

27<sup>th</sup> April 2025

To  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai 400001

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

Scrip Code – 511742

Symbol – UGROCAP

**Subject: Investor Presentation for the quarter and year ended 31<sup>st</sup> March 2025**

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith investor presentation for the quarter and year ended 31<sup>st</sup> March 2025.

This is for your information and records.

The aforesaid information is being made available on the Company's website at [www.ugrocapital.com](http://www.ugrocapital.com)

Thanking You,

**For UGRO Capital Limited**

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

**UGRO CAPITAL LIMITED**

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

**CIN:** L67120MH1993PLC070739

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# UGRO Capital Limited

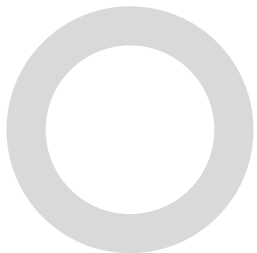
## Building an Institution for MSME Lending

Data Tech Empowering Small Businesses (MSME) Lending

## Q4'FY25 Earnings Presentation

26 April 2025

NSE: UGROCAP | BSE: 511742



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# Q4'FY25 Snapshot: Record Growth through Expansion and Strategic Initiatives

## Consecutive highest loan origination Quarter:

INR 2,436 Cr compared to INR 2,098 Cr in Q3'FY25 and INR 1,554 Cr in Q4'FY24

## Successful initiation in the embedded finance disbursements:

MSL acquisition<sup>(1)</sup> achieved AUM of INR 743 crore as of March 2025

## Focus on Emerging Market (EM) channel<sup>(2)</sup>:

85 Emerging Market branches added in FY25 taking total branch count to 235

## Highest ever disbursement by Emerging Market channel:

INR 669 Cr in Q4'FY25 vs. INR 203 Cr in Q4'FY24; 27% of total disbursement for Q4'FY25

## Mobilized highest ever borrowings in a quarter:

INR 1,500+ Cr in Q4'FY25 vs INR 1,400+ Cr in Q3'FY25 and INR 4,600+ Cr in FY25

## Stable Asset Quality:

GNPA maintained at 2.3% with all portfolio parameters stable; provision coverage maintained at 47%.

(1) The process is underway and the regulatory approval is awaited.

(2) 'Micro' has been renamed as 'Emerging Market' for better reference to our focus segment

# Performance snapshot for Q4'FY25 and FY25

	Q4'FY25	Q4'FY24		FY25	FY24	
AUM (INR Cr)	12,003	9,047	↑ 33%	12,003	9,047	↑ 33%
Net Disbursement (INR Cr) <sup>(2)</sup>	2,436	1,554	↑ 57%	7,651	5,867	↑ 30%
Off-book AUM	42%	45%	↓ 269 bps	42%	45%	↓ 269 bps
Net Total Income % <sup>(3)</sup>	14.1%	16.9%	↓ 277 bps	13.7%	14.8%	↓ 354 bps
Pre-Tax Profit (INR Cr)	57.2	55.9	↑ 2%	203.1	178.8	↑ 14%
PAT (INR Cr)	40.5	32.7	↑ 24%	143.9	119.3	↑ 21%
Cost to Income Ratio	51.8%	52.0%	↑ 26 bps	53.8% <sup>(1)</sup>	53.8%	↓ 0 bps
ROA <sup>(3)</sup>	2.5%	2.7%	↓ 25 bps	2.4% <sup>(1)</sup>	2.8%	↓ 35 bps
ROE <sup>(4)</sup>	8.9%	9.2%	↓ 33 bps	8.7%	9.9%	↓ 111 bps

EPS for FY25<sup>(5)</sup>  
**INR 15.7 per share**

Price to Earnings Ratio  
 (P/E)  
**10.5x**  
 (Basis BSE price as on Mar 31, 2025)

(1) Excluding the impact of EM branch expansion, Cost to income is 51.0% and ROA is 2.9% for FY25

(2) Net Disbursement = Gross Disbursements – Repayment received in Supply Chain Financing during the period ; (3) On Average On-books AUM for the relevant period;

(4) Annualised for quarters and excluding equity component of CCDs; (5) Diluted EPS for FY25 of INR 14.7

# Key metrics for Q4'FY25 and FY25

01	Asset Growth	02	Profitability	03	Asset Quality	04	Liability & Co - lending
	<b>AUM</b> As of Mar'25 : <b>12,003 Cr</b> (+33% Y-o-Y)		<b>Net Total Income</b> Q4'FY25   FY25: <b>231 Cr   814 Cr</b> (+14%   +27% Y-o-Y)		<b>GNPA</b> As of Mar'25 : <b>2.3%</b> (Mar'24: 2.0%)		<b>Borrowings</b> As of Mar'25 : <b>6,904 Cr</b>
	<b>Net Loans Originated</b> Q4'FY25   FY25: <b>2,436 Cr   7,651 Cr</b> (+57%   +30% Y-o-Y)		<b>PPOP</b> Q4'FY25   FY25: <b>111 Cr   376 Cr</b> (+15%   +27% Y-o-Y)		<b>NNPA</b> As of Mar'25 : <b>1.6%</b> (Mar'24: 1.1%)		<b>Co-lending</b> - Partnership with <b>17</b> co - lenders / co - originators - <b>5,087 Cr</b> off-book AUM (+25% Y-o-Y)
	<b>Portfolio yield (net)</b> As of Mar'25: <b>17.3%</b>		<b>Net Profit</b> Q4'FY25   FY25: <b>41 Cr   144 Cr</b> (+24%   +21% Y-o-Y)		<b>Collection efficiency<sup>(1)</sup></b> Mar'25 : <b>95%</b>		<b>Cost of Borrowings</b> As of Mar'25 : <b>10.61%</b>

(1) Total Collections (including overdue) / Current month demand

# Serving a diverse set of customers with **multi-product, multi-channel strategy**

## UGRO's Focus

### Prime Intermediated: Metro & Tier 1/2 Branches

**Collateral:** Prime Property (For Sec.), Prime Machinery  
**Cashflow:** GST, Banking & Liquid income assessment

Rs 1Cr – 15Cr  
Customer Turnover

**Secured Biz. Loan:** Rs 84L  
**Biz. Loan\*:** Rs 19L  
**Prime Machinery:** Rs 42L  
Average ticket size

**Yield:** Sec/Biz/Mch: 14%/19%/15%  
**Tenure:** Sec/Biz/Mch: 12/3/4 yrs

**Channel AUM Mix:** 49%  
Sec/Biz/Mch : 21%/26%/2%

Tech Stack

### Emerging Market: Tier 2 & beyond branches

**Collateral:** Standard Property  
**Cashflow:** Liquid income assessment

<Rs 3Cr  
Customer Turnover

Rs 16L  
Average ticket size

**Yield:** 19%  
**Tenure:** 9 yrs

**Channel AUM Mix:** 22%

Tech Stack

### Ecosystem Channel & Green Asset Financing

**Collateral:** Prime Machinery  
**Cashflow:** GST & Banking

Rs 1Cr – 10Cr  
Customer Turnover

Rs 36L  
Average ticket size

**Yield:** 15%  
**Tenure:** 4 yrs

**Channel AUM Mix:** 11%

Tech Stack

### Direct & Digital Alliances

**Collateral:** Receivables, FLDG from partner  
**Cashflow:** Banking & liquid income assessment

<Rs 50L  
Customer Turnover

**Alliances:** Rs 4L  
**Embedded Finance:** Rs 1L  
Average ticket size

P&A/Embedded fin  
**Yield:** 15%/ 26%  
**Tenure:** 4 yrs/ 1 yr

**Channel AUM Mix:** 10%/6%

Tech Stack

\*CGTMSE backed

**Products sold across channels:** Intermediated: Secured Biz. Loan, Biz. Loan, Rooftop Solar and Machinery; Emerging Market: Secured Business Loan, Rooftop Solar and Machinery; Equipment finance and Green Asset Financing: Direct distribution and across other channels; Digital business & Alliances: Digital business and Embedded finance

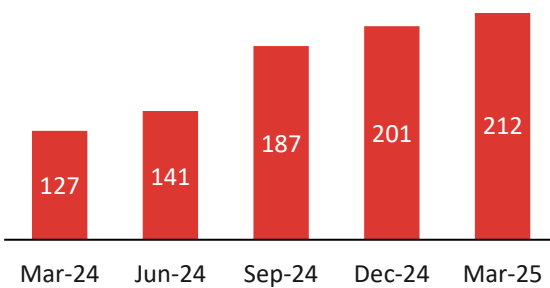
Strategic decision to rundown lower yielding SCF book – not covered here

# Emerging Market Snapshot- Y-o-Y

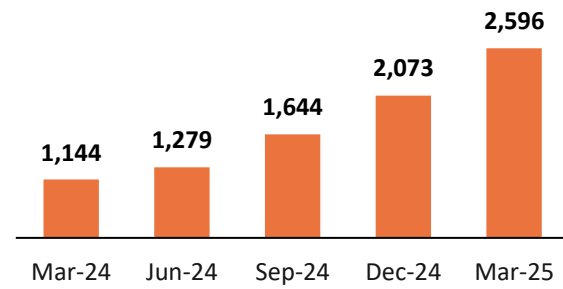
	FY25	FY24	
# of branches	212	127	↑ 67%
# of states	11	8	
# of logins	35,143	19,847	↑ 77%
Disbursement (INR Cr)	1,869	722	↑ 159%
AUM (INR Cr)	2,596	1,144	↑ 127%
Channel AUM Mix %	22%	13%	↑ 898 bps

## Quarterly trends- Last 5 quarters

# of branches:



Channel AUM (Rs cr) trend:



## Strategy- Current/ Target

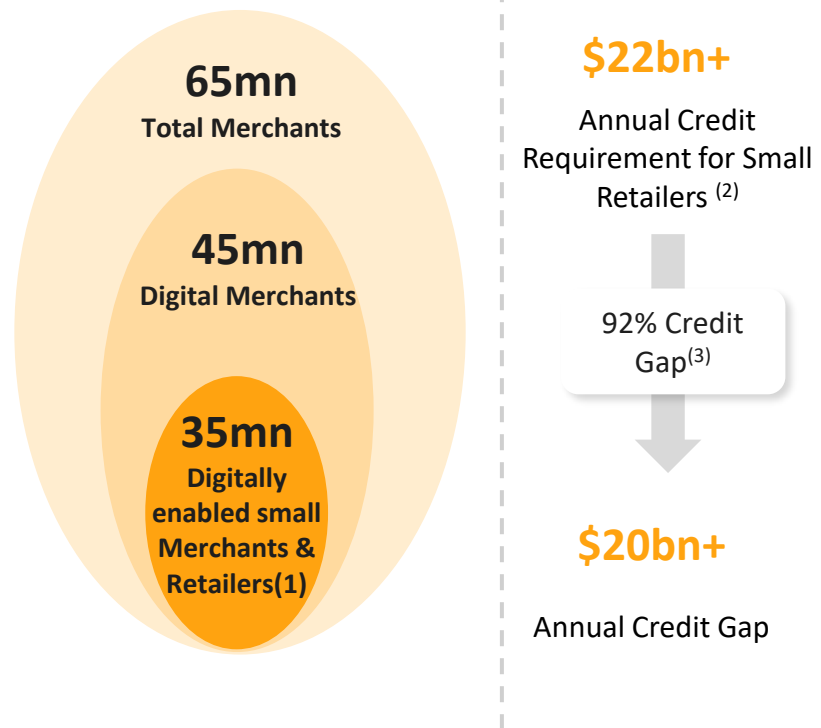
- Target to increase the number of branches to 400 by March 2026 and increase geographical presence in another 2-3 states.

- Significant focus on increasing the volumes.
- The AUM mix is planned to increase from current levels to approx. 32-35% in the next 4-6 quarters.

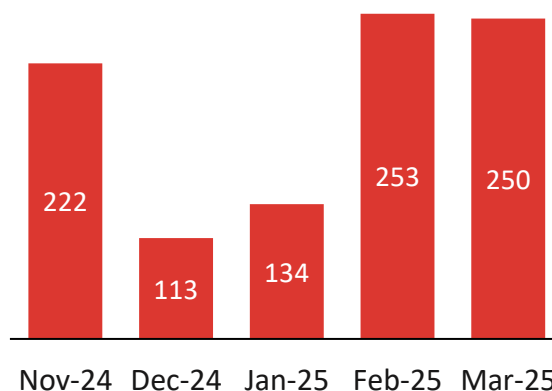
Our Emerging Market Channel continues to grow quarter on quarter with steady volumes and increase in number of branches as desired

# Embedded finance platform (MSL) acquisition tracking as per plan

## Market opportunity



## Monthly disbursement trend (INR Cr)



## MSL Performance so far..

- Our targeted acquisition of the embedded finance platform (MSL) has tracked to the right scale.
- We have seen good traction for the partner volumes, with monthly run rate of Rs 150cr to Rs 200cr.
- Out of total universe of ~3 crore merchants pertaining to MSL's partners, we have served 74,000+ customers. The AUM as of Mar-25 is **INR 743 Cr.**
- The approval process for completion of acquisition is ongoing.

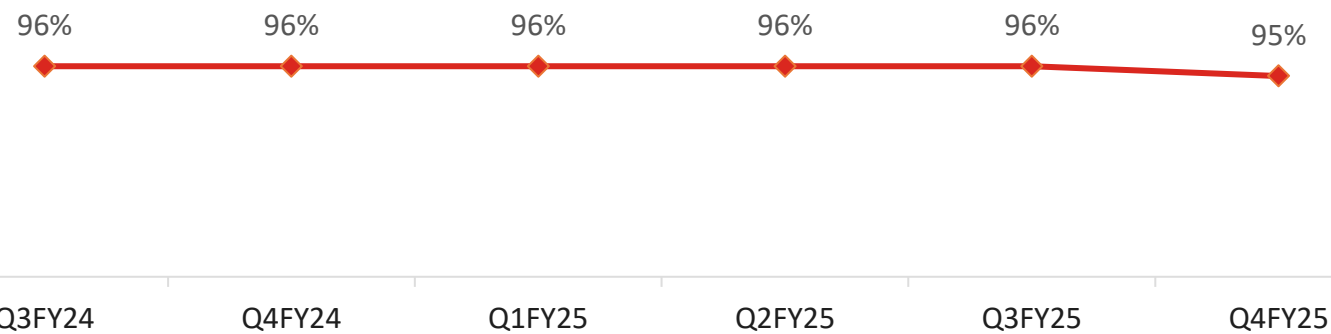
## Partnerships



# Our collection efficiencies and portfolio performance **remains stable**

## Collection Efficiency remains stable

◆ Total Collections (1) (including overdue) / Current Month Demand



### Key highlights:

- **GNPA / NNPA** as a % of Total AUM stood at **2.3% / 1.6%** as of Mar'25
- **Stage 3** provisioning coverage stood at **47%**

## ECL Data (Mar'25)

(INR Cr)	Loan Exposure	Loan Exposure (%)
Stage 1	11,135	92.8%
Stage 2	588	4.9%
Stage 3	280	2.3%
<b>Total</b>	<b>12,003</b>	<b>100.0%</b>

## Product wise GNPA

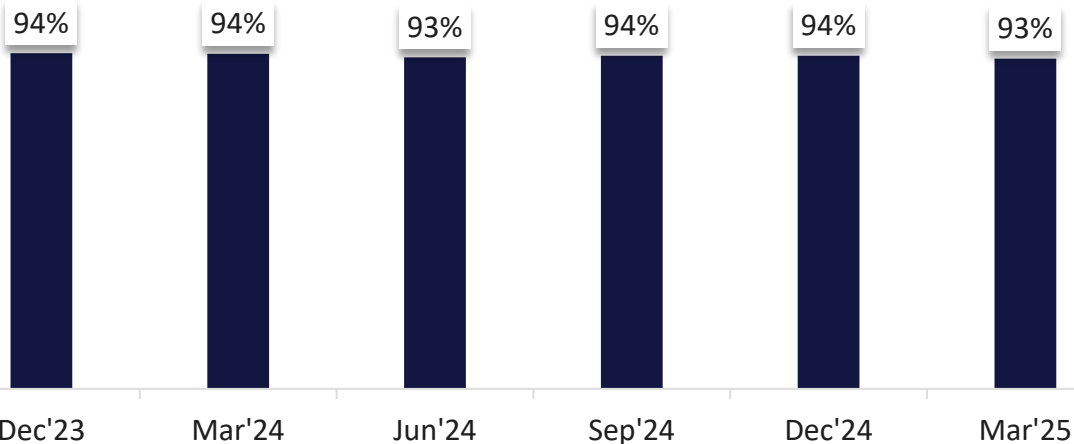
Product Category	AUM (INR Cr)	GNPA(%)
Secured Business Loan	2,479	0.6%
Business Loan	3,153	4.0%
Emerging market Loan	2,596	2.6%
Machinery Loan	1,577	1.3%
Partnerships & Alliances	1,181	0.7%
Embedded Finance	743	0.2%
<b>AUM<sup>(2)</sup></b>	<b>12,003</b>	<b>2.3%</b>

(1) Excluding foreclosures

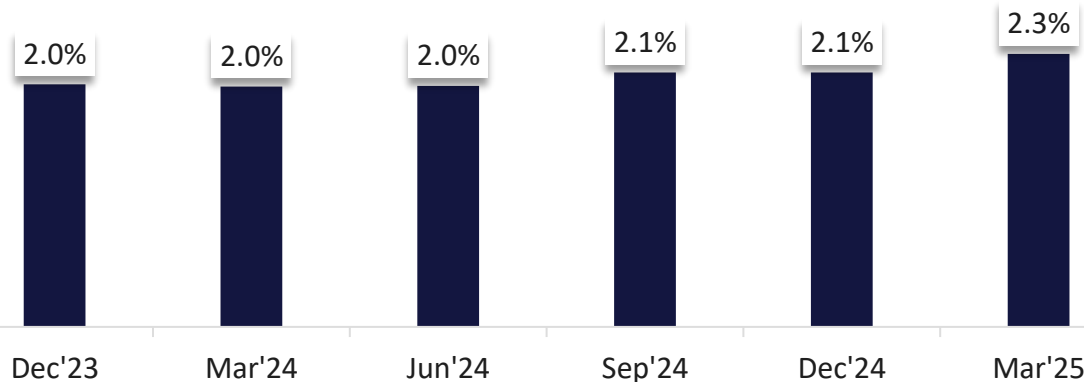
(2) AUM including run down portfolio of SCF amounting to INR 274 Cr. GNPA % at peak SCF AUM levels was 3.9% (Dec'23) which increased to 14.6% (INR 40 Cr) as of Mar'25 due to run down of portfolio

# Our collection efficiencies and portfolio performance **remains stable**

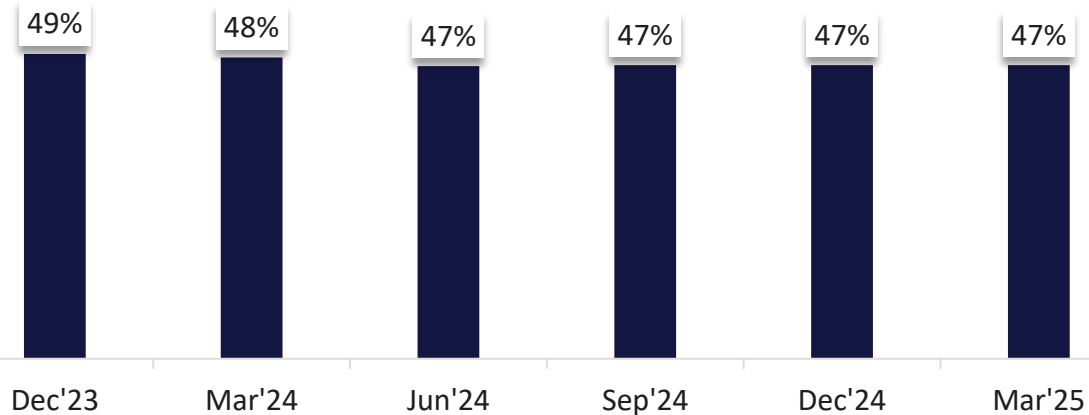
## Stable Stage 1 assets



## Stable Stage 3 assets



## Adequate Provision Coverage Ratio

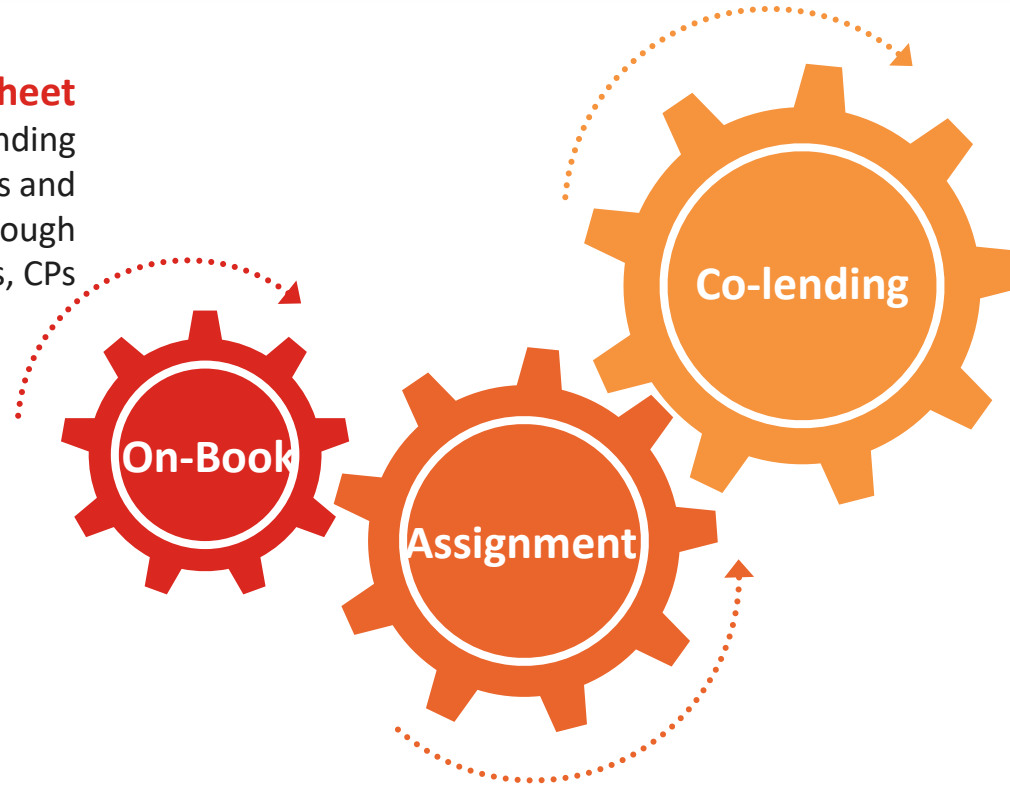


# Unique **capital light liability** strategy

Demonstrated ability to manage a prudent mix of on-balance sheet and off-balance sheet approach

## On-Balance sheet

Diversified Lender base across Lending Institutions – Banks, Large NBFCs and DFIs. Multi product approach through TL, NCDs, MLDs, CPs



## Co-Lending with Banks/NBFCs

Partnership with PSBs, Pvt. Banks and Large NBFCs to achieve scale with lesser leverage and lower on-balance sheet risk

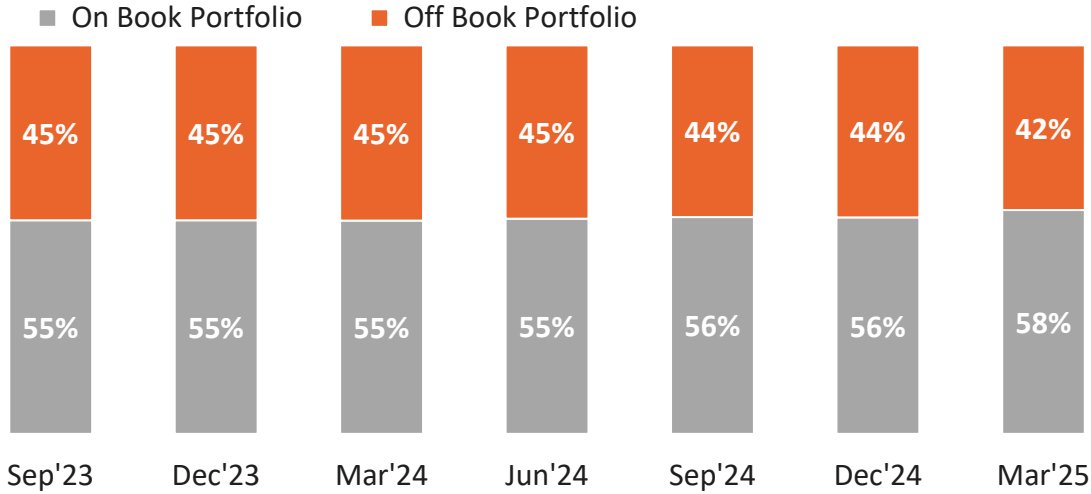
## Assignments with FIs

100% PSL Loan book leading to higher demand of securitized pool and a lever to manage ALM

Actively partnering with liability providers and focus on building a long-term relationship

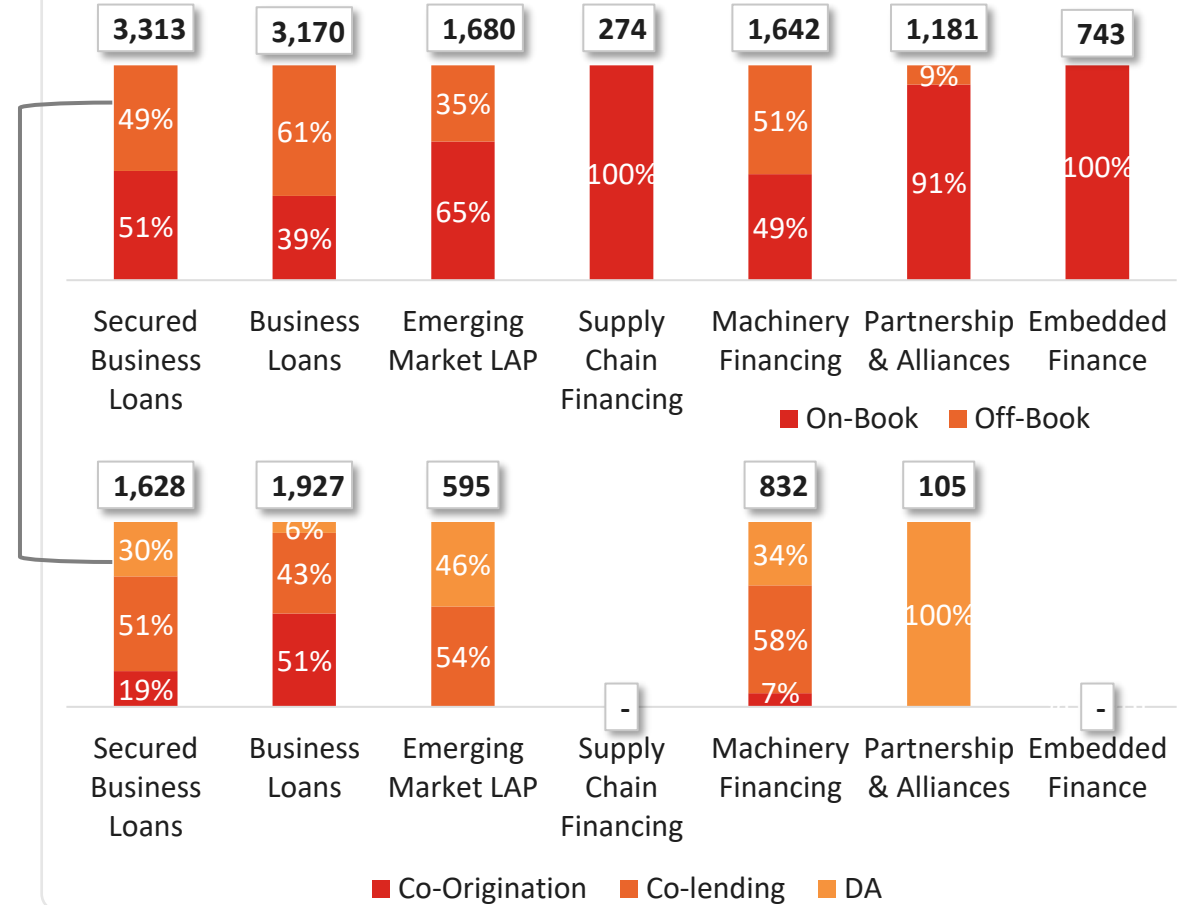
# Overall off book ratio maintained

## High proportion of off - Book AUM mix



	Sep'23	Dec'23	Mar'24	Jun'24	Sep'24	Dec'24	Mar'25
Off Book AUM	3,405	3,765	4,078	4,114	4,493	4,902	5,087
Co-lending	1,166	1,474	1,685	1,839	2,222	2,350	2,474
Co-Origination	1,604	1,615	1,610	1,513	1,398	1,412	1,352
DA	635	676	784	762	874	1,141	1,260

## Product wise Mix of off - Book AUM (Mar'25)

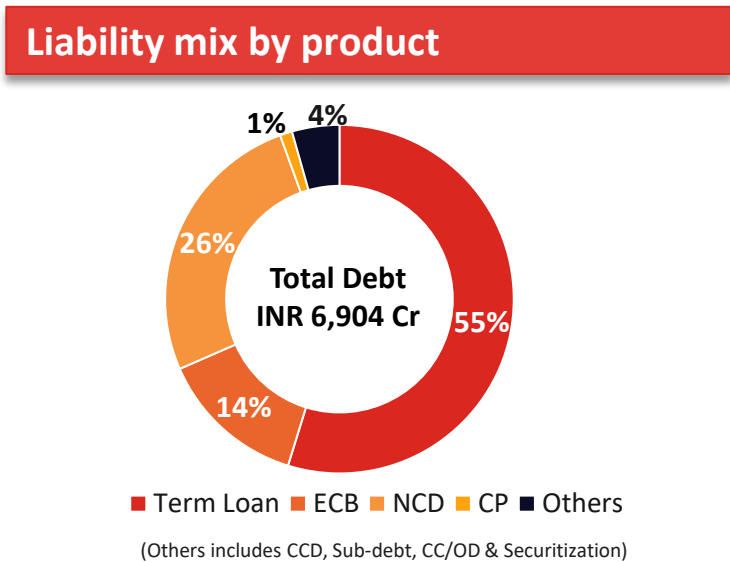
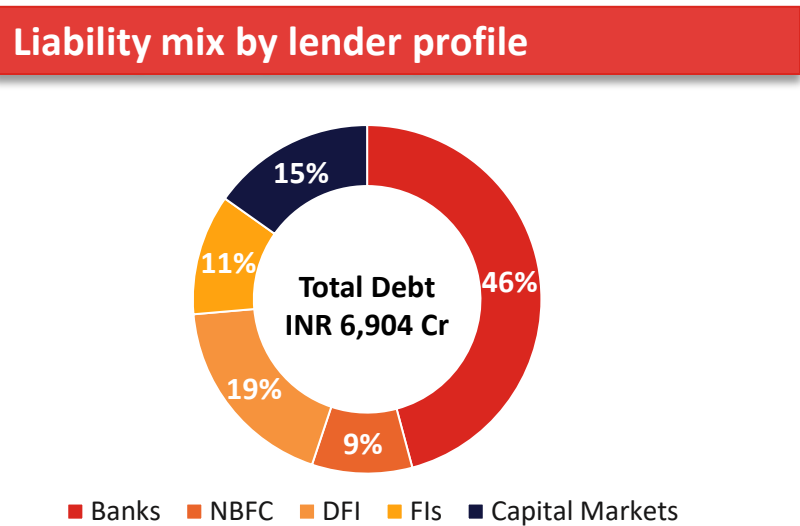
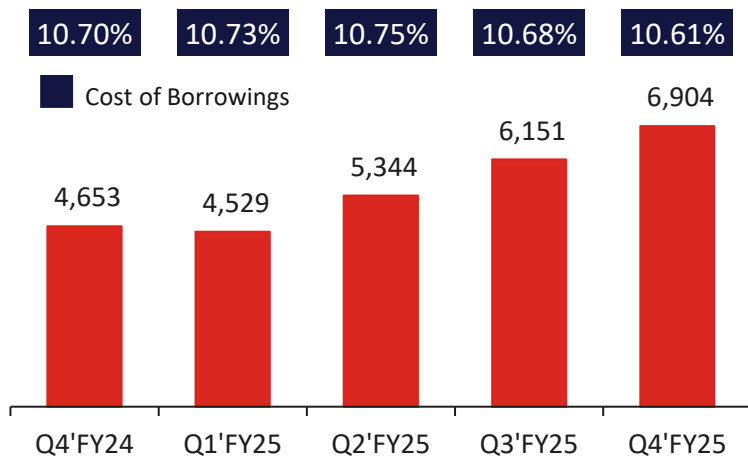


## Co-lending Partnership with 10 Banks and 7 NBFCs



# Diversified Lender base and continued build-out of liability book

## Total Debt (INR Cr) and Cost of borrowings | Liability mix by lender profile | Liability mix by product



## Our liability sanctions have been raised from a diverse set of lenders

Public Sector Banks and Institutions	Private Sector Banks	DFIs	NBFCs

# Finance | Quarterly Income Statement

Income Statement (₹ Cr)	Q4'FY25	Q4'FY24	Y-o-Y	Q3'FY25	Q-o-Q
Interest Income	264.3	190.3	39%	254.4	4%
Income on Co-Lending / Direct Assignment	119.3	122.4	(3%)	103.6	15%
Other Income	28.7	17.7	62%	26.9	7%
<b>Total Income</b>	<b>412.4</b>	<b>330.4</b>	25%	<b>385.0</b>	7%
Interest Expenses	181.2	128.1	41%	167.3	8%
<b>Net Total Income</b>	<b>231.1</b>	<b>202.2</b>	14%	<b>217.7</b>	6%
Employee Cost	54.7	51.4	6%	64.6	(15%)
Other Expenses	64.9	53.8	21%	58.8	10%
<b>PPOP</b>	<b>111.5</b>	<b>97.0</b>	15%	<b>94.2</b>	18%
Credit Cost	54.3	41.1	32%	41.3	32%
<b>PBT</b>	<b>57.2</b>	<b>55.9</b>	2%	<b>53.0</b>	8%
Tax	16.7	23.3	(28%)	15.5	8%
<b>PAT</b>	<b>40.5</b>	<b>32.7</b>	24%	<b>37.5</b>	8%

# Finance | Income Statement and ROA Tree

Income Statement (₹ Cr)	FY25	FY24	Y-o-Y	FY23
Interest Income	958.7	704.6	36%	482.9
Income on Co-Lending / Direct Assignment	382.9	307.5	25%	154.1
Other Income	100.1	69.6	44%	46.8
<b>Total Income</b>	<b>1,441.8</b>	<b>1,081.7</b>	<b>33%</b>	<b>683.8</b>
Interest Expenses	627.8	442.9	42%	293.3
<b>Net Total Income</b>	<b>814.0</b>	<b>638.8</b>	<b>27%</b>	<b>390.5</b>
Employee Cost	235.6	182.9	29%	140.7
Other Expenses	202.3	160.9	26%	109.1
<b>PPOP</b>	<b>376.2</b>	<b>295.0</b>	<b>27%</b>	<b>140.6</b>
Credit Cost	173.1	116.3	49%	56.8
<b>PBT</b>	<b>203.1</b>	<b>178.8</b>	<b>14%</b>	<b>83.8</b>
Tax	59.2	59.4	-	44.1
<b>PAT</b>	<b>143.9</b>	<b>119.3</b>	<b>21%</b>	<b>39.8</b>

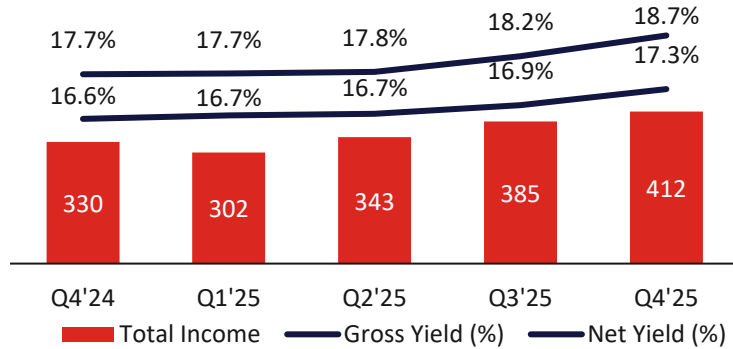
ROA Tree	FY25	FY24
<i>As a % of On Book AUM</i>		
Total Income	24.3%	25.1%
Interest Expenses	10.6%	10.3%
Net Total Income	13.7%	14.8%
Opex	7.4%	8.0%
Credit cost	2.9%	2.7%
PBT	3.4%	4.2%
PAT	2.4%	2.8%
Key Ratios	FY25	FY24
Leverage	3.4x	3.2x
RoE <sup>(2)</sup>	8.7%	9.9%

(1) Excluding the impact of EM branch expansion, **Opex as % of On-book AUM is 6.7% and ROA is 2.9% for FY25**

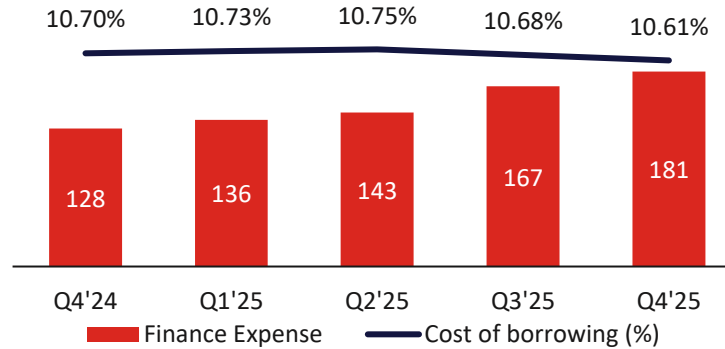
(2) Excluding Equity component of CCDs

# Operating & Financial Metrics

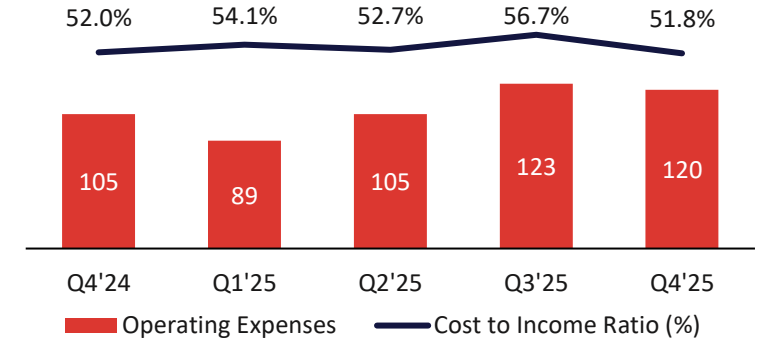
## Total Income (INR Cr) & Portfolio Yield<sup>(1)</sup>



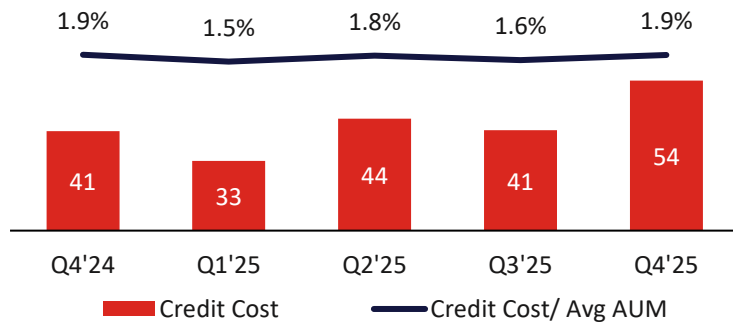
## Finance Cost (INR Cr) & Cost of Borrowing



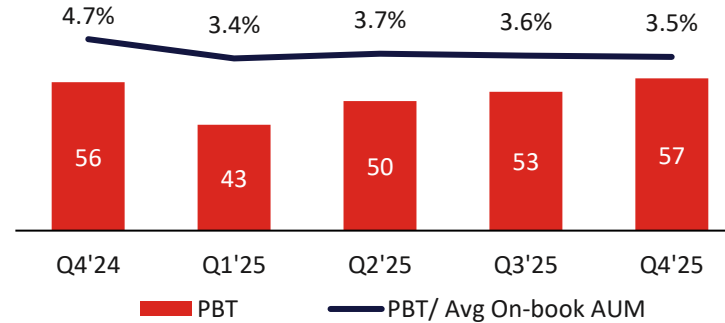
## Operating Exp. (INR Cr) and Cost to Income



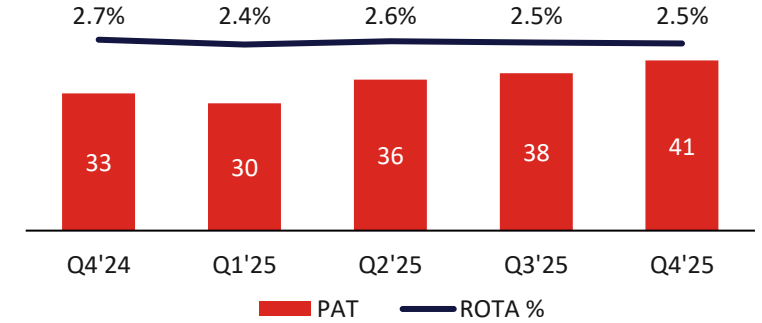
## Credit Cost (INR Cr) & Credit cost / Avg AUM<sup>(2)</sup>



## PBT (INR Cr) and PBT / Avg. On Book AUM<sup>(2)</sup>



## PAT (INR Cr) and PAT / Avg. On Book AUM<sup>(2)</sup>



**2,046 Cr**  
Net Worth

**12,003 Cr**  
AUM

**42%**  
Off book %

**6,904 / 19.4%**  
Total Debt / CRAR

**2.3% / 1.6%**  
GNPA / NNPA (Total AUM)

**235**  
Branches

**150,000+**  
Active Borrowers

(1) Weighted Average AUM yield as on Period End

(2) Annualized ratio based on quarterly average of AUM and On book AUM

# **Forward-Looking Guidance,** Positioning for Sustainable growth

## Prime Intermediated: Secured Business loans

Parameters	FY25 exit (Q4FY25)	Near term Strategy
Disbursement (INR Cr)	299	Planned increase by 15%-20%
Productivity (INR Cr p.m./ FOS )	1.10	Planned increase by 15%-20%
Login to disbursement %	33%	Expected to continue at similar levels
Ticket size (INR Cr) <sup>(1)</sup>	0.85	Expected to continue at similar levels
Yield % <sup>(1)</sup>	13.4%	Pricing pressure expected due to competitive landscape
Tenor (months) <sup>(1)</sup>	148	Expected to continue at similar levels
GNPA %	0.6%	Expected to stabilize at 0.8%-1%
Credit cost- % of Avg AUM	0.8%	Expected to continue at similar levels

(1) The numbers pertain to disbursements of Q4FY25

## Prime Intermediated: Business loans

Parameters	FY25 exit (Q4FY25)	Near term Strategy
Disbursement (INR Cr)	285	Planned reduction by 25%-30% to maintain favorable balance of Secured loans in overall portfolio
Productivity (INR Cr p.m./ FOS )	0.9	Expected to continue at similar levels
Login to disbursement %	18%	Expected to continue at similar levels
Ticket size (INR Cr) <sup>(1)</sup>	0.25	Expected to continue at similar levels
Yield % <sup>(1)</sup>	18.2%	Expected to continue at similar levels
Tenor (months) <sup>(1)</sup>	44	Expected to continue at similar levels
GNPA %	4.0%	Expected to continue at similar levels
Credit cost- % of Avg AUM	1.9%	Planned increase by 20-25 bps due to planned rundown of book.

(1) The numbers pertain to disbursements of Q4FY25

# Emerging Market: Secured Loans

Parameters	FY25 exit (Q4FY25)	Near term Strategy
Disbursement (INR Cr)	669	Expected to increase significantly with increase in # of branches
Productivity (INR Cr p.m./ branch)	1.1	Expected to continue at similar levels
Closing # of branches	212	Expected to increase to 400 branches
Ticket size (INR Cr) <sup>(1)</sup>	0.2	Expected to continue at similar levels
Yield % <sup>(1)</sup>	17.6%	Expected to increase by 30-40 bps with optimization of mix of higher yielding Secured loans
Tenor (months) <sup>(1)</sup>	125	Expected to continue at similar levels
GNPA %	2.6%	Expected to increase to 3.7%-4% in line with portfolio vintage
Credit cost- % of Avg AUM	1.0%	Expected to increase by 30-50 bps in line with portfolio vintage

(1) The numbers pertain to disbursements of Q4FY25

# Ecosystem Channel & Green Asset Financing

Parameters	FY25 exit (Q4FY25) <sup>(1)</sup>	Near term Strategy
Disbursement (INR Cr)	287	Planned increase by 15%-20%
Productivity (INR Cr p.m./ FOS )	0.7	Planned increase by 15%-20%
Login to disbursement %	40%	Expected to continue at similar levels
Ticket size (INR Cr) <sup>(2)</sup>	0.37	Expected to continue at similar levels
Yield % <sup>(2)</sup>	13.4%	Expected to continue at similar levels
Tenor (months) <sup>(2)</sup>	52	Expected to continue at similar levels
GNPA %	1.3%	Expected to reduce to 1%-1.1%
Credit cost- % of Avg AUM	0.2%	Expected to increase by 10-15bps in line with portfolio vintage

(1) This includes Intermediated Machinery numbers as well

(2) The numbers pertain to disbursements of Q4FY25

# Direct & Digital Alliances

Parameters (Alliances)	FY25 exit (Q4FY25)	Near term Strategy
Disbursement (INR Cr)	308	Expected to continue at similar levels
# of active partners	64	Expected to continue at similar levels
Yield % <sup>(1)</sup>	15.2%	Expected to continue at similar levels
Tenor (months)	36	Expected to continue at similar levels
GNPA %	0.7%	Expected to continue at similar levels

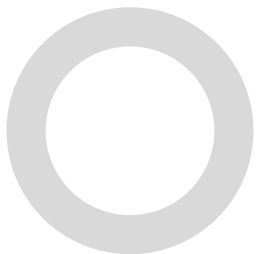
Parameters (Embedded Finance)	FY25 exit (Q4FY25)	Near term Strategy
Disbursement (INR Cr)	638	Expected to continue at similar levels
Yield %	26%	Expected to continue at similar levels
Tenor (months)	12	Expected to continue at similar levels
GNPA %	0.2%	Expected to increase to 2.7%-3%

(1) The numbers pertain to disbursements of Q4FY25



# MSME lending :

The largest opportunity today



# For India's GDP to reach USD 5 trillion, MSME sector has to reach USD ~2 trillion

## Today



~6.3 Crore MSMEs



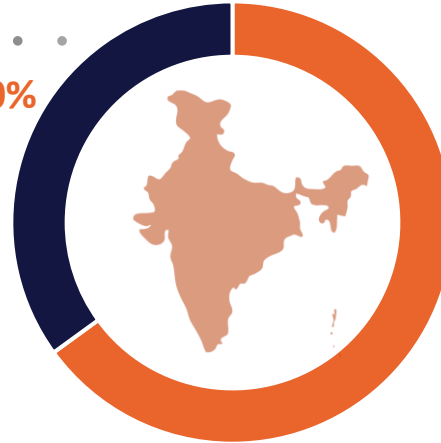
~24 Crore employment



~30% of GDP

## India's GDP in FY2028

MSME • •  
35 – 40%



## FY2028



~8 – 10 Crore MSMEs



~35-40 Crore employment



~30-40% of GDP

MSME sector expected to grow to USD ~2 trillion by FY2028

- Rapid digitization, expansion of the ecommerce
- Penetration of the Digital India Stack 2.0
- Rising digital payments; India accounts for 45% of global transactions
- Other initiatives: Account Aggregator Framework, OCEN, ONDC
- Continuous support from Government

# MSME sector is the key to India's 'Employment Generation', making it one of the **Central themes of Government** in the last decade

MSME count to grow to ~10 crores employing 35-40 crores



## ...well supported by continuity in **Government initiatives**

### Government Initiatives throughout the years

- **2014** - Pradhan Mantri MUDRA Yojana (PMMY)
- **2015** - Udyog Aadhaar Memorandum (UAM)
- **2016** - Stand-Up India Scheme
- **2017** - MSME Samadhaan, MSME Sambandh
- **2018** - 59-minute loan portal, Interest Subvention Scheme for MSMEs
- **2019** - MSME Support and Outreach Program
- **2020** - Emergency Credit Line Guarantee Scheme (ECLGS)
- **2021** - Raising and Accelerating MSME Performance (RAMP) Program
- **2022** - Revised Credit Guarantee Scheme for MSMEs
- **2023** - Credit guarantee trust, Vivad se Vishwas scheme

### Financial Support for MSME Growth - 2025

#### Budget Allocation

- For Ministry of MSME: INR 23k Crores

#### Revised Classification Criteria

- The investment and turnover limits for classification of MSMEs have been increased by 2.5 times and 2 times, respectively.

#### Enhanced Credit Availability

- The credit guarantee cover has been increased from ₹5 crore to ₹10 crore, enabling additional credit of ₹1.5 lakh crore over five years.
- Startups will see their guarantee cover double from ₹10 crore to ₹20 crore, with a reduced fee of 1% for loans in 27 priority sectors.

#### Credit Cards for Micro Enterprises

- A new customized Credit Card scheme will provide ₹5 lakh in credit to micro enterprises registered on the Udyam portal, with 10 lakh cards set to be issued in the first year.

#### Others

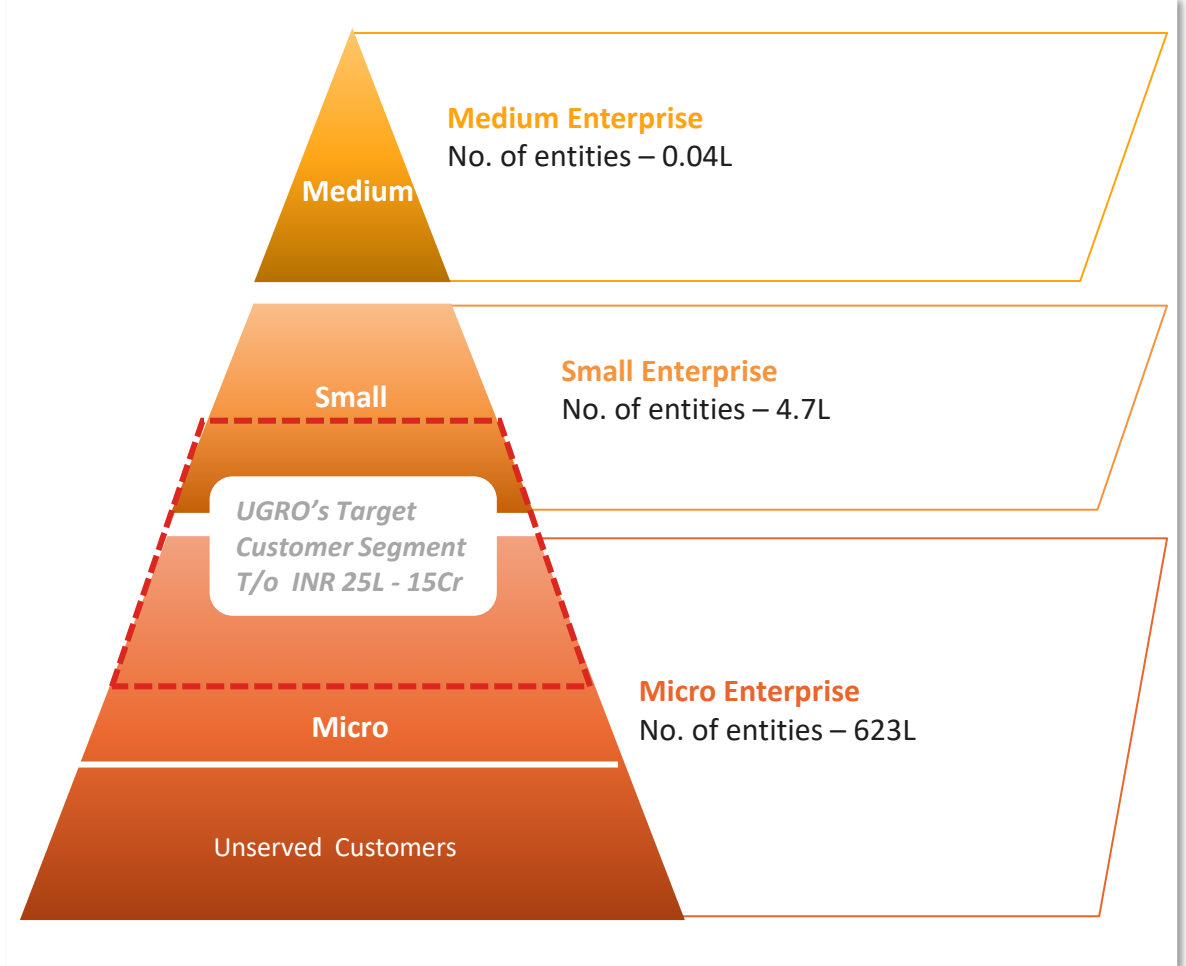
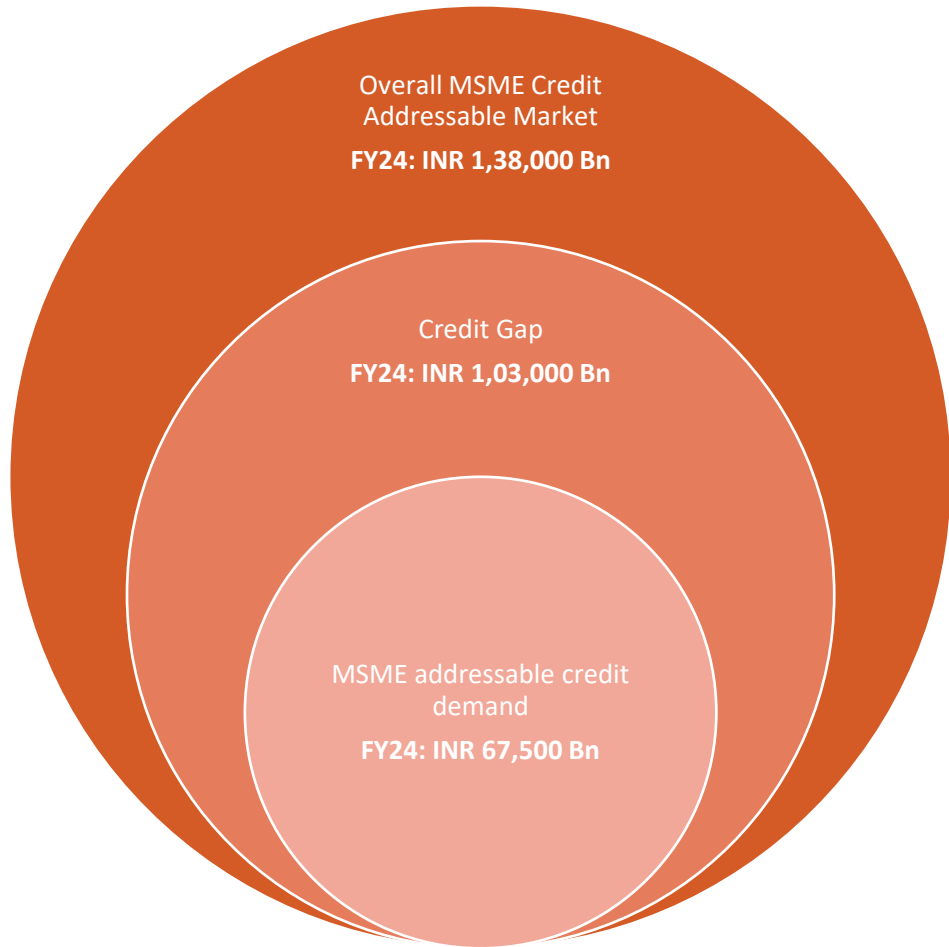
- A scheme for 5 lakh first-time women, Scheduled Caste, and Scheduled Tribe entrepreneurs will provide term loans up to ₹2 crore over five years, incorporating lessons from the Stand-Up India scheme.

# Building a large institution for MSME financing is a real possibility

Explosion of Credit in MSME Segment: Large market opportunity, conducive macro, favorable policy framework

**Total MSME Credit gap is INR 1,03,000 Bn**

**Credit Gap of our customer segment constitutes majority portion**



Source: IFC report on Financing India's MSME; Crisil Report.

# UGRO Capital: **Well-placed to capitalize on the opportunity**

## **MSME Focused Lender targeting large credit gap**

Targeting MSME sector which has substantial credit gap of ~INR 103 lakh crore

## **Analytics Powered**

India's trailblazing data-driven cashflow based underwriter, transforming the MSME credit landscape

## **Pan-India Presence**

Extensive network pan India, with branch network of 235, expanding fast

## **Large Capital Base**

Marquee investors have invested ~INR 2,700 crore in 3 rounds

## **Capital Light Model**

Pioneered "Unique Capital Light Liability Strategy" by co-lending with Banks and large NBFCs and assignment of the PSL book for greater scale

## **Multi-product Capability**

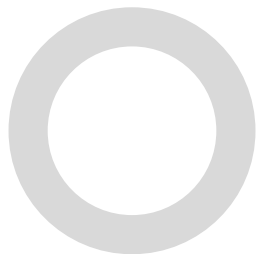
Prime, EM LAP, Machinery, Rooftop Solar, Partnership & Digital alliances products cater to the entire MSME ecosystem



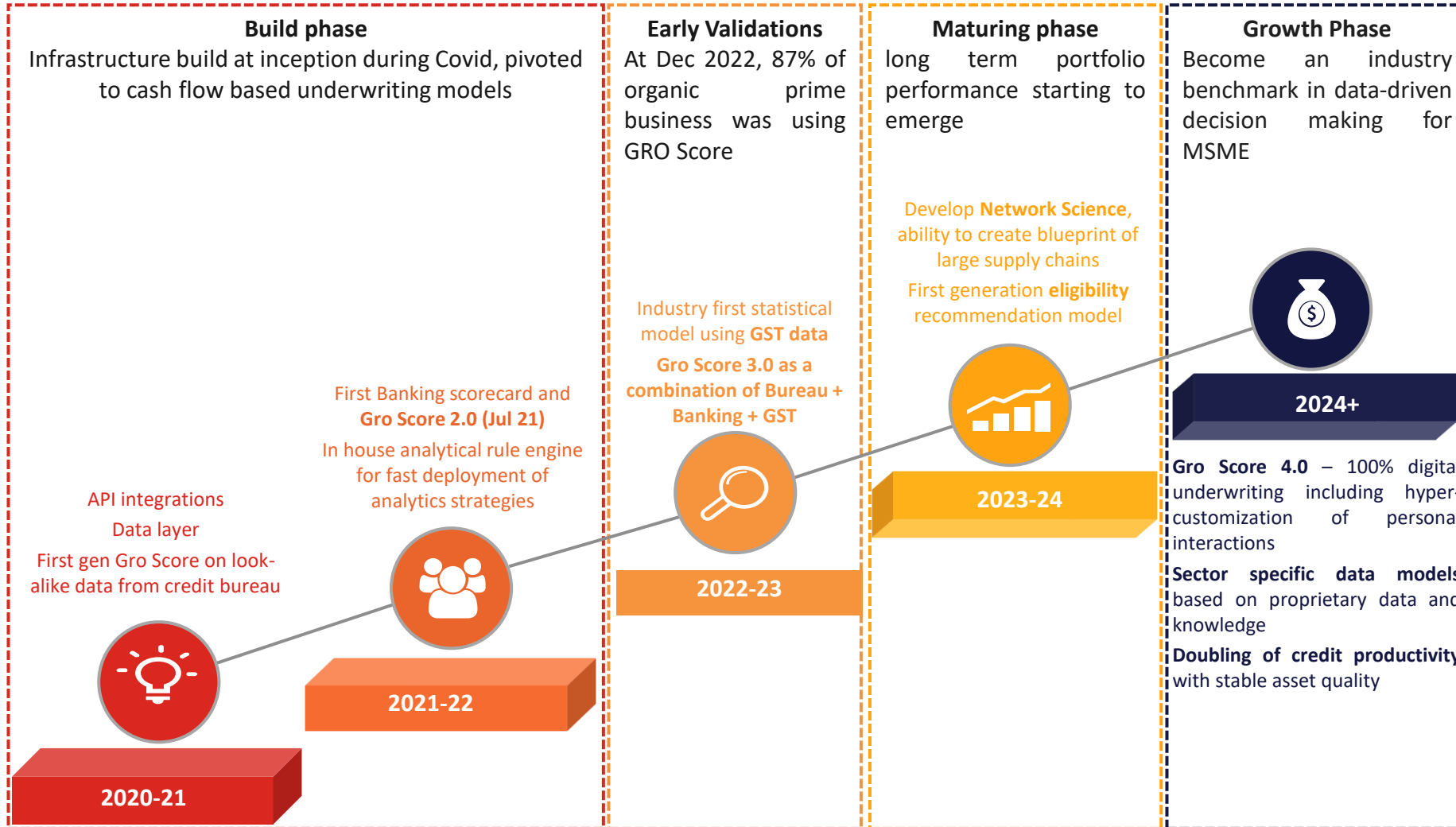
# UGRO's Data & Tech

driven approach

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# UGRO's journey of Data-Tech driven lending to MSMEs over 5+ yrs



## Data Repository- Mar'25

6.9L+  
Bureau Records analyzed

2.8L+  
Bank Statements analyzed

95k+  
GST records analyzed

150k+  
Customer served

# Data driven by AI/ML powers our core underwriting : GroScore

## Ability to capture alternate data from banking and bureau...



Machine generates 25,000+ data features from an applicant's bureau record and bank statement

### Across Multiple parameters

Turnover and transaction intensity

Borrowing mix and nature

Cheque bounces & bank charges

Frequency and magnitude of defaults

Payment cycles

History of high-cost debt/credit card usage

Obligations as % of turnover

Balances and withdrawals

Counterparties & relative strengths

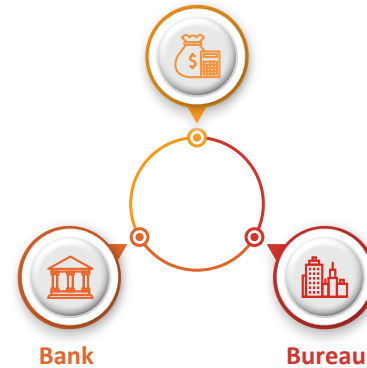
Pace of borrowing

## ...to draw meaningful insights out of unorganized data...

GRO 2.0  
Credit Bureau Data + Banking Data

GRO 3.0  
Credit Bureau Data + Banking Data + GST

GST



Matches Banking & Bureau Scorecards to generate one single score which further gets augmented with GST data as an external input



**Artificial Intelligence**  
Engineering of making Intelligent Machines and Programs



**Machine Learning**  
Ability to learn without being explicitly programmed



**Deep Learning**  
Learning based on Deep Neural Network

**Historical aggregation** – several pages of statement going back 12 months can be summarized instantly

**Normalization** – convert absolute values to scale, for even comparison

**Trending** – changes over time, create standardized measure of comparison across diverse nature of entities, sectors, geographies

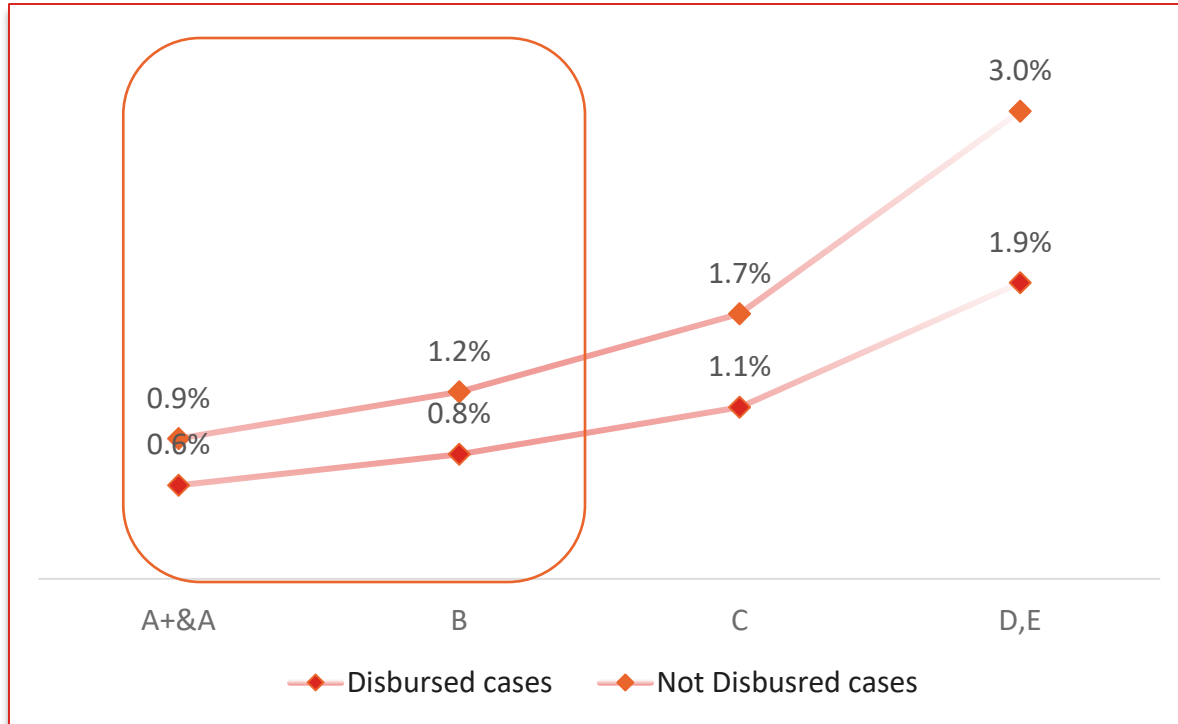
**Scoring of each case into one of the five bands of A – E with A being the best and E being the worst**



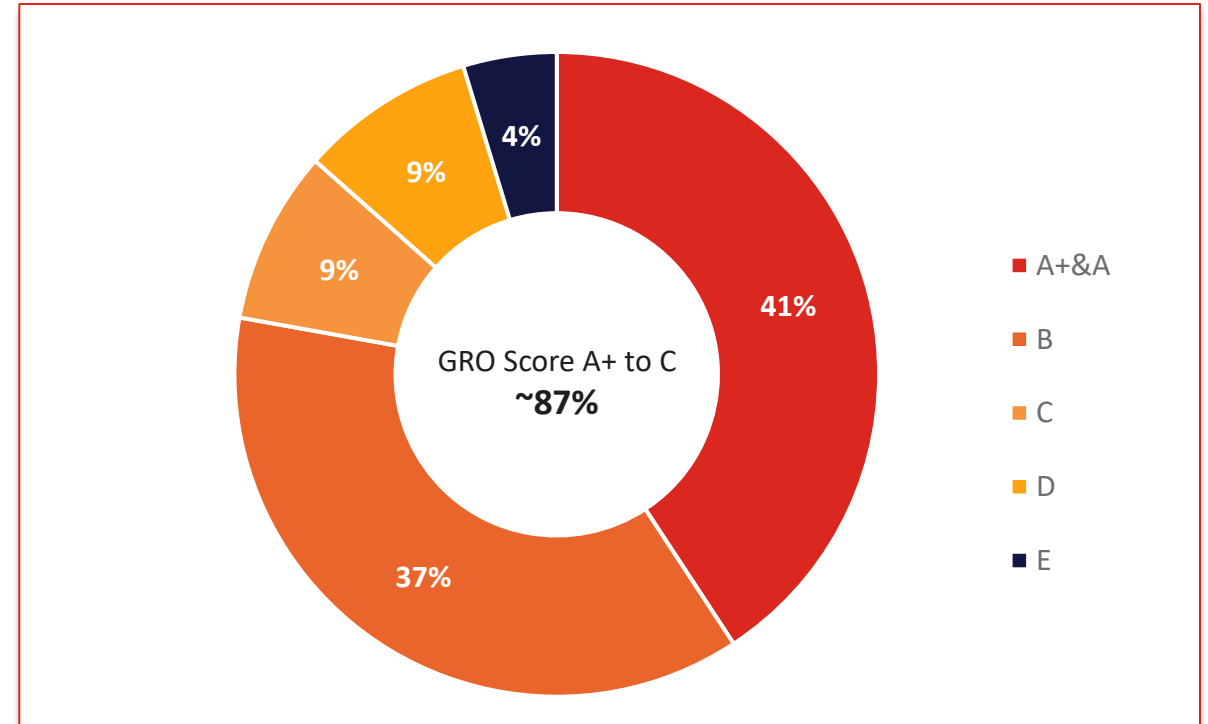
... and decide whether to disburse or not disburse the loan within 60 minutes.

# GRO Score – Risk Bands Stacking up on Historical Portfolio

Default rates across score bands – All customers assessed Since Inception



Score Band wise break up of recent disbursements (Oct 24 – Mar 25)

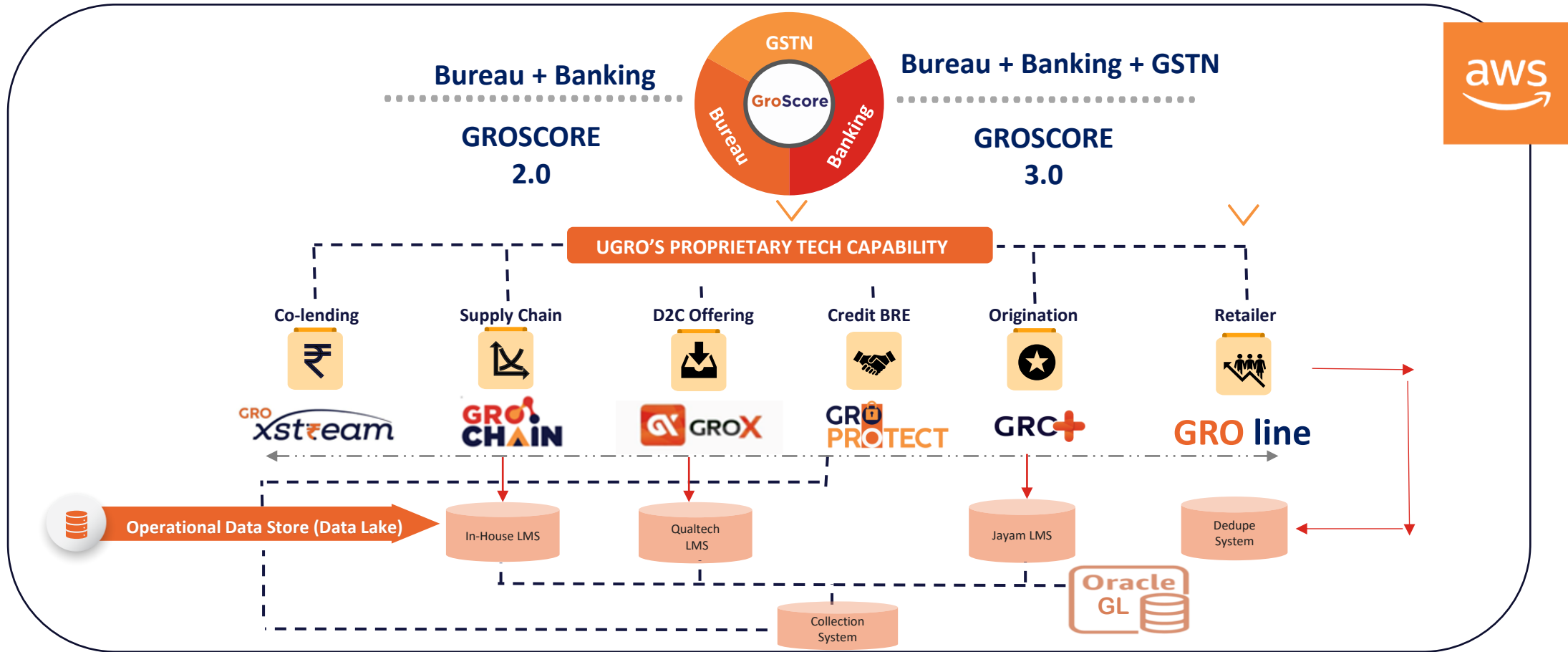


Segments A+,A, B – contributing to majority share of disbursements and lever for calibrated increase of throughput

To that effect we have analysed both sets of data i.e. cases disbursed and rejected by UGRO. Performance across risk bands was observed to be stacking up for both sets of data

Explanation note : Scores are computed based on repayment track record of loan applicants and submitted bank statements. Default rate tracking is done based on quarter-end credit bureau data; “default” represents incidence of 90 dpd in any business purpose credit facility reported in bureau during a period of six months from the point of assessment at UGRO Capital

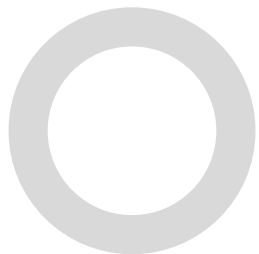
# Our System Architecture supports full SME lending



BANKING PARTNERS			A FEW KEY API ECOSYSTEM PARTNERS				DEVELOPMENT PARTNERS		



# Multi-product, multi-channel Asset Engine



# Serving a diverse set of customers with **multi-product, multi-channel strategy**

**Prime Intermediated:  
Metro & Tier 1/2 Branches**

**Collateral:** Prime Property (For Sec.), Prime Machinery  
**Cashflow:** GST, Banking & Liquid income assessment

**Rs 1cr – 15cr**  
Customer Turnover

**Secured Biz. Loan: Rs 84L**  
**Biz. Loan\*: Rs 19L**  
**Prime Machinery: Rs 42L**  
Average ticket size

**Yield: Sec/Biz/Mch: 14%/19%/15%**  
**Tenure: Sec/Biz/Mch: 12/3/4 yrs**

**Channel AUM Mix: 49%**  
Sec/Biz/Mch : 21%/26%/2%

**Tech Stack**

**Emerging Market: Tier 2 & beyond branches**

**Collateral:** Standard Property  
**Cashflow:** Liquid income assessment

**<Rs 3cr**  
Customer Turnover

**Rs 16L**  
Average ticket size

**Yield: 19%**  
**Tenure: 9 yrs**

**Channel AUM Mix: 22%**

**Tech Stack**

**Ecosystem Channel & Green Asset Financing**

**Collateral:** Prime Machinery  
**Cashflow:** GST & Banking

**Rs 1cr – 10cr**  
Customer Turnover

**Rs 36L**  
Average ticket size

**Yield: 15%**  
**Tenure: 4 yrs**

**Channel AUM Mix: 11%**

**Tech Stack**

**Direct & Digital Alliances**

**Collateral:** Receivables, FLDG from partner  
**Cashflow:** Banking & liquid income assessment

**<Rs 50L**  
Customer Turnover

**Alliances: Rs 4L**  
**Embedded Finance: Rs 1L**  
Average ticket size

**P&A/Embedded fin**  
**Yield: 15%/ 26%**  
**Tenure: 4 yrs/ 1 yr**  
**Channel AUM Mix: 10%/6%**

**Tech Stack**

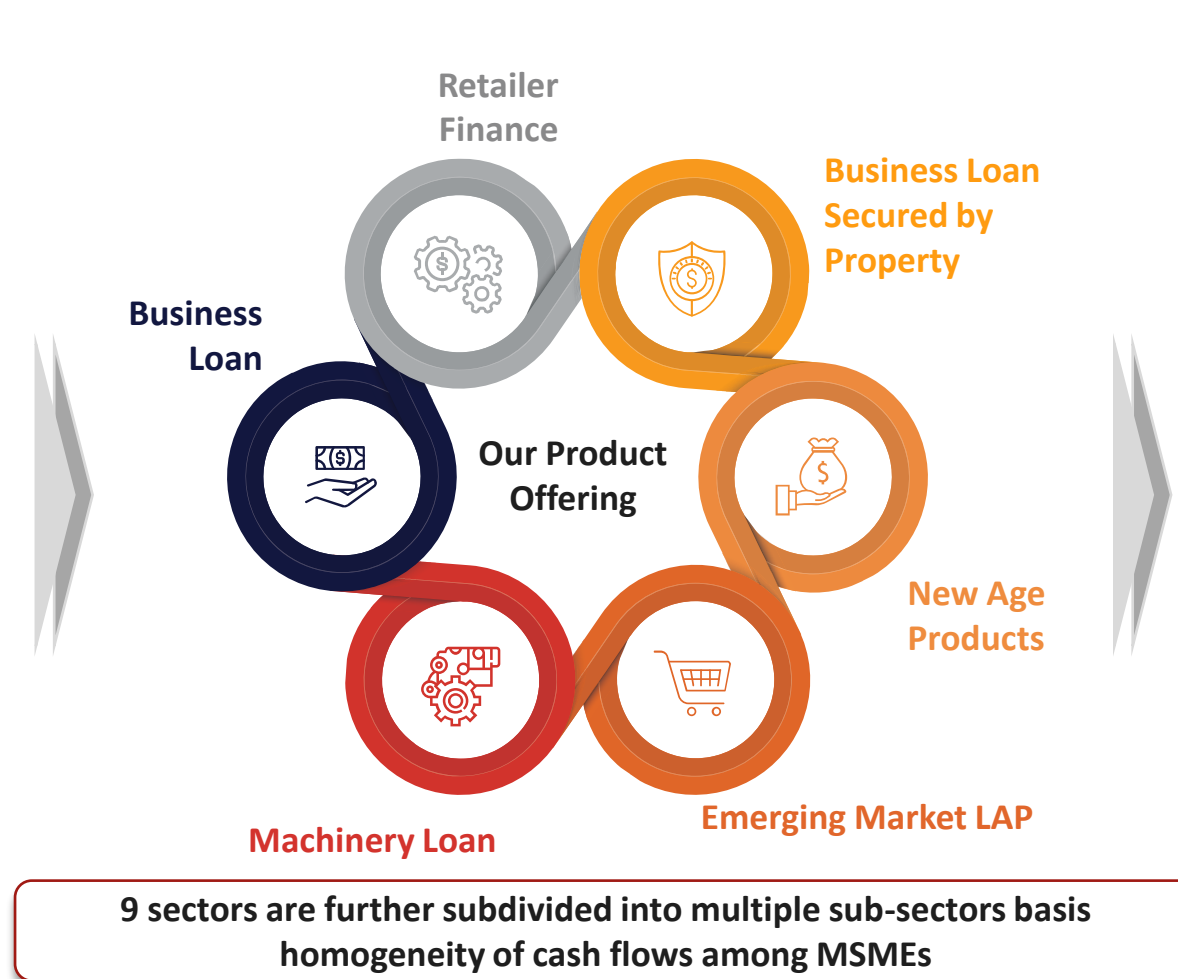
\*CGTMSE backed

**Products sold across channels:** Intermediated: Secured Biz. Loan, Biz. Loan, Rooftop Solar and Machinery; Emerging Market: Secured Business Loan, Rooftop Solar and Machinery; Equipment finance and Green Asset Financing: Direct distribution and across other channels; Digital business & Alliances: Digital business and Embedded finance

Strategic decision to rundown lower yielding SCF book – not covered here

# Sector Focused Approach, Multiple Products and Large Distribution Strength

	Emerging Market
	Light Engineering
	Auto Components
	Chemicals
	Food Processing
	Education
	Healthcare
	Electrical Equipment & Components
	Hospitality

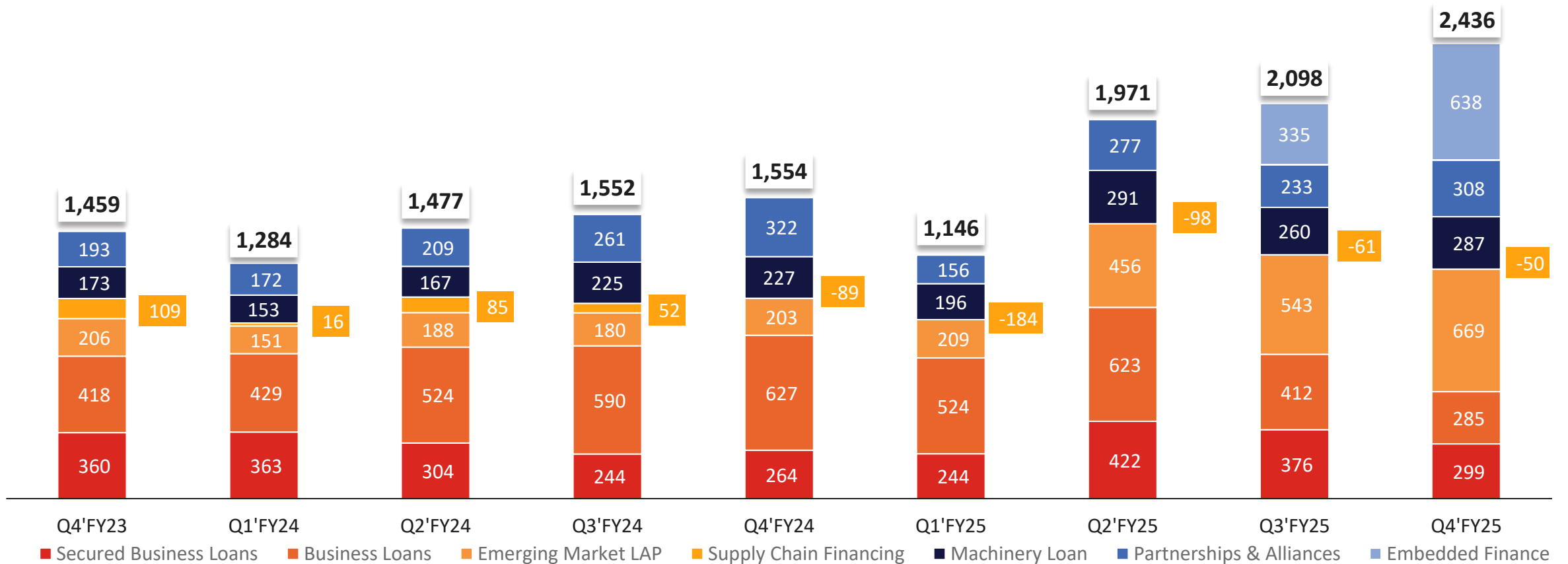


	<b>23</b> Prime Branches
	<b>212</b> EM Branches
	<b>730+</b> GRO Partners
	<b>10+</b> Green Anchors
	<b>70+</b> OEMs
	<b>60+</b> Fintech Partners
	<b>2,100+</b> Front-end Sales

# Highest-ever Net Loan Origination (Q-o-Q)

Amount in INR Cr

**Disbursement is up 57% YoY; Disbursement excluding Supply Chain Financing<sup>(1)</sup> is up 51% YoY**



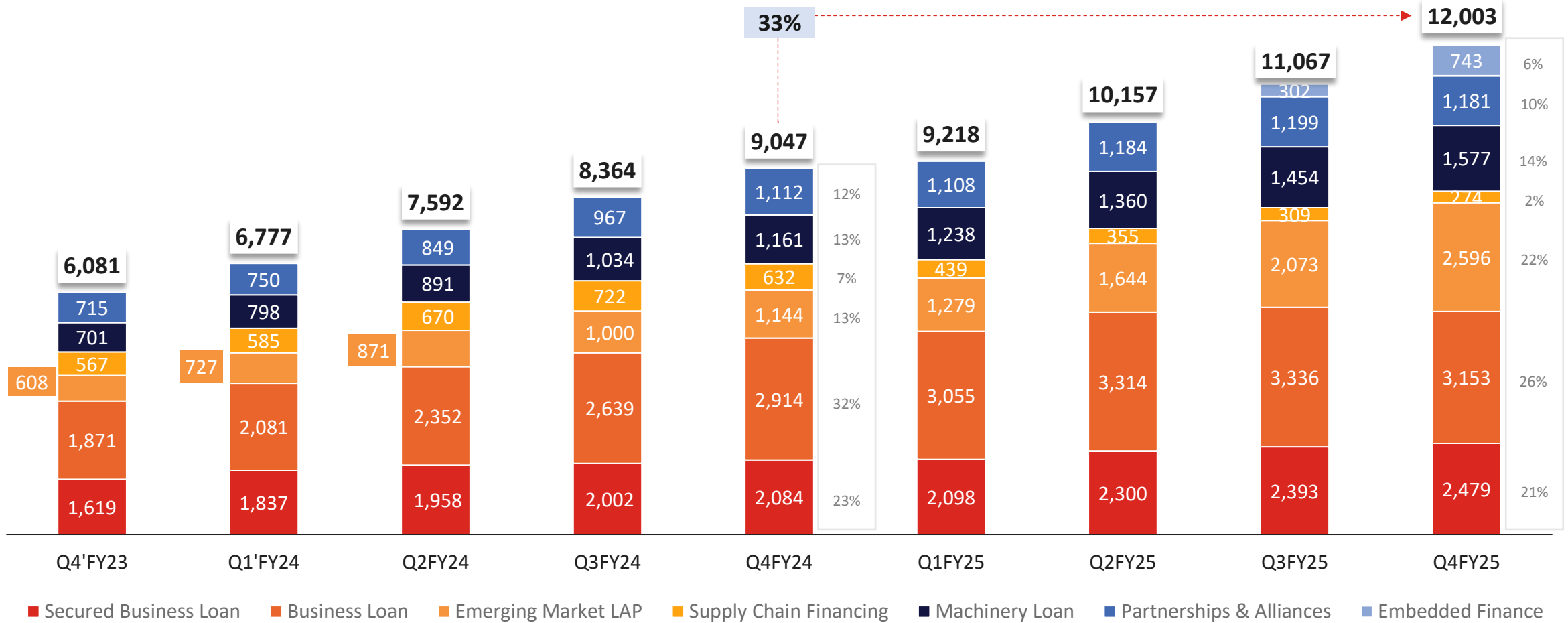
Note: Secured Business Loan is secured by property, Business Loan is secured by CGTMSE, Emerging Market LAP is secured by property, SCF is secured by receivables, Machinery Loan is secured by machinery, Partnerships & Alliances are secured by FLDG, Embedded Finance through MyShubhlife (MSL) platform

(1) Strategic decision to rundown lower yielding SCF book

# Strong AUM Growth Trend (Q-o-Q)

Amount in INR Cr

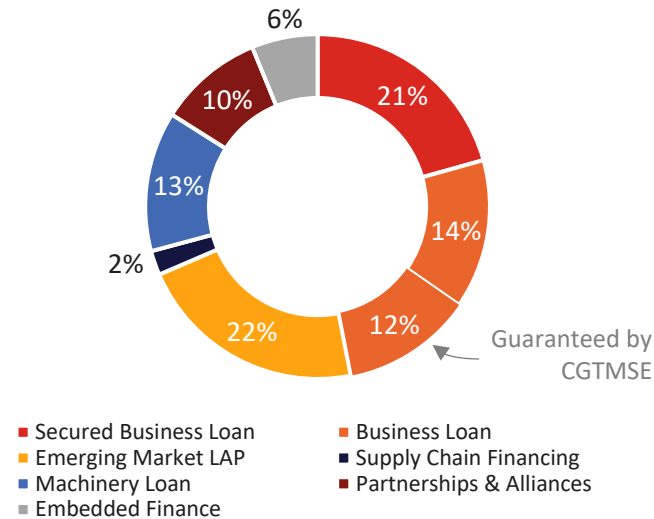
AUM increased to INR 12,003 Cr as of Mar'25 from INR 11,067 Cr as of Dec'24 (+8%) and INR 9,047 Cr as of Mar'24 (+33%)



Note: Secured Business Loan is secured by property, Business Loan is secured by CGTMSE, Emerging Market LAP is secured by property, SCF is secured by receivables, Machinery Loan is secured by machinery, Partnerships & Alliances are secured by FLDG, Embedded Finance through MyShubhlife (MSL) platform

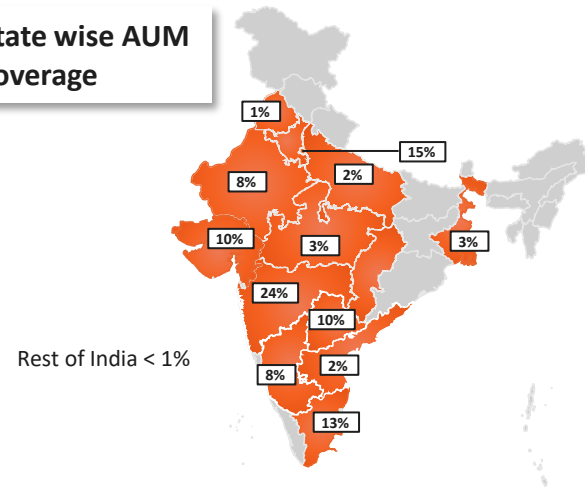
# Well diversified, granular and stable portfolio quality

Product Mix (AUM)



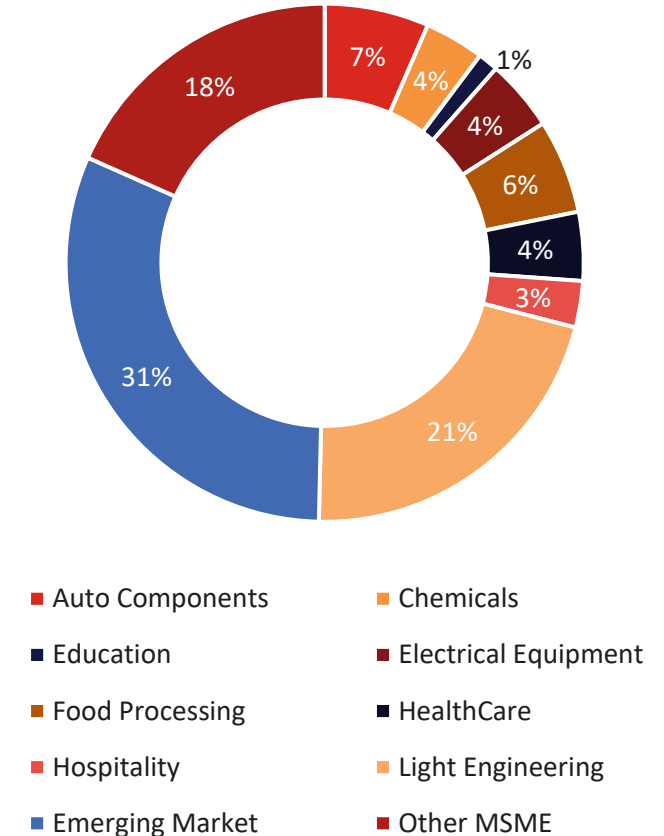
Portfolio Concentration in key geographical areas

State wise AUM coverage



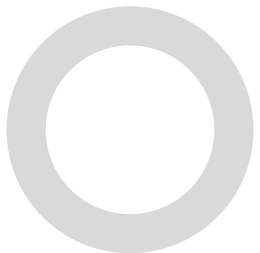
State wise branches	EM	Prime	Total
Tamil Nadu	42	1	43
Madhya Pradesh	32	3	35
Rajasthan	28	2	30
Andhra Pradesh	26	2	28
Maharashtra	19	6	25
Telangana	15	1	16
Karnataka	15	1	16
Gujarat	14	1	15
Uttar Pradesh	11	1	12
Other States	10	5	15
<b>Total</b>	<b>212</b>	<b>23</b>	<b>235</b>

Sector Mix



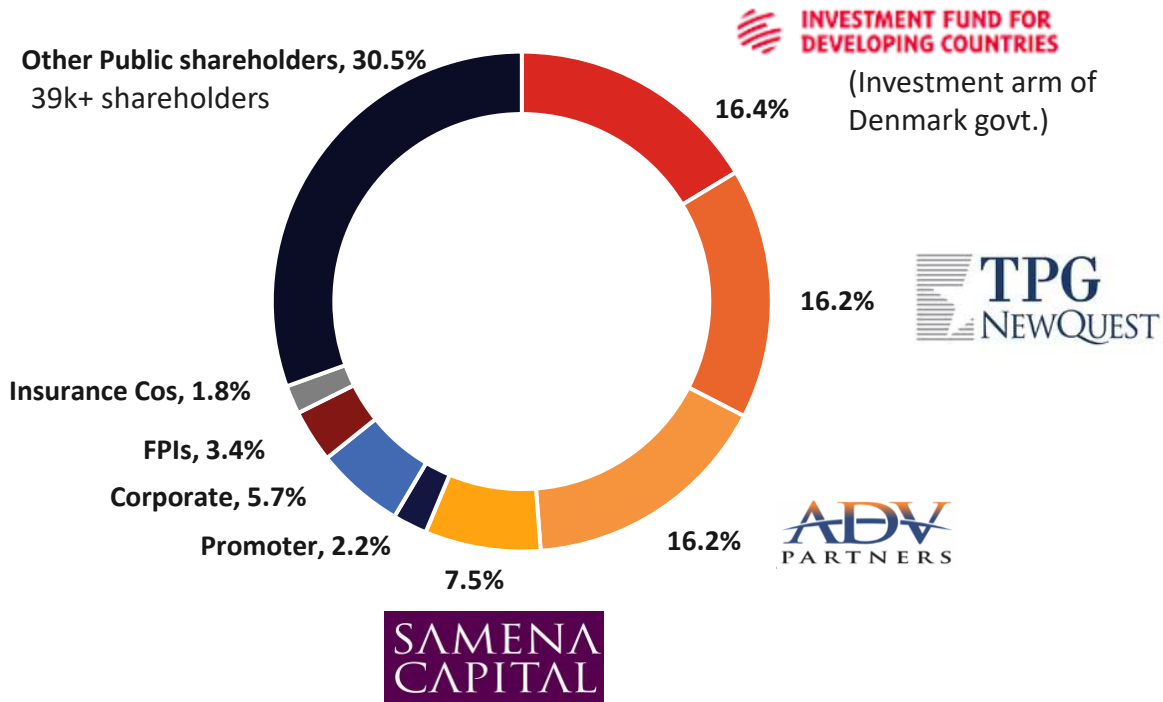


# Shareholding, Board, and Management

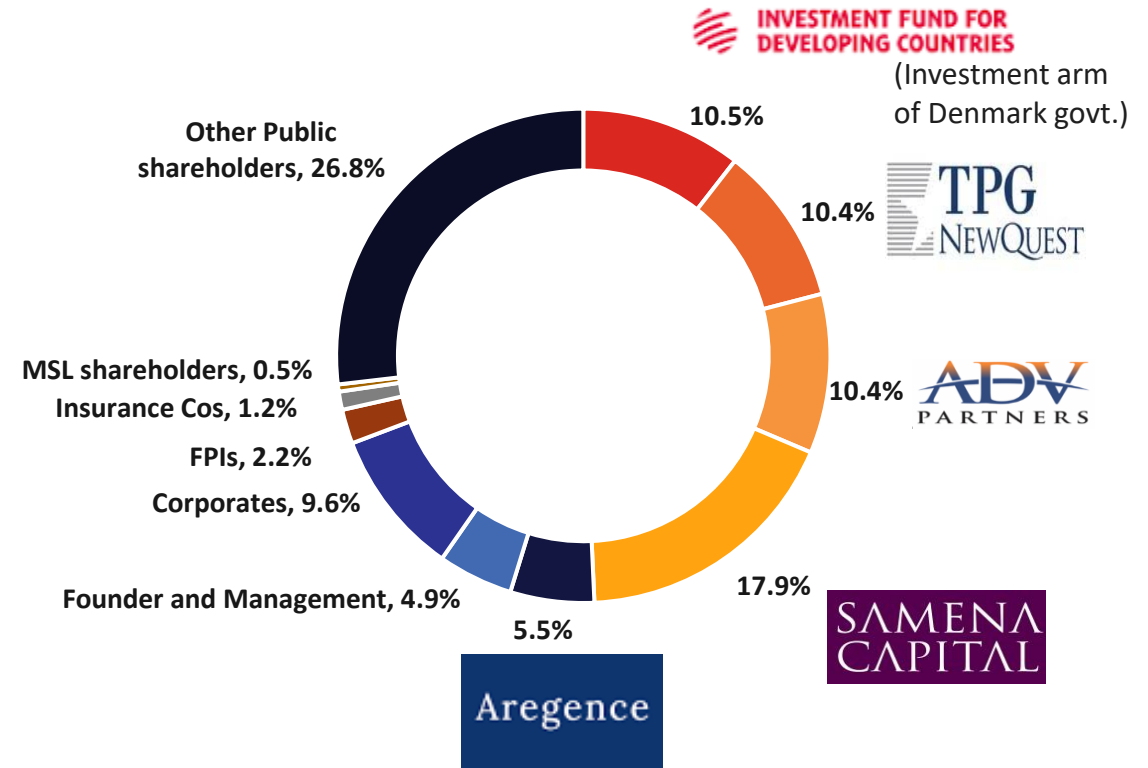


# Institutionally Owned: Majority held by Institutional Investors

## Shareholding Pattern as of Mar'25



## Fully diluted shareholding pattern<sup>(1)</sup>



Management to potentially own 7 Mn shares on a fully diluted basis; vesting conditions are tenure linked over period of next 3 years, thereby aligning management's goals towards company's performance and ultimately shareholder returns

(1) considering full allotment of shares issued on preferential basis

# We are Independently supervised by eminent Board of Directors

## Non-Executive Chairman



**Satyananda Mishra**  
Chairman, Corporate Social  
Responsibility Committee  
Ex-Chairman- MCX, Ex-CIC, GOI,  
Ex-Director - SIDBI



## Independent Directors



**Karnam Sekar**  
Ex - MD & CEO of  
Indian Overseas Bank



Committee Chairman  
Risk Management



**Hemant Bhargava**  
Ex-Chairman in  
charge and MD of LIC



Committee Chairman  
Audit



**Rajeev K. Agarwal**  
Ex-Whole Time  
Member, SEBI



Committee Chairman  
Nomination & Remuneration,  
Stakeholder Relationship, Securities  
allotment and Transfer committee



**S. Karuppasamy**  
Ex-Executive Director, RBI



Committee Chairman  
IT Strategy,  
Compliance & Customer Service



**Tabassum Inamdar**  
Ex Goldman Sachs,  
UBS Securities, Kotak  
Securities



## Nominee / Shareholder Directors



**Chetan Gupta**  
**(Samena Nominee)**  
Managing Director  
at Samena Capital



**Suresh Prabhala**  
**(ADV Nominee)**  
Partner at ADV



**Rohit Goyal**  
**(IFU Nominee)**  
VP at IFU



**Shachindra Nath -**  
**Founder & Managing Director**  
26+ Years of diversified financial  
services experience across asset  
management, lending, capital  
markets & insurance

# With **strong corporate governance framework** enshrined in the Articles

- High degree of **regulatory oversight and transparency**
- An institution created with a **long-term view**, designed for continued operational efficiency
- Access to **permanent capital**



- **Reputed Audit Firm** to be appointed as the statutory auditors
- **Sharp and Tannan** appointed as the **statutory auditor** and **Khimji Kunverji & Co** appointed as the co-sourced firm for **internal audit**

- Any proposed loan **>1% of net worth or to a related party** to require unanimous approval of ALCO and the Board
- Board approved **multi-layer credit authority delegation**
- **Removal of key management (including CRO, CFO)** to require 3/4th board approval
- Any significant action by the Company to need **3/4<sup>th</sup> approval of the Board**

- **Independent directors** to comprise majority for perpetuity
- Any shareholder holding **>10%** to **qualify for a board seat**
- Key committees to be headed by an independent member with required credentials
- **The majority of the NRC, ALCO and Audit Committees** to comprise of **independent directors**

**Special Resolution of Shareholders required for effecting any changes to the AoA; Promoters/Management do not have unfettered rights to divert business strategy**

# Professionally Managed: Leadership team has 165+ years of cumulative experience



**Shachindra Nath -  
Founder & Managing Director**  
26+ Years of diversified financial services experience across asset management, lending, capital markets & insurance



**Amit Mande  
Chief Revenue Officer**  
24+ Years of Experience



**Anuj Pandey  
Chief Risk Officer**  
25 Years of Experience



**Kishore Lodha  
Chief Financial Officer**  
23+ Years of Experience



**Sunil Lotke  
Chief Legal & Compliance Officer**  
21+ Years of Experience



**Rajni Khurana  
Chief People Officer**  
24+ Years of Experience



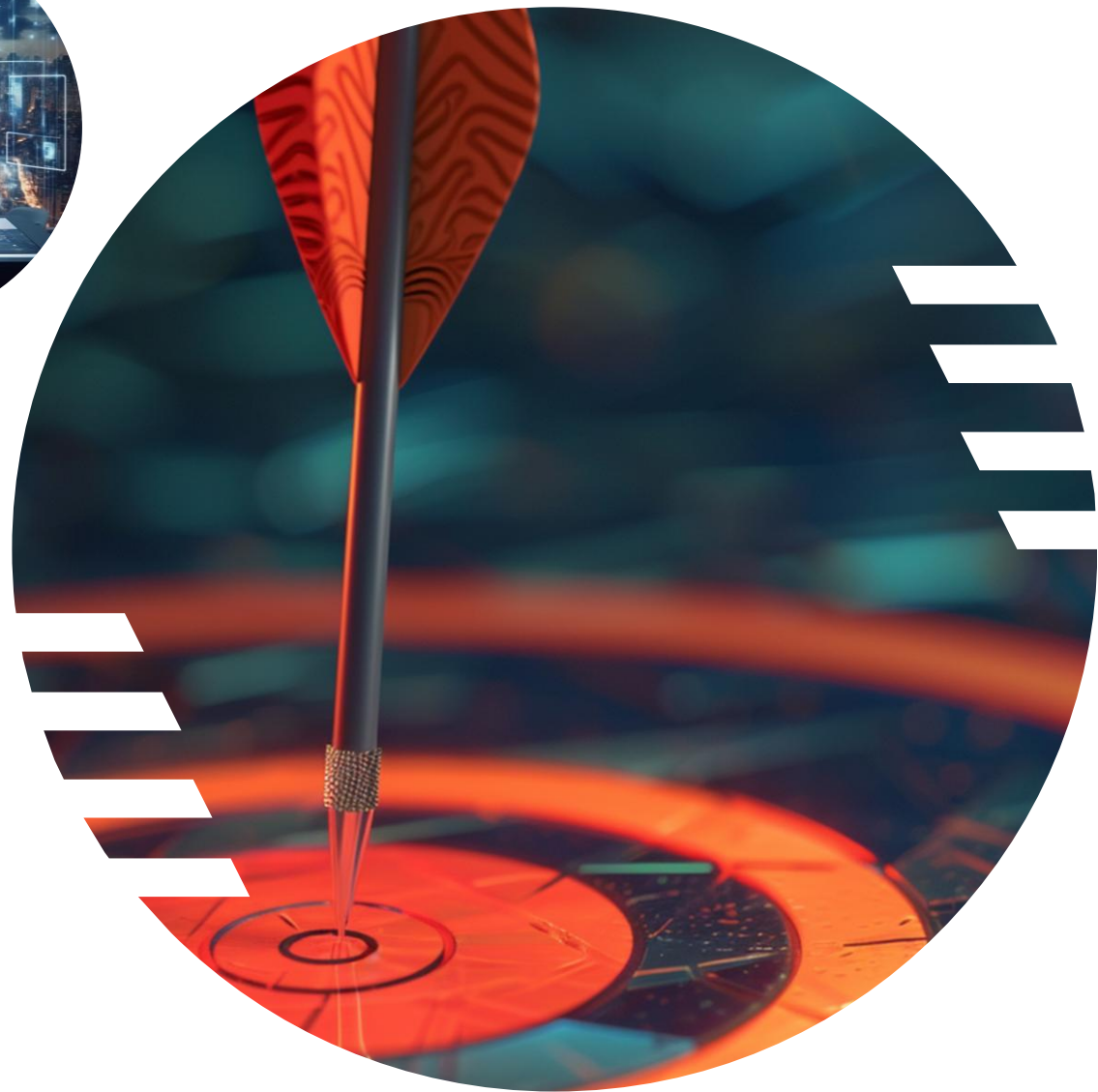
**Sharad Agarwal  
Chief Operating & Technology Officer**  
25+ Years of Experience





# Regulatory updates

## Co-lending



# RBI Guidelines on Co-lending (2020 Circular)

RBI circular dated November 05, 2020

- 1 **Loan sanction** - Joint contribution of credit by banks and NBFCs
- 2 **Interest rate** - Blended rate to be offered to customers
- 3 **Common Escrow Account:** The Bank and the NBFC shall open common escrow account for disbursement as well as repayments
- 4 **Sharing of risks and rewards** – Banks and NBFCs to share risk and rewards in loan sharing ratio.
- 5 **Grievance Redressal:** The originator will be primarily responsible for providing the required customer service and grievance redressal to the borrower.
- 6 **Collection & Efficiency:** The originator shall be responsible for collections of receivables under default
- 7 **Enforcement of Security:** The originator shall act as servicing agent for enforcement of security

# Draft RBI (Co-Lending Arrangements) Directions, 2025

*RBI issued draft guidelines on Co-lending for comments, broadly includes:*

- *Unified framework for all Co-lending arrangements (CLAs) between Regulated entities (REs)*
- *REs must include CLA provisions in internal policies and disclose roles in borrower agreements*
- *Borrower consent required for any changes in RE roles*
- *Customer protection and grievance redress mechanism mandatory*
- *Unrealised profits from CLAs must be deducted from net owned funds until loan maturity*
- *Blended interest rate based on funding shares of Res; fees must be separate from credit guarantees*
- *All charges to be disclosed in the Key Fact Statement (KFS)*
- *Separate accounts to be maintained by each RE; escrow account used unless sourcing-only*
- *Loans must be shared from the first disbursement; internal audits and business continuity plans required*
- *KYC compliance by all REs; borrowers may escalate grievances to RBI's Complaint Management System (CMS)*
- *Each RE to report its loan share to credit information companies*
- *Default Loss Guarantee (DLG) allowed upto 5% of outstanding portfolio*
- *Asset classification (e.g. SMA/ NPA) must be uniform across REs*
- *REs must publicly disclose CLA partners, interest rate ranges and key metrics*
- *Existing Circular on Co-lending (2020) to be repealed; existing loans to continue until repayment*

# Thank you

[www.ugrocapital.com](http://www.ugrocapital.com)