Footprints

Annual Impact Report 2026

Lok Capital

Design Note

The theme chosen for this year's Footprints Annual Report is inspired by the language and approach Lok has committed itself towards.

The report touches upon building community, Lok's growth and scale, and charting out a journey across a rapidly changing Indian landscape.

The visual metaphor of navigation and terrain is adapted across the report to reflect this mission.

Look out for our "Team on Field" notes along the way. They're scattered across the report by design — much like our team, who spend their days on the ground rather than behind desks. Consider them field markers from the journey.

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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. Over the past two decades, Lok Capital has evolved alongside India's development journey, backing entrepreneurs who are addressing some of the country's most pressing challenges while building enduring businesses.

Today, Lok Capital focuses on growth-stage companies that are expanding access, improving resilience, and enabling sustainable economic development.

We invest in sectors that are critical to India's future, including financial services and climate & sustainability, with a particular focus on businesses that can scale responsibly while creating long-term value for customers, communities, and the economy.

Our investment approach is grounded in deep sector expertise, active portfolio engagement, and strong governance.

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

Beyond providing growth capital, we work closely with portfolio companies to strengthen institutions, improve operational capabilities, embed ESG as well as impact management practices, provide technical assistance, and support their journey from founder-led enterprises to resilient, professionally managed businesses.

Since inception, Lok Capital has raised over USD 350 million across four fund vintages and made 50+ investments.

Throughout this journey, our conviction has remained unchanged: partnering with businesses that solve meaningful problems at scale, can generate attractive financial returns while contributing to a more inclusive, resilient, and sustainable future.

RECOGNITION BY THE IMPACT ASSETS 50

In 2026, Lok Capital was recognised as an Emeritus Manager by the ImpactAssets 50 (IA 50), reflecting our inclusion on the list for more than five years. The recognition acknowledges managers that have demonstrated a sustained commitment to delivering measurable impact alongside financial performance.

For Lok, this milestone is particularly meaningful.

Over more than two decades, we have partnered with entrepreneurs building businesses that address critical gaps in financial inclusion, healthcare, livelihoods, and climate resilience across India.

Throughout this journey, we have remained guided by the belief that commercially successful enterprises can also generate meaningful and lasting social impact.

The Emeritus designation reflects the consistency of this approach and the collective efforts of our founders, investors, portfolio companies, and team members.

It also underscores the growing maturity of the impact investing ecosystem and the increasing recognition that impact considerations can be integrated into investment decision-making without compromising financial outcomes.

We are grateful to all our stakeholders who have contributed to this journey and remain committed to supporting businesses that create long-term value for underserved communities while contributing to a more inclusive and sustainable future.

Letter from the Partners

Since founding Lok Capital, our belief has been simple: some of the most compelling investment opportunities in India emerge from solving structural gaps affecting millions of underserved people.

Our name — "Lok", meaning "people" — reflects that philosophy: lasting value creation begins with understanding people's aspirations, vulnerabilities, and evolving needs.

This year's report, Footprints 2026, brings you the *human* side of being a fund manager.

The report reflects how we engage with investing — not as a purely financial exercise, but as a long-term partnership rooted in empathy and proximity to the markets we operate in.

Staying close to the ground has shaped how we understand India. We learn as much from conversations with borrowers in small towns, farmers navigating climate uncertainty, first-generation entrepreneurs, and women entering formal financial systems as we do from boardrooms and data rooms.

This report attempts to capture those voices — not only ours as investors, but also those of founders, operating teams, collaborators, and the end beneficiaries whose lives intersect with the businesses we support.

India itself has changed dramatically since Lok began investing in 2004, when financial inclusion was limited and much of the economy remained informal.

Today, India stands at the intersection of demographic momentum, rapid formalisation, and the need for climate resilience— what excites us most is not simply the pace of this growth, but the depth and complexity of the opportunities emerging beneath the surface.

The next decade of value creation in India will look different from the last.

Opportunities will increasingly come from harder, more nuanced problems: expanding access to specialised financial products, improving productivity across fragmented supply chains, enabling climate resilience across the real economy, and building trusted consumer brands for a rapidly evolving population. We believe this favours businesses deeply embedded in the operating economy — solving real problems with strong execution and disciplined unit economics. This has been central to how we invest at Lok.

Lok is an impact investor with an approach that is rooted in building commercially durable businesses.

Across four funds — from Lok I's early focus on microfinance to Lok IV's expansion into climate and sustainability — we have raised over ***$350 million***, backing businesses at the intersection of inclusion, sustainability, and commercial scalability.

Our mandate has remained unchanged: build category-leading businesses capable of private-equity-benchmarked returns while staying aligned with the structural shifts shaping India.

To date, Lok has delivered 2x dollar DPI across the first three funds, with Lok I and II fully exited and most of Lok III already realised. The underlying businesses have created scale across sectors critical to India's development:

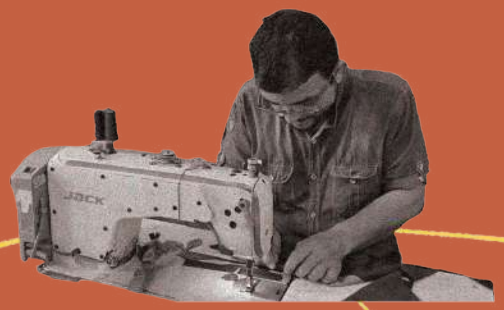
- Over ***33 million people*** provided access to financial services
- Approximately **800,000 *MSMEs supported*** through credit access
- Nearly **30,000** affordable housing ***loans enabled***
- More than **65,000 *smallholder farmers*** integrated into sustainable agriculture value chains
- **~78,860** tonnes of CO_2 emissions avoided through climate-linked investments

What has shaped our conviction most is seeing how India's growth evolves from the ground up.

Many of the strongest businesses we have backed were initially overlooked, operating in fragmented or underappreciated segments. We have learned that the most attractive opportunities emerge not from chasing consensus themes, but from identifying structural shifts early and remaining patient as markets mature.

This has been particularly true in financial services, where the market is evolving rapidly from basic credit access toward specialised products — affordable housing finance, MSME lending, commercial vehicle finance, insurance, and embedded financial infrastructure — that remain significantly underpenetrated.

The next generation of category leaders here will not simply be technology companies; they will combine underwriting discipline, local distribution, and deep customer understanding at scale.



Climate and *sustainability* have become equally central to our strategy.

India's climate transition will not be driven only by large infrastructure or pure-play climate technologies — it will happen through the transition of the real economy itself: SMEs decarbonising, sustainable supply chains, electric mobility, agricultural resilience, and resource-efficient manufacturing.

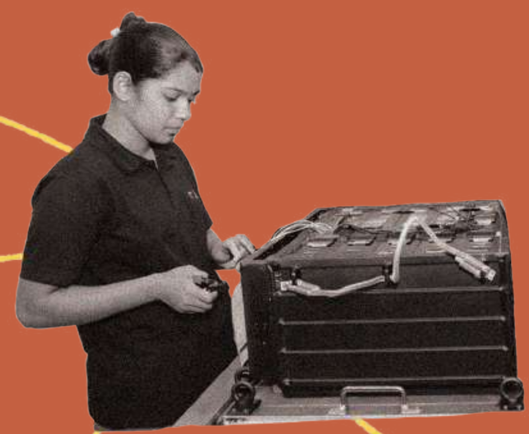
Starting with Lok IV, we built exposure across sustainable agriculture, aquaculture, agri-drones, EV ecosystems, conscious consumer businesses, and climate finance, while several of our financial services companies now finance rooftop solar, EVs, and industrial decarbonisation.

Lok V will extend this further — focusing on climate finance, sustainable agriculture, conscious consumption, and sustainable industrial and supply chain solutions — while continuing to build on our long-standing strengths in financial inclusion and specialised financial services.

Alongside this evolution in strategy, we have strengthened Lok institutionally — expanding our leadership team, deepening portfolio management capabilities, strengthening governance, and institutionalising ESG, IMM and climate impact monitoring systems for long-term continuity.

One lesson has become increasingly clear: enduring businesses are rarely built through capital alone.

They are built through long-term partnerships, disciplined governance, and companies that remain deeply connected to the people they serve.



Perhaps that is what Footprints 2026 ultimately seeks to reflect — behind every data point is a *human story*, and behind every enduring business is a *deep understanding* of people, markets, and communities.

We remain grateful to the founders, investors, colleagues, collaborators, and ecosystem partners who have been part of Lok's journey.

As we look ahead, India's next phase of growth will create significant opportunities — but it will also require aligned capital, institutional discipline, and a continued willingness to stay close to the ground.

That is the journey we remain committed to at Lok.

Yours truly,
Venky, Vishal & Rajat

Our Growth & Impact

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

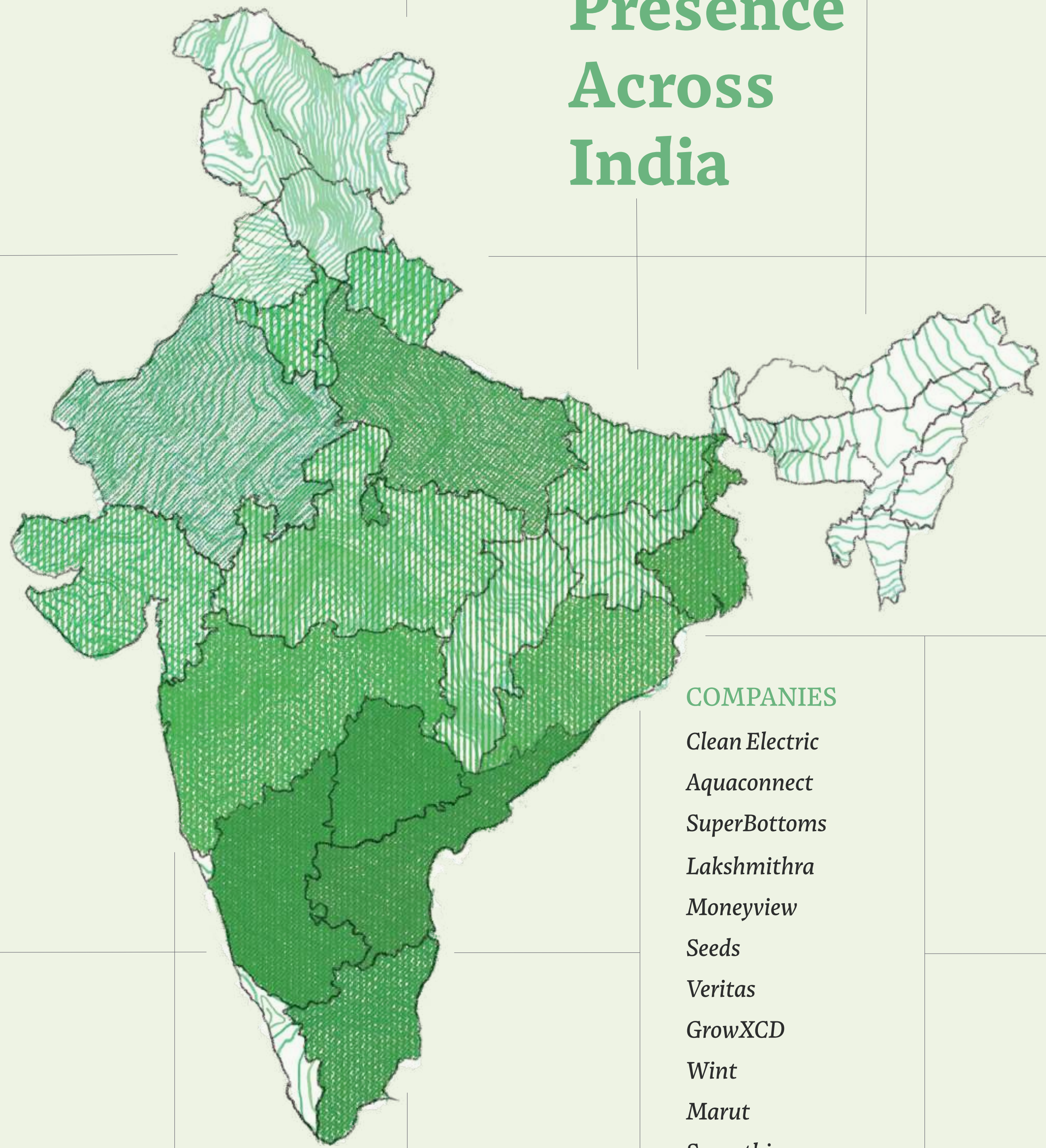
Borrowers: 7,533,340
Women Borrowers: 67%
Direct Jobs: 39,546
Patients: 492,224
Farmers: 48,668

Lok IV $156M

2022 | 13 companies
Financial Services, Climate & Sustainability

Borrowers: 9,954,718
Direct Jobs: 13,583
2x Aligned Vision: 7/11
GHG Emissions: 61,126 tCO2e
Farmers advised: 21,333

Lok's Presence Across India



COMPANIES

Clean Electric
Aquaconnect
SuperBottoms
Lakshmithra
Moneyview
Seeds
Veritas
GrowXCD
Wint
Marut
Saarathi
Anveshan
RenewBuy

TEAM ON FIELD | *1 out of 5*

Chhavi Uboweja
Vice President, Investments

A few years ago, I was a vegan and would probably have looked at this moment very differently.

Standing here, yet, all I feel is affection for this beautiful animal. The gentle eyes, the calm presence, and the way she leans into human attention - it is hard not to be moved by it.

What I have come to appreciate over time is that behind every cow is a farmer, a family, and a livelihood.

A decade ago, I would have viewed this primarily through the lens of animal welfare. Today, I still care deeply about that.

But I have also come to understand that economies are lived realities - for many families, livestock is not simply a source of food or income; it is security, opportunity, and resilience.

The farther one gets from urban discussions and closer to the farm, the harder it becomes to see the world in absolutes. Reality is usually more nuanced, and far more human.

Impact Studies

Aquaconnect

Lakshmithra Finance

GrowXCD

Seeds Fincap

aquaconnect

Aquaculture Inputs & Technology
ANDHRA PRADESH & ODISHA

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.

For the smallholder aquaculture farmer in coastal Andhra Pradesh or Odisha, the difference between a good crop and a failed one can mean the difference between a concrete house and the one with asbestos. Between sending a child to school and not. Between household income stability and not. Aquaconnect works at exactly this intersection by providing farmers with the inputs, advisory, and market access they need to make aquaculture a reliable, growing livelihood.

The results speak to something deeper than product efficacy. When a farmer recommends a product to others in his community, it reflects a level of trust built through consistent outcomes.

The most common improvements farmers describe are business growth, better household expense management, and an improved ability to save and invest. These outcomes compound over time and extend well beyond a single crop cycle.

METHODOLOGY In September–October 2025, 60 Decibels conducted 261 phone interviews with Aquaconnect farmers randomly selected from a subset of 1,500 farmers across Andhra Pradesh and Odisha.

Interviews were conducted in Telugu and Odia, with an average length of 11 minutes, at a 90% confidence level and 5% margin of error.

"I used Dr. Grow tea seed powder, and it gave good results. I haven't seen weed shells for 4–5 crops. Yes, I will recommend Dr. Grow tea seed powder as I have seen its results." *Male farmer, 25, Andhra Pradesh*

"Earlier, I had an asbestos house, but now I have built my own concrete house. Now I can fulfill my family's needs, educate my children well, and also save money."

Male farmer, 44, Odisha

59%

of Aquaconnect's farmers report that their quality of life has improved as a direct result of the company's services.

77% *of Aquaconnect's farmers live below $8.30 per day, mirroring India's national average and confirming that the company is genuinely reaching the working poor of the aquaculture economy, not just its more prosperous participants.*

They describe growing their businesses, managing household expenses with more confidence, and building savings for the first time. Among those who saw income rise, half reported increases of **25%** *or more.*

WHAT WE ARE WORKING ON:
Lok Capital is actively engaging Aquaconnect on input quality consistency and creating awareness among farmer communities on sustainable aquaculture practices through a technical assistance facility. These are areas where we believe targeted improvements will directly translate to better outcomes for farmers and the environment while leading to stronger long-term business performance.

Lakshmithra FINANCE

Used Commercial Vehicle Lending | TAMIL NADU

South India-based used commercial vehicle financier enabling first-time asset ownership among driver-operator communities.

Access to credit at the right moment can change the entire arc of a first-time entrepreneur. For the micro-entrepreneurs Lakshmithra serves across Tamil Nadu—not only commercial vehicle owner-cum-operators but also small business owners such as laundry shop and xerox centre operators—a loan is not an abstract financial product. It is the equipment that doubles capacity, the working capital that keeps the shelves stocked, the investment that makes a second branch possible.

What stands out about Lakshmithra's model is not just the impact it generates but how it generates it. Borrowers consistently point to the quality of the company's staff, the speed of disbursals, and the ease of the approval process as the reasons they recommend it to others.

METHODOLOGY In October-November 2025, 60 Decibels conducted 312 phone interviews with Lakshmithra borrowers randomly selected from a subset of 935 borrowers in Tamil Nadu. The sample was overweighted toward commercial vehicle loan borrowers to enable product-level analysis.

Interviews were conducted in Tamil, with an average length of 11 minutes, at a 90% confidence level and 4% margin of error.

"I have a laundry shop, and I used the previous loan amount to buy the equipment I needed. My income has also increased, and now I am planning to open another shop. I am also able to pay my children's school fees comfortably."

Female borrower, 31, Tamil Nadu

89% *of borrowers say repayments are not a burden which is a reflection of a product that is genuinely sized and structured for the people it serves.*

Commercial vehicle borrowers in particular report outsized improvements where **32%** *say their quality of life has very much improved, compared to* **16%** *among unsecured business loan borrowers.*

86% *of Lakshmithra's borrowers report an improved quality of life and the reasons they give are strikingly concrete.*

70% *talk about growing their business.*

28% *mention being able to afford household bills they previously could not.*

21% *describe a new sense of financial independence.*

These are not marginal improvements. They are the difference between a business that survives and one that grows.

"The loan process was speedy. They kept their commitment date for giving the loan. Customer service is also good. I have recommended Lakshmithra to my friend."

Male borrower, 43, Tamil Nadu

WHAT WE ARE WORKING ON:
Lok Capital is working with Lakshmithra to create a market-leading used commercial vehicle financing NBFC increasing its reach in the tier 2 and tier 3 geographies. Lok is also supporting their diversification into electric vehicle financing.

GrowXCD

Secured & Unsecured MSME Lending
SOUTH INDIA

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

"Because of GrowXCD, we were able to build our own house."

Female client, 40

"GrowXCD does a very good job as it provides excellent lending facilities, and the staff are very supportive. My loan was processed quickly because it was applied for through a digital platform."

Male client, 24

METHODOLOGY In March-April 2025, 60 Decibels conducted 257 phone interviews with GrowXCD clients randomly selected from a database of 3,331 clients across Tamil Nadu and Karnataka.

Interviews were conducted in Tamil and Kannada, with an average length of 15 minutes, at a 90% confidence level and 5% margin of error.

80% *of GrowXCD's clients live in rural areas. For many of them, a loan from GrowXCD is not just a financial transaction, it is their first meaningful interaction with formal credit.*

51% *are accessing a secured loan like this for the first time.*

And yet **82%** *of these clients, many living in villages across Tamil Nadu and Karnataka, manage their loans entirely through digital channels.*

GrowXCD has quietly built something unusual: a deeply rural, first-access lender that operates at full digital scale.

The impact on clients' lives is tangible and broad.

66% *report improved business income.*

69% *report improved business operations.*

49% *say their ability to afford home improvements has increased, for a rural household, often this is the most visible and meaningful sign of progress.*

16% *report improved access to education for their children, and* **16%** *report improved access to healthcare.*

The combination of rural depth, first-time access, and assisted digital delivery makes GrowXCD's model genuinely distinctive. Its digitally enabled, field-assisted model extends formal financial services to underserved rural communities, helping bridge the access gap between a woman in rural Tamil Nadu and her counterpart in urban India.

By combining local relationships with digital processes, GrowXCD enables customers to access formal credit in a convenient, transparent, and efficient manner. This expands access to financing for needs such as home improvement and productive livelihoods, reducing the extent to which geography determines access to financial opportunities.

WHAT WE ARE WORKING ON:
Lok Capital is engaging with GrowXCD on launching financial literacy interventions for not only its own customers but for the public and strengthening the company's governance processes.

SEEDS EMPOWERING DREAMS

MSME Lending
NORTH & WEST INDIA

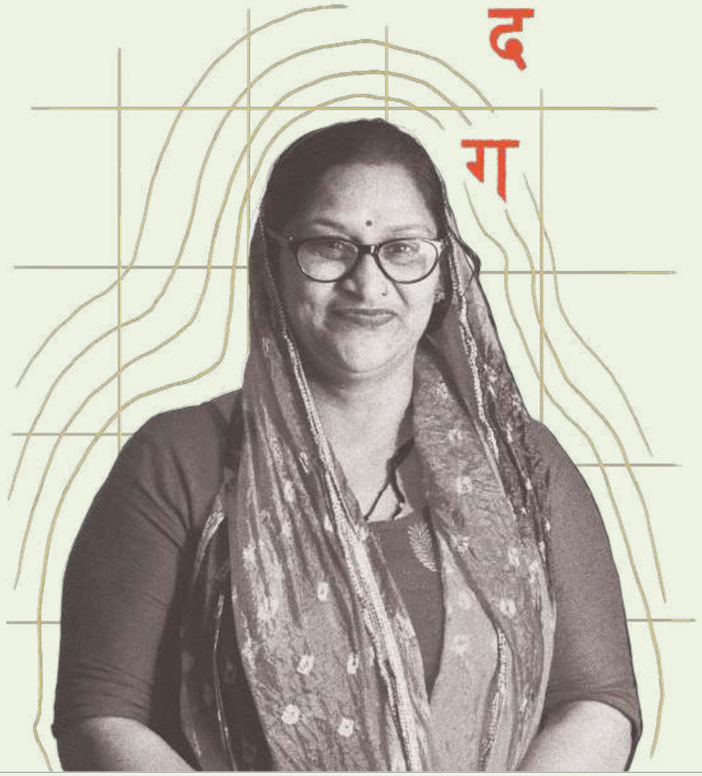
Enhancing credit access for underserved micro-entrepreneurs in North and Central India, with a focus on women-led enterprises and rural livelihoods strengthening.

The micro-entrepreneurs across Bihar, Uttar Pradesh, and Rajasthan—shopkeepers, traders, and small manufacturers—have historically had limited access to the kind of formal, fairly priced credit that can meaningfully grow a business. Seeds Fincap operates in this gap, expanding access to formal finance where it has long been limited, and the depth of its impact reflects the scale of this unmet need.

These are outcomes that extend far beyond the loan itself, reaching into children's education, housing, and the basic security of a household that knows it can meet its obligations.

METHODOLOGY In September-October 2025, 60 Decibels conducted 280 phone interviews with Seeds Fincap borrowers randomly selected from a subset of 1,147 borrowers across Bihar, Uttar Pradesh, and Rajasthan.

Interviews were conducted in Hindi, with an average length of 10 minutes, at a 90% confidence level and 4% margin of error.



Seeds Fincap is the strongest inclusion performer in the Lok 4 portfolio.

86% *of Seeds Fincap's borrowers report improved quality of life and the scale of change they describe is striking.*

90% *of those whose lives improved talk about growing their business.*

53% *mention increased income.*

34% *report being able to afford household bills they previously could not.*

"I took a loan to expand my shop. I built a house to live in and am educating my children. I am grateful to the company for providing the loan on time, which has enabled me to accomplish all this."

Male borrower, 34, Rajasthan

"I have recommended Seeds Fincap to many, even helped my friends get loans from there. The process is smooth and easy. The loan is approved quickly, and paying the installments is simple. The interest rate is also low."

Male borrower, 33, Bihar

77% *of its borrowers live below $8.30 per day which is above India's national average and its Inclusivity Ratio of 0.95 reflects near-parity with India's national income distribution.*

This is not accidental. It is the result of operating in geographies that most lenders overlook, with a patient and relationship-driven approach that has built genuine trust with borrowers over time.

45% *of borrowers are accessing formal credit for the first time.*

WHAT WE ARE WORKING ON:
Lok Capital is working with Seeds Fincap on new product development and launch through its technical assistance facility, and improving the loan approval experience, as well as exploring how to grow the share of female borrowers while ensuring client protection principles take a front seat in the unsecured segment where the company operates.

TEAM ON FIELD | *2 out of 5*

Pranay Sultania
Vice President, Investments

We probably had one of the most unusual, yet insightful experiences while on field in the villages of Uttar Pradesh (northern India). The adventure began with a drive that was supposed to be 3 hours long, but turned into a 6-hour drive, courtesy of UP's infamous traffic and narrow roads. Upon reaching, we found ourselves in a remote part of UP, on the outskirts of a town known as Gonda.

While the town itself was known to be notorious, the outskirts presented a different view - a thriving population with well-functioning businesses. We met borrowers who ran a restaurant on the ground floor and a gym on the first floor. We interacted with a borrower who started with a small grocery shop but quickly expanded to an electronics shop and a medical shop with the help of accessible funding through NBFCs.

The highlight though, was the (almost) afterparty we had at the branch we were visiting - night had fallen, it was winter and we were hungry - so a meal over a bonfire was a no-brainer! The branch staff went out of their way to arrange everything, including a freshly cooked local meal nearby. We were most fascinated by a borrower who was passing by and decided to join us for a little while - we were amazed by his entrepreneurial zeal. He was a hardware dealer, who would travel 40-50 km every two days to buy and stock inventory, cater to his farm/dairy business daily, and take care of a family of four.

We ended the night with some good music, food and stories/learnings we will cherish forever. And our adventure continued until we reached our hotels, as we had to drive through thick fog in the forest :)

Moral of the story: India truly comes alive in its little towns and villages, and one must take the road less travelled to experience India for what it is.

Founders Q & As

Lakshmithra Finance

Wint Wealth

Anveshan

Seeds Fincap

Clean Electric

“Every Truck Has an Entrepreneur Behind It”: Understanding India’s Used-CV Economy

A Conversation with Sridharan Palanisamy, Krithika Doraiswamy

Founders, Lakshmithra Finance

The commercial vehicle (CV) financing sector often talks about assets, tonnage, and yields. But on the ground, behind every steering wheel is a first-generation entrepreneur trying to rewrite their family’s financial destiny.

We sat down with the founder of Lakshmithra Finance—a South India-based used-CV financing company—to unpack the realities of this driver turned entrepreneur. From the psychology of moving from “driver” to “owner,” to the critical role women play in logistics, this conversation explores how hyper-local, relationship-based underwriting is powering the grassroots transport economy.

UNDERSTANDING THE CUSTOMER

Q. When we think of commercial vehicle financing, we usually picture large fleet operators or transport hubs. Who is the typical Lakshmithra customer?

You can’t look at our customer as just a “driver” or a “truck.” Our customer is a close-knit family operating a livelihood business. These are the small business owners moving the essentials of daily life.

Large trucks might bring raw materials like rice, dal, fruits, and vegetables to the city limits, but it is our small CV operators who do the critical last-mile work.

They distribute water cans to neighborhoods, deliver medicines to local pharmacies from godowns, and supply local eateries. There are no long-term corporate contracts here; it is an entirely relationship-driven, localized service ecosystem.

The same person who moves fruits in the morning might be moving event décor or furniture in the evening. If a small business in the community thrives, it needs transportation. That is where our customers step in.

“We don’t finance just a small truck; we finance a small truck that fuels a family’s livelihood and plays an important role in the local economy.”

Q. Many of your borrowers are making the leap from being salaried drivers to first-time entrepreneurs. What motivates that transition?

A driver is often a driver yesterday, today, and tomorrow. Men in this segment tend to be highly operational—their primary focus is on navigating the day-to-day physical labor of driving.

The true strategic engine, however, is the woman of the house. She is grounded, forward-looking, and ultimately the key force who tips her husband from being a driver-operator to an owner-operator.

It usually begins with a vision for the family’s future. While a fixed salary might cover basic daily expenses, the wife looks ahead to the next phase of life—specifically saving for their children’s education when they hit that five-to-seven-year-old mark.

She recognizes that her husband is already working 10 to 12 hours a day; owning the truck is the only way to capture the full economic upside of his labour and build lasting pride for the family.

> On the wheel it’s the man, but behind the wheel it’s the woman.

Once the vehicle is purchased, her role evolves into what we call “spouse anchoring.” A single-truck operator doesn’t have a corporate office or a logistics dispatcher. The wife steps into that void.

Local businesses, vendors, and community members contact her directly for transport needs. She acts as the aggregator, managing route optimization to ensure fuel expenses are kept low, which turns the operation into a highly cash-flow-rich activity.

Perhaps most importantly, she is the de facto head of collections. This is a cash-and-carry business. Because the man is away driving the truck all day, the woman manages the receivables. Women naturally command better respect in these communities and are exceptional at bargaining and convincing payers to clear their dues on time.

There is an unwritten rule in this ecosystem: the EMI is always approved by the lady of the house.

THE ECONOMICS OF UPWARD MOBILITY

Q. How does a small fleet operator typically run their business? What does the math look like when choosing between a new and a used vehicle?

The jump from a salaried driver to an owner is the central financial event in this family's life. Regardless of whether they buy a new or used truck, the gross monthly revenue from operating it remains around INR 65,000. The difference lies in what the family keeps, how quickly they own the asset outright, and how much risk they carry.

Let's now do a rough math using average flat interest rates:

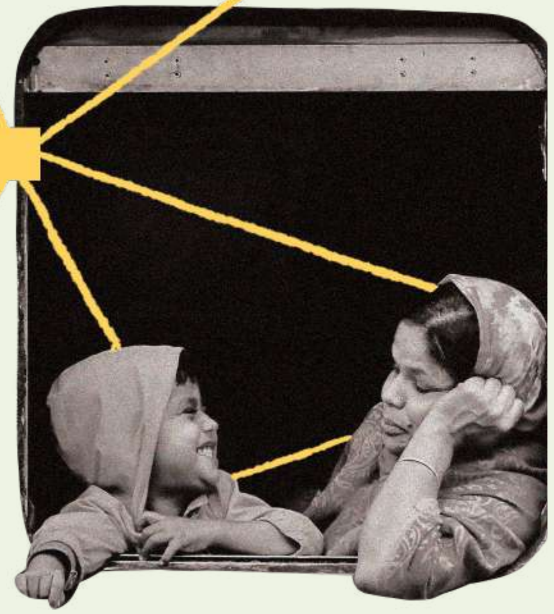
PARTICULARS	DRIVER	NEW VEHICLE OWNER	5 YEAR OLD VEHICLE OWNER	8 YEAR OLD VEHICLE OWNER
VEHICLE COST	0	INR 10,00,000	INR 6,00,000	INR 4,00,000
REPAYMENT PERIOD	–	5 YEARS	3 YEARS	3 YEARS
LTV	–	95%	80%	70%
GROSS MONTHLY REVENUE	INR 25,000	INR 65,000	INR 65,000	INR 65,000
MONTHLY EMI	–	~INR 20,276	~INR 19,643	~INR 13,285
NET TAKE-HOME (DURING LOAN)	INR 25,000	~INR 44,723	~INR 45,356	~INR 51,714
CAPITAL AT RISK	–	INR 10,00,000	INR 6,00,000	INR 4,00,000

On paper, the EMI for a new vehicle and a 5-year-old vehicle look nearly identical. However, behind those numbers sits INR 10 Lakhs of capital exposure on one side and INR 6 Lakhs on the other.

When the family discusses this, the wife's risk assessment dominates. She knows that a new vehicle ties them to a 5-year loan where a couple of missed payments to a rigid bank could mean repossession.

An 8-year-old vehicle, however, drops the EMI down to roughly INR 13,285, pushes their net take-home to over INR 51,000, and gets them debt-free in just 3 years with significantly less capital at risk. That lower debt burden gives them the breathing room to tide over adverse situations, buy gold, or purchase a refrigerator for the first time.

The used vehicle isn't a compromise; it is the first step in a deliberate wealth-building strategy. They run the vehicle debt-free until year 11, and the proceeds from its sale become the down payment on their next, newer vehicle.



"Buying a used vehicle is not a compromise; it is a deliberate, risk-adjusted wealth-building strategy."

CREDIT, CULTURE, AND UNDERWRITING

Q. First-time entrepreneurs rarely have formal credit histories. What non-traditional indicators help you assess borrower credibility and repayment intent?

We rely entirely on localized, on-ground underwriting. You cannot underwrite this segment from a dashboard. First and foremost, we look at whether it is a localized operation and whether the borrower is an ex-driver transitioning into an operator.

Then, our team fixes an appointment with the lady of the house. We look at the locality where they live—what does the roof of the house look like? Who lives there? If the driver is married, that is our baseline; it provides a strong anchor. If they have children, that's a double plus because their commitment levels inherently increase. If those children are attending school regularly and aspiring to be graduates, that is a triple plus.

Their absolute priority is to uplift and save for their family, which translates into an incredible intent to repay and protect their credit score.

"A married driver with children in school regularly is our triple-plus customer—their priority to uplift their family is our best collateral."

Q. You've emphasized that localized, relationship-based underwriting is the core of your model. How do you actually build and maintain that culture of deep customer understanding across the organization, especially as you scale?

Culture isn't something you dictate from the top; you have to show it in action. For us, the first and foremost priority is building a direct relationship with the target customer. We are not in a hurry to just acquire customers today—we want to develop a customer for the long term.

This is exactly why we refuse to use Direct Selling Agents (DSAs). An intermediary is just an added cost to the borrower, and the deep, nuanced research and relationship with the family gets completely lost. You cannot run a business just to feed data into an MIS (Management Information System). A vehicle finance loan has a high tenure, so you have to invest heavily in that relationship. We view collections simply as our share of the financial upside we've helped the family create.

"Our offices aren't in glass buildings; they are at the roadside eateries where our drivers take their breaks. The local idly shop is our office on the road."

Q. If you aren't using traditional agents or formal corporate branches to reach these drivers, where are you finding and engaging them?

We go exactly where they are. Our teams hang out at the roadside eateries and rest stops frequented by drivers. To build trust in those micro-communities, we started providing unsecured inclusion loans to the operators of these eateries, doing daily collections.

In doing so, the local idly shop essentially became our "office on the road."
Over time, we know that the transactions will become fully digital to increase productivity, but the core relationship will always remain driven by people.

Q. How much authority do the Relationship Officers (ROs) have on the ground when dealing with these families?

Our culture is completely bottom-up, meaning the Relationship Officer is highly empowered. They are the ones who assess the family, and they decide who deserves a loan and how much flexibility they need.

When you empower your team to be empathetic, incredible things happen. For example, we had an eatery operator we had financed who was unfortunately affected by cancer.

> "We are not in a hurry to just acquire customers today; we want to develop a customer for the long term."

Our ground team stepped in, negotiated with the relatives, and the RO ultimately decided we should let go of the remaining balance.
When you support people through their darkest times, they feel wanted, respected, and morally obligated to your institution.

This philosophy was baked into Lakshmithra before we even started the company. We finalized our CSR strategy first, knowing we wanted to provide highly subsidized medical services to this community. For our drivers, the immediate need is medicine today, and education forever.

> "You cannot run a business just to feed data into an MIS. If you use an intermediary, the relationship with the family gets completely lost."

PARTNERSHIP AND LOOKING AHEAD

Q. This is a tough, operationally intensive segment. What kind of investors do you want to partner with, and what made Lok Capital the right fit?

This is a market where customers are perceived to be vulnerable to risk. It requires a product that you have to execute on the ground.

> "We wanted a partner who understands that the real impact isn't a fancy tag—it's the pride a family feels when they own their first vehicle."

We needed an investor who deeply understands the product and the customer segment, not someone just looking to add a fancy "impact" tag to their portfolio with frills and fittings.

> Lok didn't just bring capital; they brought an appreciation for the grassroots realities of the customers we serve.

When a family buys their first truck, they are incredibly proud of it. It's not just a number on a balance sheet; it is real, tangible impact.

We wanted an investor who appreciates responsible growth and has faith in the founders' experience.

We view our business as a family, and Lok understood that. They didn't just bring capital; they brought an appreciation for the grassroots realities of the customers we serve.

> "When I see my relationship officer hugging a driver whose hands are covered in grease, I know we've built true relationship."

Q. Looking ahead, what excites you most about the next phase of growth for Lakshmithra Finance?

Environmentally, the transition to green fuels has to happen at the grassroots level. Because we finance old ICE vehicles, we are in a unique position to encourage our drivers to move toward alternate fuels and EVs.

Already, 7% of our customers are operating on green fuels like LPG and CNG. Our philosophy is "Engage, Influence, Upgrade." We have to make green solutions doable for the masses.

But if I look at what truly brings me joy, it is the human element. There is a shortage of drivers in India, which means they are away from home for longer periods; we want to help bring families together by turning them into local owners.

> We encourage the green transition with a simple philosophy: Engage, Influence, Upgrade. We have to make it doable for the masses.

When I see my relationship officer hugging a driver whose hands are covered in grease, I feel immensely happy. The real win for us is when that driver's kid continues their education past the 8th grade because the family finally has the financial stability to dream bigger.

You can't live without essential services, and all essential services need transportation. We will keep financing those productive assets.

> "My ultimate metric of success isn't just my loan book size; it's seeing our driver's child continue their education past the eighth grade."

“Fixed Income Should Not Be Exclusive”: Reimagining Wealth Creation for Emerging India

A Conversation with Ajinkya Kulkarni

Co-Founder, Wint Wealth

“The Indian dream isn’t just about getting rich. It’s about becoming financially independent.”

Q. Wint Wealth was founded at a time when most fintech innovation was focused on payments, lending, equities and mutual funds. What made you focus on fixed income?

The idea came from a personal experience. After my previous startup didn’t work out, I started working in employment and would park surplus funds in my father’s business, which would earn around 11% returns. My friends and colleagues were intrigued and followed suit, making similar returns. That got me thinking about the gap between what many investors were earning through traditional products and the opportunities that existed elsewhere.

At the same time, I noticed that almost every digital wealth platform was focused on equities. India had already gone through major transformations in payments, credit, equities and mutual funds. Fixed income felt like the next logical category to evolve.

Historically, Indians have always looked for wealth creation opportunities beyond traditional savings products. Earlier generations participated in various forms of community and cooperative financing, but trust in many of those structures eventually eroded. Yet the underlying need never disappeared.

> **The need existed long before the products did.**

We felt there was an opportunity to build a digital wealth platform focused on fixed income—one that could offer attractive risk-adjusted returns while bringing greater transparency and accessibility to the category.

FROM SAVERS TO INVESTORS

Q. It sounds like the opportunity emerged from a broader shift in investor behaviour. How do you think India’s relationship with wealth creation is changing?

India’s investing culture has matured significantly over the last decade.

For a long time, wealth creation was largely associated with traditional products like fixed deposits, real estate and gold. Then came the mutual fund revolution, followed by increased participation in equities.

Today, investors are far more informed and engaged. They actively think about asset allocation, risk-adjusted returns and long-term financial planning. They are willing to explore new products if those products are transparent and easy to understand.

Importantly, wealth creation is no longer viewed only through the lens of becoming rich. For many investors, the aspiration is financial independence—having the freedom to make life choices without being financially constrained.

That’s where fixed income starts becoming relevant again.

“Every broker was focused on equities. We saw a gap in fixed income.”

> **India is moving from a nation of savers to a nation of investors.**

Q. Financial inclusion is often discussed in terms of credit access. Why is investment access equally important?

Credit access remains one of the most important measures of financial inclusion, particularly for underserved households and businesses. The ability to borrow against future cash flows can transform economic opportunity.

But if a country wants to build a mature financial system, access to investment opportunities is equally important.
No economy can grow sustainably without vibrant equity and debt markets. Businesses need access to capital. Investors need access to investment products. The two sides strengthen each other.

One of the things we’re particularly excited about is helping more issuers access the listed debt market. Today, dozens of issuers who may previously have relied on a narrow set of institutional investors, are now able to access a broader pool of capital at more competitive cost of funds.

That benefits everyone. Issuers gain access to funding. Investors gain access to opportunities. And over time, stronger debt markets contribute to broader economic development.

“Financial inclusion doesn’t end with access to credit.”

BUILDING THE MISSING LAYER OF INDIA’S CAPITAL MARKETS

Q. So in many ways, Wint isn’t just serving investors—it’s also helping deepen India’s debt markets.

Absolutely. When more retail investors participate in debt markets, capital becomes more widely distributed and companies gain access to a more diversified investor base.

Historically, many fixed-income opportunities were largely accessible to institutions and wealthy investors. Regulations and technological evolution allow us to change that.

We’re seeing increasing participation from retail investors who want exposure to products beyond traditional savings instruments. As participation grows, so does the depth and efficiency of the market. Ultimately, stronger debt markets benefit both issuers and investors.

“We’re helping bring more participants into India’s debt markets.”

UNDERSTANDING THE MODERN FIXED-INCOME INVESTOR

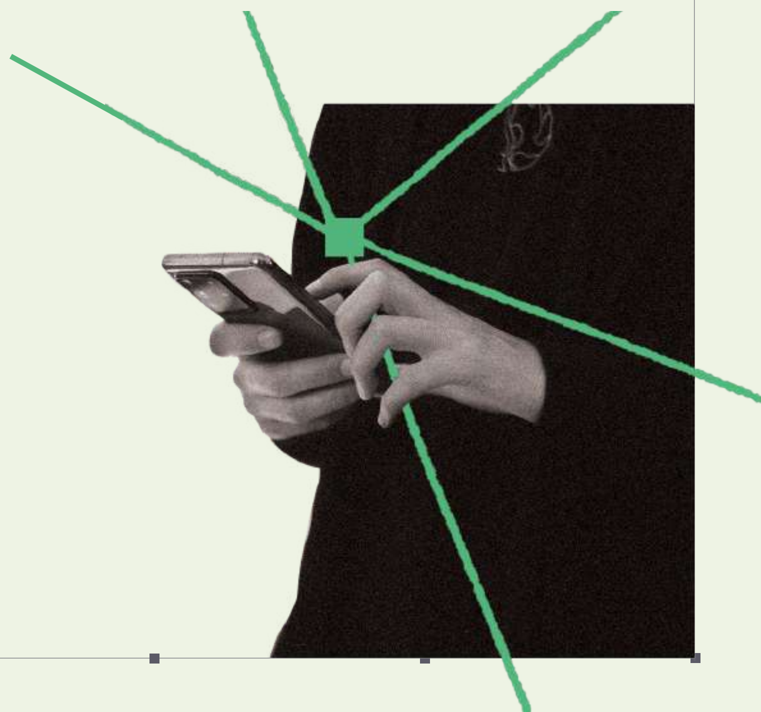
Q. Who is the typical Wint customer today?

The typical customer is usually a salaried professional who is already investing in equities and believes in India’s long-term growth story.

They’re investors rather than traders. They understand the role of risk in wealth creation but are also looking for stability within their portfolios. We also see participation from older segments of the population, who are looking for balanced-risk investment products.

Many of them have moved beyond traditional fixed deposits because they are looking for potentially better returns. At the same time, they don’t necessarily want all of their wealth concentrated in equities.

From an income perspective, we are increasingly seeing participation across a broad range of income segments.
What unites them is not income—it’s mindset.



Q. And what are they ultimately trying to achieve?

The most common aspiration is financial independence.

Many people don't want to depend on their children during retirement. Others want the flexibility to eventually leave their jobs and pursue something they genuinely enjoy.

Fixed income often plays an important role in that journey because investors see it as a source of stability and passive income alongside their growth-oriented investments.

> People increasingly view fixed income as a source of passive income.

EDUCATION BEFORE DISTRIBUTION

Q. One of the things Wint is known for is its content strategy. Your YouTube channel covers a remarkably broad range of financial topics. What was the thinking behind that?

When we started creating content, we asked ourselves a simple question: what kind of content doesn't already exist?

There were already many finance creators talking about markets, stocks and investment strategies. We didn't want to replicate what was already available.

Our insight was that people think about money all the time but rarely discuss it openly. Personal finance remains one of the least openly discussed topics despite affecting almost every major life decision.
We wanted to create content that made conversations about money more approachable and more honest.

Importantly, the goal was never simply to sell products. The goal was to build trust and help people become more informed investors.

> "People think about money every day but rarely talk about it openly."

If that trust eventually translates into customers, that's a positive outcome—but it starts with education.

> We weren't trying to sell bonds. We were trying to build trust.

TRUST IS THE PRODUCT

Q. Education may bring people to the platform, but trust keeps them there. How do you build trust in an asset class that many retail investors are still learning about?

Trust has to be embedded in the product itself.

One of our core principles is that we invest alongside our investors. For every bond opportunity available on the platform, Wint also participates.

> "We invest alongside our investors."

That creates alignment. If we're asking investors to trust an opportunity, we should be willing to commit our own capital as well.
Beyond that, simplicity is critical. Investors should understand what they are investing in, what the risks are and what returns they can reasonably expect.

The objective is not to maximise transactions. The objective is to help people make informed decisions.

Over time, trust compounds just like returns do.

DEMOCRATISING ACCESS RESPONSIBLY

Q. As more retail investors enter alternative fixed-income products, how do you balance accessibility with responsible investing behaviour?

Accessibility should never come at the cost of investor understanding.

Making products available is only the first step. The more important task is helping investors understand risk, diversification and portfolio construction.

We're seeing a growing number of first-time investors enter the category, which is encouraging. But long-term success depends on creating informed investors rather than simply increasing transaction volumes.

Responsible investing behaviour ultimately benefits both investors and the broader ecosystem.

> "The goal is informed participation, not just higher participation."

SIGNS OF A MATURING MARKET

Q. What signals give you confidence that India's investing culture is maturing?

The growth in market participation is one obvious indicator, but there are several others.

We're seeing increasing regulatory support for the development of debt markets. Discussions around corporate bonds and broader market participation have become much more prominent.

Investor behaviour is also evolving. People are thinking beyond individual products and increasingly building diversified portfolios.

The overall conversation around wealth creation has become more sophisticated and ubiquitous across demographic segments, than it was a decade ago.

Those are all signs of a healthier and more mature investing ecosystem.

> "The momentum behind debt market development is real."

WHY LOK CAPITAL?

Q. What made Lok Capital the right partner for Wint?

The quality of conversations stood out from the beginning.

Lok understands financial services deeply and has spent years working with institutions across the lending ecosystem. Many of the issuers we evaluate operate in segments that Lok knows exceptionally well.

That creates a very different dialogue. Discussions are grounded in a practical understanding of risk, underwriting and market dynamics.

For a business operating at the intersection of capital markets and financial inclusion, that perspective has been extremely valuable.

> The quality of conversations stood out. Lok understands the ecosystem we operate in.

THE NEXT DECADE OF WEALTH CREATION

Q. If the last decade was about bringing Indians into equities and mutual funds, what does the next decade of retail wealth management look like?

We think investors will increasingly expect holistic wealth platforms rather than single-product platforms.

Most investors already participate in equities. The next phase will be about helping them build more balanced portfolios across multiple asset classes.

For us, that means continuing to strengthen our position in fixed income while expanding our ability to serve broader wealth management needs.

If we continue to earn investor trust, we believe there is an opportunity to build additional products around the same principles of transparency, alignment, and simplicity.

Ultimately, the future of wealth management is not about selling products. It's about helping investors achieve their financial goals.

> We're building around a philosophy, not just a product category.

"Trust, Not Premiumization, Is Driving India's Food Revolution"

A Conversation with Kuldeep Parewa, *Co-founder*, *Anveshan*

The food industry often talks about brands, categories, and consumption trends. But behind Anveshan is a much simpler question: why do consumers increasingly distrust the food they eat, while the communities producing it capture so little of its value?

We sat down with Kuldeep, co-founder of Anveshan, to trace his journey from a village in Uttar Pradesh to building one of India's fastest-growing clean-label food brands.

From restoring trust through transparency and traditional processing methods, to creating rural livelihoods through local value addition, this conversation explores how Anveshan is building a food business where impact is embedded not just in what is sold, but in how it is made.

> The business started with a village, not a brand.

TRACING THE ORIGIN

Q. Before Anveshan became a food company, there was a much more personal journey behind it. Tell us about where the idea first came from.

I grew up with strong roots in a village near Hathras in Uttar Pradesh. Even as my family moved across different cities and I eventually went on to study at Indian Institute of Technology, the village remained an important part of my life. Most of my summer vacations were spent there and my father always maintained a deep connection with farming.

My initial interest was actually in technology. During college, I was exploring how artificial intelligence and machine learning could improve agricultural productivity.
But when I started spending more time on the ground, I realised that the challenges farmers faced were very different from what we often discussed in classrooms.

Agriculture wasn't being held back simply because of a lack of technology. Farmers were struggling because they captured very little of the value created from what they produced.

That led me to spend nearly one-and-a-half months travelling across mandis, speaking to farmers and understanding their realities. The insight was simple: most of the value in food lies in processing, branding and distribution. A tomato generates limited income for a farmer, but once it becomes ketchup, the economics change completely.

That's when we started thinking about how to create employment and entrepreneurship opportunities within villages themselves.

> "Most of the value in food lies beyond the farm. And that was the value we wanted to capture"

Q. How did that insight translate into Anveshan?

The original idea was not to build a consumer brand. We wanted to create a model where value addition happened within rural communities. Too many people from our village were travelling long distances every day for blue-collar jobs because there weren't enough opportunities locally.

We started experimenting with micro-processing units and rural entrepreneurship. In fact, my uncle, living in my hometown, became one of our earliest test cases. The objective was simple: if value addition creates jobs, why not create those jobs where the raw material already exists?

Mustard oil became our starting point because mustard production was strong in my village's region and it felt personally relevant.

Like many startups, we didn't have everything figured out. We produced small batches and distributed them to friends and family.

That's when the company took shape – the first cut of Anveshan.

> "Value addition should happen where the raw material exists."

A CUSTOMER CENTRIC APPROACH TO SCALING

Q. What was the feedback that changed the direction of the business?

People kept telling us the ghee reminded them of their childhood. They spoke about flavours and aromas they associated with food made by their parents, grandparents or in their hometowns.

Initially, we thought people were simply complimenting the product. But over time, we realised something deeper was happening.

Consumers were responding to the fact that the oil had been minimally processed. They were experiencing characteristics that had largely disappeared from many modern food products. The right smell, the taste they experienced in their childhood, or in their villages.

That sparked a much bigger question for us: had efficiency and scale come at the cost of food quality?

We started researching traditional processing methods and eventually doubled down on approaches like cold pressing, where extraction efficiency may be lower but product quality remains higher. That feedback fundamentally shaped Anveshan.

People don't just buy food; they buy trust. When customers told us our oils reminded them of home, we realised they weren't talking about nostalgia—they were talking about authenticity. That insight became the foundation of Anveshan.

> "Customers weren't talking about oil and ghee. They were talking about childhood."

> India doesn't have a food awareness problem. It has a trust problem.

Q. Why do you think consumers are increasingly seeking products like cold-pressed oils and traditionally made ghee today?

Health awareness has increased dramatically. People are more conscious about diabetes, cholesterol and lifestyle diseases than ever before. Consumers are actively looking for healthier alternatives and paying more attention to ingredients and processing methods.

But awareness isn't the biggest issue.
The bigger issue is trust.

Consumers increasingly question whether products are actually what they claim to be. We've seen examples across categories where concerns around adulteration and quality have emerged. The honey category is one example that sparked significant consumer discussion a few years ago.

People want healthier food. What they're struggling with is knowing whom to trust.

"Traceability is only one part of trust."

Q. How did Anveshan approach building trust in a category where consumers often can't verify quality themselves?

Our philosophy from the beginning was simple: don't trust us, trust the data. We wanted to make quality visible.

That meant publishing test reports, sharing sourcing information and giving consumers access to the evidence behind our claims. In our early years, we even experimented with blockchain-based traceability systems because we believed technology would solve the trust problem.

What we learned was that trust is much broader than traceability. Traceability is one component, but trust is built through many things working together.

Consumers ultimately want transparency, proof and consistency.

"Quality isn't a metro aspiration."

Q. One assumption about premium food is that demand comes primarily from affluent urban consumers. What has your experience been?

Our data tells a very different story. Initially, we assumed that only affluent consumers in major cities would be willing to pay for higher-quality food products.

Over time, we realised that wasn't true. Consumers in Tier 2 and Tier 3 cities are equally willing to pay for quality if they understand the value proposition and trust the brand.

The key variable isn't income. It's trust.

Once consumers believe a product genuinely delivers superior quality, they become far more willing to invest in it.

"Our customers are buying outcomes, not products."

Q. Who is the typical Anveshan customer today?

Several groups stand out.

Young parents form a significant portion of our customer base because they're thinking carefully about their children's long-term health and nutrition.

> Many consumers are searching for food that feels familiar again.

We also see consumers who have moved to metro cities but miss the food they grew up eating in their hometowns.

Another important segment includes fitness-conscious consumers and people referred by nutritionists and dieticians. In fact, around 30% of our oil customers tell us they were introduced to the category through nutrition professionals.

What's common across all these groups is that they're looking for better outcomes, not simply different products.

"Young parents are one of our strongest consumer segments."

MARRYING SCALE AND VALUES

Q. As you scale, how do you maintain quality while staying true to your original vision of rural impact?

For us, sourcing and manufacturing are deeply connected.

We identify regions that are naturally suited to particular crops and then work backwards from there. We collaborate with institutions such as National Dairy Research Institute and other research organisations to understand which varieties are best suited for specific geographies and climatic conditions.

"We're building local ecosystems, not supply chains."

From there, we identify local entrepreneurs who want to build something meaningful in those regions. We spend significant time evaluating them, running pilots, and ensuring they can consistently maintain quality standards.

The goal is not simply procurement. The goal is to create local ecosystems for value addition and employment.

As we expand, manufacturing clusters will continue to play an important role in that vision, with a particular emphasis on creating more opportunities for women in rural communities.

"Some decisions improve margins. Others define who you are."

Q. Many founders would choose a contract manufacturing model to scale more quickly. Why did you make a different choice?

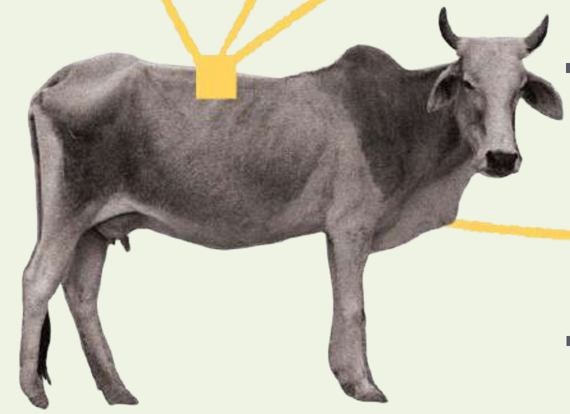
A few years ago, we had opportunities to move towards contract manufacturing, which would have been a logical decision from a cost and operational perspective. It could have improved margins and made scaling easier.

But we started Anveshan with a clear purpose. We wanted to create impact through how the business operates, not just through the products it sells.

That meant making some difficult choices. Maintaining greater control over manufacturing helps us protect quality standards while continuing to create employment and value within local communities.

Those decisions may not always maximise short-term profitability, but they are important to who we are as a company.

"We didn't want to become just another D2C brand."



> The right investors help you stay true to your mission.

Q. What made Lok Capital the right partner for Anveshan? And broadly speaking what kind of an investor did you want to partner with?

When you're building a business with a long-term mission, alignment becomes extremely important.

We know there will be future moments where we have to choose between the easier path and the path that stays true to our purpose.

We wanted investors who understood those trade-offs and who had experience working with businesses creating both commercial and social value.

What stood out about Lok was that they understood the importance of building impact into the operating model itself. The conversations went beyond growth and financial metrics to how the business creates value for communities.

That alignment gives founders confidence to make decisions that may take longer to pay off but are ultimately better for the business.

"Alignment matters most when difficult choices arise."

Building a Responsible Growth Engine

A Conversation with Subhash Chandra Acharya

Founder, Seeds Fincap

For many small business owners across India's Tier 3 and Tier 4 towns, access to finance remains one of the biggest barriers to growth. While traditional lending models often struggle to assess these entrepreneurs, Seeds Fincap has built its business around understanding their realities, aspirations, and potential.

In this conversation, the founder reflects on the company's journey from serving underserved entrepreneurs to building a broader platform for responsible and inclusive growth.

The discussion with Subhash of Seeds Fincap explores how customer protection, product innovation, gender inclusion, and climate-linked finance can reinforce commercial success—and how partnerships that go beyond capital can help strengthen institutions, unlock new opportunities, and create lasting impact.

Q. You often describe Seeds as being built for entrepreneurs who are "underserved rather than uncreditworthy." What gap did you see in the market that convinced you to start the company?

When we started Seeds Fincap, we saw a large segment of entrepreneurs in Tier 3 and Tier 4 towns who had the ambition to grow but lacked access to the right financial services.

The challenge was not that these businesses were weak. In many cases, they were generating stable cash flows and serving their communities effectively. The issue was that they did not fit neatly into conventional underwriting frameworks.

Traditional lenders rely heavily on formal income records and documentation. For many small businesses, those records simply do not exist, even when the business itself is healthy. We felt there was an opportunity to build a different kind of institution. An institution that combined local understanding, technology, and data to assess customers more accurately.

The vision was never just to provide loans. We wanted to be a growth partner, not just a lender.

> It was to provide the right capital at the right time and become a long-term partner in an entrepreneur's growth journey.

UNDERSTANDING THE INVISIBLE ENTREPRENEUR

Q. You mentioned that many of your customers have viable businesses but limited formal documentation. Who are these entrepreneurs, and why do traditional lending models struggle to serve them?

These are often retailers, traders, distributors and small business owners who have built stable small businesses over many years. They know their customers, manage cash flows effectively and often have strong repayment behaviour.

Yet their income is not always visible through conventional financial records and the need for capital is usually immediate: whether for inventory purchases, working capital or business continuity.

As a result, many of them either get excluded from formal finance or are forced to rely on informal borrowing sources.

For us, the solution is to focus on understanding the customer's true earning capacity rather than simply evaluate paperwork. That requires stronger field engagement, better data collection and a deeper understanding of local markets. Ultimately, success comes from matching customers with the right product at the right time rather than pushing standardised solutions.

> The right fit at the right time matters more than the loan itself.

RESPONSIBLE FINANCE AS A GROWTH STRATEGY

Q. How does your ambition to reach the underserved customers tie up with the need for customer protection and responsible lending?

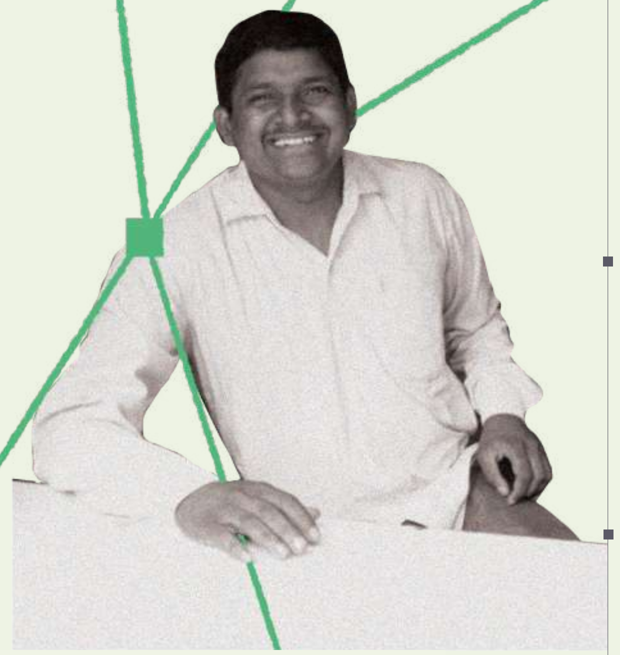
Customer protection begins with transparency. Customers should clearly understand what they are being offered, why it is appropriate for them, and how it supports their business objectives.

But transparency is only one part of the equation. Responsible lending is really about ensuring product suitability. Every entrepreneur has different requirements, and our responsibility is to ensure that the financing solution reflects those realities.

When customers are matched with products that genuinely meet their needs, outcomes improve across the board. Businesses perform better, portfolio quality strengthens, and relationships become deeper and longer-lasting. We have found that customer protection is not separate from commercial performance, it is often the most important driver of commercial performance.

Q. Many lenders see growth and responsible lending as competing priorities. You argue they're mutually reinforcing. What does that look like in practice?

We genuinely believe they reinforce each other. Growth becomes more sustainable when customers understand the product, trust the institution and receive solutions that solve real problems.



Technology helps create transparency and improve service levels, but strong customer relationships remain equally important.

We've focused on flexibility—whether that's loan size, repayment structures or developing entirely new products such as supply-chain financing. Innovation should always solve a genuine customer challenge. When you get transparency, service quality, product fit and technology right, growth follows naturally.

BUILDING AN INSTITUTION AROUND CUSTOMER NEEDS

Q. It sounds like product suitability sits at the centre of your model. How does that philosophy influence the institution you're trying to build over the long term?

We want to build an institution that customers choose repeatedly because they trust it.

That means maintaining portfolio quality, prioritising customer retention and growing in a disciplined manner. It also means building the right culture internally—one that values long-term relationships over short-term targets.

Our ambition is to become the preferred lender for the segments we serve. To achieve that, we need a broad and relevant product suite, superior service quality and a high level of transparency.

At the centre of all of this is a simple mission: empowering entrepreneurs who have ambition and aspirations.

PRODUCT INNOVATION BEYOND ORIGINATION

Q. That customer-first mindset also seems to have shaped your recent working capital product. What problem were you seeing on the ground, and how did the technical assistance programme help turn that insight into a scalable solution?

The retailers and small businesses we serve often face a very real liquidity challenge. Demand for their products exists, but they do not always have sufficient working capital to take advantage of inventory opportunities when they arise.

Imagine this: The retailer has travelled 20 kilometres and would be standing at the wholesaler's shop and placing and order. He places an order for INR 50k but only has INR 30k in his pocket. Who is there then to help him?

We recognised this need quite clearly in our customer base. The challenge was not identifying demand—it was building the product infrastructure required to address it responsibly and at scale.

This is where the technical assistance programme with Lok Capital and British International Investments' support became valuable. It helped us think beyond origination and focus on product design, operational readiness and long-term scalability. It provided expertise and bandwidth that would have been difficult to build internally within the same timeframe. The early response has been encouraging.

More importantly, it demonstrates how customer insights can be translated into commercially viable products when supported by the right capabilities.

> **The challenge wasn't finding demand—it was building the right infrastructure to serve it. Technical assistance helped us move from insight to execution.**

BRINGING A GENDER LENS INTO BUSINESS GROWTH

Q. As part of that product-development journey, Seeds also introduced a stronger gender lens and hired its first female field officers. Why was it important to embed gender considerations into a commercially driven business initiative?

One of the strongest observations from our field work is that many businesses are effectively managed by families. While ownership may sit with one individual, women are often deeply involved in daily operations, cash management and financial decision-making.

We believe women are exceptionally capable entrepreneurs and financial managers. Recognising that reality is simply good business. What stood out was the extent of their influence. In many businesses, women are already driving operational and financial decisions even when that contribution is not always visible externally.

We saw strong financial discipline, business acumen and a genuine desire to grow. That reinforced our conviction that supporting more women entrepreneurs represents both a commercial opportunity and a pathway to stronger business outcomes.

As a result, we introduced incentives for sourcing women borrowers, strengthened our hiring efforts, and began recruiting female field officers. We have also partnered with universities to identify women interested in building careers in financial services.

Over time, we hope to significantly increase female participation both within our customer base and within the organisation itself.

BUILDING SYSTEMS THAT SCALE

Q. As Seeds expanded its product suite and customer base, you also undertook an independent assessment of your customer protection practices. Why did you feel external validation was important at this stage of the company's journey?

The objective was never certification for its own sake. We wanted an external perspective that could help us validate our approach, identify gaps and strengthen the institution.

As organisations grow, informal practices need to evolve into formal systems. Independent assessments provide useful feedback and help ensure that customer experience remains central as the business scales.

For us, the process was ultimately about continuous improvement rather than recognition.

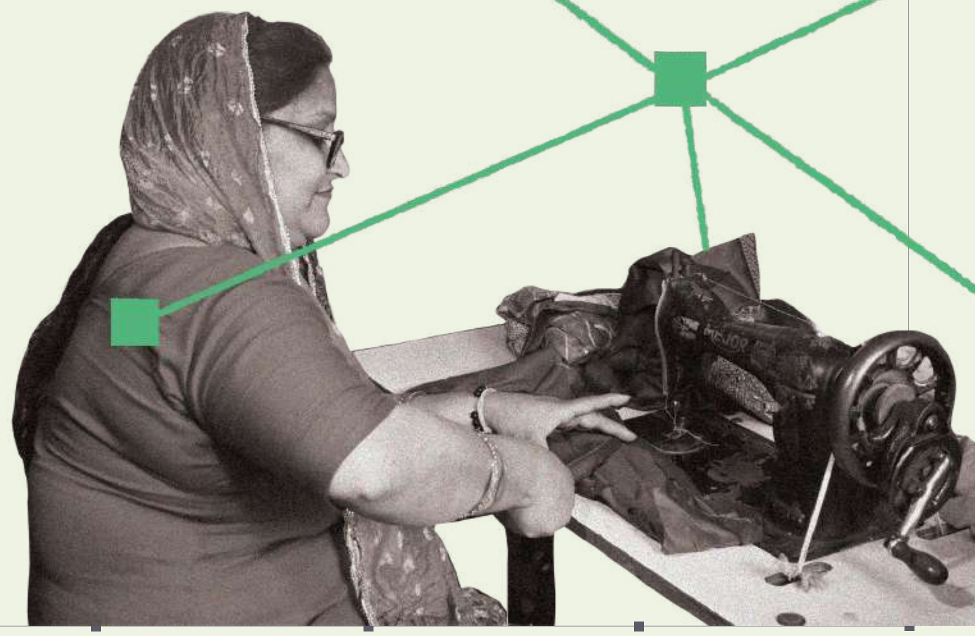
> **Many businesses are run by families, and women are often at the centre of financial decision-making. Therefore, we don't see gender as a separate agenda—we see it as smart business.**

Q. Beyond the certification itself, what changed inside the organisation as a result of that process?

Quite a lot.

The assessment led to more structured reporting, stronger governance processes and improvements in how we capture customer feedback. It also encouraged us to formalise areas such as impact measurement, ESG reporting and customer experience monitoring.

The biggest value came from strengthening internal discipline. Better systems lead to better decision-making, stronger accountability and more consistent customer outcomes.



CLIMATE FINANCE THROUGH A CUSTOMER LENS

Q. One area where Seeds is now evolving further is climate-linked finance. Interestingly, you've often said customers don't wake up asking for 'climate finance'. What are they actually asking for?

They are asking for solutions to practical problems. A customer may need reliable water access. A retailer may need uninterrupted power supply so that the stored inventory in the fridge does not go bad. A small business owner may want to reduce operating costs. These are business and household challenges first.
Climate finance becomes relevant when it helps solve those challenges.

We believe customer value must always come first. If climate outcomes are achieved alongside meaningful customer benefits, then the product becomes both impactful and commercially viable.

Q. So is the opportunity really about solving customer problems first and delivering climate outcomes second?

Absolutely.

There is always a risk that climate finance becomes a labelling exercise. We want to avoid that. Products should emerge from genuine demand rather than funding categories.

Our responsibility is to understand the customer's problem first and then determine whether climate-linked solutions can address it effectively.

Q. Can you share examples where that approach has translated into tangible products?

Our partnership with Water.org is a good example. Through that programme, we have financed water and sanitation solutions while also benefiting from technical assistance and access to lower-cost capital. The response has been strong because the need is real.

We are also exploring solar financing opportunities. For many small businesses, solar is not primarily an environmental decision—it is a business decision. Frequent power disruptions can result in lost income and damaged inventory. Solar helps address those challenges.

The common thread across all these products is that they begin with customer needs.

> "Climate finance products should solve a customer problem before it solves a climate problem. We are understanding customer needs first and designing products second."

HOW LOK HELPED BUILD THE INSTITUTION

Q. Several of the initiatives we've discussed—from product development and customer protection to climate finance—have involved support beyond traditional capital. What has Lok Capital's role looked like through that journey?

One of Lok's biggest strengths is its deep understanding of financial institutions and the realities of serving underserved segments.

The relationship has gone well beyond board participation or capital. Lok has actively supported product development, governance strengthening, customer protection initiatives and institutional capacity building.

Importantly, the support has always been grounded in practical experience. When there were areas where we lacked bandwidth or specialised expertise, technical assistance programmes helped bridge those gaps.

That combination of strategic guidance, technical support and long-term partnership has accelerated several initiatives that might otherwise have taken much longer to implement.

Q. Many investors talk about partnership. What has made Lok's approach different in practice?

The difference is that Lok has consistently focused on building the institution, not just evaluating performance.

The relationship has remained constructive during both growth periods and challenging periods. There is a genuine interest in helping the business become stronger, more resilient and more scalable.

That creates a very different dynamic from a purely financial relationship.

> **The support extended beyond capital into capability building.**

Q. Listening to your journey, I am excited to know when you look five years ahead, what does success look like for Seeds?

Personally, for me, if I answer from my heart, the real measure of success is whether our customers are able to grow their businesses, create opportunities for their families, and pursue bigger ambitions because we supported them at the right moment.

Success means becoming the preferred financial partner for underserved entrepreneurs.

We want to serve more customers, offer a broader set of solutions, and continue strengthening the institution. But growth alone is not the goal.

We believe sustainable growth happens when customers, employees, investors, and communities all benefit together.

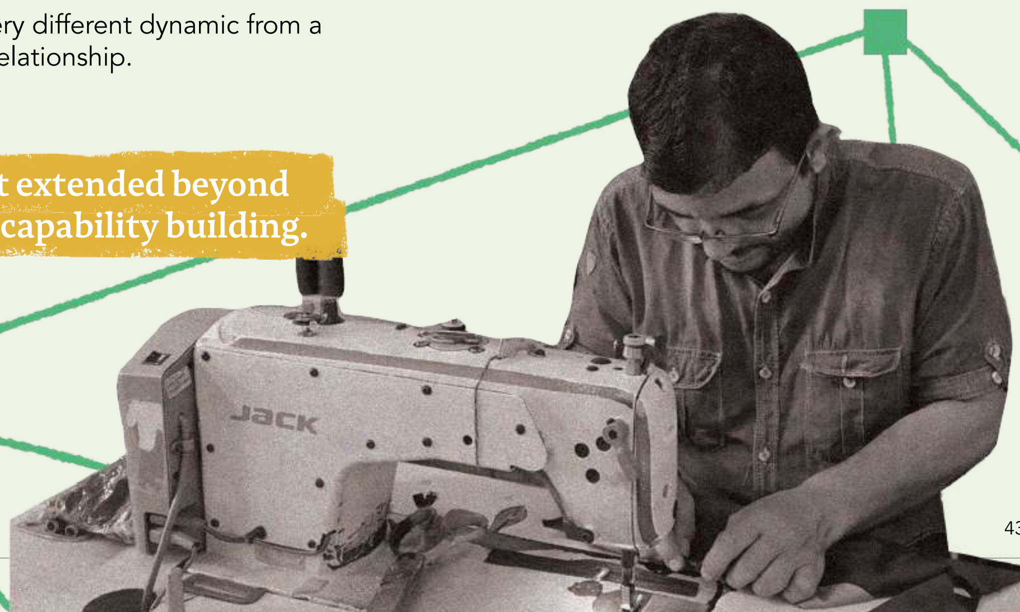
For my investors who have supported me in this journey, I want to take this institution they helped build up to a listing in the future.

> "We empower dreams so that our customers feel empowered to dream more."

Q. If you could leave one message for the entrepreneurs Seeds serves, what would it be?

Keep moving forward.

Building a business is a journey. There will be challenges and setbacks along the way, but long-term success comes from persistence, discipline and continuous learning. As I often say, life is not a race. It is a journey.



Powering India from Within

A Conversation with Akash Gupta

Co-Founder, Clean Electric

India's energy transition is often viewed through the lens of electric vehicles and renewable energy adoption. But behind that transition lies a more fundamental challenge: building the technologies, supply chains, and manufacturing capabilities needed to power a self-reliant future.

We sat down with Akash, Co-founder of Clean Electric, to discuss how the company is developing battery technologies designed for Indian conditions while contributing to the country's broader energy security ambitions.

From solving for fast charging, durability, and affordability in one of the world's most demanding operating environments, to localizing critical parts of the battery value chain, this conversation explores why India's clean-energy future will depend not only on adopting new technologies, but on building them.

> A battery proven in Indian conditions has already been tested against far more than most global products ever face.

THE ENERGY PROBLEM

Q. Global energy markets have become increasingly uncertain over the past few years. How has that changed the conversation around electrification in India?

For India, the dependence on crude oil is very real. Around 57% of the crude we import goes into transportation and another 25% or so into electricity generation.

When the price moves from $60 a barrel to $100 or $110, it erodes the savings of the entire country — we're talking about an import bill in the order of $600 billion.

So, electrification stops being a nice-to-have and becomes urgent, because it's the most direct way to protect the nation's surplus. If India goes fully electric, that 57% transport dependence on imported crude essentially goes to zero.

The second piece is batteries and semiconductors. Today China controls roughly 95% of battery production, and as global demand has risen, so has the price — cell prices have gone up around 25%, which makes EVs harder to keep affordable.

India has already localised battery pack manufacturing, but the next step is to localise cell manufacturing, and then go one level deeper into backward integration — our own lithium refining and materials. Energy security, in the end, is a technology and supply-chain problem, and that's the conversation we should be having.

> "Energy security is a technology and supply-chain problem. The question isn't just whether India can adopt EVs — it's whether India can build the batteries those EVs need, on its own terms."

Q. And what does that mean for India's economic competitiveness more broadly?

Electrification helps a lot, because it makes the country more self-sufficient in energy security and energy sovereignty. Every barrel we don't import is money kept inside the economy, and the less exposed we are to crude price swings, the more stable our whole industrial base becomes.

There's also an efficiency dividend. Logistics is roughly 11–13% of India's GDP, and electric powertrains are simply more efficient than what they replace.

So as freight and mobility electrify, you get a more efficient cost structure across the entire economy—which supports healthier growth over the long run. It's energy independence and competitiveness at the same time.

BIGGER THAN AN EV STORY

Q. Many people still frame EVs primarily as a sustainability story. Is that the right lens?

The total cost of ownership of electric vehicles—and of renewables for power generation—is already cheaper than the conventional options, whether that's diesel and CNG on the road or thermal power on the grid.

So, we're achieving two objectives at once: moving to green energy and lowering cost at the same time. You can already see it in the adoption curve. Two-wheelers are at cost parity and around 10% penetration; three-wheelers are at 30–40%.

Within five years we expect 80–90% penetration in both segments, with light commercial vehicles, buses and trucks growing fast behind them.

When the cleaner option is also the cheaper option, the transition stops depending on goodwill and starts running on economics. It's also reinforced by policy like scrappage norms, vehicles are kept for 10 to 15 years, so buyers increasingly choose quality because they're committing to the vehicle for a long time.

Electrification ends up improving the cost base of the whole country, not just the emissions profile. That's what makes this an industrial opportunity, not just an environmental one.

> "When the cleaner option is also the cheaper option, the transition stops depending on goodwill and starts running on economics."

Q. What does that industrial opportunity actually look like? What capabilities need to be built?

It's essentially a whole new supply chain. Instead of engines you build motors and controllers; instead of fuel tanks you build battery packs; and below that, your own cells, and your own refineries to process lithium and materials like lithium carbonate and graphite.

It runs deep, from the vehicle all the way down to refining.

The important thing is that this is largely a one-time effort. If we make that effort — building cells, refining, the full backward integration — we become independent of imported crude for the long term.

Pair that with our own generation through wind, solar and storage, and over the coming decades India can run increasingly free of imported diesel and petrol. That's the capability worth building, and it's the level we've chosen to work at as a company.

INDIA'S DIFFERENT PROBLEM

Q. Why can't India simply import the battery technology that already exists globally?

Because India's conditions are genuinely different. Our ambient temperature runs about 10 degrees hotter than China, the US or Europe. And our geography is different — 1.4 billion people living relatively close together, with cities often only 100 to 200 kilometres apart.

The innovation done globally is mostly tuned for long range, because their cities are far apart. India doesn't primarily need long range.

What India needs is fast charging — we're talking 15-minute charge capability to solve range anxiety — plus affordability and long life so you avoid battery replacements.

On a bus, for instance, the goal is to roughly double battery life so it lasts the life of the vehicle. All of that pushes total cost of ownership below diesel and CNG. You can't just import technology built for someone else's problem and expect it to fit.

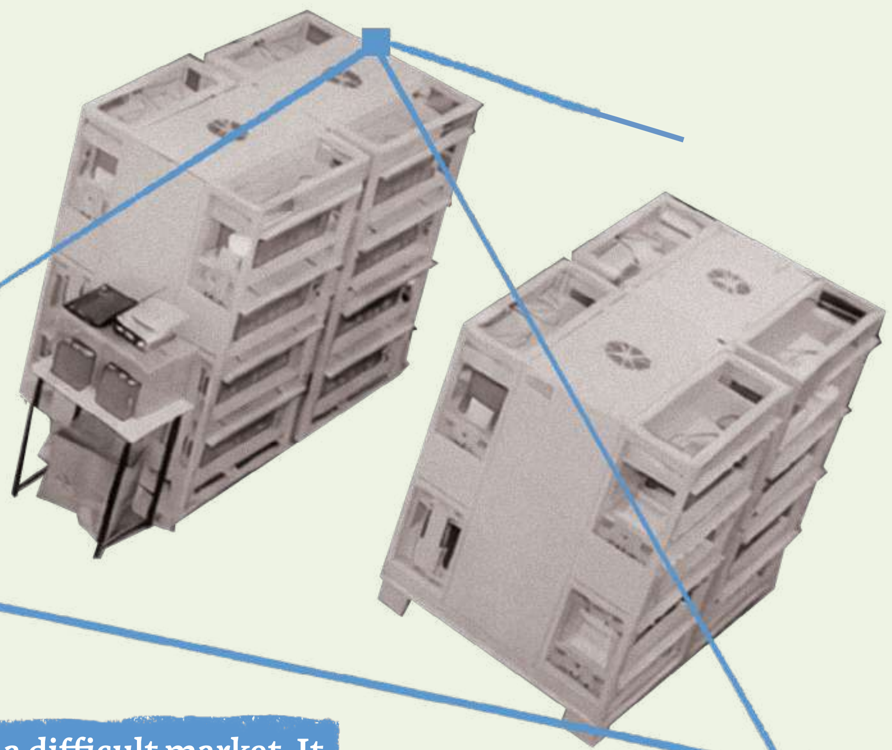
We have to build homegrown technology optimised for fast charging and long life in hot, demanding conditions. That's a different design target from the rest of the world, and it's exactly the one we've built around.

Q. Does solving for Indian conditions actually create a global advantage?

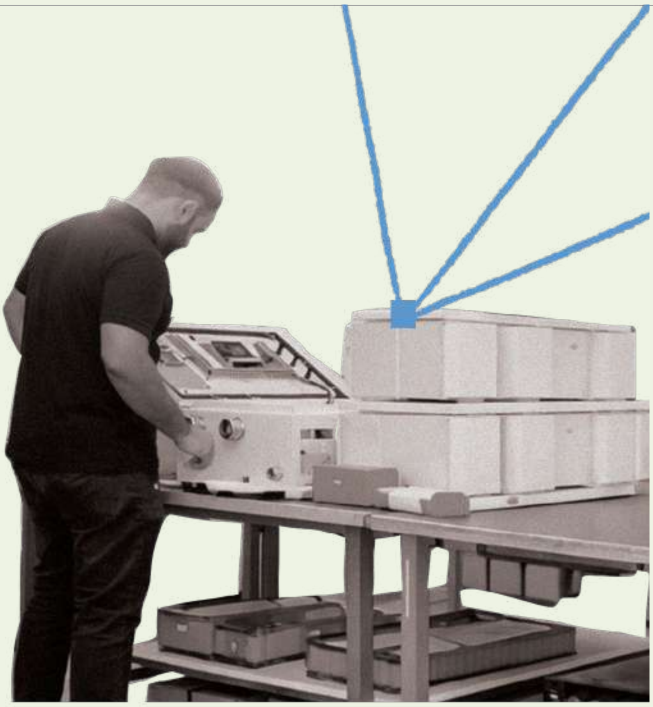
A lot of it follows from what India has to solve for itself. If we build cells, packs, refining and fast-charging technology tuned for the toughest conditions — hot climate, heavy duty cycles, and vehicles that run hard every day — we end up with products and a supply chain that are genuinely competitive anywhere.

Our own view is simple: a battery proven in Indian conditions has already been tested against far more than most global products ever face. A bus battery that holds up through a full day of service in an Indian summer, or a three-wheeler pack proven on the roads of Pune or Delhi, doesn't need much to work elsewhere.

That turns India from a hard market into the toughest validation lab in the world, and the companies that get through it earn the right to be trusted by global OEMs.



> "India is not a difficult market. It is the world's toughest validation lab — and what survives here is ready for almost anywhere."



BUILDING THE BATTERY INDIA NEEDS

Q. What are the hardest technical problems you're trying to solve?

The hard part is that India runs in a hotter climate with more rigorous duty cycles than the markets most battery technology was designed for. So you're trying to do several difficult things at once: make the battery last longer on a bus — ideally doubling its life from 6 to 12 years so it matches the vehicle — charge faster, and bring the upfront cost down so it's real value for money.

To get there you have to innovate across the whole stack: thermal management for high heat and high duty cycles, intelligent charging algorithms for a 15-minute charge, and weight reduction through cell-to-pack design. None of these are quick; they take years to validate and to make genuinely reliable.

The second big challenge is cost. To match or beat China on cost, you have to scale the supply chain to several hundred gigawatt-hours — that's the level where the economics really shift.
That's why vertical integration matters so much: building out the domestic supply chain and doing full backward and forward integration is how you get both reliability and cost competitiveness.

It also needs the right enabling environment — China used special economic zones with land-cost benefits to make that capex viable, and India will need similar incentives to bring this kind of investment in. Solving one without the other isn't enough.

Q. How has Clean Electric approached those problems differently?

Our starting point is that in a hot country running hard duty cycles, the system around the cells matters as much as the cells themselves. So instead of building a pack and adding cooling later, we built the system around keeping every cell in its ideal temperature window all the time — because that's what actually unlocks fast charging and long life in Indian conditions.

Our immersion cooling submerges every cell in a circulating, non-flammable dielectric fluid. It pulls heat away evenly and holds the whole pack in a tight band instead of letting hotspots form. That's what lets us improve several things together — fast charging, much better protection against thermal runaway, steadier performance and longer life — instead of trading one for another.

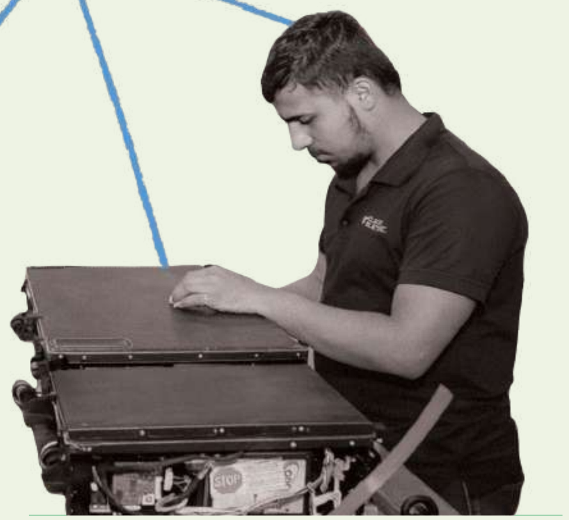
It's also why we build our own fast chargers: the pack and the charger are two halves of the same problem, and you only get reliable fast charging in the real world if you control both.

> "The system around the battery matters as much as the battery itself. You only get reliable fast charging if you control both the pack and the charger."

Q. What does solving reliability and charging efficiency actually unlock for adoption?

It changes the economics of owning the vehicle, and economics is what really drives adoption in India. A battery that charges fast and lasts long means you solve range anxiety without paying for a huge pack, and you avoid battery replacements over the life of the vehicle. That's what pushes total cost of ownership below diesel and CNG; and once that's true, the decision makes itself.

For a commercial fleet and especially a bus, which may need to run almost the whole day, the uptime and cost per kilometre decide everything. Fast, dependable charging from chargers we control means a bus can top up in a depot window instead of sitting idle for hours, and that changes the route economics completely. Once reliability and charging stop being open questions, OEMs and fleets move from cautious pilots to real scale.



WHERE THE MARKET IS HEADING

Q. Which segments do you expect to scale fastest, and where does Clean Electric fit into that?

Two- and three-wheelers will keep leading, for a simple reason: the economics already work and the vehicles run hard every day. Two-wheelers are at cost parity and around 10% penetration; three-wheelers are already at 30-40%, and within five years we expect both to reach 80-90%.

Electric buses are the next big wave—the government needs around 9 lakh buses for city transit and roughly 1.5 lakh are already planned for procurement, so with high daily kilometres and predictable depot charging we expect 50%-plus electric bus penetration within five years. That's exactly why we've put effort into bus batteries and our own fast charging.

Trucks will follow as highway charging infrastructure builds out. We'd expect 30%+ penetration there within five years too. And alongside all of it, stationary storage will grow quickly as more renewables come online, and the grid needs somewhere to put intermittent power.

For us this isn't a far-off adjacency; it's something we're actively building, because the same modular, immersion-cooled technology that runs a bus also makes a grid-scale storage system safer and longer-lived. One platform stretching from a three-wheeler to a megawatt-scale storage system is, we think, our most important advantage.

Q. How are you seeing customer and OEM behaviour shift?

The market has matured. A few years ago, almost every conversation started and stopped at upfront price and range. Now the serious buyers ask about lifecycle economics: how the battery holds up over thousands of cycles, what fast charging does to its life, and what total cost of ownership looks like over five years rather than five minutes in the showroom.
That shift rewards real engineering, which suits us. When the only question is sticker price, a genuinely better battery struggles to get heard — and yes, today OEMs are okay with packs sitting at a premium, focusing more on quality rather than price.

As we scale, that price gap keeps reducing, and when the conversation is about total cost of ownership and durability, the value becomes measurable. OEMs are now willing to actually evaluate differentiated battery technology on those terms, which wasn't the case when we started.

BUILDING FOR THE LONG TERM

Q. What does scaling a deep-tech manufacturing business in India actually require?

You have to scale two things at once that don't naturally move at the same pace: the technology and the manufacturing. A lab result you can't produce consistently at volume isn't a business yet.

A smooth line making a mediocre product is a different dead end. The discipline is moving the engineering and the process capability forward together and these things take years to validate and make genuinely reliable.

Beyond that, real cost competitiveness only comes with scale. You have to take the supply chain to several hundred gigawatt-hours to match China on cost, and that means investing in vertical integration and domestic supply rather than just assembling.

In practice it's relentless attention to quality systems, to every station on the line behaving the same way every time, and to building backward and forward integration over time. Turning good engineering into manufacturing you can rely on, at a competitive cost, is the whole game in deep tech.

Q. How important is the right capital in making that journey possible?

They're essential, because hardware progress isn't linear and these technologies take years to validate before they're reliable.

There are long stretches where you're putting everything into validation, quality systems, supply chain and manufacturing before the market sees a single visible result—and from outside, those stretches can look like nothing is happening.

Capital that understands that rhythm isn't just helpful; it's a precondition for building anything that lasts.

Investors who get that dynamic add real strategic value, because they let you build toward the milestones that actually matter—validated technology, defensible IP, vertical integration, a line that holds quality at volume—instead of manufacturing visible proof points on someone else's timeline. That alignment is one of the quiet reasons good deep-tech companies get built, and the wrong capital is one of the quiet reasons they don't.

> “Capital that understands the rhythm of hardware progress isn't just helpful — it's a precondition for building anything that lasts.”

Q. What advantages does India have in becoming a global clean-tech manufacturing hub, and what still needs to happen?

A few things work in India's favour. A large, demanding home market that forces fast iteration. A deep pool of engineering talent.

Manufacturing costs that are still globally competitive. And conditions so tough—many degrees hotter than China, the US or Europe, with heavy duty cycles—that anything proven here is hardened almost as a by-product. Policy support has also become more serious and coherent over the last few years.

What makes the moment matter is timing. Global supply chains are actively diversifying, buyers want credible alternatives to China, and India shows up with both the market and the capability to be taken seriously.

To capture it we'll need the right enabling environment — special economic zones with land-cost benefits, the way China did it, to make large-scale capex viable.

The opportunity isn't just to manufacture for India; it's to localise the full chain from cells to refining, export to the world, and let that scale drive costs down further. That's a window, and windows don't stay open forever.

THE PRIZE

Q. What excites you most about the next decade?

What excites us most is that this is essentially a one-time effort with a permanent payoff. If India builds the full chain, from cells, refining, packs and fast charging, to generation through wind and solar paired with storage, then we can run increasingly free of imported crude for the long term.

The battery sits right at the centre of that, across both mobility and the grid. The same system engineering that makes a three-wheeler or a bus battery durable today is what makes our grid-scale storage safer tomorrow—one modular platform spanning mobility and stationary storage.

The next decade won't be about who makes the most batteries. It'll be about who makes them reliable, affordable and built for conditions like ours. We think India can be one of the places where that gets invented and localised rather than imported, and we want Clean Electric to be proof that it can be solved here, built here, and sent out to the world from here.

> “This is a one-time effort with a permanent payoff. The next decade will be about who makes batteries reliable, affordable, and built for the real world — and we intend Clean Electric to be that answer.”

ABOUT THE AUTHOR

Vilasini Subramaniam is an Operating Partner at Lok Capital with over two decades of experience across affordable housing finance, microfinance, banking, and fintech-enabled lending.

A Chartered Accountant by training, she has built and scaled lending businesses serving low- and middle-income households, including as a founding management committee member at HomeFirst, where she helped grow the company into one of India's leading affordable housing finance institutions.

Her previous experience includes leadership roles at Micro Housing Finance Corporation (now Svatantra MHFC), Janalakshmi Financial Services (now Jana Small Finance Bank), and Citibank. Drawing on her extensive experience in building sustainable lending businesses, Vilasini shares her perspectives on what enables—and what constrains—the growth of affordable housing finance companies in India.

The Long Road Home: Financing India's Aspiring Homeowners

An Opinion Piece by Vilasini Subramaniam
Operating Partner, Lok Capital

The Coming of Age of Affordable Housing Finance in India

In 2012, India carried a Mortgage to GDP ratio of just 6.6% as against a >50% penetration in developed countries. The reasons attributed to this anomaly were rural population, joint family structures, large informal workforce, reliance on personal savings and conservative credit risk assessment by financial institutions.

Today it stands almost doubled at 11.2% as an outcome of urbanisation, government initiatives, and the evolution of specialised housing finance companies reaching the previously unbanked population. And in the process creating a niche called Affordable Housing Finance ("AHF"). For any sector to flourish there needs to be a coming together of intent & effort at all levels alongside many other elements. And in that respect AHF has been no different.

In this report, we have tried to decode the growth of the segment by taking a step back to look into the last decade to understand how and what has changed in the regulatory framework, socio-economic structures, corporate landscape and consumer behaviour to trace the journey thus far of this young exciting space.

GAME CHANGING - GOVERNMENT INITIATIVES

The Pradhan Mantri Awaas Yojana-1 launched in 2015 is by far one of the largest affordable housing programs in the world.

Part of the larger Housing for All mission, the central urban assistance under the popular Credit Linked Subsidy Scheme was close to INR 2 trillion in deployment across various socio-economic segments. This involved a direct credit of subsidy into the loan accounts of people eligible under the scheme.

In 2016, a Tax Incentive for Developers constructing Affordable Homes was introduced. The Real Estate Regulation & Development Act or RERA in 2017 focused on protecting consumer interests came into being. Affordable Housing was granted infrastructure status, and GST rationalisation aided the developer community further in enhancing the focus on this sector.

Another noteworthy change was Affordable Housing Finance being introduced into the priority sector lending framework based on the recommendations of The Internal Working Group on Review of Priority Sector Lending Guidelines (Nair Committee) which explicitly included housing for Economically Weaker Section and Low Income Groups. This significantly boosted the availability of debt lines and public sector banks showing a willingness to take part in the ecosystem building.

Together, these policy interventions created a strong enabling ecosystem for affordable housing finance, improving both the supply of affordable homes and access to formal housing credit for low- and middle-income households.

MULTILATERAL INSTITUTIONAL SUPPORT AND THE OPENING- UP OF CAPITAL & DEBT MARKETS

Multilateral intervention in the Housing Sector formally began in the country in the late 1970s with their strategic financial backing to pioneer India's first market-oriented housing finance companies and eventually expanding into targeted lending programs and policy overhauls for the urban poor.

But what is interesting in the dynamic shift is the direct participation through equity and syndicated debt by institutions like International Finance Corporation and Asian Development Bank with affordable housing lenders in the country from 2013.

More recently, the Residential Mortgage-Backed Securities has been their foray into capital markets & structured finance in India, while direct developer funding depending on market conditions has been a consistent strategy.

Themes like Green and Climate Aligned Housing Finance are a core part of the regional agenda reinforcing and realigning impact priorities as part of their funding missions.

Once the early proof of concept was built, and the strong fundamentals that can be attributed to traditional BFSI started to play out— the participation by Venture Capitalists in Series A & B funding of AHFCs began. This has contributed significantly to balance sheet growth and paved the way for a larger participation by Private Equity players.

It's noteworthy to observe that Housing Finance in India has attracted over USD 2.6 billion in investments since 2011 through private equity firms.

THE STARTUP BOOM, BLUE OCEAN STRATEGY AND THE GROWING AHFC BOOK

At the very core of the sectoral boom has been the advent of the startup ecosystem in India. New age entrepreneurs carrying a willingness to put their mind and money behind problems that can be solved at scale.

Problems that demanded a new way of thinking, new methodologies of delivery, and new parameters to evaluating success.

Alongside the boom in sectors like Consumer-Tech, Payments and Retail, a new way of delivering housing finance came into being – the affordable way.

Affordable Housing Finance — An Overview

The blue ocean created by affordable housing finance lies in serving millions of households that were traditionally considered “unbankable”. Affordable housing financiers redefine the market by combining accessibility, flexible underwriting, and specialised products for low- and middle-income customers & digital delivery.

THE INDIAN AFFORDABLE HOUSING FINANCE STORY SINCE 2010

METRIC	2010	2015	2020	2025
Registered HFCs	~51	65-66	~95-100	91
Functional HFCs	~40	~55	~76-85	~82
HFCs with AUM> Rs.1000 Cr	~8-10	~18-20	~32-35	45
Total HFC AUM (incl.HDFC)	~Rs.2.7 L Cr *HDFC~Rs.1.17 L Cr*	~Rs.8-8.5 L Cr *HDFC~Rs.2.8 L Cr*	~Rs.14.5 L Cr *HDFC~Rs.5.17 L Cr*	~Rs.9.3 L Cr *HDFC merged 2023*
No. of AHFC players	~4-5	~12	~25-28	44
AHFC players with AUM> Rs. 1000 Cr	2	4	~14-15	28
Estimated AHFC AUM	~Rs.6,500 Cr	~Rs.22,000-24,000 Cr	~Rs.68,000-78,000 Cr	~Rs.1.46 L Cr
AHFC as % of Total HFC AUM	~2.4%	~2.8%	~5.0%	~15.7%

While the chart above is self-explanatory, it is noteworthy to observe that incremental licenses sought in the last decade has been to set up AHF Companies. And certain large consolidations in the Housing Finance industry have resulted in creating a larger market share and value play for the fledgling Affordable Housing Finance industry, which the industry has not failed to deliver.

There is also a fundamental shift in the industry and in consumer demographics — one that deserves deeper examination. What has driven AHF companies from early proof of concept to large, listed entities? What has led to a distribution story that has played out beyond human imagination? We explore that question in the next section.

CONSUMER DEMOGRAPHICS AND THE SHIFT IN THE UNDERWRITING FUNDAMENTALS

> How do you know if they are not credit-worthy if you have never tried?

This line from the Nobel Laureate, who propagated access to finance to the bottom-of-the-pyramid, changed a lot of lending thinking on the ground.

In retail banking, historically, policies were drafted around which customer not to onboard – negative profiles, negative pin-codes, negative documentation (you get the drift right?). It was about who to exclude in the credit cycle and seldom around how to enable it.

Thankfully over the last decade and a half, work done at the grassroots has displaced many of the myths associated with consumer underwriting.

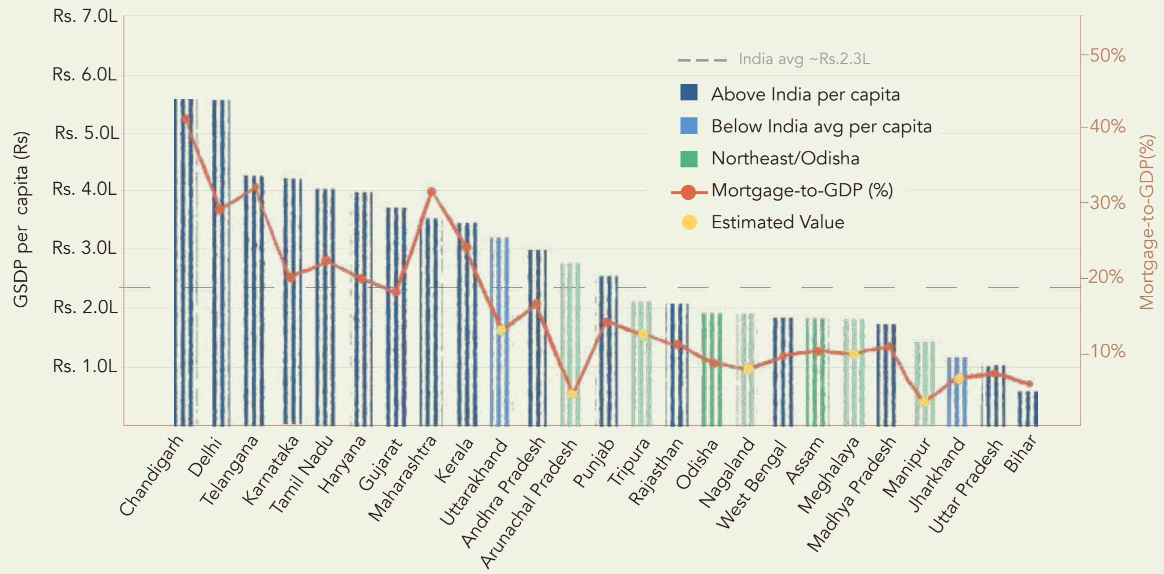
This shift is the primary reason for the opening up of an entirely new customer segment. And thereby strengthening financial access to unbanked and underserved consumers.

Finding who they are, what they do, where they thrive has been the journey of most Affordable Housing Finance companies. This consumer demographic and what it continues to offer is not just of good academic value but at the very core, the reason for existence.

For this purpose, we look at consumer demographics through the lens of per-capita income, tier-wise trajectory on urbanisation and housing sales and average household size of Indian families. Each in it’s unique way contributes to the growth of the mortgage penetration in the country.

Per Capita Income vs Mortgage-to-GDP Ratio

(FY 2024–25)

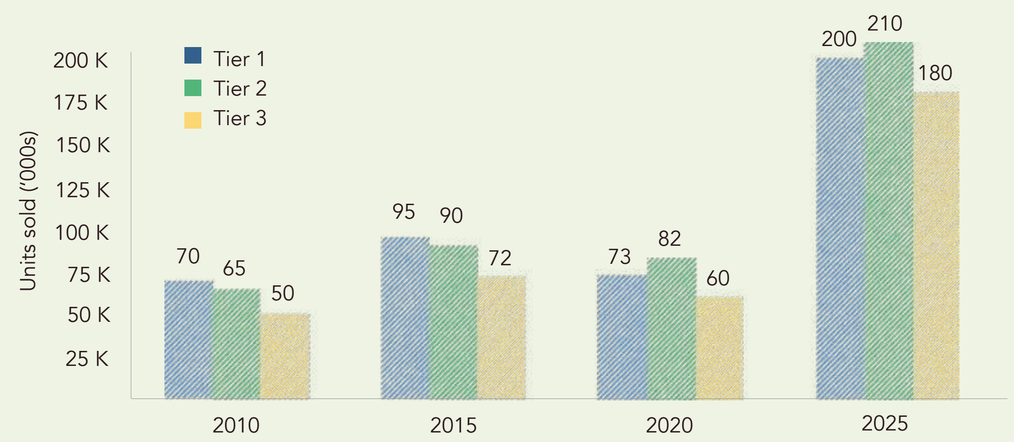


States with higher per-capita income carry a significantly higher mortgage to GDP penetration attributable to higher disposable income, development and shelter requirement.

The growth of AUM of Affordable Housing Finance Companies have also followed a similar trajectory.

Housing: Residential Unit Sales

*('000s per year), excl. metros**



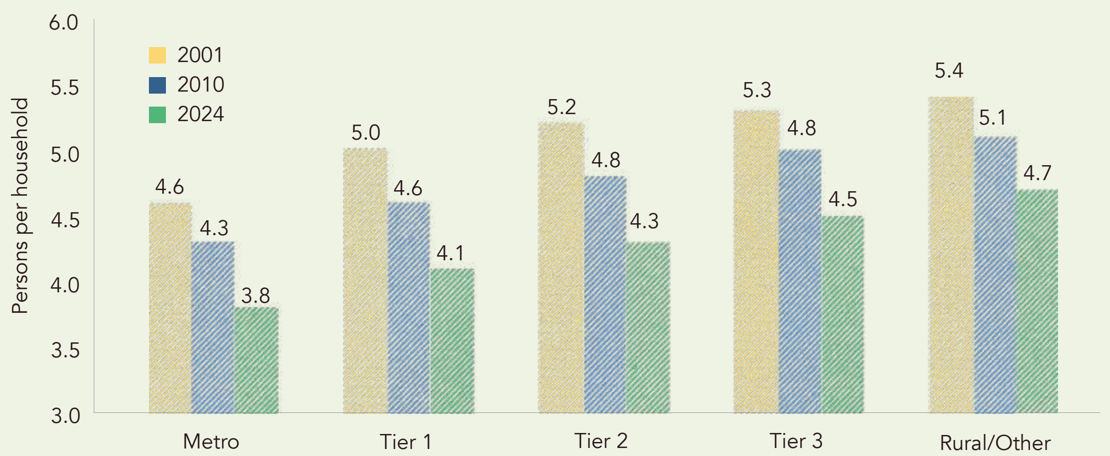
The post-COVID surge (2021–2023) was disproportionately strong in Tier 2 and Tier 3, as remote work freed buyers from the need to live near metro employment hubs and drove demand for larger, affordable homes.

This is important to assimilate because as the case as is in retail consumption, AHFC also seeks to serve the next 100 Billion in the decade ahead.

*Metros are excluded to show the convergence of Tier 1, 2 and 3 volumes. Two major disruptions between 2015-2020 being RERA & Demonetisation and the impact of COVID, followed by the 2021 pent-up demand surge.

Average household size by city tier

*2001 · 2010 · 2024**



2010 interpolated · 2024 estimated (NFHS-5/HCES 2023-24)

Another of the key demand indicators for Housing Finance apart from urbanisation is nuclearisation of families.

As the joint families begin to break down, the need for individual housing increases. Inspite of 2024 being estimates, given the trend from 2001 to 2011, there is a definitive decrease in the average household size across Metros and all Tiered Cities.

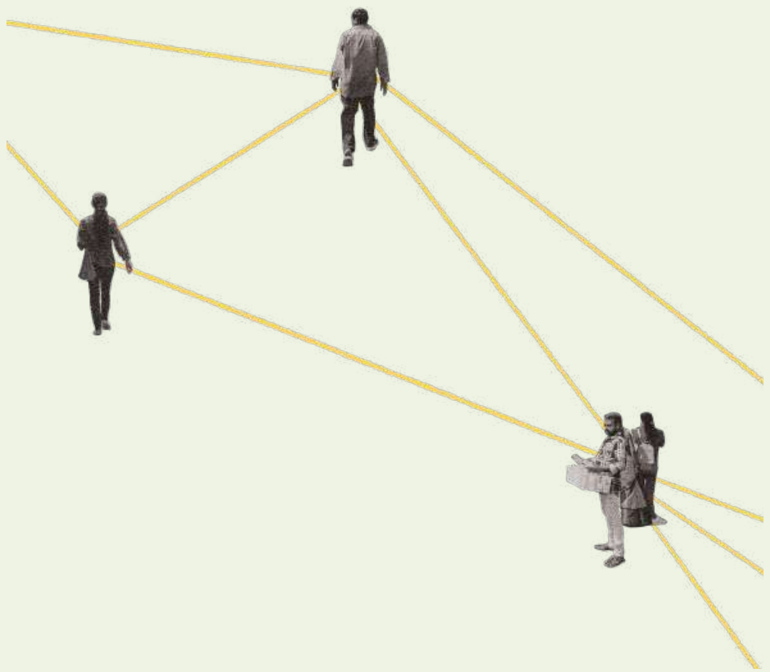
This again is a very important metric indicating the growing demand for housing in the country – no longer restricted to the metro cities.

*Persons per household · Census 2001 & 2011 anchors · 2010 interpolated · 2024 estimate

The Differentiators— What Separates The Winners From The Herd

If the macros tell us why Affordable Housing Finance has thrived, the differentiators tell us who will survive long enough to matter. The AHFC space has now matured sufficiently that access to capital and geography alone no longer suffice. What decides the outcome is harder to acquire: a deep grasp of operational dynamics, consistency in thousands of human decisions, and the willpower to run the business as a marathon rather than a sprint.

The sections that follow set out the four capabilities that separate the durable from the fragile — knowing your niche, underwriting the underwritten, turnaround time, and the disciplined use of technology — before we return to what ties them together.



KNOWING YOUR NICHE – DEFINING YOUR DISTRIBUTION STRATEGY

India is a land not only of diverse people, but of diverse land titles. Every corner of the country brings a nuanced understanding and a set of complications tied to the collateral. Knowing your niche means having a clear view of which risk to onboard and which to leave on the table — a knowledge base that takes time to build but becomes an irreplaceable moat for the organisation that builds it.

In that distribution journey, investing in human capital is non-negotiable at every stage of the business. Direct sourcing channels lift conversion rates and portfolio quality, and an increasingly effective framework is the hub-and-spoke branch model with satellite service centres, which lets a lender build depth and width one hub at a time.

UNDERWRITING THE UNDERWRITTEN — ASSESSED INCOME AS A CORE COMPETENCY

The ability to sit across from a vegetable vendor, an auto-rickshaw driver, or a migrant construction worker and arrive at a defensible, repayable loan amount — without a salary slip, without a Form 16 — requires a combination of structured field tools, experienced credit officers, and institutional memory built over thousands of assessments.

Companies that have codified this process — through standardised income-estimation templates calibrated by geography and occupation, and multi-visit verification protocols — have demonstrated that the credit risk of this segment is, in fact, doable. The NPA profiles of the leading AHFCs today are testament to it. The industry has normalised the terminology, but the science behind "assessed income" is unique to every company, and its evolution has to be treated as a constant rather than a solved problem.

This is the capability the rest of the model rests on. Where later sections touch on expansion or technology, it is this — not capital, not software — that they ultimately turn to.

TURNAROUND TIME AS A PRODUCT FEATURE

For the AHFC customer, time is not an abstraction. A shopkeeper awaiting disbursement to close a property deal loses footfall every day the file sits on a desk. A migrant worker who has to take a day off to visit a branch loses wages.

The AHFCs that have understood this — truly internalised it as a design principle, not a KPI — have built processes where a sanction can be delivered fast and disbursement follows within days. Achieving that requires end-to-end process discipline. The companies that have operationalised speed without sacrificing underwriting rigour have earned disproportionate customer loyalty in markets where word-of-mouth is, eventually, the primary acquisition channel.

TECHNOLOGY AS THE ENABLER AND NOT THE FRONTRUNNER

The role of technology in Affordable Housing Finance has often been overstated by observers and occasionally misapplied by practitioners. Until collateral can be evaluated digitally, a pure digital onboarding model has limited utility. The AHFCs that have used technology most effectively have done so in service of their field teams, not as a replacement for them.

The highest-impact investments in this space have been foundational: mobile-first loan origination that lets officers capture applications, photographs, and documents in the field, making the journey paperless; bureau integration at the point of sourcing to enable real-time deduplication and early fraud flags; automated credit-model overlays that supplement — not replace — underwriting of the consumer and collateral; and collection-management platforms with geo-tagged visit logging that improve both accountability and recovery.

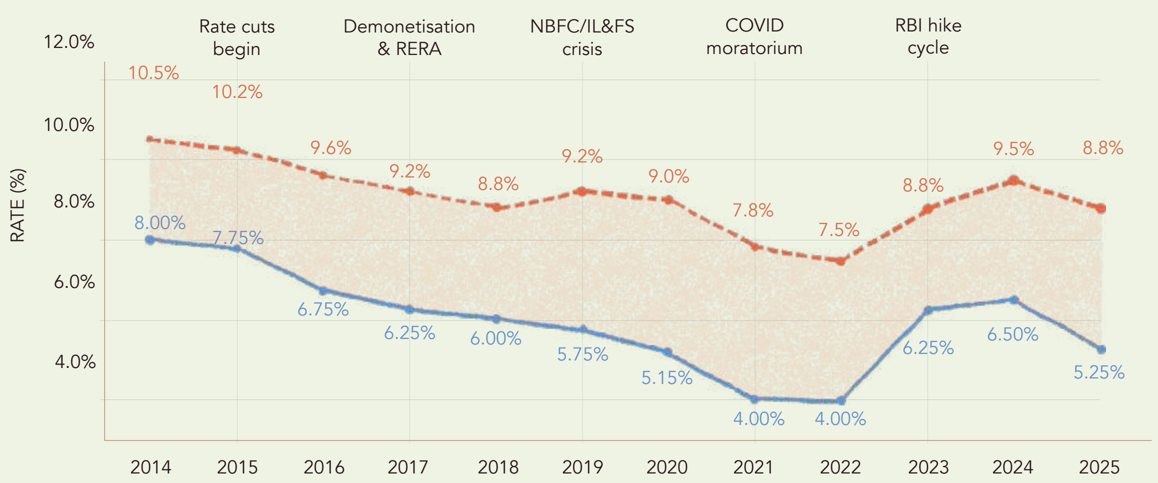
BALANCE SHEET LEVERS

The intensity of servicing an AHFC customer also drives higher operational costs — close to 200–300 basis points above prime housing finance. That makes two levers existential: cost of borrowing and cost of credit.

The decade from 2014 to 2025 stress-tested both, through demonetisation, the NBFC liquidity crisis arising from the fall of IL&FS and DHFL, and COVID-19 — each a watershed moment that separated well-managed balance sheets from fragile ones.

RBI Repo Rate vs AHFC Cost of Borrowing

(2014–2025)

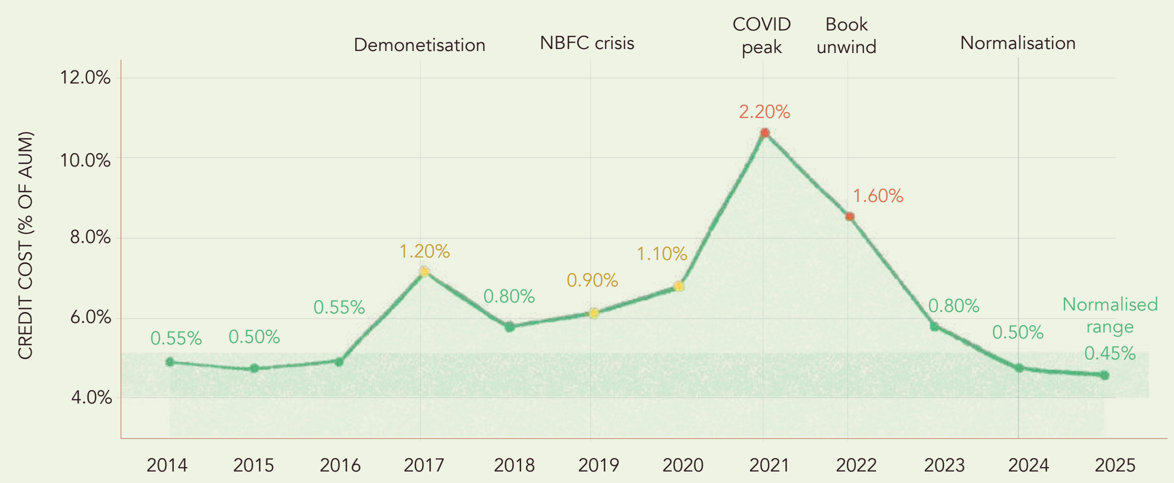


On the cost of borrowing, the repo rate traversed two full easing cycles and one tightening cycle over this period — falling from 8.0% in January 2014 to a historic low of 4.0% in May 2020, rising 250 bps to 6.5% by April 2023, and easing again to 5.25% by December 2025. AHFC cost of borrowing tracked this cycle with a persistent 150–200 bps premium.

Critically, the spread itself has compressed from ~2.5% in 2014 to ~1.8-2.0% by 2024-25, as companies earned rating upgrades, diversified into longer-tenor NCD issuances, availed refinance lines, and built co-lending partnerships with banks as an additional lower-cost funding channel.

AHFC Credit Cost Movements — Provisions as % of AUM

(2014–2025)



On the cost of credit, the pattern is just as instructive. In normalised conditions — the 0.3-0.6% band — the business model is highly attractive, and the stress events of the decade repeatedly tested that range. Demonetisation in 2016 spiked sector credit costs to 1.20% as cash-income borrowers saw disruptions.

The NBFC crisis kept costs elevated at 0.80-0.90% through FY2019. COVID-19 produced the decade's peak at 2.20% in FY2021 — a combination of the RBI moratorium deferring recognition, large-scale restructuring, and income shocks to self-employed and daily-wage borrowers whose restructured books peaked at 4–8% of AUM for some lenders.

The normalisation that followed has been equally telling: credit costs fell from 1.60% in FY2022 to 0.80% in FY2023, then to 0.50% in FY2024, before settling at 0.45% in FY2025 — below the pre-COVID floor — as bureau penetration, UPI- and GST-based income verification, tighter post-COVID LTV discipline, and maturing collections infrastructure structurally improved portfolio quality.

Well-run AHFCs have consistently held 0.30-0.50% even through stress periods, validating the thesis that this segment, properly underwritten, is not structurally higher-risk than prime housing.

What Has Not Worked

The early entrants into the Affordable Housing Finance have had one large luxury – the luxury to learn, to course correct and build at a pace that worked for them. Some learnings visible from the industry:

Developer-led affordable housing tie-ups — partnerships where AHFCs became de-facto financing arms of specific developers building affordable projects — exposed several lenders to project risk that was never priced into their loan books.

When developers stalled, the customer's property was left incomplete, the loan stayed outstanding, and the lender had no recourse that didn't damage the very customer it set out to serve. The resulting write-offs and long-haul recoveries have led the industry to approach this channel with the caution it deserves.

Aggressive geographic expansion ahead of operational readiness has been another recurring failure mode. The economics of opening a branch in a new geography requires 18–24 months of patient capital and significant local talent investment before a portfolio matures to self-sustaining.

Companies that expanded footprint faster than they could train and retain credit officers found portfolio quality deteriorating in new markets, with the institutional memory of assessed income methodology taking far longer to build than the branches themselves.

Over-reliance on DSA networks for sourcing has repeatedly resulted in adverse selection — pools with higher fraud incidence, lower KYC quality, and weaker borrower engagement post-disbursement. Several AHFCs have had to undertake painful portfolio clean-ups and reorientation as a result. Building a sourcing muscle unique to the HFC skills and at the grassroots is again an irreplaceable moat often undermined in the world of fast business.

Technology-first operating models — where significant capital was deployed in digital customer journeys ahead of building the underlying credit and collection muscle — have struggled to find a product-market fit in the core AHFC segment. The segment's informality is not a technology problem to be solved; it is a market reality to be served, with technology in a supporting role.

Does The Future Look As Pretty As The Past?

Prettier, maybe? :) Beauty has always been in the eye of the beholder — and a stronger AHFC in the hands of the promoter. The next decade of Affordable Housing Finance will be defined not by who enters the space, but by who endures it.

A mortgage-to-GDP ratio on a clear path from 11.2% toward 16.5% by FY2035. 61.5 million units of unresolved housing shortage concentrated almost entirely in EWS and LIG segments, and an urbanisation wave anchoring Tier 2 and Tier 3 cities is at the centre of the national housing story.

The policy architecture — PMAY-2.0, CLSS revival, NHB refinance expansion, and India's first RMBS placements via RDCL — is the most supportive it has ever been. The rate cycle is also currently cooperating. But the question the next decade poses is not whether the opportunity exists. It is whether the organisation is built to capture it.

TECHNOLOGY'S ROLE IS SHIFTING

The first wave — mobile origination, bureau integrations, geo-tagged collection platforms — has now become a norm. The next wave is around decisioning: AI-assisted underwriting trained on decade-long portfolio histories, early-warning analytics on EMI-bounce patterns, and dynamic collection prioritisation.

The AHFCs that deploy AI in service of credit judgment — and of acquiring the right customer — will widen the gap over new entrants who lack the training data and institutional knowledge to calibrate it. The distinction that held for the first wave holds for this one: technology extends the field team's judgment; it does not substitute for it.

COMPETITIVE INTENSITY WILL FORCE A GEOGRAPHY CHOICE

The deepest risk competitive pressure poses to an AHFC is not just margin compression. It is mission drift. As large banks move into the Rs.15–25 lakh ticket, the temptation to chase the same customer — better documented, easier to underwrite, cheaper to serve, is real. And that is one of the reasons why there is a shift in ticket sizes with lowering of yields.

The AHFCs that resist this gravity and stay anchored to the customer they were built to serve will find that the informal income borrower in markets that remain relatively untouched by bank competition.

This is going to require painful recalibration, and a certain restraint. Does the industry carry that will power and intent – only time will tell.

THE MOAT IS THE MACHINE

People remain the hardest problem to solve, and a decisive one. The assessed-income model runs on institutional memory: loan officers who have done ten thousand assessments, credit managers who know when a cash-flow triangulation is holding up, collection officers who understand the social dynamics of recovery in a specific geography. Replicating that as AHFCs push further into Tier 3 and beyond is the central operational challenge of the decade.

Companies that treat field credit-officer development as a core competency will compound; those that expand faster than they can seed markets with capable people will pay for it in credit costs.

That is why the moat is the machine. The companies that have built the full operational DNA — assessed-income discipline, field distribution depth, technology infrastructure, and the people systems to sustain all three at scale — will be the ones still standing when the next stress cycle arrives. Those that have not will consolidate, exit, or become origination vehicles for larger balance sheets.

At Lok Capital, our conviction in affordable housing finance is rooted in exactly this intersection of impact and returns. The AHFC that gets the operating model right — that builds the people, the underwriting discipline, the technology, and the balance-sheet architecture to serve India's aspiring homeowners at scale — is not just a compelling financial investment.

It is a catalytic multiplier: one that turns the formal credit system into a ladder of economic mobility for millions of households that have never had access to it before.

TEAM ON FIELD | *3 out of 5*

Anmol Saxena
Sustainability Manager

I got a call from one of our portfolio founders. She said, "Anmol, we spoke to the contractor and we are trying to ensure that all branch offices have designated separate washrooms for men and women. Oh also, I wanted to tell you that the office space is partially powered by solar energy—I was waiting to share this news with you."

I conducted the ESG DD for this company and sat with the founders with the findings. They saw real value in the suggested action plan and they share regular updates with me informally over calls.

This might seem insignificant or mundane in the short run, but for me that call from the founder said more than any ESG Action Plan completion certificate ever could.

There are small real value adds, beyond the bottom line and the top line optimisations. Those small value additions are where I work.

PORTFOLIO

Financial services

GrowXCD
Moneyview
Seeds Fincap
Veritas Finance
Saarathi Finance
Wint Wealth
Lakshmithra Finance

Climate & Sustainability

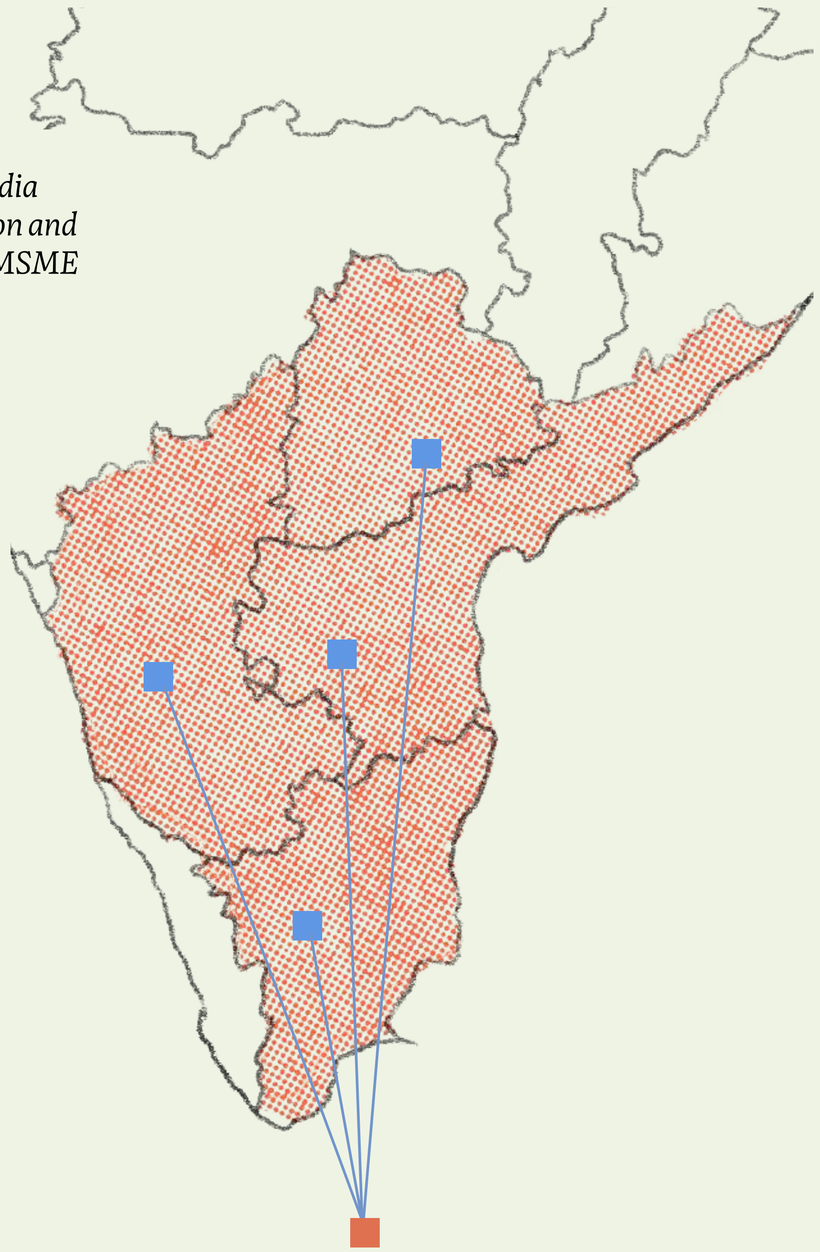
Anveshan
Clean Electric
SuperBottoms
Marut Drones
Aquaconnect

Note: All numbers presented in this section are as of 31 March 2026.

GrowXCD

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, Sathish Kumar V.
Year of Investment: 2023
Lok IV



Business Priorities

Complete Series C fundraise in FY27

Increased focus on building publicly available financial literacy products for brand recall

Further improvement in credit ratings and accessing newer avenues for debt partnerships

Milestones

Established an internal audit function

Crossed AUM of INR 50 billion

98% *increase in women employees against* **76%** *increase in total employee count*

6060 *borrowers reached*

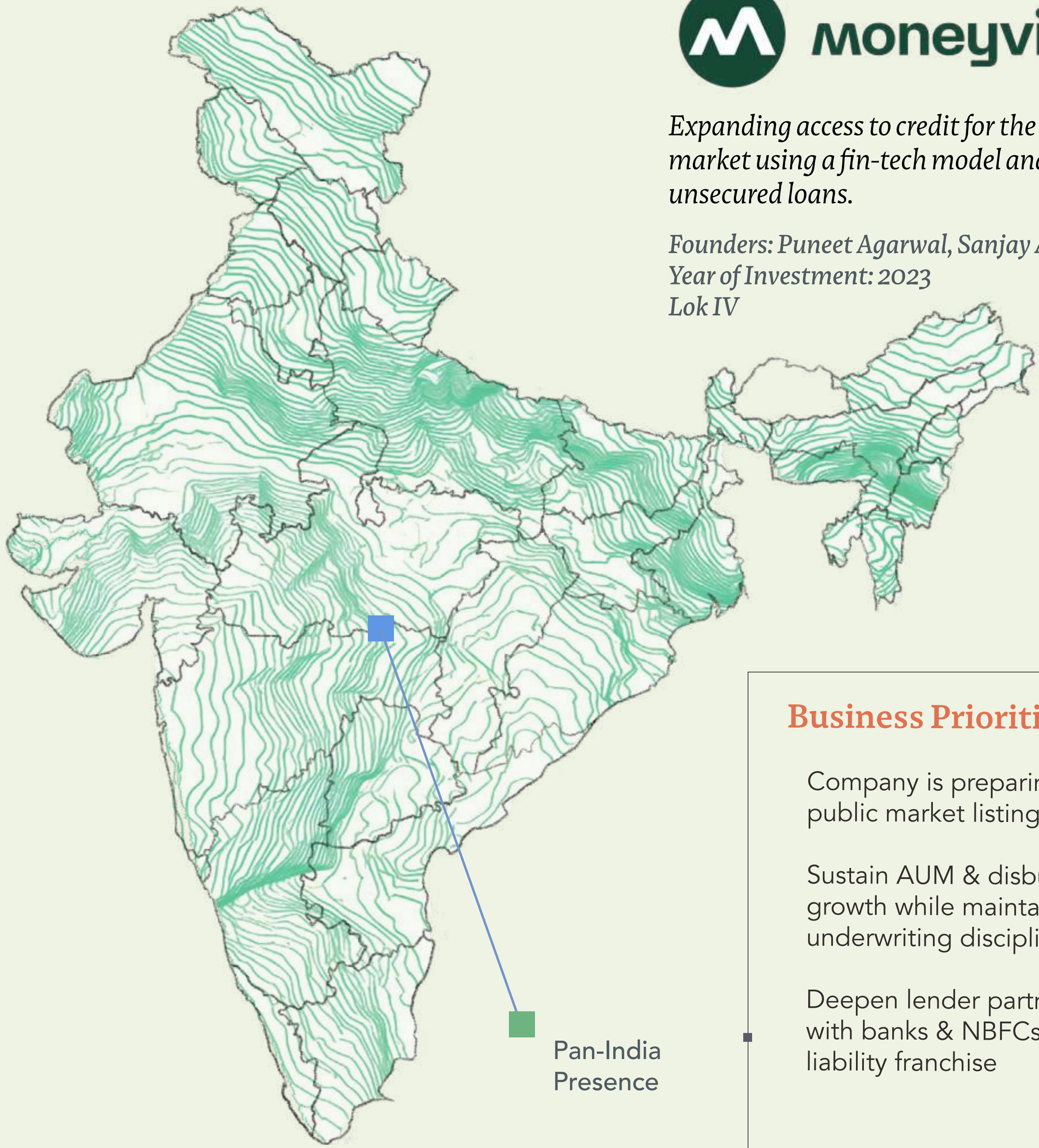
80% *borrowers from rural areas*

706 *direct full-time jobs supported*

moneyview

Expanding access to credit for the underserved market using a fin-tech model and by offering unsecured loans.

Founders: Puneet Agarwal, Sanjay Aggarwal
Year of Investment: 2023
Lok IV



Business Priorities

Company is preparing for a public market listing

Sustain AUM & disbursement growth while maintaining underwriting discipline

Deepen lender partnerships with banks & NBFCs to diversify liability franchise

Milestones

Improved board diversity

44% *borrowers earning less than INR* **40,000** *per month*

9.6 million *borrowers reached**

98% *women employees*

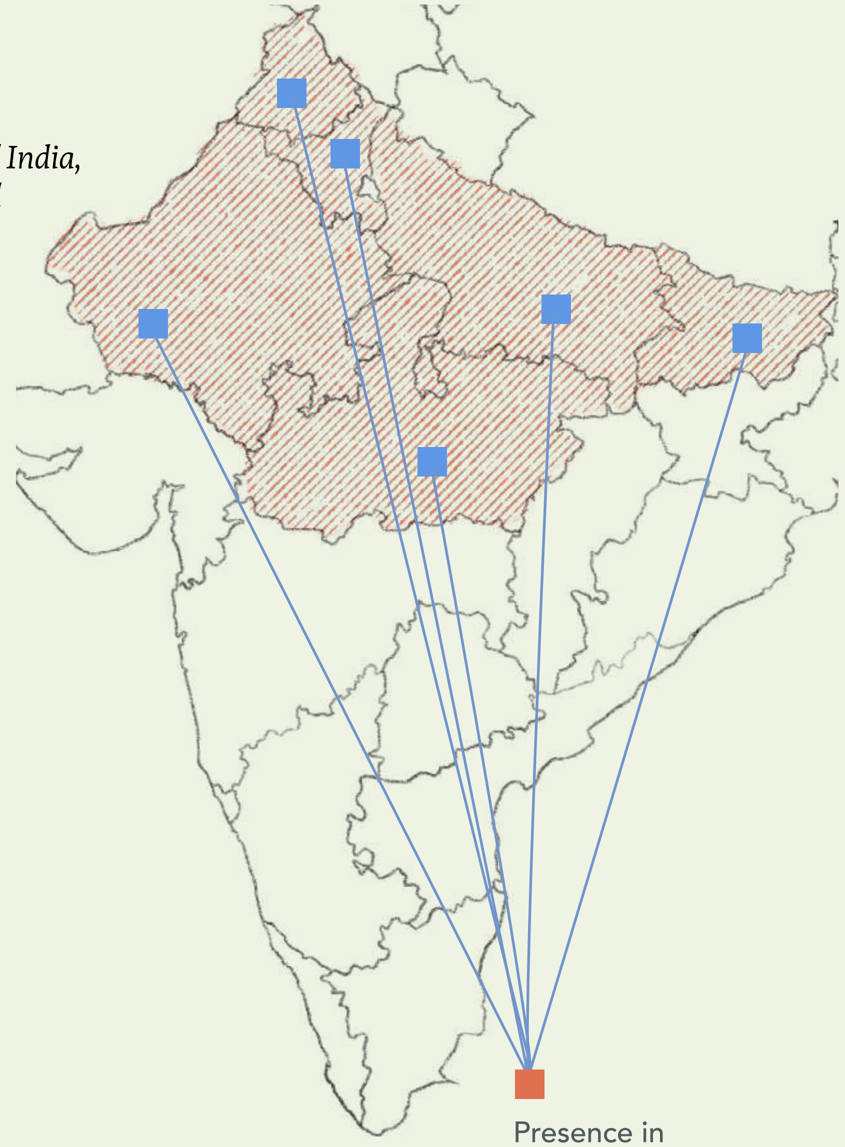
711 *direct full-time jobs supported*

*Note: Data as of 9MFY26; company has filed its DRHP and information sharing is restricted thereafter.

SEEDS EMPOWERING DREAMS

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
Lok IV



Presence in Uttar Pradesh, Rajasthan, Bihar, Madhya Pradesh, Punjab, Haryana

Business Priorities

Launch of new fully-digital working capital loan product with support from a Lok-BII technical assistance facility

Increase branch footprint and focus on AUM growth

Continued expansion into climate finance products for solar, water and sanitation avenues

Milestones

Lok facilitated third-party onboarding for financial controls & SOP rigor

Third-party Client Protection Principles certification achieved with highest ranking

29% *increase in women employees against* **22%** *increase in total employee count*

44,316 *MSME Loans disbursed*

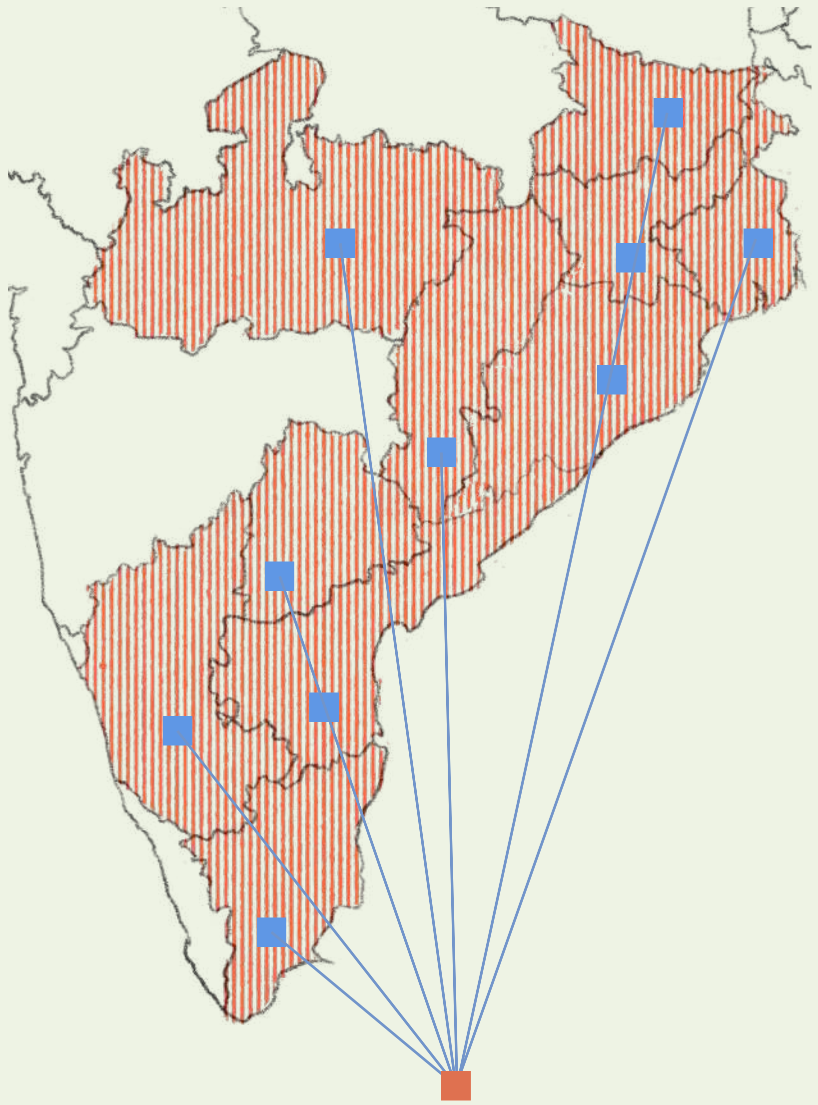
5,427 *New-To-Credit customers reached*

1,848 *direct full-time jobs supported*

VERITAS FINANCE

Veritas is one of India's fastest growing, well governed NBFCs lending to micro/small enterprises in rural and semi-urban areas through mortgage-backed lending, housing finance, and used CV finance.

Founders: Arulmany Duraisamy
Year of Investment: 2024
Lok IV



Presence in Tamil Nadu, Karnataka, Andhra Pradesh, Telangana, West Bengal, Odisha, Jharkhand, Madhya Pradesh, Bihar, Chattisgarh

Business Priorities

Initial public offer to be completed in FY27; in the process of refiling DRHP

Continued focus on SMEs and MSMEs while expanding other product lines as well

Milestones

Continued organisational capacity improvements with a dedicated learning and development budget

25% increase in AUM year-on-year

8,688 *direct full-time jobs supported*

514 *branches operated*

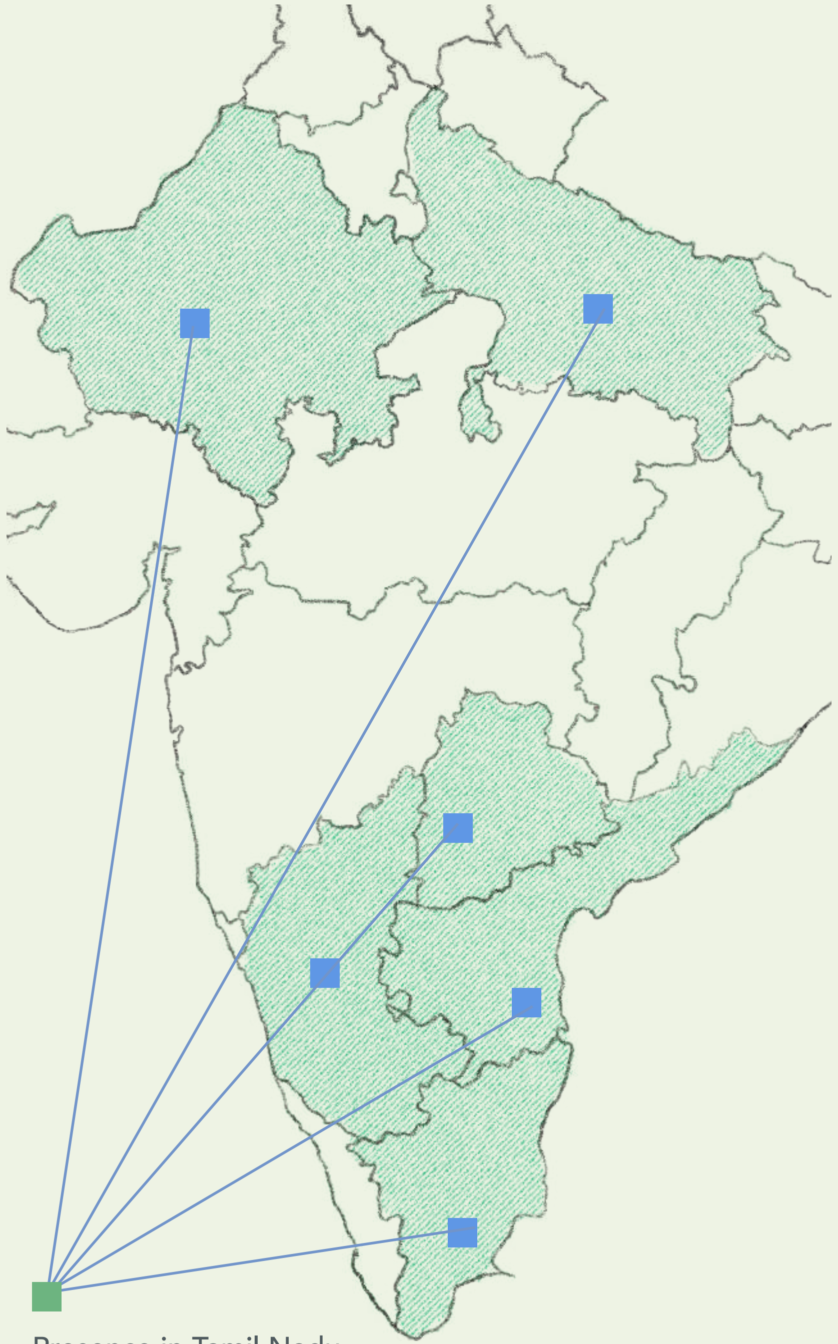
237,000 *borrowers reached*

10 *Indian States with branch network*

Saarathi Finance

Empowering growth of MSMEs through financial services across six high-potential states in India.

Founders: Vivek Bansal
Year of Investment: 2025
Lok IV



Business Priorities

Building a collections infrastructure as the company scales to a mid-layer NBFC

Further improvement in credit underwriting using proprietarily developed AI-based credit scoring tool

Launching Series B fundraise by Q4FY27

Milestones

Credit rating of A- achieved in the first year of operations

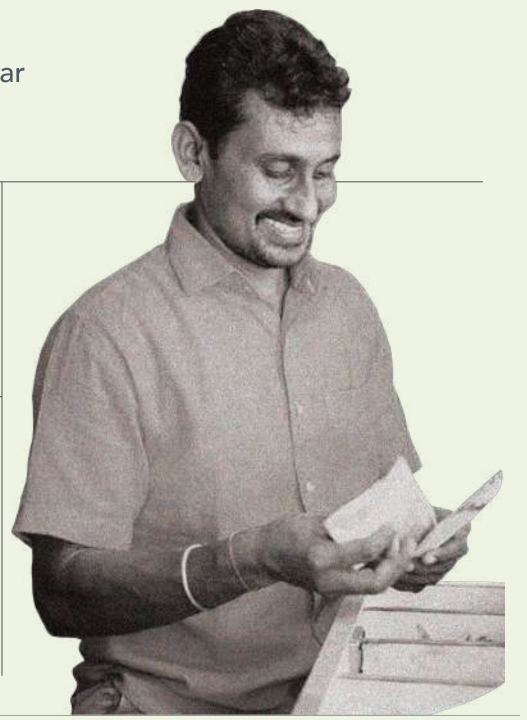
ESG Management Standard adopted by the company

210% *increase in employment since Lok's investment*

97% *reach to women-owned or operated MSMEs*

5,628 *borrowers reached*

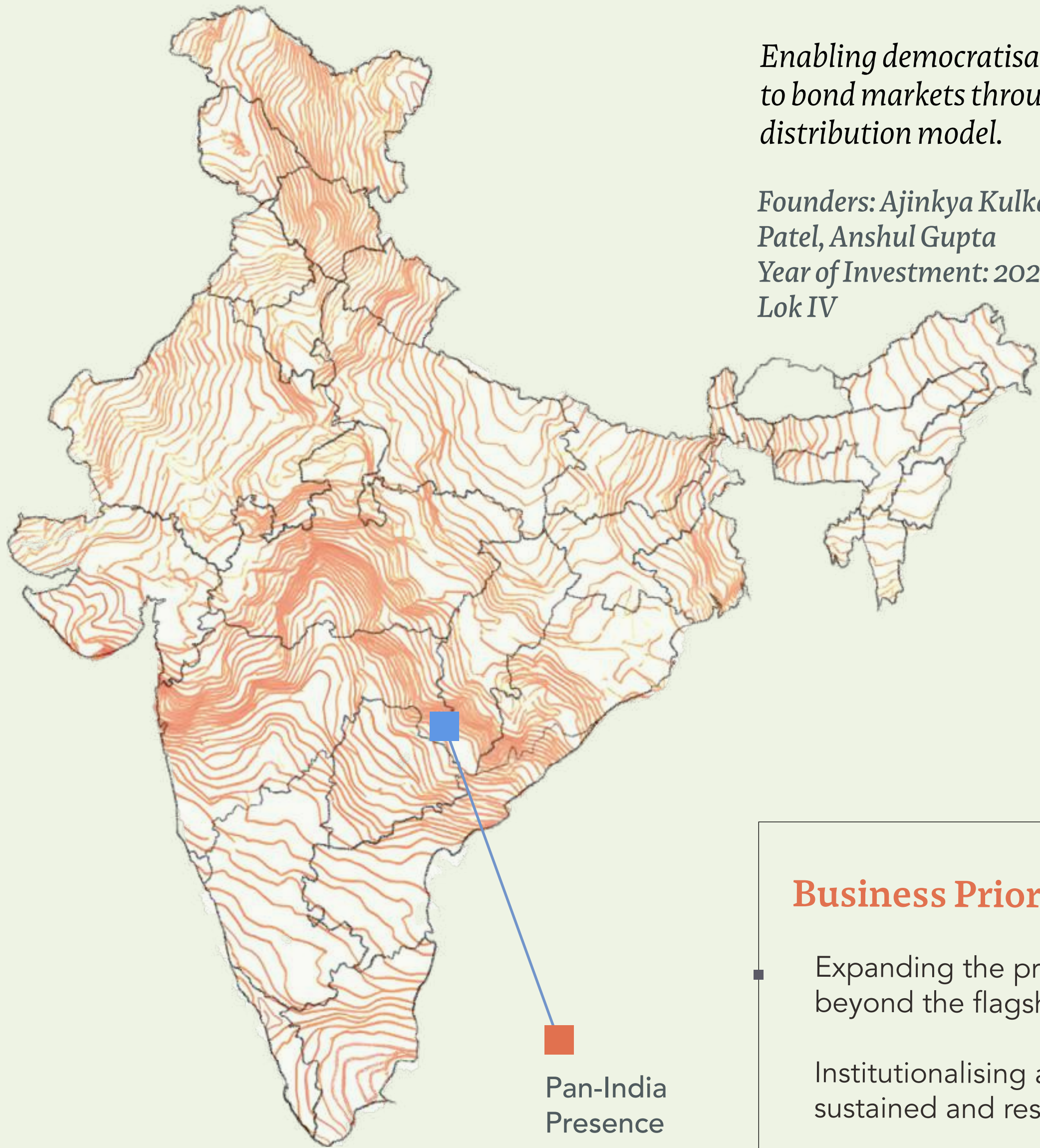
776 *direct full-time jobs supported*



wint

Enabling democratisation of retail access to bond markets through a digital-first distribution model.

Founders: Ajinkya Kulkarni, Abhik Patel, Anshul Gupta
Year of Investment: 2026
Lok IV



Business Priorities

Expanding the product basket to beyond the flagship bond product

Institutionalising a risk function for sustained and responsible growth

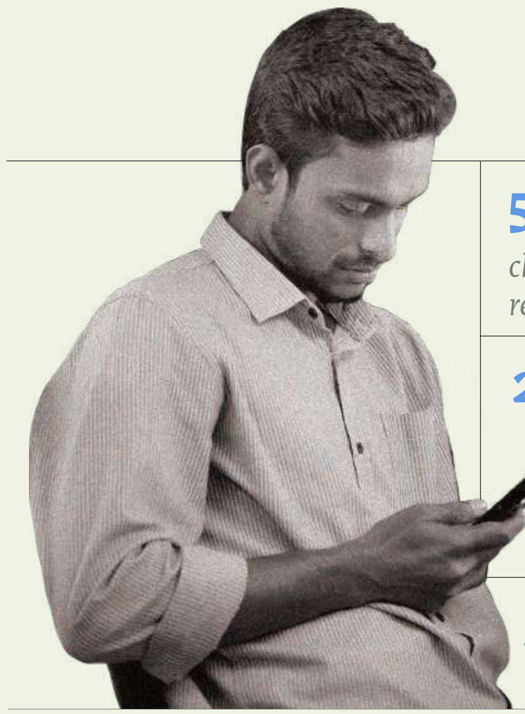
Optimize marketing/brand spend, improve its efficiency and increase customer life-time-value

Milestones

Completed Series B fundraise

Improved DEI policies and committed to no gender-based pay gap

Obtained multiple licenses from SEBI including AIF, PMS



58,665 *clients provided with retail access to bonds*

27% *users are women taking first-step towards alternate saving and wealth creation*

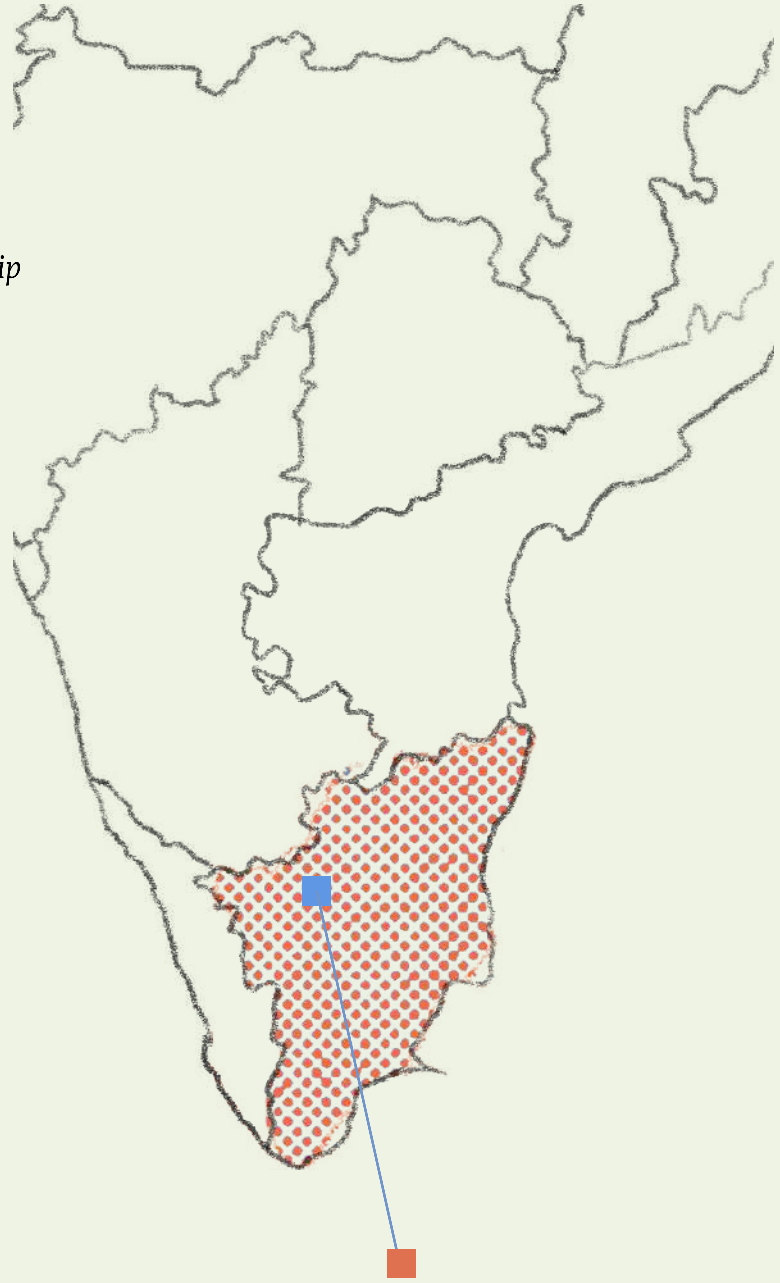
42% *women employees*

168 *direct full-time jobs supported*

Lakshmithra FINANCE

South India-based used commercial vehicle financier enabling first-time asset ownership among driver-operator communities.

Founders: Sridharan Palanisamy, Krithika Doraiswamy
Year of Investment: 2025
Lok IV



Presence in Tamil Nadu

Business Priorities

Planned growth in branch network to reach more borrowers

Continued expansion into low-emitting fuel segments

Lok is driving governance strengthening through board composition, implementation accountability and audit readiness, with progress tracked through quarterly board updates and MIS reviews

Milestones

Established new lender relationships

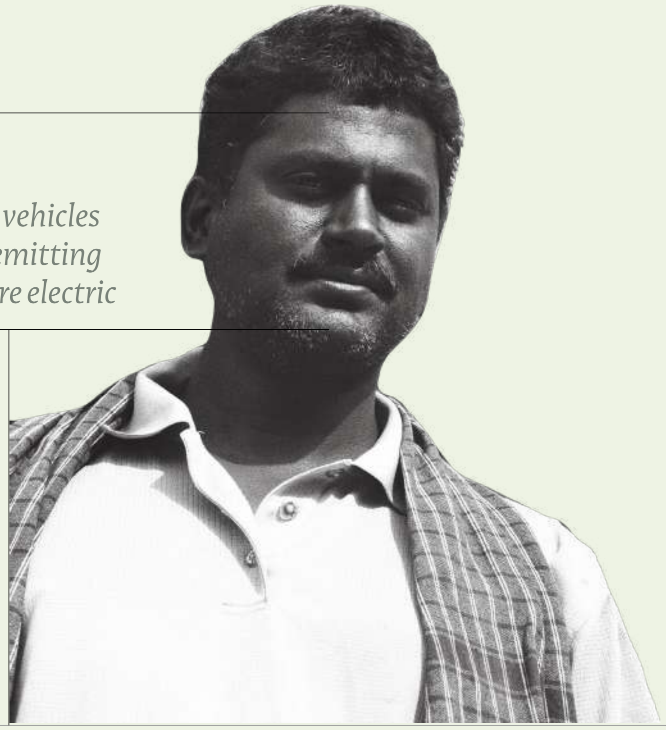
Maintained exceptionally low NPAs driven by customer-centricity

10%
financed vehicles use low-emitting fuels or are electric

145
direct full-time jobs supported

1,741
used-commercial vehicle borrowers reached

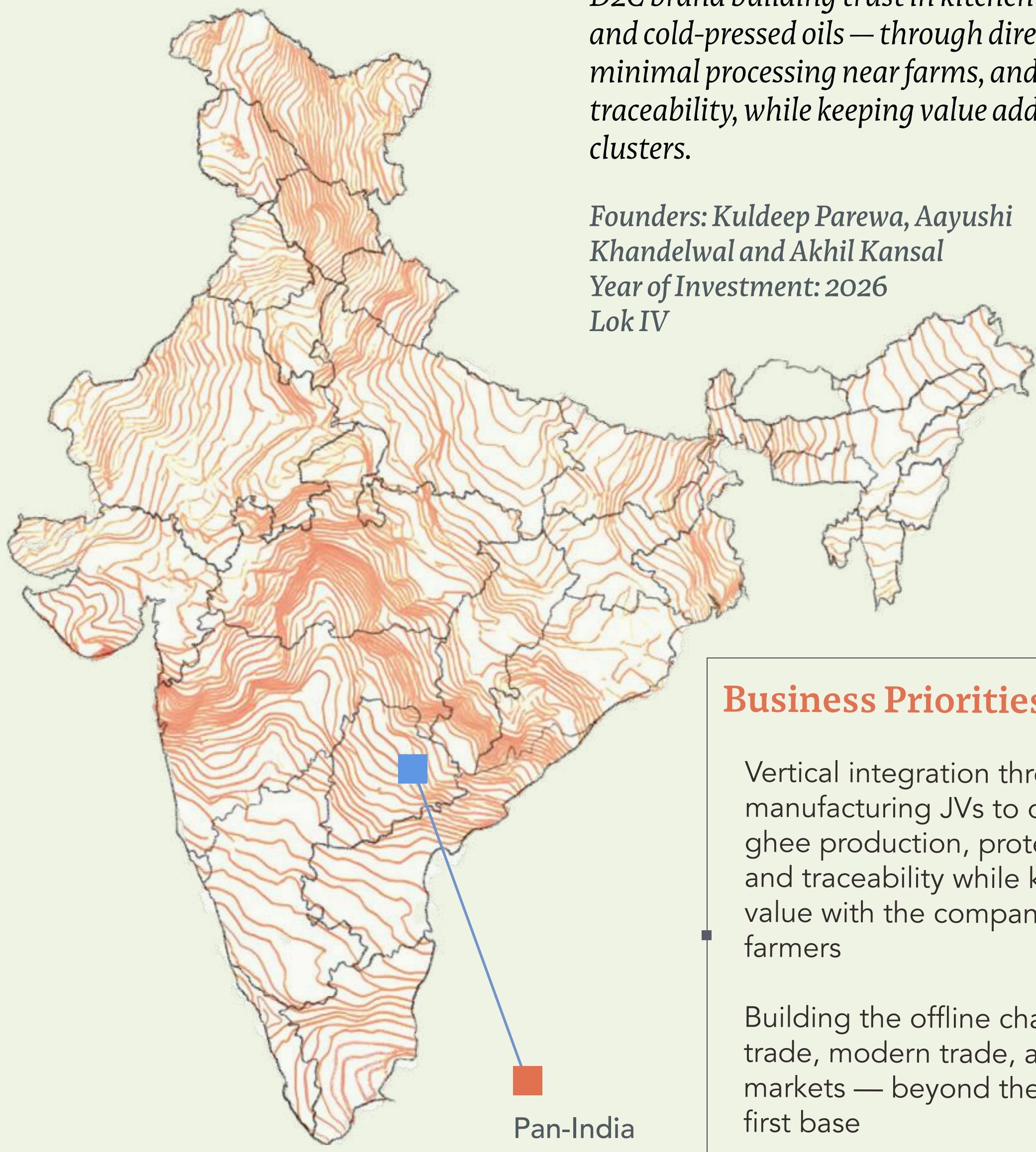
3,049
borrowers reached



anveshan

D2C brand building trust in kitchen staples — ghee and cold-pressed oils — through direct sourcing, minimal processing near farms, and batch-level traceability, while keeping value addition in rural clusters.

Founders: Kuldeep Parewa, Aayushi Khandelwal and Akhil Kansal
Year of Investment: 2026
Lok IV



Pan-India Presence

Business Priorities

Vertical integration through manufacturing JVs to own oil and ghee production, protecting quality and traceability while keeping more value with the company and its farmers

Building the offline channel — general trade, modern trade, and Tier 2/3 markets — beyond the current digital-first base

Deepening farmer sourcing networks to secure supply as volumes scale

Milestones

2.5x revenue growth in FY26

Became India's largest online ghee brand and no.2 in cold-pressed oils, holding ~25% of the online premium ghee market

Closed INR 1.5 billion round in FY27

16+
micro-processing units supported across rural India

7000+
farmers supported across the value chain

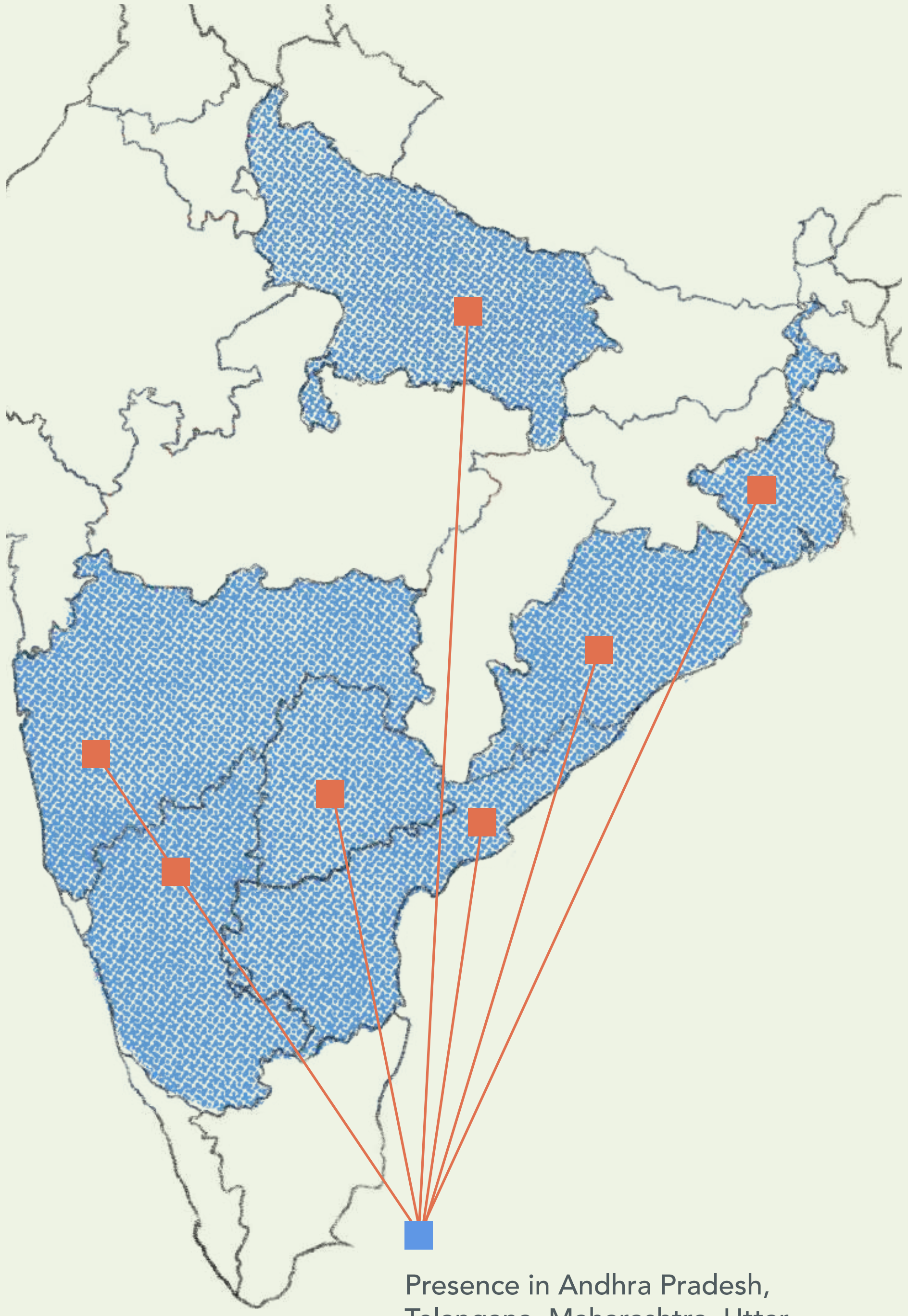
~30%
women employees at rural micro-processing units

300+
direct rural jobs created

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
Lok IV



Business Priorities

Scaling non-agri verticals including logistics

Increase productivity of sales staff for better business performance

Continued partnership for local preventative healthcare use-cases

Milestones

119% increase in revenue year-on-year

Improved EBITDA margins

373 *individuals upskilled and certified as drone pilots with* **15%** *women*

123 *direct full-time jobs supported*

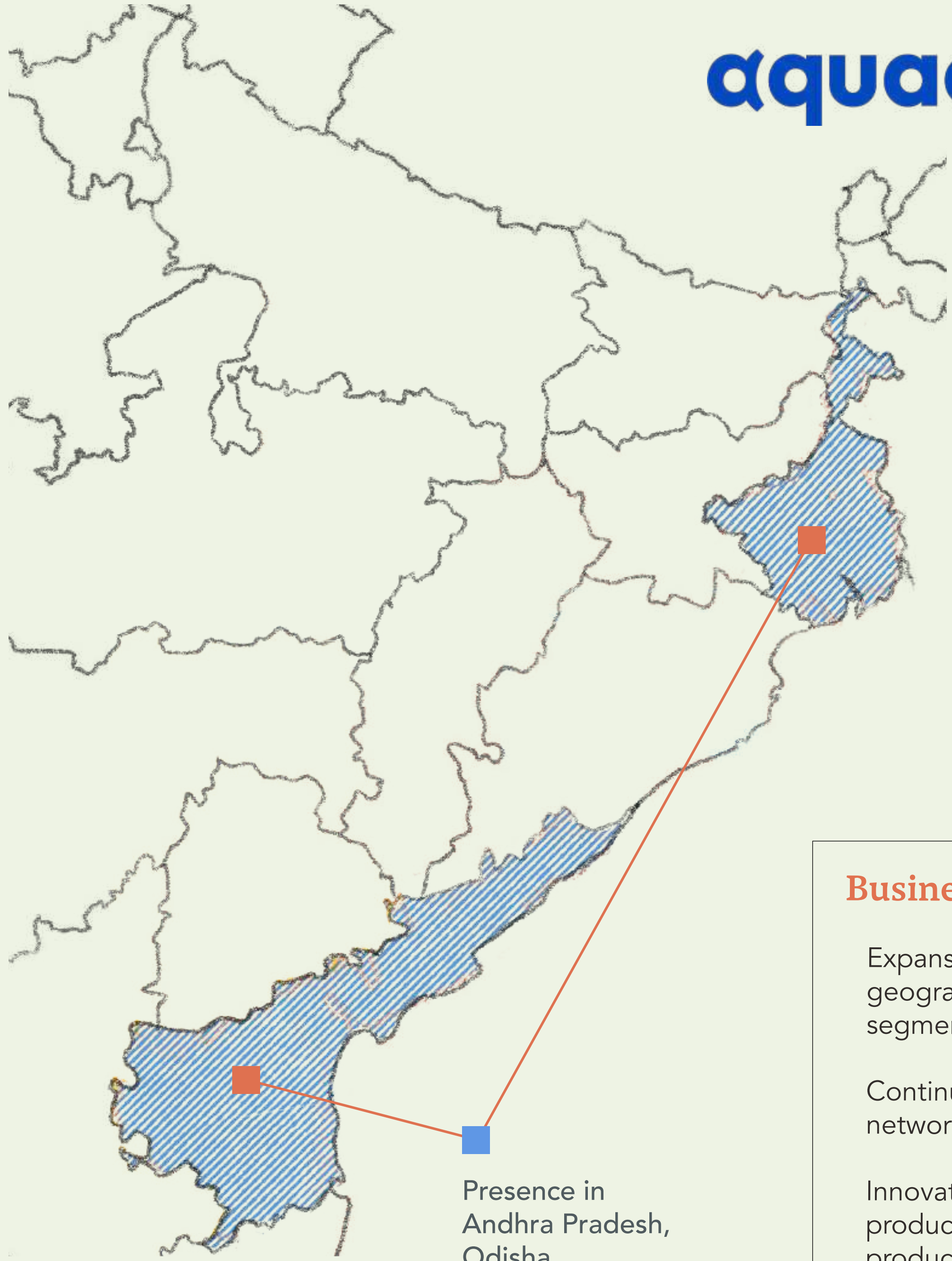
1,087 *acres of land served with agricultural drones*

110% *increase in the number of drones sold*

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.

Founders: Rajamanohar Somasundaram
Year of Investment: 2023
Lok IV



Business Priorities

Expansion into new geographies for the output segment

Continuous increase in retailer network

Innovation for shrimp healthcare products for enhanced farmer productivity

Milestones

Internal audit function formalised on a quarterly basis from FY26

Onboarded a Big Five statutory auditor commensurate with institutional maturity

8,908 *small-holder farmers reached*

36 *farmer training camps organised on sustainable aquaculture practices*

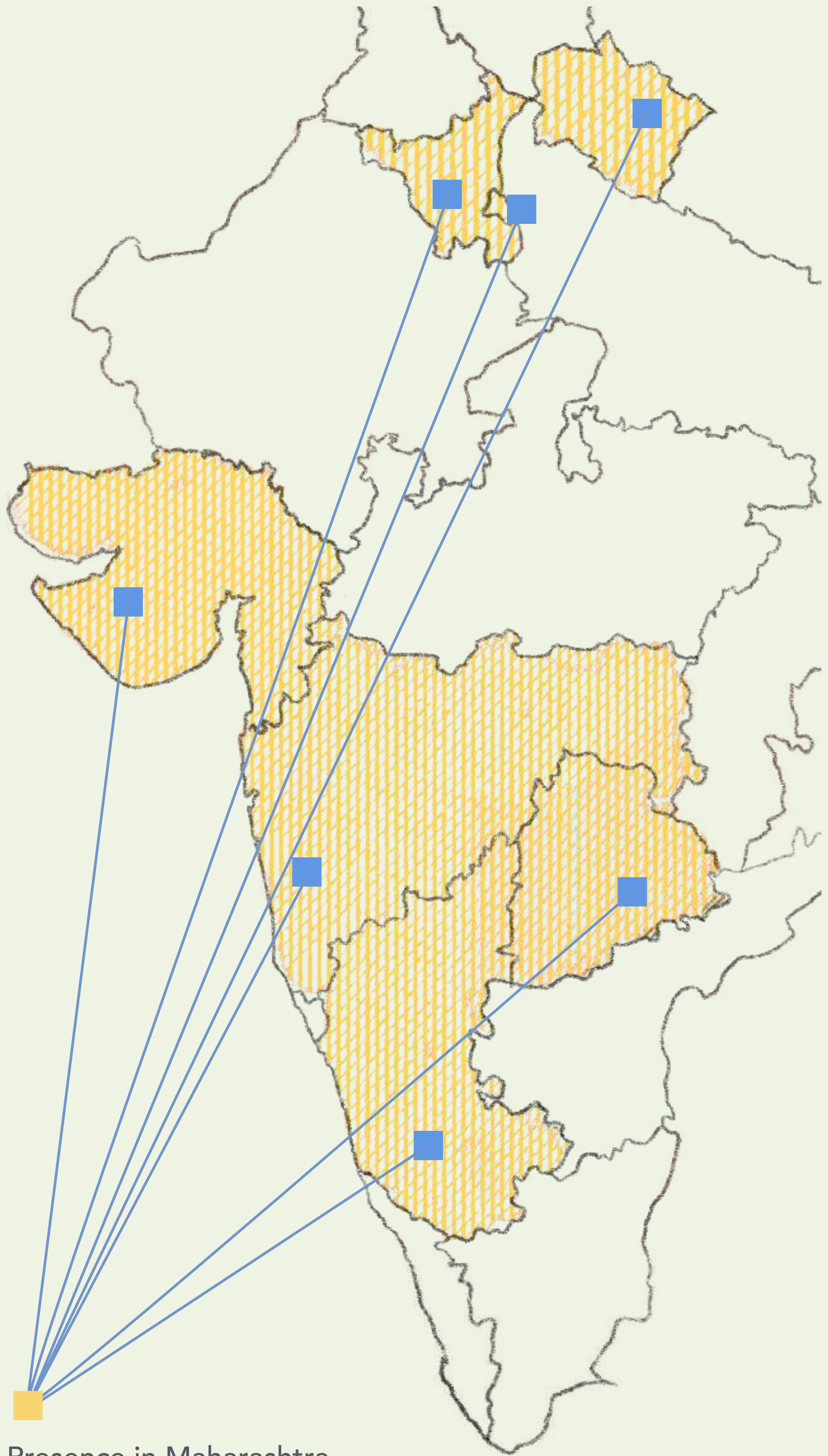
1,762 *farmers trained to promote women integration in the value chain*

130 *direct full-time jobs supported*

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
Lok IV



Presence in Maharashtra, Karnataka, Delhi, Uttarakhand, Haryana, Gujarat, Telangana

Business Priorities

Partnering with Tier 1 OEMs

Continued R&D and innovation for strengthening offerings for the eBUS segment

Launch of Series B fundraise

Milestones

4x growth in revenue year-on-year

Secured pilots with Tier 1 OEMs

147
direct full-time jobs supported

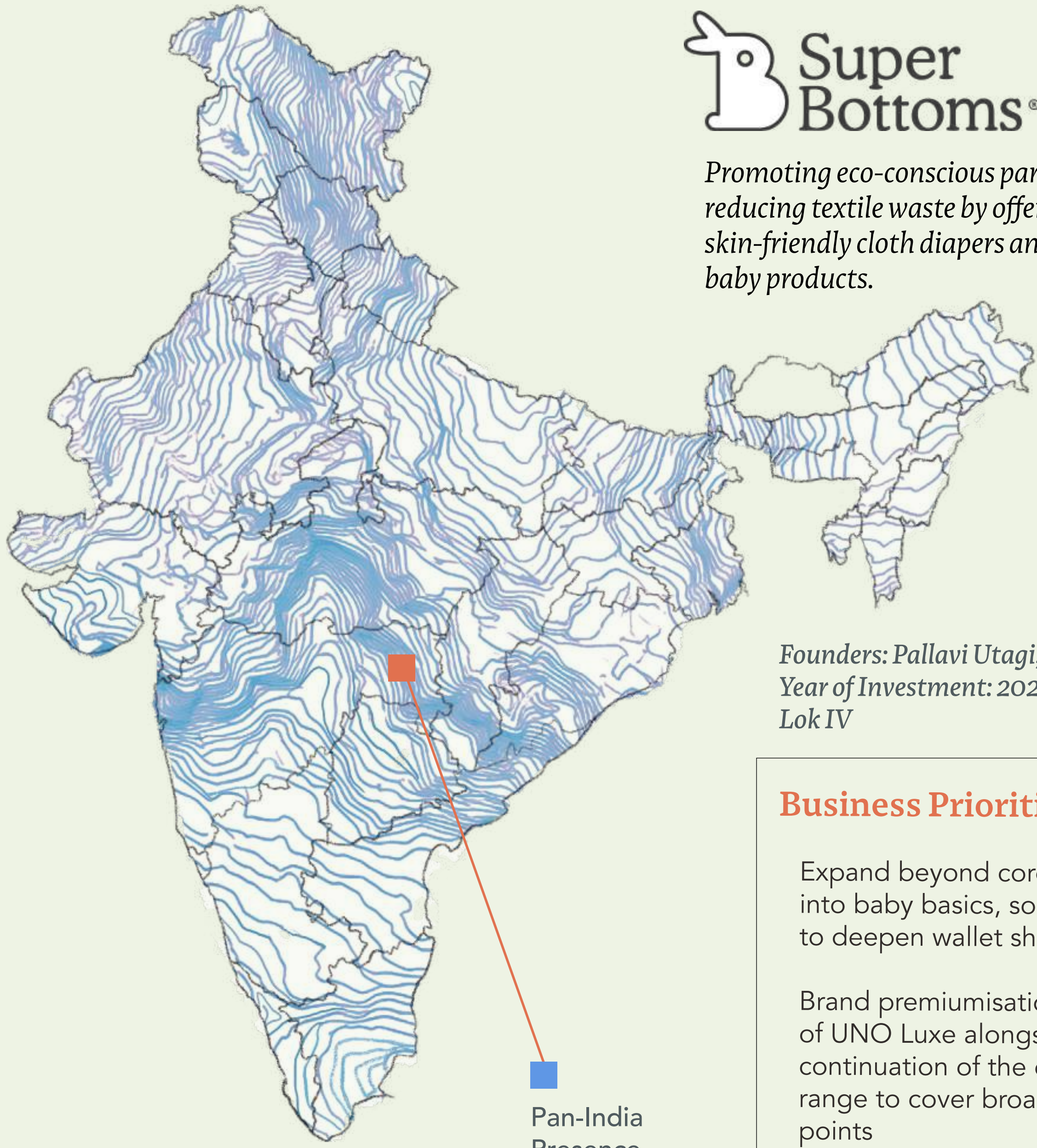
58
MSMEs reached in the EV value chain

2,460
tCO2e of manufacturing emissions avoided

120%
year-on-year increase in number of battery packs sold

Super Bottoms®

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



Pan-India Presence

Founders: Pallavi Utagi, Salil Utagi
Year of Investment: 2023
Lok IV

Business Priorities

Expand beyond core diapers into baby basics, socks & bags to deepen wallet share

Brand premiumisation: launch of UNO Luxe alongside continuation of the economy range to cover broader price points

Milestones

50% women directors on the board

A total of 1 billion plastic diapers avoided since inception

58,710
tCO2e emissions avoided

163.7 million
plastic diapers replaced

52%
women employees

141
direct full-time jobs supported

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TEAM ON FIELD | *4 out of 5*

Achin Singh
Analyst, Investments

The field visit to an EV trucking company was a first for me, so I was excited. I wasn't sure what to expect when I climbed into a 55-tonne EV truck, but the cabin completely took me by surprise.

It was incredibly cozy, with soft seats, a spacious cabin, cool AC (maybe even better than my office's AC), and the driver's upbeat playlist kept us energized throughout the ride. Piyush and I didn't want to get out.

The experience became even more memorable when we interacted with the driver. It was fascinating to see how attached drivers are to their trucks. It is practically their home.

They spend most of the day driving and catch up on sleep whenever they can, often during loading and unloading breaks.

As we spoke with one of the drivers, we realised just how much they miss being with their families.

It was encouraging to see that the company had recognised this as well. They introduced a policy allowing drivers with more than 12 months of service to take 15 days of paid leave to spend time at home, a small but meaningful initiative that acknowledges the realities of life on the road.

TEAM ON FIELD | *5 out of 5*

Meghana Sathish
Analyst, Investments

When I first thought about a career in private equity, I pictured boardrooms, deal memos, and pitch decks. I did not picture myself walking through a poultry farm in North India, talking to farm operators about feed conversion ratios and flock mortality rates. But that is exactly where this job took me.

There is something humbling about staring at numbers on a screen at your desk one day and standing in the middle of a live operation the next, seeing firsthand what those numbers represent.

Watching a worker manage thousands of birds, timing the light cycles that stimulate laying, checking that eggs are collected before the morning heat, makes the 'feed cost' line item in a model feel like something else entirely.

Talking to the people running these farms, many of whom had partnered with the company precisely because they needed support managing offtake, working capital and assured vet services to manage heat stress they could not handle on their own, made the impact thesis tangible in a way no document ever could.

And then there were the small, unplanned moments that stay with you just as much. The promoter took us out for lunch, and we sat down to parathas, chole, and lassi that tasted like nothing I had had before, simple, generous, and completely unforgettable.

It is funny how a meal like that can end up being just as memorable as the farm visit itself.

Field visits have made the work feel real in a way I did not expect when I started out. Behind every site visit and every conversation is a livelihood, and a small reminder that the best parts of this job are often the ones you cannot put in a spreadsheet.

If you're an entrepreneur, an investor, or interested in the work that we do, we're happy to chat and learn more about how we could collaborate.

Drop us a line at contact@lokcapital.com

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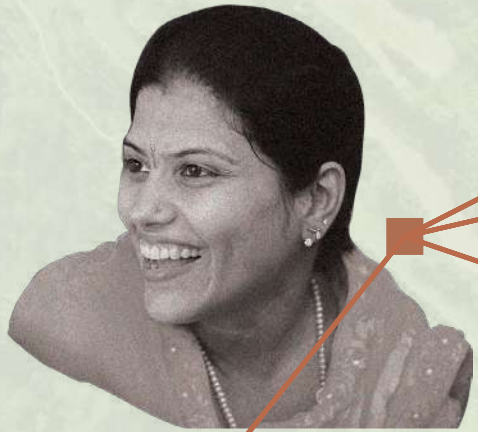

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