IPO REVIEW

OnEMI Technology Solutions (KISSHT) IPO

By **Dilip Davda** · SEBI Registered Research Analyst · Reg. No. INH000003127 Reviewed on 27 April 2026

- The company is engaged in digital loans through mobile applications.
- It marked growth in its financial performance except for FY25, where it posted de-growth.
- It will be perhaps the only listed entity doing digital loan business, claims the management.
- Around 94% of its lending is unsecured, which remains the major risk.
- Its contingent liabilities over Rs. 1790+ cr. as of December 31, 2025 raise concern.
- Based on its financial performance, the issue appears fully priced.
- Well-informed/cash surplus investors may park moderate funds for medium to long term.

About the Company

OnEMI Technology Solutions Ltd. (OTSL) also known as “Kissht” is a technology-enabled lender in India, primarily offering digital loans through its mobile application for various consumption and business needs. It provides swift, accessible and personalized credit solutions to support customers throughout their financial journeys.

The company is focused on young individuals within the mass market segment, which according to the 1Lattice Report, represents India’s emerging middle class and is aspirational, digitally connected and underpenetrated in credit. As of December 31, 2025, it had 63.73 million registered users and served 11.17 million customers, along with a net promoter score of 95. Further, the company has received a rating of 4.6 on Play Store based on over 1.25 million user reviews as of March 31, 2026. In December 2025, it also launched mobile application on the iOS operating system and its application marketplace. As of March 31, 2026, it has received a rating of 4.3 on App Store.

OTSL maintains a highly granular loan book with over 2.87 million active customers and Rs. 5955.75 cr. in assets under management (“AUM”) as of December 31, 2025. In the nine months ended December 31, 2025, its customers had an average age of 32 years and a median CIBIL score of 746. Further, during the nine months ended December 31, 2025, 67.65% of its customers earned monthly incomes ranging between Rs. 25000 to Rs. 75000, and 63.38% of customers resided in the top 50 cities in India.

The company uses various online and offline channels to acquire customers, including through digital marketing on search engines and social media platforms, partnerships with small businesses (shop owners and retail outlets), and collaborations with e-commerce players and loan aggregators. It also acquires customers organically through word of mouth. Each channel significantly contributes to the growth of its customer base, thereby creating a resilient and scalable customer acquisition model. In

the nine months ended December 31, 2025, digital marketing, merchant partnerships, e-commerce and organic acquisition accounted for 45.51%, 23.28%, 7.51% and 23.70%, respectively, of its total new customer acquisitions in the same period.

OTSL operates a fully tech-enabled, highly scalable, cloud-hosted lending platform, with end-to-end ownership and control of product and technology. This includes Loan Origination System (“LOS”), Loan Management System (“LMS”) and ACS. Its platform manages the entire loan lifecycle, i.e., from customer onboarding to underwriting, disbursement, servicing and collections, ensuring a secure and seamless experience for customers. As of December 31, 2025, the company was supported by an in-house team of 331 engineers and product specialists. As of the said date, its collections team comprises 1074 tele-callers, 8291 field agents and 260 supervision staff covering over 17000 pin codes across India. However, as of December 31, 2025, it had contingent liabilities worth Rs. 1793.49 cr. that raise concerns. Its net NPAs are up to 0.38% as on December 31, 2025, against 0.25% as of March 31, 2025.

According to the management, the company will perhaps be the first in listed space as an online loan distributing company having around 94% unsecured loans (online) and around 6% (through its branches). With the changing lifestyle, it progressed well with its online loan distribution plans and is poised for bright prospects ahead. The contingent liabilties matter largely pertains to the corporate guarantee given by the company, clarified management. (Refer page 67 of the RHP).

Issue Details / Capital History

The company is coming out with its maiden book building route combo IPO of 54147390 equity shares of Re. 1 each to mobilize Rs. 925.92 cr. at the upper cap. The IPO consists of 49707602 fresh equity shares worth Rs. 850.00 cr. at the upper cap, and an Offer for Sale of 4439788 equity shares worth Rs. 75.92 cr. at the upper cap. The company has announced a price band of Rs. 162 – Rs. 171 per equity shares of Re. 1 each. The issue opens for subscription on April 30, 2026, and will close on May 05, 2026. The minimum application to be made is for 87 shares and in multiples thereon, thereafter. Post allotment, shares will be listed on BSE and NSE. The issue constitutes 32.14% of the post-IPO paid-up equity capital. From the net proceeds of fresh equity issue, the company will utilize Rs. 637.50 cr. for augmenting the capital base of its subsidiary – Si Creva, and the rest for general corporate purposes.

The joint Book Running Lead Managers (BRLMs) to this issue are JM Financial Ltd., HSBC Securities and Capital Markets (India0 Pvt. Ltd., Nuwama Wealth Management Ltd., SBI Capital Markets Ltd., Centrum Broking Ltd.., while KFin Technologies Ltd., is the registrar to the issue. J M Financial Services Ltd., Nuvama Wealth Management Ltd., SBI Cap Securities Ltd., Investec Capital Services (India) Pvt. Ltd., and Centrum Broking Ltd. as reh syndicate members.

After issuing/converting initial equity shares at par, the company has issued/converted further equity shares in the price range of Rs. 1.00 – Rs. 141.52 per share (on the basis of Re. 1 FV) between July

2016 – March 2026. The average cost of acquisition of shares by the promoters/selling stakeholders is Rs. 5.47, Rs. 15.73, Rs. 15.75, Rs. 23.85, Rs. 36.23, Rs. 53.87, Rs. 79.51 and Rs. 124.44 per share.

Post-IPO, its current paid-up equity capital of Rs. 11.88 cr. will stand enhanced to Rs. 16.85 cr. Based on the upper cap of the IPO price band; the company is looking for a market cap of Rs. 2881.06 cr.

Financial Performance

On the financial performance front, for the last three fiscals, the company has (on a consolidated basis) posted a total income/net profit, of Rs. 1001.51 cr. / Rs. 27.67 cr. (FY23), Rs. 1700.30 cr. / Rs. 197.29 cr. (FY24), and Rs. 1352.69 cr. / Rs. 160.62 cr. (FY25). For 9M of FY26 ended on December 31, 2025, it earned a net profit of Rs. 199.27 cr. on a total income of Rs. 1583.93 cr.

For the last three fiscals, the company has posted an average EPS of Rs. 11.99 and an average RoNW of 19.62 %. The issue is priced at a P/BV of 0.74 based on its NAV of Rs. 231.84 as of December 31, 2025, and at a P/BV of 1.37 based on its post-IPO NAV of Rs. 124.90 per share (at the upper cap).

If we attribute FY26 annualized super earnings to its post-IPO fully diluted paid-up equity capital, then the asking price is at P/E of 10.84. Based on FY25 earnings, the P/E stands at 17.94. The company posted de-growth in its top and bottom lines for FY25.

For the reported periods, while the company has posted RoE margins of 6.93% (FY23), 28.78% (FY24), 17.74% (FY25), 23.51% (9M-FY26) its data is missing its PAT margins info for the relevant fiscals. It posted inconsistency in its RoE margins.

Dividend Policy

The company has not paid any dividends for the reported periods of the offer document. It has already adopted a dividend policy in July 2025, based on its financial performance and future prospects.

Comparison with Listed Peers

As per the offer document, the company has shown Bajaj Finance, Cholamandalam Investment, HDB Fin., SBI Cards & Payments, as its listed peers. They are currently trading at a P/E of 31.5, 27.5, 21.9, and 29.4 (as of April 27, 2026). However, they are not truly comparable on an apple-to-apple basis. This comparison appears to be an eyewash.

Merchant Banker's Track Record

The five BRLMs associated with this issue has handled 114 issues in the last 3 fiscals, out of which 36 issues closed below the offer price on listing date.

Conclusion / Investment Strategy

OTSL is engaged in digital loans through mobile applications. It marked growth in its financial performance except for FY25, where it posted de-growth. It will be perhaps the only listed entity doing digital loan business, claims the management. Around 94% of its lending is unsecured, which remains the major risk. Its contingent liabilities over Rs. 1790+ cr. as of December 31, 2025 raise concern. Based on its financial performance, the issue appears fully priced. Well-informed/cash surplus investors may park moderate funds for medium to long term.

About Dilip Davda

Dilip Davda is a veteran financial journalist associated with the Indian stock market since 1978. He has been contributing to print and electronic media on capital markets, insurance, and finance since 1985. He is widely recognized for reviewing public issues and non-convertible debentures (NCDs) in the primary market, with a special emphasis on SME public issues.

SEBI Registered Research Analyst – Mumbai · Registration No.: INH000003127 (Perpetual)

Disclaimer: The information provided herein is solely for educational and informational purposes and does not constitute an offer, solicitation, or recommendation to buy or sell any securities. Readers are advised to consult a qualified financial advisor before making any investment decisions. Investments in the securities market are subject to market risks. The author does not intend to invest in the securities discussed.