

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

(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	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:

- 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.
- 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
- 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.
- 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.
- 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.
- 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.
- 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.
- 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.
- 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 I 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



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
Revenue from operations				
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
Total revenue from operations	60,543.32	60,251.92	57,774.20	2,34,161.03
Other income	226.58	419.88	467.89	1,412.70
Total income	60,769.90	60,671.80	58,242.09	2,35,573.73
Expenses				
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
Total expenses	50,305.72	57,121.71	45,847.11	1,96,763.71
Profit before share of (loss) of associates and taxes	10,464.18	3,550.09	12,394.98	38,810.02
Share of loss from associates	(27.67)	(49.53)	(49.98)	(201.96)
Profit before tax	10,436.51	3,500.56	12,345.00	38,608.06
Tax expense				
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)
Total tax expense	2,611.69	(337.11)	2,983.58	8,476.25
Profit for the quarter/ year	7,824.82	3,837.67	9,361.42	30,131.81
Other comprehensive income				
Items that will not be reclassified to profit or loss in subsequent periods				
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
	0.51	(61.61)	5.65	(78.98)
Items that will be reclassified to profit or loss in subsequent periods				
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
	1,135.53	2,530.69	(1,547.41)	(2,176.29)
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
	(692.02)	(3,631.57)	160.32	(674.61)
Other comprehensive income / (loss) for the quarter / year (net of income taxes)	444.02	(1,162.49)	(1,381.44)	(2,929.88)
Total comprehensive income for the quarter / year (net of income taxes)	8,268.84	2,675.18	7,979.98	27,201.93
Profit for the quarter / year attributable to				
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)
Other comprehensive income for the quarter / year, net of income taxes attributable to				
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)
Total comprehensive income for the quarter / year, net of income taxes attributable to				
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)
Earnings per equity shares, of INR 10 each [Equity shares, par value of Rs.10 each] *				
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



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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	-
Total	44,984.46	44,984.46	-

- 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

Ashish Mehrotra
Managing Director & CEO



Place: Mumbai
Date : 29 July 2025

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

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**



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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
Segment Revenue				
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
Total segment revenue	60,703.48	59,818.59	61,177.15	2,39,514.16
Less: Intersegment revenue	(160.16)	433.33	(3,402.95)	(5,353.13)
Total revenue from operations	60,543.32	60,251.92	57,774.20	2,34,161.03
Segment Results (Profit before other income)				
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)
Total	10,237.59	3,130.21	11,927.09	37,397.32
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)
Profit before tax	10,436.51	3,500.56	12,345.00	38,608.06
Segment assets				
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
Total	13,31,549.91	13,63,807.21	12,13,290.54	13,63,807.21
Segment Liabilities				
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
Total	9,78,050.27	10,19,850.88	9,34,918.33	10,19,850.88
Capital employed (Segment assets - Segment liabilities)				
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
	3,53,499.64	3,43,956.33	2,78,372.21	3,43,956.33



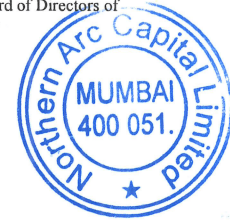
Table II - Statement of Compliance with Financial Covenants as mentioned in Debenture Trust Deed

S. No	Series	ISIN	Facility	Date of Trust Deed	Face Value (in Rupees)	DTD reference for financial covenants as per Debenture Trustee Deed or Information memorandum	Compliance with Financial Covenants	If No, Reason for Non- Compliance
1	IDFC NCD_175CR_28MAR2024	INE850M07467	Non-convertible Debentures	28-Mar-24	1,00,000	Clause 10.3	Complied	Not applicable
2	NCD - FMO 620 Crs - Jun 2024	INE850M07475	Non-convertible Debentures	11-Jun-24	1,00,000	Part B - Clause 2.2	Complied	Not applicable
3	MIRAE AND ACSYS NCD_50CR_13AUG2024	INE850M07483	Non-convertible Debentures	12-Aug-24	1,00,000	Clause 2.2	Complied	Not applicable

Place: Mumbai
Date : 29 July 2025

For and on behalf of the Board of Directors of


Ashish Mehrotra
Managing Director & CEO



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								
ASSETS														
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					
Total		83,577.42	9,94,102.88		-	-	2,43,992.00	-	13,21,672.30					
LIABILITIES														
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					
Total		77,208.33	8,38,720.97		-	-	65,693.91	-	9,68,756.70					
Cover on Book Value (Note 1)														
		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

