



31st January 2024

To
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400001

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1, G
Block Bandra, Kurla Complex, Bandra
(East) Mumbai 400051

Scrip Code – 511742

Symbol – UGROCAP

Subject: Press Release – “UGRO Capital’s impact financing receives another endorsement from Asian Development Bank”

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Press Release issued by the Company dated 31st January 2024, titled “UGRO Capital’s impact financing receives another endorsement from Asian Development Bank”.

This is for your information and records.

The aforesaid information is being made available on the Company's website at www.ugrocapital.com

Thanking You,

For UGRO Capital Limited

Satish Kumar
Company Secretary and Compliance Officer
Encl: a/a

UGRO CAPITAL LIMITED

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UGRO CAPITAL'S IMPACT FINANCING RECEIVES ANOTHER ENDORSEMENT FROM ASIAN DEVELOPMENT BANK RAISES ~INR 2500 MILLION TO EMPOWER THE LAST MILE MSMEs

Mumbai, January 31, 2024: UGRO Capital, a leading DataTech NBFC focused on MSME lending, announced a significant milestone, having successfully raised ~INR 2,500 million through Non-Convertible Debentures (NCDs) from the prestigious Asian Development Bank (ADB). This investment underscores ADB's unwavering commitment to fostering inclusive, resilient, and sustainable prosperity by supporting small businesses at the grassroots level.

UGRO had received financing of INR 2,500 million through Non-Convertible Debentures (NCDs) from FMO, the Dutch entrepreneurial development bank in December 2023 as well.

Over the past 5 years, UGRO Capital has played a pivotal role in bridging the credit gap within India's MSME sector, providing credit to approximately 90,000 small businesses. A recent survey revealed that 94% of participants experienced business growth, with a remarkable 36% surge in employment post availing loans from UGRO. This tangible impact demonstrates UGRO Capital's dedication to driving economic growth and job creation.

UGRO Capital has an asset under management of INR 83,638 million as of December 2023. Over the last 5 years, it has raised total of INR 91,378 million Equity and Debt from diverse institutional sources:

Source of Financing	Number of Institutions	INR in Million	% of Financing
Equity Capital Raise		12,567	14%
Private Equity	5	7,400	8%
Development Financial Institution	1	2,400	3%
FII's / QIB through QIP	10	2,137	2%
Family Office / HNIs	44	630	1%
Debt Finance Raise		78,811	86%
Banks (Public & Private)	30	19,338	21%
Other Domestic Financial Institutions	21	14,210	16%
Development Financial Institutions and Impact funds	7	7,615	8%
Co Lending, Co origination and Direct assignment/ securitization	22	37,647	41%

Above truly demonstrates UGRO's ability to attract institutional equity investors and diversified debt providers across all categories of lenders which gives UGRO a path to create a large scalable financial institution serving the need of MSME borrowers in India.

UGRO Capital's commitment to the Micro Enterprises of India, backed by its technology-driven credit expertise, has positioned the company as a reliable partner for global DFIs. This strategic diversity ensures that the NBFC's liability remains well-distributed, not solely reliant on the Indian banking system.

Mr. Shachindra Nath, Founder and Managing Director of UGRO Capital, expressed his views on the collaboration, stating, *“This transaction is a proof of UGRO Capital’s ability to forge partnerships with and attract funding from reputed global DFIs. We share a common vision of financial inclusion with impact funding organizations and are excited to collaborate with ADB to meet the diverse financial needs of India’s underserved MSMEs. Impact investors are critical funding partners in enabling us to bridge India’s massive credit gap in the MSME sector, and we will continue to leverage our technology and credit expertise to service MSMEs across the spectrum via our multi-channel distribution model.”*

Suzanne Gaboury, ADB Director General for Private Sector Operations, emphasized the significance of the partnership, saying, *“We are pleased to partner with UGRO Capital in their mission to empower MSMEs in India. MSME Finance is a key driver for financial inclusion, and UGRO Capital’s mission to solve the small business credit need is in line with our vision of promoting inclusive and sustainable prosperity in Asia and the Pacific. We are confident that together we will positively impact the lives of MSME borrowers. This collaboration is consistent with our commitment towards greater financial inclusion in India.”*

About UGRO Capital Ltd (NSE: UGROCAP | BSE: 511742)

UGRO Capital Limited is a DataTech Lending platform, listed on NSE and BSE, pursuing its mission of “Solving the Unsolved” for the small business credit gap in India, on the back of its formidable distribution reach and its Data-tech approach.

The Company’s prowess in Data Analytics and strong Technology architecture allows for customized sourcing platforms for each sourcing channel. GRO Plus module which has uberized intermediated sourcing, GRO Chain, a supply chain financing platform with automated end-to-end approval and flow of invoices, GRO Xstream platform for co-lending, an upstream and downstream integration with fintechs and liability providers, and GRO X application to deliver embedded financing option to MSMEs.

The credit scoring model GRO Score (3.0) a statistical framework using AI / ML driven statistical model to risk rank customers is revolutionizing the MSME credit by providing on-tap financing like consumer financing in India.

UGRO has executed Co-lending model in India which is prevalent in the West through Co-Lending relationships with 10+ Large Public Sector Banks and large NBFCs and built a sizeable off-balance sheet asset of more than 45% of its AUM through the GRO Xstream platform.

The Company is backed by marquee institutional investors (raised INR 900+ Cr of equity capital in 2018 and INR 340 Cr in 2023) and aims to capture 1% market share over the next three years. For more information, please visit: <http://www.ugrocapital.com/>

About ADB

ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. Established in 1966, it is owned by 68 members—49 from the region.

Contact Details

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