



U GRO Capital

Q3 FY20 Earnings Update



A highly specialized, technology enabled small business lending platform

Knowledge

Deep domain expertise of target segments to better understand the customer

Technology

A scalable, data driven approach to ensure dissemination of knowledge

Experienced Management Team
250+ Years of Experience

Strong Corporate Governance
Board Controlled, Management Run

Large Institutional Capital
~\$130M Of Equity Raised

U GRO Capital

A technology enabled, highly specialized, small business lending platform

Management team with a collective experience of **150+ years**

INR 920+ Cr of equity raised from marquee investors – A systemically important NBFC (NBFC-NDSI)

Secured Loan

Interest Rate – 10.5%-17%
(Ticket size - INR 1 lakh to 5 Crs)

Unsecured Loan

Interest Rate - 19-30%
(Ticket size - INR 1 lakh to 50 lakhs)

Supply Chain Financing

Interest Rate – 12.5-16%
(Ticket size - INR 25 lakhs to 2 Crs)

Product Offerings



Sector Specialization

- Healthcare
- Educational Services
- Food Processing
- Hospitality
- Chemicals
- Auto Components
- Light Engineering
- Electrical Equipment & Components

Shortlisted from **180 sectors** through an extensive study of **macro-economic and sector specific data**

8 Sectors

Sector Specific Statistical Scorecards

Traditional Channel

GRO Partners
(operating in target segments / geographies)

New Age Channels

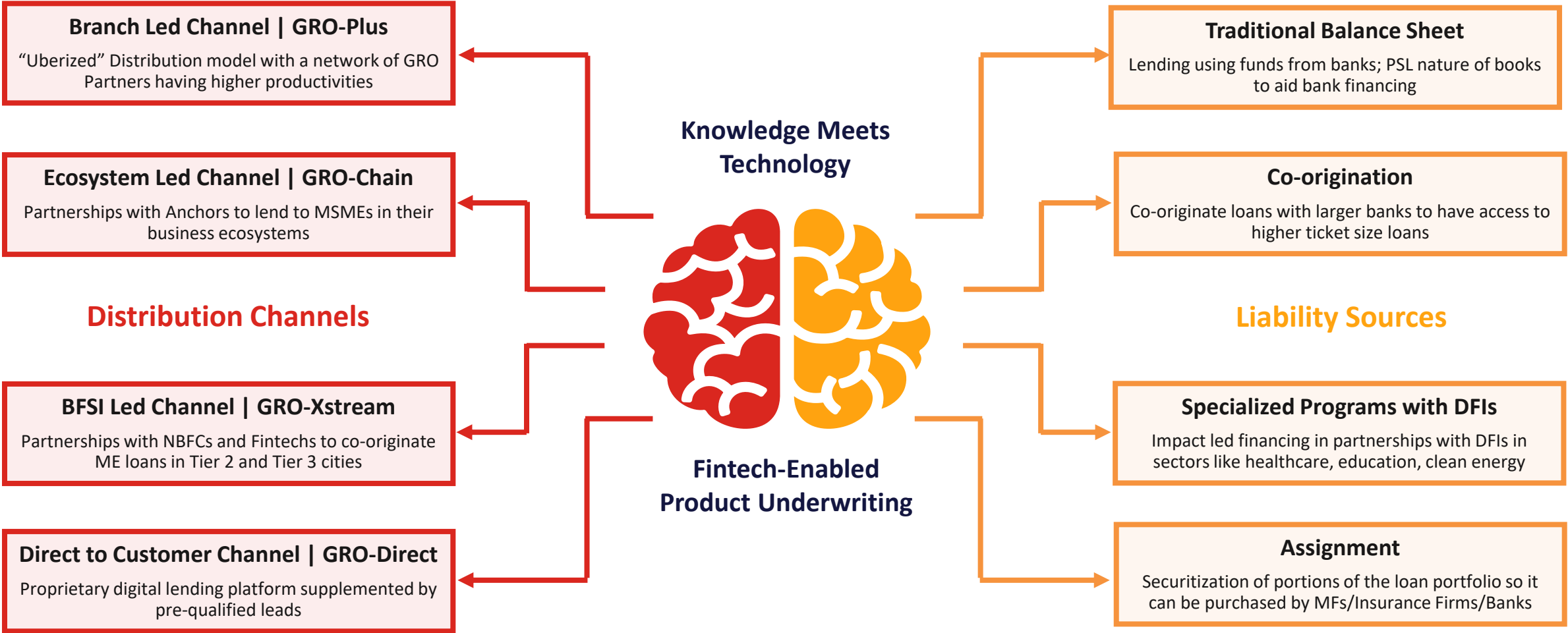
Digital Channels
(leverage 3rd party and own platforms for lead sourcing)

Ecosystem Led
(prioritized segments)

BFSI Partnerships

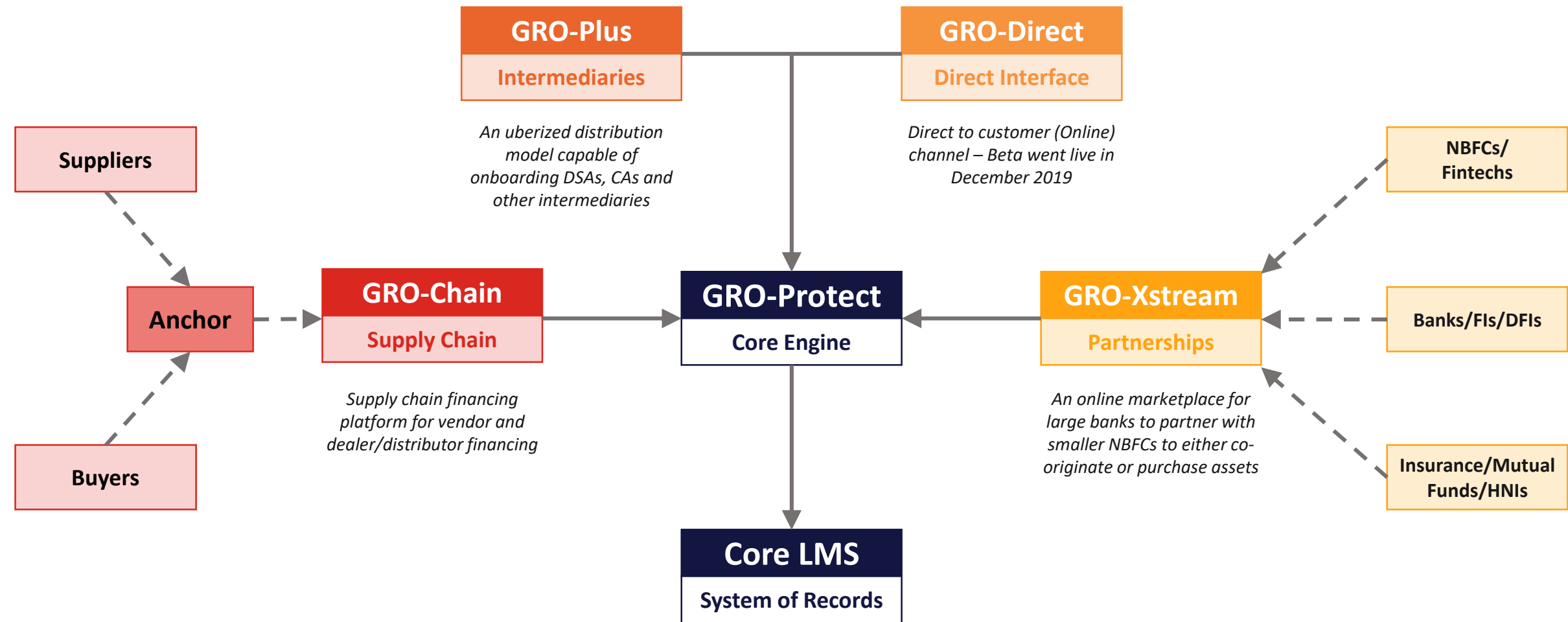
Distribution Strategy

Our Business Model

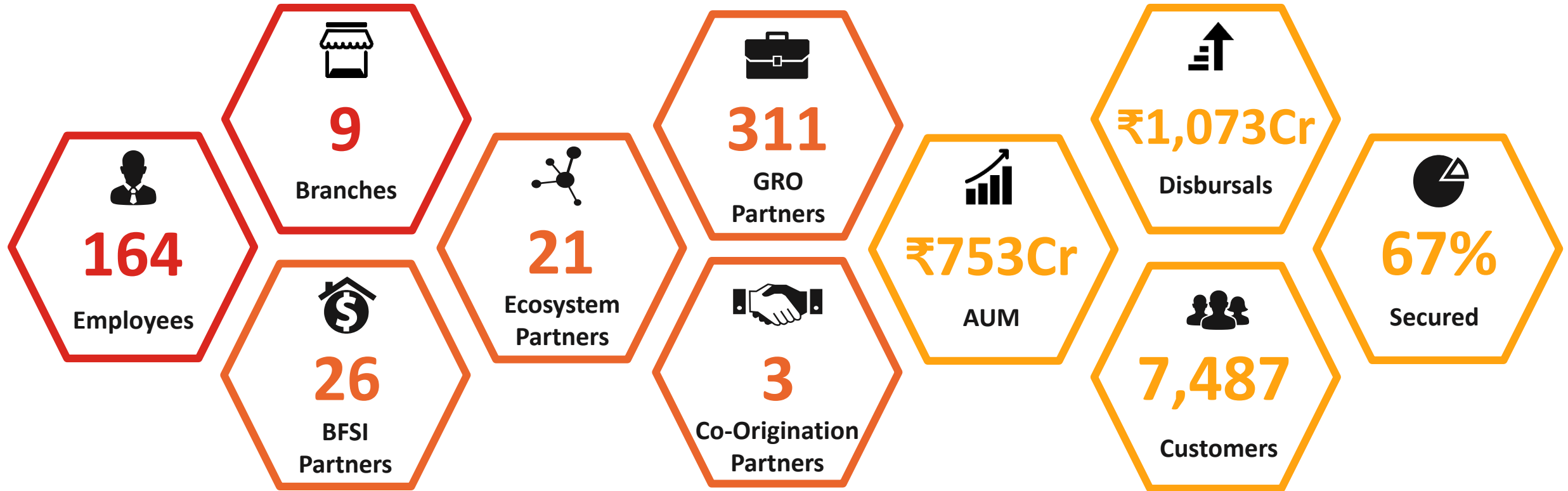


U GRO's distribution and liability strategies are both powered by proprietary technology modules

System Architecture for Full-Suite SME Lending



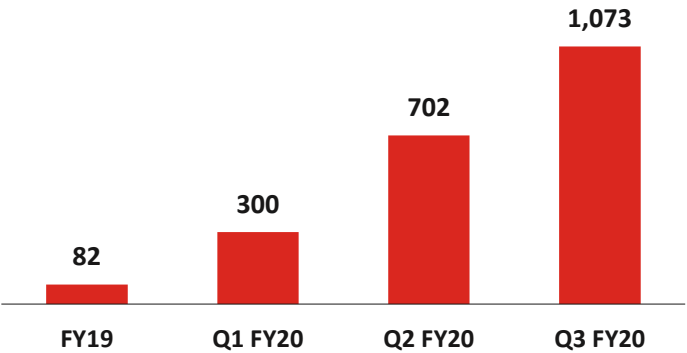
A comprehensive set of modules that will allow for maximal lending outreach within our mandate



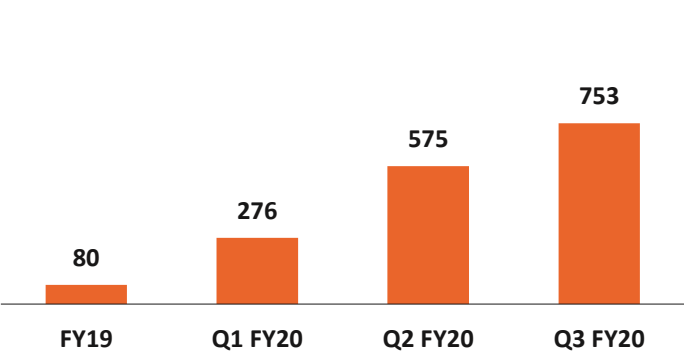
Q3 focus has been on expansion of disbursal channels to get the asset engine running on all cylinders

- **Crossed ₹1,000Cr in total disbursals;** ₹372Cr of total disbursals in Q3 FY20, as compared to ₹402Cr in Q2 FY20
- Outstanding portfolio of **₹753Cr as of end Q3 FY20**, which is **67% secured** and diversified sectorally and geographically
- Portfolio quality is strong, with our book having a **GNPA of <0.1%**
- GRO Partner network expanded by 34% QoQ to a total of **311** spread across key SME clusters.
- Five incremental ecosystem anchors added in Q3 FY20, with the **total now standing at 21**. This has led to an additional 62 vendors and **₹41Cr of incremental Supply Chain Financing AUM**
- Signed an incremental landmark **co-lending partnerships with ICICI Bank**, the largest Private Sector Bank in India. This is in addition to the partnerships with SBI and Bank of Baroda signed in Q2 FY20
- Continued technological innovation, with **GRO-Direct going live in beta phase and achieving its first disbursals** in Q3 FY20. GRO-Direct is our Direct Digital Channel, providing eligible SMEs with a novel, **non-intermediated method** of applying for financing
- **Disbursed first loan against machinery**, part of our efforts to explore alternative collateral to property
- A total of **₹194Cr of liability raised at a blended average of 11.5%** from marquee sources as of end Q3 FY20
- Nine branches across key Indian SME clusters; **number of employees increased from 155 to 164**

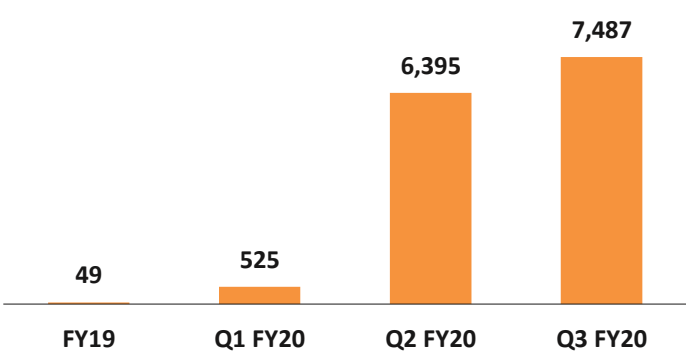
Total Disbursals (₹ Cr)



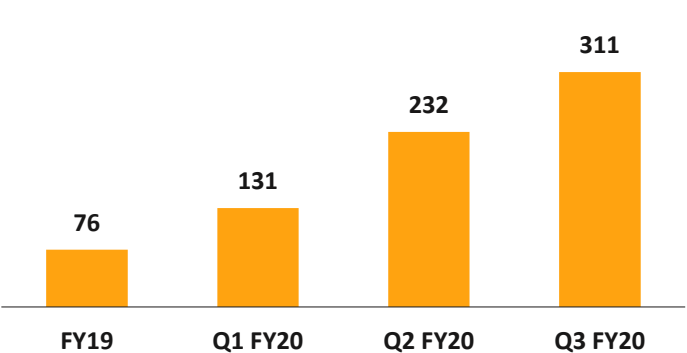
AUM (₹ Cr)



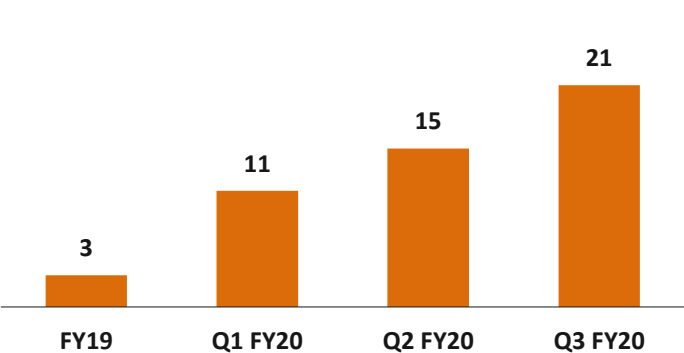
Number of Customers



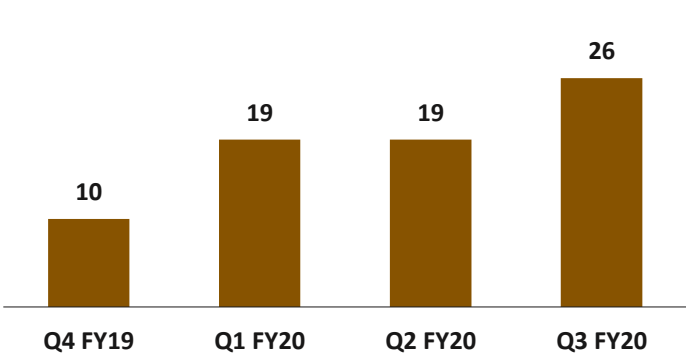
GRO Partners



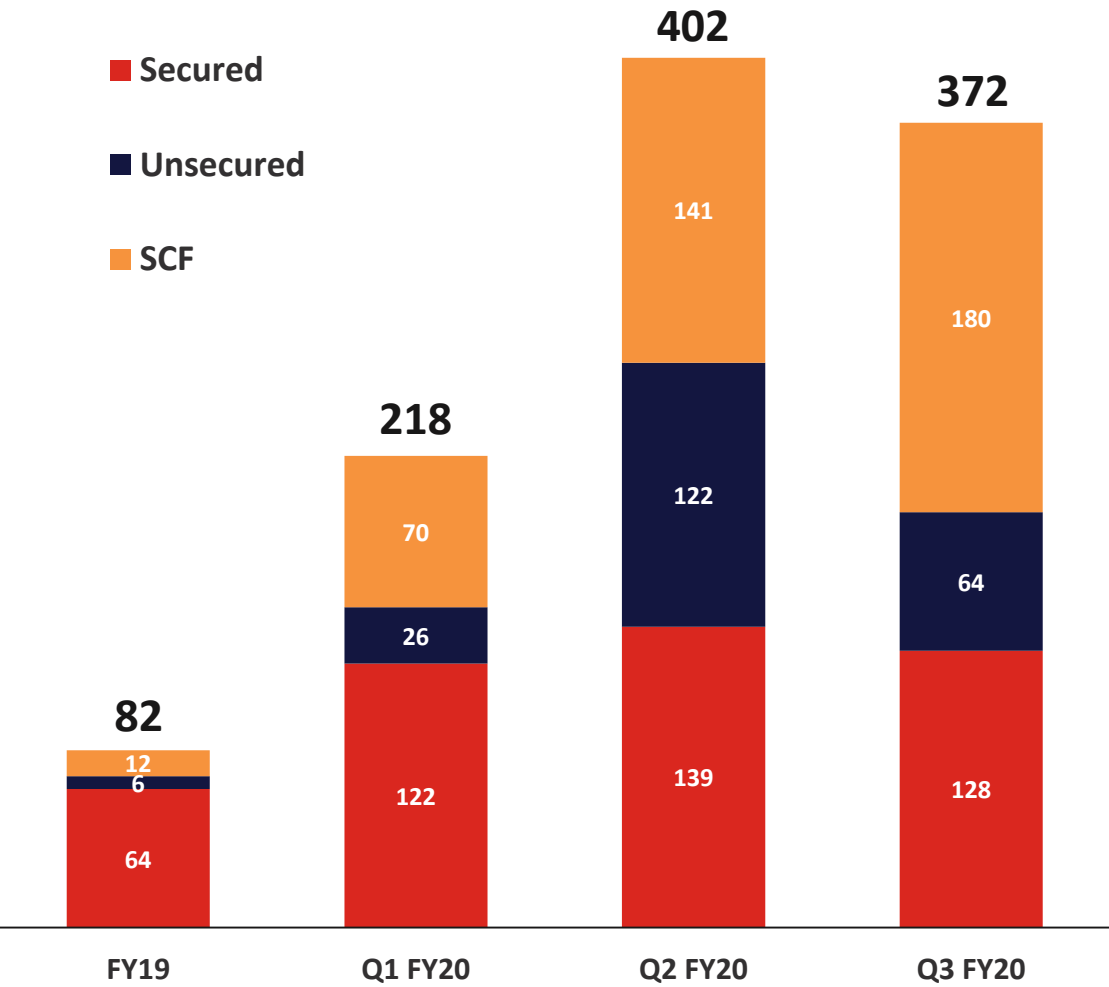
Ecosystem Partners



BFSI Partners



Disbursal Summary (₹ Cr)



	Secured	Unsecured	SCF	Overall
AUM	₹345Cr	₹247Cr	₹162Cr	₹753Cr
Avg Ticket Size	₹37.2 lakhs	₹3.8 lakhs	₹101.9 lakhs	₹10.6 lakhs
Avg Yield	11.9%	18.3%	13.3%	14.3%

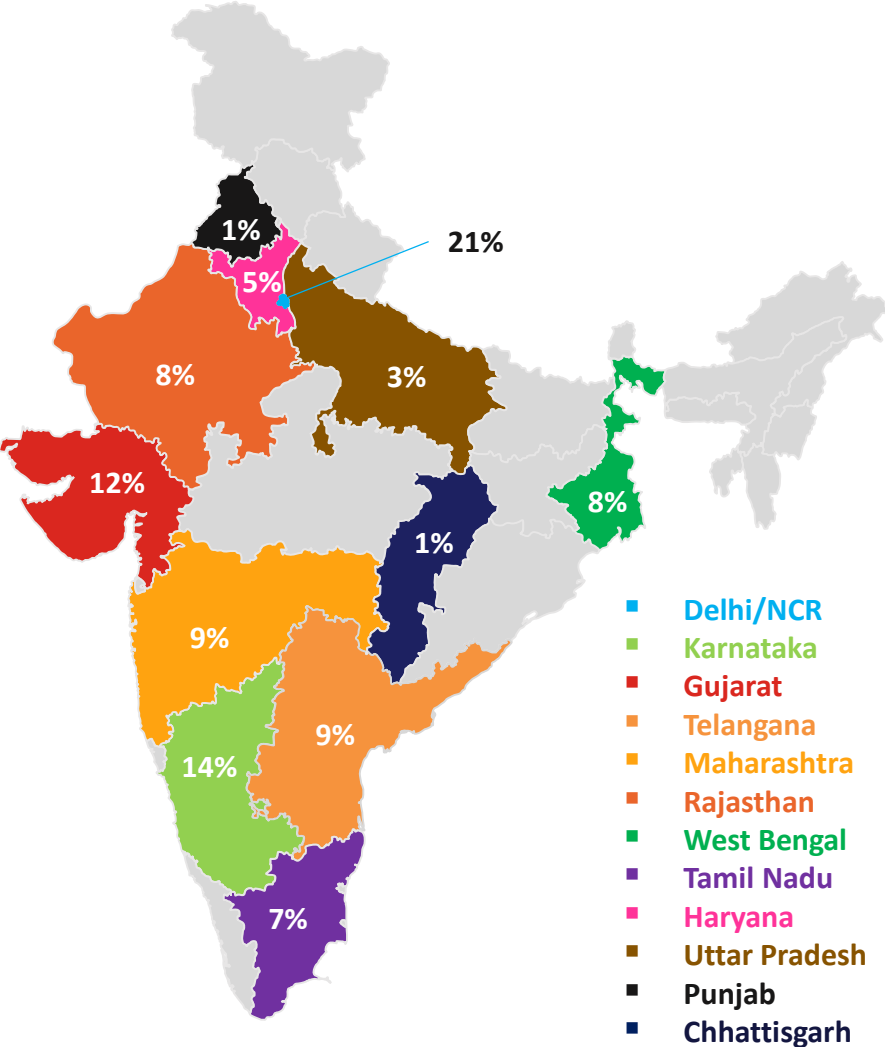
Focus on high risk thresholds and building a secure, granular and high-quality book

Conservative disbursal strategy due to adverse market conditions has led to a modest short term drop in disbursals

Portfolio Snapshot (As on Dec 31, 2019)

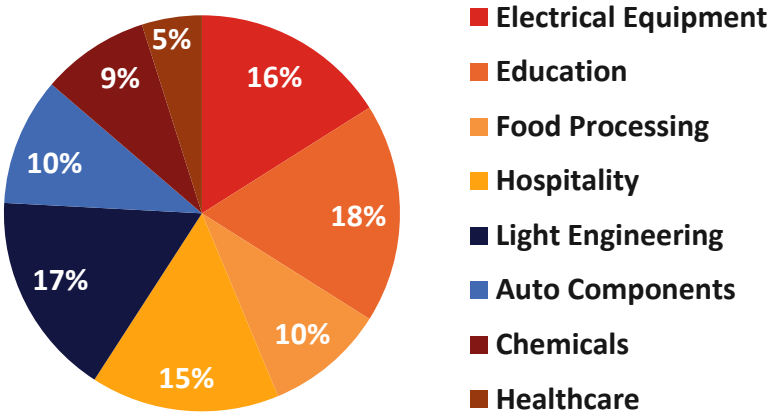
Geographical Mix*

Presence in 100+ cities across India

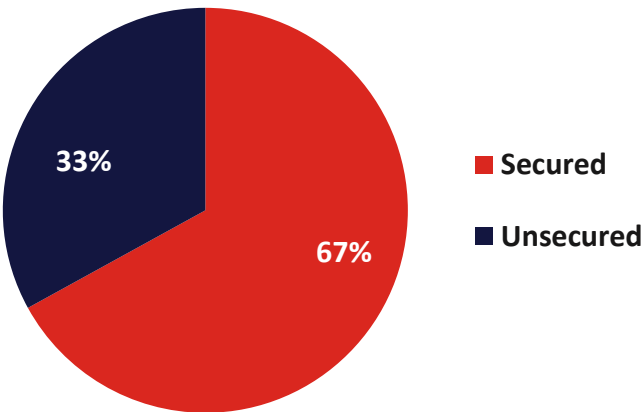


*Includes Traditional and Ecosystem Channels

Sectoral Mix*



Secured Mix



Well diversified by geography and sector | Majority secured book, with unsecured running down faster through end FY20

Balance Sheet

Balance Sheet (₹ Lakhs)	Q3 FY20	Q2 FY20
Financial Assets	106,436	91,682
Loans	74,722*	56,729
Cash and Investments	23,317	29,310
Other Financial Assets	8,398	5,643
Non-Financial Assets	4,941	4,882
Total Assets	111,377	96,564
Financial Liabilities	20,942	13,434
Trade/Other Payables	905	825
Borrowings & Debt Securities	16,690	9,359
Other Financial Liabilities	3,347	3,251
Non-Financial Liabilities	364	397
Total Equity	90,071	82,733
Equity Share Capital	7,053	5,690
Other Equity	83,018	77,043
Total Liabilities + Equity	111,377	96,564

- Remain liquid with **₹277 crores** of immediate liquidity on the balance sheet
- **₹66 crores** obtained from the conversion of warrants in Q3
- **CRAR: 88.9%**
- **GNPA: 0.07%**

*AUM as of Q3 is ₹753Cr, the 'Loans' figure adjusts for net payouts and ECL as per Ind-AS

Income Statement

Income Statement (₹ Lakhs)	Q3 FY20	Q2 FY20	QoQ	Q3 FY19	YoY
Interest Income	2,389	1,517	57.5%	1,014	135.6%
Other Operating Income	501	649	-22.8%	599	-16.4%
Less: Financing Costs	523	116	350.8%	39	NA
Net Income	2,366	2,050	15.4%	1,574	50.3%
Operating Expenses	1,683	2,410	-30.1%	1,238	35.9%
Provision	104	250	-58.4%	2	NA
Profit Before Tax	579	(611)	NA	334	73.3%
PBT after Exceptional Items	579	(347)	NA	334	73.3%
Less: Tax	(110)	(22)	NA	(19)	NA
Profit/(Loss) for the period	689	(325)	NA	353	95.1%
Other Comprehensive Income (Net of Tax)	(6)	3	NA	-	NA
Total Comprehensive Income	683	(322)	NA	353	93.4%

Ind-AS accounting standards have been in place since Q1 FY20

- Operating income has increased as a result of expansion of loan book
- The reduction in operating expenses as compared to Q2 FY20 is primarily due to us having previously incurred one-time expenses that were not present in Q3

Illustrative List of Investors

Private Equity Funds		Public Market Funds		Insurance Firms	Family Offices	
		Chhattisgarh Investments	MK Ventures			Jaspal Bindra
					Gaurav Dalmia	

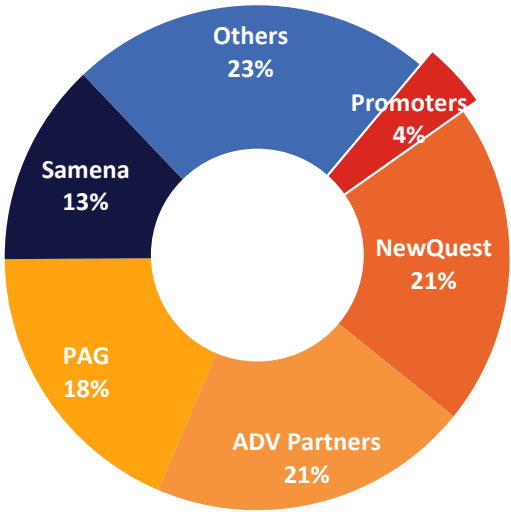
Calculation of Shares Outstanding

The total number of shares on a fully diluted basis
7,05,28,550

Incremental capital from exercise of warrants in Q3 FY20
₹66.2Cr

There are no further dilutive instruments outstanding

Shareholding Pattern (Fully Diluted Basis, Post the demerger)



Initial fund raise from large PE funds, public market, insurance firms, family offices and HNIs

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U GRO | An Introduction

Small Business Lending Isn't a Small Business

50 M MSMEs in India

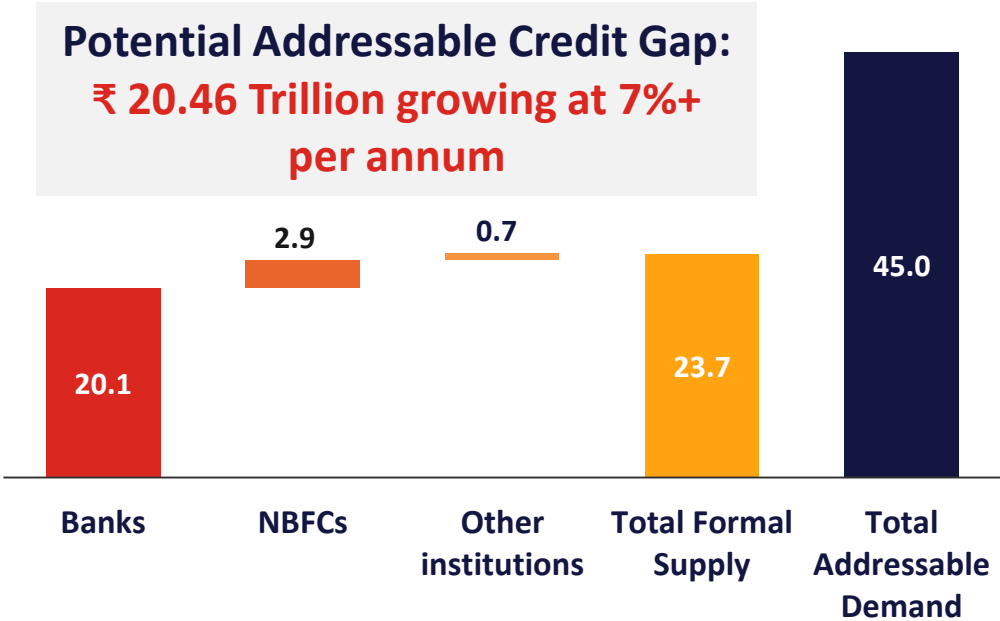
560 B Gross Value Add (US\$)

29% Contribution to India's GDP

10% MSMEs with access to credit



US\$300 B | SME Credit Gap



Bridging the USD 300 B gap will need USD 60-70 B in incremental equity capital | Growth isn't a challenge for small business financiers!

Diversity of Small Businesses Creates Challenges for Traditional Lenders

Challenges in lending to the SME segment...



Difficult to understand
businesses/cash flows



Fragmented set of
customers



High cost of customer
acquisition



High dependence on
the ecosystem



Lack of
data



...leading to a Frustrating Borrowing Experience for Small Businesses



Time consuming
offline process



Non-tailored credit
assessment



Rigid collateral
requirements



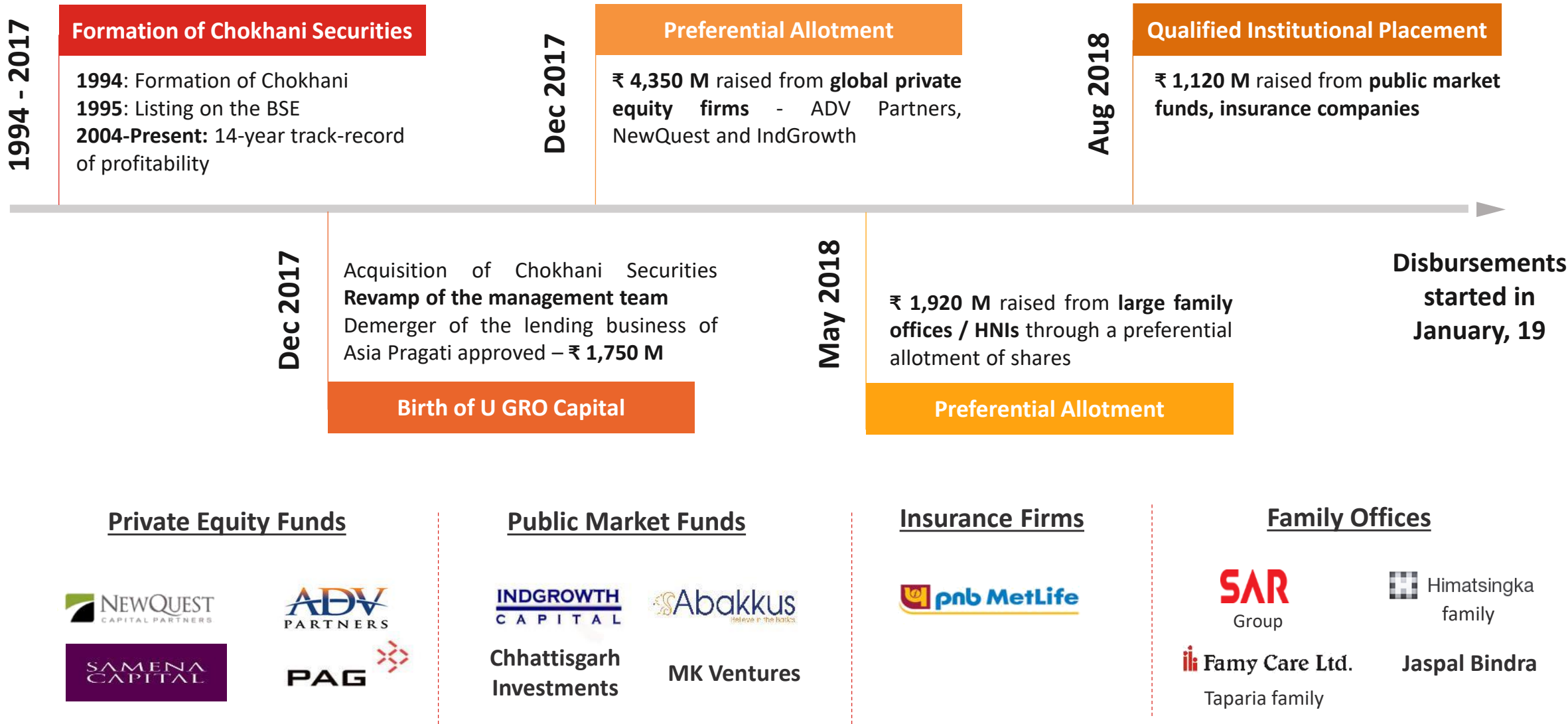
Product mismatch

‘To Solve the Unsolved’

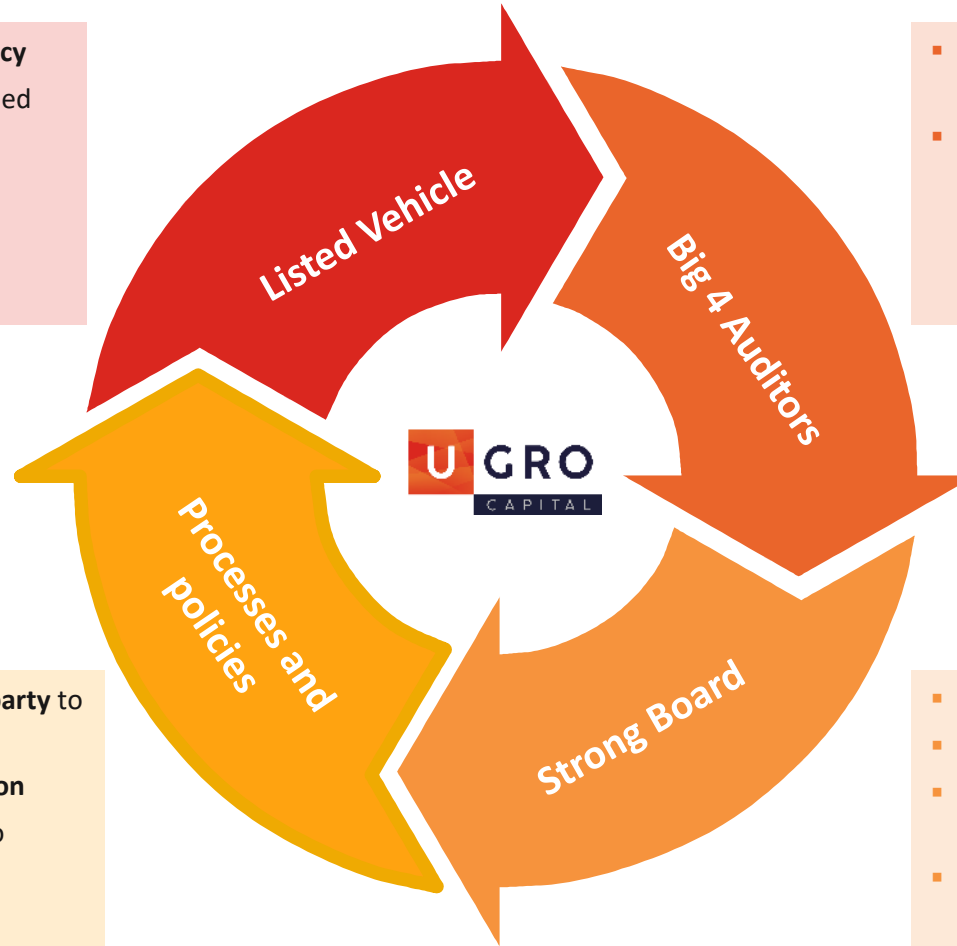
**India's US\$ 600 B+
SME Credit Availability Problem**



Backed by Diverse and Marquee Shareholders



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**

- Mandatory requirement for a **Big 4 firm** to be appointed as the statutory and internal auditors
- **Deloitte** appointed as the **statutory auditor** and **PWC** appointed as the **internal auditor**

- 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 **3/4th 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



Mr. Shachindra Nath

Executive Chairman and Managing Director

26 years of experience in creating institutions across the financial services domain

- Core pillar of Religare's successful growth journey
- 6-year stint as the Group-CEO of Religare Enterprise
- Transitioned the company from an operating loss of ~USD 80 million in 2013 to USD 50 million of net profitability in 2016
- Presented the "CEO of the Year" award at the Asia Banking, Financial Services & Insurance Excellence Awards in August 2015
- Started his entrepreneurial journey in 2016.

Lending

SME Lending

Built India's 4th largest Non-Banking Finance business, focused on SMEs with a **book size of over USD 2.3 billion**

Housing Finance

Started the housing finance arm focused on funding the **affordable housing segment**

Capital Markets

Retail Broking

Created a platform with over **1,350 points of presence across India**

Wealth Management

JV with Macquarie providing wealth management solutions to ultra HNI clients

Investment Banking

Mid-market focused institutional equities and investment banking platform with **presence in 8 countries**

Asset Management

Asset Management

Largest alternative asset management out of India : **Over US\$ 21 B of AUM** with presence across the US, Europe, Asia and Africa

Marquee funds included **Northgate, IBOF, Landmark Partners and Quadria Capital**

Insurance

Life Insurance

Life insurance JV with AEGON NV of the Netherlands

Health Insurance

One of India's first specialized health insurance companies

Key Exits: Sale of the life insurance stake to Aegon, sale of the mutual fund business to Invesco, sale of Northgate to TCP, sale of Landmark Partners to the management team

...Supported by a Leadership Team With a Strong Track Record of Execution...



Abhijit Ghosh
Chief Executive Officer
AUM Managed: ₹ 180 B



Anuj Pandey
Chief Operating Officer
AUM Managed: ₹ 120 B



Kalpesh Ojha
Chief Financial Officer
Liability Raised: ₹ 700 B



J Sathiyam
Chief Business Officer
AUM Managed: ₹ 80 B



Manish Agarwal
Chief Risk Officer
AUM Managed: ₹ 1,200 B



Sandeep Kakar
Chief Growth Officer
AUM Managed: ₹ 150 B



Rajni Khurana
Chief Human Resources Officer
AUM Managed: NA



164
employee
count

Fully
formed
team

4/5
Rated
employees

Deep and
large ESOP
pool

Supervised by an Independent Board Comprising of Industry Luminaries

Independent Members of the Board



Satyananda Mishra - Chairman, CSR Committee

- Ex-Chairman, MCX, Ex-CIC, GoI, Ex-Director - SIDBI
- Over 40 years with the Indian Administrative Services
- Indian Administrative Services (Batch of 1973)
- M.A., Utkal University, M.Sc., London School of Economics

Specialization:
Personnel Mgmt



Rajeev K. Agarwal - Chairman, Stakeholder Committee

- Ex-Whole Time Member, SEBI
- Over 30 years with experience with SEBI, FMC, IRS
- Indian Revenue Service (Batch of 1983)
- B. Tech, IIT Roorkee

Specialization:
SEBI Regulations



NK Maini - Chairman, Risk Management Committee

- Ex – DMD, SIDBI
- Over 38 years with experience with SIDBI, UCO Bank and IDBI
- PGDM from MDI
- Currently a director with MUDRA, MFIN, NSCCL, Aye Finance, member of the advisory committee at Ivy Cap and Lok Capital

Specialization:
Credit, SME



Abhijit Sen - Chairman, Audit Committee

- Ex-CFO, Citi-India
- Over 40 years of experience with Citi, CEAT, Tata
- PGDM from IIM Kolkata and B. Tech from IIT Kharagpur
- Advisor to EY, Independent Director at Trent, Cashpor Microcredit, Kalyani Forge, India First Life Insurance

Specialization:
Audit, Corp Fin



Ranjana Agarwal - Chairman, NRC Committee

- Board Member – ICRA, Ex-Senior Partner, Deloitte
- Over 30 years of experience with Deloitte, Vaish and Associates
- CA from ICAI and a BA from Delhi University
- Currently an independent director at ICRA, Shubham Housing, Indo Ram Synthetics, Joyville Shaapoorji Housing

Specialization:
Audit, Tax



S. Karuppasamy - Chairman, Compliance Committee

- Ex-Executive Director, RBI
- Over 40 years of experience with the RBI
- PG Diploma in Bank Management, Indian Institute of Banking & Finance, CAIIB (Honorary Fellow) & MA (Economics)
- Currently a member of the RBI services board, and a director at ARCIL and Vidharan (MFI)

Specialization:
RBI Regulations



Navin Puri

- Ex-Head of Branch Banking, HDFC Bank
- Over 30 years of experience at HDFC Bank and ANZ Grindlays Bank
- B. Com from St. Xavier's College Calcutta, MBA from Texas Christian University and CA from ICAI
- Currently a member of the Equitas Small Finance Bank board

Specialization:
Retail Banking

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Our Mission

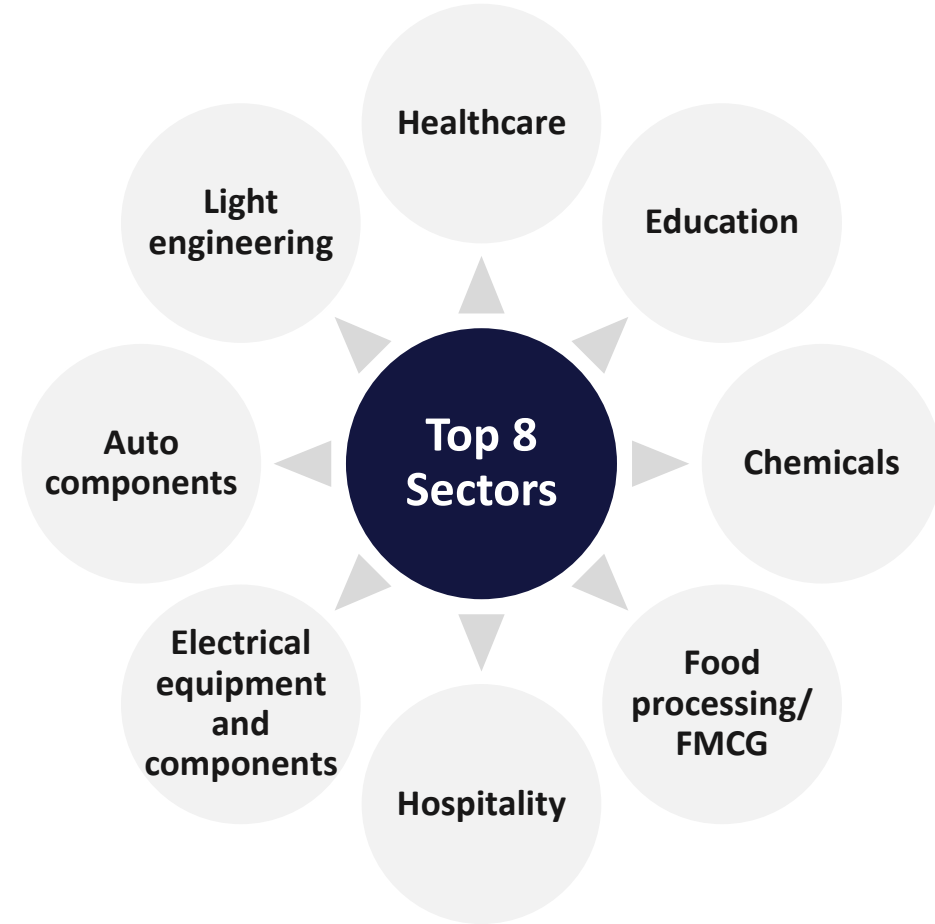
Specialization Within 8 Selected Sectors

38 identified sub-sectors within **8 sectors**

Focus on **SME clusters** in India

~50% - Contribution of the 8 sectors to the overall SME lending market in India

Validated independently by CRIF, CRISIL and the company distribution and underwriting teams



Large lending opportunity



Lower impact of regulatory changes



Relatively less competition from banks



Secular consumption driven growth



Low geographical concentration

We Further Narrowed Down on 38 Sub-sectors and Clusters...



Healthcare

Key sub-sectors: General nursing homes, eye clinics, dental clinics, diagnostic labs, radiology/pathology labs, pharma retailers
Key clusters: NCR, Mumbai, Bengaluru, Hyderabad and Chennai



Education

Key sub-sectors: K-12 schools, play schools
Key clusters: NCR, Mumbai, Coimbatore, Chennai, Hyderabad and Pune



Chemicals

Key sub-sectors: Dyes and pigments, bulk and polymers, agrochemicals
Key clusters: Mumbai, NCR, Ahmedabad, Vadodara and Surat



Hospitality

Key sub-sectors: Fine dining (standalone), QSRs, fine dining chains, manpower agencies, boutique hotels, guest houses
Key clusters: NA



Electrical Equipment and Components

Key sub-sectors: B2B, B2C
Key clusters: NCR, Pune, Bengaluru, Chennai, Aurangabad and Rajkot



Auto Components

Key sub-sectors: Engine parts, drive transmission and steering parts, body and chassis, suspension and breaking parts, electrical parts, other equipment, traders
Key clusters: NCR, Mumbai, Kolkata, Hyderabad and Bengaluru



Food Processing/FMCG

Key sub-sectors: Dairy and dairy products, non-alcoholic beverages, consumer foods, poultry, sea food, food and beverage traders
Key clusters: NCR, Mumbai, Chennai, Hyderabad and Pune



Light Engineering

Key sub-sectors: Casting and forging, medical equipment and devices, pipes, process control instruments, traders
Key clusters: NCR, Chennai, Pune, Ludhiana, Bengaluru, Ahmedabad and Rajkot

Sub-sectors selected basis the contribution to the overall sector credit demand and risk profiles

...to Create Customized Solutions for Customers...

Restaurants



Challenges Faced: Cash based collections reducing eligibility, a new restaurant takes time to reach positive cashflows

U GRO Approach

Assessment: A combination of Zomato ratings, seats, cuisine served, price points to arrive at eligibility

Cash Flows: If a franchise, then a 3-tranche disbursal – payment to franchisor, infra development, working capital. Payments to start post commencement of operations

Distribution: Tie up with food aggregators like Zomato, Swiggy and assess eligibility through transactional data

Pathology lab



Challenges Faced: Heavy investment in equipment, cash-based collections reducing eligibility

U GRO Approach

Assessment: Cash flow assessment through footfall, online booking, booking register, price list published online

Cash Flows: Leasing module used. Disbursal of funds to the manufacturer by U GRO. Pathology lab owner to pay only rental per month

Distribution: Tie up with leasing agencies and manufacturers of equipment

...Enabled by an In-house Technology Platform

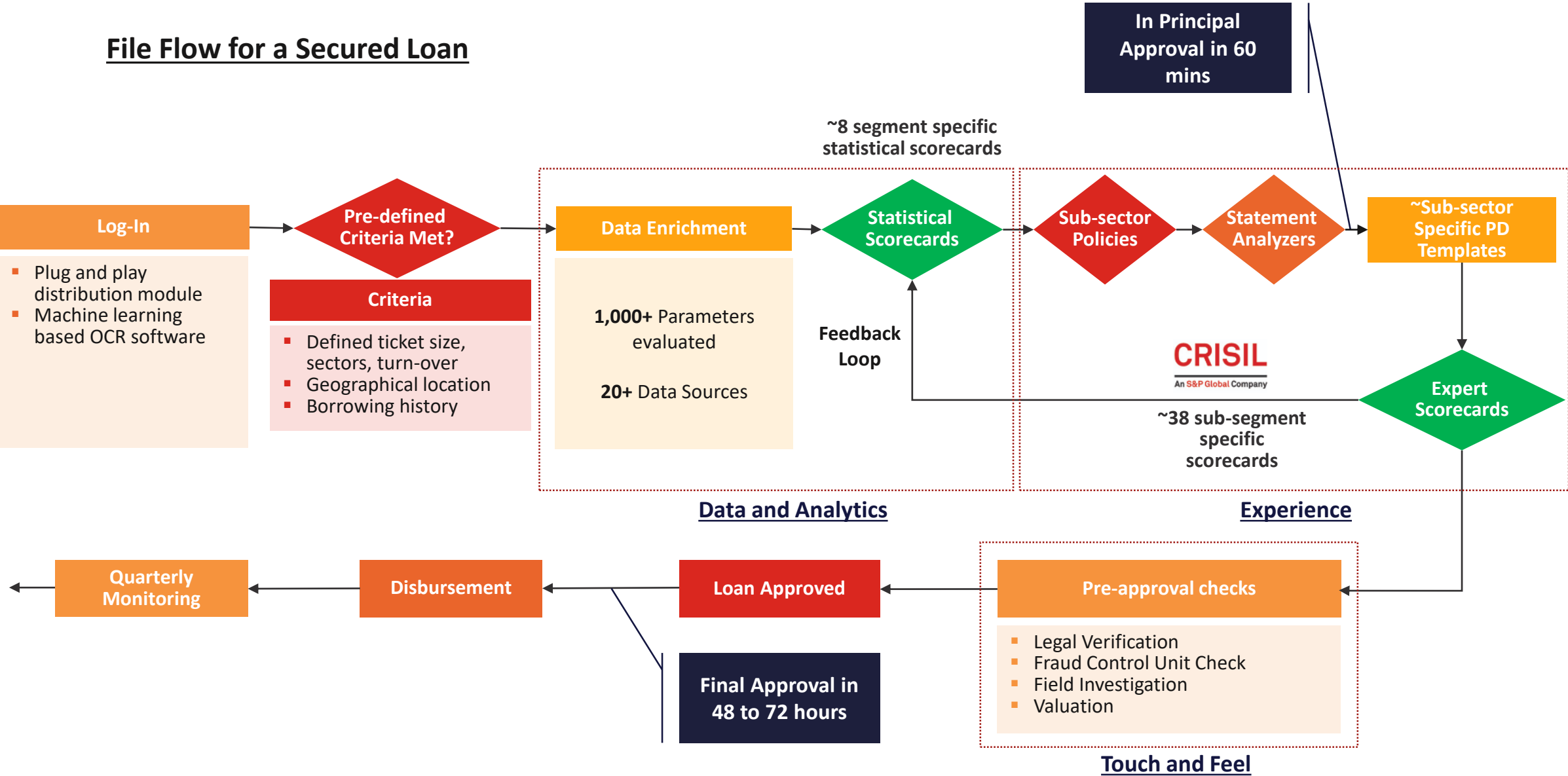


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Sectoral Credit Enabled by Technology

A Seamless, Customized Customer Journey

File Flow for a Secured Loan

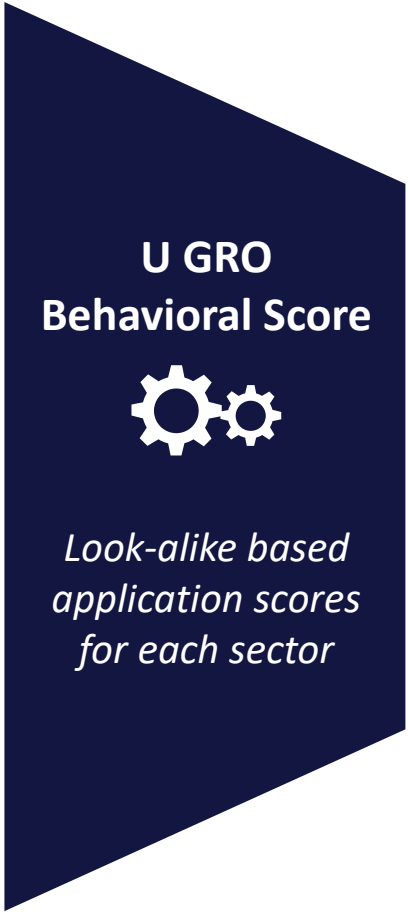


8 M+ loan records

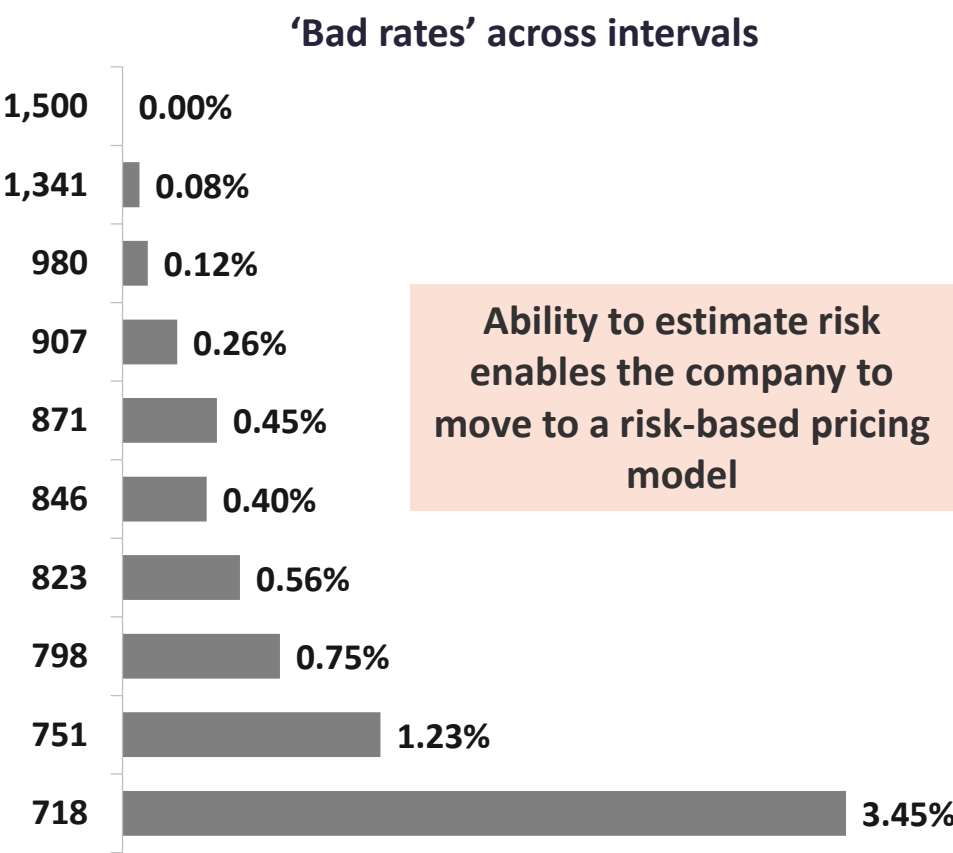
850 parameters per loan

60%+ GINI coefficient

70% ‘bads’ eliminated by removal of bottom 20% by score

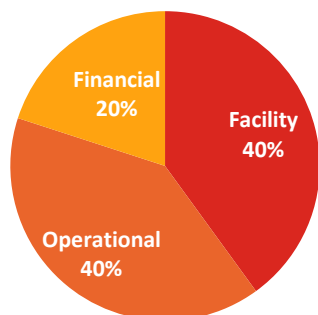


Default rate across score ranges

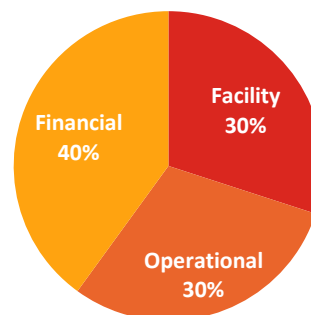


Supplemented by an Industry First – ‘Expert Scorecards’ – for all Sub-sectors

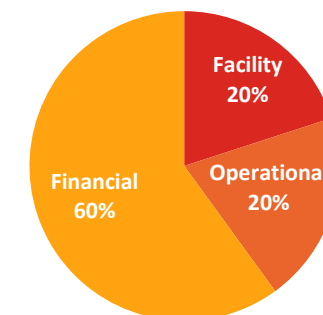
Case A: Less than 20 bedded nursing home



Case B: 20-50 bedded nursing home



Case C: 50-100 bedded nursing home



Parameters	Factors	Case A	Case B	Case C
Facility related	Vintage of the entity	20%	15%	10%
	Doctor's Experience	20%	15%	10%
	Arrangement with pharmacy unit	30%	30%	40%
	NAHB accreditation	30%	40%	40%
Operational	Share of IPD revenues in overall nursing home revenue	15%	20%	20%
	Share of insurances cases in overall IPD admissions	15%	20%	20%
	Govt empanelled cases in overall insurance admissions	10%	10%	10%
	Occupancy rate	30%	20%	20%
	Revenue per occupied bed	30%	30%	30%
Financial	Operating margins	15%	15%	15%
	Return on Capital Employed	20%	20%	20%
	Interest coverage	30%	30%	30%
	Asset turnover ratio	20%	20%	20%
	Receivable days	15%	15%	15%

Sector: Healthcare
Sub Sector: Nursing Homes

- Combination of **operating** and **financial parameters**
- Scorecards developed in consultation with **CRISIL market experts**
- Methodology**
 - 1,000+ personal interviews** across **9 locations**
 - Responses for over **50+ curated questions** for each sub-sector

Automated Policy Approvals Reducing Subjectivity in Credit Appraisal

Applicant Details

Bureau Details

Product

Co-applicants

Policy Report

Obligations

Financials

Principal Approval

Collaterals

Banking

Dedupe

GST Return

Legal

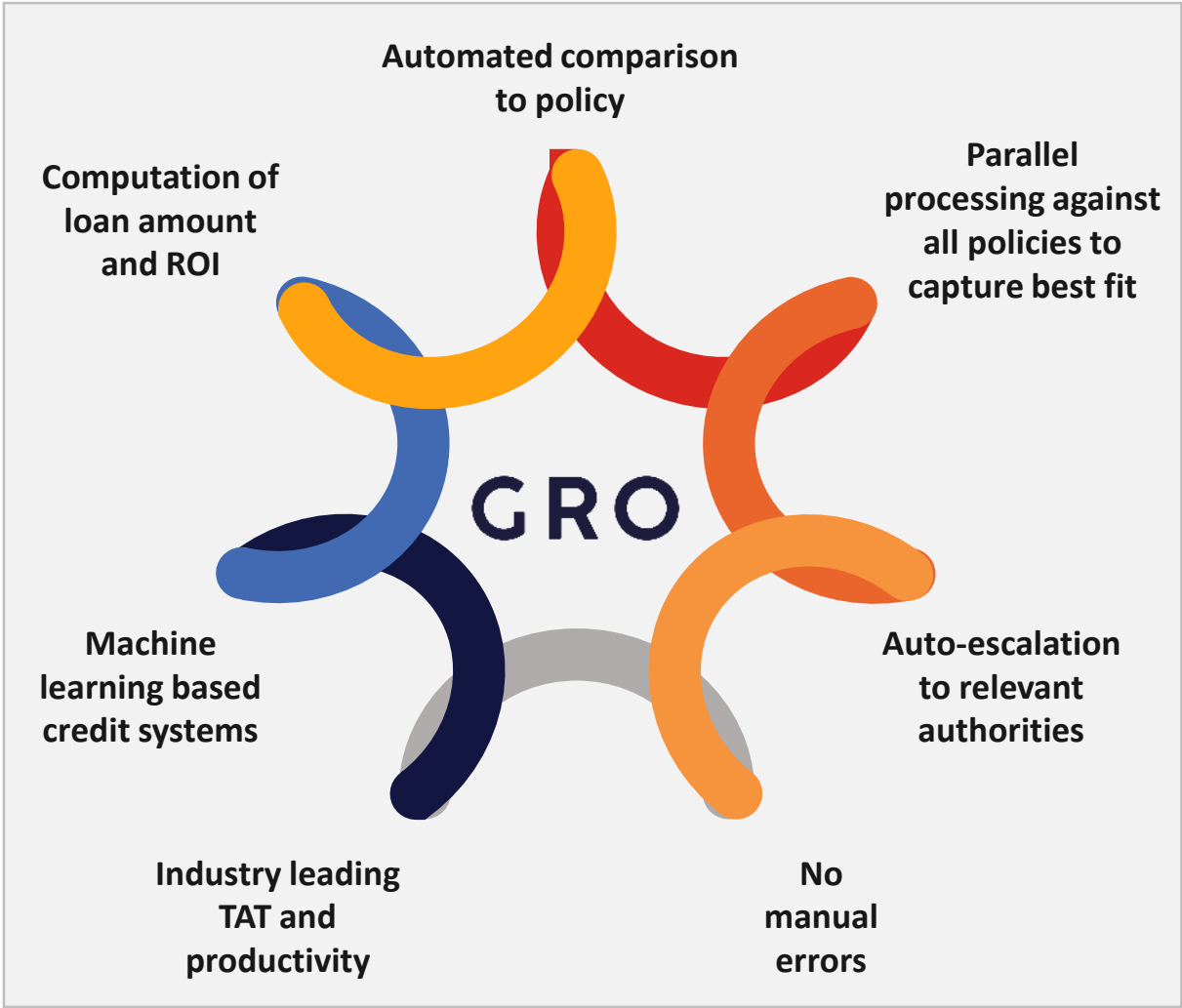
Principal Approval

TOTAL POLICY COUNT	12.00	TOTAL POLICY PASS COUNT	12.00
TOTAL POLICY SKIPPED COUNT	0.00	TOTAL POLICY FAILED COUNT	0.00
TOTAL POLICY SR CM COUNT	0.00	TOTAL POLICY SR RCM COUNT	0.00
TOTAL POLICY SR ZCM COUNT	0.00	TOTAL FOR PASS TEST	12.00
POLICY OVERALL RESULT	SUCCESS	LOAN AMOUNT APPLIED	₹ 20,000,000.00
LOAN AMOUNT APPROVED	₹ 11,926,247.00	DISBURSED LOAN AMOUNT	₹ 11,926,247.00
LTV LOAN AMOUNT	₹ 11,926,247.00	TENURE APPLIED	120 Months
TENURE APPROVED		ROI	

Reject

Approve

| Highly flexible | Capable of handling complex computations and policies |



Moving beyond conventional products offered by most NBFCs in the market...

Secured Loans

*Mostly long tenor, loan
against property*

Unsecured Loans

*Short term working
capital loans*

Supply Chain
Financing

*30-90 day loans against
invoices*

To create sub-sector specific products by modulating the following attributes to meet customer requirements...



Collateral



Assessment
Parameters



Tenor






Loan
Structuring



Pricing

...With Tailored Products for Each Sub-Sector

Sector	Sub-sector	Target Segment	Key Insights	Key Propositions
Hospitality 	Boutique Hotels	Two/three star mid sized and budget hotels	<ul style="list-style-type: none"> Boutique hotels want a convenient and hassle-free loan process Business data available on digital marketplaces Very open to completely digital process 	<ul style="list-style-type: none"> Pre-approved loan disbursement based on marketplace data e.g. trivago, MakeMyTrip etc. Parameters for loan decision include online rating, # of rooms, average room rate etc.
	Restaurants and QSRs	Quick service restaurants and fine dining restaurants	<ul style="list-style-type: none"> Restaurants with different formats have highly disparate sources of income Broad range of margins across sub-types, affected in particular by owning a liquor license 	<ul style="list-style-type: none"> Restaurant format-based eligibility approach - QSR standalone, QSR franchise and fine dining Scorecard approach with higher scores for owned property, liquor license, home delivery
Healthcare 	Dental Clinics	Existing dental clinics	<ul style="list-style-type: none"> Loan eligibility in this sector is quite margin reliant Dental clinics offering high end, very specialized services have higher margins 	<ul style="list-style-type: none"> Procedure based lending approach Liquid Income program available based on specialization of the dentist Parameters for loan decision include doctor's qualifications, clinic vintage etc.
Food Processing & FMCG 	FMCG Traders	Kirana shops measuring a minimum of 200 sq. ft	<ul style="list-style-type: none"> Outlook and repayment behavior have a strong correlation with shop size and business vintage Volume is very dependent on speed at which they can rotate stock Business and sourcing stability are also of critical importance 	<ul style="list-style-type: none"> Loans offered based mainly on floor area and business/shop vintage Further parameters monitored include supplier stability, quantity of stock maintained, inventory turnover etc.

Disrupting the Existing Model with an Approach to Serve the Entire Value Chain of ₹ 100,000 to ₹ 5,00,00,000 Loans to Small Businesses

Current distribution models

- Mostly **DSA sourced**, branch led model or a feet on street led model
- DSA shares a customer file with multiple NBFCs and has multiple rounds of follow-ups to access financing resulting in **low productivity**
- Customer relationship with the DSA/FOS resulting in **high level of customer churn**
- **Opex intensive model** with almost a linear relationship between opex and disbursals

Turnover: Up to ₹50 Cr
Ticket Size: Up to ₹5 Cr

Turnover: Up to ₹20 Cr
Ticket Size: Up to ₹5 Cr

Turnover: Up to ₹5 Cr
Ticket Size: Up to ₹2 Cr

Turnover: Up to ₹1 Cr
Ticket Size: Up to ₹50 L

Disrupting the conventional distribution channel

- “**Uberized distribution model**” – increased distribution network of DSAs, CAs, brokers with higher productivity
- Branch FOS to be “**relationship managers**”

Harnessing Ecosystem based lending

- Access MSMEs through their **business ecosystems** by partnering with **anchors, aggregators**
- Assessment of **partner transaction data**

Reaching Customers directly and digitally

- **Digital lending** on own platform supplemented by **pre-qualified leads**

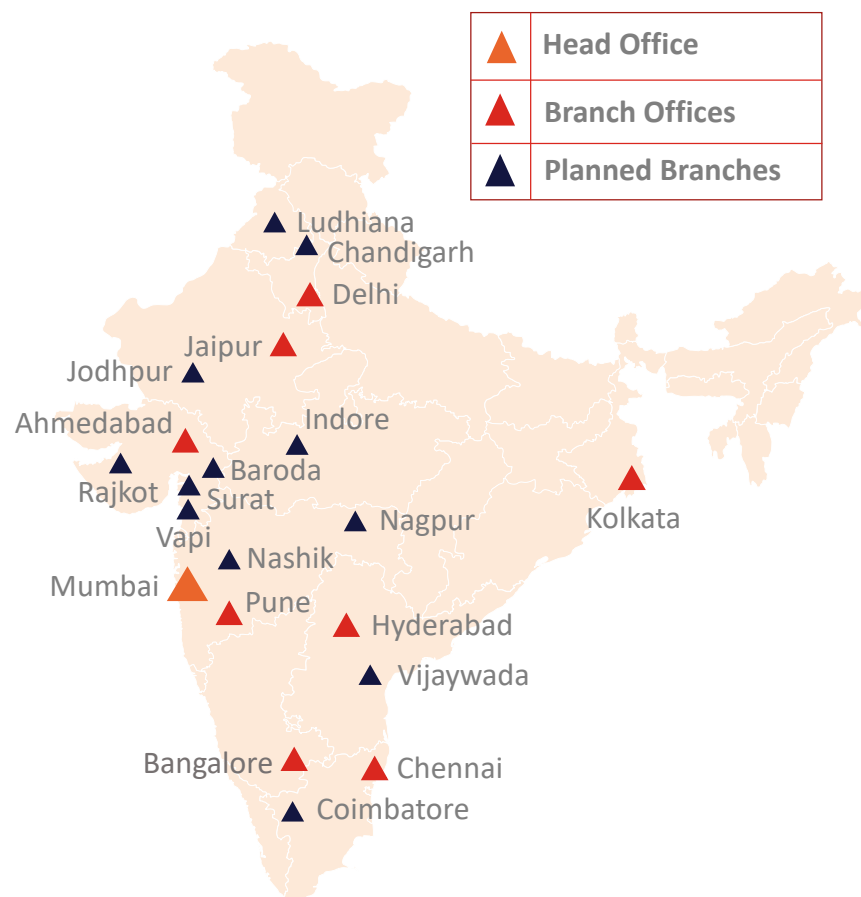
Prospering the partnership approach

- Partnerships with NBFCs providing ME loans/fin-techs in Tier 2, Tier 3 cities
- **Leveraging the distribution network of partners** to create a low Opex lending model and be a complete liability solutions provider to them

Traditional Distribution

U GRO “Omnichannel” Distribution

Traditional Channels | A New Approach to the Old...



Locations identified through SME cluster analysis and portfolio benchmarking

Partner Selection Criteria

- **Rigorous vetting of 1,200+ partners** to reach an initial list of **100 channel partners**.
- Selection criteria:
 - Track-record of **3+ years**
 - Infrastructure Readiness
 - **Portfolio performance**
- Partners have a **track-record** of acquiring **₹ 50,000+ M per month**
- Channel partners pay an onboarding fee – **a first in the industry**

Partner App: An Industry First

Loan Application

Product Program Details

Industry: Education

Sub Industry: K-12 Schools

Program: SL-Turnover Surrogate Bank Secured

Loan Details

Loan Amount [Lacs]: 50

Loan Tenure Applied [Months]: 60

☐ Balance Transfer

Continue

Value Proposition for Channel Partners

- **Lower TAT** : In principal approval in **1 hour**
- **Higher productivity**: High conversion (**~60%**) post the in-principle approval
- **Analytics-driven** opportunity to **cross-sell/top-up** within their customer bases
- U GRO co-lends with larger banks, allowing partners to **originate larger ticket sizes**
- **Payment within 7 days** resulting in improved working capital management

Dedicated “Growth Team” to build industry partnerships

Independent vertical headed by the Chief Growth Officer

- Each sector to be led by a ‘sector head’

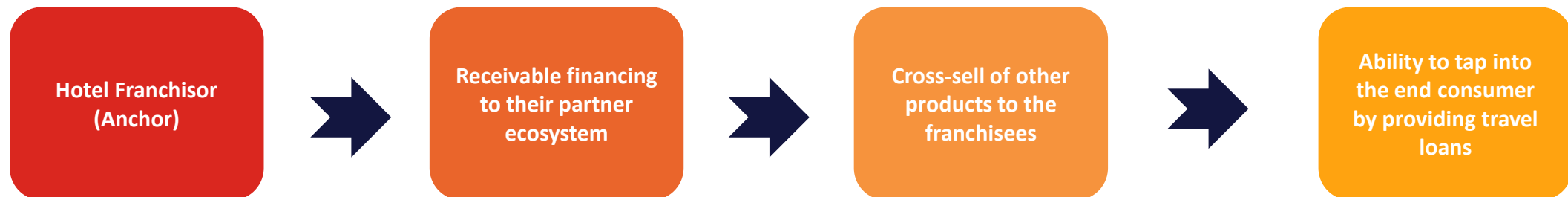
Develop partnerships in prioritized segments with key participants e.g. sector specific lenders, industry bodies

- E.g. Anchor led supply chain financing, partnerships with equipment suppliers

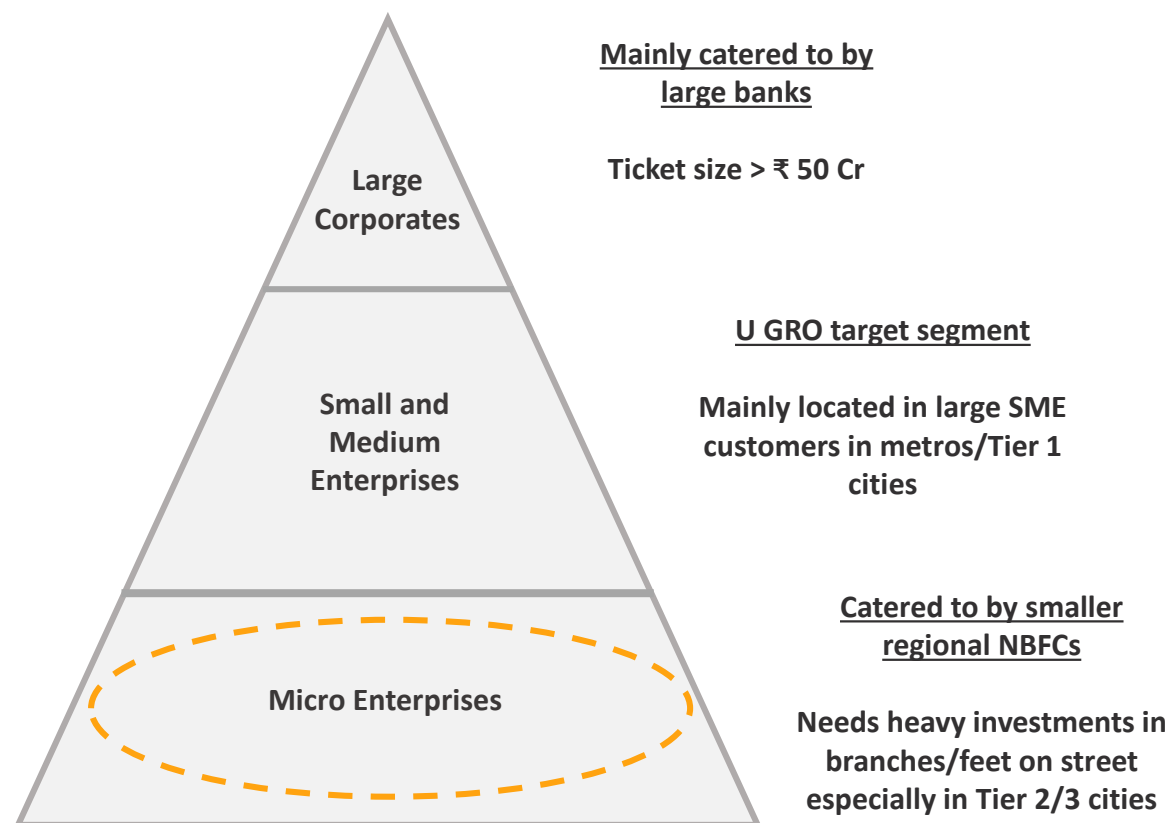
Partnership with a large food aggregator

- **Pre-approved program based on data analytics** for unsecured & secured loans to restaurants
- **Performance data of restaurants** partners with U GRO to be shared by the aggregator
 - Vintage, location, ratings/reviews, transactions
- Pay-outs to restaurants routed through an **escrow account** created for the program

Ability to go deep into the partner value chain



Ability to tap into the partners’ network of distributors, dealers, suppliers and then eventually the end customer through an ecosystem-based lending strategy



Symbiotic partnerships to cater to the MEL segment

Challenges faced by NBFCs:

- Given scale of NBFCs, their regional concentration and the target segment, **access to credit for such NBFCs is limited**

U GRO Solution:

- Create a **steady liability solution** for such NBFCs through multiple modes including **direct lending, on tap assignment, co-lending and debt syndication**
- Joint under-writing** by U GRO and the partner NBFC

Advantage to U GRO

- Ability to create a **large, granular micro-enterprise book** without incurring significant opex
- First loss credit enhancement** from the NBFC

The BFSI partnership channel is U GRO's strategy to cater to the micro-enterprise segment without incurring significant Opex costs

Our Innovation-Driven Digital Lending Platform

Customer Service

Chatbot based, integrated with popular message apps (proposed)

- **Completely Digital** Customer Servicing
- No reliance on human intervention
- Web-service based APIs for **instant query/request handling** over app/web or IVR call

Sector-Focused Partnerships

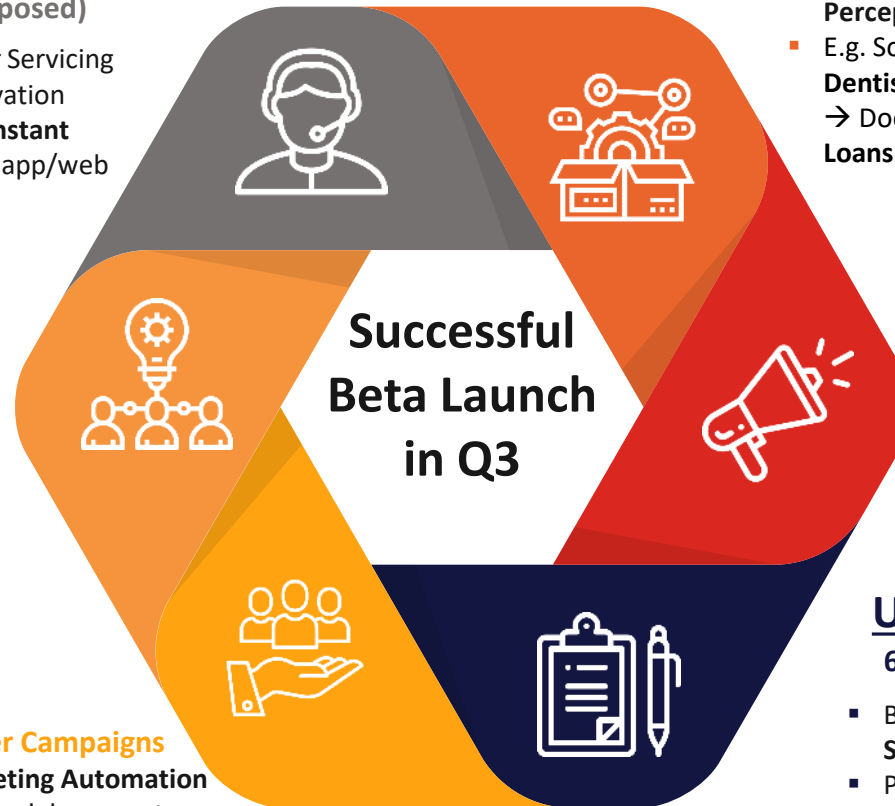
- **Ecosystem Players**
- Aggregators
- Web Portals Listings
- Payment Gateways
- **Marketplaces**
- Industry Bodies/Associations

Acquisition

Micro-targeting of customer and partner audiences for onboarding

Direct To Customer Campaigns

- Integrated **Marketing Automation Tool** for campaign deployment
- Medium: **SMS/Flash Message/WhatsApp/Voice Blasts/Email**
- **Outbound Calling** with loan solutions to optimise conversion



Product Development

- **Sectoral Need Gap Identification** based on **Perception Maps**
- E.g. Solutions available for **Dentists Loan** (Healthcare → Doctors) & **Kirana Shop Loans** (FMCG → Trading)

Product and Marketing

Innovation driven by Micro-Level Focus within Sub-sectors

Marketing

- Customer Data Identification
- **Push & Pull Marketing Campaigns**
- Personalised Communication
- Personalised on-boarding journey (**ChatBots**)

Underwriting/Fulfilment

60 Mins Decisioning – 100% Digital

- Based on **Industry First Sector Specific Scorecards**
- Pings other Tech Platforms for information gathering and validation via customized APIs
- Assisted models (Outbound Calling) to induce customers to convert
- Outsourced partners to collect documents and meet regulatory compliance