

10th November, 2022

**BSE Limited
25th floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
Fort, Mumbai- 400001
Scrip code: 511742**

**National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra - Kurla Complex,
Bandra (E), Mumbai - 400 051
Symbol: UGROCAP**

Subject: Outcome of the Board Meeting held on 10th November, 2022

Dear Sir/ Madam,

Pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we wish to inform you that the Board of Directors of the Company in their meeting held today i.e. Thursday, 10th November, 2022, have, inter alia, considered and approved the Unaudited Financial Results ("Results") for the quarter and half year ended 30th September, 2022 and took on record the Limited Review Report ("LRR") issued by M/s. MSKA & Associates, Statutory Auditors;

Accordingly, we are enclosing herewith following:

- i. The Results for the quarter and half year ended 30th September, 2022 along with the LRR.
- ii. Press Release on the Results for the quarter and half year ended 30th September. 2022.

Further, the extracts of financial results would also be published in the newspapers in compliance with Regulation 47 of the Listing Regulations.

The meeting of the Board of Directors commenced at 04:00 p.m. and concluded at 06:10 p.m.

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and as per 'Code of Conduct for prohibition of insider trading' of the Company, the trading window will be open from Monday, 14th November 2022.

Kindly take the above on record.

Yours faithfully,
For UGRO Capital Limited

Namrata Sajnani
Company Secretary and Compliance Officer
Encl: a/a

UGRO CAPITAL LIMITED

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

CIN: L67120MH1993PLC070739

Telephone: +91 22 41821600 | **E-mail:** info@ugrocapital.com | **Website:** www.ugrocapital.com

Independent Auditor's Review Report on unaudited financial results for the quarter and half year ended September 30, 2022 of UGRO Capital Limited pursuant to the Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors
UGRO Capital Limited

1. We have reviewed the accompanying statement of unaudited financial results of UGRO Capital Limited ('the Company') for the quarter and half year ended September 30, 2022 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulations').
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India and in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W


Swapnil Kale
Partner

Membership Number: 117812
UDIN: 22117812BCRSKV4782



Mumbai
November 10, 2022

UGRO CAPITAL LIMITED

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

Telephone: +91 22 48918686 E-mail: cs@ugrocapital.com Website: www.ugrocapital.com

CIN:L67120MH1993PLC070739

Statement of Unaudited Financial Results for the Quarter and Half Year Ended September 30, 2022

(Rupees in Lakh)

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		Sep 30, 2022	Jun 30, 2022	Sep 30, 2021	Sep 30, 2022	Sep 30, 2021	March 31, 2022
		Reviewed #	Reviewed	Reviewed #	Reviewed	Reviewed	Audited
	Revenue from operations						
1	(a) Interest income	11,619.64	9,309.80	5,511.67	20,929.44	10,476.21	27,215.28
	(b) Net gain / (loss) on derecognition of financial instruments under amortised cost category	3,033.94	2,264.11	536.27	5,298.04	610.53	2,852.50
	(c) Net gain on fair value changes	-	-	16.29	-	49.46	49.46
	(d) Fees and commission income	421.84	303.55	119.00	725.40	175.72	626.01
2	Other income	662.66	502.90	100.00	1,165.56	100.00	614.13
3	Total income (1 + 2)	15,738.08	12,380.36	6,283.23	28,118.44	11,411.92	31,357.38
	(a) Finance cost	6,993.04	5,308.69	2,693.70	12,301.73	4,930.74	13,738.92
4	(b) Impairment on financial instruments	1,485.33	935.42	592.25	2,420.74	1,084.47	2,957.33
	(c) Employee benefits expense	3,090.92	2,918.69	1,370.17	6,009.61	2,599.07	7,289.06
	(d) Depreciation, amortisation and impairment	475.37	177.03	286.34	652.40	546.21	1,233.26
	(e) Other expenses	1,937.75	2,002.00	868.93	3,939.74	1,543.91	4,121.03
	Total expense	13,982.41	11,341.83	5,811.39	25,324.22	10,704.40	29,339.60
5	Profit before tax (3-4)	1,755.67	1,038.53	471.84	2,794.22	707.52	2,017.78
	Tax expense						
6	(a) Current tax	476.03	335.72	142.47	811.75	142.47	660.90
	(b) Deferred tax*	752.44	(31.43)	(8.42)	721.01	57.12	(98.18)
	Total tax expense (a + b)	1,228.47	304.29	134.05	1,532.76	199.59	562.72
7	Profit for the period (5-6)	527.20	734.24	337.79	1,261.46	507.93	1,455.06
8	Other comprehensive income						
	Items that will not be reclassified to profit and loss						
	Remeasurements of the defined benefit obligations	5.50	6.42	16.18	11.91	23.16	25.67
	Income tax relating to items that will not be reclassified to profit and loss	(1.60)	(1.87)	(4.71)	(3.47)	(6.74)	(7.47)
	Items that will be reclassified to profit and loss						
	The effective portion of gains and (loss) on hedging instrument in a cash flow hedge	(72.20)	56.82	-	(15.38)	-	9.00
	Income tax relating to items that will be reclassified to profit and loss	21.02	(16.55)	-	4.48	-	(2.62)
	Total other comprehensive income (Net of Tax)	(47.28)	44.82	11.47	(2.46)	16.42	24.58
9	Total comprehensive income (7+8)	479.92	779.06	349.26	1,259.00	524.35	1,479.64
10	Paid up equity share capital (Face value Rs. 10 each)	6932.13 **	7,055.94	7,052.86	6932.13 **	7,052.86	7,055.94
11	Earnings per share (Face Value of Rs 10 each)						
	Basic (in rupees)	0.75	1.04	0.48	1.79	0.72	2.06
	Diluted (in rupees)	0.74	1.03	0.48	1.77	0.72	2.05
		Not annualised	Not annualised	Not annualised	Not annualised	Not annualised	

* Refer Note no 13

** Refer Note no 12

Refer Note no 14



Notes to Statement of Unaudited Financial Results For The Quarter and Half Year Ended September 30, 2022:

1. Statement of Assets and Liabilities as at September 30, 2022

(Rupees in lakh)

Particulars	As at Sep 30, 2022	As at March 31, 2022
	Reviewed	Audited
I. ASSETS		
Financial assets		
Cash and cash equivalents	17,940.43	6,574.94
Bank balances other than cash and cash equivalents above	18,154.71	12,260.25
Derivative financial instruments	222.60	22.29
Loans	3,16,796.50	2,45,048.34
Investments	6,598.90	6,943.99
Other financial assets	1,545.98	789.62
	3,61,259.12	2,71,639.43
Non-financial assets		
Current tax assets (net)	461.98	164.23
Deferred tax assets (net)	3,660.62	4,381.63
Property, plant and equipment	353.30	430.43
Non current asset held for sale	792.06	-
Right of use asset	2,834.08	2,538.28
Capital work in progress	8.75	20.25
Intangible assets under development	880.85	568.54
Other intangible assets	2,951.85	2,602.04
Other non-financial assets	4,457.11	3,077.73
	16,400.60	13,783.13
TOTAL ASSETS	3,77,659.72	2,85,422.56
II. LIABILITIES AND EQUITY		
LIABILITIES		
Financial liabilities		
Payables		
(A) Trade payables		
(I) total outstanding dues of micro enterprises and small enterprises	-	0.08
(II) total outstanding dues of creditors other than micro enterprises and small enterprises	675.39	666.93
(B) Other payables	-	-
(I) total outstanding dues of micro enterprises and small enterprises	-	-
(II) total outstanding dues of creditors other than micro enterprises and small enterprises	16.29	15.04
Debt securities	1,22,548.92	70,376.77
Borrowings (other than debt securities)	1,49,980.15	1,09,807.09
Other financial liabilities	4,864.65	4,722.81
	2,78,085.40	1,85,588.72
Non-financial liabilities		
Current tax liabilities (net)	661.75	126.07
Provisions	2,921.87	2,687.22
Other non-financial liabilities	496.14	364.23
	4,079.76	3,177.52
TOTAL LIABILITIES	2,82,165.16	1,88,766.24
Equity		
Equity share capital*	6,932.13	7,055.94
Other equity	88,562.43	89,600.38
TOTAL EQUITY	95,494.56	96,656.32
TOTAL LIABILITIES AND EQUITY	3,77,659.72	2,85,422.56

*Refer Note no 12



2. Cash Flow Statement as at September 30, 2022

Particulars	(Rupees in lakh)	
	For the period ended Sep 30, 2022 Reviewed	For the period ended Sep 30, 2021 Reviewed
Cash flow from operating activities :		
Net profit before tax	2,794.22	707.52
Adjustments for:		
Employee stock option expense	81.41	64.31
Depreciation, amortisation and impairment	652.40	546.21
Impairment on financial instruments	2,420.74	1,084.47
Net gain on sale of financial instruments / fair valuation of financial instruments	(5,298.04)	(659.99)
Provision for gratuity	32.12	19.09
Provision for compensated absences	126.31	73.88
Operating profit before working capital changes	809.16	1,835.49
Change in working capital:		
Increase in Loans	(69,498.57)	(50,823.52)
Increase in Other Non - Financial Assets	(1,379.38)	(668.56)
Increase in Other Financial Assets	(956.67)	(1,249.59)
Increase in Trade payable	9.63	1,030.30
Increase in other non-financial liabilities	131.91	22.50
Increase/(Decrease) in other financial liabilities	1.90	(78.01)
Increase in provision	88.13	69.82
Cash used in operating activities	(70,793.90)	(49,861.57)
Income taxes paid	(573.85)	(273.31)
Net cash used in operating activities (A)	(71,367.74)	(50,134.88)
Cash flow from investing activities :		
Purchase of property, plant and equipment	(14.78)	(13.89)
Proceeds / (Investment) in bank deposits of maturity greater than 3 months	(5,900.75)	8,723.73
Sale/realisation of investments	187.01	4,106.30
Purchase of investments	-	(4,188.50)
Payments for intangible assets	(1,058.68)	(541.53)
Net cash (used in) / generated from investing activities (B)	(6,787.20)	8,086.11
Cash flow from financing activities :		
Payment for purchase of treasury shares	(2,495.25)	-
Payment of lease liabilities	(308.26)	(195.05)
Net proceeds from borrowings through secured NCDs and Commercial paper	52,166.26	15,427.65
Net proceeds from borrowings from banks and financial institutions	40,157.68	20,754.13
Net cash generated from financing activities (C)	89,520.43	35,986.73
Net Increase / (decrease) in cash and cash equivalents (A) +(B) + (C)	11,365.49	(6,062.04)
Cash and cash equivalents at the beginning of the year	6,574.94	12,365.55
Cash and cash equivalents at the end of the year	17,940.43	6,303.51
Components of cash and cash equivalents		
Balance with banks :		
in current accounts	16,839.95	1,393.55
in Fixed deposit (maturing within a period of three months)	1,100.48	4,909.96
TOTAL	17,940.43	6,303.51



Notes to Statement of Unaudited Financial Results for the Quarter and Half year Ended September 30, 2022

3. UGRO Capital Limited ("the Company") is a Non-Deposit taking Systemically Important Non-Banking Financial Company ("NBFC-ND-SI") registered with the Reserve Bank of India ("the RBI").
4. The above unaudited financial results for the quarter and half year ended September 30, 2022 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on November 10, 2022. The above results have been subjected to limited review by the statutory auditor of the Company.
5. These financial results have been prepared in accordance with the recognition and measurement principles as laid down in the Indian Accounting Standard ("IND AS")- 34- Interim Financial Reporting as prescribed under section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and in compliance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India ("SEBI") Listing Obligations and Disclosure Requirements ("LODR") Regulations, 2015 as amended from time to time.
6. The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments, as per the IND AS 108 "Operating Segments" specified under Section 133 of the Act. The Company operates in a single segment only. There are no operations outside India and hence, there are no reportable geographical segments.
7. Disclosure pursuant to Reserve Bank of India RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 pertaining to Resolution Framework for COVID-19 related stress read with RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated May 5, 2021 pursuant to Resolution Framework 2.0 - Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs) and disclosure pursuant to Reserve Bank of India Circular RBI/2021-22/31 DOR.STR.REC. 11/21.04.048/2021-22 dated May 5, 2021, pertaining to Resolution Framework - 2.0: Resolution of Covid-19 related stress of individuals and Small Businesses.

(Rs. in Lakh)

Type of Borrower	Exposure to accounts classified as Standard consequent to Implementation of resolution plan - Position as at March 31, 2022 (A)	Of (A), aggregate debt that slipped into NPA during the half year ended September 30, 2022	Of (A), amount written off during the half year ended September 30, 2022	Of (A), amount paid by the borrowers during the half year ended September 30, 2022	Exposure to accounts classified as Standard consequent to Implementation of resolution plan - Position as at September 30, 2022*
Personal Loans	-	-	-	-	-
Corporate Persons					
- of which, MSMEs	6,290.31	295.93	-	347.93	5,646.45
- Others	-	-	-	-	-
Total	6,290.31	295.93	-	347.93	5,646.45

* Total ECL provision for the above loans as on September 30, 2022 is Rs. 634.65 Lakh.

8. The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident fund and the Gratuity Act and rules thereunder. The Ministry of Labour and Employment has also released draft rules thereunder on November 13, 2020 and has invited suggestions from stakeholders, which are under active consideration by the Ministry. The



Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

9. Disclosures pursuant to Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 issued by the Reserve Bank of India ("RBI") vide their Notification No. RBI/DOR/2021-22/86 Master Direction DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021 (the "Notification").

- a. Details of transfer through Assignment in respect of loans not in default during the half year ended September 30, 2022*

Sr.No.	Particulars	To Banks / NBFCs
i.	Aggregate principal outstanding of loans transferred through assignment (Rs. in Lakh)	17,230.08
ii.	Aggregate consideration received (Rs. in Lakh)	17,230.08
iii.	Weighted average residual tenor of loans sold (in years)	6.14
iv.	Weighted average Maturity of Loans (in years)	7.23
v.	Weighted average Holding period of Loans (in years)	0.89
vi.	Retention of Beneficial economic interest (in %)	11.82%
vii.	Coverage of Tangible security Coverage (in %) **	245.75%
viii.	Rating- wise distribution of rated loans	Non- Rated

Note

- * i. The above table includes Special Mention Account ("SMA") Loans
ii. The above table does not include loans transferred by the Company through Co-Lending arrangements
** For computation of coverage of Tangible Security coverage ratio, the Company has considered only the secured loans

- b. The Company has not acquired loans not in default during the half year ended September 30, 2022
- c. The Company has neither transferred nor acquired any stressed loans during the half year ended September 30, 2022.
- d. The rating wise distribution of Security Receipts (SRs) held by the Company as on September 30, 2022 is given below:

Ratings	Rating Agency	Amount (in Lakh)
BW RR1	Brick Works Rating India Private Limited	1,131.17
In Process	Brick Works Rating India Private Limited	1,271.64

10. During the half year ended September 30, 2022, the Company has transferred loans amounting to Rs. 29,680.87 lakh through Co-lending arrangements to the respective participating banks which are akin to Direct assignment transaction under circular no. RBI/2020-21/63



FIDD.CO.Plan.BC.No.8/04.09.01/2020-21, dated November 05, 2020 pertaining to Co-Lending by Banks and NBFCs to Priority Sector.

11. All secured Non-Convertible Debentures ("NCDs") issued by the Company are secured by way of an exclusive and continuing charge on identified receivables to the extent as stated in the respective offer document, term sheet and debenture trust deed (together referred to as "transaction documents"). Further the Company has maintained asset cover as stated in the transaction documents which is sufficient to discharge the principal amount at all times for the said NCDs.
12. An Employee Benefit Trust ("Trust") has been constituted. The objective of the Trust is to distribute shares to employees under the employee benefit program. The Trust is responsible for the purchase of shares of the Company from the secondary market for the purpose of this program. The Trust is treated as an extension of the Company; hence the shares held by the Trust are treated as treasury shares. Own equity instruments so reacquired (treasury shares) are recognised at face value and deducted from Equity Share Capital to the tune of Rs. 123.83 lakh as at September 30, 2022. The amount received in excess of the face value is deducted from the Securities Premium Account.
13. During the F.Y. 2019-20 there was a demerger of Asia Pragati Capfin Private Limited (APCPL) into UGRO Capital Limited. By virtue of that, the Company inherited certain brought forward business losses. Out of the above, business losses to the tune of Rs. 2,468.94 lakh have crossed the statutory time limit of 8 years and hence the deferred tax asset amounting to Rs.718.96 lakh on the same have been reversed. In lieu of this, the total tax line item for the quarter and half year ended September 30, 2022 is higher by Rs. 718.96 lakh.
14. The figures for the quarter ended September 30, 2022, and September 30, 2021 are the balancing figures between reviewed figures in respect of the half year ended September 30, 2022 and September 30, 2021 and the reviewed figures for the quarter ended June 30, 2022 and June 30, 2021 respectively.
15. Information as required by Regulations 52(4) of the SEBI Listing Obligations and Disclosure Requirements ("LODR") Regulations, 2015 as amended, is attached as Annexure 1.
16. Previous period/ year figures have been regrouped/ rearranged wherever necessary, to conform with the current period presentation.

**For and on behalf of Board of Directors of
UGRO CAPITAL LIMITED**



Shachindra Nath

Vice Chairman & Managing Director

DIN: 00510618

Mumbai

November 10, 2022



Annexure 1

Disclosures in compliance with Regulations 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as at and for the half year ended September 30, 2022:

Sr. No	Particular	Ratio
1	Debt - Equity Ratio ¹	2.85
2	Debt Service Coverage Ratio ²	Not Applicable
3	Interest Service Coverage Ratio ²	Not Applicable
4	Outstanding redeemable preference shares (quantity and value)	Nil
5	Capital redemption reserve (Rs. in Lakh) ³	Not Applicable
6	Debenture redemption reserve (Rs. in Lakh) ³	Not Applicable
7	Net worth ⁴ (Rs. in Lakh)	95,494.56
8	Net profit after Tax (Rs. in Lakh)	1,261.46
9	Current ratio	Not Applicable
10	Long term debt to working capital	Not Applicable
11	Bad debts to Account receivable ratio	Not Applicable
12	Current liability ratio	Not Applicable
13	Total debts to total assets ⁵	0.72
14	Debtors turnover	Not Applicable
15	Inventory turnover	Not Applicable
16	Operating margin	Not Applicable
17	Net profit margin (%) ⁶	4.49%
18	Sector specific equivalent ratios	
	a. Gross Stage 3 ⁷	2.16%
	b. Net Stage 3 ⁸	1.51%
	c. Capital to risk-weighted assets ⁹	24.66%



Notes –

1. Debt - Equity Ratio = (Debt securities + Borrowings (other than debt securities)) / Total Equity.
2. Debt service coverage ratio and interest service coverage ratio is not applicable to Banks or NBFC / Housing Finance Companies registered with RBI as per Regulation 52(4) of SEBI Listing Obligations and Disclosure Requirements Regulation 2015.
3. Capital redemption Reserve / Debenture redemption reserve is not required in respect of privately placed debentures in terms of Rule 18(7)(b)(ii) of Companies (Share Capital and Debenture) Rules, 2014.
4. Net worth = Equity Share Capital + Other Equity
5. Total debts to total assets = (Debt securities + Borrowings (other than debt securities)) / Total Assets
6. Net profit margin = Net profit after tax / total income
7. Gross Stage 3 = Gross Stage 3 Loans Exposure at Default (EAD) / Gross Total Loans EAD
8. Net Stage 3 = (Gross Stage 3 Loans EAD - Impairment loss allowance for Stage 3) / (Gross Total Loans EAD - Impairment loss allowance)
9. Capital to risk-weighted assets is calculated as per the RBI guidelines.



PRESS RELEASE

U GRO CAPITAL ANNOUNCES FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER 2022

Reports AUM of INR 4,375 Cr, up 126% YoY

#MissionAmbition to reach INR 20,000 Cr AUM by 2025

Data-Tech NBFC and pioneering Lending as a Service (LaaS) in India, U GRO Capital is accelerating its expansion through co-lending and co-origination partnerships

- **AUM** of INR 4,375 Cr, up 126% YoY and 20% QoQ
- **Disbursement** of INR 1,653 Cr, up 110% YoY and 22% QoQ
- Achieved **off-book AUM** of 29%, up from 21% in June 2022
- **PBT** at 17.6 Cr, up 274% YoY and 69% QoQ
- **GNPA/NNPA** at 1.7%/1.2%

Mumbai, November 10, 2022: The Board of Directors of UGRO Capital Limited approved the financial results for the Quarter and Half year ended 30th September 2022 at its meeting held on Thursday, 10th November 2022.

UGRO Capital, a DataTech NBFC and pioneer of LaaS in India continues its growth momentum in the second quarter of FY23 with AUM of INR 4,375 Cr (as on Sep'22), up 126% compared to Sep'21. The company reported Total Income of INR 157 Cr for Q2'23 (up 151% YoY and 27% QoQ) and INR 281 Cr for H1'23 (up 146% compared to H1'FY22).

U GRO Capital has effectively leveraged the co-lending partnerships with off-book AUM at 29%, up from 21% as of June 2022.

Brief Financial Snapshot

Particulars	Q1'FY23	Q2'FY23	Growth (Q-o-Q)	H1'FY22	H1'FY23	Growth
AUM	3,656	4,375	20%	1,933	4,375	126%
Loans originated / Disbursement	1,359	1,653	22%	2,016	3,011	50%
Total Income	123.8	157.4	27%	114.1	281.2	146%
Interest Expense	53.1	69.9	32%	49.3	123.0	150%
Net Total Income	70.7	87.5	24%	64.8	158.2	144%
Operating Expenses	51.0	55.0	8%	46.9	106.0	126%
Credit cost	9.4	14.9	59%	10.8	24.3	125%
PBT	10.4	17.6	69%	7.1	27.9	293%
Tax	3.1	5.1	65%	2	8.1	305%
PAT – Adjusted	7.3	12.5	71%	5.1	19.8	288%
Deferred Tax write back		(7.2)			(7.2)	
PAT	7.3	5.3		5.1	12.6	

UGRO CAPITAL LIMITED

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Commenting on the results, **Mr. Shachindra Nath, Vice Chairman and Managing Director of U GRO Capital** said, *“U GRO Capital is revolutionizing MSME lending through its Data analytics prowess and robust technology architecture. We have been pioneers of Lending as a Service (Laas) in India and have accelerated our expansion through co-lending and co-origination partnerships. Our increasing off book AUM of 29% demonstrates that our credit scoring model and underwriting framework are widely accepted across the banking industry. Our Q2 FY23 results with the highest ever disbursement demonstrate our unwavering commitment to growth. We continue to make progress towards the company’s core profitability on QoQ basis.*

We achieved new milestones and scaled out our MSME Loans thanks to our persistent focus on our business strengths and extensive integration of data analytics in the decision-making process. With the proof of concept for GRO Score 2.0 established, we will soon launch GRO Score 3.0.”

Key performance highlights for Q2’ and H1’FY23

a) Growth, Expansion and Portfolio quality

- AUM of INR 4,375 Cr (up 126% YoY and 20% QoQ)
- INR 3,011 Cr of Gross Loans originated in H1’FY23 (up 168% compared to H1’FY22) and INR 1,653 Cr of Gross Loans originated in Q2’FY23 (up 110% YoY and 22% QoQ).
- Total Income stood at INR 158 Cr for Q2’FY23 (up 151 YoY and 27% QoQ) and INR 281.2 Cr for H1’FY23 (up 146% compared to H1’FY22)
- Net Total Income stood at INR 87.5 Cr for Q2’FY23 (up 144% YoY and 23.8% QoQ) and INR 158.2 Cr for H1’FY23 (up 144% compared H1’FY22)
- PBT increased to 17.6 Cr in Q2’FY23 (up 274% YoY and 69% QoQ) and 27.9 Cr in H1’FY23 (up 293% compared to H1’FY22)
- GNPA / NNPA as on Sep’22 stood at 1.7% /1.2% (as a % of Total AUM)
- Over 32,000 customers as on September 2022
- 98 branches (as on Sep’22)

b) Liability and Liquidity Position

- Total lender count increased to 67 as on September 2022, added 6 new lenders during Q2’FY23
- Total Debt stood at INR 2,725 Cr as on September 2022, and overall debt to equity ratio was 2.85x
- Healthy capital position with CRAR of 24.7% (as on September 2022)

About U GRO Capital Ltd

UGRO Capital Limited is a Data Tech Lending platform, listed on NSE and BSE. Pursuing its mission of “Solving the Unsolved” for small business credit gap in India, on the back of its formidable distribution reach and its Data-tech approach. (NSE: UGROCAP | BSE: 511742).

Company’s prowess of Data Analytics and strong Technology architecture allows for customized sourcing platforms for each sourcing channel. GRO Plus module which has uberized intermediated sourcing, GRO Chain, a supply chain financing platform with automated end to end approval and flow of invoices, GRO Xstream platform for co-lending,

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an upstream and downstream integration with fintechs and liability providers and GRO Xapplication to deliver embedded financing option to MSMEs.

The credit scoring model GRO Score (2.0) a statistical framework using AI / ML driven statistical model to risk rank customers is revolutionizing the MSME credit by providing on-tap financing like consumer financing in India

U GRO has pioneered the "Lending as a Service" (LaaS) model in India and has effectively operationalized Co-lending relationship with 10+ Large Public Sector Banks and large NBFCs and built a sizeable LaaS book of more than 20% of its AUM through the GRO Xstream platform.

Company is backed by marquee Private Equity funds and family offices (raised INR 900+ Cr of equity capital in 2018) and aims to capture 1% market share and cross INR 20,000 Cr of AUM by FY25.

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