UGRO CAPITAL LIMITED

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

CIN:L67120MH1993PLC070739

Statement of Unaudited Financial Results For The Quarter and Nine Months Ended 31 December, 2020

Rs. In Lacs

Sr No	Particulars	Quarter ended			Nine Months Ended		Year Ended
		31 Dec, 2020	30 Sep, 2020	31 Dec, 2019	31 Dec, 2020	31 Dec, 2019	31 Mar, 2020
		Reviewed	Reviewed	Reviewed	Reviewed	Reviewed	Audited
1	Revenue from operations						
	(a) Interest Income	3,885.69	3,408.02	2,480.96	10,355.81	4,999.69	7,889.19
	(b) Dividend Income	-	-	-	-	17.40	17.40
	(c) Net Gain / (Loss) on derecognition of financial instruments	(9.11)	36.93	-	27.82	-	-
	(d) Profit on Sale of Investment	-	4.34	592.38	152.54	1,279.01	1,569.71
	(e) Fair Value Adjustment for Investment	-	(0.51)	(240.13)	(132.39)	171.51	123.95
	(f) Other Operating Income	29.62	32.80	16.03	62.65	42.09	69.12
2	Other Income	1.90	-	40.00	1.90	290.00	845.00
3	**Total Revenue (1 + 2)**	**3,908.10**	**3,481.58**	**2,889.24**	**10,468.33**	**6,799.70**	**10,514.37**
4	Expenses						
	(a) Employee benefits expense	1,056.31	1,074.95	1,007.70	3,241.49	3,523.92	4,714.80
	(b) Finance cost	1,178.16	964.27	522.78	2,825.95	724.83	1,367.30
	(c) Depreciation and amortization expenses	301.17	288.29	225.34	860.29	526.99	739.35
	(d) Impairment on financial instruments	586.25	392.66	103.57	1,094.24	420.85	1,023.41
	(e) Other expenses	498.77	487.43	450.46	1,471.74	1,857.04	2,337.72
	Total expense	**3,620.66**	**3,207.60**	**2,309.85**	**9,493.71**	**7,053.63**	**10,182.58**
5	**Profit/(Loss) before tax (3-4)**	**287.44**	**273.98**	**579.39**	**974.62**	**(253.93)**	**331.79**
6	Tax expense						
	(a) Current Tax	154.28	96.17	36.53	366.35	36.53	296.31
	(b) Deferred Tax	(493.89)	(1,539.90)	(146.59)	(2,109.30)	(207.20)	(1,916.38)
7	**Profit/(Loss) for the period (5-6)**	**627.05**	**1,717.71**	**689.45**	**2,717.57**	**(83.26)**	**1,951.86**
8	**Other Comprehensive income (net of tax)**	(7.09)	6.09	(6.40)	4.92	(3.44)	0.02
9	**Total comprehensive income (7+8)**	**619.96**	**1,723.80**	**683.05**	**2,722.49**	**(86.70)**	**1,951.88**
10	Paid Up Equity Share Capital (Face Value Rs. 10)	7,052.86	7,052.86	7,052.86	7,052.86	7,052.86	7,052.86
11	**Earning per Share (Face Value of Rs 10 each**						
	Basic (in rupees)	0.89	2.41	1.06	3.85	(0.13)	2.95
	Diluted (in rupees)	0.89	2.41	1.02	3.85	(0.12)	2.87
		Not annualised	Not annualised	Not annualised	Not annualised	Not annualised	Annualised



Notes to Statement of Unaudited Financial Results for The Quarter and Nine Months Ended December 31, 2020:

1. UGRO Capital Limited ('the Company') is a Non-Banking Financial Company ('NBFC') registered with the Reserve Bank of India.

2. The Unaudited Financial Results for the quarter and nine months ended December 31, 2020 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on February 09, 2021. The above results have been subjected to limited review by the statutory auditors 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 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016 in continuation to Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016 and in compliance of the Companies (Indian Accounting Standards) Rules, 2015, in Division III of Notification No. GSR (E) dated October 11, 2018, issued by the Ministry of Corporate Affairs, Government of India.

4. The Company is mainly engaged in the business of lending and investing and primarily deals in financing Small and mid-size enterprise and Micro, Small and Medium Enterprise Sectors. Accordingly, there is no separate reportable segment, as per the Ind AS 108 "Operating Segments".

5. In assessing the recoverability of loans, receivables, intangible assets, and deferred tax asset, the Company has considered internal and external sources of information, including credit reports, economic forecasts and industry reports upto the date of approval of these financial results. The Company has performed analysis on the assumptions used and based on current indicators of future economic conditions, the carrying amount of these assets represent the Company's best estimate of the recoverable amounts. The Company has estimated and recognised an additional expected credit loss on certain financial assets, on account of the anticipated effect of the global health pandemic. As a result of the uncertainties resulting from COVID-19, the impact of this pandemic may be different from those estimated as on the date of approval of these financial results and the Company will continue to monitor any changes to the future economic conditions. The Company has been duly servicing its debt obligations, maintains healthy Capital Adequacy ratio and has adequate capital and financial resources to run its business.

6. In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the company exceeds the total provision required under IRACP (including standard asset provisioning), as at December 31, 2020 and accordingly, no amount is required to be transferred to impairment reserve.



7. Disclosure pursuant to Reserve Bank of India Circular DOR.No.BP.BC/4/21.04.048/2020-21 dated August 06 2020 (As amended from time to time) pertaining to Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances :

No. of accounts restructured	Amount (In Lacs)
80	4373.00

8. The Government of India, Ministry of Finance, vide its notification dated October 23, 2020, had announced COVID-19 Relief Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts (Scheme), as per the eligibility criteria and other aspects specified therein and irrespective of whether the moratorium was availed or not. During the quarter, the Company has implemented the Scheme and credited the accounts of or remitted amounts to the eligible borrowers as per the Scheme.

9. The Honourable Supreme Court of India, in a public interest litigation vide an interim order dated September 03, 2020, has directed that accounts which were not declared Non-Performing Assets (NPA) till August 31, 2020 shall not be declared as NPA till further orders. Basis the said interim order, the Company has not classified any standard account as Non-Performing Asset (NPA) which were not declared as NPA till August 31, 2020. However, such accounts have been classified as stage 3 and provisioned accordingly.

10. The Indian Parliament has approved the Code on Social Security, 2020 which may impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be determined. The Company will complete their evaluation and will give appropriate impact in the financial statements in the year in which, the Code becomes effective and the related rules to determine the financial impact are notified.

11. During the quarter ended December 31, 2020, the Company has granted 1,15,385 options under the prevalent employee stock option scheme of the Company. The Company has booked an expense amounting to Rs 170.96 Lacs based on a fair value model on all ESOP's outstanding as at December 31, 2020.

12. 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 of at least 100% of outstanding secured NCDs and pursuant to the terms of respective disclosure documents.

13. Previous period/year figures have been regrouped / rearranged wherever necessary, to confirm with the current period presentation.

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

Shachindra Nath
Executive Chairman & MD
DIN: 00510618
Gurugram

UGRO Capital Limited

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Western Express Highway, Geetanjali
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MSKA & Associates
Chartered Accountants

Independent Auditor's Review Report on Unaudited Financial Results of the UGRO Capital Limited for the quarter and nine months ended December 31, 2020 pursuant to the 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

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 nine months ended December 31, 2020 ('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 Regulation').

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 Ind AS 34 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India. 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 financial results are free of material misstatements. 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 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 Companies Act, 2013 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 Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. As described in Note 05 to the Statement, the extent to which the COVID-19 pandemic will impact the Company's financial performance is dependent on future developments, which are highly uncertain.

   Our conclusion is not modified in respect of this matter.

6. The Statement of the Company for the year ended March 31, 2020, was audited by another auditor whose report dated May 20, 2020, expressed an unmodified opinion on that Statement.

   The Statement of the Company for the quarter and nine months December 31, 2019, was reviewed by another auditor whose report dated January 31, 2020, expressed an unmodified conclusion on that Statement.

   Our conclusion is not modified in respect of these matters.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Swapnil Subhash Kale

Digitally signed by Swapnil Subhash Kale
Date: 2021.02.09 18:49:58 +05'30'

Swapnil Kale
Partner
Membership No.: 117812
UDIN: 21117812AAAACB5651

Mumbai
February 09, 2021