

## PRESS RELEASE

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## U GRO Capital's sectoral approach aids multiple Sustainable Development Goals: Sattva consulting impact assessment study

U GRO Capital, a listed, MSME lending fintech platform, today announced the release of its impact assessment report. The study, which was conducted in association with Sattva consulting, an impact first consulting firm in the development sector, reinforces stakeholders' confidence in U GRO's resolve towards sustainability and Impact creation. The report was recently released in the presence of honorary SIDBI Chairman, Shri Sivasubramanian Ramann at a physical event organized by the company.

This study would be one of India's first such vendor social diligence undertaken by any Company, in hopes to encourage the entire lending ecosystem to measure, evaluate, and govern the impact performance for their customers.

As part of the study, Sattva Consulting independently surveyed 450+ existing customers and partners of UGRO Capital. As an outcome of this study, it was deduced that UGRO's sectoral focused approach directly aids multiple SDG goals like Affordable and Clean Energy, Quality Education, Good Health and Well-being, Sustainable cities and communities and Zero Hunger.

The impact assessment report measured U GRO's business impact on the broad parameters of MSME Business and Operations, Employment Generation and Diversity, Credit taking ability and Entrepreneurial Confidence. Following were some of its key findings:

- 73% MSMEs showcased healthier average bank balances resulting in 13,000+ estimated customers having improved cashflow situation
- 80% MSMEs reported increased annual revenue by ~5% to 20%, translating to 13,000 + estimated customers having increased annual turnover
- 17% MSMEs reported geographical expansion supporting 3,000+ estimated customers with new branches or stores
- 7 average additional permanent hires by MSMEs resulting in 1,16,000+ estimated additional employment generated
- 3.7 average additional female hires by MSMEs subsequently generating 64,000+ estimated additional female employment
- 70% entrepreneurs reported in increased risk-taking appetite

On the release of the Impact Report, **Mr. Shachindra Nath, Vice Chairman and Managing Director**, said "Our founding belief at U GRO Capital has been to design a platform that brings the unserved or under-served MSMEs into the fold of formal lending. Impact has been at the forefront of all our business conduct. Our aim is not just to cater to the under-served segment but also enhance our impact at scale through a careful selection of channels and products. At U GRO Capital, we use a

### UGRO CAPITAL LIMITED

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unique combination of intelligence & technology to understand each MSME's potential for growth and their financial and non-financial needs, to create insightful loan products across 8 key sectors and 4 distribution channels. Today, we stand at more than INR 3,000 Cr in assets under management (AUM) and have disbursed over INR 5,600 Cr of loans till date. At one level, our business is often perceived as purely transactional, however when we delve a bit deeper, we realize how capital infusion, especially within the under-served sector, triggers a chain reaction of not just elevating business potential but also the entire social ecosystem. Being the catalysts to this, impact will continue to remain central to our mission at U GRO Capital."

MSME lending by virtue of its nature aligns well with multiple SDGs (No Poverty, Gender Equality, Decent Work and Economic Growth, Industry Innovation and Infrastructure, Reduced Inequalities) and being an MSME focused lender the company becomes a substantial contributor towards fulfilling these goals.

#### **About U GRO Capital Ltd:**

U GRO Capital limited is a listed (NSE, BSE), MSME lending fintech platform. U GRO Capital's mission is 'Solve the Unsolved' – Small Business Credit Need with its omnichannel distribution model combining physical and digital journey of the customer. The Company envisions to spearhead India's transition of MSME lending market to the new age of on-tap financing. It uses the emerging Data Tripod of GST, Banking and Bureau coupled with its sectoral analysis to solve the problem of credit for small businesses.

U GRO aspires to serve one million small businesses with an asset book of 1% of outstanding MSME credit of India as its first milestone.

Technology underpins every aspect of U GRO's lending process, from API integrations, sectoral and sub-sectoral statistical scorecards, state-of-the-art AI/ML credit underwriting engine combining bank, bureau and GST statement analyzers, automated policy approvals, and machine learning OCR technology. Company's GRO Extreme platform empowers fintech and other institutional platforms to deepen their distribution reach through a plug and play API driven seamless integration with U GRO. The company has developed full tech stack to fully automate the complete life cycle of a loan right from origination to collection during the entire customer journey.

The Company has raised ~₹ 2500 crore of equity & debt capital from marquee Private Equity Investors, Family Offices, Banks and other Financial Institution over last 3 years.

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