November 02, 2026

NeoGrowth Credit Private Limited: Update on material event

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating outstanding	Financial sector regulator#
NCD	785.20	785.20	[ICRA]BBB (Negative)	SEBI
NCD	120.00	120.00	[ICRA]BBB (Negative)	MCA
Long-term fund-based bank lines	379.77	379.77	[ICRA]BBB (Negative)	RBI
Commercial paper programme	100.00	100.00	[ICRA]A3+	RBI
Total	**1,384.97**	**1,384.97**		

**Instrument details are provided in Annexure I*

 # SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI

Rationale

NeoGrowth Credit Private Limited (NeoGrowth), vide its stock exchange filing dated October 29, 2026 and email dated October 30, 2026, has intimated that the scheduled monthly interest payment aggregating Rs. 84,37,495 towards the non-convertible debenture (NCD) bearing ISIN INE814O07634 could not be remitted to two investors because of the unavailability of their correct bank account details or closure of their bank accounts. However, ICRA notes that the entire unpaid amount was credited to a separate escrow account maintained with a scheduled commercial bank before the due date, i.e. October 30, 2026.

NeoGrowth had sufficient liquidity in the form of cash and bank balances and mutual fund investments of ~Rs. 100 crore as on October 27, 2026, ~Rs. 118 crore as on October 28, 2026 and ~Rs. 109 crore as on October 29, 2026[1]. The inability to make the payment to the investors concerned does not reflect a lack of ability or willingness to service its debt obligations. The payment could not be made due to reasons beyond NeoGrowth's control as it could not gather the correct account details of the investors concerned or their bank accounts had closed despite making repeated efforts to approach them independently and through the Registrar and Transfer Agent (RTA).

Given that the company's fundamental credit profile remains intact and the unpaid amount had been transferred to a separate escrow account on the due date itself, its ratings remain unchanged, in accordance with ICRA's Policy on Default Recognition.

The table below includes the details of the instruments concerned:

Name of security	ISIN	Total amount to be paid (Rs. lakh)	Due date of payment	Amount of payment made (Rs. lakh)	Amount of payment failed (Rs. lakh)	Reasons for failure of payment	Date when the amount corresponding to the failed payment was transferred to a separate escrow account
NCD	**INE814O07634**	84.37	October 30, 2026	84.29	0.08	Incorrect/closed account numbers	October 30, 2026*

[1] Including undrawn bank limits, the company had sufficient liquidity of ~Rs. 156 crore as on October 27, 2026, ~Rs. 174 crore as on October 28, 2026 and ~Rs. 165 crore as on October 29, 2026

** As per the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-3/P/CIR/2024/160 dated November 18, 2024, Rs. 0.08 lakh has been deposited in an escrow account designated for coupon payments*

Please refer to the following link for the previous detailed rationale that captures the key rating drivers and their description, liquidity position, and rating sensitivities: Click here

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Non-banking finance companies (NBFCs) Policy on default recognition
Parent/Group support	Not applicable
Consolidation/Standalone	Standalone

About the company

NeoGrowth Credit Private Limited, which commenced operations in FY2013, is a non-deposit taking systemically important non-banking financial company (NBFC) providing loans to small and medium-sized enterprises (SMEs). It was founded by Mr. Dhruv Khaitan and Mr. Piyush Khaitan, and its investors include ON Mauritius, Aspada Investment Advisors, Khosla Impact Fund, Frontier Investments Group (Accion), Trinity Inclusion Ltd. (Leapfrog), Mr. Arun Nayyar {Managing Director (MD) & Chief Executive Officer (CEO)}, 360 ONE Seed Ventures Fund, Plentitude Ventures Ltd and FMO (the Dutch entrepreneurial development bank). Before setting up NeoGrowth, the founders had established and managed Venture Infotek, which provided end-to-end card payment processing solutions to banks that issue credit cards and with whom merchants have point of sales terminals.

Key financial indicators

NeoGrowth Credit Private Limited	FY2025	FY2026	Q1 FY2027*
As per	**Ind-AS**	**Ind-AS**	**Ind-AS**
Total income	750	591	132
Profit after tax	9	(72)	(4)
Total managed assets (grossed up for provisions)	3,112	2,537	2,283
Return on average managed assets	0.3%	(2.6%)	(0.6%)
Managed gearing (times)	3.3	2.9	2.7
Gross stage 3 assets	6.8%	5.8%	5.3%
CRAR	29.1%	29.0%	28.3%

*Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. Crore; *Provisional numbers*

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current (FY2027)			Chronology of rating history for the past 3 years					
				FY2026		FY2025		FY2024	
	Type	Amount rated (Rs. crore)	Nov 02, 2026	Date	Rating	Date	Rating	Date	Rating
Commercial paper	Short term	100.00	[ICRA]A3+	Sep 02, 2025	[ICRA]A2	Dec 30, 2024	[ICRA]A2	Feb 15, 2024	[ICRA]A2
				Nov 17, 2025	[ICRA]A3+	May 08, 2024	[ICRA]A2	-	-
						Aug 09, 2024	[ICRA]A2		
NCD programme	Long term	905.20	[ICRA]BBB (Negative)	Sep 02, 2025	[ICRA]BBB+ (Negative)	Dec 30, 2024	[ICRA]BBB+ (Stable)	Jun 21, 2023	[ICRA]BBB (Stable)
				Nov 17, 2025	[ICRA]BBB (Negative)	May 08, 2024	[ICRA]BBB+ (Stable)	Feb 15, 2024	[ICRA]BBB+ (Stable)
						Aug 09, 2024	[ICRA]BBB+ (Stable)		
Long-term others – Fund based	Long term	379.77	[ICRA]BBB (Negative)	Sep 02, 2025	[ICRA]BBB+ (Negative)	Dec 30, 2024	[ICRA]BBB+ (Stable)	Jun 21, 2023	[ICRA]BBB (Stable)
				Nov 17, 2025	[ICRA]BBB (Negative)	May 08, 2024	[ICRA]BBB+ (Stable)	Feb 15, 2024	[ICRA]BBB+ (Stable)
						Aug 09, 2024	[ICRA]BBB+ (Stable)		

Complexity level of the rated instruments

Instrument	Complexity indicator
NCD	Simple
Long-term fund-based bank lines	Simple
Commercial paper programme	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click here

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook	Financial sector regulator#
INE814O07360^	**NCD**	Jul-19-2022	12.90%	Jul-19-2026	80.00	[ICRA]BBB (Negative)	MCA
INE814O07394^		Feb-28-2023	13.80%	Feb-28-2026	25.00	[ICRA]BBB (Negative)	MCA
INE814O07436^		Jun-28-2023	12.00%	Jun-07-2026	15.00	[ICRA]BBB (Negative)	MCA
INE814O07493^		Feb-27-2024	11.75%	Feb-27-2026	65.00	[ICRA]BBB (Negative)	SEBI
INE814O07519^		May-24-2024	12.00%	May-23-2026	24.90	[ICRA]BBB (Negative)	SEBI
INE814O07527^		Jun-07-2024	11.75%	Mar-07-2026	24.00	[ICRA]BBB (Negative)	SEBI
INE814O07535		Jun-27-2024	12.15%	Jun-27-2029	93.76	[ICRA]BBB (Negative)	SEBI
INE814O07543		Aug-21-2024	11.70%	Aug-21-2027	100.00	[ICRA]BBB (Negative)	SEBI
INE814O07550		Nov-29-2024	11.70%	Nov-29-2026	42.00	[ICRA]BBB (Negative)	SEBI
INE814O07568^		Jun-06-2025	11.50%	Jul-07-2026	60.00	[ICRA]BBB (Negative)	SEBI
INE814O07576		Sep-30-2025	11.75%	Mar-13-2027	35.00	[ICRA]BBB (Negative)	SEBI
Not yet placed		-	-	-	340.54	[ICRA]BBB (Negative)	SEBI
Not yet placed	**Commercial paper programme**	-	-	7-365 days	100.00	[ICRA]A3+	RBI
NA	**Long-term fund-based bank lines**	-	-	-	379.77	[ICRA]BBB (Negative)	RBI

Source: Company; ^NCD has matured but NOC is awaited for withdrawal

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Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis

Not applicable

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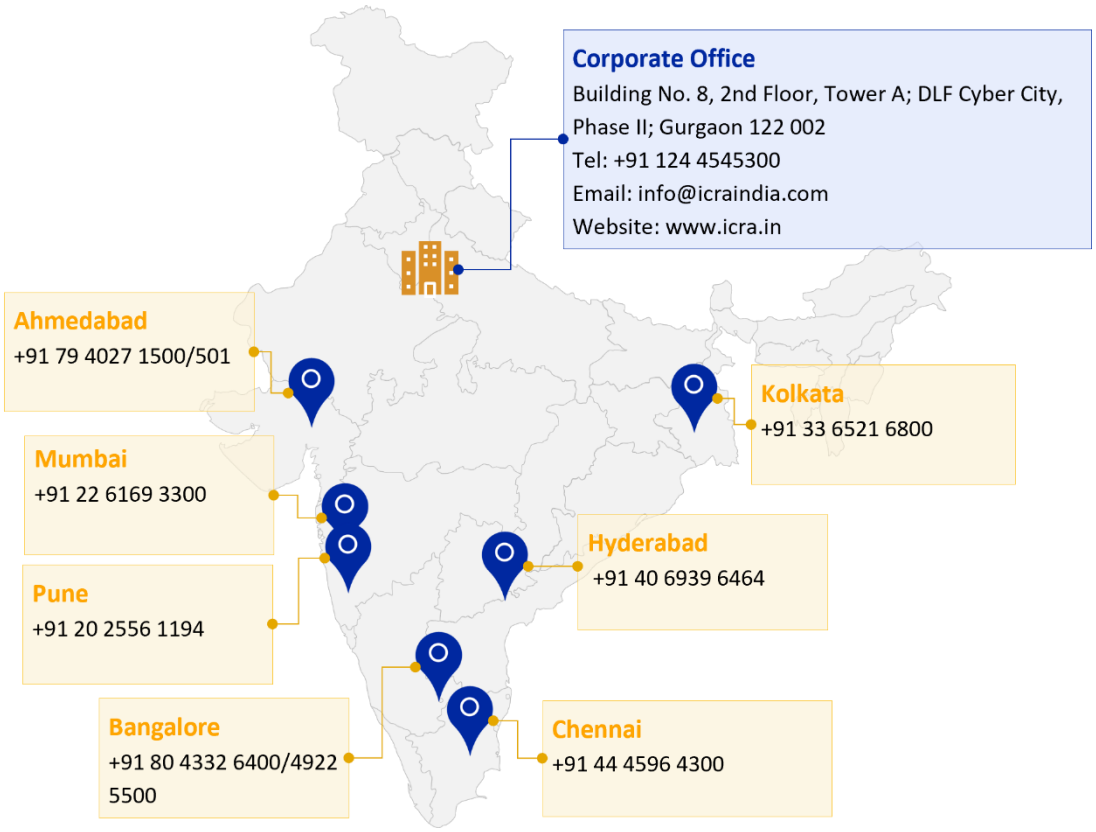
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