SK Finance Ltd

Financial Services - Vehicle & MSME finance NBFC - Unlisted - ISIN INE124N01039

Jaipur-based NBFC-ML financing used and new vehicles and MSMEs in rural north-west India; AUM Rs 15,755 Cr and PAT Rs 431 Cr in FY26, with a Rs 2,200 Cr IPO in the pipeline.

INDICATIVE PRICE	MARKET CAP	P/E	P/B
Rs 745.00 (+0.00% today)	**Rs 10,020 Cr**	**23.25**	**2.53**

BOOK VALUE / SHARE	EPS	52-WEEK RANGE	LOT / SETTLEMENT
Rs 294.64	**Rs 32.04**	**Rs 648 - Rs 745**	**100 shares - T+1 working day**

About the company

SK Finance Limited (erstwhile Ess Kay Fincorp), founded by Rajendra Kumar Setia in 1994, is an RBI-registered non-deposit-taking middle-layer NBFC. It lends against commercial vehicles, cars, tractors and two-wheelers (new and used) and to small businesses, with a 600+ branch network concentrated in Rajasthan, Gujarat, Madhya Pradesh, Maharashtra and Punjab and a strongly rural, self-employed customer base.

FY26 was its best year yet: total income Rs 2,828 Cr (Rs 2,824 Cr from operations), PAT Rs 431 Cr (+13.5%), AUM Rs 15,755 Cr, disbursements Rs 9,162 Cr, net worth Rs 3,963 Cr and debt-to-equity 3.23x. FY25 total income was Rs 2,386 Cr. Investors Norwest, TPG Growth, Evolvence, Baring PE India and IIFL invested over 2018-22; a Rs 1,328 Cr round in January 2024 brought in Motilal Oswal PE, Duro Capital, Axis Growth Avenues, Ananta Capital and Mirae.

The company filed a DRHP with SEBI in May 2024 for a Rs 2,200 Cr IPO (Rs 500 Cr fresh, Rs 1,700 Cr OFS) with Kotak as lead banker and KFin as registrar and received SEBI's observations, but after cutting the size to about Rs 1,600 Cr it shelved the issue in August 2025 for want of investor demand; the approval has lapsed and a fresh filing would be required. FY24 profit, expense splits, balance-sheet and cash-flow lines below are estimates. Figures preliminary; verify from MCA filings.

Financials (Rs Cr)

	FY24	FY25	FY26
Revenue	1,700.00	2,370.00	2,810.00
EBITDA	1,100.00	1,556.00	1,868.00
Profit after tax	317.00	380.00	431.00
EPS (Rs)	23.57	28.25	32.04
Net worth	2,949.45	3,463.45	3,962.85
Debt / equity	2.81	3.15	3.23
OPM %	64.7%	65.7%	66.5%
ROE %	10.8%	11.0%	10.9%

Revenue CAGR +28.6% - Profit CAGR +16.6% - figures from filed accounts where available; see the verification notes on the website.

Shareholding

Holder	Category	Shares (Cr)	%
Rajendra Kumar Setia, Yash Setia and family entities	Promoter	5.20	38.5%
Norwest Venture Partners X - Mauritius	Foreign	3.19	23.7%
TPG Growth	Foreign	2.41	17.9%
Motilal Oswal PE, Duro Capital, Axis Growth Avenues, Ananta Capital, Mirae (Jan 2024 round)	Institution	1.55	11.5%
Evolvence India, Baring PE India, IIFL Special Opportunities Fund	Institution	1.08	8.0%
ESOP holders and others	Employee	0.02	0.4%

Board and management

Name	Designation	Since
Rajendra Kumar Setia	Managing Director & CEO (Promoter)	21 Nov 1994
Yash Setia	Whole-time Director	01 Jan 2018
Atul Arora	Chief Financial Officer	01 Jan 2019
Norwest nominee director	Nominee Director	01 Jun 2018
TPG nominee director	Nominee Director	01 Jun 2021

MCA registry snapshot

CIN **U65923RJ1994PLC009051**	STATUS **Active**	AUTHORISED CAPITAL **Rs 30 Cr**
PAID-UP CAPITAL **Rs 13.45 Cr**	LAST AGM **25 Sept 2025**	LAST BALANCE SHEET **31 Mar 2025**

Date	Form	Description	Status
25 Oct 2025	AOC-4 XBRL	Financial statements FY 2024-25 (total income Rs 2,386 Cr)	Approved
20 Nov 2025	MGT-7	Annual return FY 2024-25	Approved
15 Feb 2024	PAS-3	Allotment for Rs 1,328 Cr equity round (Motilal Oswal PE, Duro, Axis Gro	Approved

Original filings (AOC-4 accounts, MGT-7 returns, charges) can be downloaded from the MCA21 portal under this CIN for a nominal fee; offer documents are on SEBI's site.

Reports and documents

Document	Type	Period	Where
Annual report FY 2024-25	Annual Report	FY25	Company website
Annual report FY 2023-24	Annual Report	FY24	Company website
Draft red herring prospectus	DRHP	2024	SEBI
ICRA rating rationale	Rating Rationale	FY25	Rating agency

Strengths

- Consistent profitability and growth - PAT Rs 431 Cr in FY26 on a Rs 15,755 Cr book; ICRA AA- rated.
- Deep rural vehicle-finance franchise with in-house collections; strong secured-lending discipline versus unsecured peers.
- Well-capitalised (net worth Rs 3,963 Cr, D/E 3.2x) with marquee private-equity backing and an IPO already cleared by SEBI once.

Risks

- Used-vehicle and tractor borrowers are sensitive to monsoon and rural income shocks; credit costs rise quickly in bad years.
- IPO timing has slipped repeatedly since 2024; a lapsed SEBI approval means a fresh filing and possible repricing.
- PE investors hold roughly half the equity and will sell in the OFS - supply overhang around listing.
- At Rs 745 and 13.45 Cr shares the implied market cap is ~Rs 10,000 Cr, about 2.5x book and 23x FY26 earnings - not cheap for a vehicle NBFC.

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