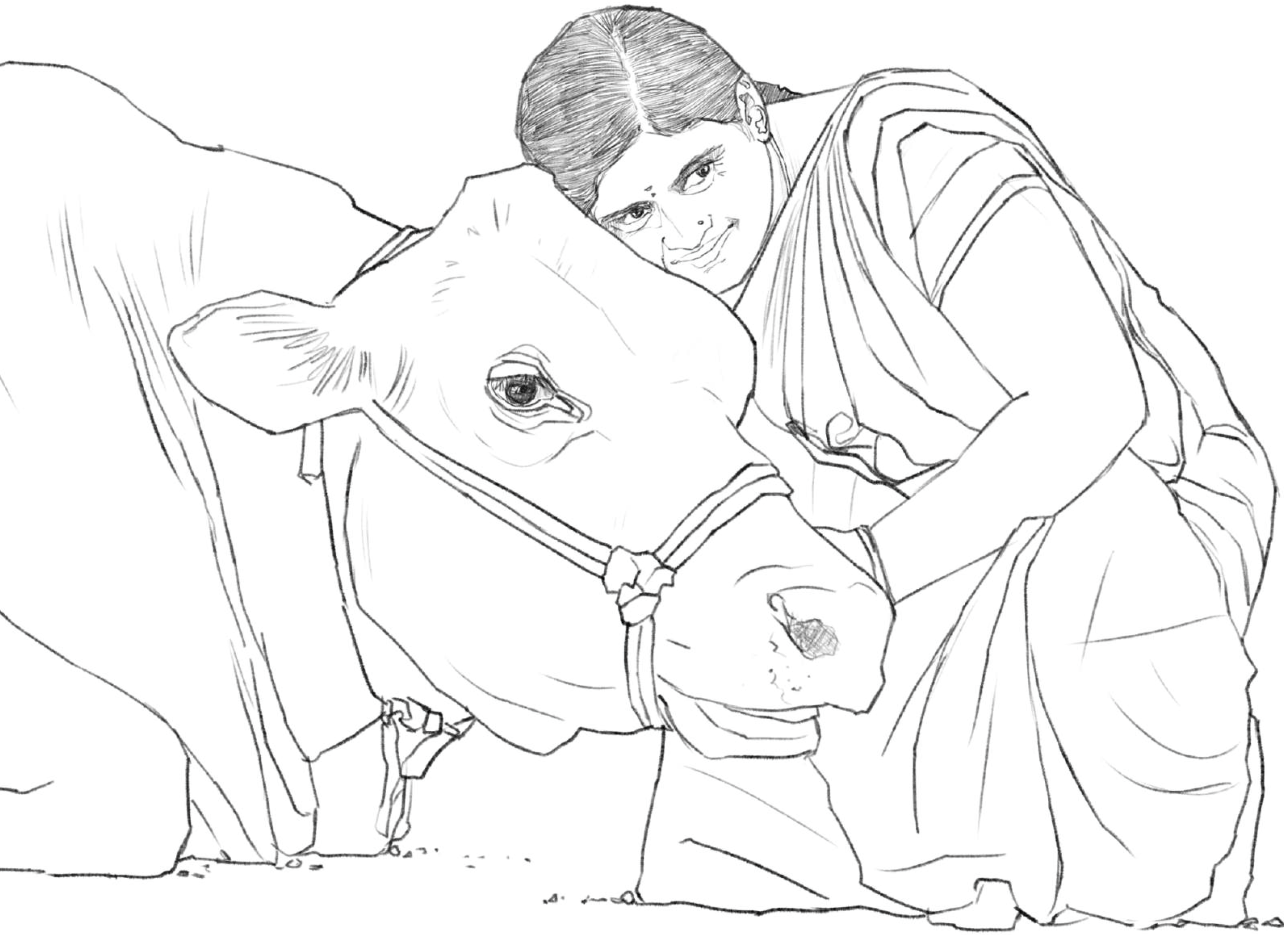
Impact Report 2025

LOK CAPITAL

Footprints

Published: September, 2025

Lok Capital Impact Report 2025



About Lok Capital

Lok Capital is a pioneering India-focused impact investing firm established in 2004. We have generated above market returns via investments into innovative enterprises addressing social and environmental challenges at scale.

Lok means 'People'. Simply put, our mission is to make capital work for all people.

Since our founding in 2004, Lok has been one of India's premier impact investors focused on backing early to growth stage companies in fast growing, high impact business models in financial services, food & agriculture, and climate & sustainability in India.

We back fundamentally strong business models that make commercial sense, including physical and phygital businesses. Our experience has shown that financial gains and societal impact need not be at odds; we have consistently generated above-market returns while supporting companies that create meaningful value for society. At Lok, we aim to partner with businesses that embody both dimensions without forcing a trade-off.

Information provided across this report is as of Q4 FY25 i.e. March 31, 2025.

Message from the Partners

Venky Natarajan, Vishal Mehta & Rajat Bansal

We are proud to publish our annual report where we take stock of not just the year gone by but also stop to reflect more holistically on where we stand and where we are headed. This year marks an important phase of evolution for us, as we continue to strengthen and institutionalize the platform we began building in 2004. Over the last few years, we have been consciously laying the foundation for this transition at Lok—investing time and effort in building processes, capabilities, and partnerships that can sustain growth for the decades ahead. We trust the steps we are taking today will stand the test of time and create lasting value.

The last year was an eventful one for us at Lok Capital. We partnered with four new founders, two each in the financial inclusion and climate/sustainability spaces respectively. We continued to exit investments from the third fund and build a vintage leading USD DPI, perhaps the most important focus area for investors in the current investing climate. Portfolio companies across stages closed or made material progress towards capital raises backed by strong underlying business growth. The impact, governance and sustainability frameworks that underline our investment process also evolved to incorporate changing business models and market conditions. The write ups and case studies in this report intend to provide a deeper look into this aspect of our work over the last year.

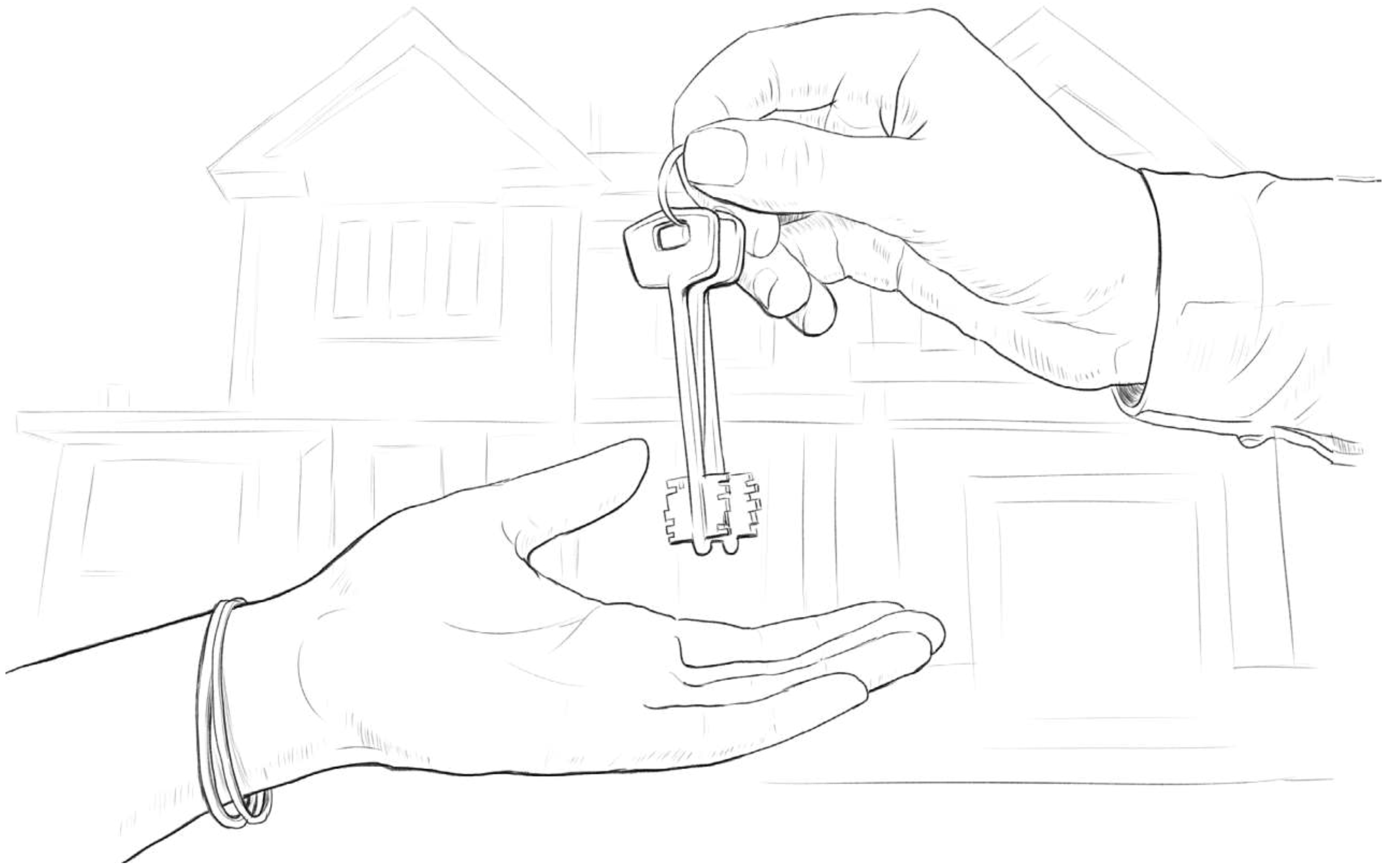
The macro environment globally and in India has been challenging during the year. It has kept us on our toes but also presented exciting opportunities.

A lot of our work at Lok is built on a singular belief that aspirations and abilities of people outside the metros present a multi-decade growth opportunity. The evolution of financial services beyond credit, emergence of health- and climate-conscious consumers, and the urgent need to move our value chains towards decarbonisation and low wastage models have become universal themes. These transitions are not isolated; they are converging in powerful ways across population segments. We especially see the potential of tier 2 to 4 India, the so-called 'excluded' segment, to leapfrog the traditional models of doing business towards a more sustainable system. This is where we see the next generation of investment opportunities: at the intersection of credit, consumption, and climate.

Through Lok V, we will continue to double down on these themes, backing founders who are not only building high-growth businesses, but doing so in a way that is responsive to the realities of a transforming India. Our future investments will be shaped by this thesis, and enabled by the same disciplined, values-driven approach that has defined Lok over the past two decades.

We remain humbled by the trust placed in us by our investors, our portfolio founders and the broader ecosystem. It is this collective belief in the power of purpose-driven capital, long-term partnerships, and shared outcomes that makes the Lok journey both rewarding and resilient.

Thank you for being a part of our journey. We hope you enjoy reading this report.



Our Growth & Impact

47+ Investments

10 IPOs*

2X Challenge

Lok IV is a 2X Challenge qualified fund

70%

Lok portfolio companies have had women directors on board

*Including 2 ongoing filings

Lok I • $22M

2006 • 10 COMPANIES

Financial Services

Borrowers: **7,889,836**

Women Borrowers: **84.7%**

Direct Jobs: **20,877**

Lok II • $64M

2010 • 16 COMPANIES

Financial Services, Education, Health, Agriculture

Borrowers: **11,484,072**

Women Borrowers: **84.6%**

Direct Jobs: **52,951**

Patients: **469,925**

Lok III • $105M

2016 • 11 COMPANIES

Financial Services, Fintech, Health, Agriculture

Borrowers: **6,309,587**

Women Borrowers: **76.6%**

Patients: **492,224**

Farmers: **48,668**

Lok IV • $156M

2022 • 12-14 COMPANIES

Financial Services, Fintech, HealthTech, AgriTech, Climate & Sustainability

Borrowers: **7,674,313**

2X Challenge Qualified

Direct Jobs: **10,891**

Farmers: **17,538**

Conscious Consumers: **985,798**

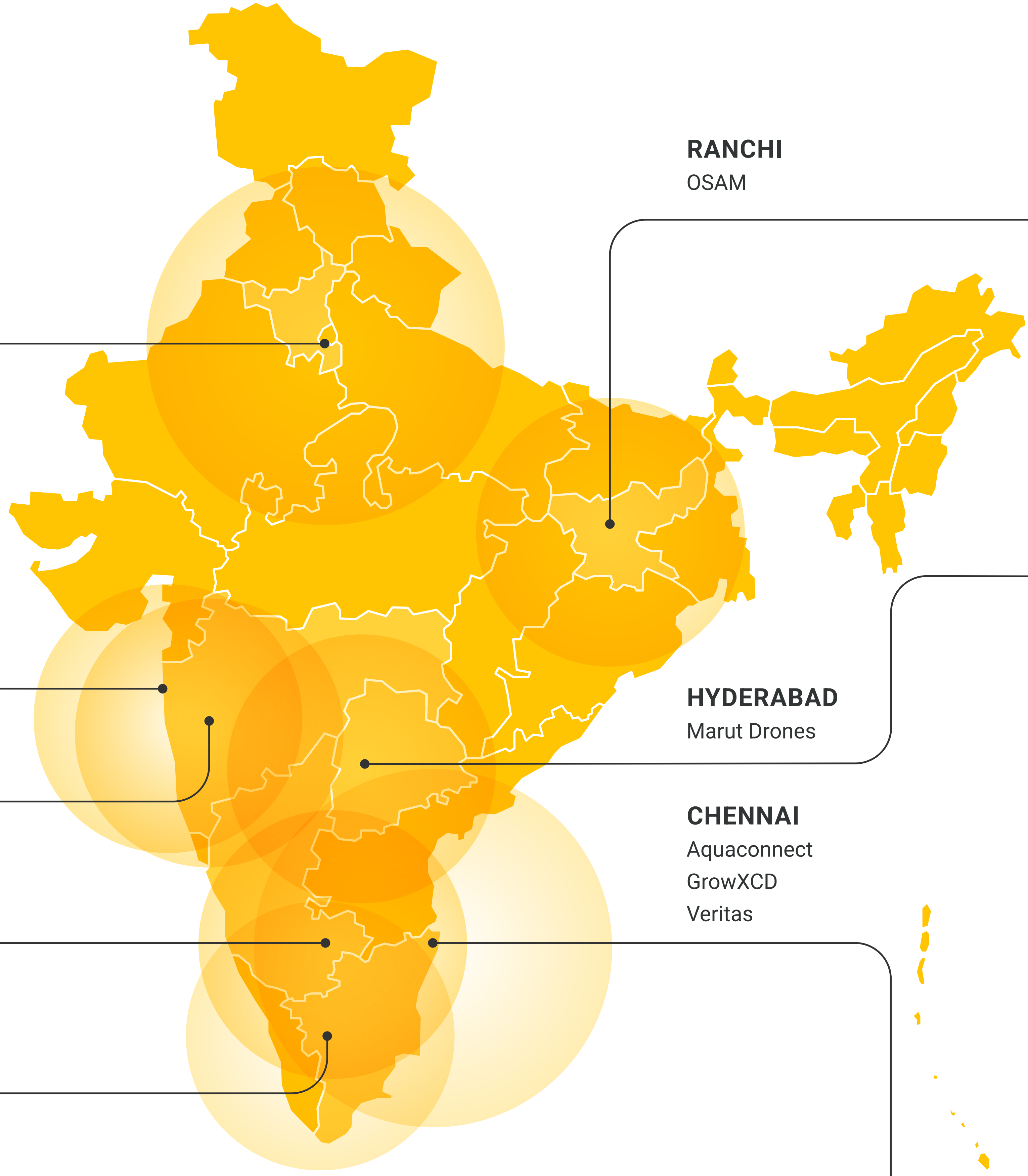
GHG emissions reduced: **60,722 tCO_2e**

Theory of Change: Fund Level

INPUTS	ACTIVITIES	OUTPUTS	OUTCOMES	IMPACT
Provision of capital focused towards solving social & environmental challenges; mobilised from mission-aligned limited partners.	Invest in early and growth-stage enterprises in working to enhance social inclusion and environmental sustainability	Enterprises expand reach, improve quality, and strengthen operations	Capital deployed and value created in impact-driven businesses.	Inclusive, resilient businesses serving underserved communities
Sector knowledge and team expertise	Active portfolio management with focus on governance, organisational development, capital raising, operations and impact management.	Improved institutional capacity of investees	Stronger, more scalable business models	Market-level shift towards commercially viable, inclusive solutions
Network of co-investors and advisors	Enable co-investments, partnerships, market access	Mobilization of follow-on funding and strategic partnerships	Increased enterprise visibility and traction	Crowding in of mainstream capital into impact sectors
Active role in governance (board seats, mentoring)	Support leadership development and long-term vision	Strengthened leadership and governance in investees	Higher organizational resilience and strategic clarity	Long-term sustainability of impact-led enterprises
Robust ESG and impact frameworks	Set up impact measurement and reporting systems	Regular impact data and ESG compliance from investees	Data-driven improvements in business and impact performance	Accountability and continuous improvement in impact delivery
Focus on environmental risk and sustainability	Support integration of resource-efficient, climate-resilient practices (e.g. in agri, infra, logistics)	Portfolio companies adopt environmentally conscious practices (e.g., waste mgmt, low-emission ops)	Improved environmental performance and climate resilience	Growth of green, low-footprint business models aligned with environmental sustainability

Geographic Footprint

ACTIVE PORTFOLIO COMPANIES



GURUGRAM
Seeds Fincap
Renewbuy

MUMBAI
SuperBottoms
Saarathi Finance

PUNE
Clean Electric

BANGALORE
Moneyview

COIMBATORE
Monsoon Harvest

RANCHI
OSAM

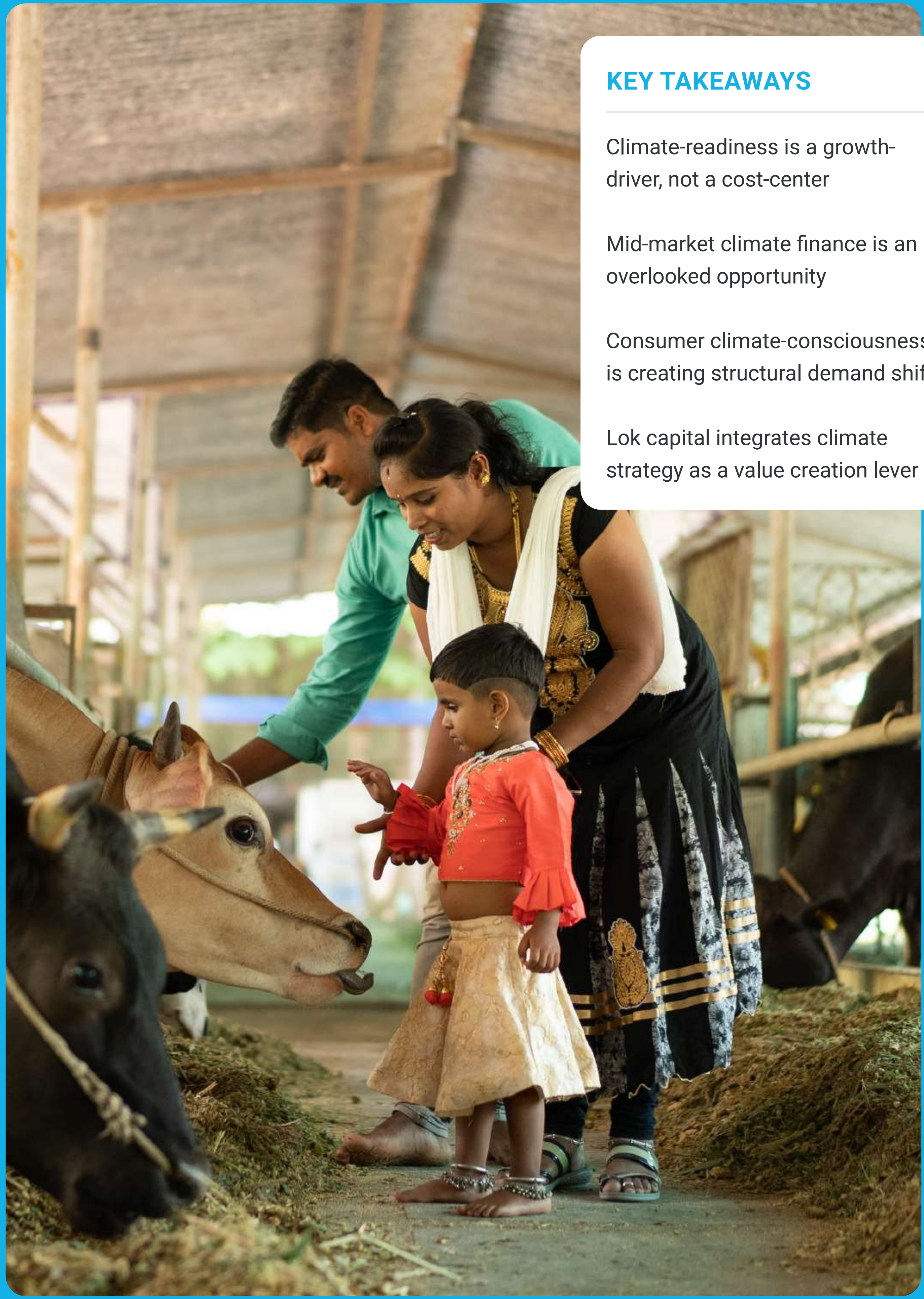
HYDERABAD
Marut Drones

CHENNAI
Aquaconnect
GrowXCD
Veritas

Climate-Smart India: Investing at the Intersection of Growth and Resilience

India today stands at a unique inflection point. As one of the world's fastest-growing major economies, it is experiencing a period of remarkable transformation. A declining poverty rate, expanding aspirational middle class, and rapid urbanization across Tier 2–6 cities are fuelling this growth engine.

By 2030, over 75 million middle-class households and 20 million high-income households will be added to the economy[1], with the GDP of Tier 2–3 cities alone projected to rise by 45% in the next decade[2]. This progress has led to surging demand across financial services, consumption, infrastructure, and digital commerce.



KEY TAKEAWAYS

Climate-readiness is a growth-driver, not a cost-center

Mid-market climate finance is an overlooked opportunity

Consumer climate-consciousness is creating structural demand shifts

Lok capital integrates climate strategy as a value creation lever

45%

Projected rise in GDP of Tier 2–3 cities alone in the next decade

>$200B

India's climate investment requirement annualy over the next decade

160M

A new cohort of households expected to move into higher-income brackets

2.5x–3x

Expected rise in spending on essential goods, services, and wellness

Yet, beneath this encouraging macroeconomic narrative lies an increasingly fragile ecological foundation. India is simultaneously among the most vulnerable nations to climate change. Over 80% of the population is directly exposed to climate-related risks[3] ranging from erratic rainfall and extreme heat to land degradation and rising water stress. These are not abstract threats; they are present realities disrupting lives, livelihoods, and businesses across the country that we have seen first-hand with the customers our portfolio companies work with. Agriculture, small manufacturing, logistics, and informal services, sectors that dominate India's employment, are also the most susceptible to climate volatility.

> **At Lok Capital, we believe the next decade of investment and innovation in India must align with this dual macro imperative: sustaining high economic growth while actively mitigating and adapting to the climate crisis. These are not parallel challenges, they are intrinsically connected.**

Climate-readiness, when embedded into the fabric of business models, operations, and product innovation, becomes a driver of profitability, competitiveness, and long-term viability. It is far beyond an ESG checkbox; it is a strategic moat for enduring competitiveness.

The good news is that we are not starting from zero. India's policy and regulatory frameworks have already begun nudging the ecosystem toward climate action. The country has pledged to reach net-zero emissions by 2070[4] and aims to reduce the emissions intensity of its GDP by 45% by 2030 (relative to 2005 levels)[5]. Financial institutions, under increasing scrutiny from global investors and regulators, are integrating sustainability disclosures such as BRSR, TCFD, and SFDR into their mandates. These shifts create momentum for the private sector to innovate - not reactively, but proactively.

The opportunity is massive: India's climate investment requirement exceeds $200 billion annually over the next decade[6], with more than 50% of the demand likely to come from mid-sized commercial and industrial (C&I) players and not just large corporates especially in the energy efficiency and transition space[7]. These mid-market firms are often ignored in climate finance discourse, yet they form the backbone of India's manufacturing, logistics, energy services, and consumption. Innovations in this segment—deploying low-carbon inputs in manufacturing, efficient packaging solutions, development and usage of alternative materials (bio-based for instance)—can drive operational efficiencies and open high-margin adjacencies for private equity and venture investors alike.

As households graduate to higher incomes, consumer behaviour, too, is changing in ways that present structural tailwinds for climate-aligned businesses. Health and climate consciousness are beginning to influence purchasing decisions. Clean-label brands, circular packaging models, and traceable supply chains are no longer niche—they are becoming market expectations. India's clean-label D2C categories alone are expected to exceed $100 billion in value by 2030. Conscious consumption is now both a growth story and a climate solution.

These shifts are playing out most visibly in Tier 2–6 cities, where the convergence of financial inclusion, digital infrastructure, and climate vulnerability is creating new markets for climate-smart innovation.

At Lok Capital, we are increasingly focused on supporting companies that serve this “next half billion” from financial institutions creating climate-linked insurance and credit products to platforms enabling energy efficiency and circularity in traditional industries.

A cornerstone of our approach is the decarbonization of critical supply chains, especially in agriculture and consumer goods. In agriculture, climate-enhanced models introduce regenerative farming, traceable processing, and farm-to-fork platforms that cut waste and build resilience for smallholders. In consumer value chains, we support brands adopting low-carbon inputs, sustainable packaging, and circular end-of-life solutions that not only reduce emissions but also improve customer loyalty and economics. These transitions unlock access to emerging pools of climate finance, including green bonds, blended finance structures, and outcome-based investments.

We have seen that companies embedding climate readiness across product design, operations, and branding unlock compounding benefits. For example, electrifying last-mile logistics fleets has also proven to lower total cost of ownership in dense urban areas, driven by fuel savings and reduced maintenance[8]. Financial institutions such as SBI, HDFC Bank, and YES Bank have launched green credit lines and concessional lending programs for MSMEs that invest in energy-efficient equipment or disclose ESG metrics. Consumer-facing businesses are witnessing similar momentum. Several leading Indian brands like HUL and ITC have reported stronger growth in product lines aligned with sustainability such as clean-label offerings, recyclable packaging, or purpose-led branding. Circular business models that were once seen as cost-heavy are now achieving competitive unit economics, thanks to policy shifts like Extended Producer Responsibility (EPR) and growing consumer demand for transparency. When paired with authenticity and traceability, sustainability not only reduces customer churn but also enhances brand equity and operational margins.

But these outcomes do not happen by default. They require intent, capacity-building, and investment. Through our ‘climate-first playbook,’ Lok works with founders to build this capacity - whether it’s preparing for certifications, developing tailored climate KPIs, or reengineering vendor contracts to align with ESG standards. We facilitate R&D and product innovation with academic institutions and domain experts, while also supporting go-to-market strategies for climate-aligned brands.

A key tenet of our approach is sector-specificity. Climate-readiness cannot be generic; it must be contextual. The climate

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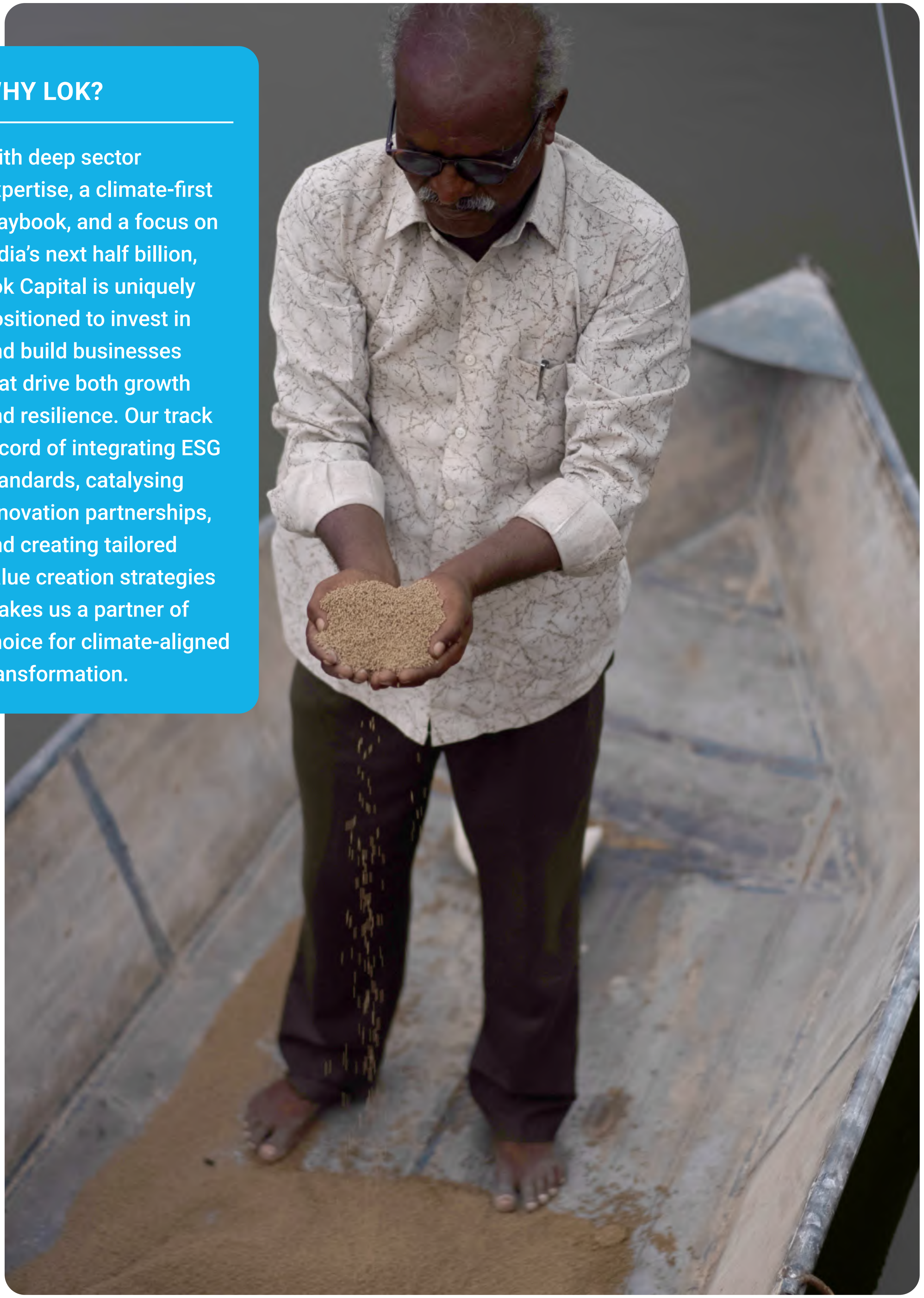


WHY LOK?

With deep sector expertise, a climate-first playbook, and a focus on India's next half billion, Lok Capital is uniquely positioned to invest in and build businesses that drive both growth and resilience. Our track record of integrating ESG standards, catalysing innovation partnerships, and creating tailored value creation strategies makes us a partner of choice for climate-aligned transformation.

risks and emissions profile of a mobility player differ dramatically from that of an agri-supply chain or digital lender. Our portfolio companies benefit from customised diagnostics and roadmaps - whether it's assessing transition risks, establishing emissions baselines, or identifying margin-accretive energy interventions.

Ultimately, we believe that climate-aligned businesses will not only be more compliant but more competitive. Over time, climate-auditable operations will be as important as financial audits. Supply chains without sustainability credentials will increasingly find themselves locked out of high-value markets. The global push for traceability, from European regulators to Indian export buyers, is turning sustainability from a cost centre into a license to operate.This is why Lok Capital is committed to integrating global sustainability standards across our portfolio, including alignment with SFDR Article 9, and embedding a 'climate-first' lens across every investment decision. As an investment firm focused on emerging India, we see this as not just a responsibility, but a clear opportunity.

> **"The road to a climate-resilient India will be long and complex. But it is also filled with innovation, entrepreneurship, and capital. By enabling businesses to lead with climate and serve with purpose, we can help unlock inclusive growth, de-risk the economy, and shape a future where India's economic ambitions are built on sustainable foundations.**

In this decisive decade, climate-readiness must become the cornerstone of India's development journey and the compass that guides responsible capital.

Driving Change on Indian Roads: Lok Capital's Foray into Commercial Vehicle Financing

Across India's bustling transport corridors — from mandi towns in Tamil Nadu to the agri belts of Andhra Pradesh and the industrial heartlands of Maharashtra and Gujarat — runs a vital but often invisible force: the commercial vehicle (CV) operator. These are the drivers, fleet owners, and entrepreneurs who keep the wheels of India's real economy turning.

In 2025, Lok Capital entered this high-potential yet underpenetrated segment by backing Lakshmithra Finance, a South India–based NBFC committed to transforming India's fleets — and the lives that move with them.

But CV finance cannot be understood through spreadsheets alone. To build conviction, we travelled across four states, visited over a dozen branches, and engaged with more than 70 borrowers, loan officers, DSAs, and dealers. What we uncovered was a deeply human ecosystem, where trust matters more than credit scores, and relationships often outperform rigid underwriting rules. Our shared problem statement hence became, 'How do we embed this into a system?' The answer was to not try and force-fit human behaviour into regid processes; it was to build systems that respond to real-world complexities.

Our Learnings Across Indian States

In Madurai, we met drivers who credit their success to field officers who stood by them through thick and thin. One borrower spoke of Lokesh, a Relationship Executive who not only helped him buy his first vehicle but still checks in and reminds him of EMI dates — gently, respectfully. That isn't just good service. In lean months, it's what keeps the business afloat.

> **This culture of care — of being seen, known, and reminded with empathy — came up time and again. It's not an add-on. It's the foundation. We thought to ourselves, as this business scales, the challenge is embedding this trust into systems and technology and marrying that with empathy.**

In Rajahmundry - We saw a different kind of vibrancy. Vehicles here carry not just goods, but the region's economy — fish feed, nursery plants, perishables, and flower exports. A nursery operator insisted on buying only new vehicles: a breakdown meant a day's loss. Nearby, a van owner showed off his 10-year-old refurbished ride. For him, customization and price mattered more. Both choices were rational. Both would've failed a standard asset-age filter.

In Chennai - Borrowers spoke of how large formal financiers demanded five guarantors or forced them to miss work for a branch visit. Informal financiers filled this gap but at a cost of upto 36–40% APRs. Why did customers choose them we asked? "Because they talk to us like we matter," one said. Dignity, we realized, isn't just a soft value. It's a hard differentiator in credit.

We were curious — what does CV finance look like beyond the South?

So, we went and saw for ourselves. The difference was stark. In the South, lenders lead with relationships. But in Maharashtra and Gujarat, it's the intermediaries, DSAs and dealers who drive customer engagement. In Godhra, teams highlighted their share of business with DSAs and dealers and it was close to 80-85%, We couldn't help but ask: what's the fallback if your best DSA leaves tomorrow? This model isn't broken — it just needs intentional reinforcement through leadership stability, active relationship management, and incentive systems that build long-term alignment.

This segment isn't just about vehicles. It's about micro-entrepreneurship. Financial inclusion doesn't stop at disbursal. It expands with working capital, business advisory, and capturing each and every micro and small enterprise that serves this value chain like the small idli shop for breakfast at the end of the street, repair shops, fuel stops for emergency, among the many more. This ecosystem is supremely deep.

What Does Impact Look Like?

Helping a driver graduate from daily wages to owning his first vehicle — with dignity and independence.

Turning around loans in 3 days instead of 3 weeks — because for a driver, every day off the road is a day without income.

Supporting borrowers who run older vans not due to neglect, but because they've invested in refurbishments and understand the economics.

Our journey into CV finance is just beginning. But it is already clear that this is not an easy business. It is messy, operationally heavy, and often misunderstood by formal capital. Yet, for those who take the time to go to the field, listen to drivers at rest stops, speak with DSAs in cramped branch offices, and review aging trucks that still run 18 hours a day, the rewards are immense. Not just in terms of financial returns, but in the kind of impact that doesn't always fit neatly on a dashboard.

> **At Lok, we have always believed that the best investments are built on insight and empathy. Our foray into CV finance, with all its complexity and promise, is a reaffirmation of that belief. And we are just getting started.**

The Founders Lok Backed

The Founding Team of Lakshmithra Finance brings over two decades of deep experience in the Commercial Vehicle (CV) finance industry, having grown within the Shriram Group — India's largest CV financier.

Sridharan Palanisamy (Founder & CEO) is a veteran of the sector, having scaled Shriram Transport Finance across South India, managing over INR 34,000 cr of AUM. He played a pivotal role in growing the customer base from 500 to 3 million, pioneering ecosystem financing for truckers, and building granular MSME lending portfolios. His expertise lies in business growth, customer engagement, and scaling credit products for CV owners and operators.

Krithika Doraiswamy (Co-founder & CFO) brings extensive experience in liability management and capital raising. Over two decades at Shriram City Union Finance, she spearheaded treasury, investor relations, and fund mobilization — securing top-tier ratings and establishing strong lender/investor networks. She led debt raises from global institutions, and has successfully managed large-scale liability structures to fuel NBFC growth.

Together, they form a rare blend of CV domain expertise, business building acumen, and liability raising depth — positioning the company strongly to scale in the fragmented and high-potential CV finance ecosystem.

Lakshmithra FINANCE

Case Studies

Conscious Consumption in India: Learnings from SuperBottoms

SuperBottoms isn't just a case study in category creation — it is a compelling blueprint for how sustainable, culturally anchored consumer brands can emerge from and scale in emerging economies. In a category long dominated by global disposable diaper players, SuperBottoms stood apart by grounding innovation in deep customer empathy, frugal functionality, and cultural relevance — attributes critical for conscious consumption in India.

74%

cost savings against disposable diapers over 3 years of use

200

Disposable plastic diapers avoided per UNO diaper sold

71 Kg CO_2e

Disposable plastic diapers avoided per UNO diaper sold

BUILDING WITH DEEP CUSTOMER INSIGHT

SuperBottoms' strength lies in its obsessive focus on the Indian parent's needs. This wasn't product innovation for innovation's sake — it was intuitive problem-solving, beginning with a prototype designed by a mother in her living room.

Clear value proposition

For new parents, SuperBottoms meant relief — from rashes, from plastic guilt, and from the economic and environmental cost of disposables.

Customer-led growth

Every product was born from direct feedback loops. Padded underwear emerged from a demand for potty-training solutions. Supersoft underwear followed, rapidly becoming their fastest-scaling SKU.

Function drives form

- Diapers: Leakproof, breathable, cute prints kids loved to wear
- Nappies: Adjustable dry-feel muslin
- Underwear: Ultra-soft and plush
- Basic apparel: Simple and breathable for everyday comfort

By evolving with the baby, the brand fostered deep loyalty. SuperBottoms became the "Xerox" of cloth diapers — a name synonymous with the category it created.

DESIGNING FOR THE CONSCIOUS INDIAN CONSUMER

Cost-Sensitive, Yet Aspirational

Disposable diapers in India are cost-prohibitive for many — MamyPoko, the most affordable brand, commands over 70% of the market. In contrast, one SuperBottoms cloth diaper replaces nearly 300 disposables, offering lifetime savings alongside sustainability benefits.

While affordability was key, aspiration wasn't sacrificed. Indian families increasingly seek branded nappies and underwear with premium quality and design — spaces where unorganised players dominate, and where SuperBottoms found white space.

India Is Not the West, understanding regional behaviours was key

- South India, with its legacy of cloth use, was more open to adoption.
- North India leaned on traditional nappies due to cost and habit.

Micro-trends — like Kerala's sanitation laws or Delhi housing societies limiting single-use plastics — point to broader, bottom-up shifts in mindset, creating an environment ripe for sustainable innovation.

Science-backed

Conscious consumption in India is deeply personal. Parents want what's healthiest, safest, and most value-creating for their children — not just what's trending. SuperBottoms tapped into this by offering science-backed, culturally resonant, and aesthetically delightful alternatives to global mass products. SuperBottoms did a life-cycle assessment to assess the environmental impact of its product as well.

THE BRAND HALO IS BIGGER THAN THE BUSINESS

SuperBottoms is a rare brand where perception is greater than scale —it commands an outsized halo among conscious consumers.

Distribution: Omnichannel by Design

- D2C Website: Highest margin, organic-first growth
- Marketplaces: Amazon drove early discovery, FirstCry helped establish credibility
- Q-Commerce: An emerging channel SuperBottoms is winning in
- Offline: Early signs of strength — distributors in Gujarat and Coimbatore investing in SB-branded stores

Profitability & Pricing Power

- Price hikes on UNO cloth diapers didn't dent demand — a strong signal of consumer loyalty and perceived value.
- Supersoft underwear sold out within 2 months despite inventory planning for 6–9 — showing brand elasticity beyond diapers.

Community-Led Innovation

From product suggestions (like adding lamination for nappies) to co-creating solutions, the Parent Tribe has been central to SuperBottoms' innovation cycle — reinforcing the brand's position as a partner, not a vendor.

CONCLUSION: A PLAYBOOK FOR SUSTAINABLE BRANDS IN INDIA

SuperBottoms exemplifies what it means to build for Bharat — understanding aspirations, respecting constraints, and co-creating with the consumer. It succeeded by:

- Creating affordable yet high-quality alternatives
- Leading with cultural familiarity and function
- Growing sustainably, one trusted product at a time

At Lok, we believe SuperBottoms holds key insights for the next generation of climate- and health-conscious brands in India. It demonstrates that meaningful consumer behaviour change can originate from deeply empathetic product design and authentic brand building — not from top-down campaigns or global playbooks.

For founders and investors aiming to build in India and the Global South, SuperBottoms is not just a company — it's a case for how conscious consumption truly scales.

₹105 Cr

ARR (as of March '25)

56%

Gross margin; 40% sales from own website—organic sourcing of customers

>60%

market share in cloth diapers; >10% in newly launched underwears

Enabling Access to Credit: Reaching India’s Next Billion with GrowXCD Finance

THE OPPORTUNITY

Despite notable progress in financial inclusion, large segments of rural and semi-urban India remain excluded from formal credit. Micro-entrepreneurs and lower middle-income households face challenges such as irregular cash flows, limited credit history, and lack of collateral — rendering them ineligible for traditional loans. As a result, their access to affordable capital is restricted, limiting investments in business growth, home improvement, and education. This creates a persistent credit gap that traditional financial institutions have been unable to bridge effectively.

THE GENESIS: A DEEP PARTNERSHIP FROM DAY ZERO

GrowXCD was not a conventional investment for Lok Capital - Lok supported the co-creation of the company. Lok had known Arjun, who led IDFC First Bank’s rural finance division, for over a decade. When he set out to build a new-age financial institution focused on rural India’s aspiring class, Lok partnered with him to help bring that vision to life.

From the outset, Lok played a hands-on role in shaping GrowXCD's strategy:

Product Design

Co-developed GrowXCD's flagship offering — a micro mortgage loan against property (micro-LAP), with average ticket sizes of INR 5–6 lakhs.

Geographic Strategy

Identified underpenetrated Tier 3 and Tier 4 locations where informal lending dominates and affordable formal credit is scarce, starting with Tamil Nadu.

Tech-First Build

Arjun’s co-founder, Sathish, brought a technology-led approach, enabling GrowXCD to build one of the few fully paperless lending platforms across origination, underwriting, disbursement, and collections.

Vision and Business Model

Worked closely with the founding team to define the company’s mission, product roadmap, and rural credit thesis.

Organisation Building and Hiring

Played a key role in building the leadership team and supporting early hiring across sales, credit and finance.

Debt Access

Facilitated early lender introductions and supported GrowXCD’s first institutional debt raises.

Governance and Controls

Established governance frameworks and reporting protocols aligned with scale-stage investors.

Series B Capital Raise

Supported the company in its Series B capital raise.

THE MODEL: BUILT FOR INDIA'S ASPIRING ENTREPRENEURS

GrowXCD is focused on the "missing middle" — customers who have graduated from microfinance but are not yet eligible for bank loans. Its tailored offerings reflect deep customer understanding and execution on the ground:

Product-Market Fit

Loans designed for business creation and income generation — e.g., small tailoring units adding machinery, kirana stores expanding into godowns, pharmacies and clinics improving rural health infrastructure.

Target Segment

Households with monthly incomes of INR 40,000–75,000, often with informal documentation or thin credit files.

End-Use Monitoring

Ensures loans are used for productive purposes such as home improvement, business expansion, or children's education.

Operational Differentiators

100% In-house Sourcing

All customers are sourced through proprietary channels — roadshows, local marketing, and referrals. No DSAs or external agents.

Women-Centric Branch Teams

Every branch employs women customer service officers who also double up as lead generators and telecallers. Women are co-borrowers on all loans; 30% of loans have women as primary applicants.

Efficient Last-mile Coverage

Branches operate with a 30–40 km radius, reaching deeply rural areas where traditional banks struggle. Technology ensures operational leverage and unit economics even at the periphery.

₹250+ Cr

AUM within two years of receiving NBFC licence

41

Branches across 4 states, with a strong presence in Tamil Nadu Karnataka

~300 Cr

Equity capital raised, including a recently concluded Series B round

SCALING RESPONSIBLY

GrowXCD has scaled with discipline, balancing growth with impact and governance:

- INR 250+ Cr in AUM within two years of receiving its NBFC license
- 41 branches across four states, with a strong presence in Tamil Nadu and Karnataka
- ~INR 300 Cr in equity capital raised, including a recently concluded Series B round
- Institutional debt partnerships with leading banks and NBFCs

IMPACT DELIVERED

Credit Empowerment

Thousands of rural families and small entrepreneurs now have access to reliable, affordable credit — often for the first time.

Livelihood Generation

Credit has enabled business expansion, infrastructure creation, and local employment.

Gender Inclusion

Through intentional design, GrowXCD has embedded women's participation — both as borrowers and as employees — into its operating model.

Credit Graduation

Customers are able to build credit scores and transition into formal banking over time.

THE ROAD AHEAD

GrowXCD is poised for the next phase of growth:

- Expanding into new states and regions, while deepening its presence in core markets
- Launching new product lines; including working capital solutions
- Embedding deeper data and analytics for smarter risk assessment
- Doubling down on impact measurement and gender-forward design

CONCLUSION

GrowXCD is a living example of Lok Capital's high engagement philosophy — building institutions from the ground up, anchored in purpose, powered by technology, and built for underserved communities. Through a close founder-investor partnership, Lok has helped build a platform that is reshaping rural credit access in India — with scale, sustainability, and deep impact.

A Product First Company: Enabling Scalable Impact with Marut Drones

THE OPPORTUNITY

India's agriculture sector is undergoing a structural transformation. Rising digital penetration, improved education levels, and accelerating urbanisation are reshaping rural labour markets—mechanisation is no longer aspirational, it's imperative. Yet, systemic challenges persist:

- Inefficient input application methods
- Health hazards from manual spraying
- Limited access to precision technologies in remote areas
- And lack of scalable, income-generating avenues for rural youth and women

Mechanisation is no longer just a productivity story- it is central to the rural employment and health narrative.

ENTER MARUT DRONES

Founded in 2019 by IIT-Guwahati alumni Prem Kumar Vislawath and Suraj Peddi, Marut Drones emerged from a simple yet profound observation: rural India's agricultural productivity is constrained not by lack of effort but by outdated tools.

The Problem

Wetland crops like paddy make manual access difficult	Tall crops like sugarcane and maize are unfit for conventional spraying	Manual spraying causes high chemical exposure and water overuse

The Solution

Marut builds industrial-grade agricultural drones (10–50L capacity) capable of:

Spraying 1 acre in under 10 minutes	Reducing water usage by 95%	Avoiding direct chemical exposure

To date, Marut has sold over 500 drones, trained 1,000+ drone pilots, and delivered services across 500,000+ acres in 14 states. The company runs its own pilot training academy in partnership with Professor Jayashankar Telangana State Agricultural University, Hyderabad.

THE INFLECTION POINT: LOK CAPITAL'S ENTRY

Lok Capital partnered with Marut Drones as its first institutional investor, at a time when the company had built a compelling product but needed support to scale sustainably and deepen its market presence.

We saw a product-first company with outsized impact potential. Our role became clear: build the scaffolding for scale—systems, teams, governance, and capital access.

LOK'S VALUE ADD: AUGMENTING SYSTEMS TO UNLOCK SCALE

Organisation Building

Supported onboarding of key leadership for example, the CFO, through Lok's talent network

Advised on org structuring across functions—sales, operations, and R&D

Sales & Product Strategy

Deep field immersion to decode user behaviour and drone adoption cycles

Helped design the sales org, retail dealer strategy, and VLE engagement model

Supported product roadmap evolution from 'drone as product' to 'platform + data'

Capital Strategy & Debt Enablement

Opened up dialogues with leading debt partners to enable working capital and inventory financing

Created custom financing structures to help VLEs (Village-Level Entrepreneurs) access drones

Governance & Advisory

Formalised reporting systems, board processes, and documentation

Facilitated onboarding of tech veteran Santanu Paul (ex-TalentSprint, NPCI) to the advisory board

IMPACT AT SCALE

Agricultural Efficiency

500,000+ acres covered across crops like paddy, sugarcane, maize

Up to 90% reduction in water usage

Enhanced yield and input savings through precise application

Livelihood Creation

1,000+ drone pilots trained, with many earning INR 50,000–75,000/month

Typical VLE payback in 12–18 months, with a drone lifespan of 4–5 years

Women's Empowerment

Lead implementer of Namo Drone Didi, training 150+ women pilots

Drones operated by women from SHGs are gaining national visibility

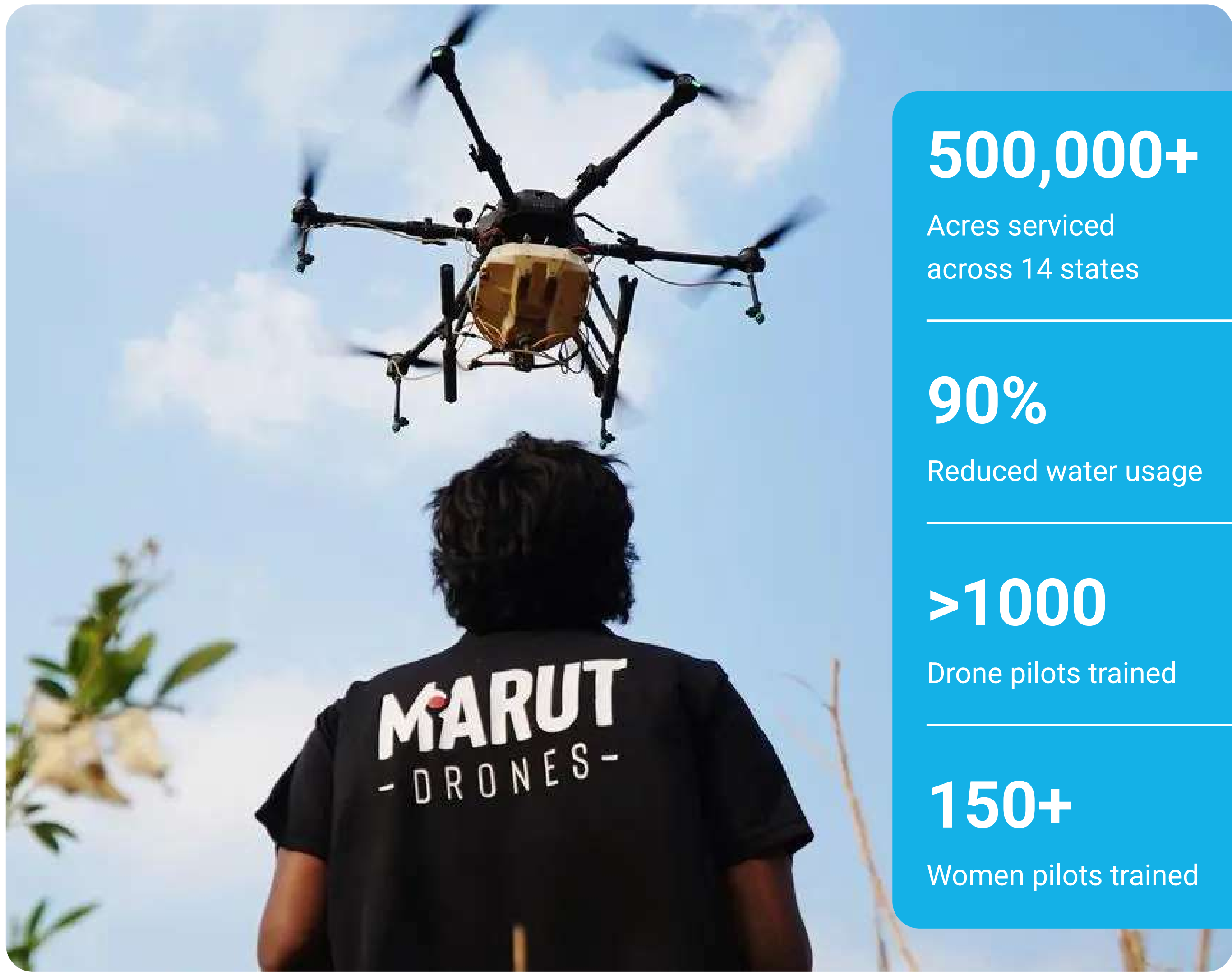
Technology & Data

All drones are IoT-enabled; software analytics layer under development

Future pipeline includes AI-based spraying, direct seeding, reflectance sensing, and crop-specific automation

LOOKING AHEAD

Today, Marut Drones is among the top 3 retail-focused agri-drone companies in India. With its expanding dealer network, gender-inclusive skilling models, and data-driven approach to precision farming, it's no longer just building drones—it's building a technology platform for rural prosperity.



500,000+
Acres serviced across 14 states

90%
Reduced water usage

>1000
Drone pilots trained

150+
Women pilots trained

Lok IV

Portfolio Deep Dive

FINANCIAL INCLUSION

Seeds Fincap
GrowXCD
Moneyview
Veritas Finance
Saarathi Finance

SUSTAINABLE AGRICULTURE

Aquaconnect
Marut Drones

CLIMATE & SUSTAINABILITY

SuperBottoms
Clean Electric

Financial Inclusion

SEEDS
EMPOWERING DREAMS

2X CHALLENGE FINANCING FOR WOMEN

CPP CLIENT PROTECTION PRINCIPLES

Enhancing credit access for underserved micro-entrepreneurs in North and Central India, with a focus on women-led enterprises and rural livelihoods strengthening.

Founders: Subhash Chandra Acharya, Avishek Sarkar | Year of Investment: 2023

IMPACT FOCUS

- Deep geographic presence in low-income states (46% UP, 21% Rajasthan, 13% Bihar, 13% Haryana) with limited MSME credit penetration.
- Gender inclusion with 100% loans co-borrowed by women, and doubling of primary female borrowers since Lok's investment.
- Supporting MSME growth and stability, fostering local employment and community economic activity.

PRIORITIES AHEAD

- Deepen credit presence in UP, Bihar, and Rajasthan to address financing gaps.
- Scale gender-focused programs for women borrowers and staff.
- Drive deeper data insights for underwriting and collections.
- Enhance resilience of small businesses with tailored products.

IMPACT METRICS

78k	100%	14k
Borrowers	Women Co-borrowers	Primary Women Borrowers

OPERATIONAL METRICS

128	8
Branches	States

GrowXCD

2X CHALLENGE FINANCING FOR WOMEN

Empowering small businesses in Southern India geographies by digitizing last-mile distribution and enabling credit access through tech-enabled MSME financing solutions.

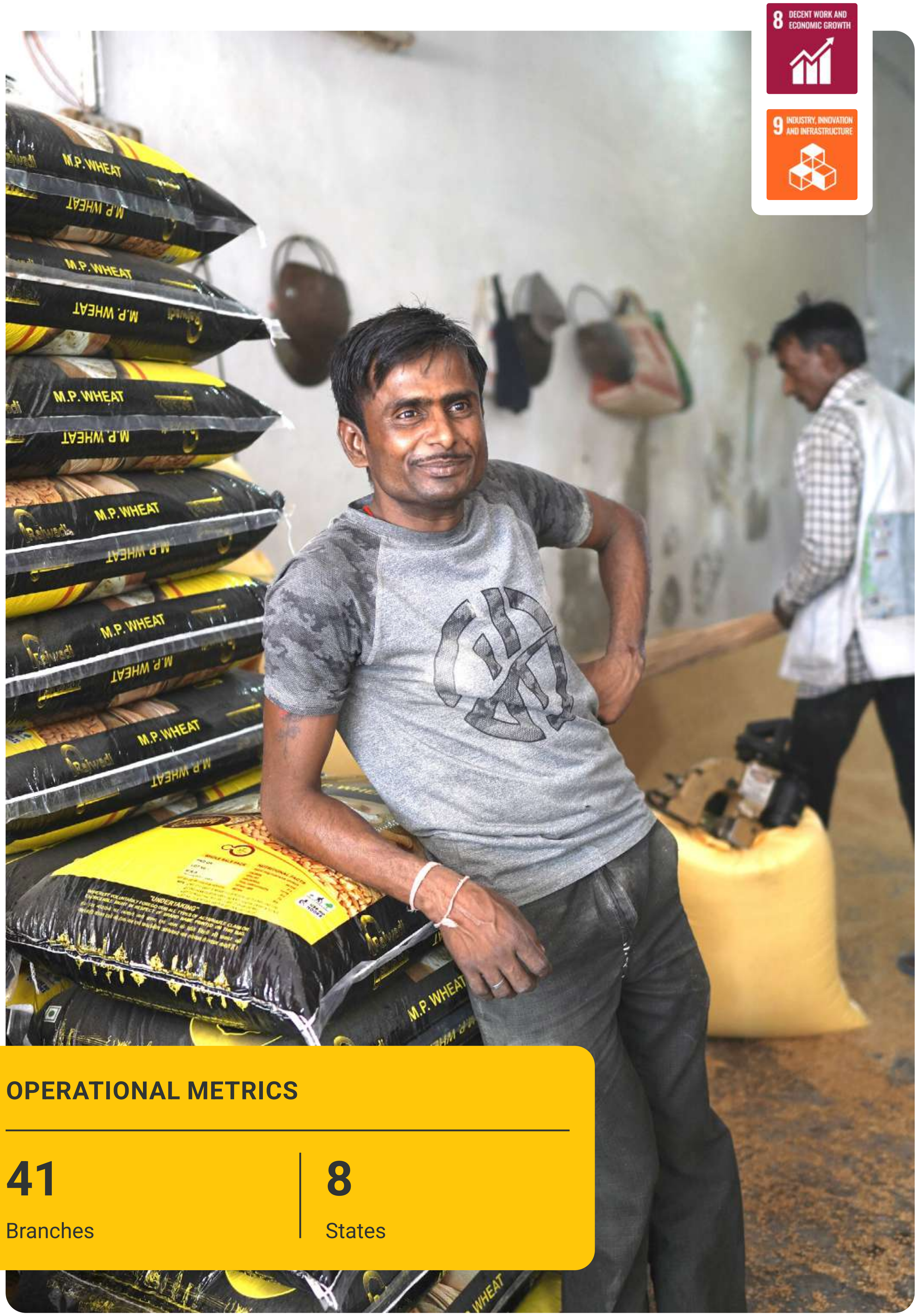
Founders: Arjun Muralidharan, Sathishkumar Vijayan | Year of Investment: 2023

IMPACT FOCUS

- Facilitating growth capital for MSMEs and micro-entrepreneurs across Tier 2/3 India.
- Maintaining low delinquencies and strong portfolio quality to support system resilience.
- Driving inclusive economic participation across Tamil Nadu, Karnataka, Andhra Pradesh and expanding into Telangana.

PRIORITIES AHEAD

- Continuous geographic expansion into existing states to reach deeper rural pockets and capture unmet demand
- Further enhance technological capabilities to leverage data analytics (using AI/ML) and inform business/risk/product strategy
- Optimise loan turn-around-time and employee productivity through further tech-driven process interventions.



IMPACT METRICS

4k
Borrowers

>30%
Women Borrowers

OPERATIONAL METRICS

41
Branches

8
States

moneyview

Expanding access to affordable, tech-driven personal financial solutions for underserved salaried and self-employed individuals.

Founders: Puneet Agarwal, Sanjay Aggarwal | Year of Investment: 2023

IMPACT FOCUS

- Financial inclusion at scale via digital lending to underserved MSMEs and individuals without formal credit histories, with continued expansion in Tier 2/3 markets.
- Digital literacy and consumer empowerment through app-based nudges, and clear disclosures.
- System resilience and stability by proactively recalibrating the portfolio to regulatory changes while maintaining responsible credit expansion.
- Indirect gender and ESG impact through household-level income smoothing and emergency credit access

PRIORITIES AHEAD

- Grow core credit business while maintaining quality underwriting to reach more low-income customers.
- Leverage AI to enhance operational efficiency and transparency.
- Launch IPO to attract long-term aligned capital.

IMPACT METRICS

7.2M
Borrowers

33%
Self-employed Borrowers

2.6x
Growth in Borrowers

OPERATIONAL METRICS

Pan India Presence

NBFC offering a basket of financial products across home loans, business loans and used commercial vehicle loans.

Founder: Arulmany Duraisamy | Year of Investment: 2016 (Lok III); 2024 (Lok IV)

IMPACT FOCUS

- Supporting livelihoods and local economic activity while expanding responsible lending.
- Maintaining high portfolio quality while scaling in underserved markets.
- Expanding secured products including used CV and home loans for diversification of client base.
- Strengthened governance and reporting for IPO readiness.

PRIORITIES AHEAD

- Work towards public market listing
- Scale secured MSME lending while maintaining high-quality underwriting
- Diversify product lines responsibly while managing operational efficiency.

IMPACT METRICS

219k
Borrowers

38k
Women Primary Borrowers

OPERATIONAL METRICS

447
Branches

10
States

Empowering small businesses across India by fuelling last-mile distribution and enabling credit access through MSME financing solutions.

Founders: Vivek Bansal, Sunil Daga | Year of Investment: 2025

IMPACT FOCUS

- Facilitating capital for MSMEs and micro-entrepreneurs across Tier 2/3 India.
- Building strong governance from seed stage with 3 independent directors on Board.
- Driving inclusive economic participation across 6 states in India with massive credit opportunity.

PRIORITIES AHEAD

- Geographic expansion into 6 states simultaneously with a team of highly experienced people across micro markets
- Establish a robust ESG Management Standard and GHG measurement tools
- Implement state of the art technology to provide exceptional customer experience in geographies/segments that are typically overlooked by sophisticated lenders/ banks.
- Continue active board engagement with strategic direction for responsible scale.

IMPACT METRICS

348
Borrowers

100%
Women Co-borrowers

OPERATIONAL METRICS

35
Branches

6
States

Information provided for Saarathi Finance is as of Q1FY26.

Aquaconnect
Marut Drones

Sustainable Agriculture

aquaconnect

Digitizing the aquaculture value chain to deliver smallholder farmer advisory services, quality inputs, and access to formal financing for input-retailers, and enabling more sustainable aquaculture practices.

Founder: Rajamanohar Somasundaram | Year of Investment: 2023

IMPACT FOCUS

- Increasing smallholder farmer profitability through high-yield, traceable, quality inputs.
- Reducing environmental footprint per kg of shrimp and fish produced.
- Enhancing financial resilience through market linkages for smallholders.
- Increasing participation of women in the aquaculture value chain.

PRIORITIES AHEAD

- Scale Dr. Grow to increase yields and farmer incomes through anti-biotic free aquaculture inputs
- Expand structured retailer network in Andhra Pradesh to increase farmer reach.
- Improving feed conversion ratios for aquaculture farmers resulting in reduced water pollution from feed wastage.

IMPACT METRICS

17,000
Small-holder Farmers Supported

3
States Covered in Gender Mainstreaming Study

1.2Mt
Traceable Shrimp Produced

OPERATIONAL METRICS

25%
Year-on-year Growth in Retailer Network

6
States

MARUT
- DRONES -

Enhancing climate-resilient agriculture and public health outcomes through the deployment of precision drones for farming, afforestation, and vector control.

Founders: Prem Kumar Vislawath, Suraj Peddi | Year of Investment: 2024

IMPACT FOCUS

- Driving smallholder productivity through precision spraying and reduced input waste.
- Supporting climate adaptation by reducing water and chemical usage in farming.
- Building India’s domestic agri-drone manufacturing ecosystem for long-term resilience.

PRIORITIES AHEAD

- Expand dealer network for wider precision agriculture reach.
- Continuous R&D efforts for product innovation and generating use cases beyond spraying.
- Focus on indigenisation and optmisation to lower manufacturing costs and improve affordability.

IMPACT METRICS

150 Pilots Trained	**371k** Hectares of Agri Land Mechanised

OPERATIONAL METRICS

60% YoY Rise in Drone Sales	**13** States

SuperBottoms
Clean Electric

Climate & Sustainability

Promoting eco-conscious parenting and reducing textile waste by offering reusable, skin-friendly cloth diapers and sustainable baby products.

Founders: Pallavi Utagi, Salil Utagi | Year of Investment: 2023

IMPACT FOCUS

- Reducing landfill waste by replacing disposable diapers with reusable products.
- Making high-quality sustainable products affordable for parents.
- Building India's circular economy retail ecosystem while maintaining strong unit economics.

PRIORITIES AHEAD

- Expand distribution via offline and digital channels for accessibility.
- Prove financial viability of climate-positive products.
- Identify aligned strategic partner for offline scale while preserving sustainability mission.

IMPACT METRICS

200	>50%	71.1 $KgCO_2e$
Disposable Plastic Diapers avoided / UNO Diaper Sold	Women Employees	Reduced / UNO Diaper Sold

OPERATIONAL METRICS

Pan India Presence

CLEAN ELECTRIC

Building a robust electric mobility ecosystem by designing safe, high-performance battery packs and integrated charging solutions for electric two- and three-wheelers.

Founders: Akash Gupta, Abhinav Roy, Ankit Joshi | Year of Investment: 2024

IMPACT FOCUS

- Accelerating clean mobility with high-quality, rapid-charging battery systems.
- Supporting last-mile fleet decarbonization for inclusive clean transport.
- Expanding EV adoption in Tier 3 and rural markets to ensure inclusive energy transitions.
- Building ecosystem partnerships with fleet operators and service providers to enable India's green mobility transition

PRIORITIES AHEAD

- Focus on e3W segment to maximize climate impact and enable affordable last-mile transport.
- Build Tier 2 and 3 and rural partnerships for clean mobility access.
- Deploy MACH series advanced batteries to improve EV viability.

IMPACT METRICS

167
Employees Hired in Sunrise Industry

15 min.
Fast Charge EV Battery Launched

199 tCO_2e
Manufacturing Emissions Reduced*

OPERATIONAL METRICS

3.5x
YoY Growth in Revenue

3x
YoY Growth in Battery Packs Sold

*versus ICE engine manufacturing

Team on Field

At Lok, we are driven by the impact created by our investments for people and the environment. We like to understand the problems and be a part of the solutions in a bottom-up manner. This requires the team to be in touch with the ground realities often. Thus, on any typical day you'd find at least a couple of our team members travelling to the remotest parts of India in order to substantiate the impact theses we create.

Not only do these travels ensure that the companies we invest in align with the impact pathways we want to action, but they also provide a learning opportunity for our team members to gather insights and knowledge both for personal and professional growth.

Here are some informal snippets that some of our team members have shared on their learnings and observations.

Content-Creation in Rural India – Enabling Outreach & Knowledge Transfer

During a recent field visit across rural Maharashtra and Telangana, I witnessed first-hand how deeply digital content creation has penetrated rural India. What struck me was not just the widespread use of platforms like Instagram and YouTube for researching products or promoting local businesses, but the entrepreneurial zeal with which young farmers, agri-entrepreneurs, and even household helps are building their own digital identities. From a fashion store in Nighoj using Instagram to showcase new arrivals to farmers like Ajay in Karimnagar creating educational agri-tech content, the narrative of rural India is no longer about passive consumption but active content creation.

This experience reinforced a key learning for me: businesses targeting rural markets must rethink their outreach strategies. The real influencers are hyperlocal micro-content creators, trusted by their communities, and brands must collaborate with them to drive authentic engagement. Traditional mass media approaches are giving way to user-generated content ecosystems, where success will be measured not just by reach and sales, but by the volume and quality of rural content partnerships and community-driven storytelling.

Mousum Pal Choudhury, Director

Women, Power & Agency – Realisations and Hope

I have had the privilege of being raised in a family where gender-based discrimination was never a norm, and I now work in an organization that upholds the same ethos. As part of our ongoing efforts to understand the barriers restricting women's participation in the aquaculture value chain, we spent 14 hours in the field, travelling to some of the remotest parts of rural West Bengal. Aquaculture is often considered a male-dominated sector, where women's roles are largely invisible despite their contributions in pre- and post-harvest activities.

During this visit, I was taken aback when I heard several women referring to their husbands as "malik"—meaning "owner." While this may seem like a cultural expression, it painfully reinforces their dependence and lack of agency in both household and livelihood decisions. Yet, amidst this challenging landscape, there's always a glimmer of hope. It was heartening to meet a family spanning three generations where women were equally heard, had the freedom to explore their interests, and actively participated in conversations about their work and future aspirations. Sharing chai and snacks with them, I was reminded that change often begins with small, quiet shifts within homes, and these sparks of agency are what will eventually light up the entire value chain.

Anmol Saxena, Sustainability Manager

The Drivers of Aspiration – Entrepreneurial Spirit across India

Living in urban India, we often tend to overlook the entrepreneurial spirit, drive and consistent, patient hard work across the rural youth that drives India's economic progress. I have been fortunate to travel to the remotest parts of India across Tamil Nadu, Karnataka, Telangana, Jharkhand, UP etc. as part of our field visits for NBFCs and dairy/agri companies in our portfolio. Each time, I leave feeling inspired, humbled, grateful and in awe.

For instance, we met a young boy in a small village in Telangana who owns and manages a 40 acre paddy crop, operates drones to spray pesticides/fertilisers and runs his own YouTube channel creating content on farm mechanisation through drones - all while living in a modest home (at best) and carrying the widest smile on his face. We often equate digital tools and advanced technologies to be an urban phenomenon - while real innovation is happening in the micro communities beyond tier 1 India, that form the vast majority of the country's landscape.

Pranay Sultania, Vice President

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MUMBAI

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