

6th May, 2019

The Manager - DCS
BSE Limited
PhirozeJeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Dear Sir/ Madam,

Subject: Press Release in relation to audited financial results of the Company for the Financial year 2019

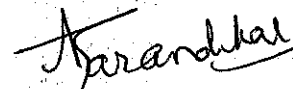
Ref: Scrip Code: 511742

We are enclosing herewith the Press Release of the Company containing key highlights for the Financial Year 2019.

You are requested to kindly take the same on records.

Thanking You,

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Aniket K Karandikar'.

Aniket K Karandikar
Company Secretary
ACS No. 24107



Encl: A/a

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

CIN: L67120MH1993PLC070739

Telephone: +91 22 48918686 | **E-mail:** yougrow@ugrocapital.com | **Website:** www.ugrocapital.com

U GRO Capital | FY19 Results

Mumbai, May 06, 2019: U GRO Capital Limited, a BSE listed, technology enabled, small business lending platform, announced its Audited Financial Results for the financial year ended March 31, 2019.

The key highlights for FY19:

Financial highlights:

- The net worth of the company stood at INR 637 crore.
- The demerger of Asia Pragati 'Loan Business' is expected to be completed by end of Q1 of FY – 20.
- The Warrant outstanding are expected to be exercised by the end of December – 2019.
- Post completion of demerger of Asia Pragati 'Loan Business' and the exercise of Warrants the Net Worth would be around INR 925 crore.
- Total income for FY19 stood at INR 41.81 crore on a standalone basis and at INR 49.88 crore when consolidated with the lending business of Asia Pragati on a pro-forma basis.
- Total profit before tax before exceptional items for FY19 stood at INR 4.76 crore on a standalone basis and at INR 12.8 crore when consolidated with the lending business of Asia Pragati on a pro-forma basis.
- The financial of the Company would be recast from April 1st, 2018 post the demerger of Asia Pragati's 'Lending Business' which currently pending with the NCLT

Business Highlights:

- Mr. Shachindra Nath, acquired control of Chokhani Securities from the erstwhile promoters and Company was renamed to U GRO Capital Limited in July, 2018. Mr. Nath was appointed as the Executive Chairman & Managing Director of the Company.
- The company raised INR 953 crore of equity capital from multiple investors through two rounds of preferential allotments, a QIP, and the demerger of the lending business of Asia Pragati Pvt. Ltd. into U GRO Capital.



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- The company revamped its Management Team and approximately 95 number of people were hired into the business which included Mr. Abhijit Ghosh as its CEO & Executive Director, Mr. Manish Agarwal, Chief Risk Officer, Mr. Anuj Pandey, Chief Operating Officer, Mr. Kalpesh Ojha, Chief Financial Officer and Mr. B. Sathiayan, the Chief Operating Officer.
- Post the change in control, the company Board was reconstituted and a distinguished majority Independent Directors Board was setup to supervise the business of the Company.
- The Company put in place its new long-term strategic vision to build a technology led small financing business using sectoral expertise and on the core pillar of 'Knowledge + Technology'.
- Company launched its new generation fully integrated technology platform to process both secured and unsecured loans within 60 minutes of login for in principal approval.
- A total of 7 branches were opened during the quarter at Delhi, Chennai, Bangalore, Kolkata, Hyderabad, Jaipur and Ahmedabad and 76 GRO Partners have been onboarded.
- The company disbursed SME loans to a total of INR 82 crore and the total loan book as of March 31st, 2019 stood at INR 80 crore
- The scheme of arrangement for the demerger of the Asia Pragati lending business has received SEBI, BSE and shareholder approval and is awaiting the NCLT approval. The appointed date of the demerger is April 1, 2018 and therefore the company will recast its FY19 once the NCLT approves the scheme of arrangement.

Commenting on the results, Mr. Shachindra Nath, Executive Chairman and Managing Director of U GRO said, "We are extremely pleased with the progress made over the last few months. The company has operationalized the technology and infrastructure needed to build a robust lending platform in record time. In a matter of months, we have grown to 90+ people and see this as a beginning of our larger journey to solve the SME credit availability problem in the country. We prefer to look at the current liquidity crisis as an opportunity for a well-capitalized NBFC's like ours. We believe organizations like ours which are focussed on building a granular, diversified and secured asset base, with low leverage and no legacy ALM issues are well poised to gain market share."



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About U GRO Capital Ltd.:

U GRO Capital limited, (formerly known as Chokhani securities) is a BSE listed, technology focussed, small business lending platform. The company is focused on addressing capital needs of small businesses operating in select eight sectors by providing customized loan solutions.

U GRO mission is 'Solve the Unsolved' – Small Business Credit Need. U GRO believes that the problem of small businesses can be solved by building deep expertise around core sectors of SMEs in India coupled with a data centric, technology-enabled approach.

The Company has raised ~INR 950 crore of capital from a diversified set of private equity funds like institutional investors and well-known family offices.

U GRO capital has shortlisted the 8 sectors basis an 18 month process involving extensive study of macro and micro economic parameters carried out in conjunction with market experts like CRISIL. The eight sectors shortlisted are Healthcare, Education, Chemicals, Food Processing / FMCG, Hospitality, Electrical Equipment and Components, Auto Components, Light Engineering.

The company strives to build a strong SME financing platform based on sectoral understanding supplemented by a fully integrated technology and analytics platform.



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