over 2 decades in various senior management roles like Company Secretary, Financial Controller and CEO. He has successfully navigated complex legal landscapes and delivered results in diverse industries

## Geeta H. Solanki *Independent Director*

- She is a serial social entrepreneur in Women's health, hygiene, and social development.
- She co-founded a company for educating and providing women hygiene care to bottom of the pyramid customers.
- She received the 'Bharat Ki Laxmi' award from The Ministry of Women and Child Development, and also serves as an expert on numerous panels and summits on Women's hygiene.



# Competitive Moat





## Presence in Attractive Retail Lending Segments





# Product Offerings across Verticals

47.15%

## Microfinance - JLG

**Average Ticket Size :**

INR 54,000

*(Cycle 1 & 2 -INR 25K – 60K  
Cycle 3+ -INR 25K – 75K)*

**Tenure: 12 - 24 Months**

20.31%

## MSME Loans

**Average Ticket Size:**

INR 81,000

**Tenure: 24 Months**

3.44%

## Two-Wheeler Loans

**Average Ticket Size:**

INR 75,000

**Tenure: 12 - 36 Months**

2.92%

## Loan Against Property (LAP)

**Average Ticket Size:**

INR 5,40,000

**Tenure: 36 - 84 Months**

26.10%

## Individual Business Loans (Microfinance)

**Average Ticket Size:**

INR 98,000

**Tenure: 24 Months**

0.08%

## Solar Loans

**Average Ticket Size:**

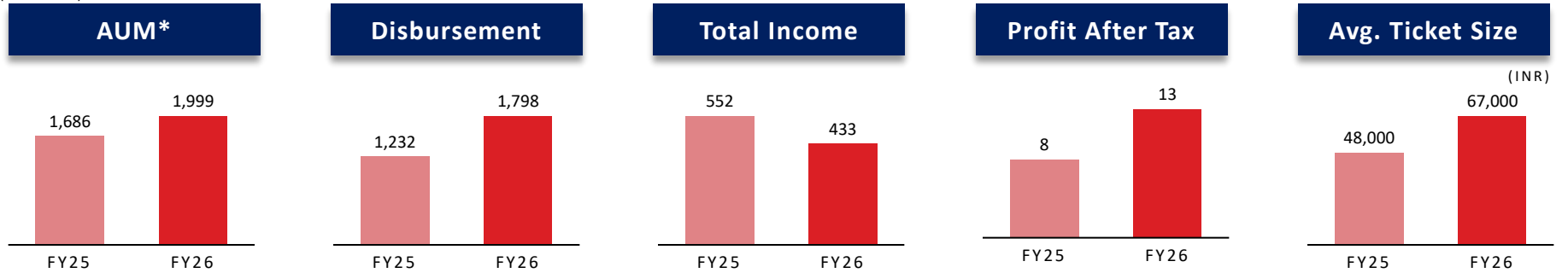
INR 1,80,000

**Tenure: 12-60 Months**



# Microfinance Loans

(INR Crore)



\*Includes Individual Business Loans

- JLG model with small ticket loans (Avg. Ticket Size – INR 67,000) given to women borrowers for income generating activities such as Livestock, Dairy, Agri allied, Kirana Stores
- **Operations:** Operations in 11 states; 404 MFI branches; 4.93+ lakh active customers
- **Operating Model:**
  - High touch monthly collection model
  - Rural concentration: ~93.24% rural & semi-urban portfolio (vs 75% for MFI industry)
  - Conservative risk framework
    - 100% Cashless disbursement
    - JLG groups formed by customers themselves
    - Loan utilization checks to ensure loan for income generating purpose
- Controlled growth targets driven by bottom-up projections. Tightened credit policy through implementation of SRO recommended guardrails of max number of lenders and borrower outstandings.

- **Disbursement:** 100% Cashless
- **Credit Check:** CRIF / Equifax Score; JLG Model with Training, Home Visit, Lifestyle Appraisal, Independent Credit Evaluation Structure
- **Collections:** Cash collection at centre meetings. Increased focus on digital mode of collections with ~35% of the overall collections are now cashless.

## Key Ratios (FY26)

**\*Yield: 22.72%**

**\*NIM: 13.68%**

**ROAA: 0.70%**

**GNPA: 3.40%**

**NNPA: 0.95%**

**ROE: 2.00%**

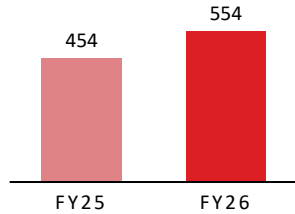
\*Yield and NIMs are excluding DA income



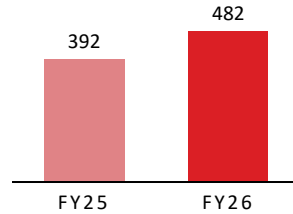
# MSME Loans

(INR Crore)

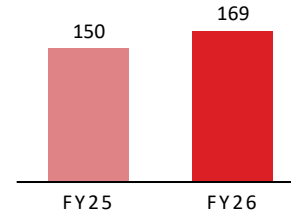
## AUM



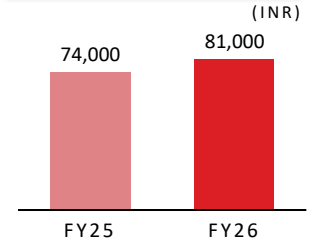
## Disbursement



## Total Income



## Avg. Ticket Size



- Individual enterprise /working capital loans for small rural businesses in low competition areas
- Currently operates across 7 states – Gujarat, MP, Maharashtra, Rajasthan Uttarakhand, Uttar Pradesh & Telangana with 125 branches
- **Arman MSME operating model:**
  - **Dual credit bureau check** for both customer and spouse on CRIF (for MFI loans) and CIBIL (for non -MFI loans)
  - **High-touch monthly cash collection model**
  - **Cash Flow assessment** using tailored appraisal techniques
  - **Locally drawn field force** with personal knowledge of the market
  - **In-house teams** for pre-lending field investigations and appraisals with **centralized final credit approval**
- **Highest ROA product at Arman;** focus on growing this business over time
- Focus on quality underwriting & rigorous collections to ensure asset quality

- **Disbursement:** 100% Cashless
- **Credit Checks:** CIBIL & CRIF Score; Detailed Cash Flow Assessment; Home & Business Field Investigation.
- **Collections:** Doorstep cash collection. Increased focus on digital mode with ~45% cashless collections

## Key Ratios (FY26)

**\*Yield: 33.58%**

**GNPA: 3.84%**

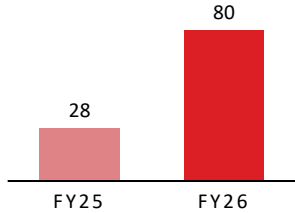
**NNPA: 0.85%**



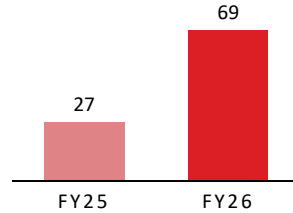
# LAP Loans

(INR Crore)

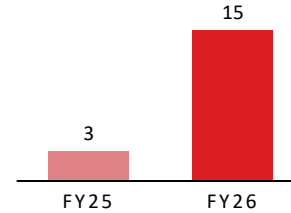
## AUM



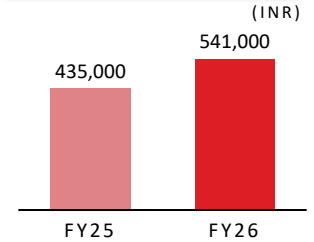
## Disbursement



## Total Income



## Avg. Ticket Size



- Company launched and piloted a new product, Loan Against Property in Q4 FY24.
- AUM contribution as on Mar-26 is ~2.9%.
- In Mar-26, the average ticket size of this product is INR 5.4 Lakhs, with a tenure ranging from 36 to 84 months
- Currently operates across Gujarat and newly started in Telangana & Madhya Pradesh.
- Operating in Tier 3-4 & below locations; key growth driver going forward, with Maximum LTVs of 65%
- **Growth levers:**
  - Increase in finance penetration
  - Geographical & new product expansion

- **Disbursement:** 100% Cashless
- **Credit Checks:** CIBIL & CRIF Score; Home & Business Field Investigation, detailed cash flow assessment, property's technical valuation and title investigation
- **Collections:** 100% - E-Nach and other digital modes

## Key Ratios (FY26)

**\*Yield: 24.36%**

**GNPA: 0.74%**

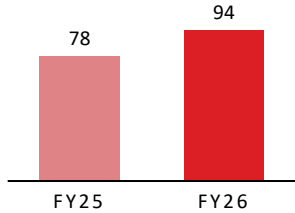
**NNPA: 0.32%**



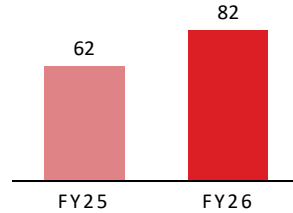
# 2W and Rural 2W Loans

(INR Crore)

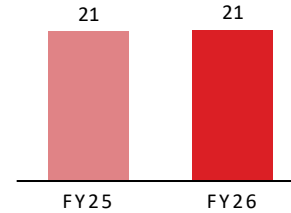
## AUM



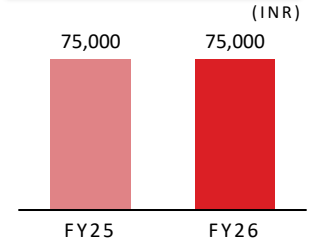
## Disbursement



## Total Income



## Avg. Ticket Size



- Hypothecation (secured) loans given to self-employed /cash-salaried customer in the informal segment in semi-urban/rural areas for a 2W
- Currently operates only in Gujarat; across 50+ dealerships
- Operating in Ahmedabad-Gandhinagar & Tier 3-4 locations in Gujarat.
- **Growth levers:**
  - Increase in finance penetration
  - Geographical & new product expansion
- **Arman 2W & Rural 2W operating model:**
  - Focus on **quick turn around time**
  - Excellent **relationships with local dealers.**
  - **In-house feet-on-street** model for **rigorous collections**

- **Disbursement:** 100% Cashless
- **Credit Checks:** CIBIL & CRIF Score; Home & Business Field Investigation
- **Collections:** E-Nach and other digital modes for 2W, doorstep cash collection rural 2W

## Key Ratios (FY26)

**\*Yield: 26.68%**

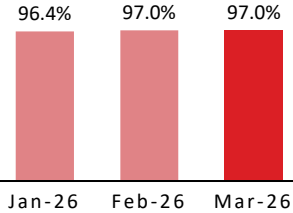
**GNPA: 3.95%**

**NNPA: 1.66%**

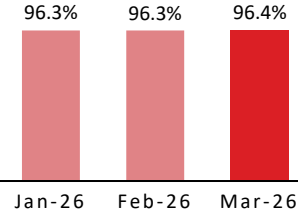


# Collection Efficiency

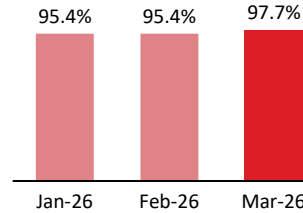
## Microfinance



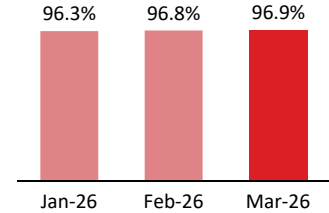
## MSME



## Two-Wheeler



## Total



### Update on Collections

- With stabilizing borrower cashflow, Collections are witnessing a gradual improvement, supported by tighter monitoring mechanisms and disciplined field execution.
- Microfinance and MSME collections were at ~97.0% and ~96.4% in Mar-26
  - 2W collections improved to ~97.7% in Mar-26
- Cumulative Provisions stood at INR 77.4 Crore as on 31<sup>st</sup> March 2026 (covering 2.8% of the consolidated AUM, 3.3% on book)
  - Namra Finance: Cumulative Provisions stood at INR 48.4 Crore as on 31<sup>st</sup> March 2026 (covering 2.4% of the consolidated AUM, 3.0% on book)
  - Standalone: Cumulative Provisions stood at INR 29.0 Crore as on 31<sup>st</sup> March 2026 (covering 4.0% of the consolidated AUM, 4.0% on book)

Particulars (INR Crore)		Microfinance	MSME	Two-Wheeler	Total
Jan-26	Collection Due	133.5	48.1	5.3	<b>187.0</b>
	Amount Collected	128.7	46.4	5.1	<b>180.1</b>
Feb-26	Collection Due	141.6	50.1	5.3	<b>197.0</b>
	Amount Collected	137.3	48.3	5.1	<b>190.6</b>
Mar-26	Collection Due	143.4	53.0	5.5	<b>201.9</b>
	Amount Collected	139.1	51.1	5.4	<b>195.5</b>



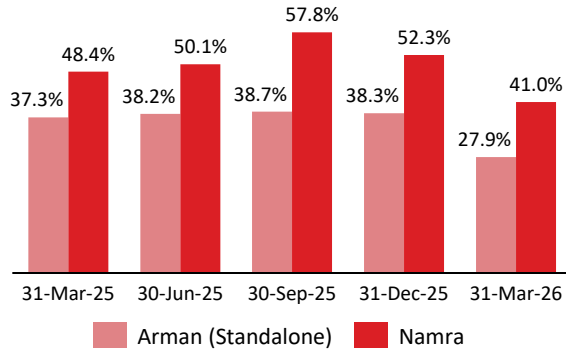
## **Efficient Liability Management**



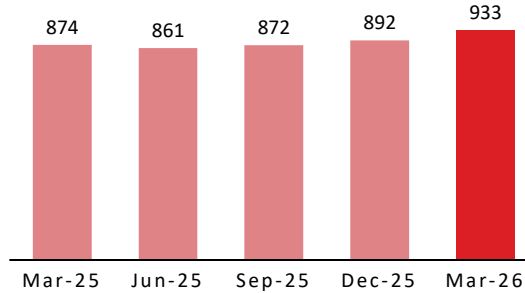


# Strong Capitalization with Sufficient Liquidity

## Capital Adequacy Ratio



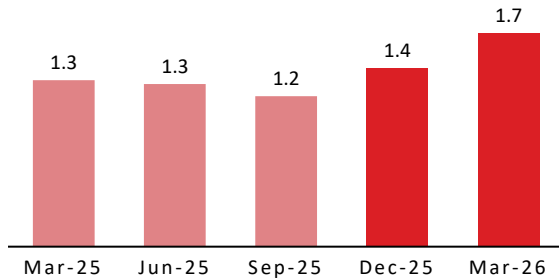
## Net worth (INR Crore)



## ALM Position (in Months)



## Debt/Equity (x)#



### Update on Liquidity

- Healthy Liquidity position with INR 229 Crore in cash/bank balance, liquid investments, and undrawn CC limits
- ALM remained comfortably positive, while the Company continued to diversify its borrowing profile through DA transactions, NCDs and relationships with existing as well as new lenders
- Additionally, company has INR 275 Crore undrawn sanctions from existing lenders

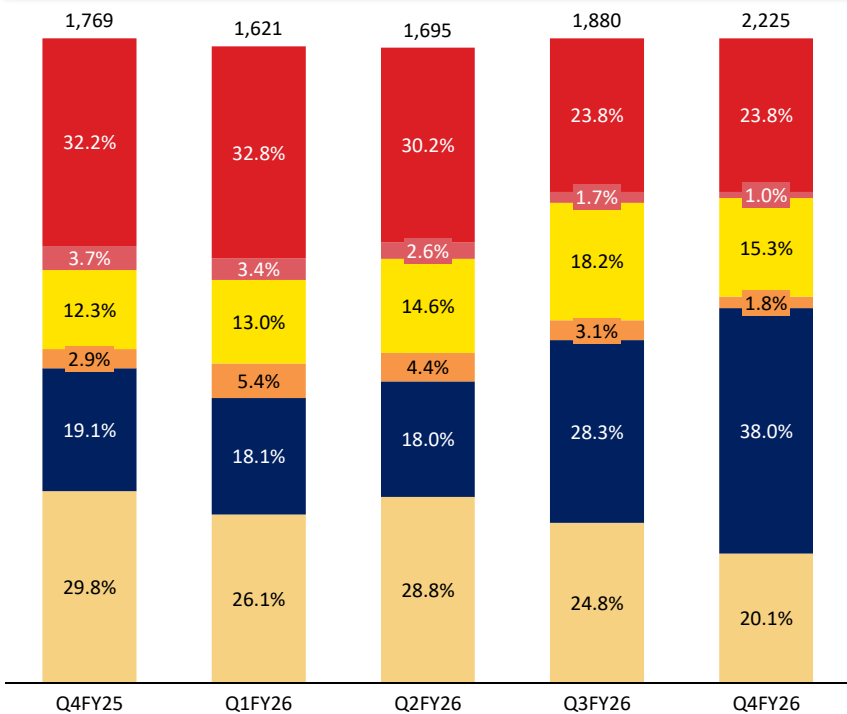
#After adjusting overdrafts (OD) from banks having 100% security against fixed deposits amounts to INR 175 Crore.



# Borrowing Profile

## Borrowing Mix (%)

(INR Crore)



- Banks & SFBs
- NBFC / FI
- NCD
- DFIs (NABARD, MUDRA & SIDBI)
- Securitization
- DA

## Top 5 Lending Partners

Top 5 Lenders	% of Borrowings
Lender 1 – TL & DA	13.61%
Lender 2 - TL & DA	5.44%
Lender 3 - TL & DA	4.58%
Lender 4 – TL & DA	4.47%
Lender 5 - TL & DA	4.02%

## Credit Rating

Credit Rating	ACUITE
Long Term Bank Facilities	ACUITE A -   Stable Outlook
Non-Convertible Debentures	

**Namra Finance Limited is assigned 'MFI-1' (MFI One) grading by CARE Advisory Research & Training Limited.**



# Lending Partnerships

## Bank Borrowings

## Non-Bank Borrowings

## Securitization Partners

## NCDs & ECB

The Brand Names mentioned are the property of their respective owners and are used here for identification purposes only



# Financial Performance



# FY26 Consolidated Profit & Loss Statement



Particulars (INR Crore)	Q4FY26	Q4FY25	YoY %	Q3FY26	QoQ%	FY26	FY25	YoY %
<b>Income from Operations</b>	175.6	199.4		160.1		645.9	730.0	
Other Income	0.0	0.0		0.0		0.0	0.0	
<b>Gross Total Income</b>	<b>175.6</b>	<b>199.4</b>	<b>-12%</b>	<b>160.1</b>	<b>10%</b>	<b>645.9</b>	<b>730.0</b>	<b>-12%</b>
Finance Costs	52.8	51.7		50.8		205.4	239.4	
<b>Net Total Income (NTI)</b>	<b>122.8</b>	<b>147.6</b>	<b>-17%</b>	<b>109.3</b>	<b>12%</b>	<b>440.4</b>	<b>490.7</b>	<b>-10%</b>
Employee Benefits Expenses	41.5	32.2		38.9		150.3	112.3	
Depreciation and Amortisation	0.4	0.5		0.4		1.7	1.8	
Other Expenses	21.6	13.3		15.2		62.9	43.4	
<b>Pre-Provision Operating Profit</b>	<b>59.3</b>	<b>101.6</b>	<b>-42%</b>	<b>54.7</b>	<b>8%</b>	<b>225.6</b>	<b>333.2</b>	<b>-32%</b>
Total Provisions & Write-offs	17.2	89.0		26.2		148.3	264.1	
<b>Profit Before Tax</b>	<b>42.1</b>	<b>12.7</b>	<b>232%</b>	<b>28.5</b>	<b>48%</b>	<b>77.4</b>	<b>69.1</b>	<b>12%</b>
<b>Profit After tax</b>	<b>41.0</b>	<b>12.8</b>	<b>221%</b>	<b>22.2</b>	<b>85%</b>	<b>56.6</b>	<b>52.1</b>	<b>9%</b>

Figures may not add up due to rounding off

# Balance Sheet – 31<sup>st</sup> March 2026



Particulars (INR Crore)	Consolidated		Standalone	
	Mar-26	Mar-25	Mar-26	Mar-25
<b>ASSETS</b>				
<b>Financial Assets</b>				
Cash and cash equivalents	87.8	67.8	74.8	4.8
Bank Balance	311.1	335.7	71.7	69.0
Loans & Advances	2,213.5	1,683.7	763.7	552.7
Investments	92.5	39.0	420.9	351.3
Other Financial assets	26.0	41.6	3.4	4.5
<b>Total Financial Assets</b>	<b>2,730.8</b>	<b>2,167.6</b>	<b>1,334.5</b>	<b>982.3</b>
<b>Non-Financial Assets</b>				
Current tax Assets (Net)	6.3	0.0	0.5	0.0
Deferred tax Assets (Net)	21.7	26.0	7.5	6.8
Property, Plant and Equipment	29.2	29.7	25.3	25.3
Other Intangible Assets	0.2	0.3	0.1	0.1
Capital Work In Progress	2.6	0.2	2.6	0.2
Right To Use Asset	2.2	1.1	0.0	0.0
Other non-financial assets	4.8	2.5	1.7	1.5
<b>Total Non-Financial Assets</b>	<b>67.0</b>	<b>59.7</b>	<b>37.8</b>	<b>33.9</b>
<b>Total Assets</b>	<b>2,797.8</b>	<b>2,227.3</b>	<b>1,372.3</b>	<b>1,016.1</b>

Particulars (INR Crore)	Consolidated		Standalone	
	Mar-26	Mar-25	Mar-26	Mar-25
<b>LIABILITIES &amp; EQUITY</b>				
Equity Share capital	10.5	10.5	10.5	10.5
Reserves & Surplus	922.8	863.9	621.9	575.3
<b>Total Shareholders' Funds</b>	<b>933.3</b>	<b>874.4</b>	<b>632.4</b>	<b>585.8</b>
<b>Financial Liabilities</b>				
Other Payables	1.9	1.2	1.3	0.2
Debt Securities	844.3	334.5	442.8	139.5
Borrowings	921.5	887.8	279.8	271.7
Subordinated Liabilities	10.0	10.0	0.0	0.0
Other Financial Liabilities	77.7	111.5	12.4	8.8
<b>Total Financial Liabilities</b>	<b>1,855.3</b>	<b>1,345.0</b>	<b>736.3</b>	<b>420.3</b>
<b>Non-Financial Liabilities</b>				
Current tax liabilities (Net)	0.0	2.0	0.0	6.5
Provisions	5.7	3.2	2.0	1.1
Other non-financial liabilities	3.4	2.6	1.5	2.5
<b>Total Non-Financial Liabilities</b>	<b>9.1</b>	<b>7.9</b>	<b>3.5</b>	<b>10.0</b>
<b>Total Liabilities &amp; Equity</b>	<b>2,797.8</b>	<b>2,227.3</b>	<b>1,372.3</b>	<b>1,016.1</b>

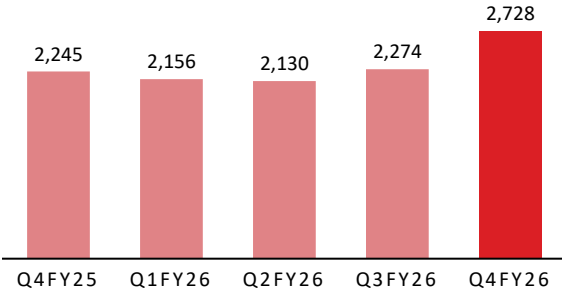
Figures may not add up due to rounding off



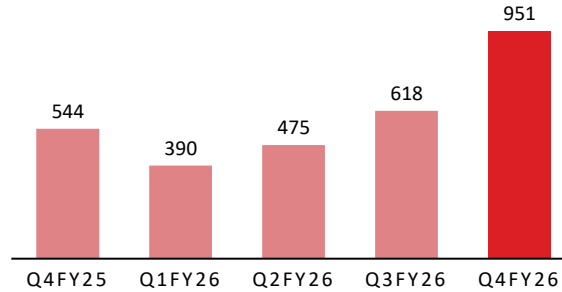
# Consolidated Business Performance

(INR Crore)

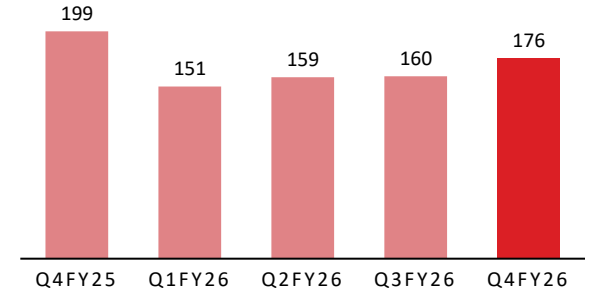
## AUM



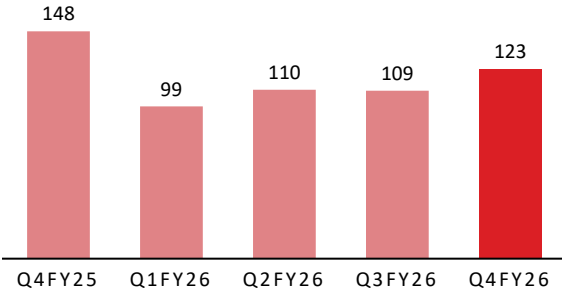
## Disbursement



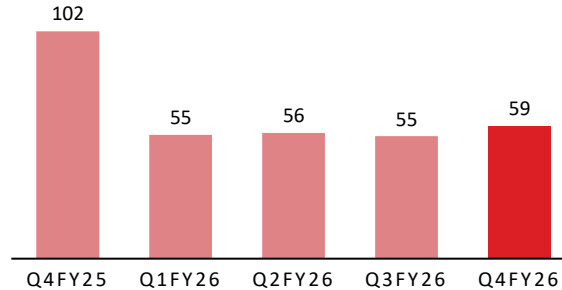
## Gross Total Income



## Net Total Income



## Pre-provision Operating Profit



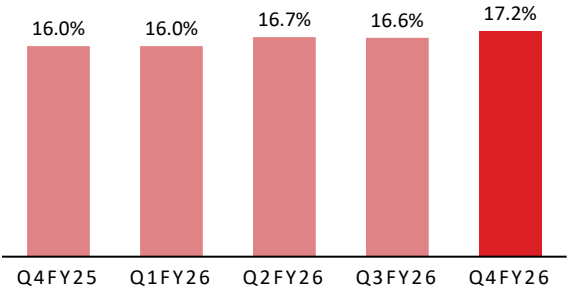
## Profit / Loss After Tax



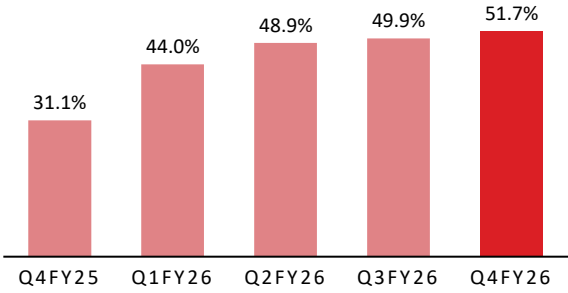
# Consolidated Business Performance



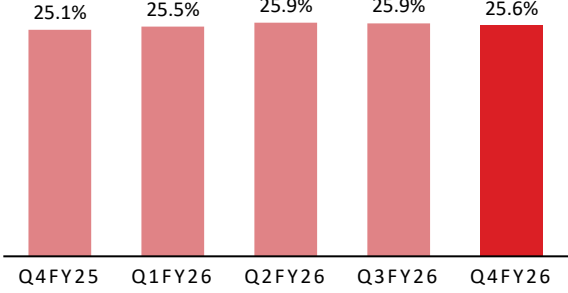
## Net Interest Margin (%)



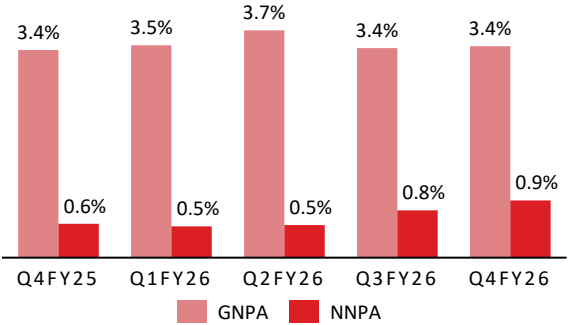
## Cost to Income Ratio (%)



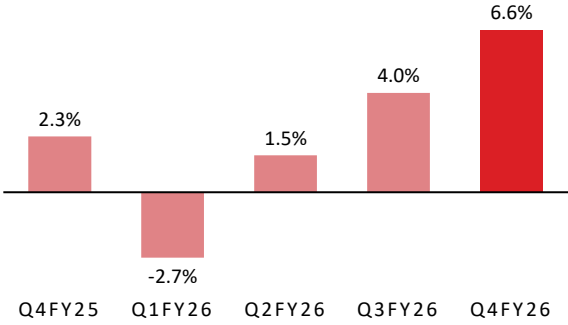
## Yield (%)



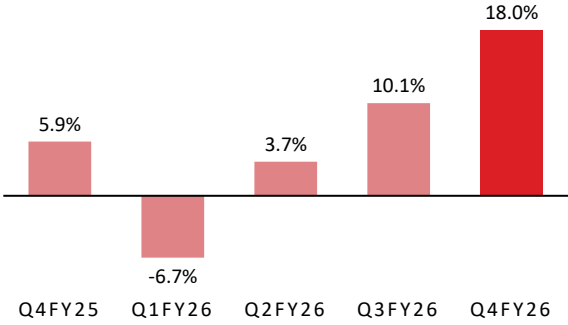
## Asset Quality (%)



## Return on Average AUM (%)



## Return on Equity (%)

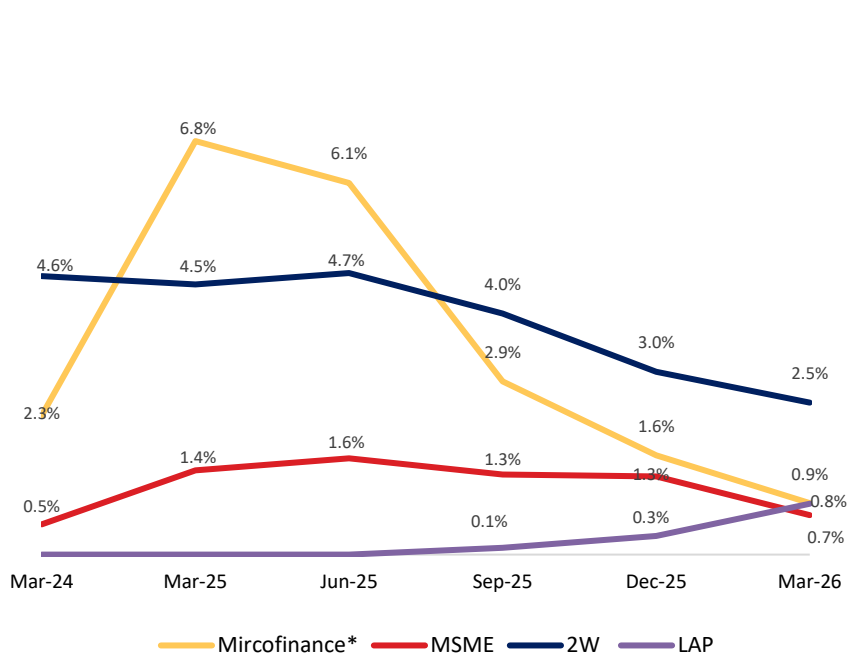


NIMs and Yield are calculated excluding DA income. RoE and Return on Avg. AUM figures are annualized

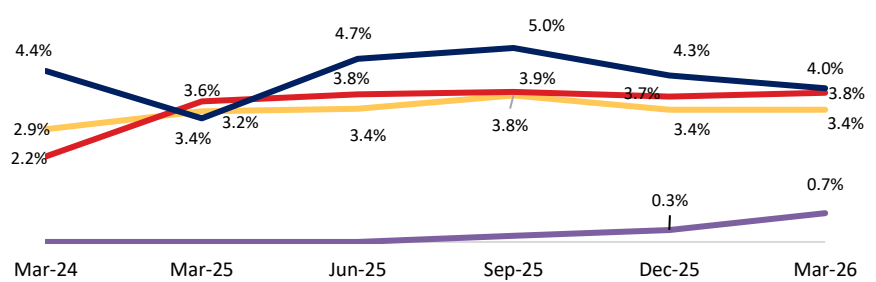


# PAR Movement

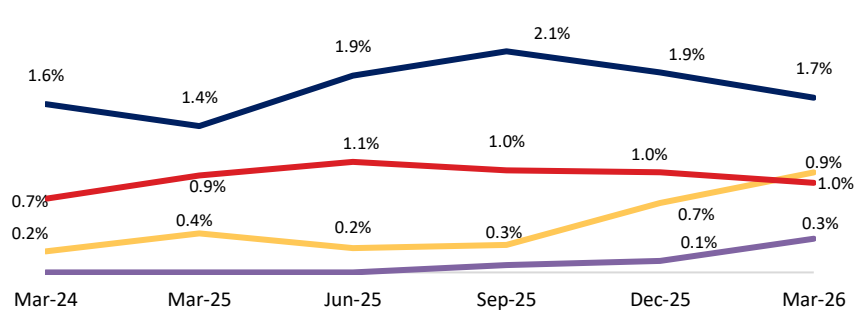
### PAR 31-90 (%) Movement



### GNPA (%)



### NNPA (%)



The microfinance sector is witnessing gradual stabilization following a period of elevated stress in rural unsecured lending, supported by improving on-ground demand, stronger borrower repayment behaviour, better collection efficiency across key geographies and stabilization of the independent BCM model, along with tighter underwriting and focused recovery efforts leading to moderation in incremental delinquencies.

\*Microfinance segment includes JLG and individual loans

# FY26 – Standalone P&L Statement (2W, MSME & LAP )



Particulars (INR Crore)	Q4FY26	Q4FY25	YoY %	Q3FY26	QoQ%	FY26	FY25	YoY %
Income from Operations	60.2	50.6		53.6		215.8	181.9	
Other Income	0.2	4.2		0.3		1.4	3.4	
<b>Gross Total Income</b>	<b>60.4</b>	<b>54.8</b>	<b>10%</b>	<b>54.0</b>	<b>12%</b>	<b>217.2</b>	<b>185.3</b>	<b>17%</b>
Finance Costs	17.2	11.8		14.0		57.0	43.6	
<b>Net Total Income (NTI)</b>	<b>43.1</b>	<b>43.0</b>	<b>0%</b>	<b>40.0</b>	<b>8%</b>	<b>160.2</b>	<b>141.7</b>	<b>13%</b>
Employee Benefits Expenses	17.1	10.1		15.4		56.6	37.0	
Depreciation and Amortisation	0.1	0.1		0.1		0.4	0.4	
Other Expenses	10.0	8.1		5.0		24.1	17.5	
<b>Pre-Provision Operating Profit</b>	<b>16.0</b>	<b>24.6</b>	<b>-35%</b>	<b>19.5</b>	<b>-18%</b>	<b>79.1</b>	<b>86.9</b>	<b>-9%</b>
Total Provisions & Write-offs	2.1	7.4		6.9		25.0	28.9	
<b>Profit Before Tax</b>	<b>13.8</b>	<b>17.2</b>	<b>-20%</b>	<b>12.6</b>	<b>10%</b>	<b>54.1</b>	<b>58.0</b>	<b>-7%</b>
<b>Profit After tax</b>	<b>9.8</b>	<b>12.8</b>	<b>-23%</b>	<b>9.4</b>	<b>5%</b>	<b>40.6</b>	<b>43.2</b>	<b>-6%</b>

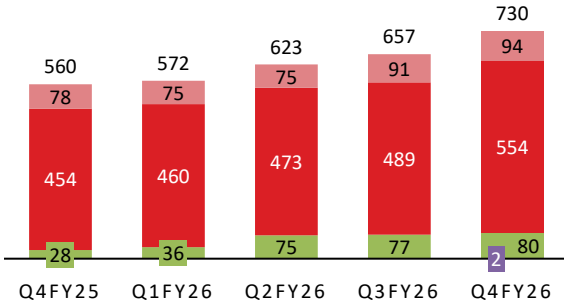
Figures may not add up due to rounding off



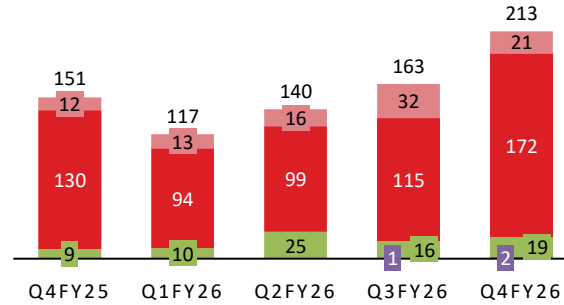
# Standalone Business Performance

(INR Crore)

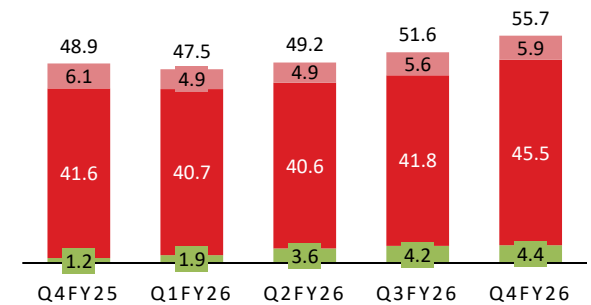
## AUM



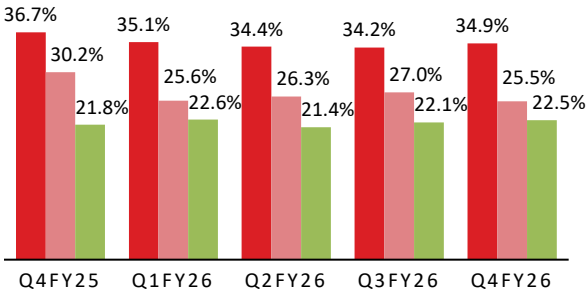
## Disbursement



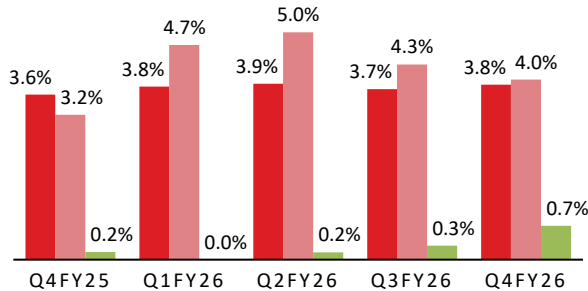
## Gross Total Income\*



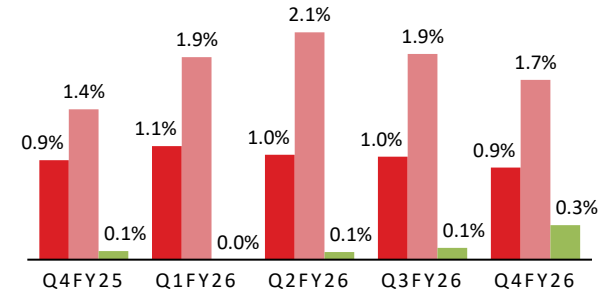
## Yield (%)



## Gross NPA (%)



## Net NPA (%)



■ Two Wheeler Loans    ■ LAP  
■ MSME    ■ Solar

Note: Yield is calculated excluding DA income.

\*Inclusive of Two-wheeler, MSME loans and LAP and exclusive of treasury income

# FY26 - Namra Finance Profit & Loss Statement



Particulars (INR Crore)	Q4FY26	Q4FY25	YoY%	Q3FY26	QoQ%	9MFY26	9MFY25	YoY %
<b>Income from Operations</b>	117.1	150.3		106.5		432.9	552.4	
Other Income	0.0	0.0		0.0		0.0	0.0	
<b>Gross Total Income</b>	<b>117.1</b>	<b>150.3</b>	<b>-22.1%</b>	<b>106.5</b>	<b>9.9%</b>	<b>432.9</b>	<b>552.4</b>	<b>-21.6%</b>
Finance Costs	37.2	41.4		36.9		151.2	200.0	
<b>Net Total Income (NTI)</b>	<b>79.9</b>	<b>108.9</b>	<b>-26.7%</b>	<b>69.6</b>	<b>14.7%</b>	<b>281.7</b>	<b>352.4</b>	<b>-20.1%</b>
Employee Benefits Expenses	24.4	22.1		23.5		93.6	75.4	
Depreciation and Amortisation	0.3	0.4		0.3		1.3	1.4	
Other Expenses	14.1	9.7		10.7		43.3	30.3	
<b>Pre-Provision Operating Profit</b>	<b>41.1</b>	<b>76.8</b>	<b>-46.5%</b>	<b>35.0</b>	<b>17.3%</b>	<b>143.4</b>	<b>245.3</b>	<b>-41.5%</b>
Total Provisions & Write-offs	15.1	81.6		19.3		123.3	235.2	
<b>Profit Before Tax</b>	<b>26.0</b>	<b>-4.8</b>	<b>640.9%</b>	<b>15.7</b>	<b>65.5%</b>	<b>20.2</b>	<b>10.0</b>	<b>100.9%</b>
<b>Profit After tax</b>	<b>28.9</b>	<b>-0.3</b>	<b>NA</b>	<b>12.6</b>	<b>129.7%</b>	<b>12.9</b>	<b>7.8</b>	<b>64.2%</b>

Income from Operations includes Interest Income on loans and managed assets; processing fees, other charges in respect of loans and treasury income

Company's wholly owned subsidiary 'Namra Finance Limited' offers microfinance to women

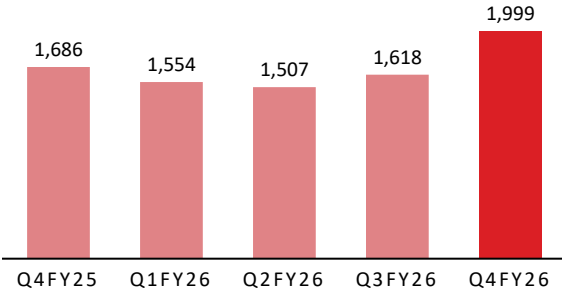
Figures may not add up due to rounding off



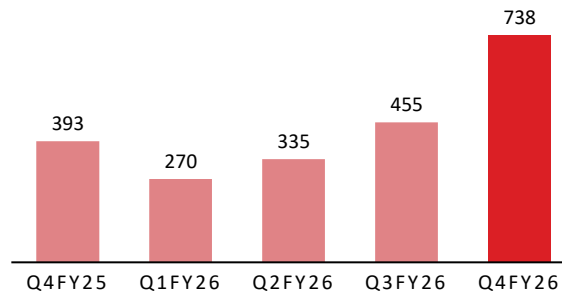
# Microfinance Business Performance – Namra Finance (1/2)

(INR Crore)

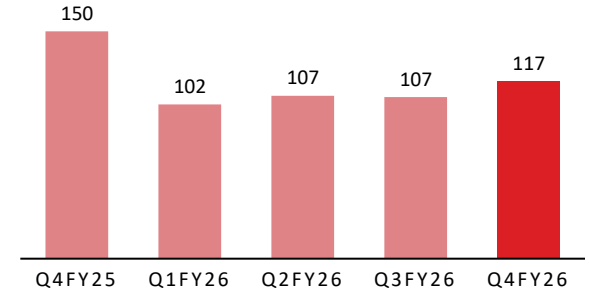
## AUM



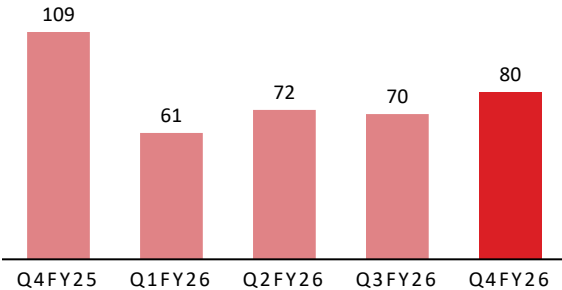
## Disbursement



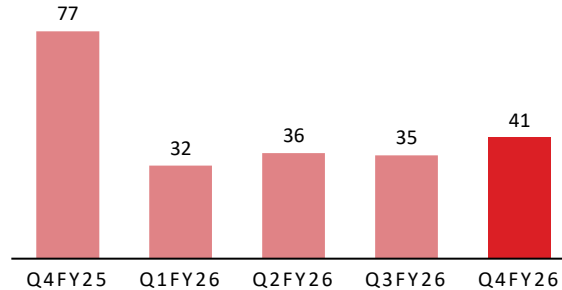
## Gross Total Income



## Net Total Income



## Pre-provision Operating Profit



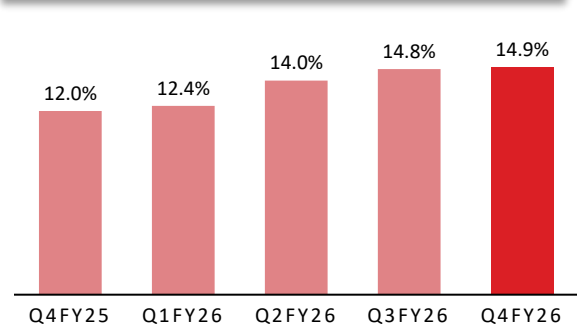
## Profit / Loss After Tax



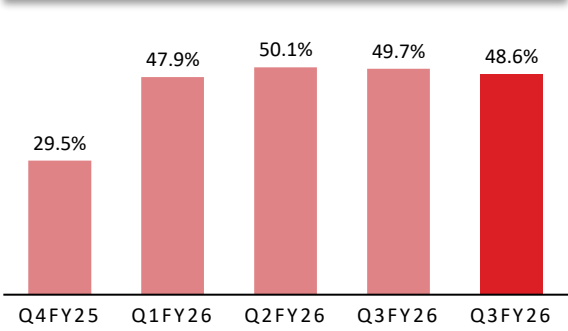
# Microfinance Business Performance – Namra Finance (2/2)



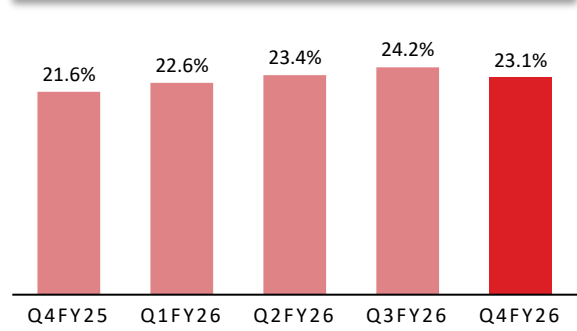
**Net Interest Margin (%)**



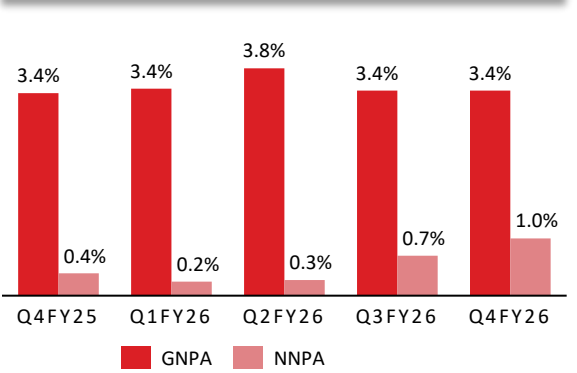
**Cost to Income Ratio (%)**



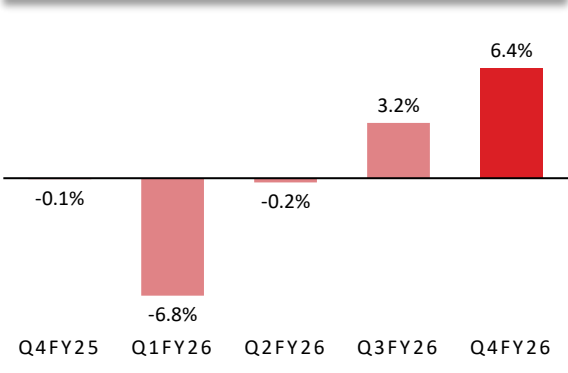
**Yield (%)**



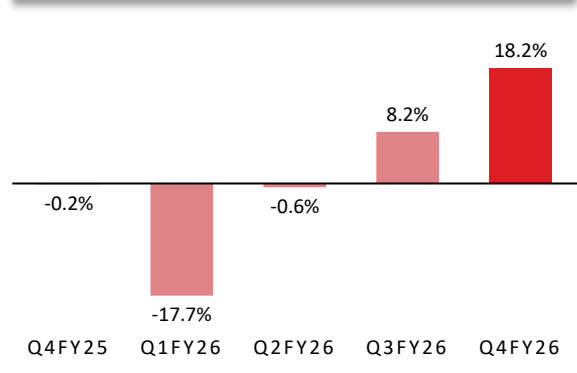
**Asset Quality (%)**



**Return on Average AUM (%)**



**Return on Equity (%)**

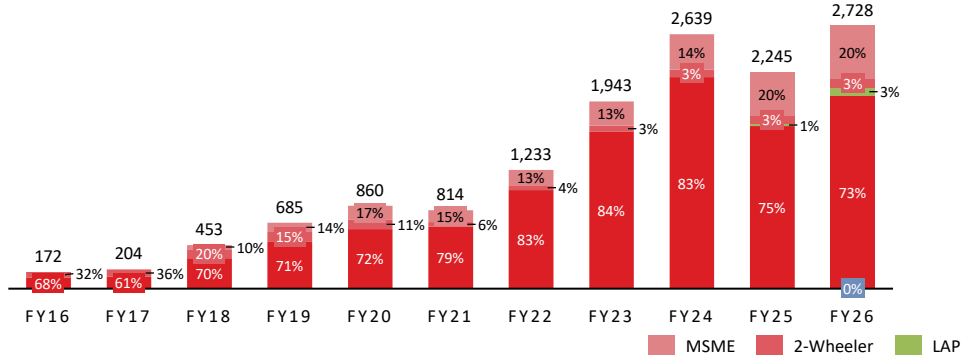


NIMs and Yield are calculated excluding DA income

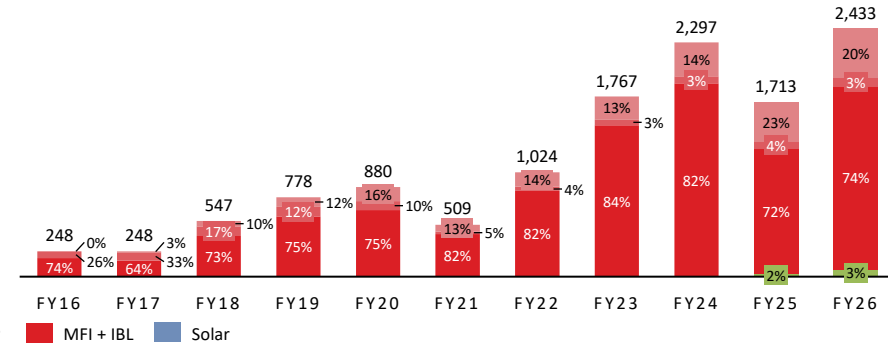


# AUM and Disbursements Trends

## Total AUM (INR Crore)



## Total Disbursements (INR Crore)



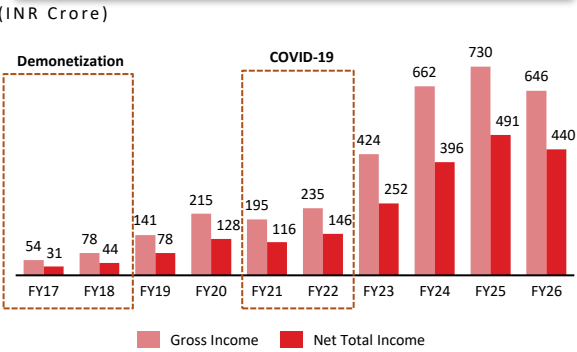
- Diversified portfolio of **INR 2,728 Crore** in **Q4FY26** split between –
  - Microfinance**
    - JLG** : INR 1,286 Crore (47.1%),
    - Individual Loans**: INR 712 Crore (26.1%)
  - MSME Loans**: INR 554Crore (20.3%),
  - 2-Wheeler Loans**: INR 94 Crore (3.4%),
  - Loan Against Property**: INR 80 Crore (2.9%)
  - Solar Loans**: INR 2 Crore (0.1%)
- Strategically forayed into MSME Loans in 2017. Successfully scaled up the business to ~INR 554 Crore (20.3% of total AUM).
- Further, launched a new products Rural 2-wheeler loans, individual business loan and LAP loans to effectively meet the under-served market.
- Started a pilot for Solar Loans across Gujarat

- Small ticket unsecured loans - Ticket size INR 30,000 – 3,00,000
- Venturing secured LAP market from 3,00,000 to 20,00,000 with an Average Ticket Size – 5-6 lakhs.
- Aim to deliver 4%-5% Post Tax ROA
- Self-employed / cash cash-income informal segment customers
- Plans to expand SME Portfolio in way that share of SME book increases to 35% and share of MFI Book reduces to ~60% over time.
- Stringent underwriting
- Rigorous collection practices – in-house, feet-on-the-street mode
- Increasing focus on Digital Collections. ~40% collections coming digitally
- UPI / E-NACH mandate is mandatory for all except JLG micro loans

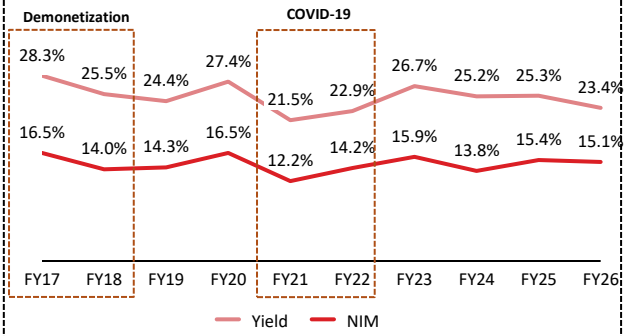


# Historical Metrics

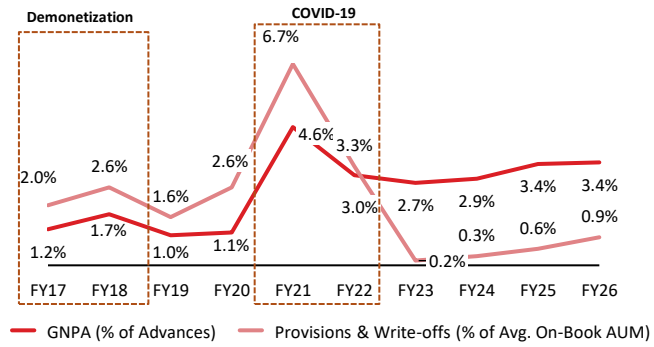
## Gross and Net Total Income



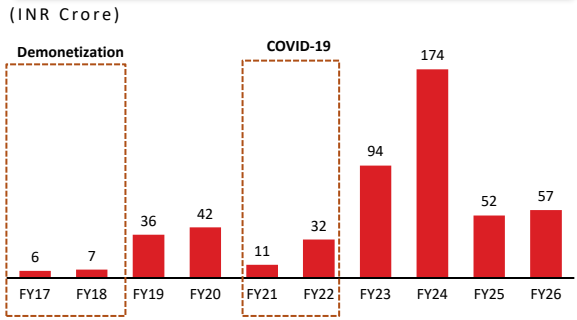
## Yield & NIM (%)



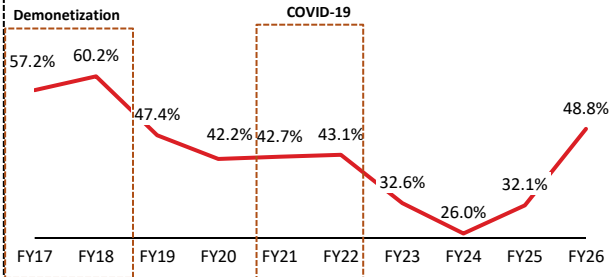
## Asset Quality



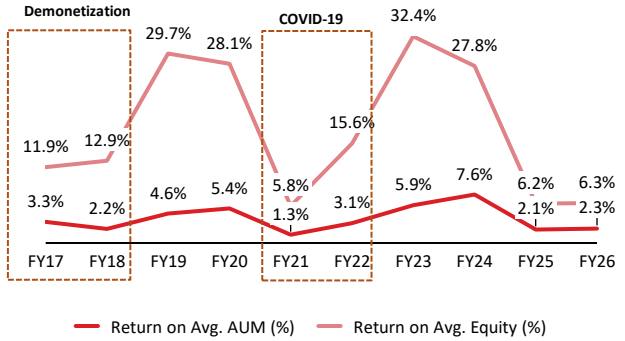
## Profit After Tax



## Cost to Income Ratio %



## Return Ratios



FY23, FY22, FY21 & FY20 figures are as per IND-AS, all the figures prior to FY19 are as per I-GAAP



- $\text{Gross Interest Income} = \text{Interest Income} + \text{processing fees} / \text{other charges}$
- $\text{Net Interest Margins} = \text{Net Interest Income} / \text{Average AUM (On + Off-Book)}$
- $\text{Yields} = \text{Gross Interest Income} / \text{Avg. AUM (On + Off Off-Book)}$
- $\text{Cost-to -Income Ratio} = \text{Opex (excl. provisions)} / \text{Net Total Income}$
- $\text{GNPA \%} = \text{GNPA} / \text{AUM (On-Book)}$
- $\text{NNPA \%} = \text{NNPA} / \text{AUM (On-Book)}$
- $\text{Return on Average AUM} = \text{Profit After Tax} / \text{Quarterly Avg. AUM}$
- $\text{Return on Equity} = \text{Profit After Tax} / \text{Quarterly Avg. Equity}$



## Contact Information

### Company:

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**Arman Financial Services Limited**

CIN: L55910GJ1992PLC018623

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Executive Director & Group CFO

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### Investor Relations Advisors:

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**SGA** [Strategic Growth Advisors](http://www.sgapl.net)

**Strategic Growth Advisors Pvt. Ltd.**

CIN: U74140MH2010PTC204285

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**Thank You!**