



# Empowering Visions, Crafting Impact

Social Impact Report

## 2023-24



Report Prepared by

**ALSiSAR**  
-IMPACT-

Consultant for SDG Framework

**IMPLEMENT**  
CONSULTING GROUP\_



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# Foreword | ALSiSAR Impact

It is with great pleasure that we present the findings of our collaborative study with U GRO Capital, delving into the profound impact of their lending initiatives on Micro, Small, and Medium Enterprises (MSMEs). This report encapsulates the insights gathered through 348 customer interviews, employing a thoughtful blend of physical and Tele-calling interactions.

In the realm of MSME financing, U GRO Capital has emerged as a pivotal player, recognizing the potential to directly and indirectly influence multiple Sustainable Development Goals. Our commitment at Alsisar Impact aligns seamlessly with this ethos, and we are honoured to have partnered with U GRO Capital to assess the transformative effects of their efforts.

The study has been conducted based on methodology which allowed us to capture a diverse range of perspectives, creating a comprehensive narrative of U GRO Capital's impact on its customers. The 348 interviews serve as a testament to the positive changes brought about by U GRO Capital, showcasing the organisation's dedication to empowering businesses and fostering sustainable growth.

This report not only highlights the success stories but also provides an opportunity for reflection. We encourage U GRO Capital to leverage these insights for aligning business impact with the Sustainable Development Goals, as well as refining systems and processes for better impact measurement, monitoring, and tracking.

May this report serve as a beacon for the lending ecosystem, inspiring others to measure, evaluate, and govern their impact performance for the benefit of their customers and the broader community

Best regards,

**Anuj Sharma**

Founder & Director | Alsisar Impact Private Limited





# Foreword | U GRO Capital

**Welcome to the second edition of the U GRO Impact Report - Empowering Visions, Crafting Impact.**

As we embark on this journey to unveil the impact created by U GRO Capital during the fiscal year 2023-2024, it fills me with immense pride to witness the strides we have taken towards empowering MSMEs and fostering positive change. Our commitment to impact, coupled with a strategic focus on data-driven scalability, sector-specific approaches, and a deep understanding of the underlying MSMEs, has allowed us to craft a narrative of transformation at multiple levels.

In this edition, we delve into the core pillars that define U GRO Capital's impact narrative. From the power of data driving our scalability to our sector-focused approach that resonates with the diverse needs of MSMEs, each element contributes to a broader framework that aligns seamlessly with our commitment to sustainability and social responsibility.

Our Impact Framework remains the guiding force behind our endeavours, steering us towards meaningful interventions that echo the principles of ESG responsibility. As we navigate the landscape of impact, our alignment with the UN SDGs underscores our dedication to creating positive outcomes that extend beyond mere financial metrics.

Fuelling the growth of MSMEs lies at the heart of our mission. With an unwavering commitment to outreach beyond urban peripheries, we have been instrumental in catalysing growth in regions where opportunities were once scarce. This edition sheds light on our journey toward inclusivity, highlighting the strides we've made in fostering economic empowerment and climate mitigation.

The Social Impact Study featured in this report, conducted in collaboration with ALSISAR Impact, serves as a testament to our transparency and commitment to accountability. It quantifies the tangible impact we've made on the lives of our customers and partners, providing a comprehensive view of the transformative journey we've undertaken together. Reflecting on our achievements from the previous report, this edition narrates real-life impact stories that exemplify the positive ripple effect generated by our interventions. From uplifting business potential to contributing to the larger social ecosystem, our impact has transcended the transactional, becoming an integral part of India's growth narrative.

As we present this report, we invite you to join us in celebrating the milestones, acknowledging the challenges, and envisioning the future. Your feedback and suggestions are invaluable as we strive to continually refine and amplify our impact in the service of the MSME community and the nation at large.

**Thank you for being part of our journey, and here's to crafting a future where impact knows no bounds.**

**Shachindra Nath**

Founder & Managing Director, U GRO Capital



# About Implement



**Founded in  
1996**



**Employee -  
owned**



**Average  
CAGR of 20%**



**Working  
globally**

## Local roots Global perspective

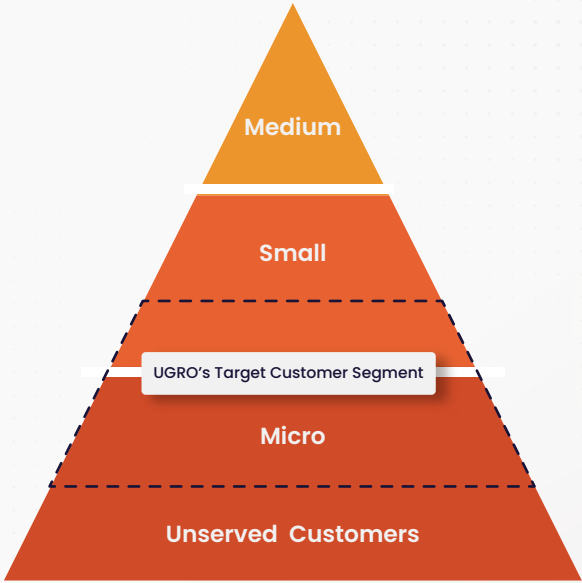
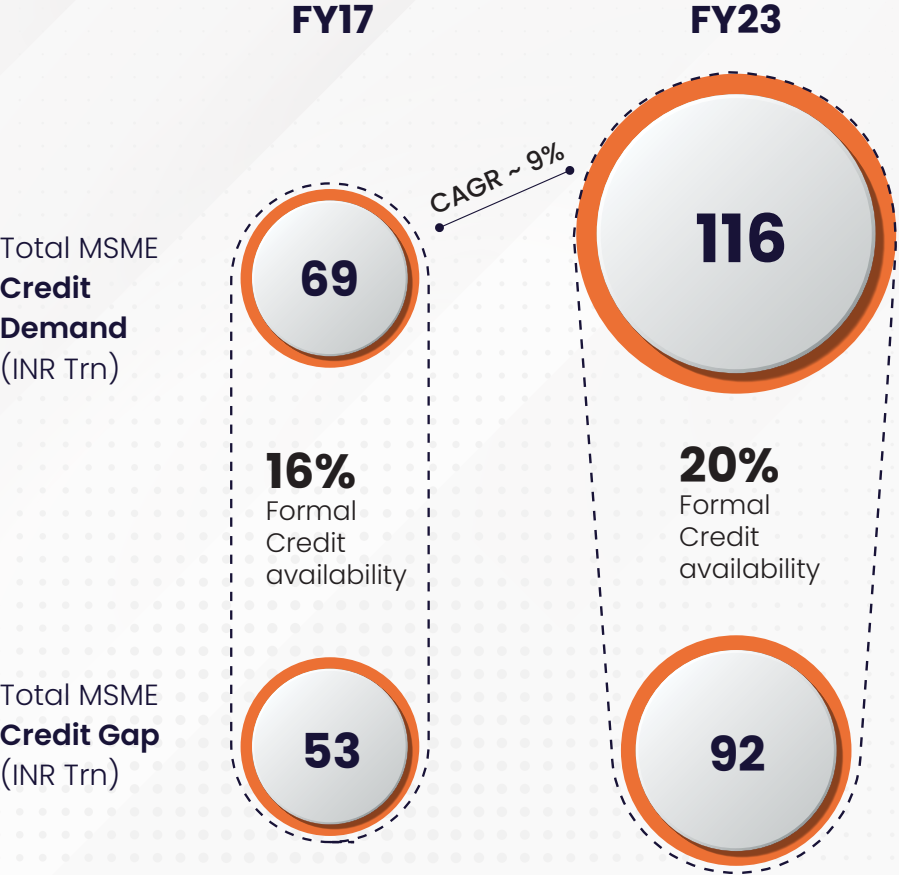
Born in Denmark with offices in Copenhagen, Aarhus, Stockholm, Malmö, Gothenburg, Oslo, Zurich, Munich, Hamburg, Düsseldorf and Raleigh, NC. With 1500+ consultants, multinational clients and worldwide projects, we offer expertise with a global perspective.

We believe that great organisational impact leads to great impact for humanity. Implement was created to help make true expertise turn into real change.

# Building a Large Institution for small business financing

Total MSME Credit gap is Rs 92 trn

Credit Gap of our customer segment constitutes 95%



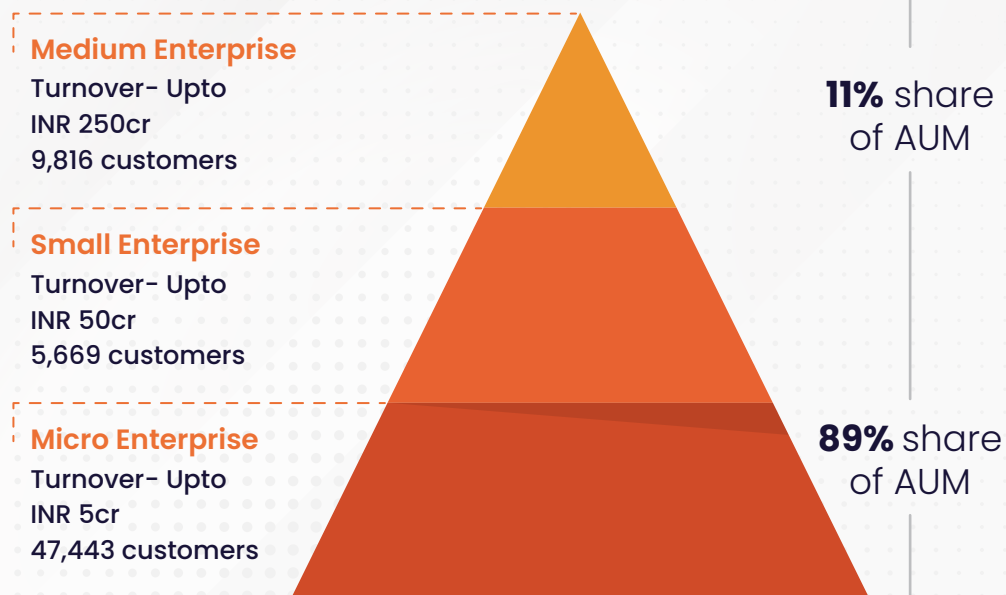
**Medium Enterprise**  
 No. of entities – 0.05L (0.05%)  
 Credit O/s – INR 7.6 Trn (33%)

**Small Enterprise**  
 No. of entities – 3.3L (0.52%)  
 Credit O/s – INR 9.5 Trn (41%)

**Micro Enterprise**  
 No. of entities – 631L (99.47%)  
 Credit O/s – INR 5.8 Trn (25%)

Source: IFC report on Financing India’s MSME dated November 2018; Crisil Report

# Customized loan product for a diverse set of MSMEs



Channel (% share in AUM) Product	Product	Description	Average	Interest Rate
Branch led (57% AUM)	Prime secured	Secured loans for borrower reported cashflows and quality collaterals	70L	13.8%
	Prime unsecured	Unsecured credit to MSMEs with reported cash flows to assist them with working capital requirements	16L	19.6%
Ecosystem (21% AUM)	Machinery	OEM Partner Driven Standard machinery financing designed to support MSMEs in purchasing Machinery	36L	13.4%
	SCF	Anchor and Non Anchor based invoice and pre/post shipment financing to support SMEs in regulating their working capital cycles	49L	13.3%
Branch led (11% AUM)	Gro Micro	Secured and unsecured loans for micro enterprises having unreported cash flows and standard collaterals	9L	20.6%
Partnership and alliances (11% AUM)	Co-lending	Financing MSMEs across India with unsecured / secured loans offered through fintech partners and NBFCs	5L	14.8%



# India Data Repository :

## Supporting the Small Business Credit Revolution

*Increasing MSME Data availability is a key lever*

**111%**  
**INCREASE IN GST PAYERS**  
Up from 68L in 2017 to  
143L in 2023

**15x**  
**Udyam Registration**  
Up from 13L in Dec'20 to  
219L in Dec'23

**76%**  
**MSME REGISTRATIONS**  
Up from 361L in 2015 to  
633L in 2023



**13x**  
**Monthly UPI VOLUMES**  
Up from 7,995L in Mar'19  
to 1,12,353L in Dec'23

**39%**  
**ITR FILED**  
Up from 565L in Mar'19 to  
785L in Oct'23

**34.1mn**  
**LINKED ACCOUNTS**  
340 Financial Information  
Users and 1113 Financial  
Information Providers in  
Account Aggregator Network

Source Links – India data repository slide

Source

<https://www.gst.gov.in/download/gststatistics>

[https://dashboard.msme.gov.in/Udyam\\_Statewise.aspx](https://dashboard.msme.gov.in/Udyam_Statewise.aspx)

MSME annual report

<https://www.npci.org.in/what-we-do/upi/product-statistics>

<https://incometaxindia.gov.in/Lists/Press%20Releases/Attachments/1165/Press-Release-Record-number-of-over-7.85-crore-ITRs-filed-till-31st-October-2023-dated-01-11-2023.pdf>

<https://sahamati.org.in/>

<https://sahamati.org.in/fip-fiu-in-account-aggregators-ecosystem/>

<https://sahamati.org.in/fip-fiu-in-account-aggregators-ecosystem/>

# U GRO Capital – Scaling up through power of Data

Vast customer ecosystem with substantial data footprint, promising unprecedented data-driven learning and tremendous credit penetration opportunities

## PROCESSED LARGE VOLUME OF DATA

Exponentially growing repository of transaction data enabling pioneering work in data-driven underwriting



## SERVED WIDE CUSTOMER BASE

A growing served-customer base covering micro to prime segments through PAN India presence



## SIGNIFICANT HEADROOM TO GROW

A massive ecosystem capturing data footprints of India's largest companies and supply chains



**1L+**

GRO Score  
Processed Logins

**3.09L+**

Bureau Records  
Analyzed

**61k+**

Customers  
Served

**2.2L Cr +**

Turnover Of Live  
Customer Base\*

**28L+**

Linked  
Counterparties  
Universe

**12%+**

Coverage of  
India's Registered  
Companies

**1.39L+**

Bank Statements  
Analysed

**45k+**

GST records  
Analyzed

**105+**

Anchors & OEMS

**6.8k+**

Served Pin-codes

**96%+**

Coverage of 500  
companies by  
market cap

**20%+**

Coverage of India's  
GST registered  
companies

Heading Towards Serving **1% of MSME Lending Market**

# U GRO Capital's sector focus approach & nature of the underlying MSMEs helps create impact at multiple levels

-  Light Engineering
-  Auto Components
-  Chemicals
-  Food Processing
-  Healthcare
-  Electrical Equipment & Components
-  Education
-  Hospitality
-  Micro Enterprises



9 sectors are further subdivided into 200+ subsectors basis homogeneity of cash flows among MSMEs

- 23** Prime Branches
- 81** Micro Branches
- 500+** GRO Partners
- 65+** Anchors
- 50+** OEMs
- 45+** Fintech Partners
- 1100+** Sales Employees

# U GRO Capital Impact Framework

## Scaling up through power of Data

Intervention logic | The ambition of U GRO Capital is to accelerate economic growth by releasing the potential of Indian MSMEs





# U GRO Capital | ESG Approach

In our unwavering commitment to responsible financial practices, UGRO Capital Limited has formulated a comprehensive Environmental, Social, and Governance (ESG) policy and process. This framework is designed not only to comply with regulations but to exceed expectations by fostering ethical, transparent, and accountable operations with integrity. We recognise the diverse needs of our stakeholders, including investors, lenders, employees, and others, and strive to meet and exceed their expectations.

## Regulatory Compliance and Stakeholder Satisfaction:

- 1 Ensure all company activities align with applicable regulations.
- 2 Conduct operations ethically, transparently, and accountably with unwavering integrity.
- 3 Prioritise meeting the expectations of stakeholders, including investors, lenders, employees, and other partners.

## Sustainable Financial Services:

- 1 Ensure our financial services are not only suitable but also sustainable.
- 2 Reflect a strategic shift towards promoting socio-economic development without compromising on environmental priorities.

## Integrated ESG Approach:

- 1 Develop an integrated approach ensuring adherence to ESG parameters throughout the loan cycle and in our operations.
- 2 This holistic strategy ensures that ESG considerations are seamlessly woven into our financial criteria, fostering a comprehensive evaluation process.

## Focus on MSMEs:

- 1 Recognising the crucial role of Micro, Small, and Medium Enterprises (MSMEs) in the economic landscape, U GRO Capital maintains a primary focus on this segment.
- 2 Ensuring MSMEs are not neglected, we are committed to providing timely, effective, and relevant support to foster their growth and resilience.

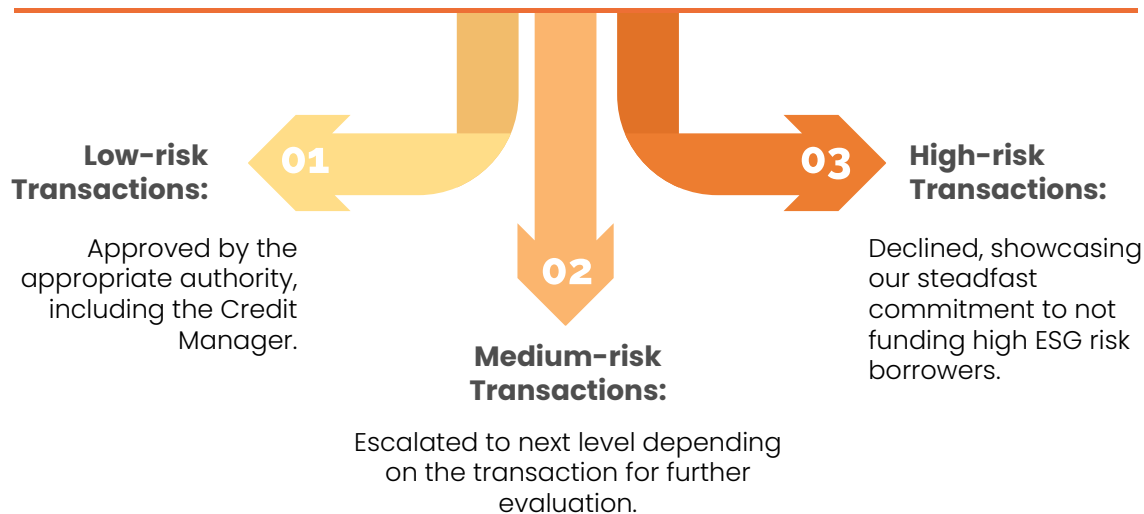
## Transparency and Accountability:

- 1 Embrace transparency and accountability as fundamental pillars of our ESG commitment.
- 2 Encourage regular disclosures both internally and externally on ESG topics, fostering a culture of openness and constructive dialogue.

# U GRO Capital | ESG Approach

Integral to our commitment is the ESG Scorecard, a meticulous evaluation process conducted by our credit team during personal discussions with applicants. Each borrower we fund undergoes scrutiny through this internal scorecard, which is filled based on discussions and observations during personal interactions. The scorecard comprises simple, objective questions, each assigned a specific weightage.

U GRO Capital's ESG policy and process embody our dedication to responsible finance, where sustainability, integrity, and inclusivity are not just goals but integral components of our operational DNA. We believe that through these measures, we contribute positively to both the financial and environmental landscapes while ensuring the well-being of our stakeholders and the communities we serve.



## Exclusion List:

U GRO Capital refrains from providing financing or refinancing to businesses engaged in the following activities:

1	Illegal practices as per host country laws or international agreements.
2	Production or trade of weapons and munitions
3	Production or trade of alcoholic beverages.
4	Production or trade of tobacco.
5	Gambling, casinos, and similar ventures.
6	Production or trade of radioactive materials, except under specific circumstances.
7	Production or trade of unbonded asbestos fibers, except under specific circumstances.
8	Businesses involved in child or forced labor.
9	Drift net fishing in the marine environment with nets exceeding 2.5 km.

# U GRO Capital | Alignment with UN SDG

To achieve the 2030 Agenda for Sustainable Development, stakeholders at all levels must urgently address the 17 Sustainable Development Goals (SDGs). This comprehensive framework targets poverty, enhances access to essential services, reduces inequalities, stimulates economic growth, combats climate change, and safeguards crucial ecosystems.

The Division for Sustainable Development Goals (DSDG) within the United Nations Department of Economic and Social Affairs (UNDESA) is pivotal in providing support for the SDGs and related thematic areas. DSDG actively assesses the comprehensive adoption of the 2030 Agenda throughout the UN system, focusing on areas like water, energy, climate, oceans, urbanisation, transportation, science and technology, the Global Sustainable Development Report (GSDR), partnerships, and the specific concerns of Small Island Developing States (SIDS).


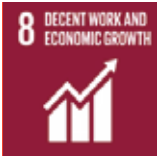
To realise the 2030 Agenda, broad stakeholder engagement is imperative. SDG, as a facilitator, actively supports the commitment to champion and advance the SDGs across a diverse participant group.

Recognising the transformative impact requires the dedicated contributions of our team, investors, and supporters. Together, we remain committed to advancing these vital SDGs, contributing to a more inclusive, sustainable, and prosperous future for all.

**U GRO Capital's focus on goals aligning with UN SDG:**





# U GRO Capital | Alignment with UN SDG





UN SDG	TARGET IMPACT	MEASUREMENT	IMPACT ACHIEVED
 <p>5 GENDER EQUALITY</p>	5.a Give women the opportunity to have equal access to <b>ownership and control</b> over property, inheritance and other resources	<p>Percentage of female borrowers who are owners</p> <p>Percentage of female borrowers who are owner/co-owner</p>	<p><b>9%</b> of the total portfolio is being held by women borrowers.</p> <p><b>72%</b> are female borrowers as either owner or part owner.</p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	8.1 Sustain <b>per capita</b> economic growth	Increase in revenue of borrowers (based on impact survey)	<b>94%</b> of the customers interviewed have reported increase in revenue.
	8.2 Achieve higher levels of economic <b>productivity</b> through	AUM and number of entities being funded for machinery upgrade	INR <b>893</b> Crs 3049 entities
	8.3 Support the growth of MSMEs through access to financial services	Percentage of number of active borrowers who has taken additional loans after taking loan from U GRO Capital.	<b>47%</b> of customers have taken additional loans after taking loan from U GRO Capital
	8.10 Strengthen the <b>capacity</b> of domestic <b>FIs</b> to expand the <b>access to financial services</b>	Percentage of co-lent AUM with large banks/ NBFCs	<b>36%</b> of the total AUM pertains to AUM co-lent with large banks/ NBFCs



# U GRO Capital | Alignment with UN SDG

UN SDG	TARGET IMPACT	MEASUREMENT	IMPACT ACHIEVED
	10.2 Empower and promote the social, economic and political <b>inclusion of all Indians</b> , irrespective of age, sex, disability or status.	Number and AUM of portfolio pertaining to micro branches (branches located in Tier 3 and beyond geographies)	<b>81 branches</b> in micro cities INR 871 Crs in micro branches
	10.b Assist the development assistance and <b>financial flows</b> , including <b>foreign investment</b> , to Indian states where the need is greatest.	Funds from overseas investors	1100 Cr+
	9.3 Increase the access of SMEs to financial services, <b>including affordable</b> credit	Total number of customers Total AUM	<b>62,928</b> total active borrowers INR <b>7592</b> Crs AUM
	9.4 Upgrade of infrastructure and <b>retrofit industries to make them sustainable</b> , with increased resource-use efficiency and clean technologies and processes	AUM for Solar, EVs and other clean technologies	<b>INR 134.32 Crs</b> AUM belongs to Solar, EVs and other clean technologies.

# U GRO Capital | Alignment with UN SDG

UN SDG	TARGET IMPACT	MEASUREMENT	IMPACT ACHIEVED
 <p>3 GOOD HEALTH AND WELL-BEING</p>	3.8 Increase accessibility to health coverage	AUM and borrowers in healthcare industry	<b>INR 374 Crs</b> AUM 1536 borrowers
 <p>6 CLEAN WATER AND SANITATION</p>	6.1 Increase accessibility to clean water	AUM and borrowers engaged in clean water and sanitation industry	<b>INR 151 Crs</b> 737 borrowers
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	7.2 Increase the share of renewable energy in the Indian energy mix	AUM and borrowers in clean energy industry	<b>INR 134 Crs</b> 1224 borrowers
 <p>4 QUALITY EDUCATION</p>	4.a Build and upgrade education facilities and provide inclusive and effective learning environments for all	AUM and borrowers in education industry	<b>INR 97 Crs</b> 136 borrowers

# U GRO Capital | Fueling MSMEs Growth

Micro, Small, and Medium-sized Enterprises (MSMEs) form the cornerstone of India's economic landscape, accounting for over 90% of businesses and employing a staggering 120 million individuals. These enterprises play a pivotal role in driving innovation, fostering entrepreneurship, and generating employment opportunities across diverse sectors. However, despite their immense contribution, MSMEs often face a significant hurdle: underfunding.

The funding gap faced by MSMEs is a persistent challenge that impedes their growth and hinders their potential to contribute fully to India's economic development. This lack of access to adequate capital prevents MSMEs from expanding their operations, investing in new technologies, and exploring new markets, ultimately stifling their growth potential.

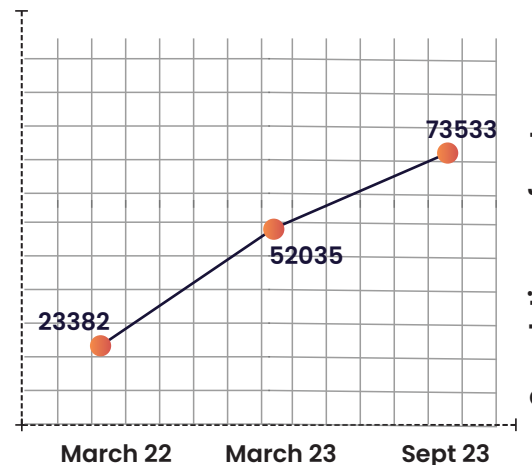
The consequences of underfunding MSMEs extend far beyond individual businesses. When MSMEs are unable to grow and flourish, the overall economic growth of the nation suffers. The inability to create jobs, generate income, and contribute to tax revenue dampens India's economic progress. Moreover, underfunded MSMEs struggle to compete with larger, well-funded corporations, further limiting their ability to thrive in the market.

U GRO Capital has astutely identified a financial void within the market and strategically centers its efforts on addressing this funding gap. The company exclusively extends loans to MSMEs with the overarching goal of facilitating their expansion and integration into India's burgeoning narrative of economic growth.

**AUM of U GRO Capital**



U GRO Capital's AUM have exhibited notable expansion over the years. The aggregate AUM has surged from INR 2,932 Crores in March 2022 to INR 7,592 Crores as of September 2023, reflecting a substantial growth trajectory.



The numbers of MSMEs receiving funding from UGRO Capital has witnessed a remarkable surge, escalating from 23,382 in Mar-2022 to 73,533 in Sept-2023. This substantial increase signifies a threefold growth within this period.

# U GRO Capital | Outreach beyond urban peripheries

## The Unsung Heroes of India's Growth: Tier 3 and Beyond

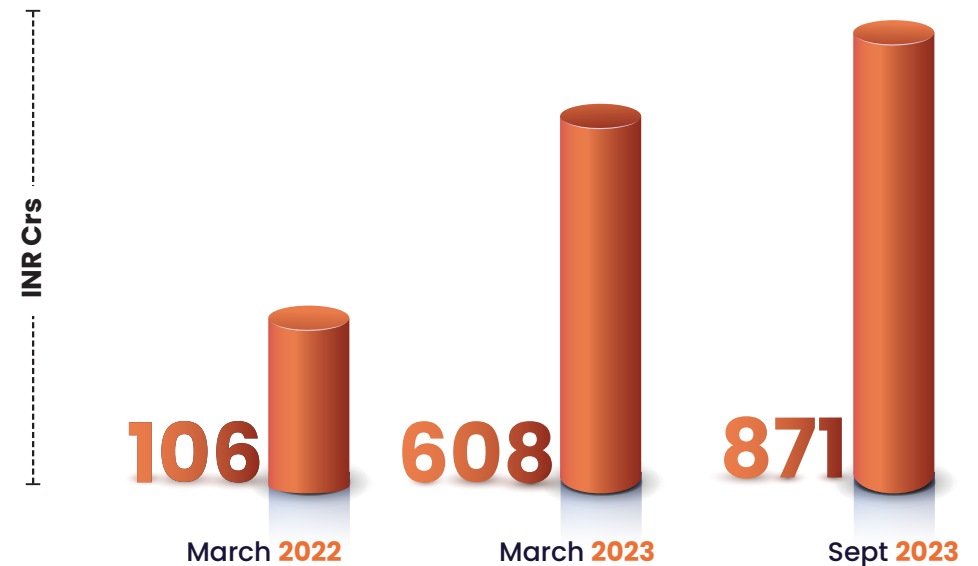
While India's metropolitan cities often grab the spotlight for their economic prowess, the true backbone of the nation's growth lies in the bustling towns and villages beyond the urban peripheries. Micro, Small, and Medium-sized Enterprises (MSMEs) located in Tier 3 and beyond regions play an indispensable role in driving India's economic development, fostering innovation, and creating employment opportunities.

Despite often facing challenges such as limited access to infrastructure, technology, and finance, Tier 3 and beyond MSMEs demonstrate remarkable resilience and entrepreneurial spirit. They are deeply rooted in their communities, understanding the local needs and aspirations, and transforming them into sustainable businesses.

These MSMEs contribute significantly to India's manufacturing sector, producing a diverse range of goods from handicrafts and textiles to agricultural products and machinery components. They also play a crucial role in providing essential services such as retail, education, healthcare, and transportation, catering to the needs of the rural population.

The growth of Tier 3 and beyond MSMEs is not merely a matter of economic statistics; it is a testament to the indomitable spirit of India's entrepreneurs. These enterprises are the embodiment of self-reliance, innovation, and community-driven development.

**AUM pertaining to MSMEs from Tier 3 and beyond geographies**



U GRO Capital's Assets Under Management (AUM) in Tier 3 and beyond geographies have demonstrated noteworthy expansion over the years. The total AUM has seen a substantial increase, escalating from INR 106 Crores in March 2022 to INR 871 Crores as of September 2023, indicative of a robust growth trajectory.



# U GRO Capital | Moving towards inclusivity and Climate mitigation

## Empowering Women Entrepreneurs

In India, only 20% of the 63 million micro, small, and medium enterprises (MSMEs) are women-owned enterprises, employing 22 to 27 million individuals. By fostering women's entrepreneurship, India could establish over 30 million women-owned enterprises, generating 150 to 170 million jobs.

Despite a low total early-stage entrepreneurial activity (TEA) rate of 2.6% for women in India, U GRO Capital stands out in supporting women-led enterprises. In our borrower portfolio, **9% MSMEs are women-owned.**

As enterprises scale, the proportion of women-led businesses tends to decrease, a trend U GRO examines closely. We're committed to financial inclusivity, witnessing a substantial increase in loans disbursed to women-led businesses. Whether as sole proprietors or co-applicants, women entrepreneurs are integral to our MSMEs community.

U GRO's commitment extends to tailored financial solutions addressing unique challenges and opportunities for women-led businesses. We're dedicated to providing the necessary resources for their success.

Our support for women-led businesses at U GRO demonstrates our belief in their potential. We stand by our mission to be supportive partners, aiding in achieving business objectives, driving economic growth, and fostering a diverse and inclusive business ecosystem.

The count of women entrepreneurs, as of March 2022, stood at 1,450, experiencing a notable surge to 5,717 by September 2023. This significant increase underscores a substantial growth in the representation of women in our portfolio.

## Supporting climate change initiatives:

According to a 2022 report by the World Resources Institute, there are over 63,000 micro, small, and medium-sized enterprises (MSMEs) in India that are working on climate change solutions. These MSMEs are operating in a wide range of sectors, including renewable energy, energy efficiency, sustainable agriculture, waste management, and water conservation.

The MSME sector is playing an increasingly important role in India's transition to a low-carbon economy. MSMEs are more agile and adaptable than large corporations, and they are often more willing to take risks on new technologies and solutions. As a result, MSMEs are well-positioned to play a leading role in India's climate change efforts.

U GRO Capital recognises the importance of risk of climate change and has created specific programs for providing required capital to entrepreneurs who are working towards climate change initiatives. These includes MSME working in solar, waste management, WASH, renewable energy, etc.

We have extended funding to 1,961 MSMEs operating in this sector, with a cumulative investment of INR 285 Crores as of September 2023. Our strategic intent include continued support and expansion within this sector, as we plan to fund additional entities, thereby augmenting and diversifying our portfolio.

# SOCIAL IMPACT STUDY 2023-24





# Social Impact Study | Introduction

U GRO Capital Ltd is pleased to present its second edition of the Impact Report for the year 2022-23, highlighting our commitment to responsible lending practices and our contributions towards building a sustainable business. This report outlines our efforts to empower India's Micro, Small and Medium Enterprises (MSMEs), engage our employees and partners and embrace technology for a more planet-friendly approach to our operations.

U GRO Capital places a strong emphasis on creating a positive impact through its lending endeavours while simultaneously addressing the financial requirements of the MSME sector. To thoroughly evaluate and understand the social impact generated by U GRO Capital's activities and initiatives, we have engaged ALSiSAR Impact, an independent Impact Assessment organization, to conduct a comprehensive study.

The assessment encompasses an analysis of both direct and indirect impacts on MSMEs, lenders, and society as a whole. We have carefully chosen these impact parameters, considering the critical aspects of the financial sector and aligning them with global best practices.

In the course of this study, we selected a representative sample of U GRO Capital's active customer base across various regions in India, including Mumbai, Pune, Delhi, Chennai, Ahmedabad, Bengaluru, Kolkata, Jaipur, and Hyderabad. This selection has been made in proportion to U GRO Capital's lending activities in these nine cities. The sample is intentionally diverse, taking into account factors such as industry, loan size, business vintage, gender of customers, and the constitution of their businesses.



# Social Impact Study | Methodology

## Defining Objectives and Scope

Clearly outlined the primary objectives and scope of the impact report, specifying the specific impact areas and Sustainable Development Goals (SDGs) under consideration.

## Identification of Key Impact Areas

Identified the core impact areas that directly align with U GRO Capital's mission, focusing on SDGs 3 (Good Health and Well-being), 4 (Quality Education), SDGs 5 (Gender Equality), 6 (Clean Water and Sanitation), 7 (Affordable and Clean Energy), 8 (Decent Work and Economic Growth), 9 (Industry, Innovation, and Infrastructure), and 10 (Reduced Inequality)

## Selection of Impact Indicators

Carefully selected and established relevant key performance indicators (KPIs) that are specific to the identified impact areas. These KPIs were designed to measure and evaluate U GRO Capital's performance and contributions to each SDG

## Data Collection and Aggregation

Collected comprehensive data from internal records, surveys, interviews, and external sources. The data encompassed both quantitative and qualitative information, reflecting U GRO Capital's activities and their impact on the chosen SDGs

## Establishment of Baselines

Established baseline measurements to provide a point of reference, reflecting the initial state of impact indicators before U GRO Capital's initiatives and programs were implemented

## Impact Assessment

Conducted a thorough impact assessment, evaluating the performance and contributions of U GRO Capital to each of the selected SDGs based on the established KPIs and the baseline data

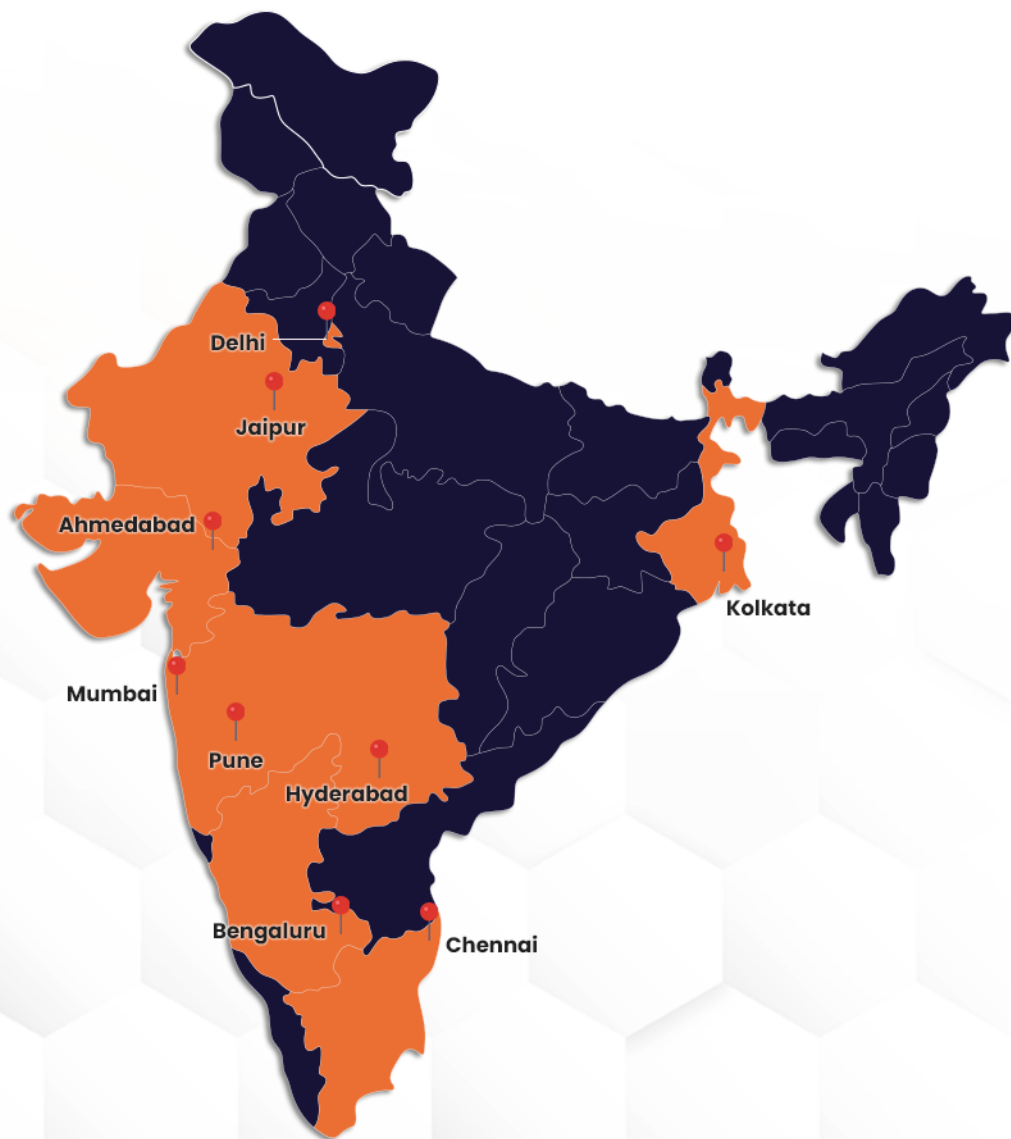
## Data Analysis and Interpretation

Analyzed the collected data in-depth to derive meaningful insights and conclusions. The interpretation of data was conducted objectively, providing a clear perspective on the significance of the findings for each SDG

## Reporting Findings

Presented the impact report findings in a structured format, using a combination of visual aids, charts, narratives, and data-driven narratives to effectively communicate the results

# Social Impact Study | Survey Overview



A comprehensive research approach was adopted, utilizing a hybrid methodology that involved conducting interviews with selected borrowers. This multifaceted strategy incorporated both telephonic discussions and on-site visits to their business premises, ensuring a thorough understanding of their operational dynamics. Furthermore, the research drew upon diverse data sources, including the Investor's presentation, annual report, and the official website.

The survey encompassed a sample size of 348 borrowers, which were randomly selected across a spectrum of states and archetypal categories. This broad scope ensures a nuanced and representative analysis of the diverse landscape of borrowers within the study parameters, enhancing the reliability and applicability of the outcomes.





The visual representation within this report is exclusively composed of actual images portraying the borrowers and their respective business locations. This deliberate choice adds authenticity to the findings and underscores the transparency of our research process.

**Survey conducted in:**  
Mumbai, Pune, Delhi, Chennai, Ahmedabad, Bengaluru, Kolkata, Jaipur, and Hyderabad



**100+** Branches across



# U GRO Capital | Impact Journey from previous report

UN SDG	PARTICULARS	CURRENT	PREVIOUS
 5 GENDER EQUALITY	1. Percentage of female borrowers who are owners	9%	NA
	2. Percentage of female borrowers who are owner/co-owner	72%	NA
 8 DECENT WORK AND ECONOMIC GROWTH	Increase in revenue of borrowers (based on impact survey)	94%	80%
 10 REDUCED INEQUALITIES	AUM of portfolio pertaining to micro 104.87 branches (branches located in Tier 3 and beyond geographies)	871 cr	73 cr
 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Total number of customers	62928	16594

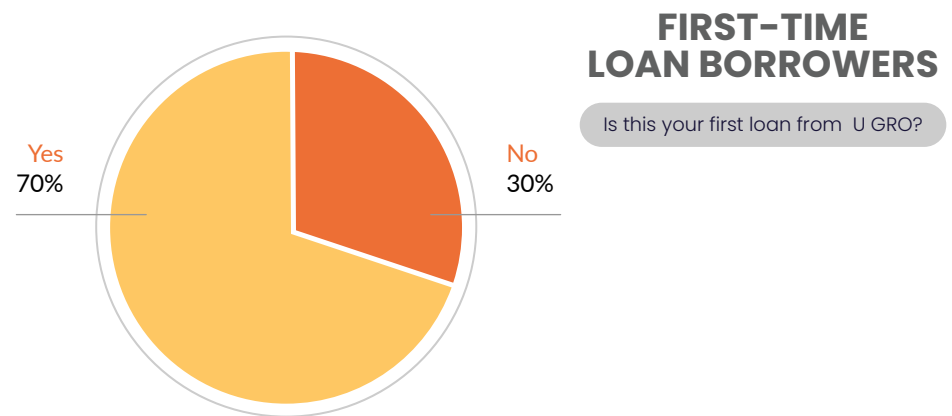
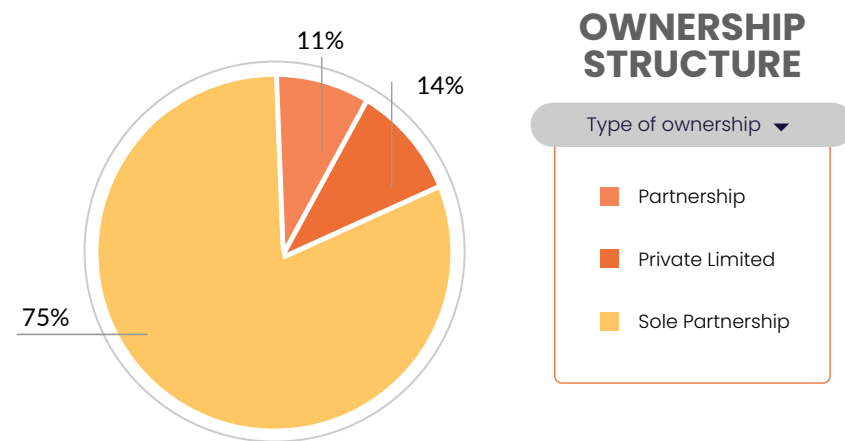
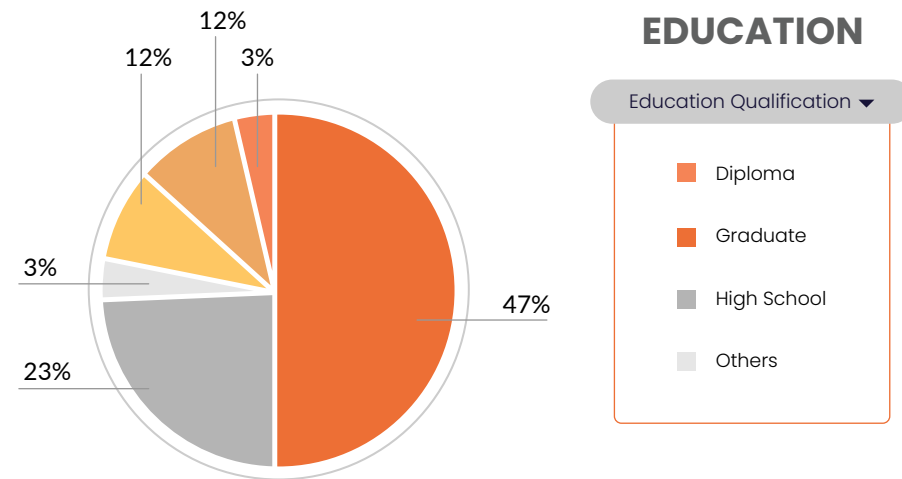
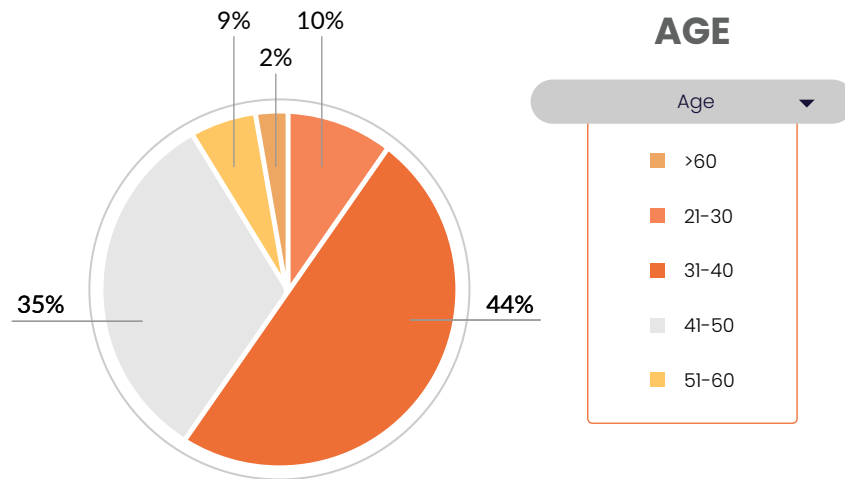
# U GRO Capital | Impact Journey from previous report

UN SDG	PARTICULARS	CURRENT	PREVIOUS
 <p>3 GOOD HEALTH AND WELL-BEING</p>	AUM in healthcare industry	374 cr	142 cr
 <p>6 CLEAN WATER AND SANITATION</p>	AUM in clean water and sanitation industry	151 cr	NA
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	AUM in clean energy industry	134 cr	9 cr
 <p>4 QUALITY EDUCATION</p>	AUM in education industry	97 cr	142 cr



# Social Impact Study | Demographic details

## Demographic Profile of Interviewed Customers



# Survey Outcome | Empowering First Generation Entrepreneurs

The backbone of the MSME sector is undeniably formed by the resilient and enterprising First-Generation Entrepreneurs, individuals characterized by their boldness, courage, and an innate ability to take risks. These trailblazers serve as the driving force behind the sector's creativity and innovation, demonstrating a passion and determination that transcends obstacles.

Typically commencing their entrepreneurial journey with the utilization of personal savings, these visionaries encounter a substantial hurdle in the form of limited financial support. Often devoid of an established credit history or significant business experience to showcase their acumen, securing financial assistance becomes a major challenge.

UGRO's suite of products is meticulously crafted to align seamlessly with the aspirations and challenges of first-generation entrepreneurs. The company is dedicated to providing bespoke, data-driven lending solutions, finely tuned to address the unique needs of these trailblazing individuals. The overarching goal is to empower first-generation entrepreneurs by extending the financial support crucial for establishing and nurturing a productive business asset.

Beyond immediate financial assistance, UGRO's loans assume a pivotal role in assisting entrepreneurs in constructing a commendable credit score. This strategic approach facilitates smoother access to transformative finance, thereby propelling the growth trajectory of these enterprising visionaries

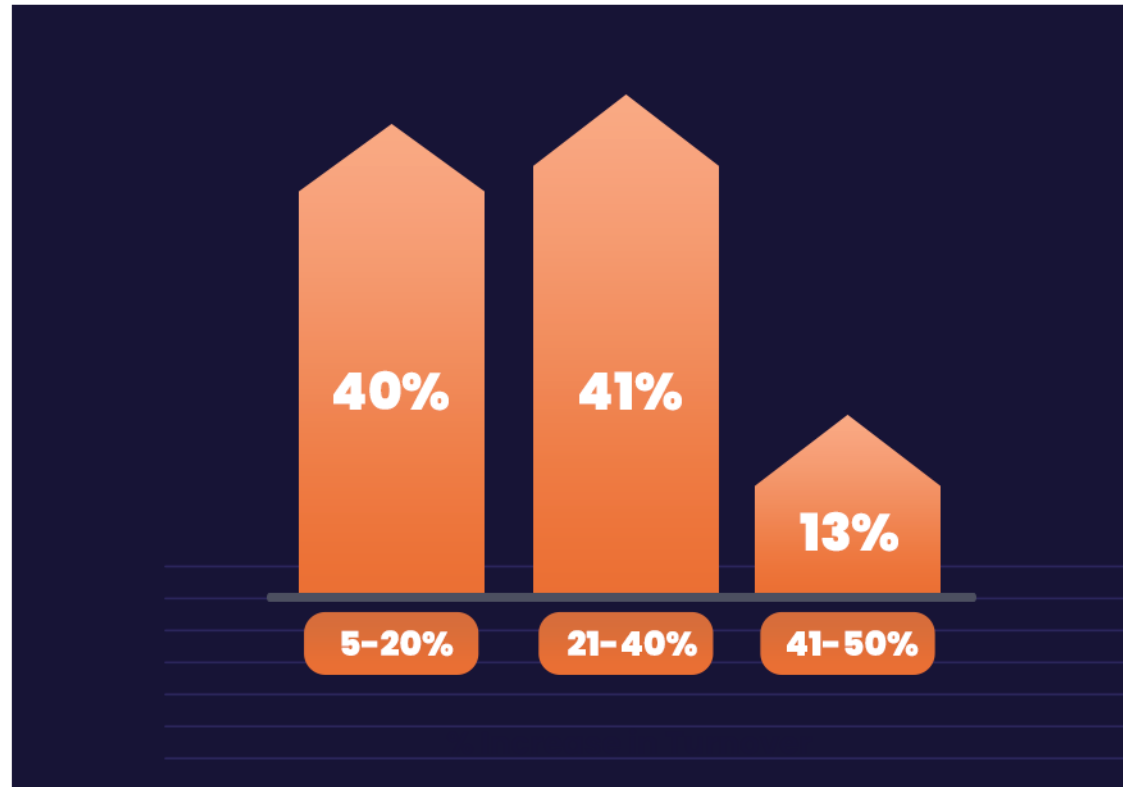


# Survey Outcome | Economic Growth

The growth trajectory of MSMEs is intricately linked to the infusion of capital into the business. As these enterprises expand, the demand for capital intensifies, leading to enhanced earning potential. In essence, the relationship between business growth and capital investment is a pivotal factor determining the financial prosperity of MSMEs.

Our survey sheds light on the tangible impact of capital infusion on MSMEs, revealing compelling insights into the financial outcomes for entrepreneurs. Notably, 40% of the surveyed customers reported a 5% to 20% increase in their income, and 41% of respondents witnessed income increments ranging from 21% to 40%.

These findings underscore the critical role that capital investment plays in fostering the financial success of MSMEs. As businesses secure the necessary funds for expansion, they not only fuel their growth but also experience a tangible uptick in earnings, affirming the interconnectedness of financial investments and income augmentation within the MSME landscape.



**94%** of the customers interviewed witnessed **increase in turnover** after taking the loan.

# Survey Outcome | Job Creation

MSMEs are instrumental in shaping the employment landscape, offering diverse and adaptable opportunities that play a pivotal role in driving economic growth. By serving as dynamic job creators, MSMEs contribute not only to the reduction of unemployment rates but also to the alleviation of socio-economic challenges, fostering inclusive development and lifting communities out of poverty. This dual impact underscores the significance of MSMEs as agents of positive change.

The ripple effect of job creation by MSMEs goes beyond the confines of the workplace. As individuals secure employment, they become active consumers, driving demand for goods and services, thereby contributing to the economic buoyancy of the broader business ecosystem. This symbiotic relationship underscores the interconnectedness of MSMEs with the overall economic fabric.

In essence, supporting MSMEs transcends a mere economic investment; it becomes a strategic intervention for societal well-being. The multifaceted impact of job creation by MSMEs resonates not only in economic terms but also in fostering a dynamic, inclusive, and innovative community.



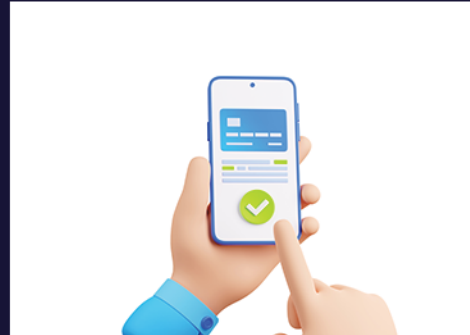


# Survey Outcome | Other ancillary outcomes- Digitization



**26%**

of the customers interviewed have started to sell their products online in the last one year



**55%**

of the customers have started to transfer salaries to their employees through online channels in the last one year.



**25%**

of the customers interviewed have started to use online services/platform to source their raw material or other inputs in last one year.



**38%**

of the customers interviewed have started to engage with their clients through online communications channels in the last one year.

MSMEs embracing digital initiatives are poised for elevated growth as they seamlessly integrate technology into their operations, aligning with the dynamic digital ecosystem. This integration facilitates the provision of valuable data to lenders, enabling comprehensive analysis and tailored financial support.

A cornerstone of UGRO's approach lies in leveraging technology, utilizing data analytics and artificial intelligence to cater to the evolving needs of MSMEs. This commitment underscores UGRO's dedication to advancing technological solutions that propel the growth and resilience of MSMEs in the digital era.

# Social Impact Study | U GRO attributes

**91%**

will recommend U gro to your family/friends

**94%**

will consider U GRO for their future loan requirements

**88%**

feels that the conditions offered by U GRO are fair

**91%**

have given rating or 4 or 5 (out of 5) on the ease of documentation process of U GRO

**92%**

have given rating or 4 or 5 (out of 5) on the ease of application process of U GRO

**92%**

have given rating or 4 or 5 (out of 5) on customer care of U GRO

**96%**

mentioned that the purpose of the loan has been fulfilled

\* Percentage are based on the number of customers interviewed









# SOCIAL IMPACT **STORIES**



# Social Impact Study | Stories

## Navigating Inclusivity Through Lending

Sector	Apparels
First generation entrepreneur	Yes
Business Ageing	1-5
Daily online transactions	75-100%
Experienced revenue increase after taking loan	50-20%
Satisfied with the loan terms	Yes
Consider UGRO for future loans	Yes
Rating for UGRO's application process	5

### *Celebrating Inclusivity: U GRO Capital's Empowering Journey with Usha"*

**Usha**, a talented fashion designer with aspirations of becoming an entrepreneur, set out on a journey in Bangalore that would not only determine her future but also highlight the critical role that U GRO Capital plays in promoting inclusion through easily accessible capital loans.

Middle-aged and well-educated, Usha was the driving force behind the successful fashion firm "Riwaz Closet," bringing her idea to reality. She planned to grow her fashion business by opening a physical store and sourcing raw materials from various regions of India. She had two years of successful experience running an online business and possessed a strong entrepreneurial spirit. She needed money to make her ambition come true, and U GRO Capital became her dedicated partner. Their customized loan program and easy-to-use methodology made lending more accessible to driven business owners like Usha.

Usha received a loan from U GRO Capital that was more than just financial support; it was a driving force behind her goals and demonstrated the company's steadfast dedication to diversity. With their help, Usha was able to realize her ambition and take her fashion company to new heights. Her business grew and she had a 5-10% rise in revenue. As a responsible citizen, Usha is also engaged in charitable activities and environmental practices.

Beyond conventional loans, U GRO Capital was crucial in Usha's business career, demonstrating the power of inclusive lending. With their help, people like Usha were able to fulfill their aspirations and have a great impact on their communities. Usha's narrative served as a perfect example of the cooperative relationship that can be formed between driven businesspeople and helpful financial institutions, opening doors to a more successful and inclusive future.



# Social Impact Study | Stories

## Maulik Patel's Entrepreneurship Adventure with U GRO Capital

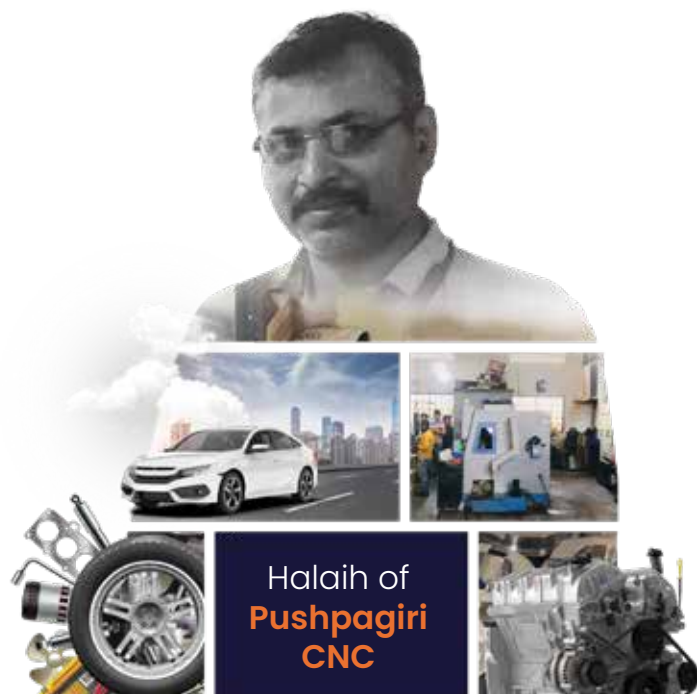
Sector	Electronics (Consumer durables)
First generation entrepreneur	Yes
Business Ageing	6-10
Daily online transactions	Less than 10%
Experienced revenue increase after taking loan	21-40%
Satisfied with the loan terms	Yes
Consider UGRO for future loans	Yes
Rating for UGRO's application process	5

**Maulik Patel**, a self-made businessman from Ahmedabad, is a brilliant example of the tenacity and willpower that characterize first-generation company owners. His story is a compelling tale of the persistent spirit of entrepreneurship and highlights the critical role that U GRO Capital plays in fostering and enabling people just like him.

With the establishment of Wonder Switches (Gujarat), a collaboration specializing in electronics and consumer durables, Maulik made his debut in the commercial sector. Maulik's amazing success was largely due to his hands-on experience and entrepreneurial drive, despite his scant formal education.

One of the challenges Maulik had as an entrepreneur was finding more working capital to keep up with his company's growing needs. This is where U GRO Capital came into play. The crucial financial assistance Maulik needed to grow his company to new heights was given by U GRO Capital. This funding had a huge impact, allowing Maulik to meet his working capital needs and optimize company processes. This is a perfect example of how important first-generation business owners are to the advancement of economic prosperity.

Maulik observed a notable 30% rise in his revenue with this loan, which was intended to augment his working capital. This demonstrated how U GRO Capital was essential to his success and signaled a turning point in his professional career. The working capital loan provided by U GRO Capital turned into a real growth accelerator that enables people like Maulik to turn their dreams into concrete reality. Generally relying on loans and savings for his company, Maulik Patel decided to try something different and took out his first loan from U GRO Capital, which was recommended to him by friends. He rated the loan terms a stellar five out of five and thought they were reasonable.



# Social Impact Study | Stories

## Inclusivity Across Genders

Sector	Apparels
First generation entrepreneur	No
Business Ageing	1-5
Daily online transactions	50-75%
Experienced revenue increase after taking loan	Above 50
Satisfied with the loan terms	Yes
Consider UGRO for future loans	Yes
Rating for UGRO's application process	5

**Gayathri** is a driven businesswoman from Hyderabad who runs an garments and accessories shop that promotes gender inclusion in the fast-paced world of entrepreneurship. She and her partner started their business from home, dispelling biases and demonstrating the prosperous possibilities of gender inclusion in entrepreneurship. Backed with a high school degree and a strong sense of will.

With 50-75% of transactions now being digital, Gayathri adopted online selling using social media sites like Facebook, Instagram, and WhatsApp in response to the shifting market. She learned about U GRO Capital via family and took out her first loan, appreciating the reasonable interest rates, which she thought were excellent.

Her operating capital was greatly expanded by the loan, which produced an amazing 51-60% rise in income. The expansion of Gayathri's company created job possibilities for women as well, which benefited her business and the wellbeing of the community.

Gayathri's path was greatly aided by U GRO Capital, which provided crucial financial support to increase the working capital and accelerate the growth of her firm. In addition to offering financial support, U GRO Capital demonstrates its dedication to gender inclusion by actively participating in the removal of obstacles encountered by female entrepreneurs.

Gayathri's inspiring tale demonstrates U GRO Capital's commitment to fostering female parity in the business world. U GRO Capital is shown as a driving force behind the success of female entrepreneurs, promoting a more varied and inclusive business environment via its story of tenacity and gender inclusion.



# Social Impact Study | Stories

## Fueling economic growth: Daya Nandh's Journey with U GRO Capital

Sector	Electronics (Consumer durables)
First generation entrepreneur	Yes
Business Ageing	1-5
Daily online transactions	50-75%
Experienced revenue increase after taking loan	Above 50%
Satisfied with the loan terms	Yes
Consider UGRO for future loans	Yes
Rating for UGRO's application process	5

**Daya Nandh's** incredible journey with Sri Laxmi Batteries is a monument to tenacity, self-reliance, and the life-changing assistance provided by U GRO Capital. Daya Nandh, who has worked in the electronics and consumer durables industry for more than ten years, personifies the enthusiasm of first-generation entrepreneurs. A big source of inspiration for him was his family. Daya Nandh entered the electronics and battery industries as the main provider for his family.

However, working capital loan from U GRO Capital gave the crucial financial support it needed to be strengthened. Daya Nandh saw an amazing increase in his income as a result, rising by almost 60%. His profound gratitude for U GRO Capital is evidence of the vital role the company performs in enabling small and micro business owners like as himself.

Currently, 50-75% of his transactions are now digital. He has adopted the trend by using the internet to transmit wages. He first used his personal funds to support his firm, so this loan is his first encounter with outside funding.

The journey of Daya demonstrates the significant contribution made by U GRO Capital to the concept of "Economic Growth". U GRO Capital successfully accelerates the financial progress by providing them with easily accessible credit alternatives. By doing this, the group contributes to the larger goal of financial inclusion by helping micro and small company owners improve their financial well-being. Daya Nandh's achievements and the attainment of more financial inclusion are attributed to U GRO Capital's assistance, which comes from a path marked by tenacity, empowerment, and dedication.





# Social Impact Study | Stories

## MSME Employment Engine: Empowering MSMEs as Job Creators

Sector	IT Services
First generation entrepreneur	Yes
Business Ageing	6-10
Daily online transactions	75-100%
Experienced revenue increase after taking loan	5-20%
Satisfied with the loan terms	Yes
Consider UGRO for future loans	Yes
Rating for UGRO's application process	5

**Rupesh Srivastava**, a young businessman from Delhi, is the owner of Frontline VR Total Solutions Pvt Ltd, which is a prime example of how U GRO Capital turned a Micro, Small, and Medium Enterprise (MSME) into a strong "employment engine." Frontline VR Total Solutions is a family-run IT services company that was founded in 2015 with the goal of offering customers workforce solutions. Like many small enterprises, they were first dependent on sales and debtors for funding. However, as their clientele grew, it became clear that they would require more working cash to maintain smooth operations and support future expansion.

Here's where U GRO Capital came into the picture. U GRO Capital gave Frontline VR the crucial funding it needed. The results were really astounding. Frontline VR Total Solutions successfully satisfied its working capital demands with a loan from U GRO Capital, which led to simplified operations and a significant increase in its clients.

Through funding provided by UGRO and other financial institutions, Frontline VR's business experienced significant expansion, leading to a notable increase in its overall headcount from 2,300 to 3,300 employees. Specifically, the male headcount surged from 1,700 to 2,500, while the female headcount saw an increase from 600 to 800. This growth underscores the pivotal role that MSMEs play in not only expanding businesses but also in generating substantial job opportunities within the community. U GRO Capital's involvement continues to be the driving force behind the success of MSMEs in this story of tenacity, accessibility, and empowerment, transforming them into powerful employment engines that greatly contribute to the development of their communities.





# Social Impact Study | Stories

## Empowering Resilience and Growth: Deepak Prajapati's Journey with U GRO Capital

Sector	Retail/Wholesale
First generation entrepreneur	Yes
Business Ageing	>15
Daily online transactions	Less than 10%
Experienced revenue increase after taking loan	21-40%
Satisfied with the loan terms	Yes
Consider UGRO for future loans	Yes
Rating for UGRO's application process	5

The owner of M R Steel House, **Deepak Prajapati**, sets off on an energizing business adventure that personifies development and tenacity. Deepak, a self-taught businessman who entered the steel industry more than three decades ago, is a prime example of the tenacious nature of first-generation entrepreneurs.

Deepak began his career in the steel industry as a labourer, where he learned via hard effort and self-study. Relying on his hard-earned earnings, he took a big risk by opening his store after gaining years of invaluable expertise. But he faced some really difficult obstacles, particularly when the COVID-19 epidemic first started. Even after attempting to obtain assistance from several financial institutions, Deepak continued to face hardship. This was the pivotal moment when U GRO Capital intervened.

This partnership was essential to Deepak's ability to retake control of his store and fulfill his aspirations for growth. Deepak is an inspiration to many because of his unwavering energy; he has ambitions to open two more businesses outside of Gujarat. The central theme of this story is how U GRO Capital significantly influenced Deepak's entrepreneurial journey. U GRO Capital enabled Deepak to not only reclaim his store but also to map out a course for future expansion by offering easily accessible finance alternatives. By creating viable job possibilities as a result, the partnership highlighted the larger goal of supporting welfare and economic growth via the MSME employment engine.

U GRO Capital's contribution stands out as the impetus behind this tale of tenacity, cooperation, and expansion.



# Social Impact Study | Stories

## From Bytes to Bites: Devi Singh Rajput's Digital Venture in Ahmedabad's Culinary World

Sector	Food & Beverages / Restaurants
First generation entrepreneur	Yes
Business Ageing	>15
Daily online transactions	50-75%
Experienced revenue increase after taking loan	21-40%
Satisfied with the loan terms	Yes
Consider UGRO for future loans	Yes
Rating for UGRO's application process	5

**Devi Singh's** entrepreneurial path tells a gripping story of tenacity, digital change, and business success. Devi, the owner of Collegian Sandwich & Snacks, a restaurant in the Food & Beverages/Restaurants industry, started his business in 2002 with just Rs. 2000 with a small food stall. His steadfast commitment and vision allowed him to grow from one stand to four locations in the same neighbourhood. Devi has goals that go beyond Gujarat; he sees fresh opportunities to spur economic expansion.

Devi's enthusiastic adoption of digitalization lends a layer of inspiration to this story. These days, between 60 and 70 % of his transactions take place online. Devi is also forward-thinking when it comes to using digital services, especially for billing, bookkeeping, and delivery. In addition to improving operational effectiveness, these digital technologies help his company establish a strong presence in the contemporary corporate environment.

Devi Singh has embraced the digital world by entering into online sales using Facebook, WhatsApp, and Instagram with his sole proprietorship business. More than 50% of his everyday transactions are now done online. Devi interacts with consumers on the internet, actively expressing interest in implementing digital services for delivery, bookkeeping, and invoicing.

With U GRO Capital, he values the simple paperwork for availing the loan. Devi has seen a notable growth in revenue of more than 30% since using the loan. This is evidence of the beneficial influence of U GRO Capital's support on Devi's entrepreneurial path. Devi's story demonstrates how U GRO Capital has resulted in increased productivity leading to overall economic growth of MSMEs.



# Social Impact Study | Stories

## Turning Pages of Success: Ganesh Subhash Pawar's Journey with U GRO Capital

Sector	Book Stores
First generation entrepreneur	No
Business Ageing	>15
Daily online transactions	75-100%
Experienced revenue increase after taking loan	5-20%
Satisfied with the loan terms	No
Consider UGRO for future loans	Yes
Rating for UGRO's application process	4

In the book industry, **Ganesh Subhash Pawar** oversees the Aniket Book Center, a family-run enterprise with more than 15 years of history. Ganesh needs financial backing in order to expand. U GRO Capital's Daily Repayment function provided a solution. With this help, Aniket Book Center expanded from a 3 crore company to one that aims to make 6 crores.

An astute businessman, Ganesh understood the importance of digital technologies. Aniket Book Center is now transitioning to 75-100% digital transactions and employing online services for accounting and distribution. Beyond only providing money, U GRO Capital is a partner in realizing Ganesh's dreams. The results are evident: a successful expansion, a roughly 10% rise in income, and a growth plan.

U GRO Capital emerges as a pivotal figure in this tale of tenacity and expansion, providing financial support to company owners such as Ganesh and enabling enterprises to prosper in an ever-changing global landscape. Aniket Book Center is more than simply a bookstore—it's an example of how business owners and financiers can collaborate to drive economic development. By expanding the workforce from five to eleven people and supporting his team's skill development, Ganesh also helps to this expansion.



**Ganesh Subhash Pawar**

# Social Impact Study | Stories

## Supporting Healthcare: The Story of Manchanda and Sons

Sector	Pharmacies
First generation entrepreneur	Yes
Business Ageing	11-20
Daily online transactions	75-100%
Experienced revenue increase after taking loan	21-40%
Satisfied with the loan terms	Yes
Consider UGRO for future loans	Yes
Rating for UGRO's application process	4

The journey of Manchanda and Sons, a growing pharmacy in a bustling environment, underscores entrepreneurial resilience. Founded in 2013 by **Manish Manchanda**, the business has successfully positioned itself as a dependable healthcare provider in the region.

The pharmacy, seeking to expand, turned to U GRO Capital for financial backing because of their good history. U GRO Capital, which is renowned for its quick disbursement gave the required financial support right away.

The latest investment from U GRO Capital served as a spur, causing the pharmacy's growth to soar by 31-40%. This increase boosted Manchanda and Sons's overall prosperity in addition to increasing revenue. The built rapport and trust with U GRO Capital is what makes this tale unique. They received a perfect score of five out of five due to the smooth procedure and quick payout. This alliance is based on mutual trust and success, and it represents more than just a business deal.

U GRO Capital goes above and beyond the role of a simple lender to become a genuine partner in the entrepreneurial journey, helping companies such as Manchanda and Sons develop and succeed while also promoting community well-being and economic prosperity.



# Social Impact Study | Stories

## Clean and Affordable Energy – Supporting Renewable Energy Warriors

**Jayesh G Baldha** started his entrepreneurship journey in 2015 through his proprietorship firm Hitech Solar. He ventured into a relatively new product segment of trading and installation of rooftop solar panels. The firm saw its share of challenges, starting from lack of working capital to availability of good material and credit. Then, on 22nd November, Hitech Solar associated with Waaree Energies Ltd. It is the flagship company of Waaree Group and is today one of the largest vertically integrated new energy companies having India's largest solar panel manufacturing capacity of 12GW. Through this association, Jayesh came in touch with UGRO, and UGRO funded Hitech Solar's working capital needs through its Supply Chain Finance Program specifically designed for the Solar industry. Since that loan, Jayesh has been able to procure panels and invertors from Waaree and provide installation services to the residential, commercial, and industrial sectors that are much in need of replacing traditional mode of power with renewable sources of energy. It has been a meaningful journey since then of growth in a business that supports green energy resources.



### In Jayesh's own words,

*"We are excited to say that we are very happy with U GRO Capital Ltd. After taking finance from U GRO, we have grown by 10x and feel confident. Thanks, U GRO Capital Ltd. Keep Supporting."*

Jayesh G Baldha's  
**Hitech Solar**





# Social Impact Study | Stories

## Dokimes Life Science's Journey to Success with U GRO Capital

Sector	IT Services
First generation entrepreneur	Yes
Business Ageing	6-10
Daily online transactions	75-100%
Experienced revenue increase after taking loan	5-20%
Satisfied with the loan terms	Yes
Consider UGRO for future loans	Yes
Rating for UGRO's application process	4

The dynamic couple of Dokimes Life Science Private Limited, Satyavan and Manisha, have seen incredible progress and surmounted obstacles in their business path. The lab, which specializes in pharmaceutical testing, makes sure that medications meet strict requirements before being on sale.

One of the primary impediments they faced was the imperative requirement for funding to sustain and expand their business. They also wanted to expand their team in light of growth of the business.

By seeking assistance from U GRO Capital, Satyavan and Manisha discovered a trustworthy partner. The loan that U GRO Capital supplied was essential in meeting their financial needs. Further, the money helped them promote their drive to increase digital transactions, which improved productivity and simplified corporate procedures.

The proliferation of Dokimes affects job prospects, especially for women. Their team expanded from 3 to 8 individuals, demonstrating their dedication to promoting equality and inclusiveness in the workplace.

The tale of Dokimes Life Science Private Limited and its partnership with U GRO Capital is essentially one of conquering obstacles related to money, attaining specific expansion, and welcoming technological change. U GRO Capital supports the goals of business owners like Satyavan and Manisha by acting as a catalyst for advancement and positive change in addition to being a lender.



# Social Impact Study | Stories

## Efforts Towards Climate Change Mitigation: Electric Vehicle Funding

This is a tale of an old business from Telangana transforming itself as per the new world requirements. K Rama Krishna Rao is a self-employed person running JAYASAI AGENCIES, a business of Coco Cola distribution. He has been managing this business for the last 26 years. The family consists of 4 members. Now, in addition to his fleet, he has made a conscious decision to opt for electric vehicles. The vehicle is deployed for the distribution of Coco Cola. This was possible with the help of a tie-up between Turno and U GRO Capital. Turno is a Commercial electric vehicle start-up that operates in the retail cargo three-wheeler (3W) segment and claims to have already captured 75% of the market share. UGRO facilitates loans for Turno customers and helps them acquire these green vehicles that support the expansion of their businesses.



# Joint Field Visits with Team Implement | UGRO empowers MSMEs to access the working capital they need to grow and generate jobs



## Digital Marketing

A digital marketing company with ambitious geographical expansion and IPO goals, dependent on the ability to secure cash to invest in marketing and human resources.

With 150 employees spread across 3 locations it generates working opportunities in tier two cities with a 50% female representation.

Accessing UGRO's loan allowed them to grow working capital used to expand the business, employ additional 5-6 people per month and increase efficiency by 10%.



## Engineering

A company designing and manufacturing precision scales for gold, diamonds and other precious resources aims to turn India from an importer to an exporter.

For a business that had long years heavily investing in R&D before sales was possible, getting access to funding was a real challenge.

UGRO was one of the lending companies playing a key role in empowering them in those first steps before they were able to become eligible for traditional banking loans



## Engineering

A company supplying key submarine components to the Indian Navy with the ambition to harvest large scale contracts with both the government and private sector going forward.

Four-fold growth in five years resulted in an equivalent employment growth in a highly technical and qualified sector. Indeed, the company not only generated full-time working opportunities to employees who had to live out of several jobs, but also invested in their capability building.

UGRO supported them on their growth journey by believing in their case and offering loans for more affordable rates.



## Food processing

A company set up in 2013 which was heavily hit by both Covid and a fire in 2021. Resilience and determination have led the company to grow back to the current 80+ employees, bringing many people to the factory and out of poverty every year.

The company greatly values its employees and offers them all daily meals, a shelter, clothing and a bonus on top of their salary. This story and their values did not go un-noticed, instead ended up on the front page of local newspapers – inspiring other entrepreneurs to follow their steps.

Whilst the company had secured loans with collateral with Banks, UGRO allowed the company to grow further by providing them with working capital through unsecured loans.



## Manufacturing

A company composing pallets for the growing FMCGs sector in India. Pallets not only allow for greater efficiency and optimize storage space, but their use has also in many ways increase safety procedures.

The company's business model was based on partly sale and partly lease of products. Wet seasons exposed the company to seasonality risks which they mitigate with strategic planning around sales and hence production of their pallets. In turn generating a need for working capital.

UGRO sourced about 33% of their business loans, enabling them to strategically plan and grow their business.

# Way Forward

U GRO Capital will continue to be a data-driven MSME focussed lender. Our objective will remain to serve the underserved. We aspire to reach out to the maximum number of MSMEs across the country, especially in tier 2-3 towns, through our upcoming branches. Our focus will be on financially strengthening the critical MSME sector in India. Through our endeavours of raising funds from DFIs, we want to get FDI into the country to be deployed towards the credit-starved MSME segment. Our product mix will have a larger portion of green loans – Electric Vehicles, Solar funding, WASH, and energy-efficient machinery funding. As we look ahead, we remain steadfast in our pursuit of empowering MSMEs through data-driven solutions. We are determined to expand our reach, improve our capabilities, and extend our support to a wider segment of the MSME ecosystem, creating a lasting impact on businesses, communities, and the Indian economy.



# Disclaimer

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**1** This social impact report endeavours to provide a comprehensive understanding of the subject matter through a variety of data collection methodologies. Despite our best efforts to ensure accuracy, it is crucial to acknowledge that the findings presented herein are subject to inherent limitations and potential biases that are inherent in social research.

**2** The data collection process involved various techniques, including surveys, interviews, and other research methods, each influenced by factors such as respondent perspectives, recall accuracy, and external influences. Consequently, the outcomes outlined in this report may not capture all intricacies or variations within the diverse studied population.

**3** It is important to note that this report is not exhaustive, and the conclusions drawn are based on the available data at the time of analysis. External circumstances, unforeseen events, or shifts in the social landscape may impact the relevance and applicability of the findings over time.

**4** Readers are encouraged to interpret the information within the context of its limitations and consider the dynamic nature of social issues. The authors do not assume responsibility for decisions or actions taken based on the report's findings. Instead, this report should be viewed as a snapshot of a specific timeframe and as a valuable contribution to the ongoing discourse on social impact, recognizing that our understanding of these complex issues continues to evolve.





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