



Arman Financial Services Limited

Investor Presentation – November 2025



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Business Update





H1FY26 Performance Highlights

Assets Under Management

INR 2,130 Crore
(-13.6% Y-o-Y)

Disbursement

INR 865 Crore
(3.9% Y-o-Y)

Shareholder's Equity

INR 872 Crore
CRAR: **Arman (Standalone): 38.73%**;
CRAR: **Namra : 57.78%**

Profit Before Tax

INR 7 Crore
INR (11 Crore) in Q1FY26
INR 63 crore in H1FY25

Profit After Tax

INR (7 Crore)
INR (15 Crore) in Q1FY26
INR 47 crore in H1FY25

Provisions and Write offs

INR 105 Crore*
Cumulative Provisions stood at INR 87.51 Crore as on 30th September 2025
(covering 4.1% of the consolidated AUM, 5.2% on book)

Asset Quality

GNPA: 3.69%
NNPA: 0.53%

Return Ratios[#]

ROAA: (0.60%)
ROE: (1.51%)

Collection Efficiency

95.3% for H1FY26

Active Customer Base

Approximately 6.4 Lakhs

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



Track Record of Capital Raising (1/2)

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

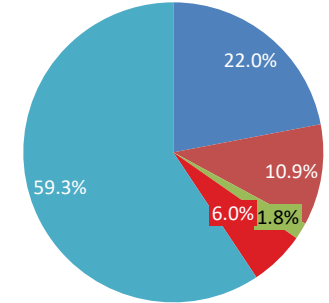
- In September 2022, raised INR 115 crore through a preferential allotment of securities to non-promoter investors.
 - 6,24,388 Unsecured Compulsorily Convertible Debentures (CCDs) at ₹1,230 each, aggregating to ₹76.80 crore.
 - 3,10,972 Optionally Convertible Redeemable Preference Shares (OCRPS) at ₹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 30th September 25, on Fully diluted basis



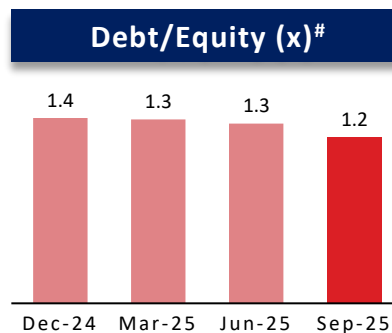
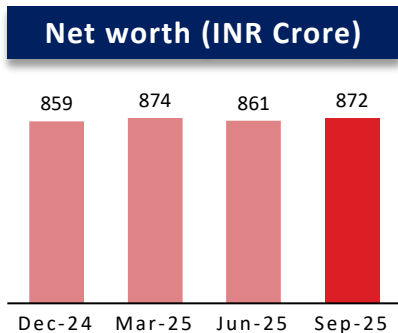
Total Shares Outstanding (Fully Diluted) : 1,05,12,921

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.

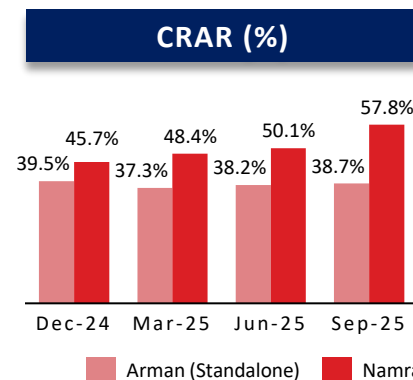


Calculated as per IND-AS

Track Record of Capital Raising (2/2)



[#]After adjusting overdrafts (OD) from banks having 100% security against fixed deposits amounts to INR 142.5 Crore.



Shareholders' Funds	As on 30 th September 2025		As on 31 st March 2025	
	Amount (INR Crore)	No of shares	Amount (INR Crore)	No of shares*
Shareholders' Funds	872.0	1,05,12,921	874.4	1,04,90,538

*on fully diluted basis



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

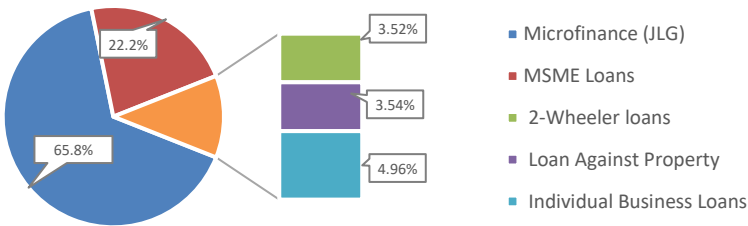
Strong Historical Financial Performance

- High-Growth Trajectory (**FY16-25 CAGR**):
 - AUM: **~33%**
 - Net Interest Income: **~39%**
 - PAT: **~23%**
- Consolidated debt to equity ratio as on 31st March 2025 of 1.3x – Sufficient Capital to drive growth going forward[#]

Efficient Liability Management

- Consistent rating upgrades backed by strong financial & operating performance
 - Namra & Arman credit rating upgraded to A (-ve Outlook) by ACUTE in February 2025.
 - Upgraded to A- (Stable Outlook) from BBB+ (Stable Outlook) by CARE Ratings for Arman and Namra in March 2024.
 - 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 – H1FY26



509

Branches

164

Districts

11

States

~6.4 Lakh

Live Customers

50+

Two-Wheeler dealerships

Positive ALM

Comfortable Liquidity Position

40+

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 state

S.

[#]After adjusting overdrafts (OD) from banks having 100% security against fixed deposits amounts to INR 58.2 Crore.

[^]Company's wholly owned subsidiary 'Namra Finance Limited' offers microfinance loans

Figures may not add up due to rounding off



Journey so Far

1992

- Company Incorporated
- Started bill discounting & Machine leasing

1995

- Listing on BSE – Issue subscribed 22x

1998

- Launched 2W Loans

2010

- Launched Microfinance business

2011

- Raised PE funding from Incofin
- Disbursement crosses INR 50 Crore

2019

- Disbursement crosses INR 750 Crore
- 100% Cashless disbursements
- Expanded into Rajasthan

2018

- Raised PE funding from SAIF Partners

2017

- Launched MSME Loans business
- Crosses 100 branches across 5 states & 3 products
- Disbursement crosses INR 500 Crore

2014-16

- Expanded to Maharashtra, MP, UP & Uttarakhand
- Listing on NSE

2013

- Demerged MFI operations into “Namra Finance”
- Disbursement crosses INR 100 Crore

2020

- Disbursement crosses INR 875 Crore

2021

- AUM crossed INR 1,000 Crore

2022

- Raised ~INR 115 Crore through allotment of CCDs and OCRPs on preferential basis
- Commenced operations in states of Haryana and Bihar

2023

- Namra Finance received CARE Ratings' highest MFI-1 grading
- Doubled the AUM to INR 2,000 Crore in 18 months
- Raised ~INR 230 Crore through QIP

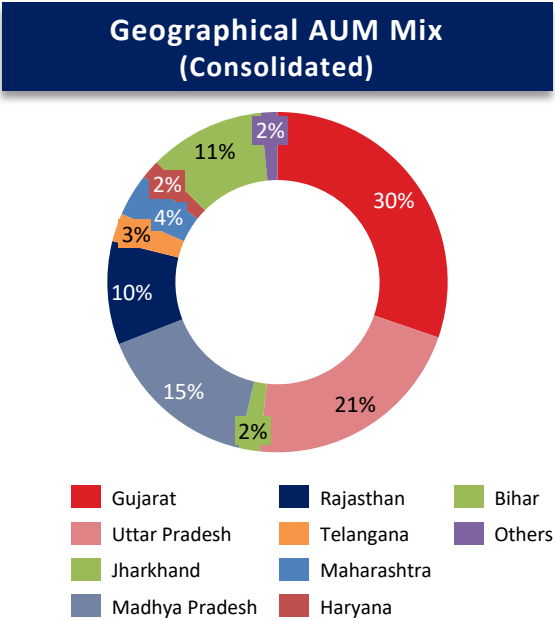
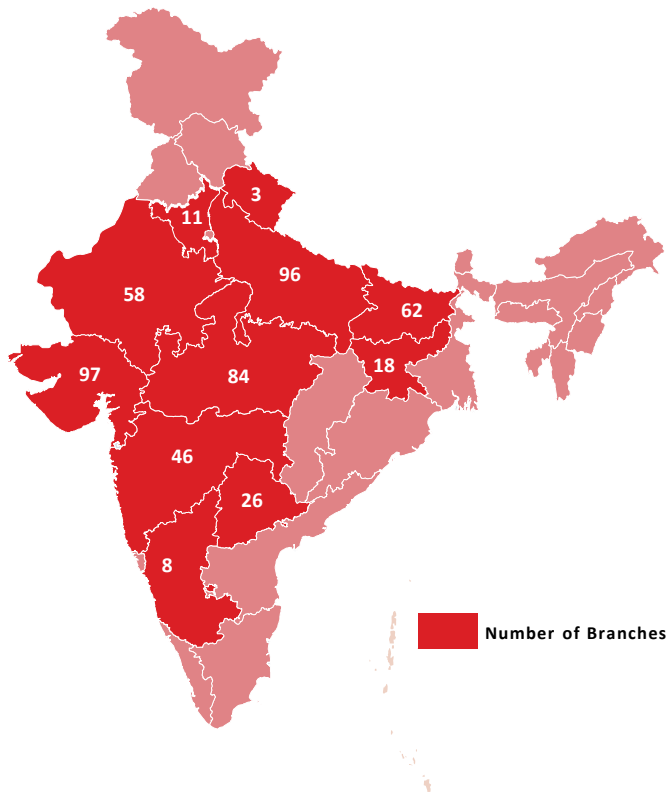
2024

- Namra & Arman upgraded to A | Stable by Acuite Ratings in August 2024
- Upgraded to A- (Stable Outlook) from BBB+ (Stable Outlook) by CARE Ratings for Arman and Namra in March 2024
- Crossed INR 2,500 Crore AUM mark in Feb-24.
- Entered new states of Telangana, Jharkhand and Karnataka

2025

- LAP Product launch across key states of Gujarat, MP and Telangana

Geographical Footprint



Number of Branches	H1FY26	H1FY25
Microfinance	396	381
MSME	109	89
2W & Rural 2W	4	4
Total	509	474

509

Branches

~6.4 Lakh

Active Customers

5100+

No of Employees

3900+

No of Loan Officers

Note: Map not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness

Figures may not add up due to rounding off

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

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



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



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 *Vice Chairman & Managing 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 *Joint 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*

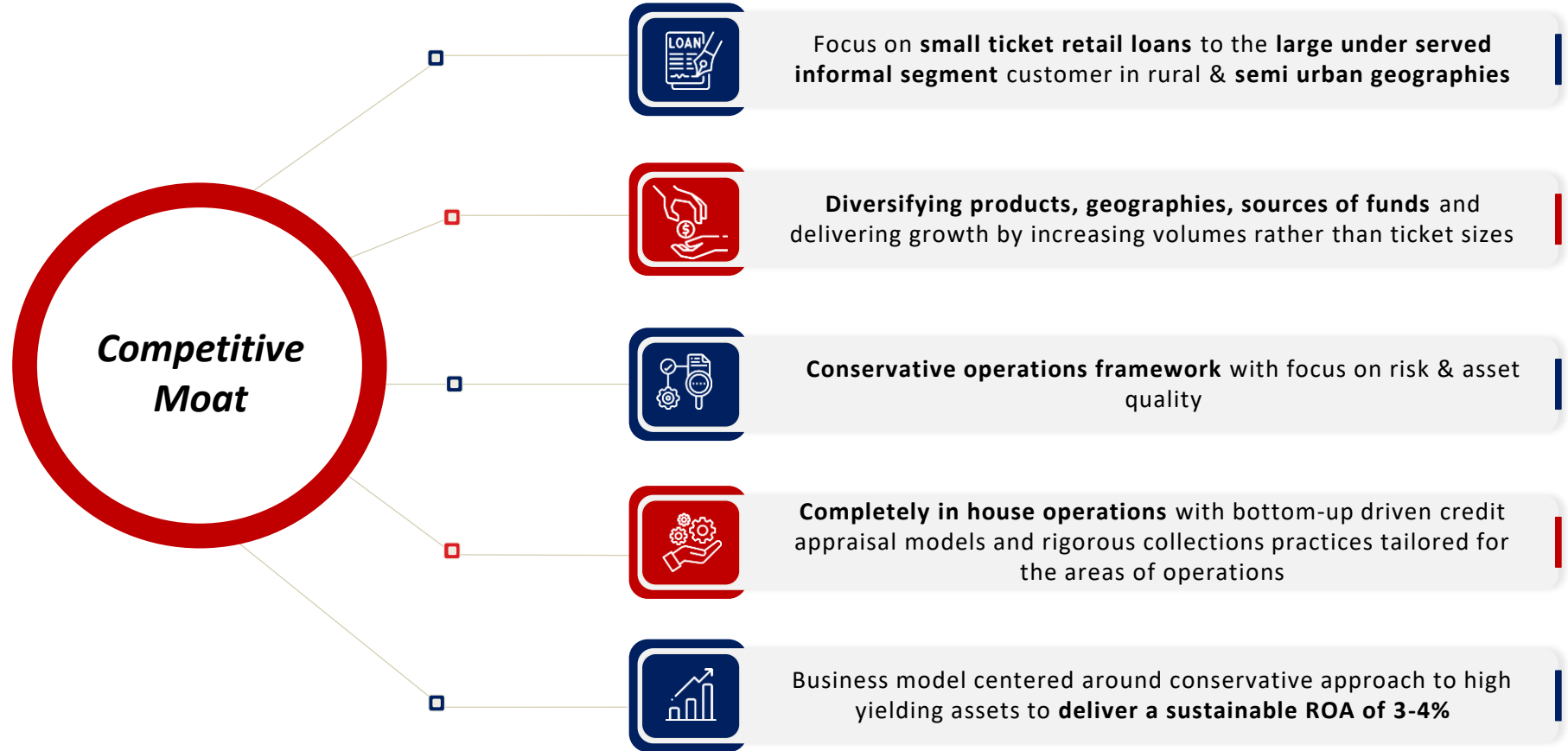
- An accomplished Company Secretary, Registered Valuer, and Insolvency Professional with 40 years of experience.
- He brings a unique blend of legal expertise and financial acumen to the boardroom. Spearheaded Gujarat Lease & Finance Limited (GLFL) for over 2 decades in various senior management roles 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

65.8%

Microfinance - JLG

Average Ticket Size :

INR 51,000

(Cycle 1 & 2 -INR 25K – 60K

Cycle 3+ -INR 25K – 75K)

Tenure: 18 - 24 Months

22.2%

MSME Loans

Average Ticket Size:

INR 77,000

Tenure: 24 Months

3.5%

Two-Wheeler Loans

Average Ticket Size:

INR 77,000

Tenure: 12 - 36 Months

3.5%

Loan Against Property (LAP)

Average Ticket Size:

INR 7,50,000

Tenure: 36 - 84 Months

5.0%

Individual Business Loans (Microfinance)

Average Ticket Size:

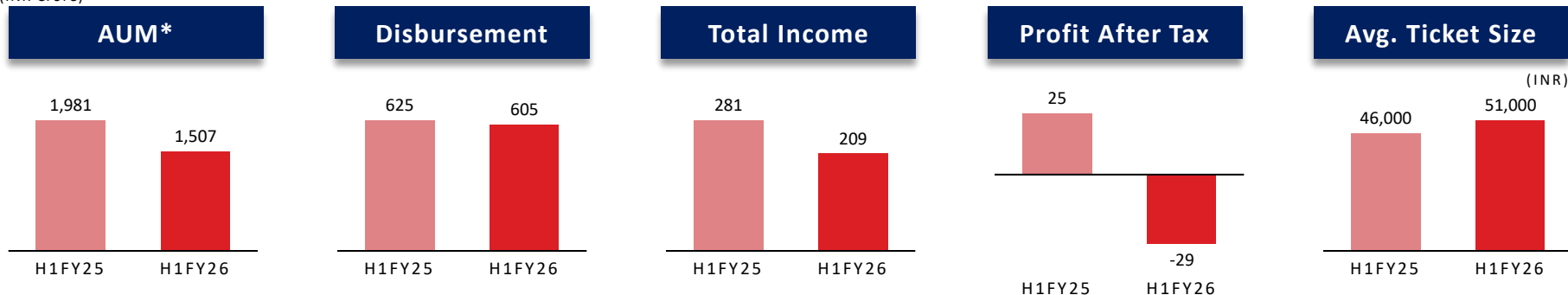
INR 82,500

Tenure: 24 Months



Microfinance Loans

(INR Crore)



*Includes Individual Business Loans

- JLG model with small ticket loans (Avg. Ticket Size – INR 51,000) given to women borrowers for income generating activities such as Livestock, Dairy, Agri allied, Kirana Stores
- Operations:** Operations in 11 states; 396 MFI branches; 5.2+ lakh active customers
- Operating Model:**
 - High touch monthly collection model
 - Rural concentration: ~90.5% 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
- Collections:** Cash collection at centre meetings. Increased focus on digital mode of collections with ~12% of the overall collections are now cashless.

Key Ratios (H1FY26)

***Yield: 22.66%**

***NIM: 13.00%**

ROAA: (3.58%)

GNPA: 3.77%

NNPA: 0.26%

ROE: (9.15%)

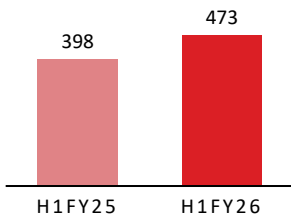
*Yield and NIMs are excluding DA income



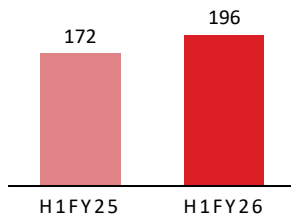
MSME Loans

(INR Crore)

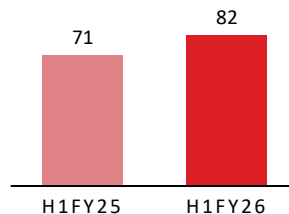
AUM



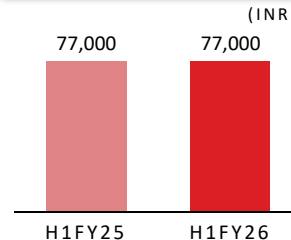
Disbursement



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 109 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. Enhanced underwriting in FY-25 led to marginal drop in Average Ticket size.
- Collections:** Doorstep cash collection. Increased focus on digital mode with ~20% cashless collections

Key Ratios (H1FY26)

***Yield: 34.68%**

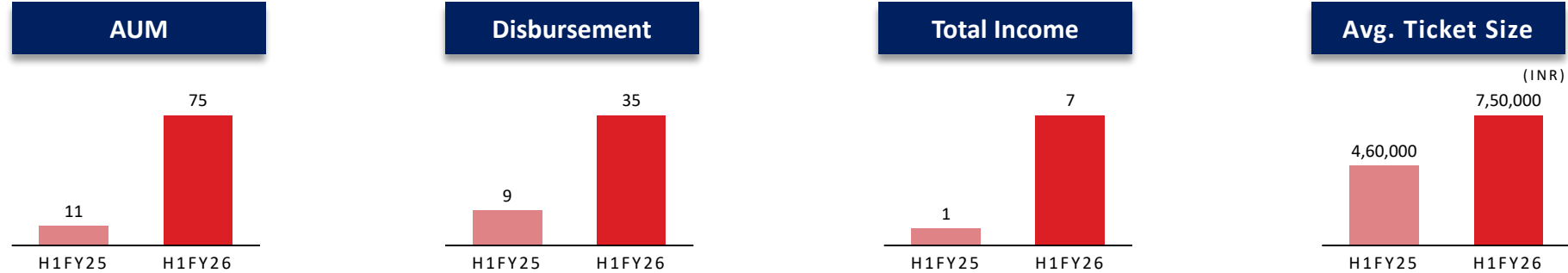
GNPA: 3.86%

NNPA: 0.97%



LAP Loans

(INR Crore)



- Company launched and piloted a new product, Loan Against Property in Q4 FY24.
- AUM contribution as on Sept-25 is ~3.5%.
- In Q2FY26, the average ticket size of this product is INR 7.5 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 (H1FY26)

*Yield: 21.66%

GNPA: 0.16%

NNPA: 0.07%

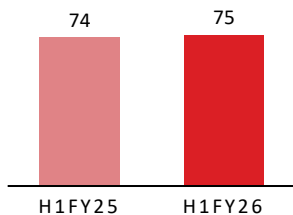
*Yield is excluding DA Income



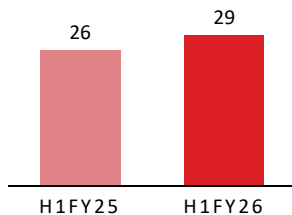
2W and Rural 2W Loans

(INR Crore)

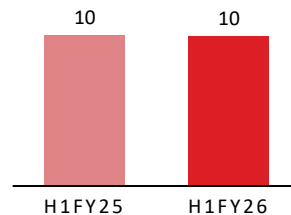
AUM



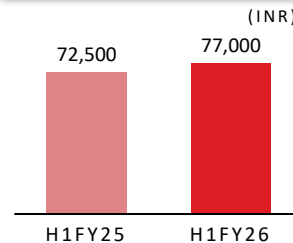
Disbursement



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 (H1FY26)

***Yield: 25.77%**

GNPA: 4.99%

NNPA: 2.10%

*Yield is excluding DA Income

MSME Process Overview

MSME Process Overview

Sourcing



- In-house sourcing team (No DSAs)
- Feet-on-Street sales team model
- Door-to-door knocking & cold calling
- BTL activities such as pamphlet distribution, stalls at village level gatherings
- Referrals from existing customers

“Sales team logs in the case & collects KYC docs”

Underwriting



- Credit bureau check (CRIF & CIBIL)
- Physical FI & PD by in house credit manager at residence & workplace
- Capacity to Pay Use of nontraditional income & expense estimation methodologies
- Willingness to pay reference checks
- Final sanction by centralized credit team

“Trigger sent to independent credit team for FI”

Collections

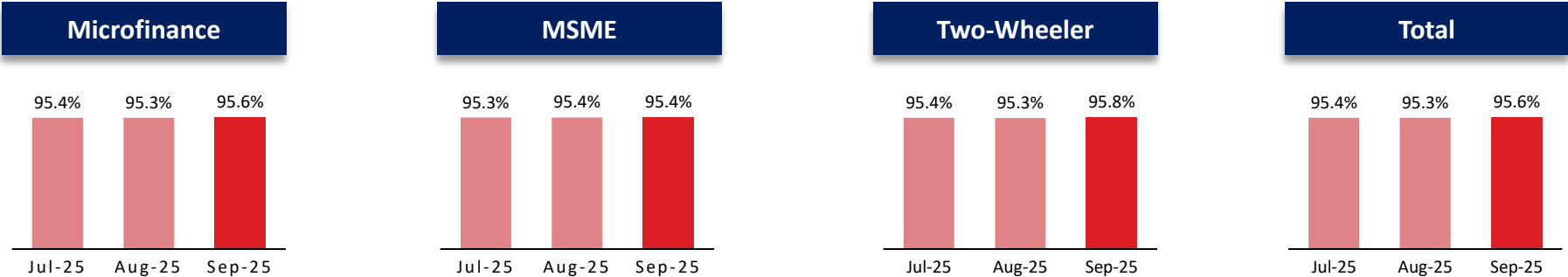


- Team member that does sales also handles collections
- Door to door collection allows Company to maintain relations with customer and ensures high collection efficiency
- Monthly collections high touch, relationship driven model
- Approximately 12% of the collections are done via digital mode

“Door-step cash collection”



Collection Efficiency



Update on Collections

- The collections in MFI has been dropping in the past few quarters as the MFI sector across has witnessed challenges of high staff attrition and overleveraging at borrower level.
 - Microfinance and MSME collections were at ~95.6% and ~95.4% in September-25
 - 2W collections continued to be ~95.8% in September-25
- Cumulative Provisions stood at INR 87.5 Crore as on 30th September 2025 (covering 4.1% of the consolidated AUM, 5.2% on book)
 - Namra Finance: Cumulative Provisions stood at INR 58.3 Crore as on 30th September 2025 (covering 3.9% of the consolidated AUM, 5.5% on book)
 - Standalone: Cumulative Provisions stood at INR 29.2 Crore as on 30th September 2025 (covering 4.7% of the consolidated AUM, 4.7% on book)

Particulars (INR Crore)		Microfinance	MSME	Two-Wheeler	Total
Jul-25	Collection Due	153.8	43.0	4.6	201.4
	Amount Collected	146.7	41.0	4.4	192.1
Aug-25	Collection Due	147.7	43.0	4.4	195.2
	Amount Collected	140.8	41.0	4.2	186.1
Sept-25	Collection Due	144.6	43.2	4.7	192.4
	Amount Collected	138.2	41.2	4.5	183.9



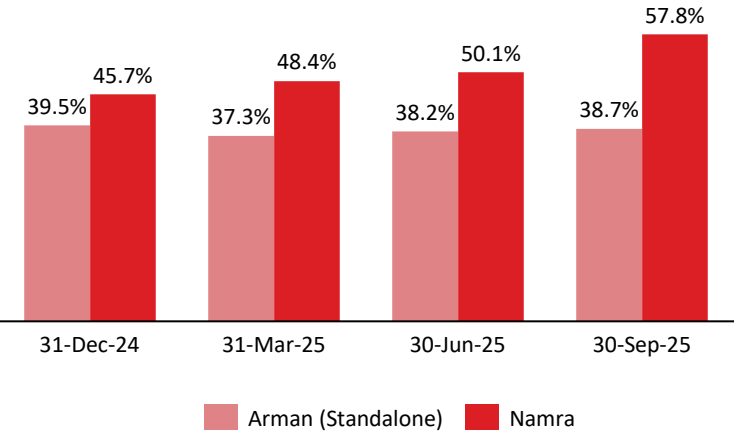
Efficient Liability Management



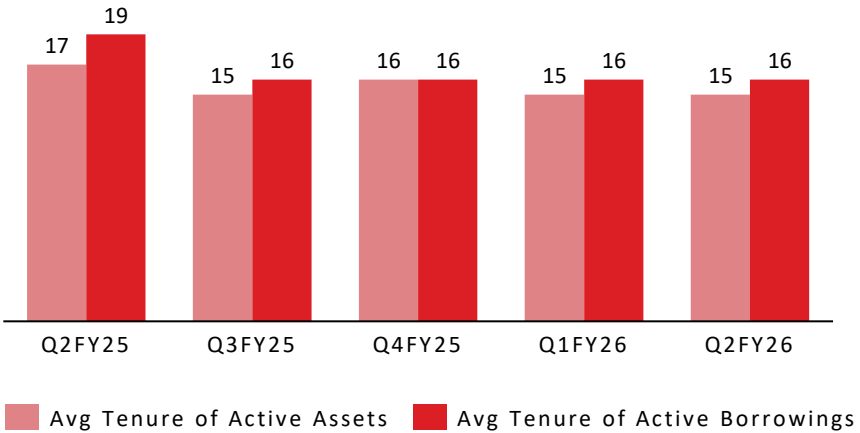


Strong Capitalization with Sufficient Liquidity

Capital Adequacy Ratio



ALM Position (in Months)



Update on Liquidity

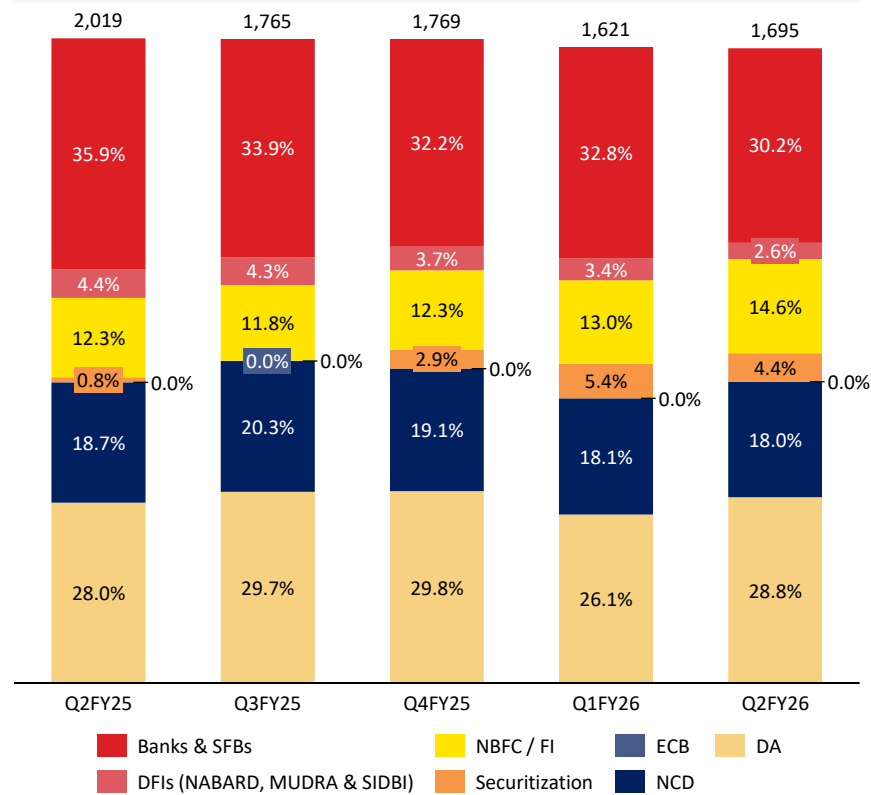
- Healthy Liquidity position with INR 232.84 Crore in cash/bank balance, liquid investments, and undrawn CC limits
- ALM continues to remain positive, and the company continue to have access to new sources of funds via DA and NCDs
- Additionally, company has INR 160 Crore undrawn sanctions from existing lenders
- The average Tenures of assets has reduced due to the de-growth seen in Microfinance in current year, as result there has been a reduced borrowing requirement.

Borrowing Profile



Borrowing Mix (%)

(INR Crore)



Top 5 Lending Partners

Top 5 Lenders	% of Borrowings
Lender 1 - TL	13.12%
Lender 2 - TL & DA	9.74%
Lender 3 - TL & DA	8.78%
Lender 4 - DA	5.46%
Lender 5 - TL & DA	5.14%

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



H1FY25 Consolidated Profit & Loss Statement



Particulars (INR Crore)	Q2FY26	Q2FY25	YoY %	Q1FY26	QoQ%	H1FY26	H1FY25	YoY %
Income from Operations	159.2	181.5		151.0		310.2	365.9	
Other Income	0.0	0.0		0.0		0.0	0.0	
Gross Total Income	159.2	181.5	-12%	151.0	5%	310.2	365.9	-15%
Finance Costs	49.6	65.3		52.2		101.8	130.6	
Net Total Income (NTI)	109.6	116.2	-6%	98.8	11%	208.4	235.3	-11%
Employee Benefits Expenses	36.4	27.3		33.4		69.9	52.1	
Depreciation and Amortisation	0.5	0.4		0.4		0.9	0.9	
Other Expenses	16.5	10.9		9.6		26.1	19.8	
Pre-Provision Operating Profit	56.2	77.6	-28%	55.4	2%	111.6	162.5	-31%
Total Provisions & Write-offs	38.3	55.3		66.5		104.8	99.1	
Profit Before Tax	17.9	22.3	-20%	-11.2	-	6.8	63.3	-89%
Profit After tax	8.0	15.3	-48%	-14.6	-	-6.6	46.6	-

Figures may not add up due to rounding off

Balance Sheet – 30th September 2025



Particulars (INR Crore)	Consolidated		Standalone	
ASSETS	Sept-25	Mar-25	Sept-25	Mar-25
Financial Assets				
Cash and cash equivalents	121.3	67.8	28.8	4.8
Bank Balance	323.6	335.7	66.8	69.0
Loans & Advances	1,574.0	1,683.7	589.4	552.7
Investments	33.4	39.0	351.4	351.3
Other Financial assets	34.5	41.6	4.6	4.5
Total Financial Assets	2,086.8	2,167.6	1,040.9	982.3
Non-Financial Assets				
Current tax Assets (Net)	3.9	0.0	0.0	0.0
Deferred tax Assets (Net)	20.4	26.0	7.3	6.8
Property, Plant and Equipment	29.4	29.7	25.3	25.3
Other Intangible Assets	0.2	0.3	0.1	0.1
Capital Work In Progress	0.3	0.2	0.3	0.2
Right To Use Asset	2.2	1.1	0.0	0.0
Other non-financial assets	9.2	2.5	2.8	1.5
Total Non-Financial Assets	65.8	59.7	35.9	33.9
Total Assets	2,152.6	2,227.3	1,076.8	1,016.1

Particulars (INR Crore)	Consolidated		Standalone	
LIABILITIES & EQUITY	Sept-25	Mar-25	Sept-25	Mar-25
Equity Share capital	10.5	10.5	10.5	10.5
Reserves & Surplus	861.5	863.9	602.0	575.3
Total Shareholders' Funds	872.0	874.4	612.5	585.8
Financial Liabilities				
Other Payables	0.6	1.2	0.1	0.2
Debt Securities	302.0	334.5	176.9	139.5
Borrowings	885.2	887.8	273.5	271.7
Subordinated Liabilities	10.0	10.0	0.0	0.0
Other Financial Liabilities	76.9	111.5	9.8	8.8
Total Financial Liabilities	1,274.8	1,345.0	460.2	420.3
Non-Financial Liabilities				
Current tax liabilities (Net)	0.0	2.0	1.3	6.5
Provisions	3.5	3.2	1.1	1.1
Other non-financial liabilities	2.3	2.6	1.6	2.5
Total Non-Financial Liabilities	5.8	7.9	4.0	10.0
Total Liabilities & Equity	2,152.6	2,227.3	1,076.8	1,016.1

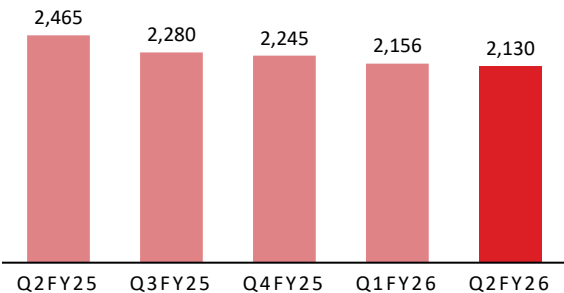
Figures may not add up due to rounding off



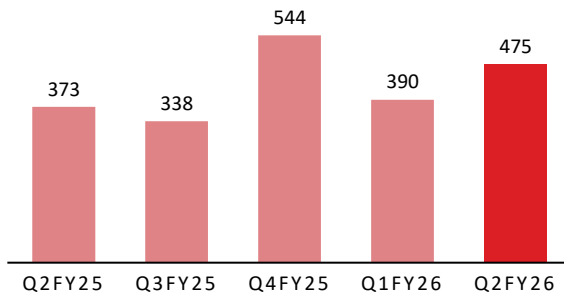
Consolidated Business Performance

(INR Crore)

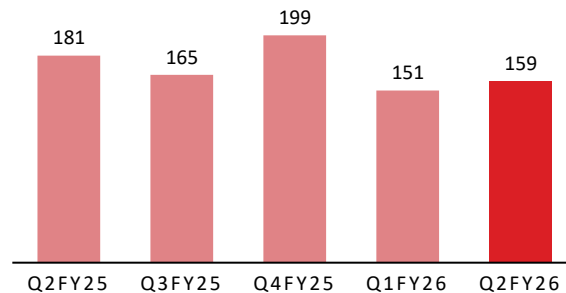
AUM



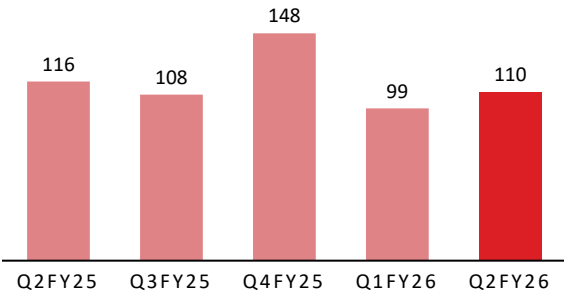
Disbursement



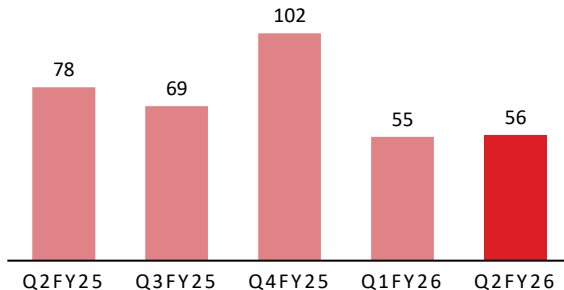
Gross Total Income



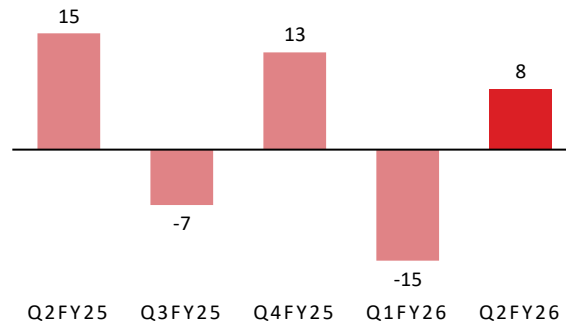
Net Total Income



Pre-provision Operating Profit



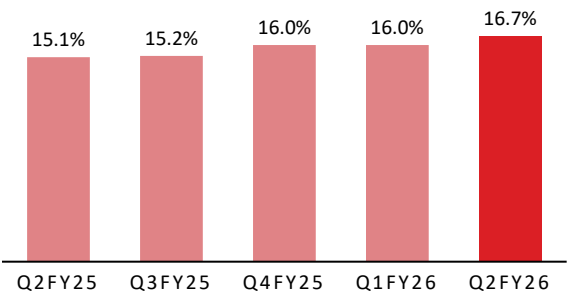
Profit / Loss After Tax



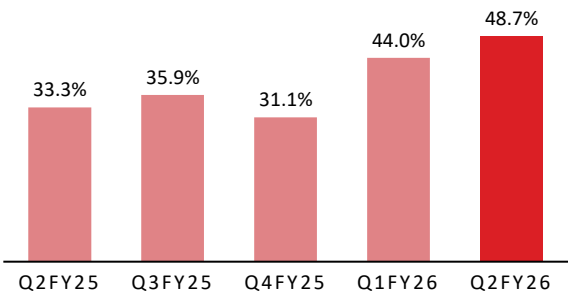


Consolidated Business Performance

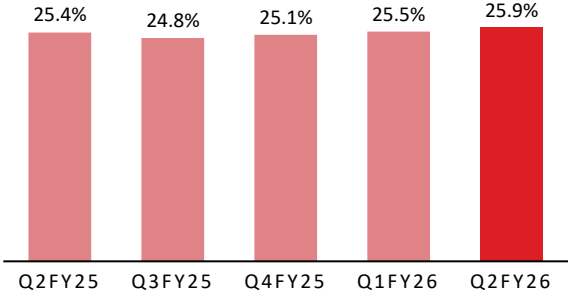
Net Interest Margin (%)



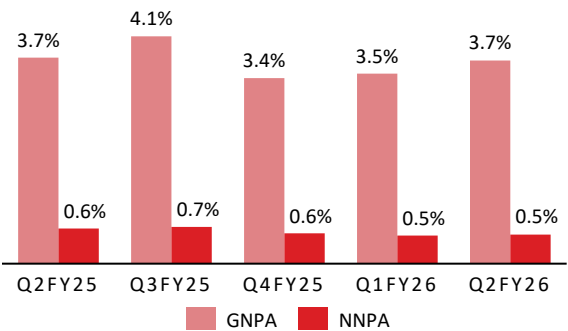
Cost to Income Ratio (%)



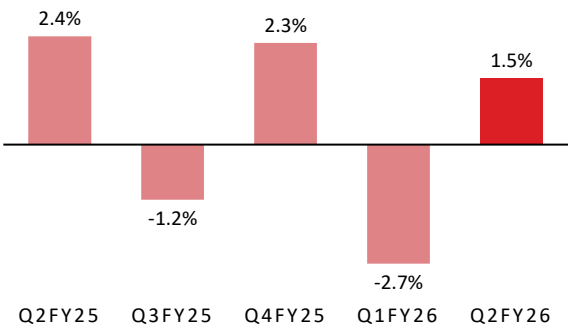
Yield (%)



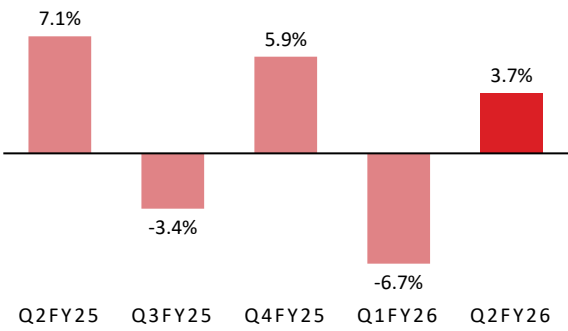
Asset Quality (%)



Return on Average AUM (%)



Return on Equity (%)

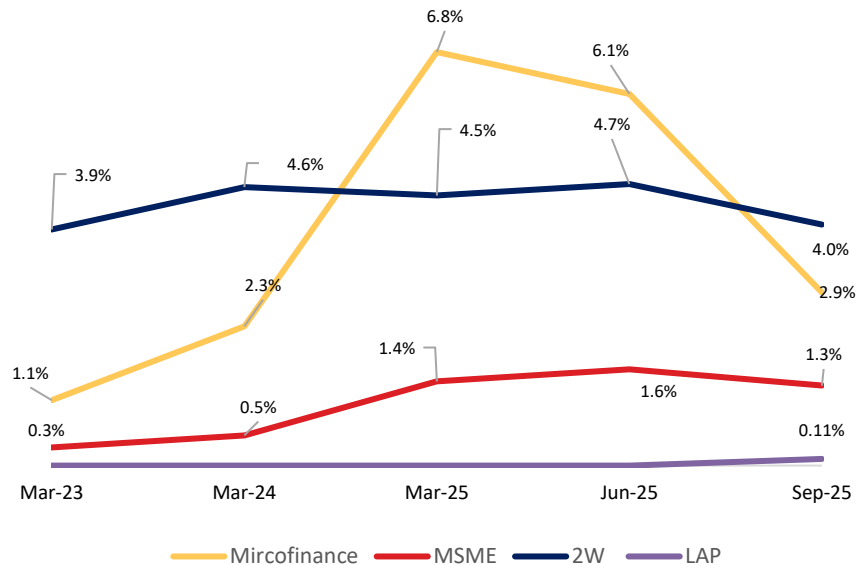


NIMs and Yield are calculated excluding DA income. RoE and Return on Avg. AUM figures are annualized

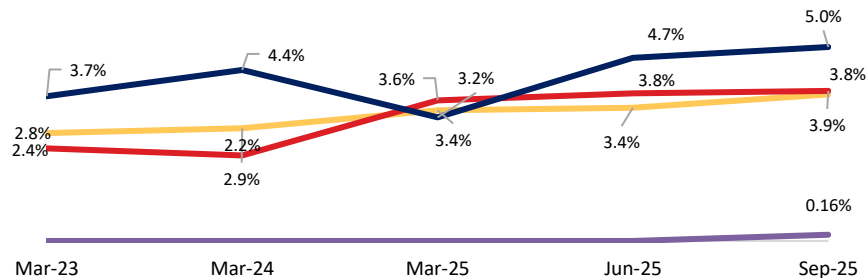


PAR Movement

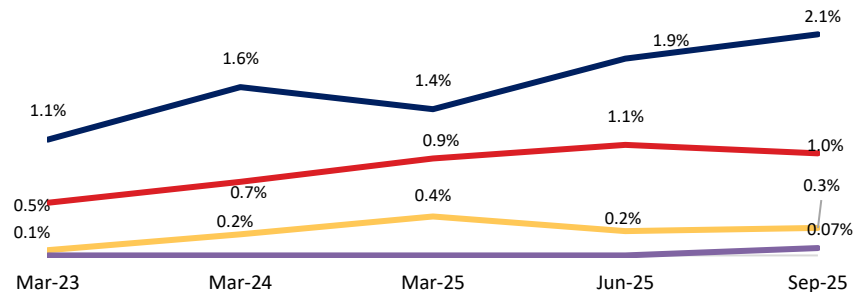
PAR 31-90 (%) Movement



GNPA (%)



NNPA (%)



The microfinance industry is currently facing a significant rise in impairment costs due to overleveraging in the rural retail unsecured lending space, involving both MFIs and Non-MFIs. This overleveraging has strained borrowers' repayment capacities, leading to increased delinquencies and higher default rates. High attrition rates among ground-level staff across the industry have also impacted collection efficiency

H1FY26 – Standalone P&L Statement (2W, MSME & LAP)



Particulars (INR Crore)	Q2FY26	Q2FY25	YoY%	Q1FY26	QoQ%	H1FY26	H1FY25	YoY%
Income from Operations	51.7	44.1		50.3		102.0	86.3	
Other Income	0.4	-1.0		0.5		0.9	-0.7	
Gross Total Income	52.1	43.1	21%	50.8	3%	102.9	85.6	20%
Finance Costs	13.8	11.8		12.0		25.8	21.2	
Net Total Income (NTI)	38.3	31.4	22%	38.8	-1%	77.1	64.4	20%
Employee Benefits Expenses	12.9	9.1		11.3		24.2	17.7	
Depreciation and Amortisation	0.1	0.1		0.1		0.2	0.2	
Other Expenses	4.8	3.3		4.2		9.1	6.2	
Pre-Provision Operating Profit	20.4	18.9	8%	23.2	-12%	43.6	40.3	8%
Total Provisions & Write-offs	8.3	7.7		7.6		16.0	13.0	
Profit Before Tax	12.1	11.1	9%	15.6	-22%	27.7	27.3	1%
Profit After tax	8.9	7.9	12%	12.4	-28%	21.4	20.5	4%

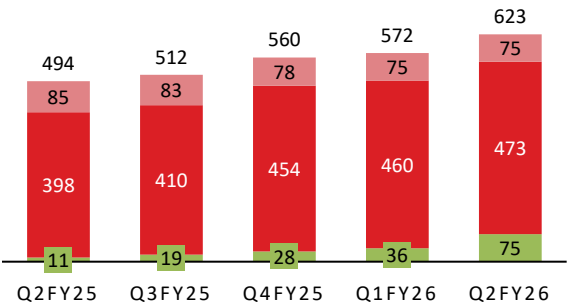
- Standalone AUM stood at ~INR 623 as on 30th September 2025
- Disbursement of ~INR 140 Crore in Q2FY26; of which MSME contributed ~INR 99 Crore, 2W contributed ~INR 16 Crore, while LAP stood at ~INR 25 Crore.
- As on 30th September 2025, GNPA for the MSME business stood at 3.86% , 2W business stood at 4.99% while that of LAP business stood at 0.16%
- In H1FY26, Pre-Provisioning Operating Profit has grown by 8% Y-o-Y to ~INR. 43.6 Crore & for Q2FY26, Pre-Provisioning Operating Profit has grown by 8% Y-o-Y to ~INR. 20.4 Crore
- Standalone: Cumulative Provisions stood at INR 29.21 Crore as on 30th September 2025 (covering 4.7% of the consolidated AUM, 4.7% on book)



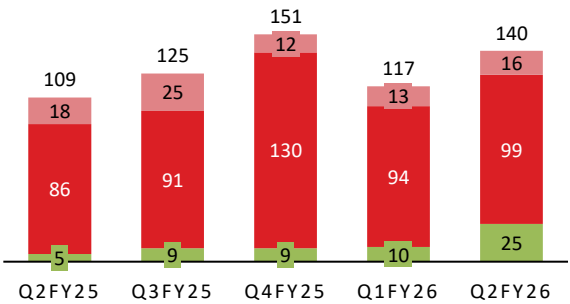
Standalone Business Performance

(INR Crore)

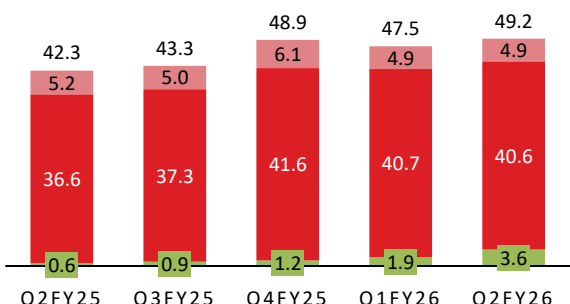
AUM



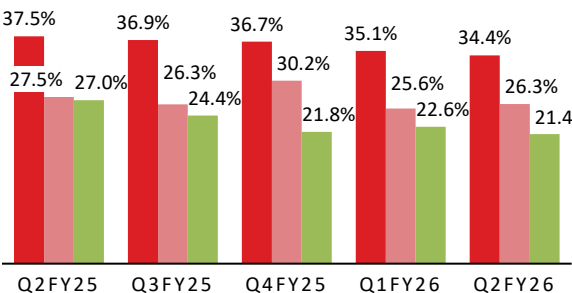
Disbursement



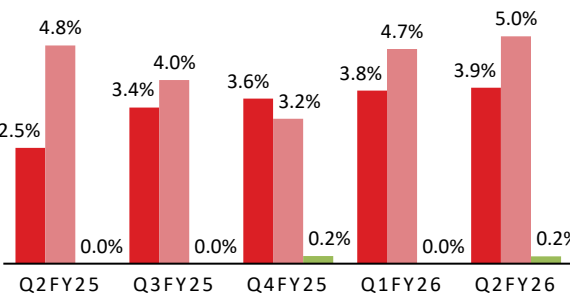
Gross Total Income*



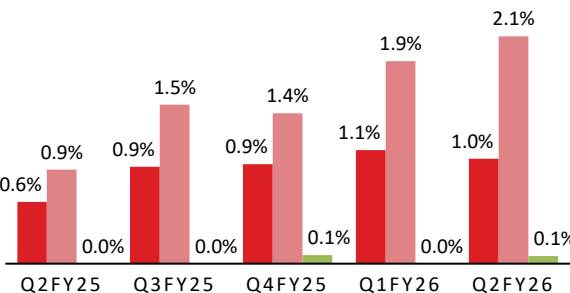
Yield (%)



Gross NPA (%)



Net NPA (%)



Two Wheeler Loans MSME LAP

Note: Yield is calculated excluding DA income.
*Inclusive of Two-wheeler, MSME loans and LAP and exclusive of treasury income



H1FY26 - Namra Finance Profit & Loss Statement

Particulars (INR Crore)	Q2FY26	Q2FY25	YoY %	Q1FY26	QoQ%	H1FY26	H1FY25	YoY%
Income from Operations	107.5	138.0		101.8		209.3	281.1	
Other Income	0.0	0.0		0.0		0.0	0.0	
Gross Total Income	107.5	138.0	-22%	101.8	6%	209.3	281.1	-26%
Finance Costs	35.8	54.1		41.3		77.1	110.9	
Net Total Income (NTI)	71.7	83.9	-15%	60.5	18%	132.2	170.2	-22%
Employee Benefits Expenses	23.5	18.1		22.2		45.7	34.5	
Depreciation and Amortisation	0.3	0.3		0.4		0.7	0.7	
Other Expenses	12.0	7.7		6.5		18.5	13.6	
Pre-Provision Operating Profit	35.8	57.7	-38%	31.5	14%	67.3	121.4	-45%
Total Provisions & Write-offs	29.9	47.5		58.9		88.8	86.1	
Profit Before Tax	5.9	10.2	-43%	-27.4	-	-21.5	35.3	-
Profit After tax	-0.9	6.4	-	-27.7	-	-28.6	25.4	-

- Over the years we have steadily expanded and deepened our MFI presence through our wholly owned subsidiary, Namra Finance. This involves entering new geographies, increasing the number of branches, and enhancing our outreach to underserved communities
- As of September 30, 2025, Namra's AUM stands at ~INR 1,507 Crore
- Disbursements for Q2FY25 amounted to ~INR 335 Crore
- For H1FY26, Gross Total Income stood at ~INR 209.3 Crore and Net Total Income reached to ~INR 132.2 Crore & during Q2FY26, Gross Total Income stood at ~INR 107.5 Crore and Net Total Income reached to ~INR 71.7 Crore
- In H1FY26, Pre Provision Operating Profit stood at ~INR 67.3 Crore & for Q2FY26 it stood at 35.8 Crore
- Provisions decreased by 36.22% YoY to INR 58.3 Crore
- Write off (net of recovery) during the quarter at INR 54.36 Crore as an aggressive write off and provisioning policy was followed
- Active MFI Customers stood at 5.2+ lakh.

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

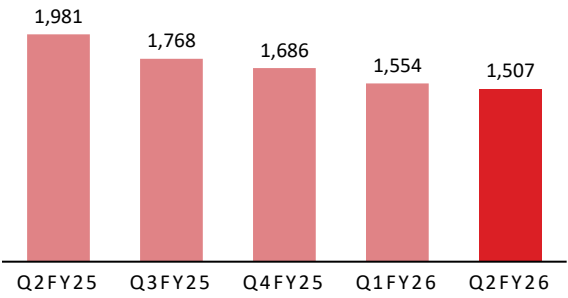
Figures may not add up due to rounding off



Microfinance Business Performance – Namra Finance (1/2)

(INR Crore)

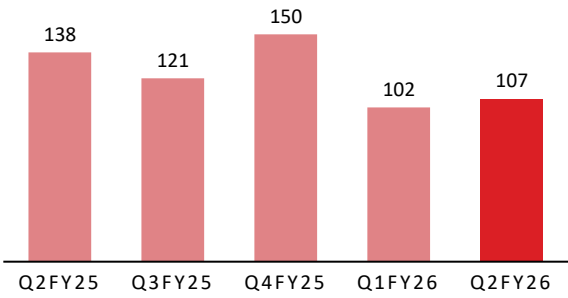
AUM



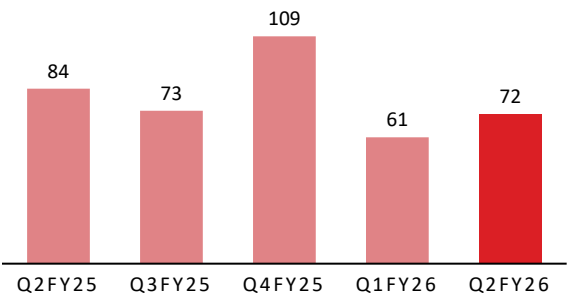
Disbursement



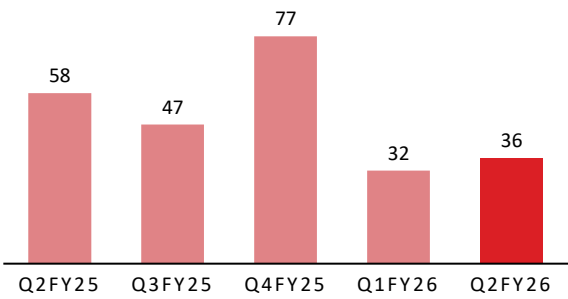
Gross Total Income



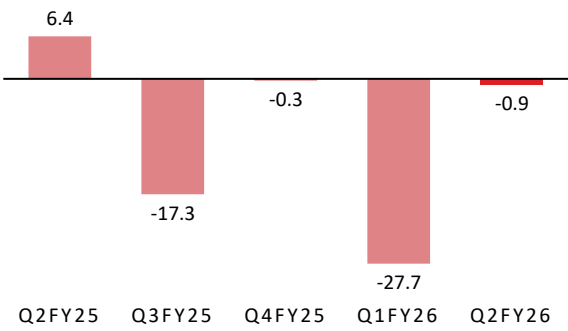
Net Total Income



Pre-provision Operating Profit



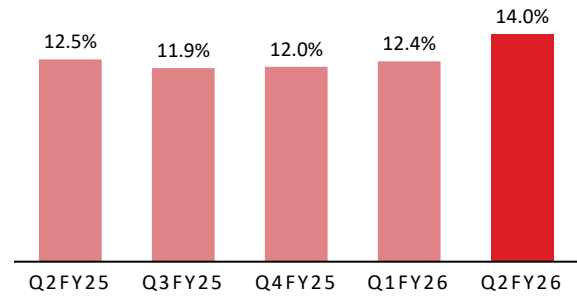
Profit / Loss After Tax



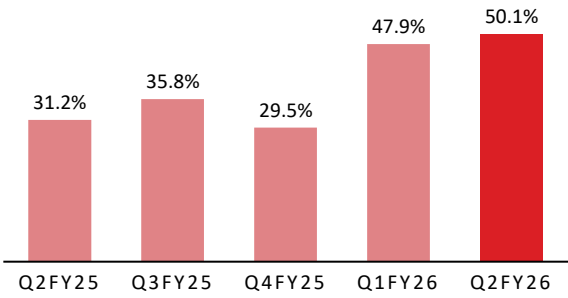
Microfinance Business Performance – Namra Finance (2/2)



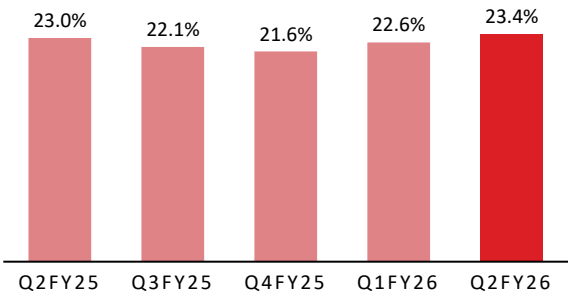
Net Interest Margin (%)



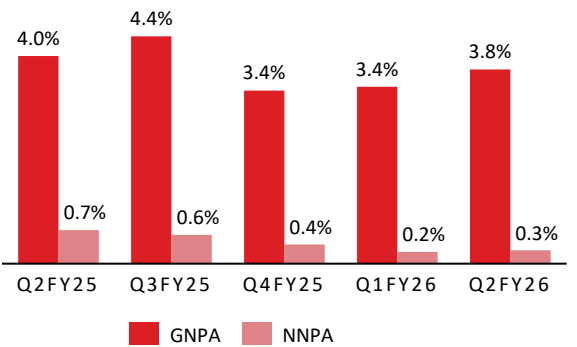
Cost to Income Ratio (%)



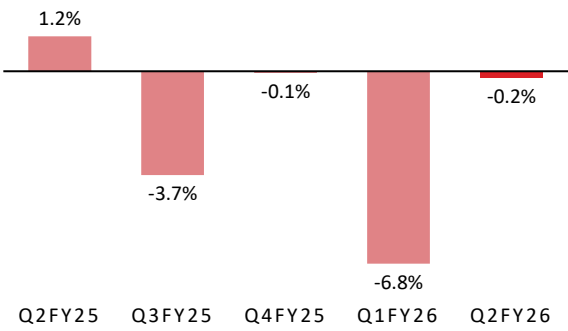
Yield (%)



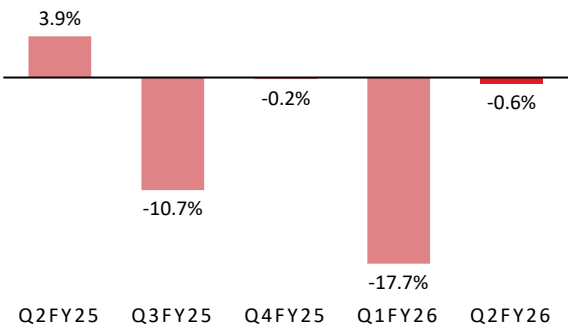
Asset Quality (%)



Return on Average AUM (%)



Return on Equity (%)

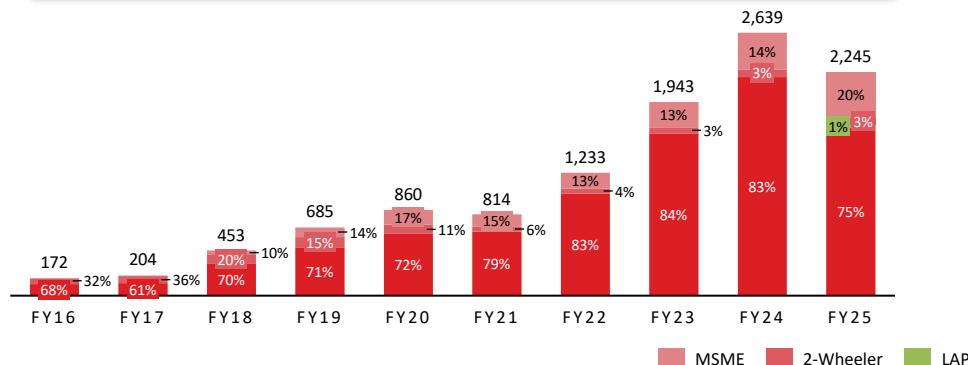


NIMs and Yield are calculated excluding DA income

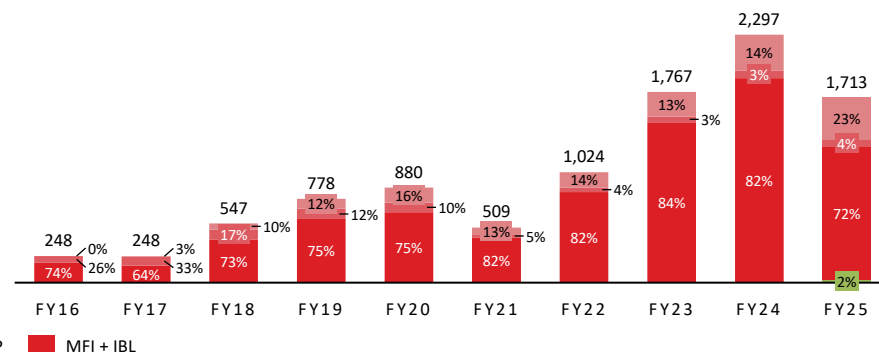


AUM and Disbursements Trends

Total AUM (INR Crore)



Total Disbursements (INR Crore)



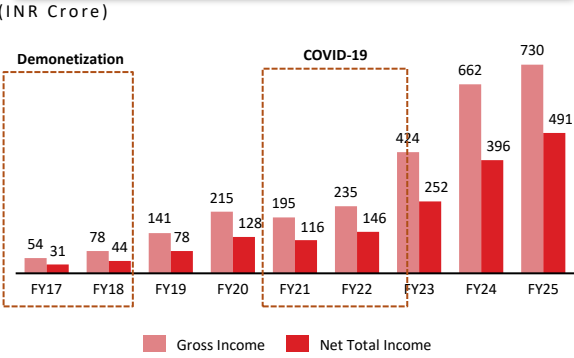
- Diversified portfolio of **INR 2,130 Crore in Q2FY26** split between –
 - Microfinance:** INR 1,401 Crore (65.8%),
 - MSME Loans:** INR 473 Crore (22.2%),
 - 2-Wheeler Loans:** INR 75 Crore (3.5%),
 - Loan Against Property:** INR 75 Crore (3.5%)
 - Individual Business Loans:** INR 106 Crore (5.0%)
- Strategically forayed into MSME Loans in 2017. Successfully scaled up the business to ~INR 473 Crore (22.2% of total AUM).
- Further, launched a new products Rural 2-wheeler loans, individual business loan and LAP loans (currently in pilot stage) to effectively meet the under-served market.

- Small ticket unsecured loans - Ticket size INR 30,000 – 3,00,000
- Venturing secured LAP market from 3,00,000 to 20,00,000. 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. ~25% collections coming digitally
- UPI / E-nach mandate is mandatory for all except JLG micro loans

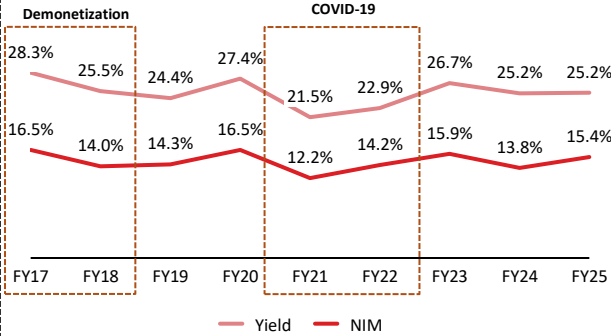


Historical Metrics

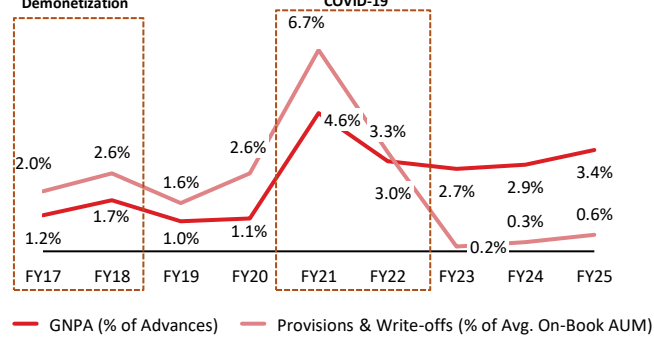
Gross and Net Total Income



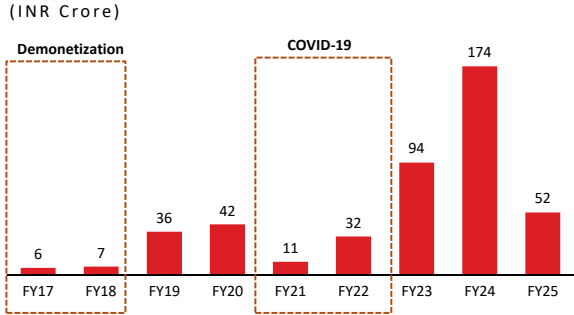
Yield & NIM (%)



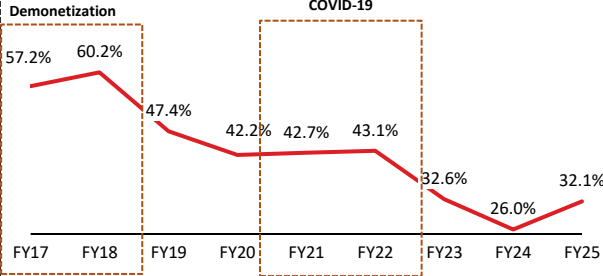
Asset Quality



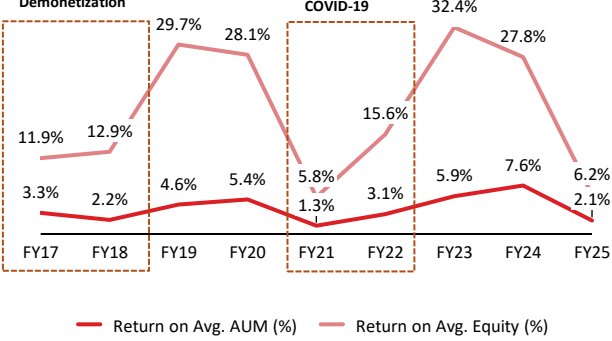
Profit After Tax



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



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



Thank You!

Contact Information

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Mr. Vivek Modi

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Email : vivek@armanindia.com

www.armanindia.com

Investor Relations Advisors:

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

Strategic Growth Advisors Pvt. Ltd.

CIN: U74140MH2010PTC204285

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