

29th June 2021

**To,
BSE Limited
25th floor, Phiroze Towers,
Dalal Street, Fort,
Mumbai- 400001**

Subject: Outcome of the Board Meeting

Dear Sir/ Madam,

We wish to inform you that the Board of Directors of the Company at its meeting held today i.e. Tuesday, 29th June 2021, has inter alia:

1. considered and approved an audited financial results for the quarter and financial year ended 31st March, 2021. A copy of the said audited financial results is enclosed herewith.
2. considered and approved auditors' report on the financial results for the quarter and financial year ended 31st March, 2021. A copy of the said auditors' report is enclosed herewith.

Further, the Statutory Auditors of the Company, M/s MSKA & Associates, Chartered Accountants, have issued the auditors' report with unmodified opinion on the audited financial results for the financial year ended 31st March, 2021. A declaration in this regard is given below.

3. approved convening 28th Annual General Meeting of the shareholders of the Company at 11.00 a.m. on Wednesday, 1st September, 2021 through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) in compliance with the applicable provisions of the Companies Act, 2013.
4. Seeking approval of the Shareholders at the ensuing 28th Annual General Meeting, inter alia, for following enabling resolutions:
 - i. increase in borrowing limits of the Company from Rs. 3000 crores to Rs. 4500 crores;
 - ii. increase in limits of sell, lease, charge and/or mortgage etc. property of the Company from Rs. 3500 crores to Rs. 5000 crores;
 - iii. raising funds through issue of Non-Convertible Debentures on a private placement basis upto a limit of Rs. 2500 Crore;
 - iv. raising funds to the tune of Rs. 500 Crores (INR Five Hundred Crores) by way of Qualified Institutions Placement ("QIP") or through any other method, and in compliance of applicable laws.
5. fixed the date of the Closure of Register of Members and Share Transfer books from Thursday, 26th August, 2021 to Wednesday, 1st September, 2021 (both days inclusive) for the purpose of the above referred 28th Annual General Meeting and fixed Wednesday, 25th August, 2021 as the cut-off date

UGRO CAPITAL LIMITED

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

CIN: L67120MH1993PLC070739

Telephone: +91 22 48918686 | **E-mail:** yougrow@ugrocapital.com | **Website:** www.ugrocapital.com

for ascertaining the names of the Shareholders holding shares who will be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM.

6. considered and approved alteration of certain articles of the Articles of the of Association of the Company subject to approval of the shareholders at the ensuing Annual General Meeting as under:
 - i. Appointment of Statutory Auditors and Internal Auditors to bring the provisions in line with RBI guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) and to offer more flexibility to select the Audit firms.
 - ii. Agenda items which can be transacted through video conferencing or any other audio visual mode in line with notification dated June 15, 2021 issued by the Ministry of Corporate Affairs.
 - iii. Article related to roles and responsibilities of the management.
7. increase in limit for issuance of commercial papers upto Rs. 400 crores.

Unmodified Opinion:

In compliance with the provisions of Regulation 33 (3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company hereby declares that the Statutory Auditors, M/s MSKA & Associates, Chartered Accountants, have issued the Audit Reports with unmodified opinion on the financial results of the Company for the financial year ended 31st March, 2021.

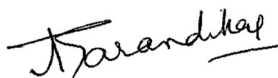
The meeting of the Board of Directors commenced at 5:30 p.m. and concluded at 9:20 p.m.

This intimation is also being uploaded on the Company's website at [https:// www.ugrocapital.com](https://www.ugrocapital.com)

Kindly take the above on record.

Yours faithfully,

For UGRO Capital Limited

A handwritten signature in black ink, appearing to read 'Aniket Karandikar'.

Aniket Karandikar
Company Secretary
Membership no: A24107

Encl: a/a

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Statement of Audited Financial Results For The Quarter and Year Ended 31 March, 2021

Rs. In Lacs

Sr No	Particulars	Quarter ended			Year Ended	
		31 Mar, 2021	31 Dec, 2020	31 Mar, 2020	31 Mar, 2021	31 Mar, 2020
		Audited	Reviewed	Audited	Audited	Audited
1	Revenue from operations					
	(a) Interest Income	4,382.27	3,885.69	2,889.51	14,738.08	7,889.19
	(b) Dividend Income	-	-	-	-	17.40
	(c) Net Gain / (Loss) on derecognition of financial instruments	46.95	(9.11)	-	74.77	-
	(d) Profit on Sale of Investment	1.11	-	290.70	153.65	1,569.71
	(e) Fair Value Adjustment for Investment	13.42	-	(47.56)	(118.97)	123.95
	(f) Other Operating Income	70.89	29.62	27.03	133.54	69.12
2	Other Income	350.87	1.90	555.00	352.77	845.00
3	Total Revenue (1 + 2)	4,865.51	3,908.10	3,714.68	15,333.84	10,514.37
	Expenses					
	(a) Employee benefits expense	1,291.18	1,056.31	1,190.88	4,532.67	4,714.80
	(b) Finance cost	1,630.29	1,178.16	642.47	4,456.24	1,367.30
4	(c) Depreciation and amortization expenses	313.62	301.17	212.37	1,173.91	739.35
	(d) Impairment on financial instruments	867.47	586.25	602.56	1,961.71	1,023.41
	(e) Other expenses	524.66	498.77	480.68	1,996.40	2,337.72
	Total expense	4,627.22	3,620.66	3,128.96	14,120.93	10,182.58
5	Profit/(Loss) before tax (3-4)	238.29	287.44	585.72	1,212.91	331.79
	Tax expense					
6	(a) Current Tax	116.64	154.28	259.78	482.99	296.31
	(b) Deferred Tax	(33.53)	(493.89)	(1,709.19)	(2,142.83)	(1,916.38)
7	Profit/(Loss) for the period (5-6)	155.18	627.05	2,035.13	2,872.75	1,951.86
8	Other Comprehensive income (net of tax)	8.68	(7.09)	3.46	13.60	0.02
9	Total comprehensive income (7+8)	163.86	619.96	2,038.59	2,886.35	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
11	Earning per Share (Face Value of Rs 10 each)					
	Basic (in rupees)	0.22	0.89	2.89	4.07	2.95
	Diluted (in rupees)	0.22	0.89	2.87	4.07	2.87
		Not annualised	Not annualised	Not annualised	Annualised	Annualised

Notes to Statement of Audited Financial Results for The Quarter and Year Ended March 31, 2021:

1. Statement of Assets and Liabilities as at 31 March, 2021

(Rs. In Lacs)

Sr No	Particulars	As at March 31, 2021	As at March 31, 2020
		Audited	Audited
	Assets		
	Financial assets		
(a)	Cash and cash equivalents	12,365.55	874.64
(b)	Bank balances other than cash and cash equivalents	19,238.99	14,091.31
(c)	Trade receivables	357.77	657.93
(d)	Loans	127,880.52	83,238.19
(e)	Investments	5,522.75	7,250.81
(f)	Other financial assets	323.11	8,328.15
	Non-financial assets		
(a)	Current tax assets (net)	-	143.72
(b)	Deferred tax assets (net)	4,293.55	2,156.31
(c)	Property, plant and equipment	468.60	586.82
(d)	Right of use asset	1,094.31	1,344.01
(e)	Intangible assets under development	388.41	93.96
(f)	Other intangible assets	2,062.02	1,839.34
(g)	Other non-financial assets	1,093.91	641.06
	TOTAL ASSETS	175,089.49	121,246.25
	II. LIABILITIES AND EQUITY		
	LIABILITIES		
	Financial liabilities		
(a)	Payables		
	(A) Trade payables	735.94	1,049.14
	(B) Other payables	287.36	371.36
(b)	Debt securities	29,940.69	5,009.41
(c)	Borrowings	46,628.79	20,444.46
(d)	Other financial liabilities	1,729.13	1,870.87
	Non-financial liabilities		
(a)	Current tax liabilities (net)	144.13	-
(b)	Provisions	241.99	199.72
(c)	Other non-financial liabilities	137.64	148.93
	Equity		
(a)	Equity share capital	7,052.86	7,052.86
(b)	Other equity	88,190.96	85,099.50
	TOTAL LIABILITIES AND EQUITY	175,089.49	121,246.25

2 Statement of Cash Flow as at 31 March, 2021

(Currency : ₹ in lacs)

Particular	For the year ended March 31, 2021	For Year Ended March 31, 2020
Cash flow from operating activities :		
Net profit before tax	1,212.91	331.79
Adjustments for:		
Employee stock option expense	205.11	348.74
Dividend income	-	(17.40)
Depreciation expense	1,173.91	739.35
Impairment on financial instruments	1,961.71	1,023.41
Net gain on sale of financial instruments / fair valuation of financial instruments	(34.68)	(1,693.66)
Provision for gratuity	37.62	31.27
Provision for compensated absences	23.84	99.60
Operating profit before working capital changes	4,580.42	863.10
Movements in working capital:		
<i>(Increase) / Decrease in Assets</i>		
(Increase) / Decrease in Loans	(46,604.03)	(76,372.13)
(Increase) / Decrease in Receivable	300.15	(425.93)
(Increase) / Decrease in Other Non - Financial Assets	(452.85)	(160.55)
(Increase) / Decrease in Other Financial Assets	8,005.03	(4,162.82)
<i>Increase / (Decrease) in Liability</i>		
Increase / (Decrease) in Trade payable	(397.20)	386.13
Increase / (Decrease) in other non-financial liabilities	(11.29)	(7.41)
Increase / (Decrease) in other financial liabilities	62.85	289.95
Cash used in operations	(34,516.92)	(79,589.66)
Income taxes paid	(195.14)	(290.96)
Net cash used in operating activities (A)	(34,712.06)	(79,880.62)
Cash flow from investing activities :		
Payments for property, plant and equipment	(34.74)	(335.18)
Dividend income	-	17.40
Proceeds / (Investment) in bank deposits of maturity greater than 3 months	(5,147.68)	13,333.01
Sale of investments	7,285.50	197,373.62
Purchase of investments	(5,522.75)	(192,251.91)
Proceeds / (Investment) in bank deposits of maturity greater than 12 months (net)	-	395.81
Payments for intangible assets	(1,172.06)	(659.96)
Net cash (used in) / generated from investing activities (B)	(4,591.73)	17,872.79
Cash flow from financing activities :		
Proceeds received against partly paid share warrants	-	6,612.00
Principal payment of lease liabilities	(320.89)	(246.98)
Proceeds from borrowings through secured NCDs and Commercial papers	24,931.26	5,009.41
Proceeds from borrowings from banks and financial institutions (net of repayment)	26,184.33	19,470.87
Share conversion expenses	-	(32.31)
Share issue expenses	-	(17.50)
Net cash generated from financing activities (C)	50,794.70	30,795.49
Net Increase / (decrease) in cash and cash equivalents (A) +(B) + (C)	11,490.91	(31,212.34)
Cash and cash equivalents at the beginning of the year	874.64	32,086.98
Cash and cash equivalents at the end of the year	12,365.55	874.64
Components of cash and cash equivalents (Refer Note 3)		
Cash on hand	-	-
Balance with banks :		
in current accounts	6,764.51	874.64
in Fixed deposit (maturing within a period of three months)	5,601.04	-
TOTAL	12,365.55	874.64

3. UGRO Capital Limited ('the Company') is a Non-Deposit taking Systemically Important Non-Banking Financial Company ('NBFC') registered with the Reserve Bank of India ('the RBI').
4. The Audited Financial Results for the quarter and year ended March 31, 2021 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on June 29, 2021. The above results have been subjected to audit by the statutory auditors of the Company. The report thereon is unmodified. The information presented above is extracted from the audited financial statements.
5. The Company has consistently applied its significant accounting policies in the preparation of its quarterly financial results and its annual financial statements during the years ended March 31, 2021 and March 31, 2020.
6. These financial results have been prepared in accordance with the Indian Accounting Standard ("IND AS as prescribed under section 133 of the Companies Act 2013 (the "Act") 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.
7. There is no separate reportable segment, as per the IndAS 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.
8. The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. This pandemic and response thereon have impacted most of the industries. Consequent to the nationwide lock down on March 24, 2020, the Company's operations were scaled down in compliance with applicable regulatory orders. Subsequently, during the year, the Company's operations have been scaled up in a phased manner taking into account directives from various Government authorities.

The impact of COVID-19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The slowdown during the year led to a decrease in loan originations, the sale of third party products and the efficiency in collection efforts. This may lead to a rise in the number of customer defaults and consequently an increase in provisions there against. The extent to which the COVID-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Company's results will depend on ongoing as well as future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by us. The Company continues to monitor the situation and take appropriate action, as considered necessary in due compliance with the applicable regulations.

As a matter of prudence, the Company has made a provision of Rs. 295.59 lacs towards recoverability of its loans and advances.

9. 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 March 31, 2021 and accordingly, no amount is required to be transferred to impairment reserve.
10. Disclosures on COVID19 Regulatory Package - Asset Classification and Provisioning, in terms of RBI circular RBI/2019-20/220/DOR.No.BP.BC.63/21.04.048/2020-21 dated April 17, 2020 ("RBI Circular") :

In accordance with the COVID-19 Regulatory Packages announced by the RBI on March 27, 2020, April 17, 2020 and May 23, 2020, the Company, in line with its board approved policy, offered a moratorium on the repayment of all instalments and / or interest, as applicable, due between March 1, 2020 and August 31, 2020 to all eligible borrowers classified as standard, even if overdue, as on February 29, 2020. In respect of such accounts that were granted moratorium, the asset classification remained standstill during the moratorium period.

(Rs. In Lacs.)

Period	Respective amounts in SMA/overdue categories, where the moratorium/ deferment was extended, in terms of paragraph 2 and 3 of RBI Circular	Respective amount where asset classification benefits is extended	Provisions made in terms of paragraph 5 of RBI Circular	Provisions adjusted during the respective accounting periods against slippages and the residual provisions in terms of paragraph 6 of RBI Circular
As on 31st March 2020	1,211.37	1,211.37	60.57	NA
As on 31st March 2021	1,797.29	Nil*	Nil**	NA

* There are NIL accounts where asset classification benefit is extended till March 31, 2021. Post the moratorium period, the movement of aging has been at actuals.

**The Company had made adequate provision for impairment loss under ECL model for the year ended March 31, 2021. Further, the Company has created an additional Covid provision in Q4 FY2020 and Q1 FY2021 amounting to Rs 448.86 lacs. The residual provisions had been written back/ adjusted by the Company in March 2021 as per the circular.

11. 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)
156	7356.11

12. The Honorable Supreme Court of India (Hon'ble SC), in a public interest litigation (Gajendra Sharma Vs. Union of India & Anr.), vide an interim order dated September 03, 2020 ("Interim Order"), had directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders which was subsequently vacated vide final order dated March 23, 2021. Accordingly, the Company has classified and recognised provision as at March 31 2021 in accordance with the Company's Expected Credit Loss policy.

Pursuant to the order passed by the Honourable Supreme Court read along with the instructions received from RBI circular dated April 07 2021, and the Indian Banks' Association ('IBA') advisory letter dated April 19, 2021 the Company has put in place a Board approved policy and the methodology for calculation of the amount to be refunded/ adjusted by way of the interest on interest / penal interest' charged to borrowers during the moratorium period i.e., March 01, 2020 to August 31, 2020. The Company has estimated the said amount, considering the relevant portfolio, and has accordingly recognised a charge of Rs. 54.71 lacs in its Statement of Profit and Loss for the year ended March 31, 2021.

The Government of India, Ministry of Finance, vide its notification dated October 23, 2020, had announced a scheme for COVID-19 Relief for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts. The Company had implemented the ex-gratia scheme and credited the accounts of or remitted amounts to the eligible borrowers as per the Scheme.

13. The Parliament has approved the Code on Social Security, 2020 ('Code') which may impact the contribution by the Company towards Provident Fund and Gratuity. The effective date from which the Code and its provisions would be applicable is yet to be notified and the rules which would provide the details based on which financial impact can be determined are yet to be framed after which the financial impact can be ascertained. The Company will complete its evaluation and will give appropriate impact, if any, in the financial result following the Code becoming effective and the related rules being framed and notified.
14. During the quarter ended March 31, 2021, the Company has granted 2,90,308 options under the prevalent employee stock option scheme of the Company. The Company has booked an expense amounting to Rs 205.11 Lacs based on a fair value model on all ESOP's outstanding as at March 31, 2021.
15. 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.
16. The figures for the quarter ended in each of the financial years are the balancing figures between audited figures in respect of full financial year and the published year to date figures up to the end of nine months of the respective financial years.

17. Previous year figures have been reclassified / regrouped wherever necessary to confirm to / with the current year classification / disclosure.

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



A handwritten signature in black ink, appearing to read "Shachindra Nath", with a horizontal line underneath.

Shachindra Nath
Executive Chairman & MD
DIN: 00510618
Gurugram

Annexure A:

Disclosure under Regulation 52 and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Year ended March 31, 2021.

1. Credit Rating

Rating agency	Type	Rating
Acuite Rating & Research Limited	Commercial paper (short term)	ACUITE A1
	Bank loans (long term)	ACUITE A / stable
	Non- convertible debentures (long term) - Series 1	ACUITE A / stable
	Non- convertible debentures (long term) - Series 2	ACUITE A / stable
	Non- convertible debentures (long term) - Series 3	ACUITE A / stable
	PTC (long term) for SME190930 – Series 1	Acuite A - (SO)
	PTC (long term) for SME200130 – Series 2	Acuite AA - (SO)

2. Debt Equity Ratio

Debt Equity Ratio of the Company as on March 31, 2021 is 0.80 as per Audited Financial Results of the Company.

** Debt equity ratio is (Debt Securities + Borrowings (other than debt securities) / Net worth)

3. Previous due date for the payment of Interest/ Repayment of Principal of Non-convertible debentures –

Sr No.	ISIN	Interest	Principal
1	INE583D07018	03-Apr-20	NIL
		13-Apr-20	13-Apr-20
2	INE583D07067	21-Jan-21	NIL
3	INE583D07091	31-Mar-21	NIL

4. Next due date for the payment of Interest/ Repayment of Principal of Non-convertible debentures –

Sr No.	ISIN	Interest	Principal
1	INE583D07059	11-Sep-21	NIL
		11-Mar-22	11-Mar-22

2	INE583D07026	08-Jun-21	NIL
		08-Jun-22	NIL
		08-Jun-23	08-Jun-23
3	INE583D07042	26-Jun-21	NIL
		26-Dec-21	26-Dec-21
4	INE583D07083	31-Dec-21	NIL
		30-Jun-22	30-Jun-22
5	INE583D07067	21-Apr-21	NIL
		23-Jul-21	23-Jul-21
		21-Oct-21	21-Oct-21
		21-Jan-22	21-Jan-22
		21-Apr-22	21-Apr-22
6	INE583D07091	30-Jun-21	NIL
		30-Sep-21	NIL
		31-Dec-21	NIL
		31-Mar-22	NIL
		30-Jun-22	30-Jun-22
7	INE583D07109	30-Jun-21	NIL
		30-Sep-21	NIL
		31-Dec-21	NIL
		31-Mar-22	NIL
		30-Jun-22	NIL
		30-Sep-22	NIL
		31-Dec-22	31-Dec-22
		31-Mar-23	NIL
		30-Jun-23	NIL
		30-Sep-23	NIL
		31-Dec-23	31-Dec-23
		31-Mar-24	NIL
		30-Jun-24	NIL
		30-Sep-24	NIL
		31-Dec-24	31-Dec-24

5. The Company does not have any non-convertible redeemable preference shares as at March 31, 2021.

Details of Outstanding Non- convertible debentures as at 31st March 2021:

Sr. No	ISIN	No. of NCDs	Amount of Issue (In Lacs)
1	INE583D07026	500	5000

2	INE583D07042	500	5000
3	INE583D07059	350	3500
4	INE583D07067	200	2000
5	INE583D07083	100	1000
6	INE583D07091	500	5000
7	INE583D07109	250	2500

Details of Outstanding Commercial Paper as at 31st March 21:

Sr. No	ISIN	No. of CPs	Amount of Issue (In Lacs)
1	INE583D14014	200	1000
2	INE583D14022	420	2100
3	INE583D14030	500	2500

6. Asset Cover available:

Sr. No	ISIN	Assets Cover (In Lacs)
1	INE583D07026	6001.02
2	INE583D07042	5254.13
3	INE583D07059	4230.14
4	INE583D07067	2516.73
5	INE583D07083	1204.52
6	INE583D07091	6263.26
7	INE583D07109	2754.08

7. Debenture Redemption Reserve (DRR):

Debenture redemption reserve is not required in respect of privately placed debentures in terms of Rule 18(7)(b)(iii) of Companies (Share Capital and Debenture) Rules, 2014 read with the relevant explanation therein.

8. Debt service coverage ratio & Interest service coverage ratio is not applicable for Non-Banking Finance company ("NBFC") registered with Reserve Bank of India and accordingly no disclosure has been made.

9. The Net worth of the Company as per the Audited Financial Results for the year ended March 31, 2021 is Rs 92,087.34 Lacs

*** Net worth is (Equity share capital + Other equity – Statutory Reserve – Capital Reserve).

10. The Net Profit after tax (including Other Comprehensive Income) as per the Audited Financial Results for the year ended March 31, 2021 is Rs 2,886.35 Lacs

11. Earnings Per Share (EPS) as at March 31, 2021 (Annualized):

- (i) Basic EPS – Rs.4.07
- (i) Diluted EPS – Rs.4.07

Independent Auditor's Report on audited Financial Results of for the quarter and year ended March 31, 2021 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

To the Members of UGRO Capital Limited

Report on the Audit of Financial Results

Opinion

We have audited the accompanying annual financial results of UGRO Capital Limited (hereinafter referred to as 'the Company') for the quarter and year ended March 31, 2021 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement 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').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

- (i) is presented in accordance with the requirements of the Regulations of the Listing Regulations in this regard; and
- (ii) gives a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 53 to the financial statements, which describes the extent to which the Covid-19 pandemic will continue to impact the Company's financial statements will depend on uncertain future developments.

Our opinion is not modified in respect of this matter.

Board of Directors' Responsibilities for the Statement

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, have been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net profit and other comprehensive income in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended issued thereunder and other accounting principles generally accepted in India and in compliance with the Regulations. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Company, as aforesaid.

In preparing the Statement, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

- i) The comparative financial information of the Company provided in the Statement for the corresponding quarter and year ended March 31, 2020 have been audited by the predecessor auditor who expressed an unmodified opinion on those financial information dated June 13, 2020.

- ii) The Financial Results include the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subjected to limited review by us.

Our opinion is not modified in respect of the above matters.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration Number :105047W



Swapnil Kale
Partner
Membership Number: 117812
UDIN: 21117812AAAAHL7098

Mumbai
June 29, 2021