

23<sup>rd</sup> January 2024

**BSE Limited**  
25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Fort, Mumbai- 400001

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

**Scrip code: 511742**

**Symbol: UGROCAP**

**Subject: Outcome of the Board Meeting held on 23<sup>rd</sup> January 2024**

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., Tuesday, 23<sup>rd</sup> January 2024, have, inter alia:

1. considered and approved the Unaudited Financial Results ("Results") for the quarter and nine months ended 31<sup>st</sup> December 2023 and took on record the Limited Review Report ("LRR") thereon pursuant to Regulation 33 and 52 of Listing Regulations issued by M/s Sharp & Tannan Associates, Chartered Accountants, the Statutory Auditors of the Company;
2. took note of the resignation tendered by Mr. Amit Gupta (DIN: 02282600), Non-Executive Director (Nominee of NewQuest Asia Investments III Limited (TPG NewQuest Private Equity Fund)), vide resignation letter dated 23<sup>rd</sup> January 2024 from the post of Non-Executive (Nominee) Director of the Company with effect from 23<sup>rd</sup> January 2024 (from the conclusion of Board meeting) due his significant obligations to other personal and professional commitments.

The Board has also placed on record its sincere appreciation for the contributions made by Mr. Gupta during his tenure as Non-Executive (Nominee) Director of the Company.

3. in line with Regulation 17(1A) of Listing Regulations, considered and approved continuation of directorship of Mr. Satyananda Mishra, (DIN: 01807198) as Non-Executive Chairman and Independent Director of the Company, since he has attained 75 years of age, for his remaining tenure, subject to shareholders approval and the notice of postal ballot in this regard.

Accordingly, we are enclosing herewith following:

- i. The Results for the quarter and nine months ended 31<sup>st</sup> December 2023 along with the LRR as **Annexure 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](http://www.ugrocapital.com)

- ii. Details required under Regulation 30 the Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13<sup>th</sup> July 2023 for change in Director - as **Annexure B**; and
- iii. Letter of resignation given by Mr. Amit Gupta- as **Annexure C**;
- iv. Press Release titled “UGRO Capital announces Financial Results for the quarter and nine-month period ended 31<sup>st</sup> December 2023” – as **Annexure D**.

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 02:30 p.m. and concluded at 06:25 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 open from Friday, January 26, 2024.

Kindly take the above on record.

Yours faithfully,  
**For UGRO Capital Limited**

**Satish Kumar**  
**Company Secretary and Compliance Officer**  
*Encl: a/a*

#### **UGRO CAPITAL LIMITED**

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**SHARP &  
TANNAN**  
**ASSOCIATES**  
chartered accountants

**Independent Auditor's Review Report on Standalone Unaudited Quarterly and Nine Months ended Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**TO THE BOARD OF DIRECTORS OF  
UGRO Capital Limited**

**Introduction**

1. We have reviewed the accompanying statement of unaudited standalone financial results of UGRO Capital Limited ("the Company") for the quarter and nine months ended December 31, 2023 ("the statement"), being submitted by the company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
2. This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial results based on our review.

**Scope of the Review**

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

**Conclusion**

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.



**Other Matter**

5. The numbers and details pertaining to quarter and nine months ended December 31, 2022, have been traced from the review report of the predecessor auditor who has issued an unmodified conclusion vide his report dated January 25, 2023, in terms of Regulation 33 and 52 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Similarly, the numbers and details pertaining to year ended as at March 31, 2023 and notes related thereto in the statement have been traced from the Audited Financial Results of the Company audited by the predecessor auditor who has issued an unmodified audit opinion dated May 15, 2023.

Our report is not modified in respect of this matter.

**For Sharp & Tannan Associates**

Chartered Accountants

ICAI Firm Reg. No. 0109983W

By the hand of



**Tirtharaj Khot**

Partner

Membership No. 037457

UDIN: 24037457BKGEFF1315



Place: Mumbai

Date: January 23, 2024

**UGRO CAPITAL LIMITED**

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**Statement of Unaudited Financial Results for the Quarter and Nine Months Ended December 31, 2023**

(Rupees in lakh)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		Dec 31, 2023	Sep 30, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022	March 31, 2023
		Reviewed #	Reviewed	Reviewed #	Reviewed	Reviewed	Audited
	Revenue from operations						
1	(a) Interest income	18,281.82	17,185.69	13,311.83	51,617.37	34,179.91	48,291.34
	(b) Net gain / (loss) on derecognition of financial instruments under amortised cost category	7,642.92	6,481.29	4,288.66	18,507.87	9,169.73	15,407.22
	(c) Net gain on fair value changes	99.34	18.12	-	117.46	-	-
	(c) Fees and commission income	747.34	771.62	573.61	2,312.76	1,398.44	1,946.81
2	Other income	1,159.62	906.38	784.48	2,573.59	1,911.94	2,730.91
3	<b>Total income (1+2)</b>	<b>27,931.04</b>	<b>25,363.10</b>	<b>18,958.58</b>	<b>75,129.05</b>	<b>46,660.02</b>	<b>68,376.28</b>
	(a) Finance cost	11,669.67	10,539.63	8,159.36	31,477.98	20,290.61	29,327.40
4	(b) Net loss on fair value changes	0.07	0.78	0.58	1.35	158.67	640.11
	(c) Impairment on financial instruments	2,972.39	2,456.22	1,670.60	7,521.73	3,933.26	5,679.99
	(d) Employee benefits expense	4,848.69	4,602.54	4,047.77	13,144.53	10,057.38	14,071.48
	(e) Depreciation, amortisation and impairment	910.63	877.49	488.51	2,543.27	1,140.91	1,763.74
	(f) Other expenses	2,891.98	2,806.51	2,369.26	8,158.40	6,062.49	8,510.72
	<b>Total expense</b>	<b>23,293.43</b>	<b>21,283.17</b>	<b>16,736.08</b>	<b>62,847.26</b>	<b>41,643.32</b>	<b>59,993.44</b>
5	<b>Profit before tax (3-4)</b>	<b>4,637.61</b>	<b>4,079.93</b>	<b>2,222.50</b>	<b>12,281.79</b>	<b>5,016.70</b>	<b>8,382.84</b>
	Tax expense						
6	(a) Current tax	881.50	890.42	655.61	2,508.76	1,467.36	2,298.62
	(b) Deferred tax	686.57	300.24	255.08	1,290.32	976.09	1,828.08
	(c) Excess/Short provision of tax of earlier years	(183.35)	-	-	(183.04)	-	278.50
	<b>Total tax expense (a+b+c)</b>	<b>1,384.72</b>	<b>1,190.66</b>	<b>910.69</b>	<b>3,616.04</b>	<b>2,443.45</b>	<b>4,405.20</b>
7	<b>Profit for the period (5-6)</b>	<b>3,252.89</b>	<b>2,889.27</b>	<b>1,311.81</b>	<b>8,665.75</b>	<b>2,573.25</b>	<b>3,977.64</b>
8	<b>Other comprehensive income</b>						
	<b>Items that will not be reclassified to profit and loss</b>						
	Remeasurements of the defined benefit obligations	(13.80)	(19.98)	(12.18)	(41.39)	(0.25)	(24.03)
	Income tax relating to items that will not be reclassified to profit and loss	4.01	5.81	3.54	12.05	0.07	7.00
	<b>Items that will be reclassified to profit and loss</b>						
	The effective portion of gains and (loss) on hedging instrument in a cash flow hedge	(112.65)	472.73	(30.98)	(258.28)	(46.36)	45.33
	Income tax relating to items that will be reclassified to profit and loss	32.81	(137.65)	9.03	75.21	13.50	(13.20)
	<b>Total other comprehensive income (Net of Tax)</b>	<b>(89.63)</b>	<b>320.91</b>	<b>(30.59)</b>	<b>(212.41)</b>	<b>(33.04)</b>	<b>15.10</b>
9	<b>Total comprehensive income (7+8)</b>	<b>3,163.26</b>	<b>3,210.18</b>	<b>1,281.22</b>	<b>8,453.34</b>	<b>2,540.21</b>	<b>3,992.74</b>
10	Paid up equity share capital (Face value of Rs. 10 each)	9,136.16 *	9,126.03 *	6,932.11	9,136.16 *	6,932.11	6,932.11
11	<b>Earnings per share (Face Value of Rs. 10 each)</b>						
	Basic (in rupees)	3.56	3.17	1.89	10.70	3.67	5.69
	Diluted (in rupees)	3.51	3.12	1.88	10.55	3.65	5.66
		Not annualised	Not annualised	Not annualised	Not annualised	Not annualised	

\* Refer Note no 10, 11 and 12

# Refer Note no 13



**Notes to the Statement of Unaudited Financial Results for the Quarter and Nine Months  
Ended December 31, 2023**

1. UGRO Capital Limited ("the Company") is a Non-Deposit taking Non-Banking Financial Company ("NBFC-ND") registered with the Reserve Bank of India ("the RBI") and classified as NBFC-Middle Layer under the Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023 dated October 19, 2023 read with the Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs dated October 22, 2021 issued by RBI.
2. The above unaudited financial results for the quarter and nine months ended December 31, 2023 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on January 23, 2024. The above results have been subjected to limited review by the statutory auditor of the Company.
3. 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.
4. The Company is engaged primarily in the business of financing and 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.
5. 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 nine months ended December 31, 2023\*

Sr.No.	Particulars	To Banks / NBFCs
i.	Aggregate principal outstanding of loans transferred through assignment (Rs. in Lakh)	44,354.86
ii.	Aggregate consideration received (Rs. in Lakh)	44,354.86
iii.	Weighted average Maturity of Loans (in years)	6.99
iv.	Weighted average Holding period of Loans (in years)	0.89
v.	Retention of Beneficial economic interest (in %)	12.22%
vi.	Coverage of Tangible security Coverage (in %) **	231.40%
vii.	Rating- wise distribution of rated loans	Non- Rated



Note

\* 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 nine months ended December 31, 2023.

c. The Company has neither transferred nor acquired any stressed loans during the nine months ended December 31, 2023.

d. The rating wise distribution of Security Receipts (SRs) held by the Company as on December 31, 2023 is given below:

Ratings	Recovery Rating*	Rating Agency	Amount (in Rs. Lakh)
IVR RR1	100% - 150%	Infomerics Valuation and Ratings Private Limited	900.60
IVR RR2	75% - 100%	Infomerics Valuation and Ratings Private Limited	804.98

\*It indicates the present value of expected recoveries in the specified range of the face value of outstanding SRs.

6. During the nine months ended December 31, 2023, the Company has transferred loans amounting to Rs. 1,32,607.99 lakh through Co-lending arrangements to the respective participating banks 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 which are akin to Direct assignment transaction.

7. All secured Non-Convertible Debentures ("NCDs") issued by the Company are secured by way of an exclusive charge on 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 minimum 100% asset cover which is sufficient to discharge the principal amount at all times for the said NCDs as specifically stated in the transaction documents.

The asset cover available as on December 31, 2023 in respect of listed secured debt securities is 1.16 times.

8. An Employee Benefit Trust viz. "UGRO Employee Benefit Trust" ("Trust") has been constituted pursuant to the "UGRO Capital Employee Stock Option Scheme-2022" ("the Scheme"), who holds the shares of the Company for the purpose of extending benefits of the Scheme to the Employees. The Trust is responsible for the purchase of shares of the Company from the secondary market for the purpose of this scheme. 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. The amount received in excess of the face value is deducted from the Securities Premium Account. During the nine month ended December 31, 2023, there has been no secondary market acquisition by the trust.

9. The Company is in process of raising of funds through public issuance of Non-Convertible Debentures for an amount of up to Rs. 20,000 lakh (including green shoe option of Rs. 10,000 lakh). The Draft Prospectus was filed with Securities Exchange Board of India, BSE Limited and National Stock Exchange of India Limited on December 29, 2023. The Company has received an 'in-principle' approval from BSE on January 09, 2024 and NSE on January 05, 2024 Presently, the Company is in process of filing the Prospectus with the regulatory authorities.



10. During the nine months ended December 31, 2023, the Company has issued and allotted total 1,91,100 equity shares of face value of Rs. 10 per share at such premium as mentioned below pursuant to the exercise of options by the employees of the Company under the CSL Employee Stock Option Scheme 2017.

No. of shares	Securities premium (Rs. per share)
1,81,050	120
3,350	127.4
6,700	163.85

11. During the nine months ended December 31, 2023, the Company has successfully raised equity share capital through Qualified Institutions Placement (QIP) in April 2023. The issue opened on April 10, 2023, closed on April 13, 2023, and Rs. 10,049.21 lakh was raised in lieu of the same. The Company issued and allotted 66,11,325 equity shares (face value of Rs. 10 per share) at a premium of Rs. 142 per share. These shares were allotted on April 13, 2023.
12. During the nine months ended December 31, 2023, the Company has also successfully raised equity share capital through Preferential Issue to the tune of Rs. 24,000 lakh from Danish Sustainable Development Goals Investment Fund K/S represented by Investment Fund for Developing Countries. The said issue had been approved by the Board on April 11, 2023 and the shareholders through postal ballot on May 11, 2023. The Company issued and allotted 1,52,38,095 equity shares (face value of Rs. 10 per share) at a premium of Rs. 147.50 per share. These shares were allotted on May 17, 2023.
13. The figures for the quarter ended December 31, 2023, and December 31, 2022 are the balancing figures between reviewed figures in respect of the nine months ended December 31, 2023 and December 31, 2022 and the reviewed figures for the half year ended September 30, 2023 and September 30, 2022 respectively.
14. 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.
15. 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  
January 23, 2024



**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 nine months ended December 31, 2023:

Sr. No	Particulars	For the quarter ended Dec 31,2023	For the nine months ended Dec 31,2023
1	Debt - Equity Ratio <sup>1</sup>		2.97
2	Debt Service Coverage Ratio <sup>2</sup>		Not Applicable
3	Interest Service Coverage Ratio <sup>2</sup>		Not Applicable
4	Outstanding redeemable preference shares (quantity and value)		Nil
5	Capital redemption reserve (Rs. in Lakh) <sup>3</sup>		Not Applicable
6	Debenture redemption reserve (Rs. in Lakh) <sup>3</sup>		Not Applicable
7	Net worth <sup>4</sup> (Rs. in Lakh)		1,40,491.99
8	Net profit after Tax (Rs. in Lakh)	3,252.90	8,665.75
9	Current ratio <sup>2</sup>		Not Applicable
10	Long term debt to working capital <sup>2</sup>		Not Applicable
11	Bad debts to Account receivable ratio <sup>2</sup>		Not Applicable
12	Current liability ratio <sup>2</sup>		Not Applicable
13	Total debts to total assets <sup>5</sup>		0.73
14	Debtors turnover <sup>2</sup>		Not Applicable
15	Inventory turnover <sup>2</sup>		Not Applicable
16	Operating margin (%) <sup>2</sup>		Not Applicable
17	Net profit margin (%) <sup>6</sup>	11.65%	11.53%
18	Sector specific equivalent ratios		
	a. Gross Stage 3 <sup>7</sup>		3.15%
	b. Net Stage 3 <sup>8</sup>		1.67%
	c. Capital to risk-weighted assets <sup>9</sup>		22.27%



Notes –

1. Debt - Equity Ratio = (Debt securities + Borrowings (other than debt securities)) / Total Equity.
2. The above-mentioned ratios are not relevant as the company is engaged in financing activities.
3. Capital redemption Reserve / Debenture redemption reserve is not required in respect of privately/publicly placed debentures in terms of Rule 18(7)(b)(iii) of Companies (Share Capital and Debentures) 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.



## Annexure B

Details with respect to change of Director of the Company as required under Regulation 30 read with Schedule III of the SEBI (LODR) Regulations, 2015 and SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13<sup>th</sup> July 2023:

		Mr. Amit Gupta
1	Reason for Change viz., appointment, re-appointment, resignation, removal, death or otherwise	Resignation as Non-Executive (Nominee) Director
2	Date of cessation	23 <sup>rd</sup> January 2024
3	Brief profile (in case of appointment)	Not applicable
4	Disclosure of relationships between directors (in case of appointment of a director)	Not applicable

### UGRO CAPITAL LIMITED

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**23<sup>rd</sup> January 2024**

**To  
The Board of Directors  
UGRO Capital Limited  
Mumbai**

**Dear Sir(s)/Madam,**

**Sub: Resignation from the Board of UGRO Capital Limited**

As you are aware that I am a nominee of TPG NewQuest Private Equity Fund on the Board of UGRO Capital Limited. We backed Mr. Shachindra Nath, Founder & Managing Director to incubate and start UGRO Capital Limited. We were enthused with his idea of creating a Data Tech driven listed lending business which can solve the problem of credit in India.

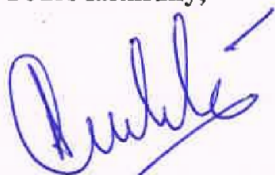
It has been more than 5 years since I have been part of the UGRO exceptional Board which has demonstrated the balance between independent governance and shareholders representation and I feel privileged to be part of this journey which saw multiple setbacks but UGRO continued to on its path of creating a long term sustainable small business financing institution in India.

Given my significant obligations to other personal and professional commitments, I believe it is time for me to relinquish my responsibilities of the Board Member of UGRO while as a firm and I personally will always remain a continued supporter of UGRO's business.

Kindly accept my resignation with effect from the closing of the Board Meeting being held today.

**Thanking you,**

**Yours faithfully,**



**Amit Gupta**

**DIN: 02282600**

## PRESS RELEASE

### UGRO CAPITAL ANNOUNCES FINANCIAL RESULTS FOR THE QUARTER AND NINE-MONTH PERIOD ENDED 31<sup>ST</sup> DECEMBER 2023 ACHIEVES LANDMARK MILESTONE: ENTERS THE BILLION DOLLAR AUM CLUB

**Reports AUM of INR 8,364 Cr, up 64% and 9M'FY24 PAT of INR 86.7 Cr up 237% (YoY)**

#### Key Highlights

- **Net disbursement** of INR 4,311 Cr in 9M'FY24, up 35% YoY and 1,552 Cr in Q3FY24, up 5% QoQ.
- **AUM** of INR 8,364 Cr, up 64% YoY and 10% QoQ.
- **Net Total Income** stood at INR 436.5 Cr in 9M'FY24, up 66% YoY and INR 162.6 Cr in Q3FY24, up 10% QoQ.
- **GNPA/NNPA** at 2.0%/1.1% on total AUM.
- **Off-book AUM** of 45%.
- Advances on its journey of creating the **Largest Small Business Financing Institution Driven by Data and Technology**.

**Mumbai, January 23, 2024:** U GRO Capital, a DataTech NBFC and India's largest Co-lender in the MSME segment, today announced its robust financial performance for the Quarter and Nine-month Period ended 31<sup>st</sup> December 2023, marking a historic achievement as the company enters the prestigious Billion Dollar AUM Club.

The Company continued its growth momentum in the third quarter of FY24 with AUM of INR 8,364 Cr (as on Dec'23), up 64% compared to Dec'22. This surge can be attributed to its strategic investments in distribution channels, expansive lender base, and a data-centric underwriting model, which together ensure consistent monthly disbursements of over INR 500 Cr.

Financially, U GRO Capital highlighted a Total Income of 751.3 for 9M'24 (up 61% compared to 9M'23), while the figure stood at INR 279.3 Cr for Q3'24, up 47% YoY and 10% QoQ. Furthermore, the PAT for 9M'24 scaled up to

INR 86.7 Cr, up 237% YoY and was INR 32.5 Cr for Q3'24, indicating an increase of 148% YoY and 13% QoQ. The robust quarterly performance, alongside the optimal GNPA/NNPA metrics of 2.0%/1.1% on the total AUM, reiterates the sterling quality of UGRO's portfolio, underscoring a well-structured risk management approach.

U GRO Capital's distinctive co-lending approach combined with the strategic use of co-lending partnerships with off-book AUM accounting for 45% has significantly propelled this growth trajectory. Further solidifying its reputation in the sector, U GRO Capital's proprietary underwriting model, GRO Score 3.0, has demonstrated its efficacy. This strategic model, along with collaborations with over 10 co-lending partners, 55 lenders, 40 fintechs, and 500 GRO partners, facilitates data-driven, tailored financial solutions for more than 67,000 MSMEs across India.

#### Brief Financial Snapshot

Particulars (Rs cr)	Q3'FY24	Q2'FY24	Growth (Q-o-Q)	9M'FY24	9M'FY23	Growth
<b>AUM</b>	<b>8,364</b>	<b>7,592</b>	<b>10%</b>	<b>8,364</b>	<b>5,095</b>	<b>64%</b>
<b>Net loans originated / Disbursement</b>	<b>1,552</b>	<b>1,476</b>	<b>5%</b>	<b>4,311</b>	<b>3,183</b>	<b>35%</b>
Total Income	279.3	253.6	10%	751.3	466.6	61%
Interest Expense	116.7	105.4	11%	314.8	202.9	55%
<b>Net Total Income</b>	<b>162.6</b>	<b>148.2</b>	<b>10%</b>	<b>436.5</b>	<b>263.7</b>	<b>66%</b>
Operating Expenses	86.5	82.9	4%	238.5	174.2	37%
Credit cost	29.7	24.6	21%	75.2	39.3	91%
<b>PBT</b>	<b>46.4</b>	<b>40.8</b>	<b>14%</b>	<b>122.8</b>	<b>50.2</b>	<b>145%</b>
<b>Tax</b>	<b>13.8</b>	<b>11.9</b>	<b>16%</b>	<b>36.2</b>	<b>24.4</b>	<b>48%</b>
<b>PAT</b>	<b>32.5</b>	<b>28.9</b>	<b>13%</b>	<b>86.7</b>	<b>25.7</b>	<b>237%</b>

#### UGRO CAPITAL LIMITED

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

**CIN:** L67120MH1993PLC070739

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**Mr. Shachindra Nath, Founder and Managing Director of U GRO Capital** said, “At U GRO Capital, our journey is defined by continuous innovation, dedicated to reshaping financial sector standards. Today, we proudly announce surpassing INR 8300 crores in AUM, entering the Billion Dollar AUM Club. This accomplishment reflects our unwavering commitment to innovation and delivering unmatched financial solutions. Committed to boosting India's economic growth, we aspire to build a significant institution for small business financing. With ambitious FY24 goals, we are strategically poised to achieve them through innovative strategies, collaborations, and a steadfast commitment to sustainable entrepreneurship. U GRO Capital offers an attractive opportunity for investors seeking enduring growth and robust returns.”

#### **Key performance highlights for Q3' and 9M'FY24**

##### **a) Growth, Expansion and Portfolio quality**

- AUM of INR 8,364 Cr as on Dec'23 (up 64% YoY and 10% QoQ)
- INR 1,552 Cr of Net Loans originated in Q3'FY24 (up 33% YoY and 5% QoQ) and INR 4,311 Cr of Net Loans originated in 9M'FY24 (up 35% compared to 9M'FY23).
- Total Income stood at INR 279.3 Cr for Q3'FY24 (up 47% YoY and 10% QoQ) and INR 751.3 Cr in 9M'FY24 (up 61% compared to 9M'FY23)
- Net Total Income stood at INR 162.6 Cr for Q3'FY24 (up 51% YoY and 10% QoQ) and INR 436.5 Cr in 9M'FY24 (up 66% compared to 9M'FY23)
- PBT increased to INR 46.4 Cr in Q3'FY24 (up 109% YoY and 14% QoQ) and INR 122.8 Cr in 9M'FY24 (up 145% compared to 9M'FY23)
- PAT increased to INR 32.5 Cr in Q3'FY24 (up 148% YoY and 13% QoQ) and INR 86.7 Cr in 9M'FY24 (up 237% compared to 9M'FY23)
- GNPA / NNPA as on Dec'23 stood at 2.0% /1.1% (as a % of Total AUM)
- Over 67k customers as on Dec'23
- 104 branches (as on Dec'23)

##### **b) Liability and Liquidity Position**

- Total lender count stood at 58 as on Dec'23
- Total Debt stood at INR 4,173 Cr as on Dec'23, and overall debt to equity ratio was 3.0x
- Healthy capital position with CRAR of 22.3% (as on Dec'23)

#### **About UGRO Capital Ltd** (NSE: UGROCAP | BSE: 511742)

UGRO Capital Limited is a DataTech Lending platform, listed on NSE and BSE, pursuing its mission of “Solving the Unsolved” for the small business credit gap in India, on the back of its formidable distribution reach and its Data-tech approach.

The Company's prowess in 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, an upstream and downstream integration with fintechs and liability providers, and GRO X application to deliver embedded financing option to MSMEs.

The credit scoring model GRO Score (3.0) 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.

UGRO has executed Co-lending model in India which is prevalent in the West through Co-Lending relationships with 10+ Large Public Sector Banks and large NBFCs and built a sizeable off-balance sheet asset of more than 45% of its AUM through the GRO Xstream platform.

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The Company is backed by marquee institutional investors (raised INR 900+ Cr of equity capital in 2018 and INR 340 Cr in 2023) and aims to capture 1% market share over the next three years. For more information, please visit: <http://www.ugrocapital.com/>

#### Contact Details

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