

IPO Report

Choice

“SUBSCRIBE” to

Onemi Technology Solutions Ltd.

A tech-enabled NBFC in India available at an attractive valuation.



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Salient features of the IPO:

- **Onemi Technology Solutions Ltd.** (OTSL), Incorporated on June 18, 2016, is a technology-enabled lender in India offering digital loans for consumer and business needs through its mobile applications. It owns and operates the Kissht platform, which includes customer-facing apps, backend systems, and collections infrastructure. Its AUM comprises both on-book loans held by its wholly owned subsidiary, Si Creva (an RBI-regulated middle-layer NBFC), and off-book loans originated in partnership with external lenders. The company is focused on young individuals within the mass market segment.
- This public issue is a combination of Fresh issue (Rs. 850cr) and OFS (Rs. 71.92 - 75.92cr). The company will not receive any proceeds from the OFS portion. The Net Proceeds from the fresh issue will be utilised for augmenting the capital base of its Subsidiary, Si Creva, to meet its future capital requirements arising out of the growth of the Subsidiary, Si Creva's, business.

Key competitive strengths:

- Large customer base acquired through a diversified multi-channel acquisition strategy
- Driving asset quality through advanced and comprehensive risk management
- Access to diversified and scalable funding sources
- Scalable, cloud-native and AI-built technology platform integrated across all key functions
- Experienced founders and leadership, backed by marquee investors

Business strategy:

- Strengthen existing customer relationships while acquiring high-quality new customers to lead the mass market segment
- Continue improving credit models to drive profitability
- Be at the forefront of technology by leveraging ML, generative AI and other emerging tools
- Deliver superior profitability at scale by leveraging lower cost of funds and operating leverage
- Build a comprehensive financial services platform through product expansion

Risk and concerns:

- General slowdown in the global economic activities
- Significant portion of the AUM consist of unsecured loans (94%)
- The company's financial performance is sensitive to interest rate fluctuations
- Significant portion of the AUM attributable to the southern and western regions (35% and 26.5%)
- Competition

Valuation Overview and IPO Rating

At the upper price band, the issue is valued at a post-issue P/BV of 1.4x, which is below the peer average. The company has delivered steady growth, with interest income growing at a CAGR of 21.4% between FY23 and FY25. It primarily targets young customers (average age of 32 years) with a relatively strong credit profile, reflected in a median CIBIL score of 746. AUM has increased to Rs. 5,955.8cr; however, the portfolio remains largely unsecured (~94%), which poses a higher risk. The company has recently started diversifying into LAP, currently contributing ~6% of the portfolio, indicating initial steps toward portfolio diversification. Given its technology-driven business model, expanding customer base, and growth trajectory, we believe the company is well-positioned for the future. Accordingly, we assign a "SUBSCRIBE" rating for this issue.

Issue details

Price band Rs. 162 - 171 per share

Face value Rs. 1

Shares for fresh issue 4.971 - 5.247cr shares

Shares for OFS 0.444cr shares

Fresh issue size Rs. 850cr

OFS issue size Rs. 71.92 - 75.92cr

Total issue size 5.415 - 5.691cr shares
(Rs. 921.92 - 925.92cr)

Bidding date 30th Apr. - 5th May. 2026

Implied MCAP at higher price band Rs. 2,881.06cr

Implied enterprise value at higher price band Rs. 3,833.74cr

Book running lead manager JM Financial Ltd., HSBC Securities and Capital Markets (India) Pvt. Ltd., Nuvama Wealth Management Ltd., SBI Capital Markets Ltd., and Centrum Broking Ltd.

Registrar KFin Technologies Ltd.

Sector NBFC

Promoters Ranvir Singh and Krishnan Vishwanathan

Category	Percent of issue (%)	Number of shares
QIB portion	50%	2.707 - 2.845cr shares
Non institutional portion (Big)	10%	0.541 - 0.569cr shares
Non institutional portion (Small)	5%	0.271 - 0.285cr shares
Retail portion	35%	1.895 - 1.992cr shares

Indicative IPO process time line

Finalization of basis of allotment 06th May. 2026

Unblocking of ASBA account 07th May. 2026

Credit to demat accounts 07th May. 2026

Commencement of trading 08th May. 2026

Pre and post - issue shareholding pattern

	Pre-issue	Post-issue
Promoter & promoter group	35.18%	24.80%
Public	64.82%	75.20%
Non-promoter & Non-public	0.00%	0.00%
Total	100.00%	100.00%

Retail application money at higher cut-off price per lot

Number of shares per lot 87

Application money Rs. 14,877 per lot

Companies	CMP (Rs/sh)	Face Value	Market Cap	6M (%)	12M (%)	Cost of borrowings (%)	Yield on advances (%)	NIM (%)	GNPA (%)	NNPA (%)	PCR (%)
Onemi Technology Solutions Ltd.	171	1	2,881	-	-	15.4%	30.7%	21.2%	2.9%	0.4%	86.9%
Bajaj Finance Ltd	929	1	5,78,767	-11.4%	1.6%	7.45%	16.2%	8.2%	1.6%	1.2%	61.0%
Cholamandalam Investment & Finance Company Ltd	1,552	2	1,32,230	-9.5%	3.5%	6.80%	14.7%	7.9%	4.6%	3.1%	33.4%
HDB Financial Services Ltd	670	10	55,610	-9.0%	-	-	14.1%	8.1%	2.8%	1.3%	55.6%
SBI Cards & Payment Services Ltd	651	10	61,975	-26.3%	-26.3%	6.70%	16.6%	11.2%	2.9%	1.3%	56.1%
CreditAccess Grameen Ltd	1,275	10	20,400	-12.1%	9.1%	9.60%	20.6%	13.3%	4.0%	1.4%	-
Average						7.6%	16.4%	9.7%	3.2%	1.6%	51.5%

Companies	PAT (Rs.cr)	AUM (Rs.cr)	Total Assets	Net worth	Debt	D/Ex	Asset/Equity
Onemi Technology Solutions Ltd.	161	5,956	3,569	2,104	2,048	1.0	1.7
Bajaj Finance Ltd	16,779	4,84,477	-	1,08,353	4,04,965	3.7	-
Cholamandalam Investment & Finance Company Ltd	4,263	2,10,722	2,28,861	27,577	1,97,810	7.2	8.3
HDB Financial Services Ltd	2,176	1,14,853	1,18,479	18,911	92,903	4.9	6.3
SBI Cards & Payment Services Ltd	1,916	-	67,365	15,424	46,216	3.0	4.4
CreditAccess Grameen Ltd	531	26,566	28,594	7,440	19,776	2.7	3.8
Average						4.3	5.7

Companies	P/BV (x)	P/E (x)	Mcap/ AUM	BVPS (Rs/sh)	EPS (Rs/sh)	RoE (%)	RoA (%)	CAR (%)	C/I(%)
Onemi Technology Solutions Ltd.	1.4	17.9	0.5	125	9.5	23.5%	8.5%	26.7%	54.3%
Bajaj Finance Ltd	5.3	34.5	1.2	174	26.9	18.6%	-	21.5%	33.7%
Cholamandalam Investment & Finance Company Ltd	4.8	31.0	0.6	324	50.0	18.6%	2.3%	19.2%	38.8%
HDB Financial Services Ltd	2.9	25.6	0.5	228	26.2	14.0%	2.2%	21.8%	40.9%
SBI Cards & Payment Services Ltd	4.0	32.3	-	162	20.1	14.2%	3.1%	24.4%	54.7%
CreditAccess Grameen Ltd	3.3	38.4	0.8	465	33.2	13.8%	3.5%	26.4%	33.3%
Average	4.1	32.4	0.8			15.8%	2.8%	22.6%	40.3%

Note: Considered financials for the period during FY23 - 25 (with IPO adjustments); Source: Choice Broking Research

Key Highlights of the Industry and the Company:

- According to the RHP, India's retail lending landscape is undergoing rapid transformation, driven by rising digital adoption and supportive regulatory frameworks. Total retail credit in the mass market segment is projected to grow from Rs. 31.9 trillion in FY25 to Rs. 77.4 trillion by FY30, with personal loans (PL) and loans against property (LAP) expanding from Rs. 11.6 trillion to Rs. 33.4 trillion.
- The RHP further highlights that digital lending within the mass market is expected to grow nearly 7x to Rs. 4.1 trillion by FY30, at a CAGR of 48%, significantly outpacing traditional lenders. Positioned at the intersection of this shift, digital-first players leverage full-stack platforms, proprietary risk models, and embedded credit infrastructure to effectively serve the next wave of underserved borrowers.
- As of December 31, 2025, the Company had 6.37cr registered users and had served 1.12cr customers, with a strong net promoter score of 95. It also maintained a rating of 4.6 on the Google Play Store, based on over 1.25mn user reviews as of March 31, 2026. In December 2025, OTSL expanded its presence by launching its mobile application on the iOS platform and its application marketplace. As of March 31, 2026, the app held a rating of 4.3 on the Apple App Store.
- For the nine months ended December 31, 2025, the Company has a well-diversified customer base, comprising 51.17% self-employed and 48.83% salaried individuals. Geographically, 63.38% of its customers are concentrated in metro and Tier 1 cities (top 50 cities), while the remaining 36.62% are from Tier 2 and beyond. Across income segments, the customer base is distributed with 28.69% earning between Rs. 25K – Rs. 50K, 38.96% between Rs. 50K–Rs. 75K, 20.46% between Rs. 75K–Rs. 100K, and 11.89% earning above Rs. 100K. The Company also has a relatively young customer profile, with 73.55% of users below the age of 35, including 54.72% aged between 25–35 years and 18.83% below 25 years, while 26.45% are above 35 years.

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- In addition, the Company's customer base demonstrates strong credit quality, with 74.09% of customers having credit scores in the range of 700–760 and 21.19% above 760, while only 4.72% have scores below 700. In terms of loan utilization, the majority of loans are taken for business purposes (47.99%), followed by consumption needs (29.72%), emergency requirements (13.46%), and other purposes (8.83%).
- OTSL leverages a diversified mix of online and offline channels to drive customer acquisition, including digital marketing across search engines and social media platforms, partnerships with small businesses such as shop owners and retail outlets, and collaborations with e-commerce platforms and loan aggregators. The Company also benefits from organic growth through word-of-mouth referrals. This multi-channel approach supports a resilient and scalable customer acquisition model.
- For the nine months ended December 31, 2025, digital marketing, merchant partnerships, e-commerce channels, and organic acquisition contributed 45.51%, 23.28%, 7.51%, and 23.70%, respectively, to total new customer acquisitions. Additionally, in Fiscal 2025, the Company strengthened its brand positioning by appointing former Indian cricketer Sachin Ramesh Tendulkar as its brand ambassador, aimed at enhancing consumer trust and brand recall.
- The Company's on-book lending operations have historically been funded through a balanced mix of equity and debt, supported by prudent leverage management. As of December 31, 2025, on-book borrowings stood at Rs. 2,047.5cr, with a debt-to-equity ratio of 1.6x, indicating adequate headroom to raise additional debt. OTSL also benefits from a well-diversified lender base of 47 lenders, reflecting low concentration risk and providing stable access to liquidity.
- The Company's subsidiary has received consistent credit ratings from leading agencies, underscoring its financial stability and creditworthiness. It was assigned A-/Stable (long-term) and A1 (short-term) ratings by Acuité Ratings & Research Limited in August 2025, A-/Stable by India Ratings and Research Private Limited in November 2025, and A-/Stable (long-term) and A1 (short-term) by CRISIL Ratings Limited in February 2026. These ratings enhance investor confidence and enable the Company to access capital at competitive terms.
- As of December 31, 2025, the Company's AUM stood at Rs. 5,955.8cr, comprising 51.13% on-book AUM and 48.87% off-book AUM. The on-book portfolio is held on the balance sheet of its subsidiary, Si Creva, with the Company bearing the associated credit risk and recognizing the related income. The Company's cost of borrowings ranged between 10.00% and 14.75%, with liability tenures spanning from three to 48 months across various facilities. As of the same date, OTSL had a diversified lender base of 47 lenders, with its largest lender accounting for 12.06% of total borrowings, reflecting low concentration risk and a stable funding profile.
- The company's off-book partnerships highlight its credibility and its ability to build and scale asset-light lending structures alongside high-quality lending partners. These partnerships are structured across three primary models: the 100-0 arrangement, the co-lending model, and the direct assignment (DA) model.
- Under the 100-0 arrangement, OTSL acts as a sourcing and technology partner, while the loans are fully originated and held on the balance sheets of its lending partners. In the co-lending model, loans are jointly originated with lending partners, with a pre-agreed portion retained on the balance sheet of its subsidiary, Si Creva, and the remainder held by the partner institutions.
- Under the DA model, the company originates loans and subsequently assigns them to its lending partners shortly after disbursement, resulting in minimal balance sheet exposure for its subsidiary. Across all three models, OTSL retains end-to-end control over the loan lifecycle, including sourcing, underwriting support, servicing, and collections, ensuring a consistent and seamless customer experience.

Key Metrics	FY23	FY24	FY25	9MFY26
AUM (Rs.cr)	1,267.93	2,604.28	4,086.64	5,955.75
On-Book-AUM (Rs.cr)	450.57	1,475.22	2,474.56	3,045.13
On-Book-AUM (%)	35.5%	56.6%	60.6%	51.1%
Off-Book AUM (Rs.cr)	817.36	1,129.06	1,612.08	2,910.62
Off-Book AUM (%)	64.5%	43.4%	39.4%	48.9%
AUM Growth (%)		105.4%	56.9%	45.7%
Unsecured (%)	100.00%	99.97%	98.15%	94.23%
Secured Loan (LAP) (%)	-	0.03%	1.85%	5.77%
Repeat Customer AUM (%)	87.44%	84.73%	73.30%	50.62%
Disbursement (Rs.cr)	11,757.59	18,531.14	9,857.75	8,855.95
Average Ticket Size (Rs.)	7,172.16	14,720.83	31,808.05	25,556.79
Registered User Base (cr.)	3.14	4.31	5.32	6.37
Customer Base (cr.)	0.64	0.82	0.92	1.12
Average Age of Customers	30	31	32	32
Total Borrowing (Rs.cr)	387.89	784.30	1,507.58	2,047.52
D/E (x)	0.69	0.97	1.50	1.63

Financial statements:

Consolidated profit and loss statement (Rs. cr)						
	FY23	FY24	FY25	9MFY26	CAGR over FY23-25	Annual growth over FY24
Interest Income	674.9	1,211.0	994.3	916.1	21.4%	-17.9%
Growth (%)		79.4%	-17.9%			
Interest Expended	55.9	68.6	164.4	205.7	71.5%	139.5%
Growth (%)		22.8%	139.5%			
Net Interest Income	619.0	1,142.4	829.9	710.3	15.8%	-27.4%
Net Interest Margin (%)	18.6%	16.8%	23.8%	21.2%	517 bps	697 bps
Other Income	326.6	489.3	358.4	667.8	4.8%	-26.8%
% of Interest Income	48.4%	40.4%	36.0%	72.9%		
Total Income	945.6	1,631.7	1,188.3	1,378.2	12.1%	-27.2%
Growth (%)		72.6%	-27.2%			
Operating & Other expenses	622.4	743.1	645.2	767.1	1.8%	-13.2%
Pre-Prov. Operating Profit	323.3	888.6	543.1	611.1	29.6%	-38.9%
Provisions and contingencies	299.3	621.2	326.8	344.6	4.5%	-47.4%
Operating Profit before Tax	24.0	267.4	216.3	266.4	200.5%	-19.1%
Growth (%)		1016.5%	-19.1%			
Pre-tax Margin (%)	2.5%	16.4%	18.2%	19.3%		
Tax	(3.7)	70.2	55.6	67.2		-20.7%
% of PBT	-15.5%	26.2%	25.7%	25.2%		
Reported PAT	27.7	197.3	160.6	199.3	140.9%	-18.6%
Net Profit Margin (%)	2.9%	12.1%	13.5%	14.5%		
Growth (%)		613.1%	-18.6%			

Consolidated balance sheet statement (Rs. cr)						
	FY23	FY24	FY25	9MFY26	CAGR over FY23-25	Annual growth over FY24
Share Capital	4.8	4.8	5.4	5.4	5.9%	12.2%
Instruments entirely equity in nature	5.3	5.3	5.3	6.6	0.3%	0.4%
Reserves and Surplus	556.2	794.5	995.3	1,242.3	33.8%	25.3%
Provisions	2.6	5.2	7.9	10.9	75.2%	51.8%
Borrowings	387.9	784.3	1,507.6	2,047.5	97.1%	92.2%
Other financial liabilities	318.5	202.5	179.6	256.1	-24.9%	-11.3%
TOTAL CAPITAL AND LIABILITIES	1,275.2	1,796.5	2,701.1	3,568.8	45.5%	50.4%
Cash and balance	661.3	318.2	144.5	244.8	-53.3%	-54.6%
Loans	294.4	1,047.3	2,157.7	2,679.0	170.7%	106.0%
Investment	0.0	0.0	0.0	85.6		
Fixed assets	66.3	57.4	57.8	59.3	-6.6%	0.7%
Deferred tax assets (Net)	102.5	128.3	112.7	139.9	4.9%	-12.2%
Other assets	150.8	245.4	228.4	360.2	23.1%	-6.9%
TOTAL ASSETS	1,275.2	1,796.5	2,701.1	3,568.8	45.5%	50.4%

Financial Ratios				
Particulars	FY23	FY24	FY25	9MFY26
Return / Profitability Ratios (%)				
Net interest margin (NIM)	18.6%	16.8%	23.8%	21.2%
Cost of borrowings	21.3%	11.7%	14.4%	15.4%
Yield on loans	29.5%	24.2%	31.9%	30.7%
RoA	2.2%	12.8%	7.1%	8.5%
RoE	4.9%	28.8%	17.7%	23.5%
Business Ratios (%)				
AUM (Rs cr)	1,267.9	2,604.3	4,086.6	5,955.8
Gross Loan (Rs.cr)	450.6	1,475.2	2,474.6	3,045.1
Disbursements (Rs cr)	11,757.6	18,531.1	9,857.8	8,856.0
CAR (Basel III)	21.1%	25.8%	25.2%	26.7%
Asset / Equity	2.25	2.23	2.69	2.85
PAT / AUM	2.2%	7.6%	3.9%	3.3%
Cost/Income	65.8%	45.5%	54.3%	55.7%
Asset Quality ratios (%)				
PCR	100.0%	100.0%	91.5%	86.9%
GNPA	0.1%	0.8%	2.9%	2.9%
NNPA	0.0%	0.0%	0.3%	0.4%
Per Share Data (Rs)				
EPS (Diluted)	1.6	11.7	9.5	11.8
BVPS	33.6	47.8	59.7	74.4
Valuation ratios (x)				
P/E (x)	104.1	14.6	17.9	14.5
P/BV (x)	5.1	3.6	2.9	2.3
Growth ratios (%)				
AUM		105.4%	56.9%	
NII		84.6%	-27.4%	
PAT		613.1%	-18.6%	

Source: Choice Equity Broking

IPO rating rationale

Subscribe: An IPO with strong growth prospects and valuation comfort.

Subscribe for Long Term: Relatively better growth prospects but with valuation discomfort.

Avoid: Concerns on both fundamentals and demanded valuation.

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