

February 02, 2023

Ref- 080/BMO/02022023

To,
Senior General Manager
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001
Scrip Code: 953255

Dear Sir/Madam,

Subject: Outcome of the Board Meeting held on February 02, 2023

Pursuant to regulation 51(2) of SEBI (Listing and Disclosure Requirement) 2015, Please be informed that the Board of Directors in its meeting held on February 02, 2023, inter alia approved:

1. Unaudited financial results for the quarter ended December 31, 2022, along with limited review report
2. Fundraising through the issue of Non-Convertible Debentures on a private placement basis.

The meeting of the Board of Directors of the company commenced at 04:45 pm and concluded at 05:40 pm.

Request you to kindly take the same on record.

Thanking You

For NeoGrowth Credit Private Limited



Tanushri Yewale
Company Secretary

Independent Auditor’s Review Report on unaudited financial results of NeoGrowth Credit Private Limited for the quarter and nine months ended December 31, 2022 pursuant to regulation 52(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**The Board of Directors
NeoGrowth Credit Private Limited**

1. We have reviewed the accompanying statement of unaudited financial results of NeoGrowth Credit Private Limited (“the Company”) for the quarter and nine months ended December 31, 2022 (the “Statement”), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”).
2. This Statement, which is the responsibility of the Company’s Management and approved by the 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, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. 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 Standards on Auditing 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.
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 the aforesaid Ind AS 34 prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms 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 Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For ASA & Associates LLP

Chartered Accountants

Firm Registration No: 009571N/N500006

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**Prateet Mittal**

Partner

Membership No. 402631

UDIN: 23402631BGXJSG6493

Place: Mumbai

Date: February 02, 2023

NeoGrowth Credit Private Limited
CIN No-U51504MH1993PTC251544

Regd Office: 802, 8th floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel (West), Mumbai-400013

Financial Results for the Quarter and Nine month ended December 31, 2022

(₹ in Crores)

Particulars	Quarter ended			Nine month ended		Year ended
	December 31, 2022 (Unaudited)	September 30, 2022 (Unaudited)	December 31, 2021 (Unaudited)	December 31, 2022 (Unaudited)	December 31, 2021 (Unaudited)	March 31, 2022 (Audited)
1 Revenue from operations						
(a) Interest income	90.44	85.80	95.99	266.67	268.54	358.13
(b) Fee and commission income	3.74	4.31	0.77	9.09	1.97	2.87
(c) Net gain on fair value changes	1.39	0.69	0.06	2.31	0.62	0.59
Total revenue from operations	95.57	90.80	96.82	278.07	271.13	361.59
2 Other income						
Other income	0.74	0.66	0.32	1.79	0.86	1.17
3 Total Income (1+2)	96.31	91.46	97.14	279.86	271.99	362.76
4 Expenses						
(a) Finance costs	41.01	41.32	38.65	121.49	115.70	153.42
(b) Employee benefit expense	19.66	19.09	18.38	58.02	50.96	67.75
(c) Depreciation and amortisation expense	1.90	1.88	1.95	5.65	5.77	7.81
(d) Impairment on financial instruments	20.19	14.64	25.56	52.04	131.26	147.30
(e) Other expenses	9.71	10.04	10.48	30.52	28.91	38.25
Total expenses	92.47	86.97	95.02	267.72	332.60	414.53
5 Profit/ (loss) before exceptional items & tax (3-4)	3.84	4.49	2.12	12.14	(60.61)	(51.77)
6 Exceptional Items	1.84	-	-	1.84	-	-
Impact of modification of exercise price of Employee Stock Option Plan (Note 5)	1.84	-	-	1.84	-	-
7 Profit/ (loss) before tax (5-6)	2.00	4.49	2.12	10.30	(60.61)	(51.77)
8 Tax expense	0.50	1.22	(0.49)	2.90	(14.38)	(12.32)
Current tax	-	-	1.94	-	1.94	2.23
Tax expense of earlier year	-	(0.33)	-	(0.33)	-	-
Deferred tax charge / (credit)	0.50	1.55	(2.43)	3.23	(16.32)	(14.55)
9 Net Profit / (Loss) for the period (7-8)	1.50	3.27	2.61	7.40	(46.23)	(39.45)
10 Other Comprehensive Income	(1.44)	(2.08)	0.12	(3.74)	(0.34)	1.49
(A) (i) Items that will not be reclassified to profit or loss Remeasurement gain/(loss) on defined benefit plan	0.01	0.02	0.22	0.03	(0.04)	(0.09)
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	(0.01)	-	0.02
(B) (i) Items that will be reclassified to profit or loss Net gain / (Loss) on cash flow hedge	(1.93)	(2.81)	(0.13)	(5.03)	(0.40)	2.09
(ii) Income tax relating to items that will be reclassified to profit or loss	0.48	0.71	0.03	1.27	0.10	(0.53)
11 Total Comprehensive Income (9+10)	0.06	1.19	2.73	3.66	(46.57)	(37.96)
12 Earnings Per Share (₹) (Face Value of ₹ 10/- each)						
- Basic *	0.16	0.42	0.36	0.79	(6.38)	(5.44)
- Diluted*	0.16	0.40	0.35	0.77	(6.38)	(5.44)

* Not annualised for the quarter & nine month ended.

Notes:

- NeoGrowth Credit Private Limited (the 'Company') has prepared unaudited financial results (the 'Statement') for the quarter and nine months ended December 31, 2022 in accordance with Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations, 2015') and the Accounting Standards specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and the relevant provisions of the Companies Act, 2013, as applicable.
- The Company operates in a single reportable segment i.e. financing, since the nature of the loans are exposed to similar risk and return profiles hence they are collectively operating under a single segment. The Company operates in a single geographical segment i.e. domestic.
- During the quarter and nine months ended December 31, 2022, the Company issued 151.83 lakhs of Series D Compulsorily Convertible Preference Shares (CCPS) worth Rs. 160 crores to new investor and 104.43 lakhs of Series D CCPS worth Rs 85.5 crores to existing CCD holders as per the Securities Subscription Agreement. RBI approval for conversion of CCDs worth Rs 30.75 crores is awaited.
- All the secured non-convertible debentures of the Company are fully secured by exclusive first charge on certain identified receivables / book debts of the Company to the extent stated in the respective IM / Security Documents. Further, the Company has, at all times, maintained sufficient asset cover to discharge the principal amount, interest accrued thereon and such other sums as mentioned therein, as per the respective IM / Security documents.
- During the quarter and nine months ended December 31 2022, the Company has modified the Exercise price for ESOPs issued under the ESOP 2017 & ESOP 2018 scheme. The exercise price has been modified to Rs 105.38. The impact of the modification in exercise Price is reflected under the head Exceptional Items.
- During the quarter ended December 31 2022, the Company issued 7,89,871 ESOPs under the "NeoGrowth Employees Stock Option Plan 2022" approved on November 30, 2022.

NeoGrowth Credit Pvt. Ltd.

802, 8th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel (West), Mumbai- 400013. T: + 91 22 4921 9999 W: www.neogrowth.in
CIN: U51504MH1993PTC251544



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CIN No-U51504MH1993PTC251544

Regd Office: 802, 8th floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel (West), Mumbai-400013

7. The above unaudited financial results of the Company are reviewed and recommended by the Audit Committee and have been approved by the Board of Directors at its meeting held on February 02, 2023 respectively.
8. Pursuant to Regulation 52(7) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that issue proceeds of Non-Convertible Debentures (NCDs) issued by the Company and outstanding as on December 31, 2022 are being utilized as per the objects stated in the offer document. Further, we also confirm that there have been no deviations in the use of proceeds of issue of NCDs from the objects stated in the offer document.
9. Disclosure as per Regulation 52(4) of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015

Particulars	Quarter ended			Nine month ended		Year ended
	December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021	March 31, 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Debt Equity Ratio (Refer Note i and iii)	2.03	3.01	3.24	2.03	3.24	3.33
Net worth (Refer Note ii and iii)	582.58	424.68	362.68	582.58	362.68	369.29
Net profit after tax	1.50	3.27	2.61	7.40	(46.23)	(39.45)
Earnings per share	0.16	0.42	0.36	0.79	(6.38)	(5.44)
Total debts to total assets (Refer Note iv)	64.45%	72.41%	73.65%	64.45%	73.65%	74.33%
Net Profit Margin (%) (Refer Note v)	1.56%	3.58%	2.68%	2.64%	-16.99%	-10.87%
Sector specific equivalent ratios						
Gross Stage 3 asset (Refer Note vi)	4.03%	5.63%	7.24%	4.03%	7.24%	10.82%
Net Stage 3 asset (Refer Note vii)	1.56%	2.23%	2.54%	1.56%	2.54%	4.47%
CRAR (Tier I + II) (Refer Note viii and ix)	35.70%	27.22%	22.67%	35.70%	22.67%	23.16%
CRAR (Tier I)	32.90%	18.05%	16.96%	32.90%	16.96%	17.55%
CRAR (Tier II) (Refer Note ix)	2.81%	9.17%	5.70%	2.81%	5.70%	5.61%
Liquidity Coverage Ratio	NA	NA	NA	NA	NA	NA


Notes

- i. The Company has classified Compulsorily Convertible Debentures as Debt securities. Debt to equity ratio is arrived as (Debt securities + borrowings – Compulsorily Convertible Debentures + unamortised transaction cost attributable to raising CCD) / (Total Equity + CCD - unamortised transaction cost attributable to raising CCD - OCI). Further debt does not include financial guarantee obligation.
- ii. Networth is derived as Equity presented by Company plus Compulsorily Convertible Debentures minus unamortised transaction cost attributable to raising CCD. Further, other comprehensive income has not been included.
- iii. CCD have been classified as part of Networth/ Equity under Master Circular No. 15/2012-13 dated July 2, 2012 on Foreign Investment in India issued by Reserve Bank of India.
- iv. Total debt to Total assets is derived as (Debt securities + borrowings – Compulsorily Convertible Debentures + unamortised transaction cost attributable to raising CCD)/(Total assets). Further debt does not include financial guarantee obligation.
- v. Net profit margin is derived as (Net profit for the period/ total income)
- vi. Gross stage III % is derived as (Gross stage III loans)/(Gross loans)
- vii. Net stage III % is derived as (Gross stage III loans-impairment allowance on stage III)/(Gross loans - impairment allowance on stage III)
- viii. Risk Adequacy ratio is derived based on unaudited financial information as at December 31, 2022, September 30, 2022, December 31, 2021 & audited financial statements for the year ended March 31,2022 in accordance with applicable NBFC Master directions issued by Reserve Bank of India (RBI).
- ix. For calculation of Capital Risk Adequacy ratio CCD is added in Tier II capital.
- x. Debt service coverage ratio, Interest service coverage ratio, Outstanding redeemable preference shares, Capital redemption Reserve/Debenture Redemption Reserves, Current ratio, Long term debt to working capital, Bad debts to Accounts receivable ratio, Current liability ratio, Debtors turnover, Inventory turnover and Operating margin ratio is not applicable to the Company.
10. RBI vide Circular dated November 12, 2021 — “Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances — Clarifications” has clarified / harmonized certain aspects of extant regulatory guidelines with a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions. The Company has taken steps to comply with the norms / changes for regulatory reporting, as applicable. Such clarifications/ harmonization has no impact on the financial results for the quarter & nine month ended December 31, 2022 & year ended March 31, 2022 as the Company continues to prepare the financial results in accordance with the applicable Ind-AS guidelines and the RBI Circular dated March 13, 2020 — “Implementation of Indian Accounting Standards”
11. Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/86 DOR.STR.REC.51/21 04.048/2021-22 dated 24 September 2021 for transfer through assignment of loan, acquisition of loans through assignment and acquisition/transfer of any stressed loan is not applicable to the Company.
12. The comparative financial information included in the financial results for the quarter ended December 31, 2022 are balancing figures between figures in respect of the nine month ended financial results and the published financial results for the half year ended.
13. Previous years / periods figures have been re-classified where appropriate to current years / periods presentation.

Place: Mumbai
Date: February 02, 2023



For NeoGrowth Credit Private Limited


Arun Nayyar
Managing Director & CEO
DIN: 06804277

NeoGrowth Credit Pvt. Ltd.

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