16th November 2021

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400 001
Scrip Code: 511742

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra - Kurla Complex,
Bandra (E), Mumbai - 400 051
Symbol: UGROCAP

Subject: Press Release

Dear Sir/ Madam,

Please find enclosed herewith press release titled "State Bank of India onboards U GRO Capital as its first co-lending partner for its Sanjeevani program to finance MSMEs; aims to disburse upto ₹ 500 crores by March 2022" dated 16th November 2021

This is for your information and record.

Thanking you,

For UGRO Capital Limited

Aniket Karandikar
Company Secretary

Encl: as above

PRESS NOTE

16th November, 2021
Mumbai, India

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State Bank of India onboards U GRO Capital as its first co-lending partner for its Sanjeevani program to finance MSMEs; aims to disburse upto ₹ 500 crores by March 2022

U GRO Capital, a listed MSME lending fintech platform, today announced that it has entered into a co-lending partnership with State Bank of India (SBI), India's largest bank, to provide credit to the micro, small and medium enterprises (MSME). Through this collaboration, SBI and U GRO aim to disburse upto ₹ 500 crores by March 2022.

The agreement has been signed in accordance with the alternative option of Reserve Bank of India's revised co-lending guidelines, which involves post disbursal takeover of bank's share in the loan on a back-to-back basis. This arrangement will leverage SBI's prowess on the liability side and U GRO Capital's origination and distinctive underwriting engine capabilities on the assets side.

The arrangement will extend credit products under U GRO's Sanjeevani program, offering loans upto ₹ 3 crore, at competitive rate of interest. U GRO Capital had launched 'Sanjeevani' as a solution to provide credit to pandemic impacted MSME sector as an end-to-end digital lending program in June 2020 and has disbursed over **₹ 750 crores**, as of October 31, 2021.

The partnership has been hosted on U GRO Capital's **GRO–xStream** platform, which through APIs integrates with Banks on one side and with multiple FinTechs, Payments Platforms, NBFCs, NeoBanks, Market places and other digital platforms on the other. U GRO has on-boarded more than **15** FinTech / NBFC partners on asset side and Banks on liability side, via this **GRO–xStream**.

With this partnership, U GRO has established its distinguished position in the fast-evolving co-lending ecosystem where it is the first NBFC which have been accepted as Co-Lending partner with Bank of Baroda, IDBI Bank and now SBI.

Speaking on this occasion, **Shri Dinesh Khara, Chairman, State Bank of India** said, "We are glad to have joined hands with U GRO Capital under the co-lending program. This collaboration will further enhance our distribution network, as we aim to extend our credit reach to more MSMEs. Such partnerships align with our commitment to accelerate effective and affordable credit to MSMEs in India and contribute to the country's financial inclusion imperative towards building an Atmanirbhar Bharat."

Mr. Shachindra Nath, Executive Chairman and Managing Director, U GRO Capital said, "India's lending landscape for NBFCs is transitioning, we believe that next decade is all about collaboration between large banks and niche NBFCs / FinTech wherein *Lending as a Service* would become the prominent force.

Today marks a significant day in U GRO Capital's business journey, and we are elated to sign a co-lending agreement with the country's largest lender, State Bank of India. This partnership reiterates SBI's faith and value, in our ability to leverage sectoral expertise and technology capabilities to address the critical MSME credit needs.

The **GRO–xStream** platform is a reflection of our belief that collaboration, as opposed to competition, is the way forward to solve the unsolved credit gap of MSMEs. We look forward to nurturing this significant relationship, to jointly support more MSMEs in their revival and growth."

U GRO Capital, currently has 55 branches across 9 states. It aims to expand the branch network to 100 by FY2022. By 2025, U GRO envisions to achieve 1% market share of outstanding MSME credit in India and serve 1 Million customers.

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.