January 21, 2025

Ugro Capital Limited: Rating withdrawn for PTCs backed by a pool of MSME loan receivables

Summary of rating action

Trust Name	Instrument*	Initial Rated Amount (Rs. crore)	Amount O/s after Last Surveillance (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
LOTUS SEPT 2022	PTC Series A1	34.31	11.70	0.00	[ICRA]AA+(SO); Withdrawn

**Instrument details are provided in Annexure I*

Rationale

ICRA has withdrawn the rating for the pass-through certificates (PTCs) issued under MSME loan receivables securitisation transaction originated by Ugro Capital Limited (Ugro/ Originator). All the payouts to the investor in the above-mentioned instrument have been made and no further payments are due to the investors. The key rating drivers, liquidity position, rating sensitivities have not been captured as the rating assigned to the instrument has been withdrawn. The detailed rating rationale of previous rating exercise is available at the following link: Click here

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Policy on Withdrawal of Credit Rating
Parent/Group Support	Not Applicable
Consolidation/Standalone	Not Applicable

About the originator

Ugro Capital Limited (Ugro) is a specialised small business lending platform registered as a systemically important non-deposit taking non-banking financial company. It was incorporated in 1993 as Chokhani Securities Ltd. and was renamed Ugro Capital Limited pursuant to a change in the management in 2018. The company commenced disbursements in January 2019. It provides financing to the MSME sector and had assets under management (AUM) of more than Rs. 9,000 crores as of March 2024. Ugro has been listed on the BSE since 1995.

Key financial indicators (audited)

Ugro Capital Limited	FY2022	FY2023	FY2024
Total income	312	684	1,082
PAT	14.55	39.78	119.34
Assets under management	2,932	6,081	9,047
Gross NPA	1.9%	1.6%	2.0%
CRAR	34.4%	20.2%	20.8%

Source: Ugro; Amount in Rs. crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Sr. No.	Trust Name	Current Rating (FY2025)				Chronology of Rating History for the Past 3 Years			
		Instrument	Initial Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Date & Rating in FY2025	Date & Rating in FY2024	Date & Rating in FY2023		Date & Rating in FY2022
					January 21, 2025	January 30, 2024	January 24, 2023	October 06, 2022	-
1	**LOTUS SEPT 2022**	PTC Series A1	11.40	0.00	**[ICRA]AA+(SO); Withdrawn**	**[ICRA]AA+(SO)**	**[ICRA]AA-(SO)**	**Provisional [ICRA]AA-(SO)**	-

Complexity level of the rated instruments

Trust Name	Instrument	Complexity Indicator
LOTUS SEPT 2022	PTC Series A1	Moderately Complex

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click Here

Annexure I: Instrument details

Trust Name	Instrument Type	Date of Issuance / Sanction	Coupon Rate (p.a.p.m.)	Maturity Date	Current Amount Rated (Rs. crore)	Current Rating
LOTUS SEPT 2022	PTC Series A1	September 30, 2022	10.35%	February 17, 2025	0.00	[ICRA]AA+(SO); withdrawn

Source: Company

Annexure II: List of entities considered for consolidated analysis

Not Applicable

ANALYST CONTACTS

Abhishek Dafria
+91 22 6114 3440
abhishek.dafria@icraindia.com

Sachin Joglekar
+91 22 6114 3470
sachin.joglekar@icraindia.com

Sumit Pramanik
+91 22 6114 3462
sumit.pramanik@icraindia.com

Samratsingh Hazari
+91 22 61143400
samratsingh.hazari@icraindia.com

Pratik Vora
+91 22 6114 3438
pratik.vora@icraindia.com

RELATIONSHIP CONTACT

Mr. L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)
info@icraindia.com

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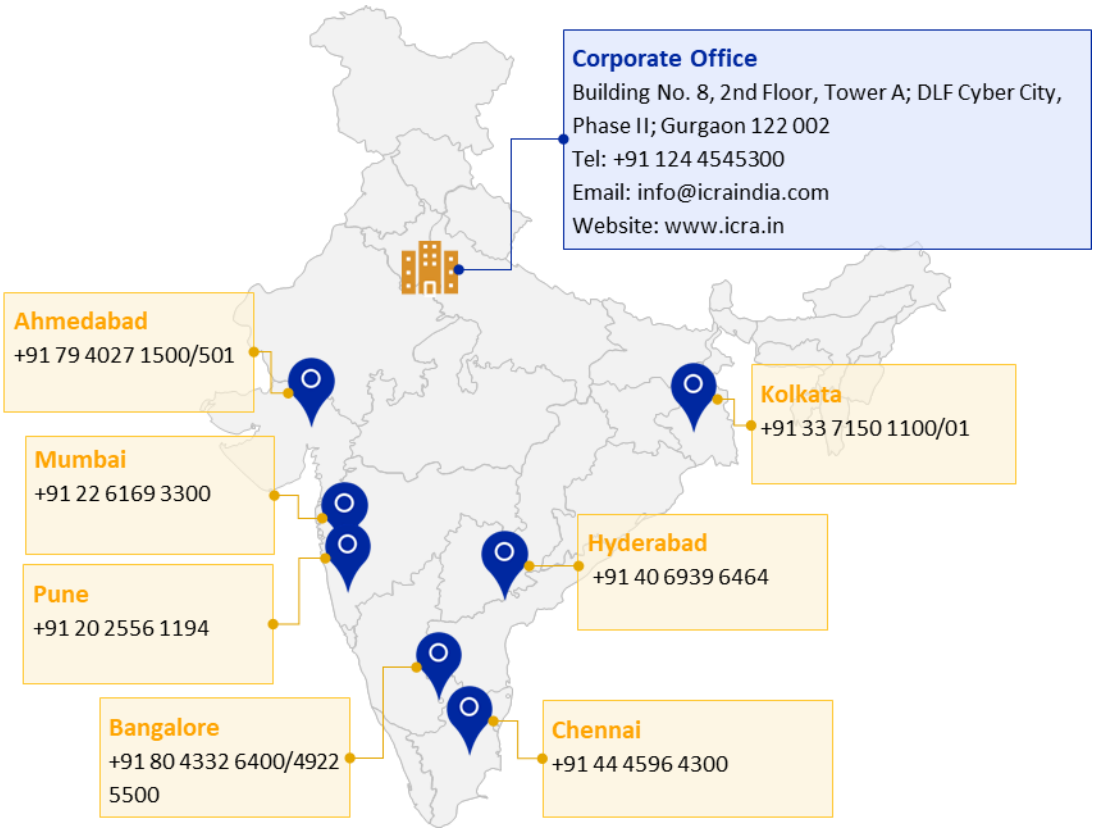
ICRA Limited

Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches



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