

PRESS RELEASE
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U GRO Capital aims to reach 500,000 MSMEs; to launch a comprehensive digital lending program 'Sanjeevani'

- Will be the first in the industry to offer an end-to-end digital journey inclusive of video KYC, video Personal Discussion and digital signatures for disbursement of loans to MSMEs
- Will offer up to three-month moratorium upfront to assist small businesses to break out of the adverse working capital cycle induced due to the lockdown

U GRO Capital, a technology first, small business lending platform today announced the launch of 'Sanjeevani', an end to end digital lending platform to boost the capital starved MSME sector in India, reeling from the aftermath of Covid-19. The company is committed to reaching out to 500,000 MSME clients. U GRO Capital is making the announcement to launch this program in the run up to the World SME day being observed today, 27th of June.

U GRO Capital has built a deep digital architecture that is empowered by video-based KYC, Personal Discussions and algorithm-driven predictive risk tools to launch an industry-first, program that will accelerate instant loans, (both secured and unsecured), up to INR 2 crore so that businesses can be re-started and the economy can recover from a three-month hiatus. To be launched on July 1, the program also offers an in-built, upfront, moratorium up to three-months to aid businesses whose working capital cycles have been disrupted either by supply chain breakages, labour issues or adverse cash flows during the Covid-19 induced national lockdown.

'Sanjeevani' will ease the borrowing experience and quicken the loan disbursement process, of MSMEs particularly in a Covid-19 environment where physical verification comes with its own set of challenges. The entire process, from filling the application form, sharing documents and getting disbursement of the loan can be completed from your workplace within 3 – 5 business days depending on the availability of the relevant documents with the applicant. This is by far an improvement as compared to weeks taken earlier for disbursements in this segment.

Shachindra Nath, Executive Chairman and Managing Director of U GRO Capital said, "U GRO Capital, was set up as a business to provide a lease of life to the unsolved credit needs of the MSME sector, empower the sector, uplift the economy and create new jobs in the community. Currently, the MSME sector is reeling under the aftermath of Covid-19. So far, the Government has offered a INR 20-trillion financial package to help revive lending to micro, small and medium enterprises (MSMEs) and protect incomes of individuals. Despite the efforts by the Government and the lenders, the sector is set back by labour issues and lack of income generation. Sanjeevani, is poised to benefit the sector with timely access to capital, critical to revitalise the health of the economy. We believe our commitment through this program will aid several entrepreneurs across the country to revive their businesses."

UGRO CAPITAL LIMITED

(Formerly known as Chokhani Securities Limited)

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

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Features of 'Sanjeevani' are as under:

- **Key focused sectors:** Healthcare, Education, Chemicals, Food Processing/FMCG, Hospitality, Electrical Equipment and Components, Auto Components, Light Engineering
- **Range of amount:** INR 10 Lakhs – 25 Lakhs (Unsecured) & INR 50 Lakhs – 2 Crore (Secured)
- **Duration of the loan :** 2 – 36 months (Unsecured) & 7 – 10 years (Secured)
- **Time line for disbursal:** Industry best TAT

Below is process to avail the loan:

- MSME fills in a loan application – Either assisted by a GRO Partner (DSA) or Directly (Will be launched subsequent to 1st July 2020)
- Uploads GST (through OTP) and Bank Statements
- Receives in-principle approval within 60 minutes
- U GRO Capital reaches out the MSME to complete the application and conducts a video KYC, Video Personal Discussion and signs loan documents digitally
- E-NACH setup in completed
Loan is disbursed

U GRO Capital has sought to build a strong MSME financing platform based on sectoral understanding supplemented by a fully integrated technology and analytics platform from the beginning. For instance, credit scoring and underwriting is fully digital and executed by a machine learning algorithmic platform (**GRO Score**) since the start of business. The platform enables U Gro to provide in-principle approvals or reject cases within 60 minutes from the time of receiving a complete (with all relevant documentation) application. The logging-in of the applications is also done digitally by partners by using the partner-app called **GRO+**.

About U GRO Capital

U GRO Capital is a new-age listed fintech platform 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 include 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 minutes. The Company posted a PAT of INR ~20 Crore in its first full year of operations and has already disbursed close to INR 1,400crore across 7,000+ small businesses.

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U GRO Capital, founded by financial services veteran Mr. Shachindra Nath, in December 2017, had previously 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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