



Do Good.

Neo Special Credit Opportunities Fund II

Executive Summary

1

Special Situations credit in India

- India's private credit market is expected to create an **INR 2,00,000 Cr** annual opportunity by 2027
- Well suited for investors looking for **higher yield debt alternatives with safety and regular coupons**

2

Fastest growing India alternative asset manager

- One of the fastest growing alternative fund managers in India with ~ **INR 9500 Cr AUM**
- Supported by global institutional investors such as **MUFG, Peak XV** (erstwhile Sequoia Capital Asia) and **Euclidean** as equity investors at Group level.

3

Large and experienced team

- **26 investment** professionals with a cumulative experience of **250+ years**
- Founding team has extensive experience of cumulatively managing more than **2,00,000 crores AUM**

4

Investment track record

- Neo Special credit Fund I Closed at **INR 2272 Cr** | Fund tracking INR gross **IRR of 23%**
- **~80% fund deployed** across **12** sectors in 18 months | **19** investments | **3** exits | **450** deals evaluated|
- Last **5** distributions | Average quarterly payouts of **4.5%**

Neo Group & Neo Asset Management

About Us

Neo at a Glance



Oct 2021

Founded



40,000 Cr

**Assets under
Advisory**

For 75+ families in India



~9500 Cr

**Assets under
Management**

Across 2 asset classes | 1500+ clients



400+

Employees



1800 Cr

Net Worth



PAT+

In FY24

Partnership with High Quality Institutions



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(Mitsubishi UFJ Financial Group, Japan)



(formerly Sequoia India, SEA)



EUCLIDEAN CAPITAL

(USA based family office)

Our partnerships are a transformational milestone, underscoring our commitment to maximizing client outcomes, and creating a dominant Wealth and Asset Management franchise.

Our Aim

To build India's preferred alternatives focused **Asset Management Platform**

~9500 cr

AUM

(1500+ diversified Indian Family offices & HNIs with recurring relationships)

2

Asset classes

(Complimentary strategies covering credit & real assets)

46

Team members

(26 investment professionals)

250+

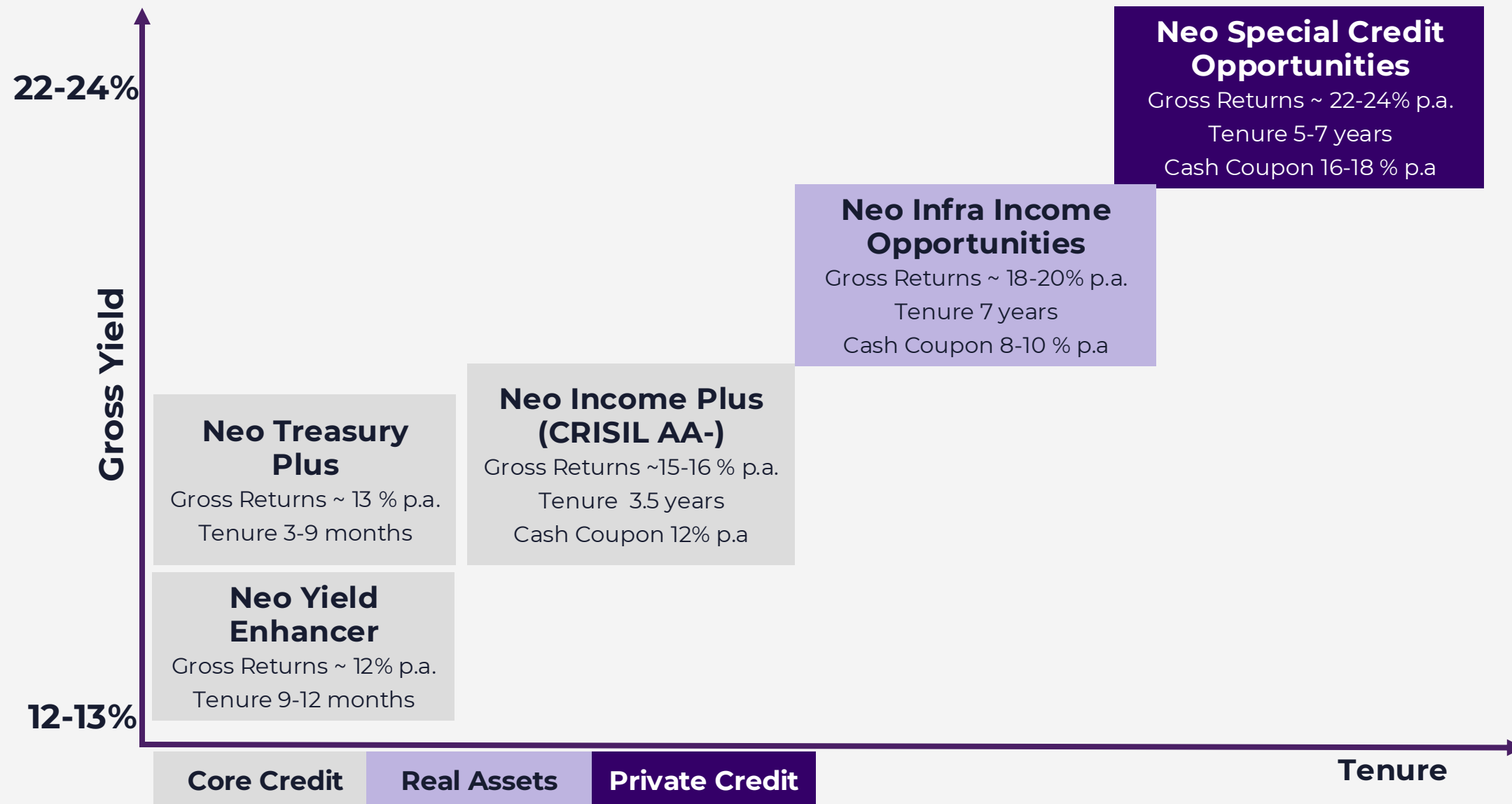
Years of experience

(In India's alternative asset classes)

The Neo Alternative Yield Curve



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Founding Team



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Each of Our Senior Leaders has scaled-up Businesses, significant Capital and Large Teams for Decades



NITIN JAIN

MD & Chairman
Neo Group

Former CEO, PAG -
Edelweiss Wealth Management

Industry Experience: 23 years

IIT Kharagpur, IIM Calcutta

Global Indian of the Year
2021 – Asia One



HEMANT DAGA

CEO
Neo Asset Management

Former CEO, Edelweiss Asset
Management

Industry Experience: 22 years

St. Xavier's, IIM Bangalore



PUNEET JAIN

CIO
Neo Asset Management

Former Goldman Sachs
Former Kotak Inst. Equities

Industry Experience: 22 years

IIT Kanpur, IIM Ahmedabad

Private Debt Turnaround
Titan 2019- PDI



VARUN BAJPAI

CEO
Neo Wealth Management

Former Country Head, Macquarie
India

Industry Experience: 27 years

BIT Mesra, IIM Calcutta



A SRIKANTH

Strategic Advisor
Neo Group

Former CEO, Motilal Wealth
Former CEO, Bridge Monte Advisors

Industry Experience: 27 years

ICFAI Business School

Cumulative assets worth INR 2,00,000 crores managed by the founding team

Key Investment Members



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Puneet Jain

Co-founder, CIO

Special Situations | Equities

IIM Ahmedabad | IIT Kanpur



22+

Year of
experience

~6000 Cr+

Invested in >20
companies

24*%

IRR track record

“Titans of Turnarounds” – Featured by Private Debt
Investor in Top 8 turnaround specialists in 2019*

Key Deals

~1250 Cr Secondary buyout to one of India's largest paper manufacturer

~1000+Cr debt buy out for one of India's largest integrated steel manufacturer

~600 Cr primary financing for one of India's large real estate developer

~170 Cr purchase of security receipts in a leading IMFL manufacture

Source* : <https://www.privatebtinvestor.com/the-titans-of-turnarounds/>



Rubin Chheda

Managing Director

Special Situations | Direct Lending

University of Illinois | CPA



21+

Year of
experience

~4000 Cr+

Invested in 30
companies

17*%

IRR track record

Led private credit funds (performing & special situations)
for CDPQ Piramal and True North

Key Deals

~630 Cr Holdco- mezzanine in a large ports logistics company

~265 Cr OpCo. Senior loan in a large auto components company

~215 Cr senior secured refinancing for large food processing company

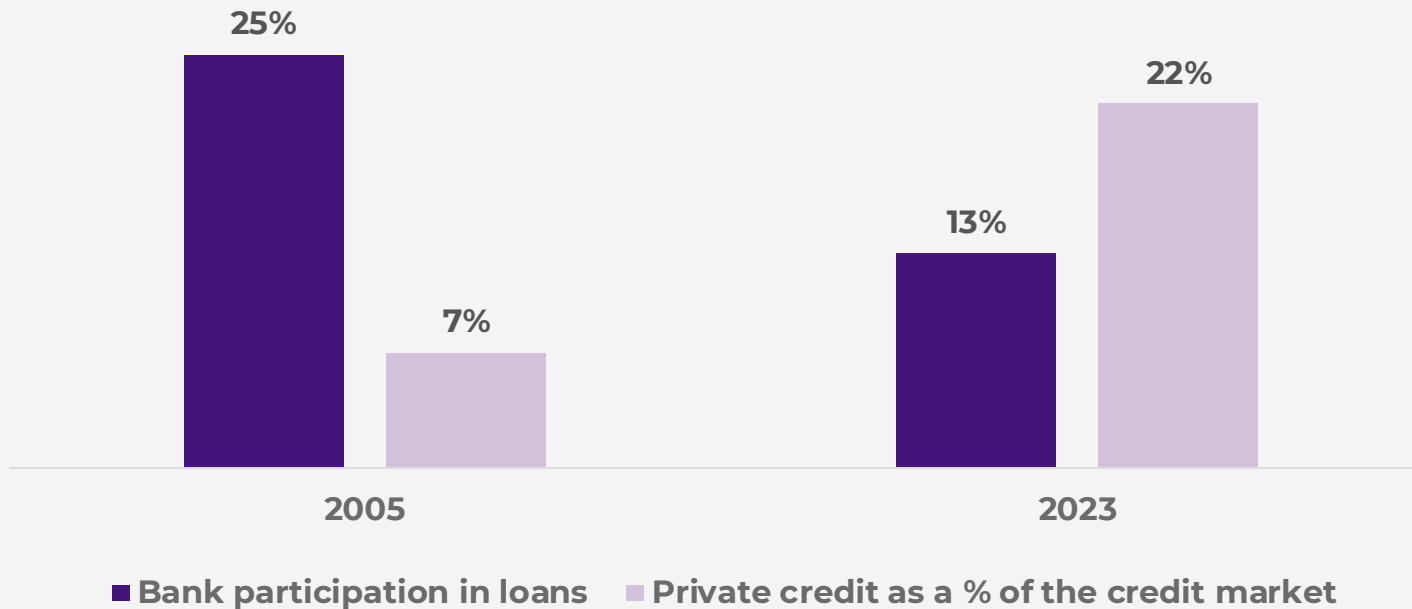
~280 Cr refinancing for large paper manufacturer

~440 Cr TopCo financing for private equity exit in financial services

Private Credit is a Multi Decade Investment Opportunity

Private Credit is a large global opportunity...

Rise of Private Credit



Blackstone Private Credit Platform
\$440 Billion

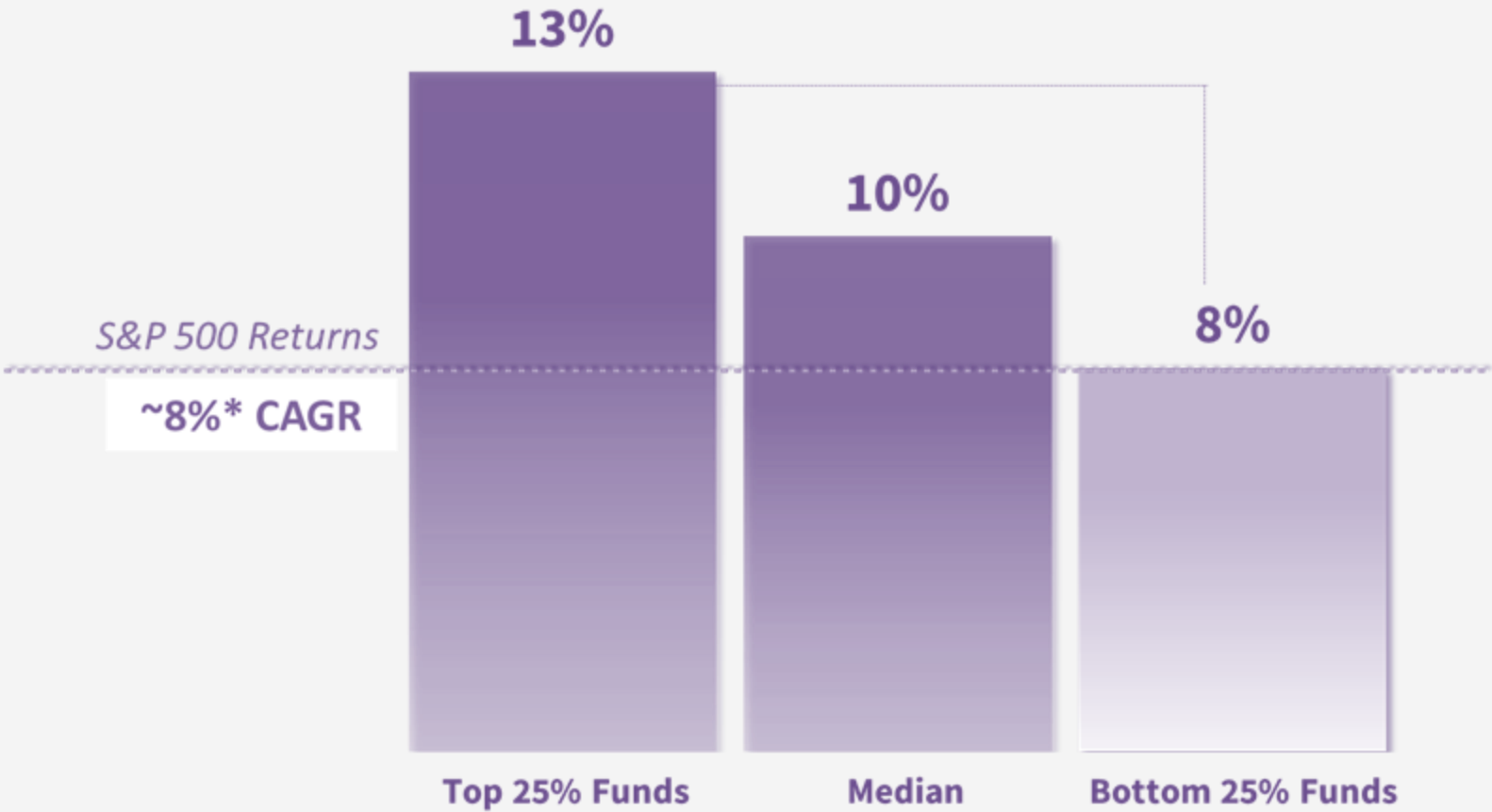
Oaktree Special Opportunities Fund
\$135 billion

Blackrock Private Credit Fund
\$145 billion

Global Private Credit Funds attract long-term institutional investors seeking income and capital appreciation through secure investments with enhanced risk controls.

And has delivered resilient returns over last many years

Global Fund performance- Private Credit (Net \$ IRR)



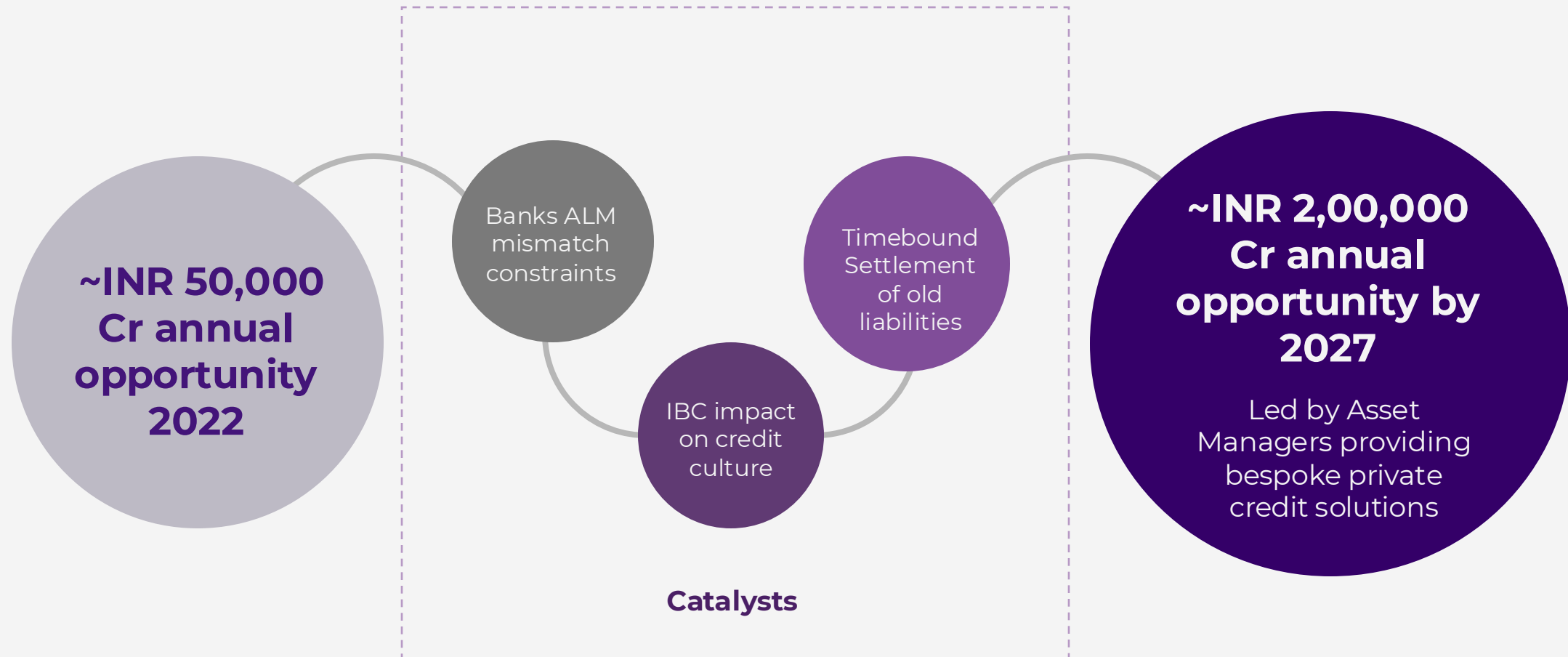
Methodology: IRR spreads calculated for funds within vintage years separately and then averaged out. Median IRR was calculated by taking the average of the median IRR for funds within each vintage year.
Source: Burgiss

...Providing a Multi Decade Opportunity in India



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Retail Credit is largely driven by banks and NBFCs , Bond markets provide credit to AAA/AA rated companies. Structured long term bespoke credit to companies is the domain of Private Credit



What is Special Situations Credit ?

Lending to businesses in a special situation

1

**Acquisition
Financing**

2

**One Time
Settlement/
Refinancing**

3

**Last Mile
Financing**

4

**Loan
Against
Shares**

5

**Exit to
Private
Equity**

6

**Stake
Enhancement**

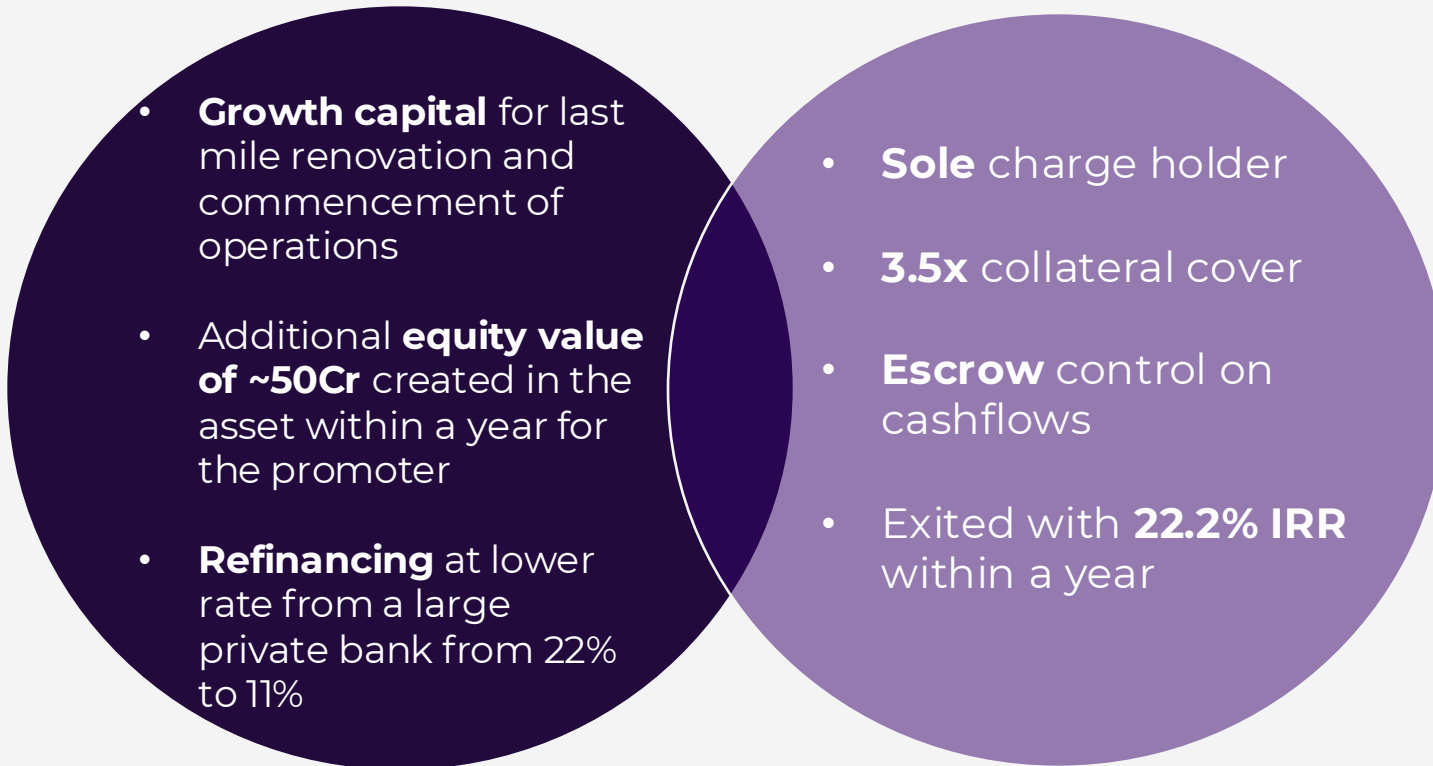
Massive Investment opportunity of INR 200,000 Cr+

Creating a Win-Win for the borrower and lender



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Investment in a 5 Star hotel in Tier-I city



“Working with NSCOF was an excellent experience. They played a key role in helping us create a strong value proposition and unlock significant equity value. Thanks to their timely capital infusion, we were able to secure long-term, low-cost funding from a leading bank within just one year . This partnership was undoubtedly a win-win for our business.”

- CMD, 5 star hotel in Tier-I city

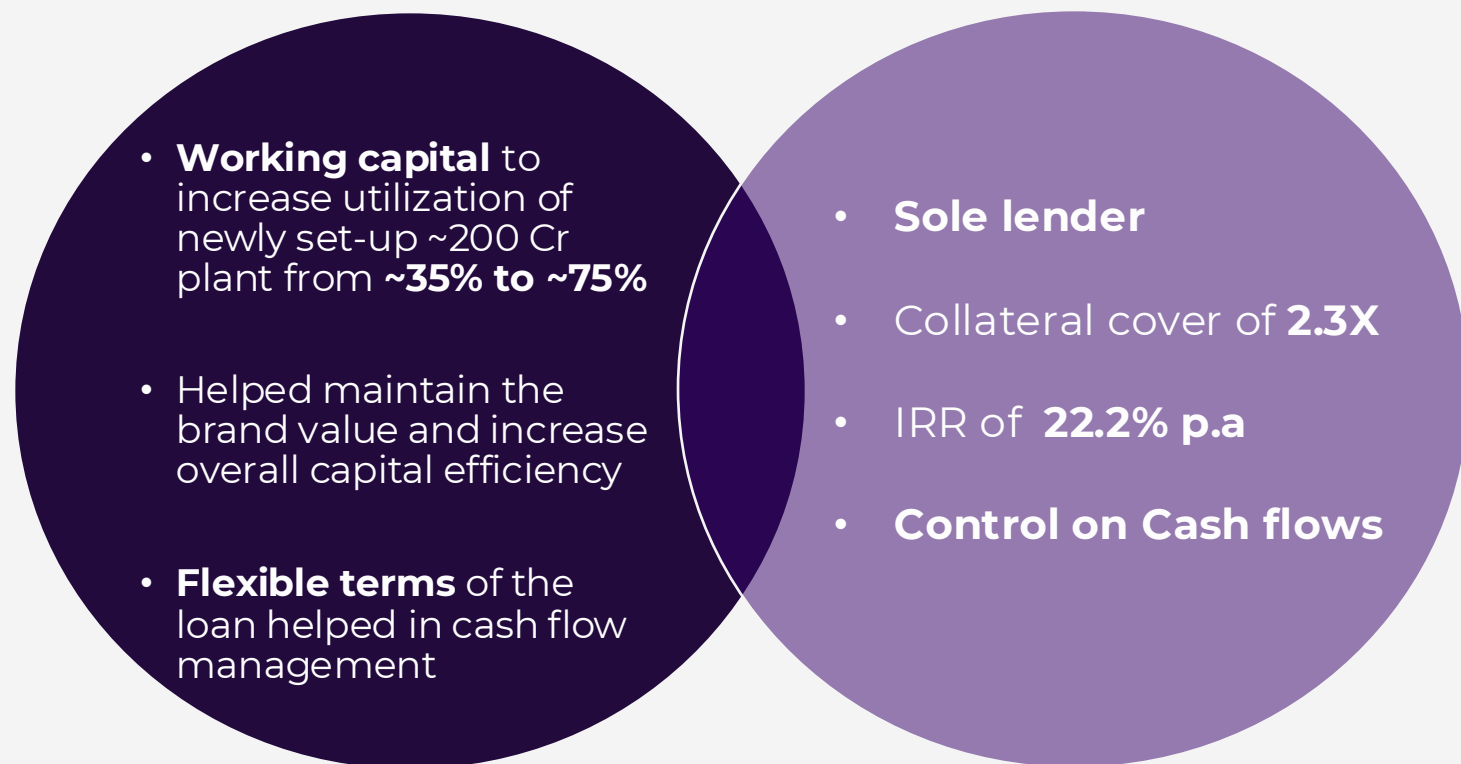
■ Borrower
■ NSCOF-I

Creating a Win-Win for the borrower and lender



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Investment in Plywood and Laminates



“We’re delighted to partner with NSCOF . The funding provided has enabled us to unlock the full potential of our capital expenditure, which had previously been underutilized due to a lack of working capital. As a leading player in our region, this support has helped us maintain our brand reputation and fulfil large order demands efficiently.”

- CMD, Plywood and Laminates company

■ Borrower
■ NSCOF-I

and superior risk adjusted returns with safety for investors



Investment in **EBITDA +ve** companies only



Min 2X collateral cover – typically hard assets such as plant and machinery



Regular coupon payouts



Escrow Control over cash flows and **a sole/senior lender position**



Provides significant asset class **diversification**

Generating risk adjusted returns of
~22-24% p.a.

The Neo Way of Doing Special Situations Credit

Our Investment Philosophy

Credit opportunities in cash flow generating, collateral backed companies in well-established industries

01

EBITDA +
companies

02

Minimum 2X
collateral

03

<4:1
Debt / EBITDA

04

Traditional
industries

05

**Senior / sole
lender**

**Counterparty with
credible repayment
history**

Neo way of doing things – How we evaluate



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Investment thesis



Is my money creating absolute value for the borrower? “Is there a win-win”



Safety



Regular principal and coupon payouts; ensure no principal loss



Borrowers behaviour



Alignment with the borrower/ repayment track record



Industry Feedback



Consideration of the feedback received from Industry



Investment Principle



Don't Invest in businesses which can have a binary outcome

Backed by strong Due Diligence process



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FINANCIAL

- Understanding pricing and demand for key products
- Understanding of working capital cycle
- Deep-dive into the financials of the company to check for irregularities
- Outstanding tax liabilities



PROMOTER

- Promoter name check and forensic analysis
- Feedback from vendors and past lenders
- Group borrowings
- Other business interests and inter-linkages



TECHNICAL

- Evaluate the quality of assets, their value, and future productivity
- Replacement cost analysis
- Checking capex requirements
- Checking for breakdowns, if any



LEGAL

- Watertight legal contracts and covenants
- Evaluation of all large contracts
- Going through board resolutions, charge filings and ongoing legal cases

Network used for Due diligence



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Network of advisors and experts

Industry / Functional experts

Advisory Board

Comprising industry, banking & Govt. experts

Institutional third-party service providers

Financial, Legal, Commercial



And emphasis on portfolio monitoring

Focus on building a strong monitoring and enforcement framework from inception of investment period

- 1 Monitor actual utilization of funds
- 2 Account activities will be monitored in accordance with the lending hypothesis and covenants
- 3 Regular assessment and valuation of assets done by independent agencies
- 4 Evaluate and manage potential risks associated with investments or operations
- 5 Regular risk reviews to monitor company performance and stability of cashflows

Neo Special Credit Opportunities Fund- I (NSCOF-I)

Performance Summary- NSCOF-I



Capital Raised & Deployed

~2272 Cr
Funds raised

~1877 Cr
Gross deployed

Investments

450
Deals evaluated

19
deployments

12
sectors

Performance Summary- NSCOF-I



Fund performance

3
Exits

23%
Gross IRR

~663Cr
Cumulative cash collected (Feb 2024)
(1877 Cr Gross deployed)

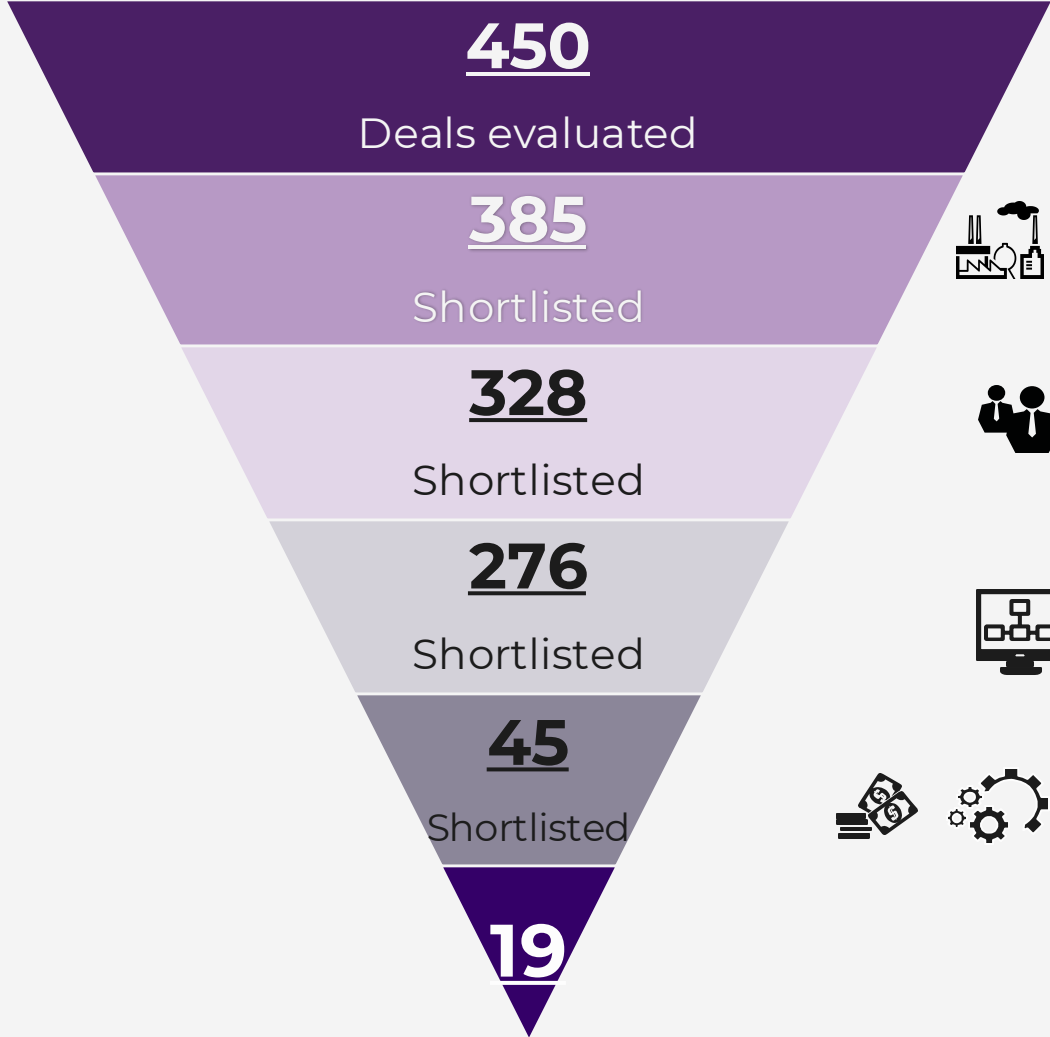
Quarterly Distributions

5
Consecutive distributions

4.5%
Average distribution

~350Cr
Cash Distributed

Extensive Screening to develop a well diversified portfolio



Deal Evaluation	Rationale for dropping deals
Industry analysis	65 deals : real estate and mining
Promoter analysis	57 deals : history of non-co-operation / manufactured default / poor on ground feedback
Structure analysis	52 deals : inefficient tax in a thinly priced deal / unenforceable or poor security / optics issues / potential reputational issues / unclear deal structures
Credit analysis	231 deals: Financial, Technical & Legal analysis
Invested in 19 deals 26 deals in pipeline at various stages	

Summary of NSCOF I Portfolio- (1/2)



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Sno	Industry	Nature of transaction	Self sourced / intermediary	Fund allocation	Debt/ EBITDA	Tracking IRR (INR)	Collateral Cover
1	Infrastructure (Airports)	Sponsor financing	Self-Sourced	77	4x*	19.25%	~2.8x
2	Hospitality	Growth + Refinance	Intermediary	36	3x	22%	~4x
3	Pharmaceuticals	Growth	Intermediary	83	2x	26%	~3x
4	Hospitality Chain	One time settlement	Self-Sourced	62.5	2x	60.2%	~3.5x
5	Infrastructure (Roads)	Securitization	Self-Sourced	125	4x	26%	~2x
6	Ethanol Distillery (tranche I)	One time settlement	Intermediary	65	0.7x	29%	~5x
7	Steel	Growth + Refinance	Self-Sourced	200	4x	21%	~2.4x
8	Ethanol Distillery (tranche II and III)	Growth	Intermediary	103	1x	21%	~9.3x
9	Plywood and Paper	Growth + Refinance	Intermediary	90	4x	22%	~2.3x

19

Deals executed

~1,877 Cr

Total Deployment

3

No. of Exits

~23% p.a

Tracking IRR

Summary of NSCOF I Portfolio- (2/2)



Do Good.

Sno	Industry	Nature of transaction	Self sourced / intermediary	Fund allocation	Debt/ EBITDA	Tracking IRR (INR)	Collateral Cover
10	Hospitality + Paper	One time settlement	Intermediary	150	3.3x	20%	~3.9x
11	School loans securitization	Securitization	Self-Sourced	40	0.35x#	22%	~2.5x
12	Commercial vehicle loans securitization	Securitization	Intermediary	35	0.24x#	21%	~3.7x
13	Financial Services	Refinance	Self-Sourced	170	2.5x*	23%	~2.0x
14	Listed Financial Services	Refinance	Intermediary	165	4.1x*	20%	~2.6x
15	Packaging	Growth	Self-Sourced	120	2.1x	23%	~2.5x
16	Precision manufacturing	Growth + Refinance	Intermediary	74	3.7x	20%	~4.9x
17	Hospitality	Growth + Refinance	Intermediary	88	4x	23%	~2.4x
18	Retail Mortgage Loans	Securitization	Self-Sourced	68.5	0.48#	28%	~3.2x
19	Infrastructure	One time settlement	Intermediary	125	2x	22.2%	~3.2x
				~1877 Cr		~23%	

19

Deals executed

~1,877 Cr

Total Deployment

3

No. of Exits

~23% p.a

Tracking IRR

Case Study 1 – Pharmaceutical Player

Particulars	Description
Cash Flows	Company's has generated ~170 Cr in the last 5 years Turnover of the company is ~INR 500 Cr
Collateral	Two US FDA approved plants and multiple formulation brands. Total value of ~INR 280 Cr
Counter Party	Leading exporter of two key APIs. Repaid INR 332 Cr to lenders in 7 years

Particulars	Description
Strategy	One time settlement
Investment Amount	INR 83 Cr
Security	Land and Building
Exit Options	Operational cashflows; Refinance
Collateral Cover	~3x

~26.4%
IRR

~500 Cr
Revenue

~3x
Debt/ EBITDA

~75 Cr
EBITDA (FY 24)

Case Study 2 – Leading Distillery



Particulars	Description
Cash Flows	Strong cash flows; underlying companies together make ~INR 110 Cr
Collateral	Land, machinery and bottling license
Counter Party	Strong repayment track record. Repaid dues ~INR 225 Cr of previous lenders; sole lender position

Particulars	Description
Strategy	One time settlement
Investment Amount	INR 65 Cr
Security	Land, machinery & bottling license
Exit Options	Exit via cash flows , sale of non-core assets and operations
Collateral Cover	~5x

~28.7%
IRR

~1000 Cr
FY 24 Revenue

0.7x
Debt/ EBITDA

~110 Cr
EBITDA

Case Study 3 – Precision Manufacturing



Particulars	Description
Cash Flows	Operational cashflow generating company with a large non-core real estate asset portfolio
Collateral	assumed given realisable value of assets and pledged shares of the listed entity.
Counter Party	100-year old company with deep expertise in Defence sector Good repayment track record

Particulars	Description
Strategy	Refinance+ Growth
Investment Amount	INR 74 Cr
Security	Fixed assets, personal guarantee of promoters, pledge for 1.05 Cr shares
Tenure	4 years with put option at end of 3 years
Exit Options	Exit via cash flows , sale of non-core assets and operations
Collateral Cover	~4.9x

~20%
IRR

~430 Crore
Revenue

3.7x
Debt/ EBITDA

~60Cr
Operating EBITDA

Case Study 4 – Leading Infra Player

Particulars	Description
Cash Flows	~ 44% of Investment amount expected in 18 months of investment
Collateral	listed shares of key list-co with market cap of ~ INR 25,000 Cr
Counter Party	Promoter had assets of ~INR 19000 Cr against debt of ~INR 4,500 Cr

Particulars	Description
Strategy	Loan against shares
Investment Amount	INR 77 Cr
Security	Pledge Listed Shares
Collateral Cover	4x
Exit Options	Exit via cash flows , sale of non-core assets and operations

~19%
IRR

~14,500 Crore
Promoter NAV

~4x
Assets/ Debt

~3500 Cr
Group Co. EBITDA

Presenting Neo Special Credit Opportunities Fund- II(NSCOF-II)

Investment Thesis

Credit opportunities in cash flow generating, collateral backed companies in well established industries

Fund Size
INR 5000 Cr

Secured
100%

Investments
25 – 30 deals
Deal size
~120-300 Cr

Target returns
22-24%

Guiding Principles



Sector & thematic
diversification



IC Consensus
for investments



Cash flow
generating
businesses



Minimum 2X
collateral

NSCOF II - Strong Pipeline of opportunities



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Sectors / Industries in focus



Manufacturing



Hospitality



Asset Heavy industries

#	Industry	Type	Deal size (Cr)	Expected ~ Gross IRR
1	Paper	Growth + Refinance	~345	21%
2	Pharmaceutical	Refinance + Growth	~150	24+%
3	Hospitality	Refinance+ Growth	~130	23%
4	Infrastructure	Refinance	~120	23%
5	Renewable Energy	Growth	~150	23%
6	Energy	Refinance + Growth	~160	21%
Total Deal pipeline			~1055 Cr	

Negative list of sectors



Unproven new age businesses



Early stage real estate

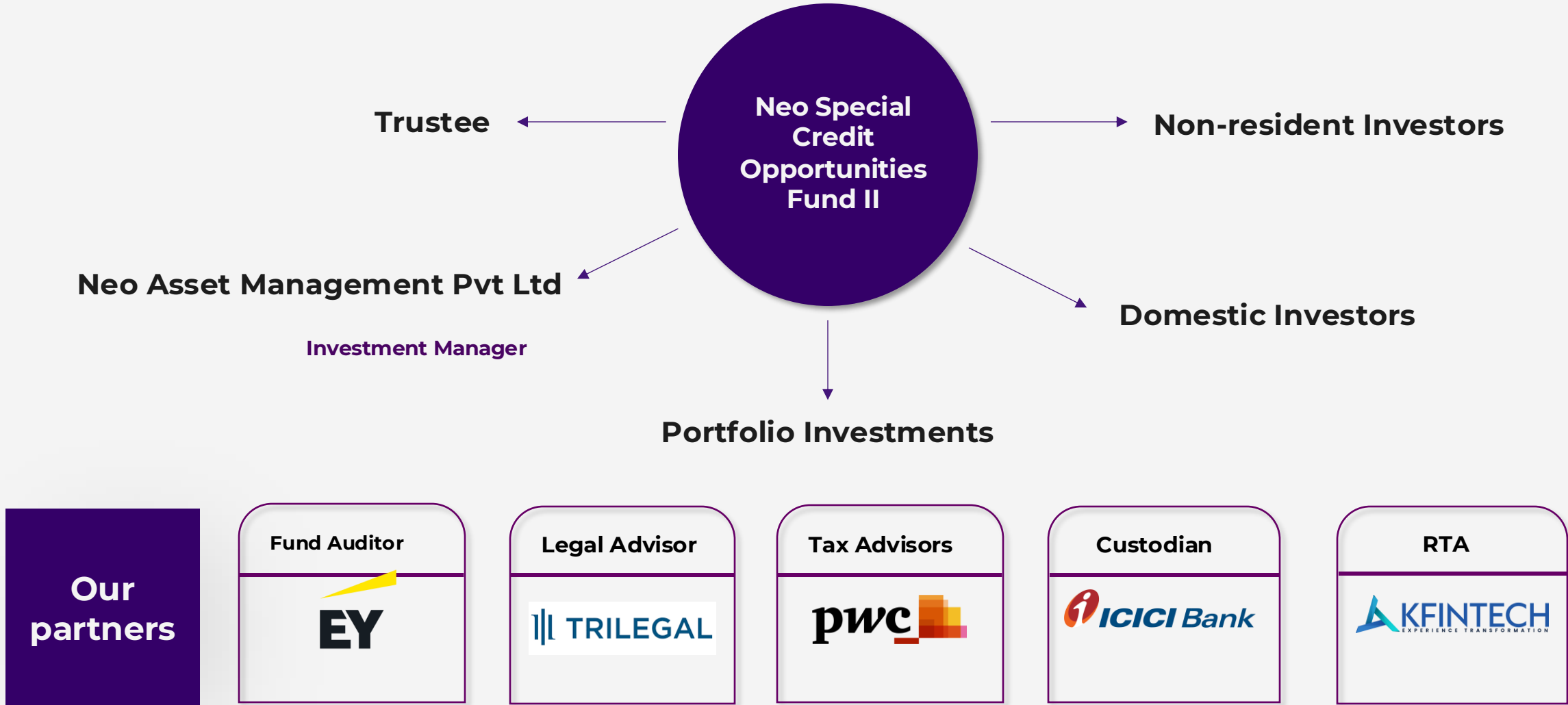


Services/ asset light companies

NSCOF II Terms

Fund Name	Neo Special Credit Opportunities Fund II			
Target Size	~Rs. 5,000 crores			
Legal Structure	SEBI registered Category II AIF			
Target Portfolio	~25 to 30 investments (Deal size ~INR 120 – 300 crs)			
Tenure	6.5 years			
Target IRR	~ 22-24% p.a (returns + principal)			
No of drawdowns	5-6			
Hurdle Rate	12%			
Management Fees & Carried Interest with catch-up				
	Class	Commitment	Management Fee	Carried Interest
	A1	1-1.99 Crs	2.00%	17.5%
	A2	2-9.99 Crs	1.75%	15.0%
	A3	10 –24.99 Crs	1.50%	15.0%
	A4	25 – 49.99 Crs	1.25%	12.5%
	A5 (Anchor)	> 25 Crs	1.00%	10.0%
	A6	> 50 Crs	1.00%	10.0%


Our Fund Structure



Neo Asset Management

Team

Experienced Investing team

 Number of years of experience

10 dedicated investment professionals

85+ Yrs investing teams' experience



14

Aman Jain

Director

IIT Mumbai,
JM Financial Ltd



9

Vaibhav Agarwal

Sr. Vice President

Rank Holder CA, CFA Level II Cleared
Edelweiss Alternatives



12

Siddharth Suresh

Sr. Vice President

IIM, Kozhikode, IIT, Madras
Modulus Alternatives, Piramal, L&T



9

Souvik Ghosh

Assistant Vice President

ISB, IIT Kharagpur
ASK Group, Ambit Capital



4

Prachi Chhajer

Associate

Chartered Accountant
ICICI Prudential



3


Gaurav Mukhi

Associate

MBA, Narsee Monjee
Bachelors in Economics, Symbiosis

**+3
Analysts
and
Associates**

Fully institutionalized platform team

 Number of years of experience



17

Devina Khanna
Head India Business

ET Now, NDTV Profit & Bloomberg Quint



27

Riyaz Ladiwala
Managing Director – Tech & Strategy
Ex-Nuvama Wealth, Edelweiss



20

Braj Chandak
Risk Head
Bank of America, Edelweiss
IIM Bangalore, Chartered Accountant



20

Siddhant Tiwari
Vice President
Domestic Fundraising
Pine Labs, Live Media



12

Tanvi Bhatia
Vice President
Domestic Fundraising
Nuvama, Edelweiss, Morgan Stanley



14

Anindita Bhowmik
General Counsel
Blackstone, Goldman Sachs, Cyril
Amarchand, B.A. LLB



12

Ankit Saraf
Fund Operations
Edelweiss
MBA Mumbai University

Annexure- NSCOF I – Deals

Investment Summary

Particulars	Description
Cash Flows	Attractive entry valuation. Company FY22 EBITDA is INR 35 Cr which has increased from INR 16 Cr in FY16. The turnover of the company is ~INR 500 Cr
Collateral	Charge over two US FDA plants and multiple formulation brands. Total collateral value of ~INR 280 Cr
Counter Party	Leading exporter of two key APIs. Strong market standing. Repaid INR 332 Cr to lenders in 7 years
Debt/EBITDA	~2.5x

Particulars	Description
Strategy	One time settlement
Investment Amount	INR 83 Cr
Security	Land and Building
Collateral Cover	3.0x
IRR	~26.4%
MOIC	1.62x
Nature of transaction	Refinancing
Tenure	~4 years
Exit Options	Operational cashflows; Refinance

Investment Summary

Particulars	Description
Cash Flows	The road is operational /collecting toll with revenues of ~INR 250 Cr in and EBITDA of INR 222 Cr in FY23, growth of ~13% over FY22
Collateral	Strong cover of 2 times from underlying cashflows; senior debt acquisition at 66pc of face value
Counter Party	Strong alignment of interest as debt being acquired from sole dissenting lender; leading way for transfer to InVit
Debt/EBITDA	~4.0x

Particulars	Description
Strategy	Debt Buyout
Investment Amount	INR 125 Cr
Security	Cashflows
Collateral Cover	~2.0x
IRR	27%
MOIC	1.66x
Nature of transaction	Debt Buyout
Tenure	2.5 - 4 years
Exit Options	Refinance

Investment 3: Large bottler and sizeable distillery (Tranche I)

Investment Summary

Particulars	Description
Cash Flows	Strong cash flows; Security companies together make ~INR 118 Cr
Collateral	Collateral cover of ~5x including land, machinery and bottling license
Counter Party	Repayment dues ~INR 225 Cr of the previous lenders have been repaid and settled substantiating positive cash flow for the facility
Debt/EBITDA	~0.7x

Particulars	Description
Strategy	One time settlement
Investment Amount	INR 65 Cr
Security	Land, machinery and bottling license
Collateral Cover	~5x
IRR	29%
MOIC	1.21x
Nature of transaction	One time settlement
Tenure	1.5 years
Exit Options	Principal amortization each month to the extent that interest and principal combined is ~INR 5 Cr each month

Investment Summary

Particulars	Description
Cash Flows	The facility is self-amortizing and can be paid with cashflow generated during the facility tenure
Collateral	Charge over all assets of the company giving a collateral cover of 2.4x
Counter Party	Demonstrated strong promoter intent of timely repayments for existing lenders through sale of non-core assets and equity infusion
Debt/EBITDA	~4.0x

Particulars	Description
Strategy	Debt Buyout
Investment Amount	~INR 200 Cr
Security	Fixed and current assets, additional land parcels outside the borrower, promoter share pledge, Promoter Personal Guarantees
Collateral Cover	~2.4x
IRR	21%
MOIC	1.57x
Nature of transaction	Debt Buyout
Tenure	~4.5 years
Exit Options	Operational cashflows

Investment 5: Large bottler and sizeable distillery (Tranche II,III)



Investment Summary

Particulars	Description
Cash Flows	Strong cash flows; Security companies together projected to make ~INR 140 Cr
Collateral	Collateral cover of ~9.3x including land, machinery, bottling license, stock, receivables and pledged shares
Counter Party	Track record of timely repayment with ~INR 23 cr repaid till Jan'24
Debt/EBITDA	~0.98x

Particulars	Description
Strategy	Primary Financing
Investment Amount	INR 103 Cr
Security	Land, machinery, bottling license, stocks, receivables and pledge of shares of 4 other group entities
Collateral Cover	~9.3x
IRR	21%
MOIC	1.38x
Nature of transaction	Growth Financing (Working capital)
Tenure	2 years
Exit Options	Principal repayment In 10 equal monthly instalments starting 15 th month from disbursement

Investment 6: Large Plywood and Laminates Manufacturer

Investment Summary

Particulars	Description
Cash Flows	Operational plant with regular cashflow; regular monthly debt servicing
Collateral	Collateral cover of ~2.3x including charge over paper plant, laminates plant, personal guarantee of promoters and pledged shares
Counter Party	No delinquent history in repayment to lenders
Debt/EBITDA	~4.1x

Particulars	Description
Strategy	Primary Financing
Investment Amount	INR 90 Cr
Security	Manufacturing Plant, personal guarantee and pledge of shares
Collateral Cover	~2.3x
IRR	22%
MOIC	1.67x
Nature of transaction	Growth Capital + Refinancing
Tenure	~3.5 years
Exit Options	Operational Cashflows, monetization of non-core assets

Investment 7: Paper and Hospitality Player

Investment Summary

Particulars	Description
Cash Flows	Attractive attachment Debt/EBITDA of 3.3 times with regular coupon and principal repayments.
Collateral	Comfortable cover of 3.9 times comprising of 85,000 MTPA paper Mill, Godown and a high quality operational 216 room hotel.
Counter Party	Demonstrated lender repayment track record and infused equity of INR 25Cr in last 18 months. Further, fresh equity round of ~ INR 50Cr undertaken successfully.
Debt/EBITDA	~3.3x

Particulars	Description
Strategy	Primary Financing
Investment Amount	INR 150 Cr
Security	Paper mill, Godown, Hotel and personal guarantee of promoters
Collateral Cover	~3.9x
IRR	20%
MOIC	1.53x
Nature of transaction	Refinancing
Tenure	~3.5 years
Exit Options	Operational Cashflows, Refinance

Investment 8 & 9: Retail Loan Pool

Investment Summary

Particulars 1	Description
Strategy	Securitization
Investment Amount	INR 40 crs
Security	Diversified underlying school loans
Collateral Cover	2.85x
IRR	22%
MOIC	2.5x
Nature of transaction	Retail Pool
Tenure	~ 2 years
Exit Options	Cash flows
Cash Flows	Regular monthly cash flows from underlying loans; expected CFs ~ 2.5 times of NSCOF investment
Collateral	High quality underlying loans with good commercial assets as collateral
Counter Party	PE funded NBFC with strong management team and collection capability

Particulars 2	Description
Strategy	Securitization
Investment Amount	INR 35 cr
Security	Diversified underlying commercial vehicle loans
Collateral Cover	3.70x
IRR	21%
MOIC	1.11x
Nature of transaction	Retail Pool
Tenure	~1.5 years
Exit Options	Cash flows
Cash Flows	High quality underlying loan pool with regular monthly collections
Collateral	Secured loans with security of commercial vehicles
Counter Party	PE funded NBFC with strong management team and collection capability

Investment Summary

Particulars	Description
Cash Flows	Fintech player poised for merger with a Small Finance Bank giving access to deposit base of the bank.
Collateral	Current collateral of all current assets of the fintech player incl. its investment in its own NBFC, brand, tech & platform.
Counter Party	No delinquent history in repayment to lenders
Debt/Equity	1.0x

Particulars	Description
Strategy	Primary Financing
Investment Amount	INR 170 Cr
Security	Exclusive charge over the current assets of the Fintech Holdco, incl. its investments in subsidiaries, brand, tech and platform.
Collateral Cover	Min cover of 1.1x envisage post-merger
IRR	23%
MOIC	1.31x
Nature of transaction	Refinancing + General Corporate Purposes
Tenure	~1.75 years
Exit Options	Refinance, Cash flows post-merger, access to merged entity's deposits

Investment Summary

Particulars	Description
Cash Flows	Quarterly interest payment. Repayment of Rs 35 Crs within 9 months i.e. latest by 20-Apr-25. Balance from sale of warrants and/or refinancing.
Collateral	Collateral comprises of shares of the Listed Holding Company and shares/warrants of two regulated entities (Housing Finance Company and Small Finance Bank)
Counter Party	Listed Hold Co of financial services group with Mcap of Rs 1700 Crs. The 25-year-old Group has 3 key businesses - Small Finance Bank, Housing Finance Company & Wealth Management – among other businesses in financial services

Particulars	Description
Strategy	Refinance
Investment Amount	INR 165 Cr (Tranche I & II)
Security	Charge over 50 lakh shares of the Listed Co., 17.5% stake of Housing Finance Company and 25 Cr warrants of Small Finance Bank. PGs of Promoters.
Collateral Cover	~2.6x (Pledge of Shares and Warrants)
IRR	20%
MOIC	1.62x
Nature of transaction	Refinancing for Liquidity Management
Tenure	4 years with put option at end of 2.5 years
Exit Options	Sale of assets, Refinance

Investment Summary

Particulars	Description
Cash Flows	Monthly interest repayment. Principal amortization after moratorium of 6 months
Collateral	Overall collateral cover of ~ 2.5x comprising of manufacturing plants and 0.95x times from unrelated real estate
Counter Party	Business with inherent equity value; promotor has done fresh infusion of INR 209cr.
Net Debt/EBITDA	2.1x

Particulars	Description
Strategy	Working Capital + Slump Sale financing
Investment Amount	INR 120 Cr
Security	Charge over fixed & current assets of Issuer and unrelated real estate assets, PGs of promoters and pledge over ~20% stake
Collateral Cover	Rs 240 Crs and 2.4x cover (with 0.95x times of unrelated RE)
IRR	23% + Equity upside
MOIC	1.7x
Nature of transaction	Growth Capital + Refinancing
Tenure	~3 years
Exit Options	Proposed amortizing structure. Exit via cash flows/refinance.

Investment Summary

Particulars	Description
Cash Flows	Monthly interest payment. Repayment of Rs 26 cr from equity warrants money latest by June 30, 2025. Balance from sale of identified non-core real estate assets & operational cashflows
Collateral	4.9x value of security cover assumed given realisable value of assets and pledged shares of the listed entity.
Counter Party	Co. has built deep expertise DNAM sector over the decades working with ISRO, NPCIL, DRDO The 100-year-old Group has survived multiple business cycles and has reinvented itself. Good track record of repaying lenders.
Debt/EBITDA	3.7x (Based on FY25 estimates)

Particulars	Description
Strategy	Refinance / Growth
Investment Amount	INR 74 Cr
Security	Non-factory building and land, residential properties, personal guarantee of promoters, pledge for 1.05 cr shares
Collateral Cover	4.9x
IRR	20%
MOIC	1.37x
Nature of transaction	Refinancing + Growth Capital
Tenure	4 years with put option at end of 3 years
Exit Options	Proposed amortizing structure. Exit via cash flows from equity proceeds, sale of non-core assets and operations

Investment 14: 5-Star Resort

Investment Summary

Particulars	Description
Cash Flows	Monthly interest repayment from operational cashflows. Principal amortization after 12 months.
Collateral	Comfortable cover of 2.4times comprising of 106 keys 5-star hotel, IVF clinic/ residence and other properties of promoters .
Counter Party	Doctors by profession; have invested significant equity in the project. Project Debt/Equity 1:1.
Debt/EBITDA	~4x

Particulars	Description
Strategy	Refinance + Growth Financing
Investment Amount	INR 88 Cr
Security	Hotel, IVF clinic/ residence , entire share pledge and personal guarantee
Collateral Cover	~2.4x
IRR	23%
MOIC	1.75x
Nature of transaction	Refinancing and Growth Financing
Tenure	~3.5 years
Exit Options	Operational CFs of Hotel and Clinic/ Refinance

Investment 15: Retail mortgage loans

Investment Summary

Particulars	Description
Cash Flows	Regular cashflows from underlying 150 housing loans and LAPs
Collateral	Backed by underlying 150 housing loans and LAPs with adjusted principal outstanding of INR 228Cr and Collateral Value of INR 342Cr
Counter Party	The loan pool is being managed by Pegasus Arc for last 3 years and they will continue to manage the recovery

Particulars	Description
Strategy	Securitization
Investment Amount	INR 68.5 Cr
Security	Underlying housing plus LAP loans
Collateral Cover	~3.2x
IRR	~28%
MOIC	~1.5x
Nature of transaction	Buyout of Retail Loan pool
Tenure	~2.5 years
Exit Options	Cashflows

Investment Summary

Particulars	Description
Cash Flows	Multiple Cash Flow streams from Ongoing EPC Projects, Sale of Land, Receivables from Godrej, and Release of Bank Guarantees
Collateral	Exclusive mortgage on Land Exclusive charge on current and fixed assets Second Charge on INR 250cr cash margin Pledge of 76% shareholding PG of Promoters
Counter Party	Large Infrastructure developer with track record of executing complex projects

Particulars	Description
Strategy	One Time Settlement
Investment Amount	INR 125 Cr
Security	Mortgage of Land, Share Pledge and Corporate Guarantee
Collateral Cover	~3.2x
IRR	~22%
MOIC	~1.5x
Tenure	~3 years
Exit Options	Cashflows

Investment Summary

Particulars	Description
Cash Flows	Two operating hotels and roof top restaurant lease with combined cashflow of INR 32 Cr
Collateral	Facility is secured via 4x cover on hotels and commercial space, combined worth ~INR 280 Cr, and PG of promoter
Counter Party	Promoter group has assets of ~INR 870 Cr against debt of ~INR 170 Cr. The group has repaid ~INR 300 Cr to lenders over the last 3 years showcasing track record
Debt/EBITDA	2.5 x

Particulars	Description
Strategy	Refinance/Growth
Investment Amount	INR 60 Cr
Security	Land and Building and PGs of Promoter
Collateral Cover	4x
Exit IRR	60.19%
Exit MOIC	1.17x
Nature of transaction	Growth Financing
Exit Tenure	~4 months
Exit through	Refinance – The borrower was able to get a longer duration loan at a significantly lower rate

Investment Summary

Particulars	Description
Cash Flows	Hotel has started accepting bookings; expected steady state EBITDA of ~INR 12 Cr in FY24 and ~INR 15 Cr in FY25
Collateral	Replacement value of ~INR 150 Cr; incl. land value of ~INR 75 Cr
Counter Party	Track record of full IRR pay-out to lenders over a 10year period
Debt/EBITDA	3x

Particulars	Description
Strategy	Debt Buyout + Primary Financing
Investment Amount	INR 36 Cr
Security	Land and Building
Collateral Cover	3.5x
Exit IRR	22%
Nature of transaction	Growth Capital + Refinancing
Exit Tenure	~13 month
Exit Through	Refinance, borrower was able to get a longer tenure loan at a lower rate from a leading bank

Exit 3: Leading Infrastructure Player

Investment Summary

Particulars	Description
Cash Flows	~ 44% of Investment amount is expected to be realised in 18 months of investment
Collateral	Facility is secured via 2.75x cover on listed shares of key list-co with market cap of ~ INR 25,000 Cr
Counter Party	Promoter group has assets of ~INR 19,000 Cr against debt of ~INR 3,500 Cr resulting into NAV of INR 15,500 Cr
Asset/Debt	4.0x

Particulars	Description
Strategy	Loan against shares
Investment Amount	INR 77 Cr
Security	Listed shares
Collateral Cover	2.75x
Exit IRR	19.25%
MOIC	1.70x
Nature of transaction	Refinancing
Tenure	~3.5 years
Exit Options	Refinance; Enforcement of collateral

NSCOF II- Investment Pipeline

NSCOF II Investment Pipeline



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Deal [1]: Leading Paper Manufacturer (Growth capital + Refinance)

~345 Cr

Deal size

21+%

Expected IRR

3 yrs

tenure

3.9x

Debt / EBITDA

- One of the largest player in West India and have recently set-up a tissue plant
- Group has no default history and established pan-india dealer network
- Stable EBITDA track record of ~98 Cr; overall Debt/EBITDA of ~ 4x
- Company looking to raise money to extend its duration of its current loans and infuse working capital for recently set-up tissue unit
- Collateral cover of ~ 2x to include kraft paper plant and pledge over 51% stake of the company

Deal [2]: Manufacturer of Pharmaceutical products (Growth capital + Refinance)

~150 Cr

Deal size

24+%

Expected IRR

3.5 yrs

tenure

2.7x

Debt / EBITDA

- Contract Developer and Manufacturer Outsourcing (CDMO) of pharmaceutical products (sterile injectables)
- Currently operates as a small debt-free facility. Also, developing a new plant with a 250cr capex (includes 100Cr equity contribution), expected to be operational by Sep'26.
- FY 27 Debt/EBITDA estimated to be 2.7x.
- Company looking to raise capital to refinance its existing facility and for plant completion
- Collateral cover of ~ 2.2x to include both plants, fixed assets and 100% pledge of the company.
- NSCOF shall subscribe to partly paid shares corresponding to 6.9% stake in company.

NSCOF II Investment Pipeline



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Deal [3] : Mumbai based hospitality group (Growth capital + Refinance)

~130 Cr

Deal size

23+%

Expected IRR

3 yrs

tenure

4.9x

Debt / EBITDA

- Based in Mumbai, group is into hospitality, real estate and education business
- Group is entering into expansion mode with debt clean-up and looking to take up new business avenues and strengthen the existing businesses
- Operating cashflows and significant equity value with ~900 Cr of assets against ~250Cr of debt
- NSCOF II is considering lending to borrower to provide an exit to existing lenders and for expansion of existing business
- Collateral cover of 4.5x to include hotel with 100 operational rooms, educational complex and commercial/ residential properties

Deal [4] : Leading Infrastructure player (refinance)

~120 Cr

Deal size

23+%

Expected IRR

3 yrs

tenure

3.2x

Debt/ EBITDA

- Group has 3 decades of experience in Infrastructure with focus on complex engineering work.
- Promoter is in the process of debt restructuring and has paid lenders by selling assets
- The company has also raised funds from marquee investors in the past
- NSCOF II is looking to provide funds for helping the borrower in completing the debt restructuring process
- Collateral cover of 3.2x includes receivable from sale agreement of a land, fixed assets and fixed deposit

NSCOF II Investment Pipeline



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Deal [5] : Exit to minority investor & Growth Capital for a Renewable energy EPC Company

~150Cr

Deal size

23+%

Expected IRR

4 yrs

tenure

0.6x

Debt / EBITDA

- The group provides end-to-end services for wind and solar projects—from concept to commissioning and asset management.
- Currently generating an annual EBITDA of ~\$17Mn
- Company is looking to increase its market share and an IPO over next three years
- NSCOF II is looking to provide funds for working capital and provide an exit to a minority shareholder
- Transaction will be secured by a hotel asset and share pledge of the company

Deal [6]: Leading Manufacturer of electric transformers (Refinance + Growth capital)

~160Cr

Deal size

21+%

Expected IRR

4 yrs

tenure

3.9x

Debt / EBITDA

- Company has track record of over 5 decades in manufacturing and electrification projects.
- Industry seeing a turnaround due to increasing demand and technology advancement
- Facility backed by unrelated high quality real estate
- Entry Debt/EBITDA of 3.9x with order book in hand for

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