VCL CO-LENDING BOOK

Total Co-Lending Portfolio
INR 42.28 Bn

Impact Dashboard

What

VCL's co-lending model expands access to formal finance by combining institutional capital, credit expertise and risk management with the distribution reach of partner institutions. With VCL participation ranging from 70% to 100%, our flexible capital and risk-sharing structures allow partnerships to be tailored to each partner's capabilities, risk appetite, regulatory requirements and distribution strengths.

By leveraging partner networks, VCL reaches underserved segments including MSMEs, women-led businesses, low-income households, rural communities and agricultural enterprises, while enabling partners to expand their lending capacity and deploy capital more efficiently. VCL's credit and risk management capabilities support responsible scaling and appropriate risk allocation, complemented by digital infrastructure that enables efficient delivery.

Through this model, VCL addresses structural funding gaps and makes formal credit more accessible, scalable and responsive to underserved borrowers.

Duration: FY20 – Ongoing

Who

Co-lending Partners

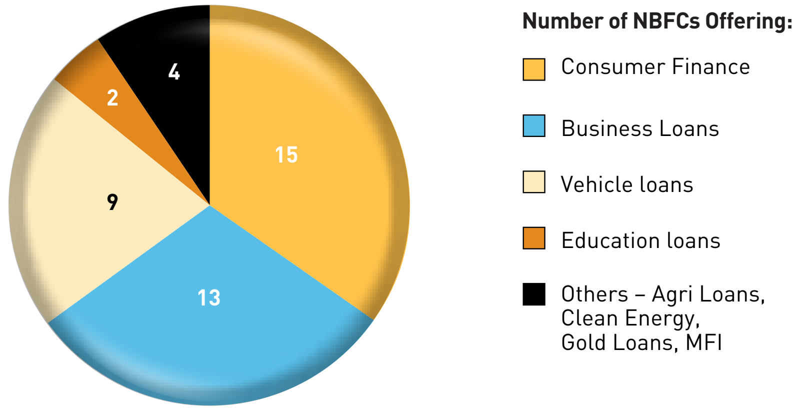
VCL partners with digital and traditional financial institutions with strong origination and distribution capabilities, technology infrastructure, credit underwriting, collections and compliance capabilities. Preference is given to partners with established lending or co-lending experience, strong customer access and meaningful scale potential, with the potential of establishing long-term partnerships.

End Beneficiaries

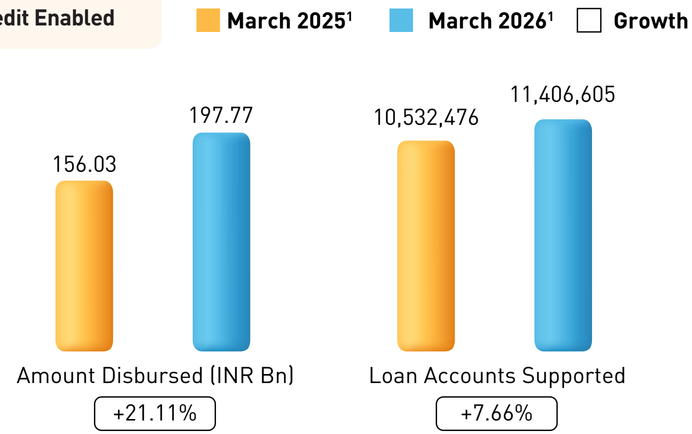
Underserved retail borrowers reached through partner financial institutions, including MSMEs, women entrepreneurs, farmers, and rural households. They access formal credit for business growth, agriculture, renewable energy adoption, vehicle purchases, housing-backed finance, and other livelihood-enhancing economic activities that are often underserved by traditional lending channels.

How Much

Scale of Partnerships



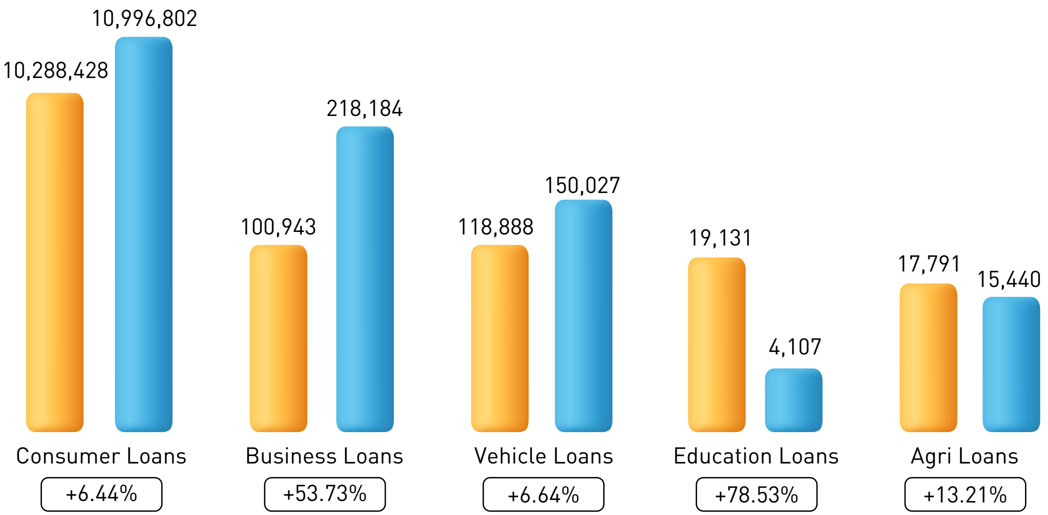
Scale of Credit Enabled



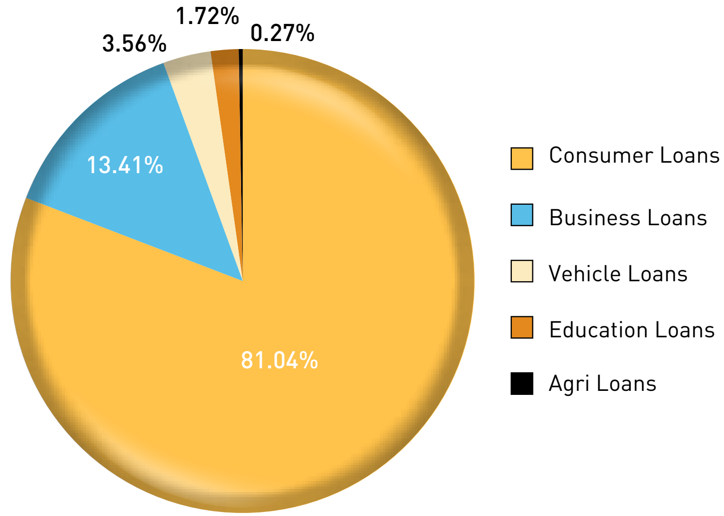
[1] Since inception

Scale of Borrower Reach Across Asset Classes

March 2025[1] | March 2026[1] | Growth

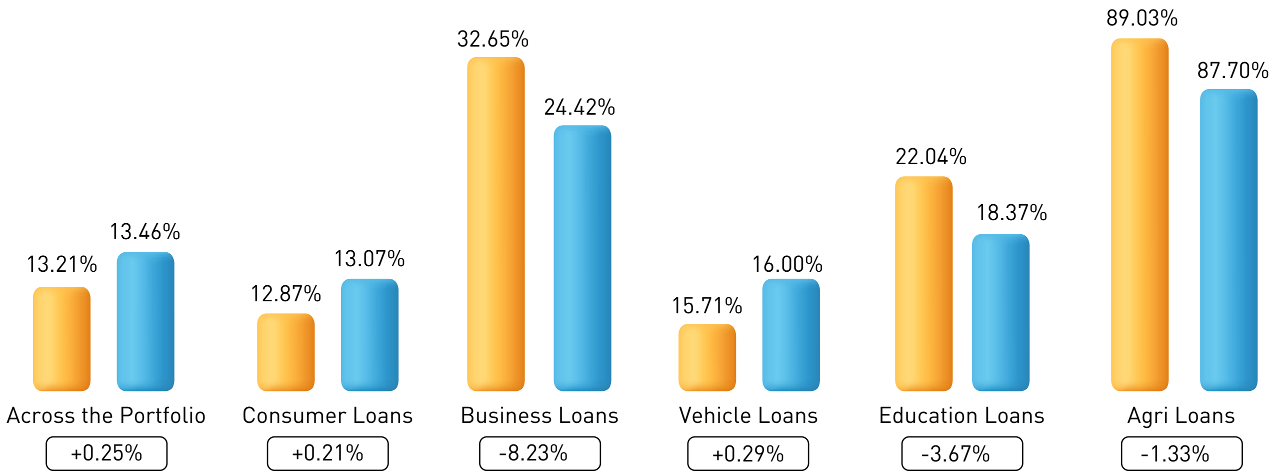


Share of Loans (FY 25-26)[2]



Depth of Inclusion - Share of Women

March 2025[1] | March 2026[1] | Growth



Risks

Risk Category	Identified Risk	Risk Description	Vivriti's Mitigation Strategy
Execution	Credit, operational and customer protection risk	Reliance on partners for origination, servicing and collections creates risks around underwriting quality, customer practices, delinquencies and portfolio performance.	Rigorous partner selection and due diligence, preference for established lending/co-lending track records, defined credit and operating guardrails, continuous portfolio monitoring and structured collections responsibilities.
	Regulatory and compliance risk	Changes in RBI regulations governing co-lending and lending products may require changes to partnership structures, product mix and operating models.	Continuous regulatory monitoring and adaptation of portfolio and partnership structures, including diversification into secured products.
	Data integration and cybersecurity risk	Reliance on APIs, automated underwriting and technology platforms creates risks from system failures, data inaccuracies, privacy breaches or cybersecurity incidents.	API-based real-time credit guardrails, controlled data exchange, technology and access controls, and ongoing monitoring of digital lending and operational processes.
External	Macroeconomic risk	Economic slowdowns, inflation, climate events, or sector-specific disruptions may affect borrowers' repayment capacity.	Diversified portfolio, prudent credit assessment, stress testing, and ongoing monitoring of sectoral and macroeconomic developments.

Contribution

Financial Contribution

Expanding Access to Credit: VCL combines institutional capital, credit expertise and risk management capabilities with the distribution networks and customer relationships of partner institutions, enabling formal credit to reach underserved borrowers, particularly MSMEs, women-led businesses, low-income households, rural communities and agricultural enterprises.

Enhancing Lending Capacity: Through flexible co-lending structures, ranging from 70:30 to 100:0, VCL provides partners with access to capital while sharing credit risk in a manner aligned with their capabilities and risk appetite. This enables partners to expand their lending capacity and improve capital efficiency, supporting greater borrower outreach.

Scalable Credit Delivery: Leveraging the on-ground presence of both digital and branch-based partners, the co-lending model mobilizes institutional capital through established origination channels, enabling greater outreach and accelerating financial inclusion at scale.

Non-financial Contribution

Technology-enabled Collaboration: Vivriti's co-lending platform provides seamless technology integration with partner institutions, enabling efficient loan origination, portfolio monitoring, and customer servicing while delivering tailored financing solutions. API integrations enable agreed credit and eligibility parameters to be embedded into the lending journey and applied in real time across onboarding and disbursement, supporting more consistent and scalable credit delivery.

Engagement with a Co-Lending Partner

Vivriti partnered with one of our co-lending partners, a leading NBFC focused on consumer financing, as part of its post-investment stewardship engagement to further strengthen the organisation's ESG framework. The engagement was designed to support the partner in building on its existing ESG practices, enhancing internal processes, and aligning its approach with evolving investor expectations and industry standards.

ESG Assessment: As part of the due diligence process, Vivriti undertook a comprehensive assessment of the partner's existing ESG practices, covering organisational policies, governance mechanisms, operational processes, compliance systems, and environmental and social risk management practices relevant to its education lending business. The assessment helped identify opportunities to further enhance the organisation's ESG framework and prioritise areas for continued development.

ESG Action Plan: Based on the assessment, Vivriti worked with the partner to develop a tailored ESG Action Plan (ESAP) with clear, practical and time-bound recommendations. The ESAP provided a structured roadmap to further strengthen ESG governance, formalise key processes, enhance risk management practices, and align with evolving investor and industry expectations.

Policy Development: Vivriti supported partner in developing and institutionalising five key policies aligned with lender expectations, regulatory requirements, and relevant industry practices. The engagement included support in drafting, reviewing and refining the policies to enhance governance, accountability and the integration of ESG considerations across the organisation.

Ongoing Engagement: Vivriti maintained regular engagement with the partner's teams throughout the implementation process, providing ongoing support through stewardship discussions, reviews and knowledge-sharing. This collaborative approach helped facilitate internal ownership and the continued development of the partner's ESG practices.

Outcome: The engagement contributed to further strengthening the client's ESG framework, policy architecture and ESMS processes. It supported the organisation in enhancing its readiness to respond to evolving lender, investor and regulatory expectations, while fostering a more structured and integrated approach to ESG risk management and long-term sustainability.