

7<sup>th</sup> October, 2019

To,  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400 001

Dear Sir,

Ref: Scrip Code: 511742

**Sub: Disclosure pursuant to Regulation 30 of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015**

We are enclosing herewith press release in connection with the following:

1. First securitisation transaction and issuance of Non-Convertible Debentures undertaken by the Company and
2. Company's Co-origination tie-up with Bank of Baroda

This may kindly be considered as a disclosure pursuant to Regulation 30 of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your information and dissemination of the same to the members of the Company.

Thanking you,

Yours faithfully,

**For UGRO Capital Limited**

A handwritten signature in blue ink, appearing to read 'Aniket Karandikar', with a horizontal line underneath.

Aniket Karandikar  
Company Secretary

Membership No.: 24107

Encl: A/a

## **UGRO CAPITAL LTD.**

(Formerly known as Chokhani Securities Ltd)

**Registered Office Address:** Equinox Business Park, Tower 3, 4th Floor, LBS Road, Kurla (West), Mumbai - 400070

CIN: L67120MH1993PLC070739

**Telephone:** +91 22 48918686 | **E-mail:** [customercare@ugrocapital.com](mailto:customercare@ugrocapital.com) | **Website:** [www.ugrocapital.com](http://www.ugrocapital.com)

## PRESS RELEASE

7<sup>th</sup> October 2019

Mumbai, India

### Media Contact:

**Siddhanth Nair**  
9004380023  
siddhanth@p4c.in

## Lead Indicators Project Strong GROwth!

U GRO Capital, a BSE listed, technology enabled small business lending platform has within 10 months from starting operations successfully raised capital by way of securitization and issuance of NCDs.

U GRO Capital inked its first securitization transaction of around INR 25 crores with Poonawalla Finance Pvt. Ltd. on 1st Oct and followed it up by issuing its first NCD totalling of around INR 50 crores subscribed to by Sachin Bansal in his private capacity. The PTCs were assigned a rating of A- by Acuité and consists of loans given out predominantly for small businesses and originated by U GRO Capital over the last few months.

The NCD issuance and the securitization deal, are unique for a company at an early stage in its journey, especially in the current market conditions and underlines the high standards of corporate governance being adhered to at U GRO Capital. Further, it is a stamp of approval to the natively built underwriting platform and technology framework that U GRO Capital has developed since its inception.

U GRO, founded by financial services veteran Mr. Shachindra Nath, in December 2017, had earlier raised approximately US\$ 140 Mn from a diversified set of global private equity investors such as NewQuest, ADV Partners, PAG and Samena Capital and public market investors such as Abakkus, PNB Metlife and multiple Indian family offices.

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The company started disbursements in January 2019 and has, in a short span of close to 10 months, disbursed more than INR 600 Crores to 6,000+ small businesses across India. U GRO focuses on 8 sectors and 38 sub-sectors and is solving the burgeoning need of credit by use of highly specialized sectoral statistical scorecards, deep sub-sectoral underwriting algorithms and a highly integrated technology platform which delivers an in-principal credit approval within 60 minutes.

The company has adopted a three-pronged liability strategy which combines balance sheet lending with an off-balance sheet model including assignments/securitization and co-origination partnerships with larger NBFCs/banks to create a truly hybrid lending model. “In the long run, we believe this model will help us boost our return on equity by bringing in a steady pool of fee income while also helping us cater to customers at different risk profiles and price points”, said Mr. Shachindra Nath, Executive Chairman of U GRO Capital.

Mr. Shachindra Nath, Executive Chairman of U GRO said “While we continue to have strong equity in our business and sufficient liquidity, we want to establish our ability to raise different forms of liability from diverse sources. We would like all stakeholders to gradually draw comfort with our high degree of governance, quality of underwriting and depth of our specialised underwriting. These transactions demonstrate our ability to securitise our book at an early stage of our development and establish that besides conventional term-financing we have ability to raise resources from alternative channels as well. We are delighted to partner with such well-known names and hope that this would be the building blocks of a strong liability franchise”.

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Mumbai, India

### Media Contact:

Name Last Name

Designation

Mobile

Email

U GRO Capital to co-originate SME loans with Bank of Baroda through its technology platform 'GRO- Xstream'

Partnership to leverage U GRO Capital's technology platform which provides in-principle loan approval within 60 minutes.

U GRO Capital, a BSE listed, technology enabled small business lending platform, has entered into its **first** loan co-origination partnership with Bank of Baroda. The agreement was signed in the presence of **Shri V. S. Khichi, Executive Director of Bank of Baroda** and **Mr. Shachindra Nath, Executive Chairman of U GRO Capital**, in Mumbai on 5<sup>th</sup> October 2019.

The partnership aims to offer customised lending solutions at a competitive rate of interest with a significant reduction in turn-around time to SMEs by deploying U GRO Capital's indigenously developed co – lending technology platform '**GRO- Xstream**'.

This platform offers Big Banks & other large financial institutions to choose customers as per their own selection criterion while utilizing U GRO's proprietary underwriting engine. '**GRO – Xstream**' platform also enables smaller NBFC's for Co-lending partnership with U GRO while facilitating Securitization & Direct Assignment opportunities for assets originated by them and filtered and assessed by U GRO Capital's analytical proprietary tool.

U GRO Capital is a new-age NBFC whose mission is to solve the ever-growing credit gap in the SME sector based on knowledge and technology. The Company has developed proprietary tools which comprise of **customized SME Sector specific statistical scorecards, underwriting insights based on deep sub-sector level research put together in a highly integrated technology platform**. This helps in getting an in-principle decision for the loan application within 60 Mins. The Company has already disbursed more than INR 600 crores across 6000+ small businesses in a short span of 10 months.

Speaking on this partnership, **Mr. Shachindra Nath, Executive Chairman of U GRO Capital** said, "We are delighted to sign our first co-origination agreement with Bank of Baroda and value the trust they have reposed in our platform. This partnership is a validation of our knowledge-driven approach (sectoral focus) backed with technology along with the highest levels of corporate governance. We look forward to a long-term

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mutually beneficial relationship with Bank of Baroda, to serve MSMEs in our chosen sectors and help them grow more.”

Co-origination partnerships with larger banks/NBFCs is a key component in the Company’s three-pronged liability strategy combined with balance sheet lending, and an off-balance sheet model including assignments/securitization to create a truly hybrid lending model.

**Shri V. S. Khichi, Executive Director of Bank of Baroda** said, “We are committed to working jointly with various partners to support MSMEs and we have entered into these MOUs with a view to enhance our footprint in delivery of products and services in the MSME eco-system. The partnership with U GRO Capital is in this direction and we believe the MSME sector will be a significant beneficiary from this co-origination tie-up.”

U GRO Capital, founded by financial services veteran Mr. Shachindra Nath, in December 2017, had earlier raised approximately US\$ 140 Mn from a diversified set of global private equity investors such as NewQuest, ADV Partners, PAG and Samena Capital and public market investors such as Abakkus, PNB Metlife and multiple Indian family offices.

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