

SMFG India Credit and PhonePe Partner to launch loans for Micro-Merchants

- **The partnership will empower millions of merchants to gain access to easy and seamless credit**

Mumbai, September 16, 2025 – SMFG India Credit (SMICC), one of India's leading NBFCs, has entered into a strategic partnership with PhonePe to provide collateral-free credit to its merchants. This alliance will enable SMFG India Credit to offer Merchant Cash Advance (MCA) loans to registered merchants on the PhonePe platform, many of whom are based in Tier-2 and Tier-3 towns across the country.

This partnership will enable SMICC to further solidify its position as a market-leading lender in the merchant cash advance space, reinforcing its role as a key player in the digital lending ecosystem. For PhonePe, this collaboration deepens its commitment to its extensive merchant base by delivering instant, accessible credit solutions that fuel business expansion and support long-term growth.

Speaking on the partnership, **Mr. Ajay Pareek, Chief Business Officer, SMFG India Credit**, said, *"We are excited to partner with PhonePe as it will allow us to make our financial solutions more accessible to India's self-employed and small business community. This collaboration allows us to reach millions of merchants on the PhonePe platform, offering them convenient and seamless access to our merchant loans. By leveraging PhonePe's extensive network and our tailored financial products, we aim to empower these businesses with the capital they need to grow, fostering greater financial inclusion and thus contributing to the overall economic progress of the country."*

Commenting on the partnership, **Mr. Hemant Gala, CEO, PhonePe Lending**, said, *"We're excited to partner with SMICC to deliver credit solutions across our 45+ million merchant network. This collaboration combines SMICC's lending expertise with PhonePe's reach to democratize credit access for India's underbanked micro-merchants. The growth potential in the heartland of India, presents a crucial opportunity for digital financial inclusion. We're not just bridging the credit gap—we're unlocking the potential of micro enterprises that power India's economy and driving grassroots financial empowerment."*

About SMFG India Credit

SMFG India Credit Co. Ltd., a leading NBFC - Investment and Credit Company (NBFC-ICC) registered with the Reserve Bank of India and a wholly owned subsidiary of SMFG, has been operating in India since 2007. Together with its subsidiary, SMFG India Home Finance Co. Ltd. also known as SMFG Grihashakti, the company has established a pan-India presence, across 670+ towns and 70,000+ villages through 1000 branches and 23,000+ employees offering lending products to underserved & unserved retail and small business borrowers. By doing so, it has introduced people to formal credit. SMFG India Credit along with SMFG Grihashakti offers a comprehensive range of lending solutions, including SME financing, commercial vehicle and two-wheeler loans, home loans, home improvement loans, loans against property and shares, personal loans, and rural livelihood advancement loans etc.

About PhonePe:

PhonePe Limited (Formerly PhonePe Private Limited) is one of India's leading fintech companies. Headquartered in India, its flagship product, the PhonePe digital payments app, was launched in Aug 2016. As of August 2025, PhonePe has over 65 Crore (650+ Million) registered users and a digital payments acceptance network spread across over 4.5 Crore (45+ million) merchants. PhonePe also processes over 36 Crore (360+ Million) transactions daily with an Annualized Total Payment Value (TPV) of over INR 150 lakh crore.

PhonePe's portfolio of businesses includes the distribution of financial products (Insurance, Lending, and Wealth) as well as new consumer tech businesses (Pincode - hyperlocal e-commerce and Indus AppStore – Localized App Store for the Android ecosystem) in India, which are aligned with the company's vision to offer every Indian an equal opportunity to accelerate their progress by unlocking the flow of money and access to services.

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