

23rd
ANNUAL REPORT
2008 - 2009

USHAKIRAN FINANCE LIMITED

BOARD OF DIRECTORS

Mr. T. Adinarayana	--	Chairman
Mr. Y.B.K. Murthy	--	Director
Mr. S. Rushyendrudu	--	Director
Mr. P. Radha Krishna Murthy	--	Director

AUDITORS

M/s Janardhanrao Deshmukh & Co.,
Chartered Accountants,
Flat No.304, Lumbini Apartments,
Dharam Karan Road, Ameerpet,
Hyderabad - 500 016.

BANKERS

The Lakshmi Vilas Bank Limited
ING Vysya Bank Limited
Andhra Bank

REGISTERED OFFICE

405, Raghava Ratna Towers,
Chirag Ali Lane,
Hyderabad - 500 001.

REGISTRARS & SHARE TRANSFER AGENTS

Venture Capital and Corporate Investments Private Limited
12-10-167, Bharat Nagar,
Hyderabad - 500 018.

NOTICE

NOTICE is hereby given that the Twenty Third Annual General Meeting of the Members of **USHAKIRAN FINANCE LIMITED** will be held on Tuesday, the 29th September, 2009 at 10.00 A.M., at H.No:8-3-976/23A, Shalivahana Nagar Colony, Shalivahana Nagar Community Hall, Yellareddyguda, (Adjacent to Srinagar Colony), Hyderabad-500 073 to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and Profit and Loss account for the year ended as on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Sri S. Rushyendrudu, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

4. Appointment of Sri P. Radha Krishna Murthy as a Director.

To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED that Sri. P. Radha Krishna Murthy be and is hereby appointed as a Director of the Company”.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
USHAKIRAN FINANCE LIMITED

Place: Hyderabad
Date : 29.07.2009

T. ADINARAYANA)
Chairman

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a Proxy to attend and to vote instead of himself/herself and the proxy need not be a member of the company. The proxy in order to be effective must be lodged at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from **21st September, 2009 to 29th September, 2009** (both days inclusive).

3. Shareholders desiring any information regarding the Accounts are requested to write to the company atleast 7 days before the date of the Meeting so as to enable the Management to keep the information ready.
4. The members attending the meeting are requested to bring the enclosed attendance slip and deliver the same at the entrance of the meeting hall. Admission at the Annual General Meeting venue will be allowed only on producing the attendance slip duly signed.
5. Duplicate attendance slip shall not be issued at the Annual General Meeting venue, however the same shall be issued at the Registered Office of the company up to two days preceding the day of the Annual General Meeting.
6. Members are requested to bring their respective copies of the Annual Report for reference during the Annual General Meeting.
7. Members are requested to note that all correspondence relating to share transfers should be addressed to its Registrars and Share Transfer Agents, M/s. Venture Capital and Corporate Investments Private Limited, 12-10-167, Bharat Nagar, Hyderabad - 500 018.
8. The Company's Shares have been listed at The Stock Exchange, Mumbai and the listing fee has been paid up to 2009-2010.
9. An explanatory statement pursuant to Sec. 173(2) of the Companies Act, 1956 is annexed herewith in respect of Special business.

Explanatory statement pursuant to section 173(2) of the Companies Act, 1956:

Item No.4

Sri. P. Radha Krishna Murthy is appointed as an Additional Director with effect from 29.07.2009. As per the provisions of Sec.260 of the Companies Act 1956, Sri. P. Radha Krishna Murthy will hold office only up to the date of the ensuing Annual General Meeting. Sri P. Radha Krishna Murthy is aged about 59 years and did his Masters in Commerce and has worked in various capacities at A.P. State Financial Corporation for about 35 years and retired as Deputy General Manager. He has got varied experience in various departments of the above financial institution.

A Notice under Section 257 of the Companies Act, 1956 has been received proposing the appointment of Sri. P. Radha Krishna Murthy as a Director. Hence, this resolution is proposed.

Memorandum of Interest:

None of the Directors is interested in the resolution except Sri. P. Radha Krishna Murthy.

DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the Twenty Third Annual Report of the Company with the audited Statement of Accounts for the year ended 31st March, 2009.

FINANCIAL RESULTS:

The following are the Financial Results of the Company for the year ended 31st March, 2009:

(Rs.in Lakhs)

	Year ended 31st March, 2009	Year ended 31st March, 2008
Sales/Income from Operations	12.65	35.29
Profit/(Loss) before Depreciation & Taxation	4.23	20.93
Depreciation	0.35	0.31
Profit/(Loss) before Taxation	3.88	20.62
Provision for substandard assets and diminution in value of investments	2.81	13.86
Provision for Taxation:		
a) Current Tax	0.47	5.82
b) Deferred Tax	--	--
c) Fringe Benefits Tax	0.05	0.02
Transfer to Statutory Reserve	0.11	0.19
Net Profit/(Loss) after Taxation	0.44	0.73
Balance of Loss brought forward from Previous year	114.56	115.29
Balance carried to Balance Sheet	114.12	114.56

OPERATIONS:

During the year under review, the financial services sector especially small sized NBFC's were passing through an extremely difficult period. Your Company also had to bear the brunt of its impact. Further adverse capital market situation due to global recession and turmoil has also adversely effected the operations of the company.

DIRECTORS:

Sri. S. Rushyendrudu, Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

AUDITORS:

M/s. Janardhanrao Deshmukh & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible offers themselves for reappointment.

PUBLIC DEPOSITS:

Your Company has not accepted any public deposits from the public during the year.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' responsibility statement, it is hereby confirmed:

- i) that in the preparation of the accounts for the financial year ended 31st March, 2009 the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for the year under review:
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors have prepared the accounts for the financial year ended 31st March, 2009 on a 'going concern' basis.

PERSONNEL:

None of the employees were paid remuneration in excess of the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, hence no details are being provided.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO, INFORMATION UNDER SECTION 217(1) (e) OF THE COMPANIES ACT, 1956:

Since yours is a Finance Company, provisions regarding conservation of energy and technology absorption are not applicable.

There were no Foreign Exchange earnings and outgo during the year.

DEMATERIALISATION OF COMPANY'S EQUITY SHARES:

The Company's Equity Shares have been activated for dematerialisation with Central Depository Services (India) Limited and with National Securities Depository Limited with effect from 29.1.2001. Shareholders now have the option of their Shares of the Company in Demat/Electronic Form.

ACKNOWLEDGEMENTS:

Your Directors record their sincere appreciation for the continued support from the Shareholders, Bankers of the Company and Government authorities. Your Directors are also pleased to record their appreciation for the valuable services of all the employees.

For and on behalf of the Board of Directors

Place : Hyderabad
Date : 30.06.2009

(T. ADINARAYANA)
Chairman

FORM
(See Rule 3)

COMPLIANCE CERTIFICATE

Reg. No. of the Company: **01- 6294**
Authorised Capital :**Rs.4,00,00,000/-**
Paid-up Capital :**Rs.2,74,70,750/-**

To
The Members
USHAKIRAN FINANCE LIMITED
405, Raghava Ratna Towers,
Chirag Ali Lane, Hyderabad - 500 001.

We have examined the registers, records, books and papers of **USHAKIRAN FINANCE LIMITED** as required to be maintained under the Companies Act, 1956, and the Rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended 31st March, 2009. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, and its officers, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure **A** to this certificate, for the financial year 2008-09, as per the provisions and the rules made thereunder and all entries therein have been recorded for the said period.
2. The Company has filed the forms and returns as stated in Annexure **B** to this certificate, with the Registrar of Companies, A.P.
3. The Company being a Public Limited Company has the minimum prescribed paid up capital.
4. The Board of Directors met Six times on 28.06.2008, 28.07.2008, 27.09.2008, 29.10.2008, 29.01.2009 and 19.03.2009 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

Contd...2

5. The company closed its Register of Members from 22nd September 2008 to 27th September, 2008 during the year under review.
6. The Annual General Meeting of the Company for the financial year ended on 31st March, 2008 was held on 27.09.2008 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra-ordinary General Meeting was held during the financial year under scrutiny.
8. The Company has not advanced any loans to its Directors and/or the persons or firms or companies referred to under Section 295 of the Act during year under review.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act during the financial year under scrutiny.
10. The Company has made necessary entries in the registers maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, during the financial year under scrutiny, the company has not obtained any approval from the Board of Directors, members and previous approval of the Central Government.
12. The Company has not issued any duplicate share certificates during the financial year 2008-09.
13.
 - i) The Company has delivered all the certificates on transfer of Securities in accordance with the provisions of the Act, during the financial year.
 - ii) The Company has not deposited any amount in a separate Bank account as no dividend was declared during the financial year.
 - iii) The Company has not posted warrants to any member of the Company as no dividend was declared during the financial year.
 - iv) There were no amounts lying with the Company in unpaid dividend account or any application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years or more.

- v) The Company has complied with requirements of Section 217 of the Act.
14. The Board of Directors is constituted. There were no instances of appointment of directors, additional directors, alternate directors and directors to fill casual vacancies during the financial year 2008-09.
 15. The Company has not appointed any Whole-time Director / Managing Director / Manager during the financial year 2008-09.
 16. The Company has not appointed any sole-selling agents during the financial year 2008-09
 17. There were no instances wherein the Company has obtained any approval from the Central Government, Company Law Board, Regional Director, Registrar or such other authorities, under the provisions of the Act during the financial year under scrutiny.
 18. The Directors disclosed their interest in other firms/Companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder during the year under review.
 19. The Company has not issued / allotted any shares during the financial year under review.
 20. The Company has not bought back any shares during the financial year under review.
 21. There was no redemption of preference shares / Debentures during the year under review.
 22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
 23. As per the information and explanation given by the Company and as per the Balance sheet as on 31.03.2009, the Company has not invited any deposits falling within the purview of Section 58A during the year under review.
 24. The Company has not borrowed any amount from its Directors, members, public, financial institutions, banks and others the financial year, falling within the purview of section 293(1)(d) of the Act except overdraft facility from bank, which is within its borrowing limits.

Contd...4

25. The Company has made investments in other bodies corporate. However since the principal business of the Company is acquisition of shares , stock, debentures or other securities, the provisions of section 372A of the Act are not applicable.
26. The Company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under review.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the company during the year under review.
28. The Company has not altered the provisions of the memorandum with respect to name of the Company during year under review.
29. The Company has not altered the provisions of the memorandum with respect to share capital during the year under scrutiny.
30. The Company has not altered the provisions of its Articles of Association during the year under review.
31. As per the information given by the Directors, there were no prosecutions initiated against or show cause notices received by the company during the financial year for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. The provisions of Section 418 of the Companies Act, 1956 are not applicable to the Company.

For P.S. Rao & Associates
Company Secretaries

P.S. Rao
Company Secretary
C.P. No.:3829

Place: Hyderabad
Date : 30.06.2009

ANNEXURE A

STATUTORY REGISTERS AS MAINTAINED BY THE COMPANY DURING THE YEAR.

1. Register of Directors' U/s 303
2. Register of Directors' Shareholdings U/s 307
3. Register of Members U/s 150
4. Minutes of Board Meetings U/s 193
5. Minutes of Annual and Extra-Ordinary General Meetings U/s 193
6. Register of contracts, firms and Companies in which Directors are interested U/s 301(3)
7. Register of Charges U/s 143 –
8. Register of Contracts U/s 301(1)
9. Register of Investments U/s 372A

ANNEXURE B

FORMS AND RETURNS FILED DURING THE YEAR.

1. Balance Sheet as at 31st March, 2008 U/s 220 of the Act filed on 24.10.2008

Normal Fee

2. Annual Return as on 27.09.2008 filed U/s 159 of the Act on 10.11.2008

Normal Fee

3. DIN - 3 U/s 266 E of the Act for Intimation of Director Identification Number filed on 03.12.2008

Normal Fee.

For P.S. Rao & Associates
Company Secretaries

P.S. Rao
Company Secretary
C.P. No.:3829

Place: Hyderabad
Date : 30.06.2009

AUDITORS' REPORT

To
The Members of
USHAKIRAN FINANCE LIMITED,

1. We have audited the attached Balance Sheet of M/s. USHAKIRAN FINANCE LIMITED, as at 31st March, 2009, the Profit and Loss Account and the cash flow statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditors' Report) (amendment) Order 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the annexure referred to paragraph above, we report that:
 - (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our Audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss account and Cash flow statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash flow statement dealt by this report comply with the accounting standards referred to in sub – section (3C) of section 211 of the Companies Act, 1956;

- (v) On the basis of the written representations received from the directors, as on 31.03.2009, and taken on record by the Board of Directors, We report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
 - b) In the case of the profit and Loss Account, of the Profit for the year ended on that date; and
 - c) In the case of cash flow statement, of the Cash flows for the year ended on that date.

**for JANARDHANRAO DESHMUKH & CO.,
Chartered Accountants**

Place : Hyderabad
Date : 30.06.2009

**(L. JANARDHANRAO)
Proprietor
Membership No.18474**

ANNEXURE TO AUDITORS' REPORT

USHAKIRAN FINANCE LIMITED

(Referred to in Paragraph 3 of our report of even date)

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, all the fixed assets other than the assets on lease, have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size and the nature of its assets. No material discrepancies were noticed on such verifications.
- (c) During the year, the company has not disposed off a substantial part of the fixed assets. According to the information and explanations given to us, the going concern status of the company is not affected.
- ii. (a) As explained to us, inventories, (Shares and Securities) have been physically verified by the Management at reasonable intervals. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii. (a) According to the information and explanations given to us, the Company has not granted/taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the clauses 4 (iii) b to g of the order are not applicable.
- iv. According to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and nature of its business for the purchase of inventory, fixed assets and sale of shares and services. We have not observed any continuing failure to correct major weaknesses in internal controls.
- v. (a) According to information and explanations given to us, we are of the opinion that the contracts or arrangements referred to in sec. 301 of the Companies Act, 1956, have been entered in the registers required to be maintained under that section, and

- (b) In our opinion and according to the information and explanations given to us, we are of the opinion that the transactions that need to be entered in to the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party, if any, during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi. The company has not accepted public deposits as defined under section 58A of the Companies Act, 1956 during the year under review. The Company has complied with the requirements of the Prudential norms of Reserve Bank of India.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- viii. In our opinion, the provisions of Section 209 (1) (d) of the Companies Act, 1956 are not applicable to the Company.
- ix.
 - (a) According to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it, and
 - (b) No undisputed amounts payable in respect of income tax, wealth tax, sales tax, service tax, customs duty, excise duty and cess were in arrears, as at 31.03.2009 for a period of more than six months from the date they became payable.
 - (c) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.
- x. The company has accumulated losses but these losses are not more than 50% of its net worth and it has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- xii. In our opinion and according to the information and explanations given to us, adequate documents and records have been maintained by the Company in respect of loans and advances granted on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xiv. The company has maintained proper records of transactions and contracts in respect of trading in shares, debentures, and other securities and timely entries have been made therein. The investments are held by the Company in its own name except for certain shares which are lodged for transfer or are pending for rectification of bad deliveries.

- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi. According to the information and explanations given to us, the company has not raised any term loan during the year under review and hence question of its applications does not arise.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet and cash flow statement of the company, we report that the no funds raised on short-term basis have been used for long-term assets.
- xviii. According to the information and explanations given to us, during the year, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix. The company has not issued any debentures during the year, which requires the creation of security or charge, and hence clause 4(xix) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- xx. During the year, the Company has not raised money by Public issue and hence the question of disclosure and verification of end use of such monies does not arise.
- xxi. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our Audit.

**for JANARDHANRAO DESHMUKH & CO.,
Chartered Accountants**

**(L. JANARDHANRAO)
Proprietor
Membership No.18474**

Place : Hyderabad
Date : 30.06.2009

USHAKIRAN FINANCE LIMITED

BALANCE SHEET AS AT 31.03.2009

	Schedule	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
SOURCES OF FUNDS:			
Share Holders Funds			
Share Capital	I	27,470,750.00	27,470,750.00
Reserves & Surplus	II	936,256.39	925,056.39
Secured Loans	III	842,985.29	-
		29,249,991.68	28,395,806.39
APPLICATION OF FUNDS:			
1. Fixed Assets	IV		
Gross Block		2,385,328.00	2,385,328.00
Less:Depreciation		741,625.00	706,421.00
Net Block		1,643,703.00	1,678,907.00
2. Investments	V	12,200,601.06	12,176,001.06
3. Current Assets,		Rs.	
Loans & advances	VI	12,547,665.40	11,355,132.72
Less:Current			
Liabilities & Provisions	VII	8,554,411.30	8,270,220.30
Net Current Assets		3,993,254.10	3,084,912.42
4. Miscellaneous Expenditure :			
(to the extent not written off			
or adjusted)			
Profit & Loss Account		11,412,433.52	11,455,985.91
		29,249,991.68	28,395,806.39
Notes to Accounts	X		

Schedules I to VII and Notes to Accounts in Schedule X form part of this Balance sheet.

Per our report of even date annexed.
for JANARDHANRAO DESHMUKH & CO.,
CHARTERED ACCOUNTANTS

(T. ADINARAYANA)
CHAIRMAN

(L. JANARDHAN RAO)
PROPRIETOR

(S. RUSHYENDRUDU)
DIRECTOR

PLACE : HYDERABAD

DATE : 30.06.2009

USHAKIRAN FINANCE LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2009

	Schedule	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
INCOME :			
Interest and other Income	VIII	1,685,784.67	3,173,564.19
Sale of Shares & Securities		-	270,633.18
Closing Stock of Shares & Securities		<u>1,223,617.00</u>	<u>1,643,617.00</u>
		<u>2,909,401.67</u>	<u>5,087,814.37</u>
EXPENDITURE:			
Opening Stock of Shares & Securities		1,643,617.00	1,559,301.00
Administrative & Other Expenses	IX	<u>842,507.28</u>	<u>1,435,541.44</u>
		<u>2,486,124.28</u>	<u>2,994,842.44</u>
Profit Before Depreciation & Taxation		423,277.39	2,092,971.93
Depreciation		35,204.00	31,430.00
Provision for Sub-Standard Assets and Diminution in Value of Investments		280,660.00	1,386,000.00
Profit/(Loss) before Taxation		107,413.39	675,541.93
Provision for Taxation:			
a) Current Tax		46,881.00	582,000.00
b) Deferred Tax		-	-
c) Fringe Benefits Tax		5,780.00	1,772.00
d) Prior period Tax		-	-
Transfer to Statutory Reserve		11,200.00	19,000.00
Profit/(Loss) after Taxation		43,552.39	72,769.93
Brought forward Losses		(11,455,985.91)	(11,528,755.84)
		<u>(11,412,433.52)</u>	<u>(11,455,985.91)</u>

Notes to Accounts

X

Schedule VIII and IX and Notes to Accounts in Schedule X form part of this Profit & Loss Account.

Per our report of even date annexed.

for JANARDHANRAO DESHMUKH & CO.,
CHARTERED ACCOUNTANTS

(T. ADINARAYANA)
CHAIRMAN

(L. JANARDHAN RAO)
PROPRIETOR

(S. RUSHYENDRUDU)
DIRECTOR

PLACE : HYDERABAD

DATE : 30.06.2009

USHAKIRAN FINANCE LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT

		As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
SCHEDULE - I			
SHARE CAPITAL :			
Authorised Capital :			
40,00,000 Equity Shares of Rs.10/- each		<u>40,000,000.00</u>	<u>40,000,000.00</u>
Issued, Subscribed and Paid Up Capital :			
33,54,700 Equity Shares of Rs.10/- each		33,547,000.00	33,547,000.00
Less :			
Calls in Arrears		6,076,250.00	6,076,250.00
		<u>27,470,750.00</u>	<u>27,470,750.00</u>
SCHEDULE - II			
RESERVES & SURPLUS			
General Reserve		752,106.39	752,106.39
Statutory Reserve:	Rs.		
Opening Balance :	1,72,950.00		
Additions during the year	<u>11,200.00</u>	<u>184,150.00</u>	<u>172,950.00</u>
		<u>936,256.39</u>	<u>925,056.39</u>
SCHEDULE - III			
Secured Loans :			
(Secured against the FDR's with the Scheduled Banks)			
From the Scheduled Banks		<u>842,985.29</u>	<u>-</u>
		<u>842,985.29</u>	<u>-</u>

SCHEDULE - IV**FIXED ASSETS**

S.No.	Particulars	Gross Block			Depreciation			Net Block	
		As on 31.03.2008	Additions	Upto 31.03.2009	As on 31.03.2008	For the Period	Upto 31.03.2009	As on 31.03.2008	As on 31.03.2009
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Land	1,536,075.00	-	1,536,075.00	-	-	-	1,536,075.00	1,536,075.00
2	Furniture	241,017.00	-	241,017.00	224,914.00	2,915.00	227,829.00	16,103.00	13,188.00
3	Equipment	412,745.00	-	412,745.00	355,934.00	7,903.00	363,837.00	56,811.00	48,908.00
4	Vehicles	96,456.00	-	96,456.00	71,074.00	6,571.00	77,645.00	25,382.00	18,811.00
5	Computers	99,035.00	-	99,035.00	54,499.00	17,815.00	72,314.00	44,536.00	26,721.00
TOTAL		2,385,328.00	-	2,385,328.00	706,421.00	35,204.00	741,625.00	1,678,907.00	1,643,703.00

SCHEDULE - V**INVESTMENTS (QUOTED)**

Investments (Long Term)		As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
Shares (Fully Paid Up) at cost			
1	Reliance Industries Limited 460 Equity Shares of Rs.10/- each	24,650.00	24,650.00
2	Hindustan Unilever Limited 1,660 Equity Shares of Rs.1/- each	13,012.50	13,012.50
3	Oswal Agro Furane Limited 100 Equity Shares of Rs.10/- each	6,300.00	6,300.00
4	Oswal Agro Mills Limited 100 Equity Shares of Rs.10/- each	5,000.00	5,000.00
5	A.P. Petro Chemicals Limited 500 Equity Shares of Rs.10/- each	5,000.00	5,000.00
6	UTI - Opportunities Fund - Dividend Plan 1,000 Units of Rs.10/- each	10,000.00	10,000.00
7	Karan Woosen Limited 300 Equity Shares of Rs.10/- each	3,000.00	3,000.00
8	Montana International Limited 1,000 Equity Shares of Rs.10/- each	10,000.00	10,000.00
9	Pennar Paterson Securities Limited 500 Equity Shares of Rs.10/- each	7,500.00	7,500.00
10	Fineplast Polymers Limited 10,000 Equity Shares of Rs.10/- each fully paid.	100,000.00	100,000.00
	1,50,000 Equity Shares of Rs.10/- each partly paid.	800,000.00	800,000.00
11	Sree Rayalseema Hi-Strength Hypo Limited 4,450 Equity Shares of Rs.10/- each	77,690.00	77,690.00
12	SRHHL Industries Limited 6,764 Equity Shares of Rs.10/- each	118,088.00	118,088.00
13	Sunku Auto Limited 5,00,000 Equity Shares of Rs.10/- each	5,000,000.00	5,000,000.00
14	Sri Lakshmi Engineering Inds. Limited 30,000 Equity Shares of Rs.10/- each	300,000.00	300,000.00
15	Nylofiles (India) Limited 44,000 Equity Shares of Rs.10/- each	462,175.00	462,175.00
16	NCC Blue Water Products Limited 2,400 Equity Shares of Rs.10/- each	24,000.00	24,000.00
17	Leena Textiles Limited 7,000 Equity Shares of Rs.10/- each	70,000.00	70,000.00
18	Jagson Airlines Limited 2,500 Equity Shares of Rs.10/- each	25,000.00	25,000.00
19	Mayura Alloy Industries Limited 33,800 Equity Shares of Rs.10/- each	326,529.00	326,529.00

20	Phytochem India Limited 18,100 Equity Shares of Rs.10/- each	181,000.00	181,000.00
21	Novatex Fabrics Limited 1,433 Equity Shares of Rs.10/- each	14,333.00	14,333.00
22	Hemadri Cements Limited 3,200 Equity Shares of Rs.10/- each	32,000.00	32,000.00
23	Pennar Paterson Securities Limited 300 Equity Shares of Rs.10/- each	4,500.00	4,500.00
24	Ram Informatics Limited 1,500 Equity Shares of Rs.10/- each	6,900.00	6,900.00
25	ICICI Bank Limited 300 Equity Shares of Rs.10/- each	10,500.00	10,500.00
26	Corporation Bank 200 Equity Shares of Rs.10/- each	16,000.00	16,000.00
27	Sigachi Laboratories Limited 20,010 Equity Shares of Rs.10/- each	200,100.00	200,100.00
28	Cybermate Infotek Limited 300 Equity Shares of Rs.10/- each	3,000.00	3,000.00
29	Frontier Information Technologies Limited 2,200 Equity Shares of Rs.10/- each	33,000.00	33,000.00
30	SQL Star International Limited 100 Equity Shares of Rs.10/- each	5,500.00	5,500.00
31	HDFC Bank Limited 643 Equity Shares of Rs.10/- each	37,000.00	37,000.00
32	Polaris Software Lab Limited 150 Equity Shares of Rs.5/- each	10,500.00	10,500.00
33	Penta Media Graphics Limited 440 Equity Shares of Rs.1/- each	303,682.00	303,682.00
34	Goldstone Technologies Limited 1,200 Equity Shares of Rs.5/- each	104,848.00	104,848.00
35	Goldstone Infratech Limited 1,200 Equity Shares of Rs.4/- each	104,847.00	104,847.00
36	Bharat Petroleum Corporation Limited 25 Equity Shares of Rs.10/- each	5,138.75	5,138.75
37	Hindustan Petroleum Corporation Limited 25 Equity Shares of Rs.10/- each	5,133.75	5,133.75
38	Sigachi Chloro-Chemicals Private Limited 15,000 Equity Shares of Rs.10/- each (Un Quoted)	150,000.00	150,000.00
39	Oil & Natural Gas Corporation Limited 112 Equity Shares of Rs.10/- each	46,320.00	46,320.00
40	IDBI Bank Limited 252 Equity Shares of Rs.10/- each	7,898.00	7,898.00
41	Indraprasta Gas Limited 400 Equity Shares of Rs.10/- each	19,200.00	19,200.00

42	Steel Authority of India Limited 1,000 Equity Shares of Rs.10/- each	51,875.00	51,875.00
43	Reliance Industries Limited (IPCL Limited) 44 Equity Shares of Rs.10/- each	43,465.98	43,465.98
44	Manglore Refineries & Petroleum Limited 500 Equity Shares of Rs.10/- each	33,150.00	33,150.00
45	Gas Authority of India Limited 1,350 (900) Equity Shares of Rs.10/- each	227,295.00	227,295.00
46	UTI - Midcap Fund - Dividend Plan 19,314.341 Units of Rs.10/- each	400,000.00	400,000.00
47	T.V.Today Networks Limited 700 Equity Shares of Rs.5/- each	66,500.00	66,500.00
48	Dredging Corporation of India Limited 13 Equity Shares of Rs.10/- each	5,200.00	5,200.00
49	Bank of Maharashtra 2,000 Equity Shares of Rs.10/- each	46,000.00	46,000.00
50	Infosys Limited 460 Equity Share of Rs.5/- each	442,022.29	442,022.29
51	NCL Industries Limited 7,500 Equity Shares of Rs.10/- each	189,097.51	189,097.51
52	Gateway Distriparks Limited 1,112 Equity Shares of Rs.10/- each	148,160.52	148,160.52
53	ING Vysya Bank Limited 946 Equity Shares of Rs.10/- each	42,570.00	42,570.00
54	LGS Global Limited 1,000 Equity Shares of Rs.10/- each	40,360.00	40,360.00
55	IDFC Limited 389 Equity Shares of Rs.10/- each	13,226.00	13,226.00
56	G.V.Films Limited 500 Equity Shares of Rs.10/- each	5,000.00	5,000.00
57	UTI Banking Sector Fund - Dividend Plan 34,827.586 Units of Rs.10/- each	494,900.00	494,900.00
58	Vindhya Telelinks Limited 200 Equity shares of Rs.10/- each	32,719.05	32,719.05
59	Hindalco Industries Limited 272 Equity Shares of Rs.1/- each	49,164.00	49,164.00
60	Gujarat State Petronet Limited 1,218 Equity Shares of Rs.10/- each	48,266.00	48,266.00
61	GIC Housing Finance Limited 200 Equity Shares of Rs.10/- each	8,000.00	8,000.00
62	Reliance Petroleum Limited 2,870 Equity Shares of Rs.10/- each	238,408.00	238,408.00
63	3I Infotech Limited 400 Equity Shares of Rs.10/- each	52,676.71	52,676.71

64	SCIL Ventures Limited 500 Equity Shares of Rs.10/- each	27,473.43	27,473.43
65	TCFC Finance Limited 500 Equity Shares of Rs.10/- each	12,825.00	12,825.00
66	Global Tele Limited 500 Equity Shares of Rs.10/- each	91,488.79	91,488.79
67	Bharat Heavy Electricals Limited 50 Equity Shares of Rs.10/- each	81,594.18	81,594.18
68	Omaxe Limited 22 Equity Shares of Rs.10/- each	6,820.00	6,820.00
69	Unitech Limited 400 Equity Shares of Rs.2/- each	105,211.44	105,211.44
70	Powergrid Corporation of India Limited 242 Equity Shares of Rs.10/- each	12,584.00	12,584.00
71	Maytas Infra Limited 28 Equity Shares of Rs.10/- each	10,360.00	10,360.00
72	GTL Infrastructure Limited 1,000 Equity Shares of Rs.10/- each	55,815.00	55,815.00
73	Mc Leod Russel India Limited 1,000 Equity Shares of Rs.10/- each	56,249.37	56,249.37
74	Surya Chakra Power Limited 1,000 Equity Shares of Rs.10/- each	45,309.56	45,309.56
75	GMR Infrastructure Limited 1,100 Equity Shares of Rs.2/- each	254,030.13	254,030.13
76	DLF Limited 25 Equity Shares of Rs.2/- each	17,128.31	17,128.31
77	Central Bank of India 380 Equity Shares of Rs.10/- each	31,710.79	31,710.79
78	Godrej Consumer Products Limited 200 Equity Shares of Rs.1/- each	24,600.00	-
		12,200,601.06	12,176,001.06

S.No.	Particulars	Market Value		Cost	
		As at 31.03.2009 Rs.	As at 31.03.2008 Rs.	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
1	Aggregate Value of Quoted shares	5,272,790.00	7,824,636.00	11,145,701.06	11,121,101.06
2	Aggregate Value of Unquoted shares (at cost)	150,000.00	150,000.00	150,000.00	150,000.00
3	Units of Mutual Funds	600,062.00	1,017,045.00	904,900.00	904,900.00
		6,022,852.00	8,991,681.00	12,200,601.06	12,176,001.06

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
SCHEDULE - VI		
CURRENT ASSETS, LOANS & ADVANCES		
Current Assets :		
a) Closing Stock		
(At Cost or Market value whichever is lower)		
Shares & securities	1,223,617.00	1,643,617.00
	<u>1,223,617.00</u>	<u>1,643,617.00</u>
b) Cash and Bank Balances :		
Cash on Hand	10,545.30	19,149.30
Balances in Current Accounts in		
i . Scheduled Banks	122,056.42	329,236.77
ii. Other than Scheduled Banks	681.00	681.00
Balance in Fixed Deposit Accounts in		
i. Scheduled Banks	3,249,526.38	2,530,922.57
ii. Other than Scheduled Banks	1,480,744.00	1,375,178.00
(refer note no.4 in Schedule X)		
	<u>4,863,553.10</u>	<u>4,255,167.64</u>
c) Loans and Advances :		
Loans & Advances:		
i. Unsecured, Considered good	3,366,032.00	3,198,070.00
ii. Secured, Considered good	1,000,000.00	-
iii. Loans - in respect of which the company is fully secured, doubtful	307,800.00	395,000.00
iv. Unsecured, doubtful	442,200.00	655,000.00
Other Advances:		
Unsecured, Considered good	662,500.00	662,500.00
Deposits:	42,600.00	42,600.00
T.D.S./ Income Tax Refund Due	638,735.30	501,428.08
F.B.T Receivable	628.00	1,750.00
	<u>6,460,495.30</u>	<u>5,456,348.08</u>
Total (a + b + c)	12,547,665.40	11,355,132.72

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
SCHEDULE - VII		
Current Liabilities & Provisions :		
a) Current Liabilities :		
i) Total outstanding dues to micro, small and medium enterprises	-	-
ii) Creditors for Expenses and other liabilities	<u>135,751.30</u>	<u>132,220.30</u>
	<u>135,751.30</u>	<u>132,220.30</u>
b) Provisions :		
Provision for Sub-Standard Assets and Diminution in the value of Investments	<u>8,418,660.00</u>	<u>8,138,000.00</u>
	<u>8,418,660.00</u>	<u>8,138,000.00</u>
Total (a + b)	8,554,411.30	8,270,220.30

SCHEDULE - VIII

INTEREST AND OTHER INCOME

Interest on Loans and Advances	1,008,935.00	923,095.00
Interest on Fixed Deposits	428,029.03	383,234.36
Dividends	242,055.64	302,998.76
Bad Debts Recovery	-	1,500,000.00
Profit on Sale of Investments	-	64,236.07
Other Income	<u>6,765.00</u>	<u>-</u>
	<u>1,685,784.67</u>	<u>3,173,564.19</u>

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
SCHEDULE - IX		
ADMINISTRATIVE & OTHER EXPENSES		
Advertisement Expenses	15,344.00	13,786.00
Audit Fees	11,030.00	10,959.00
Bad Deposits and Debts	-	622,182.00
Bank Charges	2,723.00	456.00
Books & Periodicals	5,010.00	8,795.00
Computer Maintenance	2,985.00	12,525.00
Consultancy Charges	11,236.00	11,236.00
Conveyance Expenses	3,959.00	1,776.00
Dematerialisation Charges	8,990.00	8,989.00
Electricity Charges	17,288.00	20,806.00
Filing Fee	1,612.00	1,434.00
Interest to Banks	28,420.48	52,501.26
Internet & Broadband Charges	9,578.00	7,478.00
Legal Fees	17,850.00	40,000.00
Listing Fees	11,084.00	10,000.00
Loss on Sale of Investments	-	83,361.86
Miscellaneous Expenses	18,364.80	11,284.32
Office Maintenance Charges	39,576.00	29,422.00
Postage & Telegrams	10,676.00	11,597.50
Printing & Stationery	19,602.00	19,183.00
Rent	64,200.00	61,200.00
Repairs & Maintenance	29,210.00	5,334.50
Salaries	436,180.00	315,128.00
Share Transfer Fee	48,204.00	47,072.00
Staff Welfare	5,840.00	3,711.00
Telephone Charges	10,317.00	13,959.00
Travelling Expenses	13,228.00	11,365.00
	842,507.28	1,435,541.44

SCHEDULE - X
NOTES TO ACCOUNTS:

1. SIGNIFICANT ACCOUNTING POLICIES:

A. ACCOUNTING POLICIES:

The financial statements are prepared on the basis of historical cost convention and the accounts are prepared in accordance with the generally accepted accounting policies and provisions of the Companies Act, 1956 as adopted consistently by the Company, unless otherwise stated.

B. USE OF ESTIMATES:

Estimates and assumptions used in the preparation of the financial statements are based on management's, evolution of the relevant facts and circumstances as of the date of the Financial statements which may differ from the actual results at a subsequent date.

C. PRUDENTIAL NORMS:

The company compiles its Financial Statements in accordance with the prudential norms prescribed by the Reserve Bank of India in respect of:

- a) Income recognition.
- b) Provisioning for standard, substandard, doubtful and loss Assets.
- c) Accounting for Investments.

D. REVENUE RECOGNITION:

Income from interest is accounted on due basis, subject to income recognition and prudential norms of Reserve Bank of India as mentioned above, interest income on Non-performing, doubtful/loss assets etc., are recognized as and when the amount is received and appropriated towards interest. Dividend Income is accounted when the right to receive the dividend is established.

E. EXPENSES:

All the expenses are accounted on accrual basis.

F. FIXED ASSETS:

Fixed Assets are stated at cost of acquisition.

G. DEPRECIATION

Depreciation has been provided on written down value method as per Schedule XIV of the Companies Act, 1956.

H. INVESTMENTS:

Investments (Long Term) are stated at cost of acquisition.

The diminution in the value of quoted investments have been provided, if such decline is other than temporary in the opinion of management.

I. INVENTORIES:

Shares and Securities held as Stock-in-Trade are valued scrip wise at cost or market value whichever is lower.

J. CONTINGENT LIABILITIES:

Unpaid liability for partly paid shares amounts to Rs.7.07 Lakhs (Rs.7.07 Lakhs)

K. Retirement benefits to the Employees will be provided as and when the relevant acts are applicable to the Company.

2. Confirmation of balances of certain parties for amounts due to them/due from them as per the accounts of the Company have not been received. However, the balances stated in the books of account are final as it is indicated that the company's balances will be treated as final and correct if confirmation is not received by particular date.

3. As per the records and information available with the company, there are no dues to Micro, Small and Medium Enterprises. Hence, information as required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 is not furnished.

4. Balances in Current Accounts:	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
In Scheduled Banks	1,22,056.42	3,29,236.77
In Other than Scheduled Banks:		
Adarsh Co-operative urban bank limited	681.00	681.00
	<hr/> 1,22,737.42 <hr/>	<hr/> 3,29,917.77 <hr/>
Balances in Fixed Deposit Accounts:	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
In Scheduled Banks	32,49,526.38	25,30,922.57
In Other than Scheduled Banks:		
Adarsh Co-operative urban bank limited	14,80,744.00	13,75,178.00
	<hr/> 47,30,270.38 <hr/>	<hr/> 39,06,100.57 <hr/>

The amounts referred above, are the maximum outstanding balances during the year due from Adarsh Co-operative Urban Bank Limited. None of the Directors are having any interest in the above co-operative urban bank.

5. None of the Directors or their relatives, firms/private companies in which any director is a partner/director/manager or companies under the same management have taken any loan/advance from the company.

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
6. Managerial Remuneration	Nil	Nil
7. Auditors Remuneration.		
Audit Fee	11,030.00	9,550.00
Out of Pocket Expenses	---	1,409.00
	-----	-----
	11,030.00	10,959.00
	-----	-----
8. In the opinion of Board of Directors of the Company the Current Assets, Loans & Advances are approximately of the value stated in the accounts, if realised in the ordinary course of business, unless otherwise stated. The provisions for all known liabilities, unless otherwise stated are adequate and not in excess of the amount reasonably necessary.		
9. The company has adopted accounting standard 22 - Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India, however Deferred Tax Asset has not been accounted after set off, in view of accumulated losses. Current tax is determined as the amount of tax payable as per the provisions of the Income Tax Act, 1961.		
10. Earnings per share: The following reflects the Income and Share data used in the computation of Basic and diluted Earnings per share:		

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
a) Amounts used as the numerator		
Net Profit (Rs.)	43,552	72,770
b) Weighted average number of equity shares after adjusting for the allotment amount due (Nos.)	27,47,075	27,47,075
c) Basic and Diluted Earnings per Share (Rs.)	0.02	0.03

11. The company is mainly engaged in the business of providing finance and all other activities of the company revolve around the main business and as such, there are no separate reportable segments.

12. Related Party Disclosures:

Related party disclosures during the year as required under Accounting Standard 18 – Nil.

13. Additional information required under paragraphs 3 & 4 of part II of Schedule VI of the Companies Act, 1956 to the extent applicable.

(a) Quantitative details of (Stocks) Shares & Securities:

	2008-2009		2007-2008	
	Quantity No.	Value Rs.	Quantity No.	Value Rs.
Opening Stock	2,42,753	16,43,617	2,40,929	15,59,301
Purchases	--	--	--	--
Sales	--	--	5,344	2,70,633
Closing Stock	2,42,776	12,23,617	2,42,753	16,43,617

14. Foreign Exchange Transactions:

	As at 31.03.2009	As at 31.03.2008
Value of imports calculated on		
a) C.I.F. basis during the year	NIL	NIL
b) Expenditure in Foreign Currency	NIL	NIL
c) Amount remitted during the year	NIL	NIL
d) Earnings in Foreign Exchange	NIL	NIL

15. Previous year figures have been regrouped/reclassified/rearranged, wherever necessary.

Signatures to Schedule I to X form part of the Balance Sheet as at 31.03.2009 and Profit & Loss Account for the year ended 31.03.2009.

for JANARDHANRAO DESHMUKH & CO.,
Chartered Accountants

(T. ADINARAYANA)
CHAIRMAN

(L. JANARDHAN RAO)
PROPRIETOR

(S. RUSHYENDRUDU)
DIRECTOR

Place : Hyderabad
Date : 30.06.2009

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**i. REGISTRATION DETAILS**

Registration No.

6	2	9	4
---	---	---	---

State Code

0	1
---	---

Balance Sheet Date

3	1
---	---

Date

0	3
---	---

Month

2	0	0	9
---	---	---	---

Year

ii. CAPITAL RAISED DURING THE YEAR (Rs. In Thousands)

Public Issue

N	I	L
N	I	L

Rights Issue

N	I	L
N	I	L

Bonus Issue

Private Placement

iii. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Rs.in Thousands)

Total Liabilities

2	9	2	5	0
---	---	---	---	---

Total Assets

2	9	2	5	0
---	---	---	---	---

SOURCES OF FUNDS

Paid -up Capital

2	7	4	7	1
---	---	---	---	---

Reserves & Surplus

9	3	6
---	---	---

Secured Loans

8	4	3
---	---	---

APPLICATION OF FUNDS

Net Fixed Assets

1	6	4	4
---	---	---	---

Investments

1	2	2	0	1
---	---	---	---	---

Net Current Assets

3	9	9	3
---	---	---	---

Accumulated Losses

1	1	4	1	2
---	---	---	---	---

iv. PERFORMANCE OF COMPANY (Rs.in Thousands)

Turnover & Other Income

1	2	6	5
---	---	---	---

Total Expenditure

1	1	5	8
---	---	---	---

Profit Before Tax

1	0	7
---	---	---

Profit after Tax

4	4
---	---

Earning Per Share in Rs.

.	0	2
---	---	---

Dividend Rate

N	I	L
---	---	---

v. GENERIC NAMES OF PRINCIPAL PRODUCTS OF THE COMPANY

Production Description

Item Code (ITC code)

Loans & Advances

N.A.

Leasing, Finance and Investments

N.A.

Per our report of even date annexed.

for JANARDHANRAO DESHMUKH & CO.,
CHARTERED ACCOUNTANTS(T.ADINARAYANA)
CHAIRMAN(L. JANARDHAN RAO)
PROPRIETOR(S.RUSHYENDRUDU)
DIRECTOR

Place : Hyderabad

Date : 30.06.2009

USHAKIRAN FINANCE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	2008-2009 Rs.(in lacs)	2007-2008 Rs. (in lacs)
A. CASH FLOW FROM OPERATING ACTIVITY		
a. Net Profit/(Loss) before Tax & Extraordinary items	0.44	0.73
Adjustments for:		
Depreciation	0.35	0.31
Interest paid	0.28	0.53
Taxes paid	0.52	5.84
	-----	-----
b. Operating Profit/(Loss) before Working Capital changes	1.59	7.41
Adjustments for :		
Trade and other Receivables	(10.04)	2.96
Inventories	4.20	(0.84)
Trade Payables	2.84	14.88
	-----	-----
c. Cash generated from operations	(1.41)	24.41
Interest paid	(0.28)	(0.53)
Taxes Paid	(0.52)	(5.84)
	-----	-----
d. Cash Flow before Extraordinary items	(2.21)	18.04
Adjustments for:		
Extraordinary Items: Statutory Reserves	0.11	0.19
	-----	-----
Net Cash Flow from Operating Activities (A)	(2.10)	18.23
	-----	-----
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	-	(10.86)
Sale/purchase of Investments	(0.25)	(4.09)
	-----	-----
Net Cash Flow from Investing Activities (B)	(0.25)	(14.95)
	-----	-----
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of Share Capital	-	-
Dividend paid	-	
Proceeds from Borrowings	8.43	(2.51)
	-----	-----
Net Cash Flow from Financing Activities (C)	8.43	(2.51)
	-----	-----

D. NET INCREASE/(DECREASE) IN CASH

And Cash Equivalent (A+B+C)	6.08	0.77
Cash and Cash Equivalent At the Beginning of the year	42.55	41.78
Cash and Cash Equivalent At the End of the year	48.63	42.55

Per our report of even date annexed.
for JANARDHANRAO DESHMUKH & CO.,
CHARTERED ACCOUNTANTS

(T. ADINARAYANA)
CHAIRMAN

(L. JANARDHAN RAO)
PROPRIETOR

(S. RUSHYENDRUDU)
DIRECTOR

Place : Hyderabad
Date : 30.06.2009

AUDITORS' CERTIFICATE

We have verified the above Cash Flow Statement of Ushakiran Finance Limited derived from the audited annual financial statements for the year ended 31st March, 2009 and 31st March, 2008 and found the same is drawn in accordance with the requirements of Clause 32 of the Listing Agreements with the Stock Exchanges.

for JANARDHANRAO DESHMUKH & CO.,
CHARTERED ACCOUNTANTS

Place : Hyderabad
Date : 30.06.2009

(L. JANARDHAN RAO)
Proprietor

<p style="text-align: center;">Schedule to the</p> <p style="text-align: center;">BALANCE SHEET OF A NON-BANKING FINANCIAL COMPANY</p> <p style="text-align: center;">(Disclosure of details as required by Revised Para 13 of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007, earlier Paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.</p>				
PARTICULARS	(Rs.in Lakhs)			
Liabilities Side	2008-2009		2007-2008	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
1. Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:				
(a) Debentures : Secured	--	--	--	--
Unsecured	--	--	--	--
(other than falling within the meaning of public deposits)				
(b) Deferred Credits	--	--	--	--
(c) Term Loans	--	--	--	--
(d) Inter-corporate loans and borrowing	--	--	--	--
(e) Commercial Paper	--	--	--	--
(f) Public Deposits	--	--	--	--
(g) Other Loans (Loans against FDs from Banks)	8.43	Nil	--	--
2. Break – up of (I) (f) above (outstanding Public Deposits inclusive of interest accrued thereon but not paid):				
(a) In the form of Unsecured debentures	--	--	--	--
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security.	--	--	--	--
(c) Other Public deposits	--	--	--	--

Assets Side	Amount Outstanding 2008-2009	Amount Outstanding 2007-2008
3. Break-up of Loans and Advances Including Bills receivables (other than those included in (4) Below) (a) Secured (b) Unsecured	 13.08 44.71	 3.95 45.15
4. Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities. i) Lease assets including lease rentals under sundry debtors: (a) Financial Lease (b) Operating Lease ii) Stock on hire including hire charges under sundry debtors: (a) Assets on hire (b) Repossessed Assets iii) Hypothecation loans counting towards EL/HP activities (a) Loans where assets have been repossessed (b) Loans other than (a) above	 NIL -- -- -- -- -- --	 NIL -- -- -- --
5. Break up of investments : Current investments : (Stock-in-Trade) 1. Quoted i) Shares (a) Equity (b) Preference ii) Debentures and Bonds iii) Units of mutual funds iv) Government securities v) Others (please specify) 2. Unquoted (i) Shares (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government securities (v) Others (please specify) Long Term Investments : 1. Quoted (i) Shares (a) Equity (b) Preference	 12.24 -- -- -- -- -- -- -- -- -- -- -- -- -- -- -- 111.46 --	 16.44 -- -- -- -- -- -- -- -- -- -- -- -- -- -- -- 111.21 --

ii) Debentures and Bonds	--	--
iii) Units of mutual funds	9.05	9.05
iv) Government securities	--	--
v) Others (please specify)	--	--
 2. Unquoted		
(i) Shares (a) Equity	1.50	1.50
(b) Preference	--	--
ii) Debentures and Bonds	--	--
iii) Units of mutual funds	--	--
iv) Government securities	--	--
v) Others (please specify)	--	--
 6. Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances	NIL	NIL
Category	Amount (net of provisions)	Amount (net of provisions)
1. Related Parties		
(a) Subsidiaries	N.A.	N.A.
(b) Companies in the same group	N.A.	N.A.
(c) Other related Parties	N.A.	N.A.
2. Other than related parties	51.10	42.44
Total	51.10	42.44
 7. Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted, excluding Stock-in-Trade)		
Category	Market Value/Break up or fair value or NAV Book value (net of Provisions)	Market Value/Break up or fair value or NAV Book value (net of Provisions)
1. Related Parties		
(a) Subsidiaries	N.A.	N.A.
(b) Companies in the same group	N.A.	N.A.
(c) Other related Parties	2.00	2.00
2. Other than related parties	42.51	45.05
Total	44.51	47.05

<p>8. Other Information</p> <p>Particulars</p> <p>i) Gross Non-performing Assets</p> <p> a) Related Parties</p> <p> b) Other than related Parties</p> <p>ii) Net Non-performing Assets</p> <p> a) Related Parties</p> <p> b) Other than related parties</p> <p>iii) Assets acquired in satisfaction of debt</p>		
	NIL	NIL
	7.50	10.50
	NIL	NIL
	0.81	3.83
	NIL	NIL

Per our report of even date annexed.
for JANARDHANRAO DESHMUKH & CO.,
CHARTERED ACCOUNTANTS

(T. ADINARAYANA)
CHAIRMAN

(L. JANARDHAN RAO)
PROPRIETOR

(S. RUSHYENDRUDU)
DIRECTOR

PLACE : HYDERABAD
DATE : 30.06.2009

USHAKIRAN FINANCE LIMITED**Regd. Office: 405, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad - 500 001****PROXY FORM**

DP.Id*	
Client Id*	

Folio No.	
No.of Share(s) held	

I/We -----
----- being a member/members of Ushakiran Finance Limited
hereby appoint ----- of -----
----- or failing him -----
----- of -----
as my/our proxy to vote for me/us and on my/our behalf at the 23rd Annual General Meeting to be held on Tuesday the 29th September, 2009 at 10.00 A.M. or at any adjournment thereof.

Signed this ----- day of -----2009.

Signature

Affix
Re.1/-
Revenue
Stamp

* Applicable for investors holding shares in electronic/dematerialised form.

Note: The Proxy Form duly completed should be deposited at the Registered office of the company not less than 48 hours before the time fixed for holding the meeting.

-----T E A R H E R E -----

USHAKIRAN FINANCE LIMITED**Regd. Office:405, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad - 500001****ATTENDANCE SLIP**

Please fill attendance slip and hand it over at the entrance of the meeting hall.

DP.Id*	
Client Id*	

Folio No.	
No.of Share(s) held	

NAME AND ADDRESS OF THE SHAREHOLDER	
NAME OF PROXY	

I hereby record my presence at the 23rd Annual General Meeting of the company held on Tuesday the 29th September, 2009 at 10.00 A.M. at H.No:8-3-976/23A, Shalivahana Nagar Colony, Shalivahana Nagar Community Hall, Yellareddyguda, (Adjacent to Srinagar Colony), Hyderabad - 500 073.

Signature of the Shareholder or Proxy

PLEASE NOTE THAT NO GIFTS WILL BE DISTRIBUTED AT THE AGM.

PRINTED MATTER

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USHAKIRAN FINANCE LIMITED

Regd. Office: 405, Raghava Ratna Towers,
Chirag Ali Lane, Hyderabad – 500 001.