



Date: February 13th, 2025

**National Stock Exchange of
India Limited (NSE)**

Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra, Mumbai – 400 051

Symbol: AFIL

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Scrip Code: 544200

**Subject: Submission of Transcript of Earnings Conference Call for the Quarter and Nine Month ended
December 31, 2024.**

Dear Sir/ Madam,

Please find enclosed the transcript of Earnings Conference Call with investors/analysts held on Monday, February 10, 2025 to discuss the Unaudited Financial Results of the Company for the Quarter and Nine Months ended December 31, 2024 has been made available on the website of the Company under the following link: <https://www.akmefintrade.com/news-events/>

Kindly take same on records.

For Akme Fintrade (India) Limited

Manoj Kumar Choubisa
Company Secretary and Compliance Officer
M. No.: A66176

AKME FINTRADE INDIA LTD

Registered Office:

ABC, 4-5 Subcity Center, Savina Circle,
Udaipur 313002, Rajasthan.

Corporate Office:

Tulsi Chambers, Office No. 501,
5th Floor, Teen Petrol Pump,
Thane (West) 400602, Maharashtra

“Akme Fintrade (India) Limited Q3 & 9M FY25
Earnings Conference Call”

February 10, 2025

**MANAGEMENT: MR. NIRMAL KUMAR JAIN – CHAIRMAN & MANAGING
DIRECTOR, AKME FINTRADE (INDIA) LIMITED
MR. AKASH JAIN – CEO, AKME FINTRADE (INDIA)
LIMITED
MS. RAJNI GEHLOT – CFO, AKME FINTRADE (INDIA)
LIMITED**



Moderator:

Ladies and gentlemen, good day and welcome to the Q3 and 9 Months FY25 Conference Call of Akme Fintrade (India) Limited.

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

I now hand the conference over to Mr. Nirmal Kumar Jain - Chairman and Managing Director of the company. Thank you and over to you, sir.

Nirmal Kumar Jain:

Good afternoon, everyone. It is my pleasure to welcome you all to the Akme Fintrade (India) Limited Quarter 3- and 9-Months Financial Year ‘25 Earnings Conference Call. Thank you for taking the time to join us today.

I am delighted to have with me our CEO - Mr. Akash Jain, our CFO – Ms. Rajni Gehlot along with our Investor Relations team and representative from the Adfactors PR.

Before we discuss our business and financial performance, I would like to take a moment to reflect on our journey and highlight some key developments that continue to shape our growth.

I am Nirmal Jain, a Chartered Accountant and Cost Accountant by profession. After practicing in Mumbai, I founded this Company, Akme Fintrade (India) Limited, in 1996. With blessing of our Gurudev Acharya Kunthu Sagarji Maharaj, my rural upbringing exposed me to financial hardship, as well individual and small entrepreneur in semi-urban and rural area, in recognizing the struggle to access structured financial solution, we launched this company Akme Fintrade (India) Limited, where loan products were designed to simplify lending ensuring minimum documentation and ease of credit access.

Our company began with the two-wheeler financing acknowledging that nearly 60% of first-time buyer requires structured financial support. Over the year, our commitment to customer centric lending has enabled us to serve over 2 lakh customers, many of whom have become our strongest advocates bringing referral business and strengthening our market position. Today, our portfolio has expanded significantly to include three-wheeler, four-wheeler, commercial vehicle and MSME loan. With the growing footprint, we operate 14 branches in Rajasthan, 3 branches in Maharashtra, 6 in MP and 5 branches in Gujarat. Our branch office and collection center at the district and Taluka level ensure a strong local presence enhancing operational efficiency and customer service.

The 3rd Quarter of Financial Year ‘25 has been eventful and transformative figure for Akme Fintrade, despite challenges such as stress in the MFI segment and overleveraging risk in the industry, we remain committed to prudent disbursement, strategic and maintaining strong collection efficiency.



Our asset under management is continued to grow steadily driven by the robust demand for the MSME loan, four-wheeler financing and used car loan.

In Quarter 3 Financial Year '25, our AUM increased by 8% to Rs. 523 crores reflecting our disciplined approach to growth by maintaining asset quality. Adopting a processed lending strategy we have prioritized financial stable borrowers and reduce exposure to over-leverage segment which has continue to a consistent decline in the gross NPA in pursuing our strong risk management framework.

To support our work and mission, we successfully procured Rs. 65 crores term loan sanctioned from different financial institutions and during this quarter out of that Rs. 10 crores by Shriram Finance, Rs. 25 crores from Maanaveeya Development & Financial Private Limited, Rs. 25 from Indian Overseas Bank, and Rs. 5 from MAS Financial Services.

Additionally, we further raised Rs. 35 crores through convertible warrant, which will be instrumental in fulfilling our expansion plan including the launch of new branch in new graphical location thereby enhancing credit availability across our operational network. We continue to witness strong momentum in our vehicle financing and SME lending segment highlighting the growing demand for our financial solution. Our strategic focus on digital transformation is helping us streamline operation, enhanced customer experience and improve operational efficiency by reducing turnround time (TAT) and cost.

At Akme Fintrade, we remain committed to sustainable and responsible growth with our deep market insight, strategic partnership and operational vigilance, we are confident delivering long-term value to our stake holders. We sincerely appreciate your continuous trust and support to our journey. Thank you.

With this, I invite our CEO - Mr. Akash Jain to provide further insights into our strategic initiative and business developments. Mr. Akash Jain.

Akash Jain:

Good afternoon, everyone. I sincerely appreciate your time and interest in Akme Fintrade (India) Limited.

This quarter has been more dynamic and transformational for our company. I am pleased to report that our AUM reached INR 523 crores, reflecting a strong 30% year-on-year growth.

During the quarter, our vehicle loan segment has shown significant growth of 37%. Because of this, our share of vehicle loan has been increased to 31.60% as compared to 25% as of September quarter in our overall portfolio. Our quarterly profit stood at INR Rs. 8.93 crores marking a significant 110% year-on-year growth. Disbursements for the quarter reached around Rs. 70 crores, up 18% quarter-on-quarter and impressive 185% year-on-year growth.



To further accelerate AUM growth and enhance profitability, we have strengthened our partnership with leading banks and financial institutions. These collaborations will provide us with the necessary financial backing to scale our operational efficiency.

Looking ahead, we see significant growth potential in individual loans, particularly in rural and semi-urban areas where the credit gap remains substantial. With growth in rural demand and increasing financial awareness, we are well positioned to expand our reach and serve a larger customer base.

Additionally, our digital transformation journey is progressing well, and we anticipate having full scale digital operations by the end of this financial year. This will enable us to enhance customer experience, improve operational efficiencies and further strengthen our competitive advantage. During this quarter, we also received a rating upgrade from BBB Stable to BBB+ Stable. This will further reduce our cost of borrowing in the coming future.

With that, I will invite our CFO – Ms. Rajni Gehlot to present a detailed over view of our financial performance. Over to you Rajni.

Rajni Gehlot:

Thank you, Akashji. Good afternoon, everyone and a warm welcome to our Q3 FY25 Earnings Call.

I am pleased to present the key financial highlights for the quarter:

Disbursement for Q3 FY25 stood at Rs. 70.12 crores including trade advances to two-wheeler dealers, reflecting a 30.08% growth over Q2, timely driven by vehicle loans disbursed during the festive season.

Asset under management expanded to Rs. 523.38 crores registering a 30.48% year-on-year increase. Interest income for 9 months FY25 reached to Rs. 69.74 crores, marking a 37.36% year-on-year growth. Net interest margin rose to Rs. 45.19 crores for 9 months FY25, reflecting a 49.96% year-on-year growth.

Expense and profitability metrics:

Operational cost increased by 17.69% quarter-on-quarter, primarily due to our business expansion and new hiring. Our asset quality remained stable with provisioning of our GNPA of Rs. 7.87 crores.

Profit before tax for the quarter stood at Rs. 11.88 crores reflecting a 17.69% quarter-on-quarter growth. Profit after tax was Rs. 8.90 crores, registering a 9.69% quarter-on-quarter growth.

Balance sheet and key ratio:



Loan asset net of ECL increased to INR 479.92 crores up from INR 365.84 crores in 9 months FY25, reflecting a 31.18% year-on-year growth. A total of Rs. 65 crores was raised in Q3, bringing borrowings to INR 243.15 crores as of 9 months FY25.

Return on equity stood at 11.63% while our net interest margin remains strong at 13.41%.

Asset quality trends:

We continue to witness positive trends in asset quality with a gross NPA reducing to 2.86% from 3.13% and net NPA to 1.27% from 1.47% at Q2 FY25.

Conclusion:

In summary, Q3 FY25 has been a strong quarter characterized by higher disbursement, robust loan book growth and disciplined cost management. We remain committed to sustain this momentum, while ensuring the asset quality and profitability remain at the core of our strategy.

With that, I now open the floor for questions. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press '*' and '1' on the touchtone telephone. If you wish to remove yourself from the question queue, you may press '*' and '2'. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question assembles. We will take our first question from the line of Kabir Shah, an Individual Investor. Please go ahead.

Kabir Shah: Yes, hello, sir. I have a couple of questions. The first one being what would be the plan to utilize the funds that we have raised from the current warrant issue?

Akash Jain: So, the amount that we are going to raise through warrants will be deployed in for our operational purpose only. So, currently, out of the total warrant amount, we have received till date only 25% of the amount. The balance will be received within a period of 18 months, so this amount will be used for our onward lending purposes only.

Kabir Shah: Like, can you give us a little more elaboration on that, like even though it is just 25% like raised right now, but like a little more details or plan on that?

Akash Jain: Your voice is not audible. Can you speak loudly?

Kabir Shah: Is it audible now?

Moderator: Yes. Can you use your handset mode, please?

Kabir Shah: Yes, I am. Is it audible now?



- Akash Jain:** Yes, it is better, but not that audible. Yes, go ahead.
- Kabir Shah:** So, I was asking like if you could give us a little more color on the operational part, like what would be purpose of it, a little more detail or color on that would be nice?
- Akash Jain:** So, the amount that we are raising through warrant, currently we will receive only 25% of that amount as per the warrant conditions. The balance 75% amount will be received within a period of 18 months depending upon our requirement and the investor's plan. We are using this amount for the purpose of our onward lending purposes only. So, whatever amount we are receiving, we will deploy that fund in our operations and that will be used for the loan disbursement purposes.
- Kabir Shah:** Alright. So, secondly, what would be our AUM projection for the fourth quarter?
- Akash Jain:** We are projecting our total AUM of Rs. 600 crores by the end of March quarter. So, considering the market conditions and the overall market scenario, it may go up also, but currently we are projecting around Rs. 600 crores.
- Kabir Shah:** And one last question, do you see any kind of stress in the assets or are we experiencing any kind of delays in the money to recover from our interest receivables?
- Akash Jain:** So, as per the current trend, our stress levels are under control. We are not experiencing any significant increase in the stress level in our assets. As you can see in our numbers also, our GNPA is continuously in the decreasing trend. In the new loans that we are doing also, we are not stressing much of the stress that even the stress that is there, it is under control and as per the overall NPA level of the company. I would like to specifically mention here that we are completely doing our secure business. We are not doing unsecured business, so the major stress that industry is facing is under unsecured business. So, that is not the problem or that is not the problem statement for us right now.
- Kabir Shah:** And on that like, what would like, as you mentioned that it secured against various assets like is it like 100% secured loans or is it like a lower loan to value ratio?
- Akash Jain:** So, majorly, we are doing two types of products. One is vehicle loans, which is completely secured by the hypothecation of the underlying asset that has been financed, and another is our MSME business loans which are completely secured by the self-occupied residential or commercial properties. So, in the case of MSME business loans, we are maintaining LTV of 60%-65%. So, there is a sufficient margin of security value for us. Similarly in case of vehicle finance business, there is enough room, enough margin available for us, even if there is a default we are able to easily recover the amount by seizing or by selling the property.
- Kabir Shah:** Alright. Thank you so much. All the best for the future. Thank you, sir.
- Akash Jain:** Thank you, Kabir.



- Moderator:** Thank you. We will take the next question from the line of Deepak, an Individual Investor. Please go ahead.
- Deepak:** Hi, sir. Sir, my question is on the PAT, so basically in the last con-call, you gave the guidance of Rs. 35 crores PAT as we have done around Rs. 25.7 crores in the 9 months. So, would you like to revise the guidance upwards?
- Akash Jain:** Deepak, we have given the earlier guidance of around Rs. 35 crores for the whole year. Currently, we stood at around Rs. 25 crores as of now. We are hopeful that the amount of business that we have done during this 3rd Quarter, we will get the income impact in the fourth quarter of the business that we have done in quarter 4. So, we are hopeful that we will be achieving a total profit of around Rs. 10 crores in the fourth quarter, which will raise the total amount of PAT to Rs. 35 crores. And we are staying with our earlier guidance. There won't be any major deviation in the overall PAT of the company.
- Deepak:** That was only question, sir. Thank you.
- Akash Jain:** Thank you, Deepak.
- Moderator:** Thank you. Next question is from the line of Shreyans Jain from MS Capital. Please go ahead.
- Shreyans Jain:** Hi, good afternoon. Congratulations on a good set of numbers.
- Akash Jain:** Hello, good afternoon, sir.
- Shreyans Jain:** Hi. So, my first question is, can you provide your one-year lag of GNPA and NNPA numbers for this year and the last year?
- Akash Jain:** So, you want to know the GNPA figures for last year as well as for this year?
- Shreyans Jain:** No, I want to know the GNPA figure right now on 1-year-old book and 2-year-old book?
- Akash Jain:** Those figures will give. Those numbers are not with me right now. I will ask my Compliance Team to send you those numbers, but overall, I can give you guidance about that thing. For last one-year numbers, the GNPA numbers are less than 1% for the loans that has been originated in the last one year and similarly the two years back loans, it is somewhere around that only. There are no major delinquencies in the newer loans that have been done in last 1 or 2 years, but the exact number I will provide you. My Compliance Team will provide you.
- Shreyans Jain:** Alright, that works. And my second question is, what is the rationale for splitting our shares into like Rs. 1 shares from Rs. 10? It is already like very low value, right? Just Rs. 80 and you are splitting it going to become a penny stock basically, it is going to be Rs. 8 and then like, what is the rationale behind it? Why are we splitting the stock?



- Akash Jain:** So, the rationale behind this is that we want that many more investors join our company, become shareholders of our company. So, by splitting the share, it will be more accessible to them and this will increase our liquidity in the overall capital of the company. So, this is the major reason because of which we are doing this splitting.
- Shreyans Jain:** Alright, but it is already pretty liquid right at this Rs. 80 is a very small amount and you have a decent number of shares in the free float. I don't know. Alright. Thanks.
- Akash Jain:** Thank you.
- Moderator:** Thank you. Next question is from the line of Supan Parekh, an Individual Investor. Please go ahead.
- Supan Parekh:** Hi, good afternoon, sir.
- Akash Jain:** Good afternoon.
- Supan Parekh:** Sir, my first question is, sir, how are you planning to utilize the funds which we raised from warrant issuance?
- Akash Jain:** So, this question I already answered. The warrant amount we are getting 25% of that we are receiving right now and the balance will be received in 18 months period. This whole amount will be utilized for our operational purposes only for the onward lending purposes.
- Supan Parekh:** Any projections for Q4 for AUM?
- Akash Jain:** So, our Q4 number will be around Rs. 600 crores. Rs. 600 crores, we are going to cross in Q4. This is the projections that we are doing right now.
- Supan Parekh:** Sir, are we facing any problems of over leveraging?
- Akash Jain:** No, we are not facing any problem in terms of leveraging. Around Rs. 150 crores of proposals are under pipeline, under process at various stages. We have proposals lined up with SBI, SIDBI, Union Bank, UCO Bank and various other NBFCs also. And in the last quarter also, we have raised more than Rs. 65 crores in that. So, we are not facing a challenge in terms of raising the money. Apart from that, our rating has also been increased from BBB to BBB+ stable. This will further help us in raising more funds and reducing our borrowing cost.
- Supan Parekh:** Sir, are we planning to come up with any credit ratings?
- Akash Jain:** So, we have recently been rated in the month of December. Further, we have filed papers for rating with CARE also and we are hoping that by the month of March we will get rating from CARE also.



- Supan Parekh:** Thank you, sir.
- Akash Jain:** Thank you.
- Moderator:** Thank you. Before we take the next question, we would like to remind participants to press ‘*’ and ‘1’ to ask a question. Next question is from the line of Aniket Redkar, an Individual Investor. Please go ahead.
- Aniket Redkar:** Thank you for the opportunity and good afternoon, everyone. So, I have few questions. So, sir, I just wanted to understand what is our capital to risk-weighted asset ratio?
- Akash Jain:** Yes, come again?
- Aniket Redkar:** What is our CRAR?
- Akash Jain:** Aniket, am I correct?
- Aniket Redkar:** Yes, correct.
- Akash Jain:** Good afternoon, Aniket. Our CRAR is currently at 65%.
- Aniket Redkar:** So, this 65% is for the?
- Akash Jain:** As on December 25.
- Aniket Redkar:** And what would be for the FY25, can you just guide me in terms of range?
- Akash Jain:** So, it will be somewhere around 55%. We will close this year by around 55%.
- Aniket Redkar:** And sir, is there any plan to expand in new geographies or to introduce new financial product in the upcoming quarters?
- Akash Jain:** So, currently, we are working in four states and as you can see our current geographical presence, we are present in 14 branches in Rajasthan, 6 branches in MP, 5 branches in Gujarat and 3 branches in Maharashtra. So, we have ample opportunity to expand in these states only and currently our management is planning to expand in these states where we are currently working. And as far as new products are concerned, we are foraying into electrical vehicle also in this quarter. Our policy is trained and probably in this month only, we will launch the product and we will start building our books in EV also.
- Aniket Redkar:** So, sir, just wanted to understand for the EV business, so how do you see the demand for this electrical vehicle loan? What would be the future opportunity for us as far as EV is concerned?



- Akash Jain:** So, as you can see in the market also, there is a huge demand in EV. We are also looking at buying EV for their purposes, for their household use also. And apart from that, there is huge demand in the commercial passenger vehicle segment, also like E-rickshaws and E-autos also. So, we are looking to tap that market, and we want to expand our business of this product portfolio in this EV product. So, primarily we are targeting three products in EV market. One is our two-wheeler EV financing, and the second one is the commercial EV like three-wheeler rickshaws and the three-wheelers, and the third one is the solar rooftop. For that, we are working aggressively.
- Aniket Redkar:** Sir, in the EV market, are we in tie ups with these manufacturers? How are we going to plan this? So, for bike, for two-wheeler and for EV cars, so are we in tie up with Tata, Hyundai, Kia or something like that?
- Akash Jain:** So, we are not doing cars. We are not funding cars, whatever four-wheeler that we are funding our commercial vehicles or vehicles which can be utilized for business purposes. So, we are not funding any personal segment vehicles. Apart from that we are definitely tying up with their two-pronged strategies. One is the user business strategy that we are doing. We are appointing persons at the good EV dealer shops where our person will be there, who will directly fund the person who wants finance for their EV purchases. Another one is that we are tying-up with the manufacturers also.
- Moderator:** Sir, you were not audible, can you just repeat the last part, please?
- Akash Jain:** Yes, we are tying-up with the EV manage sections as well as Fintech company also through which we will smooth our business.
- Aniket Redkar:** Got it. And sir, in terms of digital transformation, are we taking any steps towards this digitization? What are the steps we are taking and the initiatives, how have these initiatives basically impacted our operational efficiency or customer acquisition? I just wanted to understand.
- Akash Jain:** So, we are completely digitizing the whole loan management system where LOS is there, LMS is there. So, we are targeting that from the loan initiation to the loan disbursement and the loan management. Complete journey happens through digitally and for the two-wheeler products, we have already started our product. For other products, our system is under UAT and probably by the end of this financial year, we will launch completely all the products on our digital platform.
- Aniket Redkar:** Got it, sir. Sir, one last question, regarding this interstate fluctuation, so how are we going to managing this kind of risk?
- Akash Jain:** We have got the rating upgrade also. So, as far as borrowing cost is concerned, we are approaching banks and various financial institutions also to raise funds at the lower cost. We have refused various sanctions which we have received at higher interest costs, but we have not



taken the disbursement of those loans. Similarly, at the lending front also, we have increased our lending cost also to balance the yield that we are getting right now.

Aniket Redkar:

Got it, sir. Thank you so much, sir and all the best for the future, sir.

Akash Jain:

Thank you. Thank you very much.

Moderator:

Thank you. We will take our next question from the line of Sania Sakkam, an Individual Investor. Please go ahead.

Sania Sakkam:

Thank you for taking my question. So, my question was regarding industry dynamics that are we experiencing any stress on the receivables or the asset side?

Akash Jain:

So, just to let you know that we are majorly doing secured business, we are mainly doing secured business. We are doing two products, vehicle loan and MSME business loans which are completely 100%. So, the major stress that is currently faced by industry is under unsecured loans. So, we are not in that space. As far as our loan products are concerned, we have not witnessed any significant stress, increasing stress in our portfolio in the last two quarters. Definitely, I cannot say for the future, but currently there has not been any increased stress.

Sania Sakkam:

Currently, we are getting our payments on time?

Akash Jain:

Yes. So, our NPA levels are under control and there should not be any significant increase in that.

Sania Sakkam:

And in the coming quarters, do you see any impact of that coming in our balance sheet?

Akash Jain:

I don't foresee such an impact because currently our collection efficiency is good and we are collecting our amount regularly. As far as NPAs are concerned, not much significant increase is there. And rather, I would say our GNPA is continuously coming down. So, we don't foresee any concern in the next quarter.

Sania Sakkam:

Fine, thank you. Sure. That is it from my side.

Akash Jain:

Thank you.

Moderator:

Thank you. We will take our next question from the line of Sana, an Individual Investor. Please go ahead.

Sana:

Sir, my question is how are MSME, two-wheeler and commercial vehicle loan performing quality wise?

Akash Jain:

Quality wise, I would just give you the figure that our overall GNPA is 2.86% and in case of vehicle loan, our GNPA is 2.96% and under SME it is 2.82%. And there is significant



improvement as compared to quarter-on-quarter. Our vehicle loans GNPA has come down by around 2.4%. It has come down from 4.29% in September to 2.96% in this quarter. And similarly, MSME business loans, GNPA remains stagnant. There has not been much increase or decrease in that portfolio. So, we are hopeful that and we are confident that we will strengthened....

Sana: Sir, I have one more question is like would you be able to disclose the names of the participants in the fundraise?

Akash Jain: Fundraise, share warrants?

Sana: Sorry, sir, you are not audible.

Akash Jain: So, in fundraise through share warrants, you want to know about the participant in share warrant?

Sana: Yes, sir.

Akash Jain: That is there. The notice is uploaded there. Currently, I don't have the participants name right now, but notice is uploaded on the BSE, NSE site also. And if you are dealing with the contact details, our Compliance Team will send you the notice.

Sana: Thank you, sir. That is all from my side.

Moderator: Thank you. Ladies and gentlemen, to ask a question, please press '*' and '1' on your phone. Next question is from the line of Deepak, an Individual Investor. Please go ahead. Mr. Deepak, please go ahead with your question.

Deepak: Yes. Thank you for the opportunity, again. So, I don't have a question, just a suggestion. Right now, we are growing at a really great pace. All the AUM is growing, the NPAs are in control. So, the split announcement was a surprise for us. So, I will request the management to reconsider the proposal of a split because I think as a shareholder we have enough liquidity, right and the split, not only will increase liquidity, but also lead to the speculation in the stock. So, I will just request you to reconsider the proposal of the stock split. That is all.

Akash Jain: Deepak, I will forward your concerns to our management team also and definitely, we will consider whatever you have suggested us and we will let our Board know what you think. We will discuss it further in our Board also.

Deepak: Yes, sir. Thank you, sir.

Moderator: Thank you. Participants who wish to ask a question are requested to press '*' and '1' on their phone now. Next question is from the line of Rohan Mehta, an Individual Investor. Please go ahead.

- Rohan Mehta:** Yes. Hi. Good afternoon, sir.
- Akash Jain:** Good afternoon.
- Rohan Mehta:** Just had some broad questions in terms of your vision for the next 1 or 2 years, maybe say even 3 years? If you can give some very rough ballpark guidance in terms of topline and overall strategy, where we can see the company after 3 odd years?
- Akash Jain:** So, Rohan, definitely our management plan is to expand geographical presence. Looking at the current scenario of the concerns that has been raised by RBI as well as the overall NBFC industries and the muted growth in rural as well as in urban areas, looking at all these, we are expecting that we will grow our AUM by around 60% in the next year and around further 50% in financial year 27. So, we are targeting AUM of around Rs. 1,000 crores by the end of March 26 and around Rs. 1,500 crores by the end of March 27. As far as overall profitability is concerned, our PAT, we are expecting that we will be having net profit ratio of around 35% in financial year 26 and around 30% in financial year 27.
- Rohan Mehta:** Understood, sir. That is very helpful. And sir, I am sure this must have been asked a lot, but do we see any particular impact on us after this based on the budget that came out and also the recent interest rate slight decrease that has happened in the global markets if it is going to impact us?
- Akash Jain:** Yes, definitely, this will have a very positive impact on our company's overall position as well as on the growth plan. As you can see that there has been a significant reduction in the income tax for the middle class as well as for the lower income class group. So, this additional income will definitely encourage them to buy new assets which can be funded by us, so that will lead to a growth for them as well as for the growth of the whole NBFC sector. So, we are very bullish on this further as the rates will come down and our overall borrowing costs will come down and this will help us in having improved margins for our company.
- Rohan Mehta:** Understood. That is good news, sir. And just if you could comment a little bit on the performance of our asset quality within our segments like MSME, two-wheelers, and commercial vehicles specifically the automotive-related segments?
- Akash Jain:** So, the NPAs, overall NPAs has significant come down as compared to the last quarter. Last quarter, our vehicle loans NPA was around 4.29%, GNPA, which has come down to 2.96%. We are seeing a very healthy growth in terms of both businesses as well as in terms of the reduction in NPA in this vehicle segment.
- Rohan Mehta:** And are you expecting any types of stress or issues in the MFI industry impacting our collections or disbursements?
- Akash Jain:** So, we are not doing any unsecured loans, so such type of concerns are not impacting us at a direct level, but however the overall impact which NBFC is facing, currently we are not facing



such stress on our portfolio, but in future we are looking at all these old leverage conditions. We have our risk mitigation in place and we have strengthened our underwriting process. We are now looking at the areas where if there are higher delinquencies, we are stopping business there. So, these kind of all risk mitigation measures are in place and through that we are controlling the overall health of the portfolio, so proactive measures are being taken and with that we are sure that we will maintain our asset quality.

Rohan Mehta: Fair enough, sir. Just one last question, Speaking of risk mitigation, do we have any filtering process in place to control buildup of overleveraging in our system?

Akash Jain: Yes, we have our credit policy in place where we majorly focus on the overall FOIR of the customer. So, we are not funding if any customer is having more than 60% FOIR. So, we either reduce the loan amount or we reject the file.

Rohan Mehta: Alright, sir and sir, for repeated customers, if we get the same customer twice or thrice for repeat business, do we have a difference in the interest rate that we charge them or does it remain the same for any particular asset class or product that they are coming for?

Akash Jain: So, definitely, there is an incentive for them. We do give interest rate benefit to them. We further provide top up loans on their existing asset that we are having with us, on which their loan is, if a good track record loan is going on. Further, our management is thinking for some referral incentive also that can be launched very soon depending upon the referral business that we are getting. So, there are plans and there are incentives currently also running and we are coming up with future incentives also for our current customers who provide us referral business.

Rohan Mehta: Alright. Thank you. Thank you for addressing my questions and all the best to the whole team. Thank you.

Akash Jain: Thank you. Thank you very much.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to Mr. Nirmal Jain - Chairman and Managing Director of the company for closing comments. Over to you, sir.

Nirmal Kumar Jain: Before we conclude, I would like to take a moment to reflect on our journey. In the road ahead, this Quarter 3 Financial Year '25 has been a transformative period for Akme Fintrade India, marked by strong business growth, prudent financial management and steady progress in our digital initiatives. Our focus remains on expanding our presence in the high potential market, strengthening our customer relationship and maintaining robust asset quality. The confidence on our customers, partners and investors reinforces our commitment to delivering sustainable and profitable growth. As we move forward, we will continue to drive responsible lending, operational efficiency and digital transformation to unlock new opportunities with a clear vision and disciplined execution. We are confident in creating long-term value for our stakeholder and we at Akme Fintrade, I sincerely thank you for your continued trust and support. We look



forward to keeping you updated on our progress in the coming quarters. Wishing you all a great day. Thank you.

Moderator:

Thank you. On behalf of Akme Fintrade (India) Limited and Adfactors PR Investor Relations team, that concludes this conference. Thank you for joining us and you may now disconnect your lines.