

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 Unaudited Financial Results For The Quarter Ended 30 June, 2019			
Rs. In Lacs			
Sr No	Particulars	Quarter ended	
		30 June, 2019	30 June, 2018
		Reviewed	Unaudited
1	Revenue from operations		
	(a) Interest Income	885.81	182.42
	(b) Dividend Income	17.40	12.06
	(c) Fair Value Adjustment	271.18	(86.11)
	(d) Profit on Sale of Investments	300.69	64.95
	(e) Other Operating Income	19.38	-
2	Other Income	250.00	-
3	Total Revenue (1 + 2)	1,744.46	173.32
	Expenses		
	(a) Employee benefits expense	1,120.55	7.55
	(b) Finance cost	85.26	-
	(c) Depreciation and amortization expenses	128.45	7.49
	(d) Provision for loan loss	66.97	-
	(e) Legal and Professional charges	225.63	75.72
	(f) Other expenses	340.14	3.28
	Total expense	1,967.00	94.04
5	Profit/(Loss) before exceptional items and tax (3-4)	(222.54)	79.28
6	Exceptional items	-	-
7	Profit/(Loss) before tax (5-6)	(222.54)	79.28
	Tax expense		
	(a) Current Tax	-	-
	(b) Deferred Tax	(38.89)	(12.32)
9	Profit/(Loss) for the period (7-8)	(183.65)	91.60
10	Other Comprehensive income (net of tax)	0.32	-
11	Total comprehensive income (9+10)	(183.33)	91.60
12	Paid Up Equity Share Capital (Face Value Rs. 10)	2,333.15	469.85
	Earning per Share (Not annualised for Quarter Ended)		
	Basic	(0.28)	0.50
	Diluted	(0.27)	0.50



Notes to Statement of Unaudited Financial Results for The Quarter Ended June 30, 2019:

1. The Company has adopted Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 from April 01, 2019 and the effective date of such transition is April 01, 2018. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India ('RBI') (Collectively referred to as 'the Previous GAAP'). Accordingly, the impact of transition has been recorded in the opening reserves as at April 01, 2018. These financial results (including for previous comparative periods presented) have been prepared in accordance with the recognition and measurement principles of Ind AS 34 "Interim Financial Reporting" prescribed under the Act, read with relevant Rules made thereunder, the other accounting principles generally accepted in India and note 5 below.

Further, in drawing up these results, the Company has taken note of relevant MCA Notification numbers G.S.R. 111 (E) and G.S.R. 365 (E) dated February 16, 2015 and March 30, 2016 respectively and any application guidance/ clarifications/ directions issued by RBI or other regulators as and when they are issued, as applicable.

The Company has opted to submit only the quarterly and year to date Financial Results to the Stock Exchange in respect of F.Y. 2018-19 as permitted by SEBI regulations.

2. The financial results of the Company for the quarter ended June 30, 2019 have been subjected to limited review by statutory auditor of the Company. The previously issued financial information of the Company for the quarter ended June 30, 2018 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 and were reviewed by the statutory auditor. These previously issued financial information have been adjusted to comply with Ind AS and to give effect to the scheme of arrangement approved by the National Company Law Tribunal on June 13, 2019 as per note 5 below and included in this Statement as comparative financial information. The adjustments made to the previously issued financial information to comply with Ind AS have not been reviewed by the statutory auditor.
3. As required by paragraph 32 of Ind AS 101, net profit reconciliation between figures reported, net of tax, under previous GAAP and Ind AS is given below:

Particulars	Rs in Lacs Quarter ended June 30, 2018
Net Profit After Tax as per previous GAAP	37.81
Add / (Less): Adjustments on accounting for business acquisition (Refer note 5 below):	
- Interest Income	104.75
- Gain on Mutual Fund	28.90
- Employee Benefits Expenses	(6.00)
- Depreciation, amortization and impairment	(7.49)
- Other expenses	(0.08)



Net Profit After Tax after accounting for business acquisition	157.89
Add / (Less): Adjustments as per Ind AS:	
- Reversal of Fair valuation Gain of Investment	(86.10)
- Tax adjustments	19.81
Net profit After Tax as per Ind AS	91.60
Other Comprehensive Income (net of tax)	NIL
Total Comprehensive Income (net of tax) as per Ind AS	91.60

4. 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.
5. The Board of Directors of the Company at their meeting held on December 31, 2017 had considered and approved a Scheme of Arrangement under Sections 230 to 232 read with section 52 and 66 of the Companies Act, 2013 between Asia Pragati Capfin Private Limited ("APCPL") a private limited company incorporated under the laws of India and holding a license to act as a non-banking finance company, and UGRO Capital Limited ("UGRO") the Resulting company and their respective shareholders and creditors. The Scheme of Arrangement (the "Scheme") for demerger of Lending Business of APCPL into UGRO has been sanctioned by the National Company Law Tribunal, Mumbai Bench ("NCLT") vide Order dated June 13, 2019. The certified copy of order of NCLT was filed with the Registrar of Companies, Maharashtra at Mumbai on June 28, 2019 and June 30, 2019 by UGRO and APCPL respectively and has become effective from June 30, 2019.

As per the NCLT approved scheme, the appointed date of the Scheme is April 01, 2018 ("the appointed date"). The Company has issued 135,65,891 number of equity shares at Rs. 129 each (face value Rs. 10) at a premium of Rs. 119 per share aggregating to Rs. 17,500 lacs on July 30, 2019 to DBZ (Cyprus) Limited ("DBZ"), a Company incorporated under the laws of Cyprus and the shareholder of APCPL, as the consideration.

Pursuant to the scheme of arrangement and Board approval, the purchase of the net assets has been accounted on the appointed date, wherein the purchase consideration of Rs 17,500 has been allocated to the respective net assets (including indemnification asset) at their respective fair values. On or before December 31, 2019, DBZ will indemnify UGRO, the difference (net of applicable taxes, if any) between the consideration and the aggregate realisable value of the assets and cash and cash equivalents on the effective date.

This has resulted into equity infusion of Rs. 17,500 lacs in the Company.

6. As assessed by the Management, the Company has unused tax losses of Rs.11,640.86 lacs of APCPL and tax losses for the quarter ended June 30, 2019. The Company has not recognized deferred tax asset on the unused tax losses and would recognize in the subsequent accounting periods based on the probability of future taxable profits.



7. Previous period figures have been regrouped / rearranged wherever necessary.
8. 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 07, 2019.

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



Shachindra Nath
Executive Chairman & MD
DIN: 00510618
Mumbai
August 07, 2019

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, 2019 ("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, other accounting principles generally accepted in India and paragraph 6 below. 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. The previously issued financial information of the Company for the quarter ended June 30, 2018 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 and were reviewed by us and our report dated August 13, 2018 expressed an unmodified conclusion. These previously issued financial information have been adjusted to comply with Ind AS and to give effect to the scheme of arrangement approved by the National Company Law Tribunal on June 2019 as per paragraph 6 below and included in this Statement as comparative financial information. The adjustments made to the previously issued financial information to comply with Ind AS have not been reviewed by us.
We have also not reviewed the reconciliation of net profit for the quarter ended June 30, 2018 between the previous GAAP and Indian Accounting Standards ("Ind AS").



5. 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 read with paragraph 6 below 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.
6. We draw attention to Note 5 of the Statement, which describes the accounting for the Scheme of Arrangement on appointed date as per the approval of National Company Law Tribunal. 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/W100018)



Anjum A. Qazi
(Partner)

(Membership No. 104968)
(UDIN: 19104968AAAAHO4201)

Place: MUMBAI
Date: August 07, 2019