

Ref No.: NACL/07/JULY/2025-26

July 29, 2025

To, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Scrip Code: 544260	To, National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai - 400 051 Scrip Symbol: NORTHARC
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**Sub: Outcome of Board meeting of Northern Arc Capital Limited ("the Company") - Pursuant to Regulation 30, 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").**

**Ref: Our Intimation letter NACL/05/JULY/2025-26 dated July 22, 2025.**

With reference to the above intimation, we wish to inform you that the Board of Directors at their meeting held on Tuesday, July 29, 2025, has considered and approved the Unaudited Standalone and Consolidated Financial Results for the first quarter ended June 30, 2025.

Please find enclosed herewith the following:

- A copy of the Unaudited Standalone and Consolidated Financial Results along with Limited Review Reports issued by the **Statutory Auditors, M/s. Walker & Chandiok & Co LLP**, Chartered Accountants.
- Disclosures of line items as required under Regulation 52(4) of Listing Regulations, 2015 (As a part of line items along with financial results).
- Security cover certificate pursuant to Regulation 54(2) and 54(3) of Listing Regulations, 2015 read with SEBI Circular SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67 dated May 19, 2022.
- Statement indicating utilization of issue proceeds and deviation or variation in use of issue proceeds under Regulation 52(7) & 52(7A) of Listing Regulations as of June 30, 2025.
- Press Release for the Investors on the Financial and Operational Performance of the Company for the first quarter ended June 30, 2025.

Please note that the Board meeting commenced at 13:30 Hrs and concluded at 17:00 Hrs

The trading window for dealing in securities of the Company shall remain closed for all designated persons and their immediate relatives till July 31, 2025 and will open for trading with effect from August 01, 2025.

This intimation is also being uploaded on the Company's website at [www.northernarc.com](http://www.northernarc.com)

**For Northern Arc Capital Limited**



**Prakash Chandra Panda**  
Company Secretary & Compliance Officer



CC:

Catalyst Trusteeship Limited,  
GDA House, Plot No.85,  
Bhusari Colony (Right),  
Paud Road,  
Pune 411 038.

**Northern Arc Capital Limited**

**Registered Office:**

10th Floor, Phase-I, IIT-Madras Research Park, Kanagam Village, Taramani, Chennai - 600 113, India  
+91 44 6668 7000 | [contact@northernarc.com](mailto:contact@northernarc.com) | [www.northernarc.com](http://www.northernarc.com)

CIN.: L65910TN1989PLC017021

## Walker Chandio & Co LLP

### Walker Chandio & Co LLP

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### Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of Northern Arc Capital Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

#### To the Board of Directors of Northern Arc Capital Limited

1. We have reviewed the accompanying statement of consolidated unaudited financial results ('the Statement') of **Northern Arc Capital Limited** ('the Holding Company' or 'the NBFC') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates (refer Annexure 1 for the list of subsidiaries and associates included in the Statement) for the quarter ended **30 June 2025**, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. This Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), the circulars, guidelines and directions issued by the Reserve Bank of India ('the RBI') from time to time, applicable to NBFCs ('the RBI guidelines'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.



Page 1 of 3

Chartered Accountants

Offices in Ahmedabad, Bengaluru, Chandigarh, Chennai, Dehradun, Goa, Gurugram, Hyderabad, Indore, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandio & Co LLP is registered with limited liability with identification number AAC-2085 and has its registered office at L-41, Connaught Circus, Outer Circle, New Delhi, 110001, India



**Northern Arc Capital Limited**

**Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of Northern Arc Capital Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

4. Based on our review conducted and procedures performed as stated in paragraph 3 above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, the RBI guidelines, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement, or that it has not been prepared in accordance with the relevant prudential norms issued by the RBI in respect of income recognition, asset classification, provisioning and other related matters.
5. We did not review the interim financial information of five subsidiaries, included in the Statement, whose financial information reflects total revenues of ₹ 318.17 lakhs, total net (loss) after tax of ₹ (2,825.83) lakhs and total comprehensive (loss) of ₹ (2,812.85) lakhs for the quarter ended 30 June 2025, as considered in the Statement. The Statement also includes the Group's share of net (loss) after tax of ₹ (26.49) lakhs and total comprehensive (loss) of ₹ (26.49) lakhs for the quarter ended 30 June 2025, as considered in the Statement, in respect of one associate, whose interim financial information have not been reviewed by us. These interim financial information have been reviewed by other auditors whose review reports has been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate is based solely on the review reports of such other auditors, and the procedures performed by us as stated in paragraph 3 above.

Our review report is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

6. The review of consolidated unaudited financial results for the quarter ended 30 June 2024 included in the Statement was carried out and reported by S.R. Batliboi & Associates LLP who have expressed unmodified conclusion vide their review report dated 30 September 2024, whose report has been furnished to us and which has been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No:001076N/N500013



**Murad D. Daruwalla**  
Partner  
Membership No:043334



**UDIN:25043334BMRKCE4329**

Place: Mumbai  
Date: 29 July 2025

**Northern Arc Capital Limited**  
**Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of Northern Arc Capital Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

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**Annexure 1**

**List of entities included in the Statement**

**Subsidiaries**

1. Northern Arc Creditech Solutions Private Limited (formerly Northern Arc Investment Adviser Services Private Limited)
2. Northern Arc Investment Managers Private Limited
3. Northern Arc Securities Private Limited
4. Pragati Finserv Private Limited
5. Northern Arc Employee Welfare Trust
6. Northern Arc Foundation

**Associates**

1. FinReach Solutions Private Limited (Till 12 May 2025)
2. Northern Arc Emerging Corporates Bond Trust



Northern Arc Capital Limited  
CIN: L65910TN1989PLC017021

Regd. Office: IITM Research Park, Phase I, 10th Floor, Kanagam Village, Taramani, Chennai - 600 113

Statement of unaudited consolidated financial results of Northern Arc Capital Limited (the Holding Company) for the quarter ended 30 June 2025

(All amounts are in Indian rupees in lakhs, unless otherwise stated)

Particulars	Quarter ended		Year ended	
	30 June 2025	31 March 2025	30 June 2024	31 March 2025
	Unaudited	Audited (Refer Note 10)	Unaudited	Audited
<b>Revenue from operations</b>				
Interest income	55,800.93	55,075.98	54,912.74	2,17,608.94
Fee and commission income	2,562.13	2,641.49	1,901.16	9,264.25
Net gain on fair value changes	1,107.57	922.67	960.30	3,165.31
Net gain on derecognition of financial instruments	1,072.69	1,611.78	-	4,122.53
<b>Total revenue from operations</b>	<b>60,543.32</b>	<b>60,251.92</b>	<b>57,774.20</b>	<b>2,34,161.03</b>
Other income	226.58	419.88	467.89	1,412.70
<b>Total income</b>	<b>60,769.90</b>	<b>60,671.80</b>	<b>58,242.09</b>	<b>2,35,573.73</b>
<b>Expenses</b>				
Finance costs	21,633.94	20,005.26	20,934.44	82,835.99
Fees and commission expense	6,687.32	6,403.14	7,679.32	28,852.49
Employee benefits expenses	7,597.33	6,832.23	7,041.55	28,467.30
Impairment on financial instruments	10,219.91	19,365.37	5,135.54	40,484.89
Depreciation and amortisation	423.83	496.33	387.47	1,788.18
Other expenses	3,743.39	4,019.38	4,668.79	14,334.86
<b>Total expenses</b>	<b>50,305.72</b>	<b>57,121.71</b>	<b>45,847.11</b>	<b>1,96,763.71</b>
<b>Profit before share of (loss) of associates and taxes</b>	<b>10,464.18</b>	<b>3,550.09</b>	<b>12,394.98</b>	<b>38,810.02</b>
Share of loss from associates	(27.67)	(49.53)	(49.98)	(201.96)
<b>Profit before tax</b>	<b>10,436.51</b>	<b>3,500.56</b>	<b>12,345.00</b>	<b>38,608.06</b>
<b>Tax expense</b>				
Current tax	5,380.76	4,099.60	3,700.11	16,395.78
Adjustment of tax relating to earlier periods	-	(1,000.32)	-	(999.71)
MAT credit entitlement	-	(0.64)	-	(0.64)
Deferred tax benefit	(2,769.07)	(3,435.75)	(716.53)	(6,919.18)
<b>Total tax expense</b>	<b>2,611.69</b>	<b>(337.11)</b>	<b>2,983.58</b>	<b>8,476.25</b>
<b>Profit for the quarter/ year</b>	<b>7,824.82</b>	<b>3,837.67</b>	<b>9,361.42</b>	<b>30,131.81</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to profit or loss in subsequent periods</b>				
Remeasurement gain / (loss) on the defined benefit plans	0.68	(82.34)	5.08	(105.55)
Income tax relating to items that will not be reclassified to profit or loss	(0.17)	20.73	0.57	26.57
	<b>0.51</b>	<b>(61.61)</b>	<b>5.65</b>	<b>(78.98)</b>
<b>Items that will be reclassified to profit or loss in subsequent periods</b>				
Net gain / (loss) on financial instruments through other comprehensive income	1,517.48	3,381.93	(2,067.90)	(2,908.30)
Income tax relating to items that will be reclassified to profit or loss	(381.95)	(851.24)	520.49	732.01
	<b>1,135.53</b>	<b>2,530.69</b>	<b>(1,547.41)</b>	<b>(2,176.29)</b>
Net (loss) / gain on effective portion of cash flow hedges	(924.79)	(4,853.10)	214.24	(901.53)
Income tax relating to items that will be reclassified to profit or loss	232.77	1,221.53	(53.92)	226.92
	<b>(692.02)</b>	<b>(3,631.57)</b>	<b>160.32</b>	<b>(674.61)</b>
<b>Other comprehensive income / (loss) for the quarter / year (net of income taxes)</b>	<b>444.02</b>	<b>(1,162.49)</b>	<b>(1,381.44)</b>	<b>(2,929.88)</b>
<b>Total comprehensive income for the quarter / year (net of income taxes)</b>	<b>8,268.84</b>	<b>2,675.18</b>	<b>7,979.98</b>	<b>27,201.93</b>
<b>Profit for the quarter / year attributable to</b>				
Owners of the holding company	8,105.17	3,776.16	9,349.11	30,454.79
Non-controlling Interest	(280.35)	61.51	12.31	(322.98)
<b>Other comprehensive income for the quarter / year, net of income taxes attributable to</b>				
Owners of the holding company	442.73	(1,160.52)	(1,382.17)	(2,926.69)
Non-controlling Interest	1.29	(1.97)	0.73	(3.19)
<b>Total comprehensive income for the quarter / year, net of income taxes attributable to</b>				
Owners of the holding company	8,547.90	2,615.64	7,966.94	27,528.10
Non-controlling Interest	(279.06)	59.54	13.04	(326.17)
<b>Earnings per equity shares, of INR 10 each [Equity shares, par value of Rs.10 each] *</b>				
Basic (in rupees)	5.02	2.34	10.46	20.08
Diluted (in rupees)	4.98	2.33	6.65	20.03

\* Earnings per share for the quarters are not annualized

See accompanying notes to the unaudited consolidated financial results





**Northern Arc Capital Limited**  
CIN: L65910TN1989PLC017021

**Regd. Office: IITM Research Park, Phase I, 10th Floor, Kanagam Village, Taramani, Chennai - 600 113**

**Statement of unaudited consolidated financial results of Northern Arc Capital Limited (the Holding Company) for the quarter ended 30 June 2025**

**Notes:**

- 1 The unaudited consolidated financial results of the Group and associates have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), the circulars, guidelines and directions issued by the Reserve Bank of India ('the RBI') from time to time applicable to NBFCs ('the RBI guidelines'), and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (the "Listing Regulations"). Any application guidance/ clarifications/ directions issued by the RBI are implemented as and when they are issued/ becomes applicable. These unaudited consolidated financial results, have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 29 July 2025 and have been subjected to a limited review by the statutory auditors of the Holding Company.
- 2 The unaudited consolidated financial results include the financial results of the Holding Company, its subsidiaries (collectively referred as "Group") and its associates listed in Annexure I.
- 3 During the quarter ended 30 June 2025, pursuant to Northern Arc Employee Stock Option Scheme, 2016 and Northern Arc Employee Stock Option Scheme, 2018, the Board of Directors allotted 32,500 fully paid-up equity shares of INR 10 each at an aggregate premium of INR 35.59 lakhs.
- 4 During the year ended 31 March 2025, the Holding Company has completed an Initial Public Offer ("IPO") of 29,597,646 equity shares of face value of INR 10 each at an issue price of INR 263 per equity share (INR 239 per equity share reserved for employees), comprising of offer for sale of 10,532,320 equity shares by selling shareholders and fresh issue of 19,065,326 equity shares. The equity shares of the Holding Company were listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on 24 September 2024. The details of IPO proceeds of INR 44,984.46 lakhs (net of share issue expenses), are as follows:

₹ in lakhs			
Objects of the issue	IPO Proceeds	Utilisation upto 30 June 2025	Unutilised as at 30 June 2025
Meet future capital requirements towards onward lending	44,984.46	44,984.46	-
<b>Total</b>	<b>44,984.46</b>	<b>44,984.46</b>	<b>-</b>

- 5 The Holding Company has disposed off the shareholdings in FinReach Solutions Private Limited (FinReach) on 12 May 2025. Post dilution, the shareholding in FinReach has reduced from 24.55 % to 11.16%. Consequently, FinReach ceases to be an associate of the Holding Company.
- 6 The segment reporting in accordance with Ind AS 108 on "Operating Segments" in respect of the consolidated financials results are given in Annexure II.
- 7 All secured listed non-convertible debentures issued by the Holding Company are secured by way of an exclusive first charge on book debts with security to the extent as stated in the respective information memorandums. Further, the Holding Company has maintained asset cover as stated in the respective information memorandums which is sufficient to discharge the principal amount at all times for the non-convertible debt securities issued.
- 8 Disclosures in compliance with Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 30 June 2025 is attached as Annexure I to the unaudited standalone financial results of the Holding Company.
- 9 Pursuant to email communication dated 16 May 2025 received from Reserve Bank of India (RBI) directing the Holding Company to exclude the credit enhancements under First Loss Default Guarantee (FLDG) arrangements in the computation of expected credit loss (ECL), the Holding Company had evaluated the total impact to be INR 8,041 lakhs as at 31 March 2025 of which INR 6,835 lakhs was recorded during the quarter ended 31 March 2025. The exposure pertaining to remaining ECL of INR 1,206 lakhs has recorded / rundown during the current quarter.
- 10 Figures for the quarter ended 31 March 2025 are derived in the consolidated financial results by deducting the reported year to date figures for the period ended 31 December 2024 which were subject to limited review, from audited figures for the year ended 31 March 2025.

For and on behalf of the Board of Directors



Place: Mumbai  
Date : 29 July 2025

*(Signature)*

**Ashish Mehrotra**  
Managing Director & CEO



**Northern Arc Capital Limited**  
**CIN: L65910TN1989PLC017021**

**Regd. Office: IITM Research Park, Phase I, 10th Floor, Kanagam Village, Taramani, Chennai - 600 113**  
**Statement of unaudited consolidated financial results of Northern Arc Capital Limited (the Holding Company)**  
**for the quarter ended 30 June 2025**

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**Annexure I : List of entities included in the Consolidated Financial Results**

**Subsidiaries:**

1. Northern Arc Creditech Solutions Private Limited (formerly Northern Arc Investment Adviser Services Private Limited)
2. Northern Arc Investment Managers Private Limited
3. Northern Arc Foundation
4. Pragati Finserv Private Limited
5. Northern Arc Capital Employee Welfare Trust
6. Northern Arc Securities Private Limited

**Associate:**

1. FinReach Solutions Private Limited \*\*
2. Northern Arc Emerging Corporates Bond Trust

\*\* Upto 12 May 2025



Northern Arc Capital Limited  
CIN: L65910TN1989PLC017021

Regd. Office: IITM Research Park, Phase I, 10th Floor, Kanagam Village, Taramani, Chennai - 600 113

Statement of unaudited consolidated financial results of Northern Arc Capital Limited (the Holding Company) for the quarter ended 30 June 2025  
(All amounts are in Indian Rupees in lakhs, except share data and unless otherwise stated)

Annexure II - Audited consolidated segment wise revenue, results, segment assets, segment liabilities and capital employed

Particulars	Quarter ended			Year ended
	30 June 2025	31 March 2025	30 June 2024	31 March 2025
<b>Segment Revenue</b>				
Financing activity	59,058.40	58,802.87	56,999.66	2,28,434.01
Investment advisory services	5.40	-	-	-
Investment management services	1,325.03	929.69	859.98	5,046.10
Others	314.65	86.03	3,317.51	6,034.05
<b>Total segment revenue</b>	<b>60,703.48</b>	<b>59,818.59</b>	<b>61,177.15</b>	<b>2,39,514.16</b>
Less: Intersegment revenue	(160.16)	433.33	(3,402.95)	(5,353.13)
<b>Total revenue from operations</b>	<b>60,543.32</b>	<b>60,251.92</b>	<b>57,774.20</b>	<b>2,34,161.03</b>
<b>Segment Results (Profit before other income)</b>				
Financing activity	12,015.78	7,863.12	11,391.72	46,498.77
Investment advisory services	4.42	5.21	(3.01)	-
Investment management services	344.71	(10.47)	(249.11)	60.67
Others	(2,127.32)	(4,727.65)	787.49	(9,162.12)
<b>Total</b>	<b>10,237.59</b>	<b>3,130.21</b>	<b>11,927.09</b>	<b>37,397.32</b>
Add: Other income	226.58	419.88	467.89	1,412.70
Less: Share of loss post tax from associate	(27.67)	(49.53)	(49.98)	(201.96)
<b>Profit before tax</b>	<b>10,436.51</b>	<b>3,500.56</b>	<b>12,345.00</b>	<b>38,608.06</b>
<b>Segment assets</b>				
Financing activity	13,12,269.30	13,45,255.13	11,89,017.49	13,45,255.13
Investment advisory services	371.06	367.86	396.54	367.86
Investment management services	13,615.54	13,336.91	17,165.22	13,336.91
Others	5,119.38	4,672.68	6,536.66	4,672.68
Unallocated	174.63	174.63	174.63	174.63
<b>Total</b>	<b>13,31,549.91</b>	<b>13,63,807.21</b>	<b>12,13,290.54</b>	<b>13,63,807.21</b>
<b>Segment Liabilities</b>				
Financing activity	9,68,704.45	10,09,909.75	9,31,502.86	10,09,909.75
Investment advisory services	0.78	0.82	1.43	0.82
Investment management services	7,970.39	8,274.42	1,037.68	8,274.42
Others	1,374.65	1,665.89	2,376.36	1,665.89
<b>Total</b>	<b>9,78,050.27</b>	<b>10,19,850.88</b>	<b>9,34,918.33</b>	<b>10,19,850.88</b>
<b>Capital employed (Segment assets - Segment liabilities)</b>				
Financing activity	3,43,564.85	3,35,345.38	2,57,514.63	3,35,345.38
Investment advisory services	370.28	367.04	395.11	367.04
Investment management services	5,645.15	5,062.49	16,127.54	5,062.49
Others	3,919.36	3,181.42	4,334.93	3,181.42
	<b>3,53,499.64</b>	<b>3,43,956.33</b>	<b>2,78,372.21</b>	<b>3,43,956.33</b>





**NORTHERN ARC CAPITAL LIMITED**

CIN: L65910TN1989PLC017021

Regd. Office: IITM Research Park, Phase I, 10th Floor, Kanagam Village, Taramani, Chennai - 600 113  
Statement of unaudited Consolidated Financial Results for the quarter ended June 30, 2025

Particulars	(All amounts are in Indian rupees in lakhs, unless otherwise stated)			
	Quarter ended		Year ended	
	30 June 2025	31 March 2025	30 June 2024	31 March 2025
	Unaudited	Audited	Unaudited	Audited
1 Total Income from Operations	60,543.32	60,251.92	57,774.20	2,34,161.03
2 Net Profit for the period (before tax, exceptional and/ or extraordinary items)	10,436.51	3,500.56	12,345.00	38,608.06
3 Net Profit for the period before tax, (after exceptional and/ or extraordinary items)	10,436.51	3,500.56	12,345.00	38,608.06
4 Net Profit for the period after tax, (after exceptional and/ or extraordinary items)	7,824.82	3,837.67	9,361.42	30,131.81
Owners of the holding company	8,105.17	3,776.16	9,349.11	30,454.79
Non-controlling Interest	(280.35)	61.51	12.31	(322.98)
5 Total Comprehensive income for the period [Comprising profit for the period (after tax) and other comprehensive income (after tax)]	8,268.84	2,675.18	7,979.98	27,201.93
Owners of the holding company	8,547.90	2,615.64	7,966.94	27,528.10
Non-controlling Interest	(279.06)	59.54	13.04	(326.17)
6 Paid up Equity Share Capital	16,141.18	16,137.93	8,945.99	16,137.93
7 Reserves (excluding Revaluation Reserve)	3,37,042.29	3,27,286.94	2,58,528.22	3,27,286.94
8 Securities Premium	1,71,689.88	1,70,907.01	1,22,522.50	1,70,907.01
9 Net worth (Equity and preference share capital + Reserve and surplus excluding revaluation reserve)	3,53,183.47	3,43,424.87	2,77,692.81	3,43,424.87
10 Paid up Debt Capital/ Outstanding debt	-	-	-	-
11 Outstanding Redeemable Preference Shares	-	-	-	-
12 Debt Equity Ratio (Refer note b)	2.68	2.87	3.22	2.87
13 Earnings per share (of Rs. 10 each) (not annualised for quarter ends)				
Basic	5.02	2.34	10.46	20.08
Diluted	4.98	2.33	6.65	20.03
14 Capital Redemption Reserve	3,467.00	3,467.00	3,467.00	3,467.00
15 Debenture Redemption Reserve (Refer note c)	NA	NA	NA	NA
16 Debt Service Coverage Ratio (Refer note d)	NA	NA	NA	NA
17 Interest Service Coverage Ratio (Refer note d)	NA	NA	NA	NA

**Note:**

- a The Sl. No. 1 to 7, 9 and 13 are extracts from the detailed format of statement of unaudited consolidated financial results for the quarter ended June 30, 2025 filed with the stock exchange under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the statement of unaudited consolidated financial results for the quarter ended June 30, 2025 are available on the websites of the stock exchange and the Company.
- b Debt-equity ratio is (debt securities+ borrowings (other than debt securities)+subordinated liabilities) / net worth i.e. equity share capital + instruments entirely equity in nature + other equity
- c As per Rule 18(7)(b)(ii) of Companies (Share Capital and Debenture) Rules 2014 read with the Companies Act 2013, Debenture Redemption Reserve is not required to be created for issue of privately placed debentures by Non- Banking Finance Companies registered with Reserve Bank.
- d Debt service coverage ratio and Interest service coverage ratio is not applicable for Non Banking Finance Company (NBFC) and accordingly no disclosure has been made.
- e The above financial results of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, prescribed under section 133 of the Companies Act 2013 ('the Act') read with relevant rules issued thereunder and the other accounting principles generally accepted in India. Any application guidance/ clarifications/ directions issued by the Reserve Bank of India or other regulators are implemented as and when they are issued/ applicable. These unaudited consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on July 29, 2025 and have been subjected to a limited by the statutory auditors of the Holding Company. The auditors have issued an unmodified opinion on the financial results.
- f In terms of the requirement as per RBI notification no. RBI/ 2019/170 DOR (NBFC) CC PD No. 109/22 10.106/2019-20 dated 13 March 2020 on implementation of Indian Accounting Standards. Non Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and income recognition asset classification and provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including provision on standard assets) as at June 30, 2025 and accordingly, no amount is required to be transferred to impairment reserve.
- g In compliance with regulations of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations 2015, limited review of financial results for the quarter ended June 30, 2025 has been carried out by the Statutory Auditors of the Company.
- h Figures for the quarter ended March 31, 2025 are derived in the standalone financial results by deducting the reported year to date figures for the period ended December 31, 2024 which were subject to limited review, from audited figures for the year ended March 31, 2025.
- i For the items referred in sub-clauses (a), (b), (d) of the Regulation 52 (4) of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015, the pertinent disclosures have been made to the Stock Exchange(s) Bombay Stock Exchange and National Stock Exchange of India Limited in annexure 1 annexed to the audited standalone financial results, which can be accessed on the URL <https://www.northernarc.com/financial-results>

Place : Mumbai  
Date : 29 July 2025

**Ashish Mehrotra**  
Managing Director & CEO



## Walker Chandiook & Co LLP

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**Walker Chandiook & Co LLP**

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One International Center,  
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**Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of Northern Arc Capital Limited pursuant to Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**To the Board of Directors of Northern Arc Capital Limited**

1. We have reviewed the accompanying statement of standalone unaudited financial results of **Northern Arc Capital Limited** ('the NBFC') for the quarter ended **30 June 2025** ('the Statement') being submitted by the NBFC pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. The Statement, which is the responsibility of the NBFC's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act') the circulars, guidelines and directions issued by the Reserve Bank of India ('the RBI') from time to time, applicable to NBFCs ('the RBI guidelines') and other accounting principles generally accepted in India, and is in compliance with the presentation and disclosure requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



**Northern Arc Capital Limited**  
**Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of**  
**Northern Arc Capital Limited pursuant to Regulation 33 and Regulation 52 read with Regulation 63**  
**of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, the RBI guidelines, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement, or that it has not been prepared in accordance with the relevant prudential norms issued by the RBI in respect of income recognition, asset classification, provisioning and other related matters.
5. The review of standalone unaudited quarterly financial results for the quarter ended 30 June 2024 included in the Statement was carried out and reported by S.R. Batliboi & Associates LLP who have expressed unmodified conclusion vide their review report dated 30 September 2024, whose report has been furnished to us and which has been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

For **Walker Chandio & Co LLP**  
Chartered Accountants  
Firm Registration No:001076N/N500013

**Murad D. Daruwalla**  
Partner  
Membership No:043334



**UDIN:25043334BMRKCD7103**

Place: Mumbai  
Date: 29 July 2025



**Northern Arc Capital Limited**  
CIN: L65910TN1989PLC017021

Regd. Office: IITM Research Park, Phase I, 10th Floor, Kanagam Village, Taramani, Chennai - 600 113

Statement of unaudited standalone financial results of Northern Arc Capital Limited (the "Company") for the quarter ended 30 June 2025

(All amounts are in Indian rupees in lakhs, unless otherwise stated)

Particulars	Quarter ended			Year ended
	30 June 2025	31 March 2025	30 June 2024	31 March 2025
	Unaudited	Audited (Refer Note 9)	Unaudited	Audited
<b>Revenue from operations</b>				
Interest income	55,793.38	55,068.73	55,213.55	2,18,173.69
Fee and commission income	1,386.73	1,460.78	804.57	4,675.51
Net gain on fair value changes	805.60	826.71	109.80	1,439.69
Net gain on derecognition of financial instruments	1,072.69	1,611.78	-	4,122.53
<b>Total revenue from operations</b>	<b>59,058.40</b>	<b>58,968.00</b>	<b>56,127.92</b>	<b>2,28,411.42</b>
Other income	224.37	315.55	422.53	1,240.04
<b>Total income</b>	<b>59,282.77</b>	<b>59,283.55</b>	<b>56,550.45</b>	<b>2,29,651.46</b>
<b>Expenses</b>				
Finance costs	21,386.87	19,753.33	20,922.03	82,286.37
Fees and commission expense	5,051.75	8,381.98	10,760.22	32,940.65
Impairment on financial instruments	10,302.58	17,528.92	5,137.41	37,852.62
Employee benefits expenses	5,596.99	5,061.00	5,036.69	20,385.29
Depreciation and amortisation	378.11	430.56	331.33	1,531.32
Other expenses	2,755.48	3,328.41	3,422.14	10,483.44
<b>Total expenses</b>	<b>45,471.78</b>	<b>54,484.20</b>	<b>45,609.82</b>	<b>1,85,479.69</b>
<b>Profit before tax</b>	<b>13,810.99</b>	<b>4,799.35</b>	<b>10,940.63</b>	<b>44,171.77</b>
<b>Tax expense</b>				
Current tax	5,288.00	4,111.32	3,599.00	16,170.32
Tax related to earlier years	-	(1,006.00)	-	(1,006.00)
Deferred tax	(1,835.42)	(2,979.76)	(806.15)	(5,254.05)
<b>Total tax expense</b>	<b>3,452.58</b>	<b>125.56</b>	<b>2,792.85</b>	<b>9,910.27</b>
<b>Profit for the quarter / year</b>	<b>10,358.41</b>	<b>4,673.79</b>	<b>8,147.78</b>	<b>34,261.50</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to profit or loss in subsequent periods</b>				
Remeasurement (loss) on the defined benefit plan	(16.67)	(59.90)	(2.26)	(66.68)
Income tax relating to items that will not be reclassified to profit or loss	4.20	15.07	0.57	16.78
	<b>(12.47)</b>	<b>(44.83)</b>	<b>(1.69)</b>	<b>(49.90)</b>
<b>Items that will be reclassified to profit or loss in subsequent periods</b>				
Net gain / (loss) on financial instruments through other comprehensive income	1,517.48	3,381.93	(2,067.90)	(2,908.30)
Income tax relating to items that will be reclassified to profit or loss	(381.95)	(851.23)	520.49	732.02
	<b>1,135.53</b>	<b>2,530.70</b>	<b>(1,547.41)</b>	<b>(2,176.28)</b>
Net (loss) / gain on effective portion of cash flow hedges	(924.79)	(4,853.10)	214.24	(901.53)
Income tax relating to items that will be reclassified to profit or loss	232.77	1,221.53	(53.92)	226.92
	<b>(692.02)</b>	<b>(3,631.57)</b>	<b>160.32</b>	<b>(674.61)</b>
<b>Other comprehensive income / (loss) for the quarter / year</b>	<b>431.04</b>	<b>(1,145.70)</b>	<b>(1,388.78)</b>	<b>(2,900.79)</b>
<b>Total comprehensive income for the quarter / year</b>	<b>10,789.45</b>	<b>3,528.09</b>	<b>6,759.00</b>	<b>31,360.71</b>
<b>Earnings per equity shares, par value of INR 10 each*</b>				
Basic (in rupees)	6.42	2.90	9.11	22.59
Diluted (in rupees)	6.36	2.89	5.78	22.53

\* Earnings per share for the quarters are not annualized

See accompanying notes to the unaudited standalone financial results



**Northern Arc Capital Limited**  
CIN: L65910TN1989PLC017021

Regd. Office: IITM Research Park, Phase I, 10th Floor, Kanagam Village, Taramani, Chennai - 600 113

**Statement of unaudited standalone financial results of Northern Arc Capital Limited (the "Company") for the quarter ended 30 June 2025**

**Notes:**

- 1 Northern Arc Capital Limited ("the Company") is a Non-Banking Financial Company - Middle Layer (NBFC-ML), registered with the Reserve Bank of India ("the RBI"). The unaudited standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), the circulars, guidelines and directions issued by the Reserve Bank of India ('the RBI') from time to time applicable to NBFCs ('the RBI guidelines'), and other accounting principles generally accepted in India, and is in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (the "Listing Regulations"). Any application guidance/ clarifications/ directions issued by the RBI are implemented as and when they are issued/ becomes applicable. The statement of unaudited standalone financial results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on 29 July 2025. The unaudited standalone financial results have been subjected to a limited review by the statutory auditors of the Company.
- 2 During the year ended 31 March 2025, the Company has completed an Initial Public Offer ("IPO") of 29,597,646 equity shares of face value of INR 10 each at an issue price of INR 263 per equity share (INR 239 per equity share reserved for employees), comprising of offer for sale of 10,532,320 equity shares by selling shareholders and fresh issue of 19,065,326 equity shares. The equity shares of the Company were listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on 24 September 2024. The details of IPO proceeds of INR 44,984.46 lakhs (net of share issue expenses), are as follows:

Objects of the issue	IPO Proceeds	Utilisation upto 30 June 2025	INR in lakhs
			Unutilised as at 30 June 2025
Meet future capital requirements towards onward lending	44,984.46	44,984.46	-
<b>Total</b>	<b>44,984.46</b>	<b>44,984.46</b>	<b>-</b>

- 3 During the quarter ended 30 June 2025, pursuant to Northern Arc Employee Stock Option Scheme, 2016 and Northern Arc Employee Stock Option Scheme, 2018, the Board of Directors allotted 32,500 fully paid-up equity shares of INR 10 each at an aggregate premium of INR 35.59 lakhs.
- 4 Details of loans transferred/ acquired during quarter ended 30 June 2025 under Master Directions RBI (Transfer of Loan Exposures) Directions, 2021 dated 24 September 2021 are given below:  
Details of loans not in default transferred / acquired through assignment:

Particulars	Transferred	Acquired	
		Retail	Non Retail
Aggregate amount of loans transferred* / acquired through assignment (₹ in lakhs)	18,922.54	2,876.63	-
Number of loans (in absolute numbers)	23,538	831	-
Sale consideration / purchase consideration (₹ in lakhs)	17,030.28	2,876.63	-
Number of transactions (in absolute numbers)	3.00	1.00	-
Weighted average maturity (in years)	2.56	6.16	-
Weighted average holding period (in years)	0.92	0.99	-
Retention of beneficial economic interest by originator	10%	10%	-
Tangible security coverage	-	-	-
Rating-wise distribution of related loans	-	-	-
* Represents the amount outstanding at the time of assignment	-	-	-

The Company has not acquired any stressed loans.

- 5 All secured listed non-convertible debentures issued by the Company are secured by way of an exclusive first charge on book debts with security to the extent as stated in the respective information memorandums. Further, the Company has maintained asset cover as stated in the respective information memorandums which is sufficient to discharge the principal amount at all times for the non-convertible debt securities issued.
- 6 Disclosures in compliance with Regulation 52(4) and 54(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 30 June 2025 is attached as Annexure I.
- 7 The Company is primarily in the business of financing and accordingly there are no separate reportable segments in accordance with IND AS 108, on "Operating Segments" in respect of the Company. The Company operates in a single geographical segment, i.e., India.
- 8 Pursuant to email communication dated 16 May 2025 received from Reserve Bank of India (RBI) directing the Company to exclude the credit enhancements under First Loss Default Guarantee (FLDG) arrangements in the computation of expected credit loss (ECL), the Company had evaluated the total impact to be INR 8,041 lakhs as at 31 March 2025 of which INR 6,835 lakhs was recorded during the quarter ended 31 March 2025. The exposure pertaining to remaining ECL of INR 1,206 lakhs has recorded / rundown during the current quarter.



Northern Arc Capital Limited  
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Statement of unaudited standalone financial results of Northern Arc Capital Limited (the "Company") for the quarter ended 30 June 2025

- 9 Figures for the quarter ended 31 March 2025 are derived in the standalone financial results by deducting the reported year to date figures for the period ended 31 December 2024 which were subject to limited review, from audited figures for the year ended 31 March 2025.

Place: Mumbai  
Date : 29 July 2025



For and on behalf of the Board of Directors of  
Northern Arc Capital Limited

  
Ashish Mehrotra  
Managing Director & CEO





Northern Arc Capital Limited  
CIN: L65910TN1989PLC017021  
Regd. Office: IITM Research Park, Phase I, 10th Floor, Kanagam Village, Taramani, Chennai - 600 113  
Statement of unaudited standalone financial results of Northern Arc Capital Limited (the "Company") for the quarter ended 30 June 2025

Annexure 1:

1 Analytical ratios / disclosures required under Regulation 52(4) of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015

Particulars	Ref	Quarter ended 30 June 2025
Debt-equity ratio	1.1	2.66
Total debts to total assets	1.2	0.71
Net worth (amount in INR lakhs)	1.3	3,52,915.60
Capital redemption reserve (amount in INR lakhs)		2,660.00
Net profit after tax (amount in INR lakhs)		10,358.41
Earnings per share (of Rs. 10 each)		
- Basic		6.42
- Diluted		6.36
Gross stage 3 assets ratio	1.4	1.21%
Net stage 3 assets ratio	1.5	0.69%
Capital adequacy ratio (CRAR)	1.6	25.55%
Asset cover over listed non-convertible debentures	1.7	1.08
Net profit margin (%)	1.8	17.47%

Notes:

- 1.1 Debt-equity ratio is (debt securities+borrowings (other than debt securities)) / net worth i.e. total equity.
- 1.2 Total debts to total assets is debt securities, borrowings (other than debt securities)/ total assets.
- 1.3 Net worth is equal to equity share capital + other equity.
- 1.4 Gross stage 3 assets ratio is gross stage 3 (loans+investments) / gross loans + investments.
- 1.5 Net stage 3 assets ratio is gross stage 3 (loans and Investments) less impairment loss allowance for stage 3 (loans and investments)/gross (loans and investments) less impairment allowance for stage 3 (loans and investments).
- 1.6 Capital adequacy ratio or capital-to-risk weighted assets ratio (CRAR) is computed by dividing company's Tier I and Tier II capital by risk weighted assets.
- 1.7 Asset cover over listed non-convertible debentures represents the number of times the listed non-convertible debentures is covered through the loans and investments provided as security.
- 1.8 Net profit margin (%) is profit after tax for the period/ total income.
- 1.9 As per Rule 18(7)(b)(ii) of Companies (Share Capital and Debenture) Rules 2014 read with the Companies Act 2013, Debenture Redemption Reserve is not required to be created for issue of privately placed debentures by Non- Banking Finance Companies registered with Reserve Bank.

Other ratios / disclosures such as debt service coverage ratio, interest service coverage ratio, outstanding redeemable preference shares (quantity and value), debenture redemption reserve, current ratio, long term debt to working capital, bad debts to account receivable ratio, current liability ratio, debtors turnover, inventory turnover and operating margin (%) are not applicable / relevant to the Company and hence not disclosed.




**Northern Arc Capital Limited**  
**CIN: L65910TN1989PLC017021**  
**Regd. Office: IITM Research Park, Phase I, 10th Floor, Kanagam Village, Taramani, Chennai - 600 113**  
**Statement of unaudited standalone financial results for the quarter ended 30 June 2025**

Particulars		(All amounts are in Indian rupees in lakhs, unless otherwise stated)			
		Quarter ended		Year ended	
		30 June 2025	31 March 2025	30 June 2024	31 March 2025
		Unaudited	Audited (Refer Note i)	Unaudited	Audited
1	Total Income from Operations	59,058.40	58,968.00	56,127.92	2,28,411.42
2	Net Profit for the period (before tax, exceptional and/ or extraordinary items)	13,810.99	4,799.35	10,940.63	44,171.77
3	Net Profit for the period before tax, (after exceptional and/ or extraordinary items)	13,810.99	4,799.35	10,940.63	44,171.77
4	Net Profit for the period after tax, (after exceptional and/ or extraordinary items)	10,358.41	4,673.79	8,147.78	34,261.50
5	Total Comprehensive income for the period [Comprising profit for the period (after tax) and other comprehensive income (after tax)]	10,789.45	3,528.09	6,759.00	31,360.71
6	Paid up Equity Share Capital	16,141.18	16,137.93	8,945.99	16,137.93
7	Reserves (excluding Revaluation Reserve)	3,36,774.42	3,24,777.53	2,50,890.33	3,24,777.53
8	Securities premium	1,71,689.89	1,70,907.02	1,22,522.51	1,70,907.02
9	Net worth (Equity and preference share capital + Reserve and surplus excluding revaluation reserve)	3,52,915.60	3,40,915.46	2,70,054.93	3,40,915.46
10	Paid up Debt Capital/ Outstanding debt	-	-	-	-
11	Outstanding Redeemable Preference Shares	-	-	-	-
12	Debt Equity Ratio (Refer note b)	2.66	2.87	3.32	2.87
13	Earnings per share (of Rs. 10 each) (not annualised for quarter ends)				
	Basic	6.42	2.90	9.11	22.59
	Diluted	6.36	2.89	5.78	22.53
14	Capital Redemption Reserve	2,660.00	2,660.00	2,660.00	2,660.00
15	Debenture Redemption Reserve (Refer note c)	NA	NA	NA	NA
16	Debt Service Coverage Ratio (Refer note d)	NA	NA	NA	NA
17	Interest Service Coverage Ratio (Refer note d)	NA	NA	NA	NA

**Note:**

- a The Sl. No. 1 to 7, 9 and 12 to 14 are extracts from the detailed format of Statement of unaudited standalone financial results for the quarter ended 30 June 2025 filed with the stock exchange under with Regulation 33 and Regulation 52 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the statement of unaudited standalone financial results for the quarter ended 30 June 2025 are available on the websites of the stock exchange and the Company.
- b Debt-equity ratio is (debt securities+ borrowings (other than debt securities)+subordinated liabilities) / net worth i.e. equity share capital + instruments entirely equity in
- c As per Rule 18(7)(b)(ii) of Companies (Share Capital and Debenture) Rules 2014 read with the Companies Act 2013, Debenture Redemption Reserve is not required to be created for issue of privately placed debentures by Non- Banking Finance Companies registered with Reserve Bank.
- d Debt service coverage ratio and Interest service coverage ratio is not applicable for Non Banking Finance Company (NBFC) and accordingly no disclosure has been made.
- e The statement of unaudited standalone financial results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their meetings held on July 29, 2025. This unaudited standalone financial results have been subjected to limited review by the statutory auditors of the Company. The auditors have issued an unmodified opinion on the financial results.
- f The unaudited standalone financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standard) Rules, 2015 as amended from time to time, notified under section 133 of the Companies Act 203 ('the Act') and other relevant provisions of the Act, the circulars, guidelines and directions issued by the Reserve Bank of India ('the RBI') from time to time applicable to NBFCs ('the RBI guidelines'), and other accounting principles generally accepted in India, and is in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (the "Listing Regulations"). Any application guidance/ clarifications/ directions issued by the RBI are implemented as and when they are issued/ becomes applicable.
- g In terms of the requirement as per RBI notification no. RBI/ 2019/170 DOR (NBFC) CC PD No. 109/22 10.106/2019-20 dated 13 March 2020 on implementation of Indian Accounting Standards, Non Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and income recognition asset classification and provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including provision on standard assets) as at 30 June 2025 and accordingly, no amount is required to be transferred to impairment reserve.
- h In compliance with Regulation 33 and Regulation 52 of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations 2015, limited review of financial results for the quarter ended 30 June 2025 has been carried out by the Statutory Auditors of the Company.
- i Figures for the quarter ended 31 March 2025 are derived in the standalone financial results by deducting the reported year to date figures for the period ended December 31, 2024 which were subject to limited review, from audited figures for the year ended 31 March 2025.
- j For the items referred in sub - clauses (a), (b), (d) of the Regulation 52 (4) of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015, the pertinent disclosures have been made to the Stock Exchange(s) Bombay Stock Exchange and National Stock Exchange of India Limited and can be accessed on the URL <https://www.northernarc.com/financial-results>

Place : Mumbai  
Date: 29 July 2025

  
**Ashish Mehrotra**  
Managing Director & CEO



July 29, 2025

To,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400001  
Scrip Code: 544260

**Sub: Disclosure of nature and extent of security created for the listed non-convertible debt securities of the Company as per Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Pursuant to Regulation 54(2) and 54(3) of SEBI (LODR) Regulations, 2015 read with SEBI Circular SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67 dated May 19, 2022, please find enclosed herewith the Security Cover certificate as on June 30, 2025.

The Secured redeemable non-convertible debentures issued by the Company are secured by exclusive charge on hypothecation of specific loan receivables with a security cover of up to 1.08 times as per the terms of issue is enclosed.

**For Northern Arc Capital Limited**



**Prakash Chandra Panda**  
**Company Secretary & Compliance Officer** ★



CC:

Catalyst Trusteeship Limited,  
GDA House, Plot No.85,  
Bhusari Colony (Right),  
Paud Road,  
Pune 411 038.

**Northern Arc Capital Limited**

**Registered Office:**

10th Floor, Phase-I, IIT-Madras Research Park, Kanagam Village, Taramani, Chennai - 600 113, India  
+91 44 6668 7000 | [contact@northernarc.com](mailto:contact@northernarc.com) | [www.northernarc.com](http://www.northernarc.com)

CIN.: L65910TN1989PLC017021



Computation of security cover ratio as on 30 June 2025														
Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H) (Note 2)	Related to only those items covered by this certificate-				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Others assets on which there is pari-Passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (Note 3)	Market Value for Pari-passu charge Assets	Carrying value/book value for pari-passu charge assets where market value is not ascertainable or applicable	Total Value (=K+L+M+N)
		Book Value	Book Value	Yes/No	Book Value	Book Value								
<b>ASSETS</b>														
Property, Plant and Equipment		-	-	No	-	-	935.26	-	935.26					
Capital Work-in-Progress		-	-	No	-	-	-	-	-					
Right of Use Assets		-	-	No	-	-	2,391.39	-	2,391.39					
Goodwill		-	-	No	-	-	2,085.13	-	2,085.13					
Intangible Assets		-	-	No	-	-	1,135.91	-	1,135.91					
Intangible Assets under Development		-	-	No	-	-	705.39	-	705.39					
Investments	Investments	48,181.22	56,440.36	No	-	-	80,969.24	-	1,85,590.82					
Loans	Receivable from loans	35,396.20	9,37,662.52	No	-	-	62,223.05	-	10,35,281.77					
Inventories		-	-	No	-	-	-	-	-					
Trade Receivables		-	-	No	-	-	2,124.66	-	2,124.66					
Cash and Cash Equivalents		-	-	No	-	-	36,984.50	-	36,984.50					
Bank Balances other than Cash and Cash Equivalents		-	-	No	-	-	22,899.04	-	22,899.04					
Others		-	-	No	-	-	31,538.43	-	31,538.43					
<b>Total</b>		<b>83,577.42</b>	<b>9,94,102.88</b>		-	-	<b>2,43,992.00</b>	-	<b>13,21,672.30</b>					
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains	Secured Non Convertible Debentures (NCDs)	77,208.33	-	No	-	-	-	-	77,208.33					
Other debt sharing pari-passu charge with above debt		-	-	No	-	-	-	-	-					
Other Debt		-	-	No	-	-	-	-	-					
Subordinated debt		-	-	No	-	-	-	-	-					
Borrowings		-	-	No	-	-	-	-	-					
Bank		-	6,76,820.00	No	-	-	-	-	6,76,820.00					
Debt Securities		-	39,412.86	No	-	-	23,865.54	-	63,278.40					
Others		-	1,22,488.11	No	-	-	-	-	1,22,488.11					
Trade payables		-	-	No	-	-	14,541.84	-	1,675.33					
Lease Liabilities		-	-	No	-	-	2,854.13	-	2,854.13					
Provisions		-	-	No	-	-	2,983.41	-	2,983.41					
Others		-	-	No	-	-	21,448.99	-	21,448.99					
<b>Total</b>		<b>77,208.33</b>	<b>8,38,720.97</b>		-	-	<b>65,693.91</b>	-	<b>9,68,756.70</b>					
<b>Cover on Book Value (Note 1)</b>														
		Exclusive Security Cover Ratio(Note 1)	1.08		Pari-Passu Security Cover Ratio	NA								

Note:

1. The security cover ratio pertains to listed secured debentures. Disclosure in the statement is cumulative for all the listed secured debentures of the Company.
2. Represents book value as per books of accounts underlying the unaudited financial results of the company as at 30 June 2025.
3. Columns K to O have been left blank. This will be shared separately by the Company.

Place: Mumbai  
Date: 29 July 2025

For and on behalf of the Board of Directors of  
Northern Arc Capital Limited

Ashish Mehlotra  
Managing Director & CEO



July 29, 2025

To,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400001  
Scrip Code: 544260

Dear Sir/Madam,

**Sub: Disclosure under Regulation 52(7) and 52(7A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the quarter ended June 30, 2025:**

As required under Regulation 52(7) and 52(7A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm the following for the quarter ended **June 30, 2025**.

Name of the issuer	ISIN	Mode of Fund raising (Public/Private placement)	Type of instrument	Date of raising funds	Amount of raising funds (Rs. In Crores)	Funds utilized (Rs. In Crores)	Any deviation (Yes/No)	If any deviation, then specify the purpose of for which the funds were utilised	Remarks, if any
Northern Arc Capital Limited	INE850M07343	Private Placement	NCD	18-12-2020	294.90	294.90	No	NA	Nil
Northern Arc Capital Limited	INE850M07400	Private Placement	NCD	23-03-2021	180	180	No	NA	Nil
Northern Arc Capital Limited	INE850M07434	Private Placement	NCD	21-09-2022	395	395	No	NA	Nil
Northern Arc Capital Limited	INE850M07467	Private Placement	NCD	28-03-2024	150	150	No	NA	Nil
Northern Arc Capital Limited	INE850M07467	Private Placement	NCD	28-03-2024	25	25	No	NA	Nil
Northern Arc Capital Limited	INE850M07475	Private Placement	NCD	14-06-2024	620	620	No	NA	Nil
Northern Arc Capital Limited	INE850M07483	Private Placement	NCD	13-08-2024	30	30	No	NA	Nil
Northern Arc Capital Limited	INE850M07483	Private Placement	NCD	13-08-2024	20	20	No	NA	Nil

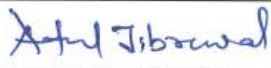

## Northern Arc Capital Limited

### Registered Office:


10th Floor, Phase-I, IIT-Madras Research Park, Kanagam Village, Taramani, Chennai - 600 113, India  
+91 44 6668 7000 | contact@northernarc.com | www.northernarc.com

CIN.: L65910TN1989PLC017021

**Statement of Deviation/variation in use of issue proceeds for the quarter ended June 30, 2025:**

Particulars	Remarks					
Name of listed entity	Northern Arc Capital Limited					
Mode of raising funds	Private Placement					
Type of instrument	Non-convertible debentures					
Date of raising funds (Rs. In Crores)	Please refer above					
Amounts raised (Rs. In Crores)	Please refer above					
Report filed for the quarter ended	June 30, 2025					
Is there a deviation/ variation in use of funds raised?	No deviation/variation					
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	Yes					
If yes, details of the approval so required?	NA					
Date of approval	NA					
Explanation for the deviation/ variation	NA					
Comments of the audit committee after review	NA					
Comments of the auditors, if any	NA					
Objects for which funds have been raised and where there has been a deviation/ variation, in the following table:						
Original Object	Modified Object, if any	Original Allocation	Modified Allocation	Funds utilized	Amount of Deviation/ Variation for the half year according to applicable object (INR Crores and in %)	Remarks
-	-	-	-	-	-	-
Deviation could mean:						
a. Deviation in the objects or purposes for which the funds have been raised.						
b. Deviation in the amount of funds actually utilized as against what was originally disclosed.						
<div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="width: 40%;">   <b>Name of signatory: Atul Tibrewal</b>  <b>Designation: Chief Financial Officer</b>  <b>Date:</b> </div> <div style="width: 55%; text-align: center;">  </div> </div>						

For Northern Arc Capital Limited

  
**Prakash Chandra Panda**  
**Company Secretary & Compliance Officer**

**Northern Arc Capital Limited**

**Registered Office:**

10th Floor, Phase-I, IIT-Madras Research Park, Kanagam Village, Taramani, Chennai - 600 113, India  
+91 44 6668 7000 | contact@northernarc.com | www.northernarc.com

CIN.: L65910TN1989PLC017021





*Press Release*

**Mumbai, July 29, 2025:** Northern Arc Capital Limited announced its results for the quarter ended June 30, 2025, on July 29, 2025.

**Key highlights for Q1FY26**

- **Pre-provision operating profit (PPoP) grew by 18% YoY to INR 207 Cr for Q1FY26**
- **Profit after tax was INR 81 Cr for Q1FY26 compared to INR 38 Cr for Q4FY25**
- **Lending Assets Under Management (AUM) grew by 12% YoY to INR 13,351 Cr**
- **Gross NPA and Net NPA ratio was 1.13% and 0.56% respectively as on June 30, 2025**
- **Networth grew by 27% YoY to INR 3,532 Cr**
- **Healthy capital adequacy ratio of 25.5% as on June 30, 2025.**

**Summary of Northern Arc's Performance – Q1FY26:**

➤ **Assets & Flows**

- Lending AUM grew by 12% YoY to INR 13,351 Cr as on June 30, 2025
- Share of Direct to Customer lending in AUM increased to 53%
- Performing Credit Fund AUM grew by 15% YoY to INR 3,174 Cr as on June 30, 2025
- Placement volumes grew by 10% to INR 2,838 Cr recording highest ever Q1 placement

➤ **Financials**

- Net Interest Income grew by 10% YoY to INR 298 Cr in Q1FY26
- Fee & Other income grew by 8% YoY to INR 27 Cr in Q1FY26
- Opex ratio improved by 57 bps YoY to 3.5% in Q1FY26
- PPoP grew by 18% YoY to INR 207 Cr in Q1FY26
- Credit cost was INR 102 Cr for Q1FY26 compared to INR 194 Cr in Q4FY25 and INR 51 Cr in Q1FY25
- Profit after tax was INR 81 Cr in Q1FY26 compared to INR 38 Cr in Q4FY25 and INR 93 Cr in Q1FY25
- Return on Assets for Q1FY26 was 2.4%
- Return on Equity was 9.3% for Q1FY26. Raised fresh equity capital of INR 500 Cr since June-24

➤ **Asset quality**

- Gross NPA ratio was 1.13% as on June 30, 2025
- Net NPA ratio was 0.56% as on June 30, 2025
- Provisioning coverage ratio on Stage III assets was 50% on June 30, 2025

➤ **Capital Adequacy**

Capital adequacy ratio was 25.5% on June 30, 2025.



**Commenting on the Q1FY26 results MD & CEO Ashish Mehrotra said,** “FY25 was a challenging year for the lending industry, but we enter FY26 with cautious optimism. Early signs of recovery are emerging, driven by strengthening macro fundamentals in the form of rising consumption, increased corporate capex, and a favourable monsoon outlook, alongside a regulatory push toward improved liquidity through rate cuts and a gradually normalizing credit environment, especially in the MFI segment outside Karnataka.

At Northern Arc, our fee-based businesses continue to gain momentum, with core fee income growing 24% YoY against a 12% balance sheet expansion reflecting our strategic focus on building a solutions-led credit ecosystem. Excluding rural finance, where exposure remains calibrated, AUM grew 20% YoY. In rural finance, asset quality is stabilizing, with 0+ PAR reverting to March 2024 levels at 0.5%. We expect growth momentum to strengthen in the second half, supported by an improving credit cycle and liquidity.”

#### **About Northern Arc:**

Northern Arc is one of the leading players amongst India's diversified NBFCs in terms of AUM as of March 31, 2024<sup>^</sup> dedicated to empowering the lives of underserved individuals and businesses. Powered by technology and data, Northern Arc offers a suite of solutions including lending, placements, and fund investments in key sectors like MSME Financing, MFI, Consumer Financing, Vehicle Financing, Affordable Housing Financing, and Agricultural Supply Chain Finance. Since 2009, Northern Arc has facilitated the financing of over INR 2.2 trillion cumulatively, for its clients, spread across 691 districts in 28 states and 7 Union Territories in India. Our work, including that of our originator partners, has impacted the lives of over 124 million people.

Northern Arc handles an AUM of INR 16,525 crores through its balance sheet and active AIF funds as of June 30, 2025. The firm is backed by marquee equity investors like IFC, Sumitomo Mitsui Banking Corporation, LeapFrog, Accion, Affirma Group, Dvara Trust, and Eight Roads (a proprietary arm of Fidelity).

*<sup>^</sup>Source: Report titled “Analysis of NBFC sector and select asset classes” dated June 2024 prepared and released by CRISIL Research*

*\*Disclaimer: All the numbers stated in the boilerplate are as of June 30, 2025.*

#### **For Further Information,**

<b>Contact</b> Chetan Parmar Head Investor Relations Email <a href="mailto:Chetan.parmar@northernarc.com">Chetan.parmar@northernarc.com</a>	<b>Website of the company:</b> <a href="https://www.northernarc.com/">https://www.northernarc.com/</a>
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