

Northern Arc Releases Sustainability Report Showcasing ESG Integration and Long-Term Impact

Report Highlights Northern Arc's ESG Performance, Contribution to the UN SDGs and Its Commitment to Financial Inclusion and Sustainable Growth

Highlights:

- **Lives Impacted:** Over 101 million lives positively impacted till March 2024 through Northern Arc's financial inclusion initiatives, including partnerships with originator partners and direct lending programs
- **Sectoral Contributions:** Strong focus on agri-finance, vehicle finance, and MSME financing, with significant lending to women borrowers to drive gender equity
- **ESG Integration:** Adoption of robust ESG frameworks for responsible financing, with investments in green energy, sustainable agriculture, and initiatives aimed at climate resilience
- **Technological Innovation:** Platforms like Nimbus and nPOS have enhanced operational efficiency and facilitated seamless delivery of financial solutions

Chennai, India - January 8, 2025: Northern Arc Capital (NACL), a leading diversified financial services firm, has released its inaugural Sustainability Report for FY2024, showcasing the seamless integration of ESG principles into its operations and highlighting its far-reaching impact in financial inclusion, green finance, and gender equity. The report underscores Northern Arc's unwavering commitment to fostering a financially inclusive and environmentally sustainable future, contributing towards 9 United Nations Sustainable Development Goals (UN SDGs). These achievements are bolstered by the company's consistent operational growth, which reaffirms its dedication to addressing critical credit gaps while driving meaningful change across underserved communities.

Operating across 28 states, 686 districts, and 7 union territories as of September 2024, Northern Arc leverages scalable, tech-driven solutions like Nimbus, nPOS and NuScore to address the diverse retail credit needs of India's households and businesses. These platforms have streamlined credit delivery, enabling impactful lending to underserved communities while ensuring operational efficiency.

Northern Arc demonstrated a strong performance in H1 FY2025 which underscores its position as a catalyst for inclusive growth, facilitated disbursements of ₹15,381 crore across six sectors - MSME, MFI, Consumer, Affordable Housing, Vehicle and Agriculture.

Speaking about the report and the company's sustained performance, **Ashish Mehrotra, Managing Director and CEO of Northern Arc Capital Limited**, remarked, "Our Sustainability Report and operational milestones exemplify Northern Arc's commitment to fostering financial inclusion and environmental sustainability. The report reflects our alignment with global ESG standards, demonstrates the continuity of our efforts to empower communities and drive meaningful impact."

This report is more than a document—it’s a reflection of our values and vision for a more equitable and sustainable future. Our deep sectoral expertise allows us to effectively manage a diverse portfolio, while our strong risk management philosophy ensures the protection of investor interests. This helps us in creating pathways for inclusive growth and lasting impact.”

Northern Arc’s financial solutions empower communities by providing critical capital for agriculture, housing, and mobility. The Sustainability Report highlights its commitment to embedding ESG principles, aligning with UN SDGs, and fostering partnerships. A focus on women borrowers, climate-smart agriculture, and small businesses underscores its dedication to societal well-being and financial innovation.

By aligning its business strategy with global sustainability frameworks and delivering measurable outcomes, Northern Arc Capital Limited continues to empower communities and drive a more sustainable financial ecosystem.

To read more about the report – Click [here](#)

About Northern Arc Capital

Northern Arc is one of the leading players amongst India’s diversified NBFCs in terms of AUM as of March 31, 2024[^] dedicated to empowering the lives of individuals and businesses. Powered by technology and data, Northern Arc offers a suite of solutions including lending, placements, and fund management 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 1.89 trillion cumulatively, for its clients, spread across 686 districts in 28 states and 7 Union Territories in India. Our work, including that of our originator partners, has impacted the lives of over 111 million people.

Northern Arc handles an AUM of INR 15,121 crores through its balance sheet and active AIF funds as of September 30, 2024. The firm is backed by marquee equity investors like IFC, Sumitomo Mitsui Banking Corporation, LeapFrog, 360 ONE (formerly known as IIFL), Accion, Affirma Group, Dvara Trust, and Eight Roads (a proprietary arm of Fidelity).

[^]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 September 30, 2024.

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