

## UGRO CAPITAL LIMITED

(Formerly known as Chokhani Securities Limited)

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

CIN:L67120MH1993PLC070739

## Statement of Financial Results For The Quarter Ended 30 June, 2020

Sr No	Particulars	Quarter ended			Rs. In Lacs
		30 Jun, 2020	31 Mar, 2020	30 Jun, 2019	Year Ended
		Reviewed	Reviewed	Reviewed	Audited
1	Revenue from operations				
	(a) Interest Income	3,062.10	2,889.51	885.81	7,889.19
	(b) Dividend Income	-	-	17.40	17.40
	(c) Fair Value Adjustment	(131.88)	(47.56)	271.18	123.95
	(d) Profit on Sale of Investments	148.20	290.70	300.69	1,569.71
	(e) Other Operating Income	0.23	27.03	19.38	69.12
2	Other Income	-	555.00	250.00	845.00
3	<b>Total Revenue (1 + 2)</b>	<b>3,078.65</b>	<b>3,714.68</b>	<b>1,744.46</b>	<b>10,514.37</b>
	Expenses				
	(a) Employee benefits expense	1,110.23	1,190.89	1,120.76	4,714.80
	(b) Finance cost	683.52	642.47	85.26	1,367.30
	(c) Depreciation and amortization expenses	270.83	212.37	128.45	739.35
	(d) Provision for loan loss	115.34	602.56	66.97	1,023.41
	(e) Legal and Professional charges	247.48	55.92	185.63	714.28
	(f) Other expenses	238.06	424.76	379.93	1,623.44
	<b>Total expense</b>	<b>2,665.46</b>	<b>3,128.96</b>	<b>1,967.00</b>	<b>10,182.58</b>
5	<b>Profit/(Loss) before tax (3-4)</b>	<b>413.19</b>	<b>585.72</b>	<b>(222.54)</b>	<b>331.79</b>
	Tax expense				
	(a) Current Tax as per MAT	115.90	259.78	-	296.31
	(b) Deferred Tax ( Including MAT credit entitlement)	(75.51)	(1,709.18)	(38.89)	(285.12)
7	<b>Profit/(Loss) for the period (5-6)</b>	<b>372.80</b>	<b>2,035.13</b>	<b>(183.66)</b>	<b>320.60</b>
8	<b>Other Comprehensive income (net of tax)</b>	5.92	3.46	0.32	0.02
9	<b>Total comprehensive income (7+8)</b>	<b>378.72</b>	<b>2,038.59</b>	<b>(183.34)</b>	<b>320.62</b>
10	Paid Up Equity Share Capital (Face Value Rs. 10)	7,052.86	7,052.86	2,333.15	7,052.86
11	<b>Earning per Share (Not annualised)</b>				
	Basic	0.53	2.89	(0.28)	2.95
	Diluted	0.53	2.87	(0.27)	2.87

## **Notes to Statement of Unaudited Financial Results for The Quarter Ended June 30, 2020:**

1. These financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and the other accounting principles generally accepted in India.
2. The Company is mainly engaged in the business of lending and investing and primarily deals in financing SME and MSME sector. Further, all activities are conducted within India. Accordingly, there is no separate reportable segment, as per the Ind AS 108 "Operating Segments" specified under Section 133 of the Act.

### **3. Estimation uncertainty relating to COVID-19 global health pandemic:**

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.

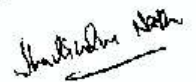
### **4. Moratorium in accordance with the Reserve Bank of India (RBI) guidelines:**

The outbreak of Covid-19 pandemic across the globe & India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The RBI has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020, April 17, 2020 and May 23, 2020 and in accordance therewith, the Company has offered a moratorium of six months on the payment of instalments falling due between March 1, 2020 and August 31, 2020 to eligible borrowers. For all such loan asset accounts classified as standard and overdue as on February 29, 2020, where the moratorium is granted, the asset classification both, as per the RBI's income recognition and asset classification norms and for determining the staging of such assets to determine the expected credit loss allowance as per the model approved by the Board of Directors of the Company, will remain at a standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification).

5. During the quarter ended June 30, 2020, the Company has granted 4,31,923 options under the prevalent employee stock option scheme of the Company. The Company has booked an expense amounting to Rs 82.75 Lacs based on a fair value model on all ESOP's outstanding as at June 30, 2020.

6. Previous period/year figures have been regrouped / rearranged wherever necessary
7. The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on August 12, 2020.

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



**Shachindra Nath**  
Executive Chairman & MD  
DIN: 00510618  
Gurugram

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM  
FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF  
UGRO CAPITAL LIMITED**

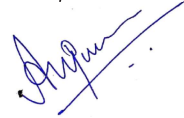
1. We have reviewed the accompanying Statement of Unaudited Financial Results of **UGRO CAPITAL LIMITED** ("the Company"), for the quarter ended June 30, 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's 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 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 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 (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel 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 specified under section 143(10) of the Companies Act, 2013 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 the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Deloitte  
Haskins & Sells LLP**

5. As more fully described in Note 3 to the Statement, to assess the recoverability of certain assets, the Company has considered internal and external information upto the date of this report in respect of the current and estimated future global economic indicators consequent to the global health pandemic. The actual effect of the pandemic may be different from that considered in assessing the recoverability of these assets.

Our conclusion on the Statement is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Anjum A. Qazi**  
(Partner)  
(Membership No. 104968)  
(UDIN: 20104968AAAAEI8565)

Place: MUMBAI  
Date: August 12, 2020