

33rd
ANNUAL REPORT
2018 – 2019



USHAKIRAN FINANCE LIMITED

BOARD OF DIRECTORS

Mr. P.R.K. Murthy	--	Independent Director
Mrs. S. Jhansi Kumari	--	Independent Director
Mr. T. R. Sekhar	--	Director
Mr. T. Adinarayana	--	Chairman

KEY MANAGERIAL PERSONNEL

Ms. Sanjana Jain	--	Company Secretary
Mrs. B. Rama Devi	--	Chief Financial Officer
Mr. Omprakash Koyalkar	--	Manager

AUDITORS

Niranjan & Narayan,
Chartered Accountants,
First Floor, H.No: 7-1-28/1/A/21,
Park Avenue Colony,
Shyamkaran Road, Ameerpet,
Hyderabad - 500 016.

SECRETARIAL AUDITORS

P.S. Rao & Associates, Company Secretaries,
Flat No.10, 4th Floor, D. No.6-3-347/22/2, Ishwarya Nilayam,
Dwarakapuri Colony, Punjagutta, Hyderabad – 500 082.

BANKERS

State Bank of India

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.
Phones:040-23818475, 23818476, Fax:040-23868024,
e-mail: info@vccilindia.com, www.vccilindia.com

NOTICE

NOTICE is hereby given that the Thirty Third Annual General Meeting of the Members of USHAKIRAN FINANCE LIMITED will be held on Friday the 27th day of September, 2019 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 Financial Statements for the year ended 31st March, 2019, together with the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Sri. T. Adinarayana, (DIN: 00917498), who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

3. To consider and if, thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Companies Act, 2013 and Regulation 16(1)(b) and other applicable Regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. P. Radha Krishna Murthy (DIN: 02769220) who was appointed as an Independent Director and who holds office upto 25th September, 2019 and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and being eligible, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years with effect from 26th September, 2019 and shall not be liable to retire by rotation.”

4. To consider and if, thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Companies Act, 2013 and Regulation 16(1)(b) and other applicable Regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mrs. S. Jhansi Kumari (DIN: 06964935) who was appointed as an Independent Director and who holds office upto 25th September, 2019 and who has submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and being eligible, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years with effect from 26th September, 2019 and shall not be liable to retire by rotation.”

By order of the Board of Directors
For Ushakiran Finance Limited

Place : Hyderabad
Date : 14.08.2019

(Sanjana Jain)
Company Secretary

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself/herself and such a proxy need not be a member of the Company.
2. A person shall not act as a proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy provided that such person shall not act as a Proxy for any other member.
3. The instruments of proxies in order to be effective must be deposited with the Company at its Registered Office not less than 48 hours before the commencement of the meeting.
4. An Explanatory statement pursuant to Section 102 (1) of the Companies Act, 2013, in respect of special business as set out in the Notice is annexed hereto.
5. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company an attested copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the Meeting.
6. In case of Joint Shareholders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Members desiring any information/clarifications regarding the accounts are requested to write to the Company at least 7 days before the date of the meeting so as to enable the Management to keep the information ready.
8. The Members/Proxies attending the meeting are requested to bring the enclosed Attendance Slip and deliver the same at the entrance of the Meeting Hall.
9. Members are requested to bring their respective copies of the Annual report for reference during the Annual General Meeting.
10. The Register of Members and Share Transfer Books will remain closed from 21st September, 2019 to 27th September, 2019 (both days inclusive).
11. The Company's Shares have been listed at BSE Limited and the listing fee has been paid up to 2019 - 2020.
12. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and

send the relevant share certificates to the Share Transfer Agent (STA)/ Company.

13. Members are advised to register their email address in respect of shares held in physical form to the company or Registrars and Share transfer agent of the company and with concerned depository participant in respect of shares held in demat form to enable the company to serve documents in electronic form.
14. In support of the “Green Initiative” announced by the Government of India, the annual report for the financial year 2018-2019 is being sent through email to those members who have registered their email addresses with the Company/depository participants. The annual report is also available on our website, www.ufffinance.com. The physical copy of the annual report is being sent to those members who have either opted for the same or have not registered their email addresses with the Company/depository participant. The members will be entitled to a physical copy of the annual report for the financial year 2018-2019, free of cost, upon sending a request to the Company Secretary, Ushakiran Finance Limited, 405, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad-500 001.
15. Members who hold shares in physical form can nominate any person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail of the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares. Members holding shares in physical form are requested to convert their holdings to dematerialized form to eliminate all risks associated with physical shares. Further, as per the amended regulations of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015, transfer of shares of the company shall be processed only when the shares are held in dematerialized form with a depository.
16. All the documents referred to in the Notice will be available to the members at the Registered Office of the Company between 11.00 A.M., to 1.00 P.M., on all working days from the date hereof up to the date of the Meeting.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.

Members holding shares in physical form can submit their PAN details and also their Bank Account Numbers to the Company/STA.

18. Pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard - 2 (SS-2) on General meetings, brief profile of Sri. T. Adinarayana, the director liable for retirement by rotation and eligible for reappointment and Sri. P. Radha Krishna Murthy and Mrs. S. Jhansi Kumari, proposed to be reappointed as Independent director(s) of the company for the second term, is furnished as Annexure to the notice.

Except Sri. T. Adinarayana, who is proposed to be reappointed as director and who is the father of Sri. T. Raja Sekhar, none of the other Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution as set out at Item No.2 of the Notice as an ordinary resolution.

19. E- Voting:

- a. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members with the facility to exercise their right to vote on resolutions proposed to be considered at the 33rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
- b. The results of the e-voting and result of the physical voting at the meeting will be declared within 48 hours of conclusion of the meeting and the results along with the scrutinizer's report shall be placed on the website of the Company.
- c. The voting rights of members shall be in proportion to their shareholding in the paid up equity share capital of the company as on 20th September, 2019, being the cut-off date.
- d. The members of the Company, holding shares either in physical form or in dematerialized form, as on 20th September, 2019, being the cutoff date, may cast their vote (for or against) electronically. In case a person has become the member of the company

after despatch of AGM Notice but on or before the cutoff date i.e. 20.09.2019 may write to M/s. Venture Capital and Corporate Investments Private Limited, (STA), email: info@vccilindia.com requesting for the user ID and pass word/sequence number. After receipt of the above credentials please follow the instructions for share holders voting electronically.

- e. The facility for voting through poll shall be made available at the meeting and the members attending the meeting who have not already cast their vote electronically through e-voting shall be able to exercise their voting right at the Meeting.
- f. The members who have cast their vote by e-voting prior to the meeting may also, attend the meeting but shall not be entitled to cast their vote again.
- g. The Board has appointed Mr. N. Mallikarjuna Rao, Chartered Accountant, partner, M/s. Mallikarjun Rao & Associates, Chartered Accountants, as scrutinizer for conducting the remote e-voting and also the physical ballot process in the Annual General Meeting in a fair and transparent manner.
- h. Members can opt for only one mode of voting, i.e., either by physical poll or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical poll will be treated as invalid.
- i. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting as mentioned here under:

Members receiving Notice of 33rd Annual General Meeting by e- mail from M/s. Venture Capital and Corporate Investments Private Limited, Registrars and Share Transfer Agents of the company or in case of members receiving the physical copy of Notice of 33rd Annual General Meeting (for members whose e-mail ids are not registered with the company/depositories):

Please follow all the steps from S. No. (i) to S. No. (xx) to cast vote.

The instructions for shareholders voting electronically are as under:

- (i) The e-voting period will commence on Tuesday, the 24th September, 2019 (09:00 hrs) and will end on Thursday, 26th September, 2019 (17.00 hrs). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e., 20th September, 2019 may cast their

vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders tab.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID.
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company, Ushakiran Finance Limited, on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print out of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password earlier used then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively.

Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.,) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

A. General Instructions:

- i. The Chairman of the Meeting shall at AGM venue, at the end of discussions on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- ii. The Scrutinizer shall after the conclusion of voting at AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the Meeting or a person authorized by him in writing.

- iii. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Annual General Meeting i.e., on 27th September, 2019.
- iv. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.ufffinance.com and on the web site of CDSL www.evotingindia.com immediately and will be communicated to the BSE Limited within 48 hours from the conclusion of the AGM.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

Item No. 3

Mr. P. Radha Krishna Murthy was appointed as an Independent Director of the Company at the 28th Annual General Meeting held on 26th September, 2014 for a period of five consecutive years and whose tenure comes to an end on 25th September, 2019. Pursuant to Section 149 of the Companies Act, 2013 ("Act"), an Independent Director can hold office for two terms of five consecutive years on the Board of a Company. Mr. P. Radha Krishna Murthy, being eligible, offers himself for re-appointment as an Independent Director to hold office for a second term of five consecutive years.

The Nomination and Remuneration Committee recommended and the Board at its meetings held on 14.08.2019 considered and approved, subject to the approval of the members, to reappoint Mr. P. Radha Krishna Murthy as an Independent Director with effect from 26th September, 2019 for further term of five consecutive years. He has 35 Years of rich Experience in various departments in A.P. State Financial Corporation, and retired as Deputy General Manager.

Mr. P. Radha Krishna Murthy is not disqualified from being appointed as a Director in terms of Section 164 of the companies Act, 2013 and has given his consent to act as an Independent Director. The Company has also received declaration from Mr. P. Radha Krishna Murthy that he meets the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). In the opinion of the Board, Mr. P. Radha Krishna Murthy fulfils the conditions for re-appointment as an Independent Director as specified in the Companies Act, 2013 and the Listing Regulations.

None of the other directors or Key Managerial Personnel of the Company and their relatives are any way concerned or interested in the resolution. Hence, the board recommends to the members to pass the resolution as set out at item No.3 as a Special resolution of the Notice for the approval of the Members. A brief Resume is given herein below.

Item No. 4

Mrs. S. Jhansi Kumari was appointed as an Independent Director of the Company at the 28th Annual General Meeting held on 26th September,

2014 for a period of five consecutive years and whose tenure comes to an end on 25th September, 2019. Pursuant to Section 149 of the Companies Act, 2013 ("Act"), an Independent Director can hold office for two terms of five consecutive years on the Board of a Company. Mrs. S. Jhansi Kumari, being eligible, offers herself for re-appointment as an Independent Director to hold office for a second term of five consecutive years.

The Nomination and Remuneration Committee recommended and the Board at its meetings held on 14.08.2019 considered and approved, subject to approval of the members, to reappoint Mrs. S. Jhansi Kumari as an Independent Director with effect from 26th September, 2019 for further term of five consecutive years. She is having 10 years experience in administration in a chemical factory and retired.

Mrs. S. Jhansi Kumari is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as an Independent Director. The Company has also received declaration from Mrs. S. Jhansi Kumari that she meets the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). In the opinion of the Board, Mrs. S. Jhansi Kumari fulfils the conditions for re-appointment as an Independent Director as specified in the Companies Act, 2013 and the Listing Regulations.

None of the other directors or Key Managerial Personnel of the Company and their relatives are any way concerned or interested in the resolution. Hence, the board recommends to the members to pass the resolution as set out at item No.4 as a Special resolution of the Notice for approval of the Members. A brief Resume is given herein below.

By order of the Board of Directors
For Ushakiran Finance Limited

Place : Hyderabad
Date : 14.08.2019

(Sanjana Jain)
Company Secretary

ANNEXURE

Details of Directors/KMP's seeking appointment and / or re-appointment at the ensuing Annual General Meeting (as per Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standard – 2 (SS-2).

Particulars	Director	Independent Director	Independent Director
Name	Tunuguntla Adinarayana	Penugonda Radha Krishna Murthy	Sikharam Jhansi Kumari
Date of Birth	02/05/1953	01/01/1951	01/07/1950
Nationality	Indian	Indian	Indian
Age	65 years	68 years	69 years
Date of first appointment	20/03/1986	29/07/2009	26/09/2014
DIN	00917498	02769220	06964935
Experience	He had about 9 Years of experience in A.P. State Financial Corporation, and about 8 years experience as a Chartered Accountant and about 20 years experience in Bulk Drugs & Intermediates Manufacturing Unit. At present he is practicing as a Chartered Accountant.	He had 35 Years of rich experience in A.P. State Financial Corporation and retired as Deputy General Manager	She is having 10 years experience in Administration in a Chemical Factory and Retired.
No. of equity shares held in the Company (as on 31 st March ,2019)	3,25,385	--	--
Qualifications	B. Com., FCA., ACMA., ACS., B.L., DISA (ICA).,	M.Com.	B.A.,

USHAKIRAN FINANCE LIMITED

Directorships of other Public Companies (excluding Foreign, Private and Section. 8 Companies)	Sigachi Laboratories Ltd.,	--	--
Membership/ Chairmanship of Committees of other Public Companies	Member of Stakeholders relationship committee and Audit committee in Sigachi Laboratories Ltd.,	--	--
Relationships, if any, between Directors inter- se	Father of Mr. T. Raja Sekhar, Director	--	--
Remuneration Sought to be paid per annum	--	--	--
Remuneration last drawn	--	--	--
Terms and conditions of reappointment	Liable to retire by rotation	Not Liable to retire by rotation	Not Liable to retire by rotation
Number of board meetings attended during the year	7	8	8

DIRECTORS' REPORT

**To
The Members,**

Your Directors have pleasure in presenting the Thirty Third Annual Report, on the business of your company, together with the Audited Financial Statements of the Company for the year ended 31st March, 2019 along with Auditors' Report thereon:

FINANCIAL HIGHLIGHTS

(Rupees in Lakhs)

Particulars	2018-2019	2017-2018
Gross income	26.32	34.78
Profit /(Loss) before Depreciation, Finance Costs, Provisions and Tax	8.00	11.08
Add/(Less):		
Depreciation	0.40	0.66
Finance costs	--	--
Provision for standard and substandard assets and diminution in value of investments	6.05	(10.00)
Profit/(Loss) before tax	1.55	20.42
Taxation (Net)	(0.20)	8.86
Net Profit/(Loss)	1.75	11.56
Profit/(Loss) available for appropriation	1.75	11.56
Carried to Statutory Reserve Fund	0.35	2.32
Surplus/(Loss) carried to Balance Sheet	1.40	9.24

2. OPERATIONS

During the year 2018-2019 the company has earned gross income of Rs.26.32 Lakhs as against gross income of Rs. 34.78 Lakhs during the year 2017-2018 and earned a net profit of Rs.1.75 Lakhs during the year

2018-2019, as against net profit of Rs. 11.56 Lakhs during the year 2017-2018.

3. DIVIDEND

In view of the accumulated losses, your directors do not recommend any dividend for the Financial Year 2018-2019.

4. TRANSFER TO RESERVE

The Company did not transfer any amount to the General Reserve for the Financial Year ended 31st March, 2019, however your company has transferred an amount of Rs.0.35 lakhs to Statutory Reserve Fund.

5. CHANGE IN THE NATURE OF BUSINESS

During the year under review, there has been no change in the nature of business of the Company.

6. CHANGES IN THE SHARE CAPITAL

The paid up share capital of the company as on 31st March, 2019 is Rs.2,54,45,000/- consisting of 25,44,500 Equity Shares of Rs.10/- each. During the year under review, the company has not issued any fresh shares.

7. DIRECTORS

During the year under review, Sri. T. Adinarayana, Director will retire at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re-appointment.

Further the tenure of Sri. P.R.K. Murthy and Smt. S. Jhansi Kumari, Independent Directors of the company comes to an end on 25-9-2019, the board based on the recommendations of Nomination and Remuneration Committee do hereby recommends for their re-appointment(s) for second term.

All the Independent Directors of your Company have given declarations under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and the Rules made there under and also as per applicable regulations of the SEBI (LODR) Regulations, 2015. Further, they have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their

ability to discharge the duties with an independent judgement and without any external influence.

None of the Directors are disqualified from being appointed or holding office as Directors, as stipulated under Section 164 of the Companies Act, 2013.

8. BOARD MEETINGS

During the financial year 2018-2019, Eight Board Meetings were properly convened and held on 30th May, 2018, 10th July, 2018, 14th August, 2018, 03rd October, 2018, 13th November, 2018, 13th February, 2019, 23rd March, 2019 and 30th March, 2019. The maximum interval between any two meetings did not exceed 120 days.

9. BOARD EVALUATION

One of the key functions of the Board is to monitor and review the board evaluation framework. The Board works with the nomination and remuneration committee to lay down the evaluation criteria for the performance of executive (Manager) / non-executive /independent directors. Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, its committees and the directors individually as well as the evaluation has been carried out as per the Nomination and Remuneration Policy. A structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its committees, culture, execution and performance. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors.

10. KEY MANAGERIAL PERSONNEL

During the year under review Ms. JPS Neelam Sai, has resigned as company secretary and the company has appointed Ms. Shriya Jain as Company Secretary and Compliance officer of the company on 3rd October, 2018 and Ms. Shriya Jain has resigned on 30th April, 2019.

The company has appointed Ms. Sanjana Jain as Company Secretary and Compliance officer of the company on 4th May, 2019. Mrs. B. Rama Devi, is the Chief Financial Officer and Mr. Omprakash Koyalkar is the Manager. The Board designated them as Key Managerial personnel of the Company

under the provisions of the Companies Act, 2013. There were no other changes in the office of Key Managerial personnel of the company.

11. NAMES OF THE COMPANIES WHICH HAVE BECOME/CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

The Company did not have any subsidiaries, associates or joint ventures during the year.

12. FIXED DEPOSITS

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of deposits) Rules, 2014.

13. SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators or courts which would impact going concern status and its operations in future.

14. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, size and complexity of its operations. Internal control systems comprising of policies and procedures designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, applicable laws and regulations. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The Audit committee actively reviews the adequacy and effectiveness of the Internal Financial control and suggests the improvements for the same.

15. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134 (3) (c) and read with Section 134 (5) of the Companies Act, 2013, in respect of Directors' responsibility statement, Your Directors state that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- ii. Appropriate accounting policies had been selected and applied them consistently and made judgments and estimates that are 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 31st March, 2019 and of the Profit of the Company for that period;
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The annual accounts have been prepared on a going concern basis;
- v. The Internal financial controls have been laid down to be followed by the company and that such internal financial controls are adequate and were operating effectively, and
- vi. That proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. AUDITORS

M/s. Niranjana & Narayan, Chartered Accountants, Hyderabad were appointed as statutory auditors of the Company for a period of 5 years at the 31st Annual General Meeting held on 29th September, 2017 and will hold office till the conclusion of 36th Annual General Meeting.

The requirement for the annual ratification of auditors' appointment at the AGM has been omitted pursuant to Companies (Amendment) Act, 2017 notified on May 7, 2018.

17. AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks made by M/s. Niranjana & Narayan, Chartered Accountants, Statutory Auditors in their report for the Financial Year ended 31st March, 2019.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company under sub-section (12) of section 143 of the Companies Act, 2013, during the year under review.

18. SECRETARIAL AUDITORS

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. P.S. Rao & Associates a

firm of Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit report for the financial year 2018-2019 is annexed herewith as Annexure - I to this Report.

19. SECRETARIAL AUDIT REPORT

There are no qualifications, reservations or adverse remarks made by M/s. P.S. Rao & Associates, Practicing Company Secretaries in their report for the financial year ended 31st March, 2019.

20. INTERNAL AUDITORS

The Board on the recommendations of the Audit Committee has appointed M/s. Suresh and Babu, Chartered Accountants as internal auditors of the Company. The Internal Auditors are submitting the reports regularly.

21. AUDIT COMMITTEE

The audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure requirements) regulations, 2015 read with Section 177 of the Companies Act, 2013. During the year board has reconstituted the composition of the audit committee of the company due to the appointment of Sri. T. Raja Sekhar as a Non executive Director of the company.

The following is the composition of Audit Committee as at 31st March, 2019:

1. Mr. P.R.K. Murthy, Chairman
2. Mrs. S. Jhansi Kumari
3. Mr. T. Raja Sekhar

All the recommendations made by the Audit Committee of the Company have been considered and accepted by the Board of Directors of the Company.

22. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee has been reconstituted by the board of directors during the year under review and the following is the composition of Nomination and Remuneration Committee as at 31st March, 2019:

1. Mr. P.R.K. Murthy, Chairman
2. Mrs. S. Jhansi Kumari
3. Mr. T. Raja Sekhar

The Nomination and Remuneration Committee has been constituted to recommend a policy of the company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of director and other matters and to frame proper systems for identification, appointment of Directors and KMPs, Payment of remuneration to them and evaluation of their performance and to recommend the same to the board from time to time and any other function as may be mandated by the Board or stipulated by the Companies Act, 2013, SEBI, Stock Exchanges or any other regulatory authorities from time to time. The policy is also posted on the company's website www.ullfinance.com.

23. STAKE HOLDERS RELATIONSHIP COMMITTEE

The following is the composition of Stake Holders Relationship Committee as at 31st March, 2019:

1. Mr. P.R.K. Murthy, Chairman
2. Mrs. S. Jhansi Kumari
3. Mr. T. Adinarayana

The Committee focuses on shareholders' grievances and strengthening of investor relations. The committee looks after the services of the Registrars and share transfer agents and recommends measures for providing efficient services to investors. The Committee specifically looks into investor complaints like transfer/transmission/transposition of shares, and other related issues. There were no complaints pending for redressal as at 31st March, 2019.

24. CORPORATE SOCIAL RESPONSIBILITY

The Company was not required to constitute Corporate Social Responsibility (CSR) Committee as the company has not met any of the thresholds mentioned in section 135 of the Companies Act, 2013 during the financial year under review. Hence reporting about the policy on Corporate Social Responsibility and initiative taken are not applicable to the company.

25. MEETING OF INDEPENDENT DIRECTORS

The Independent directors of the company have met separately without the attendance of Non-Executive Directors on 30th March, 2019 inter-alia, reviewed the performance of the Chairman, Non Independent Directors and Manager. The independent Directors in the said meeting also assessed the quality, quantity and timeliness of flow of information between the Company

Management and the Board to effectively and reasonably perform its duties.

26. RISK MANAGEMENT POLICY

The Company has a Risk Management policy and an internal control framework, which is used to mitigate the risks. The Board and Audit Committee on regular intervals are updated on the risk management systems, processes and minimization procedure of the Company. General risks the company is exposed to are: (i) Financial Risks (ii) Regulatory Risks (iii) Capital Markets Risks (iv) Human Resource Risks (v) Strategic Risks.

27. VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES OF THE COMPANY

Pursuant to the applicable provisions of the Companies Act, 2013 and applicable Regulations of SEBI (LODR) Regulations, 2015, a Vigil Mechanism for directors and employees to report genuine concerns has been established.

The Company has a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any, in the Company. The Vigil Mechanism/ Whistle Blower policy may be accessed on the Company's website at www.ullfinance.com.

28. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the financial year 2018-2019, the Company has not received any complaint of sexual harassment against women employees of the Company.

29. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 are annexed herewith as Annexure "II".

30. RELATED PARTY TRANSACTIONS

As a matter of policy, your company carries out transactions with related parties on an arms-length basis. Disclosures as required under form AOC-2 are annexed herewith as Annexure – III and also contained in the Notes to Financial Statements. There are no materially significant related

party transactions made by the company with promoters, directors, key managerial personnel which may have a potential conflict with the interests of the company at large, except payment of remuneration to Key Managerial Personnel. The policy on the related party transactions is also posted at the Company's website www.uflfinance.com.

31. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company being a non banking finance company registered with Reserve Bank of India, it mainly deals in the business of Investments and financing activities, is exempt from complying with the provisions of Section 186 of the Companies Act, 2013. Accordingly, the disclosures of the loans given and Investments made as required under the aforesaid section have not been given in this report. However, information regarding loans and investments are detailed in the notes to the financial statements.

32. LISTING OF EQUITY SHARES

Your company shares are listed with the BSE Limited. The listing fee has been paid for the financial year 2019 - 2020.

33. CORPORATE GOVERNANCE

Since the paid up capital of the company is less than Rs.10 Crores and the net worth of the Company is less than Rs.25 Crores, the provisions of Regulations 17,18,19,20,21,22,23,24,25,26,27, and clauses (b) to (i) of sub-regulation 2 of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, are not applicable to the Company, hence corporate governance report has not been enclosed to directors report.

34. INSIDER TRADING REGULATIONS

The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations).

The Code is applicable to all Directors and such Designated Employees and other connected persons who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with the PIT Regulations. This Code is displayed on the Company's website viz. www.uffinance.com.

Declaration stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct is annexed as Annexure IV.

35. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a. INDUSTRY STRUCTURE AND DEVELOPMENTS:

Your company is essentially an investment and finance company and registered with the Reserve Bank of India under the category of Non-Systematically Important Non-Deposit taking NBFC i.e. Non-Deposit taking NBFC with assets less than Rs. 100 crores.

Nifty and other market indices surged during the financial year 2018-19, but the midcaps and small caps have failed to witness the surge like the large caps and infact witnessed sharp fall in their indices. The year also witnessed considerable stress in certain Housing Finance Companies and other corporate groups/companies.

b. OPPORTUNITIES & THREATS:

The biggest opportunity for the Indian financial system today is the Indian consumer. Demographic shifts in terms of income levels and cultural shifts in terms of lifestyle aspirations are changing the profile of the Indian consumer. Your Company being an investment Company seeks opportunities in the capital market. The volatility in stock indices in the financial year under report represents both an opportunity and challenge for the Company. Further the impact of stress in the NBFC sector spills over to this year as well, it may lead to lower credit off take from NBFCs, which may dampen growth in consumption spending.

The most significant threat for any lending activity is to constantly exhibit operational excellence and contain the loss and mitigate the risks.

c. FUTURE OUTLOOK:

NBFCs are facing liquidity crisis and that coupled with increasing stress in the corporate segment warrants caution. In fact many corporates were dragged to NCLT under Insolvency and Bankruptcy Code which clearly

manifests the stress the corporates are facing. Further, improvements in the capital markets may also positively impact the finance and investment companies. However, the continued deterioration in assets quality and NPA'S are haunting the finance companies.

d. RISKS & CONCERNS:

In the normal course of business, finance and investment companies are exposed to various risks, namely, Credit Risk, Market Risk and Operational Risk, besides other residual risks such as Liquidity Risk, Interest Rate Risk, Strategic Risk, etc., any company which is in the business of lending, the entire proposition of the Company (providing finance to various segments of the economy) is on the fundamentals of managing the risk rather than avoiding it. Further the risk of market fluctuations will be a major risk associated with the company.

e. INTERNAL CONTROL:

The company has in place adequate internal financial control system. The Company's internal control systems, including internal financial controls, are commensurate with the nature of its business and the size and complexity of its operations and same are adequate and operating effectively. The Audit Committee reviews adequacy and effectiveness of the Company's internal control system including internal financial control. Your company has taken proper care for the maintenance of adequate accounting records as required by various statutes.

f. PERFORMANCE HIGHLIGHTS:

During the year 2018-2019, the company has earned gross income of Rs.26.32 Lakhs and earned a net profit of Rs.1.75 Lakhs.

g. NON-PERFORMING ASSETS:

During the year, the Company has made additional provision of Rs.2.50 Lakhs towards non-performing assets and the company has made additional provision of Rs.3.55 Lakhs for diminution in the value of Investments. The Company is having gross non performing assets of Rs.29.77 lakhs and net non performing assets of Rs.10.03 lakhs as at 31-3-2019.

h. HUMAN RESOURCES:

The current activities of the company may not require significant human resource, however to the extent possible requisite personnel have been engaged to take care of organization need of human resources. Accordingly, your company attributes importance to human resource development activities.

i. CAUTIONARY STATEMENT:

The statements in this Management Discussion and Analysis describing the Company's objects, projections, estimates, expectations may be construed as "forward-looking" statements within the meaning of applicable securities laws and regulations and such forward looking statements involve risks and uncertainties. Actual results may differ materially from those expressed in this statement. Important factors that could influence the Company's operations include fluctuations in the capital markets, repayments by the borrowers, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on these forward looking statements.

36. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO

The Company has not engaged in any manufacturing activity and thus its operations are not energy intensive. However, adequate measures are always taken to ensure optimum utilization and maximum possible saving of energy.

There were no Foreign Exchange earnings and out go during the year.

37. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the company is herewith annexed as Annexure "V".

In terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company does not have any employee who is employed throughout the financial year and in receipt of remuneration of Rs.102 Lakhs or more, or employees who are employed for a part of the year and in receipt of Rs.8.5 Lakhs or more per month.

38. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, affecting the financial position of the company which occurred during and between the

end of the financial year to which the financial statements relate and the date of this report.

39. MAINTENANCE OF COST RECORDS

The company is not required to maintain cost records as specified by the central government under sub section (1) of section 148 of the Companies Act, 2013.

40. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, the company does not have any amount of unclaimed and unpaid dividend which is required to be transferred to the IEPF.

41. TRANSFER OF UNCLAIMED SHARES TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, the company does not have any unclaimed shares that are required to be transferred to the Demat Account of the IEPF Authority.

42. SECRETARIAL STANDARDS:

Your Company complies with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

ACKNOWLEDGEMENTS

Your Directors gratefully acknowledge the continued assistance and co-operation extended by various Government Authorities, SEBI, BSE Limited, RBI, other regulatory authorities and bankers. The Board expresses its appreciation of the understanding, dedication and support extended by the employees of the Company. Your Directors also sincerely acknowledge the confidence and faith reposed by the shareholders in the Company.

for and on behalf of the Board

(T.R. Sekhar)
Director
DIN: 02943146

(P.R.K. Murthy)
Director
DIN: 02769220

Place : Hyderabad
Date : 14.08.2019

ANNEXURE - I

SECRETARIAL AUDIT REPORT

For the Financial Year ended on March 31, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members

Ushakiran Finance Limited

405, Raghava Ratna Towers, Chirag Ali Lane,
Hyderabad– 500001, Telangana

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ushakiran Finance Limited**, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under.
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and

Overseas Direct Investment. **(Not applicable to the company during the audit period).**

- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009/2018. **(Not applicable to the Company during the audit period).**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. **(Not applicable to the Company during the audit period).**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008/2018. **(Not applicable to the Company during the audit period).**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. **(Not applicable to the Company during the audit period)** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998/2018. **(Not applicable to the Company during the audit period).**
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vi. Other specifically applicable laws to the Company:
 - Non-Banking Financial (Non - Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

We have also examined compliance with the applicable clauses Secretarial Standards issued by the institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that:

- There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- There were no such specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs.

For **P. S. Rao & Associates**
Company Secretaries

MB Suneel

Company Secretary
C.P.No:14449

Date : 27-5-2019
Place : Hyderabad

Note: This report is to be read with our letter of even date which is annexed as '**Annexure A**' and forms an integral part of this report.

‘Annexure A’

To

The Members

Ushakiran Finance Limited

405, Raghava Ratna Towers, Chirag Ali Lane,
Hyderabad– 500001, Telangana

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For P. S. Rao & Associates
Company Secretaries

MB Suneel
Company Secretary
C.P.No:14449

Date : 27-5-2019
Place : Hyderabad

ANNEXURE - II**Form No. MGT - 9****EXTRACT OF ANNUAL RETURN**

As on the Financial Year ended on 31st March, 2019
[pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i	CIN	L65923TG1986PLC006294
ii	Registration date	20 th March, 1986
iii	Name of the Company	USHAKIRAN FINANCE LIMITED
iv	Category/Sub category of the Company	Company Limited by Shares - Indian Non-Government Company
v	Address of the Registered office and contact details	405, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad - 500001. Tel: 040-23201073, Email: ushakiranfinance@yahoo.co.in
vi	Whether listed Company	Yes
vii	Name, Address & Contact details of Registrar and Transfer Agent, if any	Venture Capital and Corporate Investments Private Limited 12-10-167, Bharat Nagar, Hyderabad - 500 018. Tel: 040 - 23818475, Email: info@vccilindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company.

Sl. No.	Name and Description of main products/services	NIC Code of the products/services	% to total turnover of the Company
1	Finance, Investments and trading in shares etc.,	65993	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
		NIL			

IV. SHAREHOLDING PATTERN
(Equity Share Capital Breakup as Percentage of Total Equity)

i) Category - wise Share Holding

Sl. No.	Category of Shareholder	No. of Shares held at the Beginning of the Year (1 st April, 2018)			No. of Shares held at the End of the Year (31 st March, 2019)			% Change during the Year
		Demat	Physical	Total	Demat	Physical	Total	
(A)	Promoters							
1	Indian							
(a)	Individuals/Hindu Undivided Family	4,96,386	40,600	5,36,986	5,33,543	12,700	5,46,243	0.36
(b)	Central Government	-	-	-	-	-	-	-
(c)	State Government(s)	-	-	-	-	-	-	-
(d)	Bodies Corporate	6,12,550	10,000	6,22,550	6,12,550	10,000	6,22,550	-
(e)	Banks/Financial Institutions	-	-	-	-	-	-	-
(f)	Any Other	-	-	-	-	-	-	-
Sub-Total (A)/(1)		11,08,936	50,600	11,59,536	11,46,093	22,700	11,68,793	0.36
2	Foreign							
(a)	NRIs - Individuals	-	-	-	-	-	-	-
(b)	Other Individuals	-	-	-	-	-	-	-

(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Banks/Financial Institutions	-	-	-	-	-	-	-	-	-
(e)	Any Other	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoters (A) = (A)(1) + (A)(2)	11,08,936	50,600	11,59,536	45.57	11,46,093	22,700	11,68,793	45.93	0.36
(B)	Public Shareholding									
1	Institutions									
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-
(b)	Banks/Financial Institutions	1,92,900	-	1,92,900	7.58	1,92,900	-	1,92,900	7.58	-
(c)	Central Government	-	-	-	-	-	-	-	-	-
(d)	State Government(s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-
(g)	Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
(h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i)	Any Other (Specify)	-	-	-	-	-	-	-	-	-

Sub-Total (B)(1)	1,92,900	-	1,92,900	7.58	1,92,900	-	1,92,900	7.58	-
2 Non-Institutions									
(a) Bodies Corporate									
(i) Indian	3,248	15,600	18,848	0.74	2,748	15,600	18,348	0.72	(0.02)
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i) Individual shareholders holding Nominal Share Capital upto Rs. 1 Lakh	4,88,972	5,21,155	10,10,127	39.70	4,84,230	5,08,855	9,93,085	39.03	(0.67)
(ii) Individual shareholders holding Nominal Share Capital in Excess of Rs. 1 Lakh	42,685	1,20,000	1,62,685	6.39	42,685	1,20,000	1,62,685	6.39	-
(c) Any Other (Specify)									
(i) Clearing Members	404	-	404	0.02	8,689	-	8,689	0.34	0.33
Sub-Total (B)(2)	5,35,309	6,56,755	11,92,064	46.85	5,38,352	6,44,455	11,82,807	46.48	(0.36)
Total Public Shareholding (B) = (B)(1) + (B)(2)	7,28,209	6,56,755	13,84,964	54.43	7,31,252	6,44,455	13,75,707	54.07	(0.36)
(C) Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Sub - Total (C)	-	-	-	-	-	-	-	-	-
Grand Total (A) + (B) + (C)	18,37,145	7,07,355	25,44,500	100	18,77,345	6,67,155	25,44,500	100	-

(ii). Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year (As on 1 st April, 2018)			Shareholding at the end of the year (As on 31 st March, 2019)			% change in Shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	
	PROMOTERS (INDIVIDUALS)							
1	T. Adinarayana	3,25,385	12.79	-	3,25,385	12.79	-	0.00
2	T. Bhagya Lakshmi	87,201	3.43	-	94,143	3.70	-	0.27
3	T.H.P.S. Kumar	10,600	0.42	-	11,515	0.45	-	0.04
4	Y. Nayudamma	5,000	0.20	-	5,000	0.20	-	0.00
5	T. Nanda Krishna	29,400	1.16	-	29,400	1.16	-	0.00
6	K. Rajamani	2,500	0.10	-	2,500	0.10	-	0.00
7	Ravindranath Taagore .T	2,500	0.10	-	2,500	0.10	-	0.00
8	S. Chidambaranathan	5,000	0.20	-	5,000	0.20	-	0.00
9	Smita Sinha	2,500	0.10	-	2,500	0.10	-	0.00
10	Amit Raj Sinha	2,500	0.10	-	2,500	0.10	-	0.00
11	Dharani Devi .C	2,500	0.10	-	2,500	0.10	-	0.00
12	T. L. Pravallika	30,600	1.20	-	32,000	1.26	-	0.06
13	T. Archana	16,300	0.64	-	16,300	0.64	-	0.00
14	T. Raja Sekhar	15,000	0.59	-	15,000	0.59	-	0.00
	PROMOTERS - (DOMESTIC COMPANIES)							
1	Sigachi Industries Private Limited (Formerly Sigachi Chloro-Chemicals Private Limited)	10,000	0.39	-	10,000	0.39	-	0.00
2	Krishnaraj Securities Private Limited	6,12,550	24.07	-	6,12,550	24.07	-	0.00
	Total	11,59,536	45.57	-	11,68,793	45.93	-	0.36

(iii). Change in promoters' shareholding (please specify, if there is no change)

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year (1 st April, 2018)		Datewise Increase/ Decrease in Shareholding during the year	No. of Shares	Reason	Cumulative Shareholding during the year (1-04-2018 to 31-03-2019)	
		No. of Shares	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
1	T. Bhagya Lakshmi	87,201	3.43					
				As per benpos 30-11-2018	3	Purchase	87,204	3.43
				As per benpos 22-03-2019	4,239	Purchase	91,443	3.59
				30-03-2019	2,700	Transfer	94,143	3.70
2	T.H.P.S. Kumar	10,600	0.42	15-11-2018	870	Purchase	11,470	0.45
				25-02-2019	45	Purchase	11,515	0.45
3	T. L. Pravallika	30,600	1.20	31-12-2018	1,400	Transfer	32,000	1.26

**(iv). Shareholding Pattern of top ten Shareholders
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Name	Shareholding at the beginning of the year (1 st April, 2018)		Date	Increase/ (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares	% of Total Shares of the Company				No. of Shares as on 31-3-2019	% of Total Shares of the Company
1	A.P. Industrial Development Corporation Limited	1,92,900	7.58	-	-	-	1,92,900	7.58
2	Kulkarni Bhagavan	36,700	1.44	-	-	-	36,700	1.44
3	P.S. Latha Gupta	25,000	0.98	-	-	-	25,000	0.98
4	M. Aruna Devi	22,300	0.88	-	-	-	22,300	0.88
5	Hitesh Ramji Javeri Radhabai Ramji Javeri Harsha Hitesh Javeri	20,000	0.79	-	-	-	20,000	0.79
6	Sumer Mal Bothra	15,200	0.60	-	-	-	15,200	0.60
7	T. Manju Latha	12,500	0.49	-	-	-	12,500	0.49
8	Omprakash Koyalkar	10,500	0.41	-	-	-	10,500	0.41
9	B. Kumar	10,300	0.40	-	-	-	10,300	0.40
10	Ramesh Kumar Bagaria	10,185	0.40	-	-	-	10,185	0.40
11	Durga Prasad Subramanyam Anapindi	10,000	0.39	-	-	-	10,000	0.39

(v). Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of the Director/KMP	Shareholding at the beginning of the year (1 st April, 2018)		Date	Increase / Decrease in Share Holding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares	% of total Shares of the Company				No. of Shares as on 31-3-2019	% of total Shares of the Company
Directors								
1	T. Adinarayana	3,25,385	12.79				3,25,385	12.79
2	Y. Balakrishna Murthy	NIL			NIL		NIL	
3	P. Radha Krishna Murthy	NIL			NIL		NIL	
4	S. Jhansi Kumari	NIL			NIL		NIL	
5	T. Raja Sekhar	15,000	0.59		NIL		15,000	0.59
	Key Managerial Personnel							
1	Omprakash Koyalkar	10,500	0.41		NIL		10,500	0.41

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment.					
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness	
Indebtedness at the beginning of the financial year					
(i). Principal Amount					
(ii). Interest due but not paid					
(iii). Interest accrued but not due		NONE			
Total (i+ii+iii)					
Change in Indebtedness during the financial year					
Addition					
Reduction					
Net change		NONE			
Indebtedness at the end of the financial year					
(i). Principal Amount					
(ii). Interest due but not paid					
(iii). Interest accrued but not due		NONE			
Total (i+ii+iii)					

VI. (a) Remuneration of Managing Director, Whole Time Director, Other Directors and/or Manager

Sl No.	Particulars of Remuneration	Directors	Manager	Manager
1	Gross Salary		N. Swaroop Kumar*	Omprakash Koyalkar
			Rs.	Rs.
	(a) Salary as per provisions contained in Section 17 (1) of the Income tax Act, 1961	NIL	36,194	1,48,065
	(b) Value of perquisites under Section 17 (2) of the Income tax Act, 1961		-	-
	(c) Profits in lieu of salary under Section 17 (3) of the Income tax Act, 1961		-	-
2	Stock option		-	-
3	Sweat Equity		-	-
4	Commission			-
	- as percentage of profit		-	-
	- others		-	-
5	Others		-	-
	Total		36,194	1,48,065
	Total Remuneration of Manager(s)		1,84,259	
	Ceiling as per the Act		Rs. 60 Lakhs	

* N.Swaroop Kumar Rs.36,194/- has resigned during the year 2018-2019

VI. (b) Remuneration of Key Managerial Personnel other than MD/WTD/Manager

Sl. No.	Particulars of Remuneration	Company Secretary	CFO	Total
	Name	J.P.S.Neelam Sai/Shriya Jain *	Omprakash Koyalkar/ B Rama devi **	
1	Gross Salary	Rs.	Rs.	Rs.
	(a) Salary as per provisions contained in Section 17 (1) of the Income tax Act, 1961	1,64,903	2,50,538	4,15,441
	(b) Value of perquisites under Section 17 (2) of the Income tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17 (3) of the Income tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as percentage of profit	-	-	-
	- others	-	-	-
5	Others	-	-	-
	Total	1,64,903	2,50,538	4,15,441

* J.P.S.Neelam Sai Rs.64,000/- and Shriya Jain Rs. 1,00,903/-

** Omprakash Koyalkar Rs.54,435/- and B.Rama Devi Rs.1,96,103/-

(vii) Penalties / Punishment/ Compounding of Offences

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment, Compounding Fees Imposed	Authority [RD/NCLT/ COURT]	Appeal made if any (give details)
A. Company /B.Directors/C.Other Officers in default					
Penalty			NONE		
Punishment			NONE		
Compounding			NONE		

ANNEXURE – III

FORM NO. AOC – 2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rules, 2014]

Form for Disclosure of particulars of contracts / arrangements entered into by the Company with the related parties referred to in sec. 188 (1) of the Companies Act, 2013.

1. Details of contracts or arrangements or transactions not at arm's length basis:

The Company has not entered into any contract or arrangement or transaction which is not at arm's length basis during the year under review.

2. Details of material contracts or arrangements or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Dates of approval by the Board, if any:	Amount in Rs.
N.Swaroop Kumar, Manager	Remuneration & Perquisites	3 Years w.e.f 1-9-2017	N.A	14-08-2017	Rs.36,194/-
Omprakash Koyalkar, Chief Financial Officer	Remuneration & Perquisites	Regular Employee	N.A	13-2-2018	Rs.54,435/-

Omprakash Koyalkar, Manager	Remuneration & Perquisites	3 Years w.e.f 10-07-2018	N.A	10-07-2018	Rs.1,48,065/-
B.Rama Devi, Chief Financial Officer	Remuneration & Perquisites	Regular Employee	N.A	10-07-2018	Rs.1,96,103/-
J.P.S Neelam Sai, Company Secretary	Remuneration & Perquisites	Regular Employee	N.A	13-2-2018	Rs.64,000/-
Shriya Jain, Company Secretary	Remuneration & Perquisites	Regular Employee	N.A	03-10-2018	Rs.1,00,903/-

Other than payment of remuneration to key managerial personnel amounting to **Rs.5,99,700** /- (Rs.3,90,765/-) there are no other contracts or arrangements with related parties. Except Omprakash Koyalkar and all other KMPs have worked for a part of the year.

ANNEXURE – IV

DECLARATION OF CODE OF CONDUCT:

The Company has adopted a Code of Business Conduct and Ethics (the Code) which applies to all the employees and Directors of the Company. Under the Code, it is the responsibility of all the employees and directors to familiarize themselves with the code and comply with its standards.

We, hereby confirm that the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year 2018-19.

For Ushakiran Finance Limited

Place : Hyderabad
Date : 14.08.2019

(Omprakash Koyalkar)
Manager

ANNEXURE – V

Details pertaining to Employees as required under section 197 (12) of the Companies Act, 2013

Statement of Particulars of Employees Pursuant to Provisions of Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- i) The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year:

Not Applicable as no remuneration has been paid to the Directors during the financial Year 2018 - 2019.

The Following are the details of the remuneration paid to Key Managerial Personnel during the financial year 2018-2019.

Name	Age	Qualifications	Designation	Date of Commencement of employment	Experience (years)	Gross Remuneration (CTC)(Rs.)	Previous Employment	Previous Designation
Omprakash Koyalkar	53	B. Com.,	Manager	10-07-2018 (as Manager)	26	1,48,065/-	Sigachi Laboratories Ltd.,	Accountant
B. Rama Devi	26	B.Com., CMA.,	CFO	10-07-018	NA	1,96,103/-	NA	NA
Shriya Jain	23	B.Com., ACS.,	Company Secretary*	03-10-2018	NA	1,00,903/-	NA	NA

*Resigned on 30th April, 2019.

- ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name	Designation	Remuneration for the year ended 31-3-2019 (Rs. in lakhs)	% increase in Remuneration
Omprakash Koyalkar	CFO	0.54	--
B. Rama Devi	CFO	1.96	--
J.P.S. Neelam Sai	Company Secretary	0.64	--
Shriya Jain	Company Secretary	1.01	--
N. Swaroop Kumar	Manager	0.36	--
Omprakash Koyalkar	Manager	1.48	--

- iii) The percentage increase in the median remuneration of employees in the financial year:

There is no increase in the salary of employees during the financial year.

- iv) The number of permanent employees on the rolls of company are 4 as on 31st March, 2019.
- v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

There is no increase in the remuneration of employees during the financial year 2018-2019, as all the employees have worked only for a part of the year. There was no exceptional circumstances for increase in the managerial remuneration in the financial year.

vi) Affirmation that the remuneration is as per the remuneration policy of the company:
The remuneration is as per the Remuneration Policy of the Company.

Statement showing the details of Employees of the company as per Rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014:

A) Top 10 Employees in terms of remuneration other than Key Managerial Personnel:

S. No.	Name of the Employee	Designation of the Employee	Remuneration in (Rs. In Lakhs) Per Annum	Nature of employment, Whether contractual or otherwise	Qualification and experience of the employee	Date of commencement of employment	Age of the employee	Last employment held by such employee before joining the company	Percentage of Equity Shares held by the Employee in the Company	Whether any such employee is a relative of any Director of the Company and if so, name of such Director
1	K. Rashmitha	Accountant	Rs. 0.09	Regular Employee	B.Com.,	01.03.2019	21	.	.	.

There is no employee who is drawing annual salary of Rs.102 Lakhs and more and monthly Salary of Rs.8.5 Lakhs and more.

NIRANJAN & NARAYAN
CHARTERED ACCOUNTANTS

First Floor, H.No:7-1-28/1/A/21,
Park Avenue Colony,
Shyamkaran Road,
Ameerpet, Hyderabad- 500016.

Independent Auditors' Report

To
The Members of
Ushakiran Finance Limited,

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Ushakiran Finance Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and it gives a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2019, its profit and its cash flows for the year ended on that date.

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 Financial Statements 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Auditor's Response/Procedures
<p>a) Identification of Non Performing Assets and Adequacy of Provisions.</p> <p>Loans and Advances are classified as performing and non performing assets in accordance with the prudential norms issued by the Reserve Bank of India.</p> <p>The identification of non performing assets and creation of provision on such assets involves key management judgments relating to performance, determination of realizable securities available to the company.</p>	<p>We have assessed the company systems in place for classification of the assets, identification and provision for the non performing assets including assessment of realizable securities. Our audit approach consisted of testing the design of the systems for identification of the non performing assets to ensure conformity with the guidelines of the RBI in the matter and test checking identification of non performing assets.</p>
<p>b) The Company's investment portfolio consists of Non Current investments.</p> <p>The total non current quoted investments (net of provision) portfolio of the Company represents 23.33% of the Company's total assets. Long term investments are stated at cost less provision for diminution other than temporary in the value of these investments.</p>	<ul style="list-style-type: none"> • We assessed appropriateness of the pricing methodologies with reference to Company's accounting and valuation policy for ascertaining market values; • We have assessed the process and tested the operating effectiveness of the key controls, including the Company's review and approval of the estimates and assumptions used for the valuation.

In respect of the portfolio of quoted investments we do not consider these investments to be at a high risk of significant misstatement, or to be subject to a significant level of judgment because they comprise liquid, quoted investments. However, due to their materiality in the context of the financial statements as a whole, they are considered to be one of the areas which had the significant impact on our overall audit strategy.

The portfolio of unquoted investments is 0.58% of the Company's Total Assets. The valuation of unquoted investments involves judgment depending on the observability of the inputs into the valuation and further judgment in determining the appropriate valuation methodology where external pricing sources are either not readily available or are unreliable.

c) The Company's inventory consists of Shares. Total Inventory of the Company represents 4.52% of the Company's total assets. Inventory's are made and valued in accordance with Policy of the Company and relevant Indian GAAP at cost or market value whichever is lower.

•For unquoted investments, we critically evaluated the valuation assessment and resulting conclusions in order to determine the appropriateness of the valuations recorded with reference to the Company's valuation guidelines.

•We assessed appropriateness of the pricing methodologies with reference to Company's valuation policy.

• We have verified the inventory of shares by Demat statements and physical shares.

Other Information

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information

included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. The other information as identified above is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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

- i. Identify and assess the risks of material misstatement of the financial statements, 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.
- ii. 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. Conclude on the appropriateness of management's 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 Company's ability 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 financial statements 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.

- v. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually, or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B.
 - (g) In our opinion, the managerial remuneration for the year ended 31st March, 2019 has been paid / provided by the company to its Directors/Manager in accordance with the provisions of Section 197 read with Schedule V to the Act.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the information and explanations given to us:
- i. The Company do not have pending litigations which will impact its financial position in its financial statements.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There are no funds, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Niranjan & Narayan
Chartered Accountants
Firm Registration Number: 005899S

(M. Niranjan)

Partner

Membership No. 029552

Place : Hyderabad

Date : 27th May, 2019

Annexure – A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the Management at reasonable intervals, and according to the information and explanations given to us, no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the Records of the company, the title deeds of immovable properties are held in the name of the Company.
2. The Inventory (shares and securities) has been verified by the management at reasonable intervals during the year, on the basis of statements received from custodians and depository participants and physical share certificates and no material discrepancies were noticed on physical verification as compared to the book records.
3. The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 during the year. Thus paragraphs 3 (iii) (a), 3 (iii) (b) and 3 (iii) (c) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, during the year, the Company has not given any loans, made investments, given guarantees or provided security to parties covered under the provisions of section 185 and 186 of the Companies Act, 2013. Thus paragraph 3 (iv) is not applicable to the company.
5. During the year the company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under. Thus Paragraph 3(v) is not applicable to the company.
6. The Central Government of India has not prescribed the maintenance of Cost records under section 148 (1) of the Companies Act, 2013 for any of the activities of the Company. Thus paragraph 3(vi) is not applicable to the company.

7. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, Goods and Services Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, Goods and Services Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears as at 31st March, 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, customs duty, Goods and Services Tax, excise duty and cess which have not been deposited on account of any dispute.
8. According to the information and explanations given to us, the company has not defaulted in payment of dues to the financial institutions, banks, government or debenture holders during the year. The Company has not obtained any loan from financial institutions, banks, government and debenture holders during the year.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of the Section 197 read with Schedule V to the Companies Act, 2013.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of

the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
15. According to the information and explanations given to us and based on our examination of records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in Section 192 of the Act. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, and accordingly the Company was already registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Niranjan & Narayan
Chartered Accountants
Firm Registration Number: 005899S

(M. Niranjan)
Partner
Membership No. 029552

Place : Hyderabad
Date : 27th May, 2019

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls over financial reporting of Ushakiran Finance Limited (the “Company”) as of 31st March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the standards on auditing issued by the Institute of Chartered Accountants of India and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established

and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper

management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Niranjan & Narayan
Chartered Accountants
Firm Registration Number: 005899S

(M. Niranjan)
Partner
Membership No. 029552

Place : Hyderabad
Date : 27th May, 2019

BALANCE SHEET AS AT 31.03.2019

	Note No	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	2,74,70,750.00	2,74,70,750.00
(b) Reserves and Surplus	3	(51,29,167.77)	(53,04,418.30)
		2,23,41,582.23	2,21,66,331.70
(2) Non-Current Liabilities			
(a) Deferred-tax Liabilities (Net)	4	-	1,51,940.00
(b) Long-term Provisions	5	34,06,700.00	28,01,700.00
		34,06,700.00	29,53,640.00
(3) Current Liabilities			
(a) Short-term Borrowings		-	-
(b) Other Current Liabilities	6	81,032.00	72,290.00
(c) Short-term Provisions	7	-	2,194.00
		81,032.00	74,484.00
Total		2,58,29,314.23	2,51,94,455.70
II. ASSETS			
Non-Current Assets			
(1) (a) Property, Plant and Equipment	8		
(i) Tangible Assets		16,27,291.00	16,67,412.00
(ii) Intangible Assets		-	-
		16,27,291.00	16,67,412.00
(b) Non-Current Investments	9	75,95,809.74	74,66,223.74
(c) Deferred Tax Assets (Net)	10	1,510.00	-
(d) Long-term Loans and Advances	11	22,840.00	22,840.00
(e) Other non-Current Assets		-	-
		92,47,450.74	91,56,475.74
(2) Current Assets			
(a) Current Investments	12	-	17,27,147.00
(b) Inventories	13	11,67,964.85	13,88,085.00
(c) Cash and Cash equivalents	14	78,42,761.79	56,84,354.96
(d) Short-term Loans and Advances	15	74,83,487.85	72,38,393.00
(e) Other Current Assets	16	87,649.00	-
		1,65,81,863.49	1,60,37,979.96
Total		2,58,29,314.23	2,51,94,455.70
Notes forming part of the financial statements	1 - 33		

Per our report of even date annexed
for Niranjana & Narayan
Chartered Accountants
Firm Regn. No.005899S

for and on behalf of the Board

(T.R. Sekhar)
Director
DIN: 02943146

(P.R.K. Murthy)
Director
DIN: 02769220

(M. Niranjana)
Partner
Membership No. 029552

(Sanjana Jain)
Company Secretary

(B. Rama Devi)
Chief Financial Officer

(Omprakash Koyalkar)
Manager

Place : Hyderabad
Date : 27.05.2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2019

		Note No	For the year ended 31.03.2019 Rs.	For the year ended 31.03.2018 Rs.
I	INCOME			
	Revenue from Operations	17	21,91,301.00	26,44,421.00
	Other Income	18	4,41,036.24	8,33,100.10
	TOTAL INCOME		26,32,337.24	34,77,521.10
II	EXPENSES			
	Changes in opening stock and closing stock of shares	19	2,20,120.15	(637.00)
	Employee benefits expense	20	7,15,491.00	5,17,547.00
	Finance Costs		-	-
	Depreciation and amortization expenses	8	40,121.00	66,043.00
	Other expenses	21	8,96,838.56	18,52,893.15
	Provision for Standard and Sub Standard Assets	22	2,50,000.00	(10,00,000.00)
	Provision for diminution in value of investments	23	3,55,000.00	-
	TOTAL EXPENSES		24,77,570.71	14,35,846.15
III	Profit / (Loss) before exceptional and extraordinary items and tax (I-II)		1,54,766.53	20,41,674.95
IV	Exceptional Items		-	-
V	Profit / (Loss) before extraordinary items and tax (III-IV)		1,54,766.53	20,41,674.95
VI	Extraordinary Items		-	-
VII	Profit / (Loss) before tax (V-VI)		1,54,766.53	20,41,674.95
VIII	Tax expense:			
	Current Tax	24	1,32,966.00	6,28,110.00
	Deferred Tax		(1,53,450.00)	2,57,200.00
	Total Tax Expense		(20,484.00)	8,85,310.00
IX	Profit/(Loss) for the period from continuing operations (VII-VIII)		1,75,250.53	11,56,364.95
X	Profit/(Loss) from discontinuing operations		-	-
XI	Tax expense of discontinuing operations		-	-
XII	Profit/(Loss) from discontinuing operations after tax (X-XI)		-	-
XIII	Profit/(Loss) for the year (IX+XII)		1,75,250.53	11,56,364.95
XIV	Earnings per equity share:			
	(1) Basic (in Rs.)		0.07	0.45
	(2) Diluted (in Rs.)		0.07	0.45
	Notes forming part of the financial statements	1 - 33		

Per our report of even date annexed
for Niranjan & Narayan
Chartered Accountants
Firm Regn. No.005899S

for and on behalf of the Board

(T.R. Sekhar)
Director
DIN: 02943146

(P.R.K. Murthy)
Director
DIN: 02769220

(M. Niranjan)
Partner
Membership No. 029552

(Sanjana Jain)
Company Secretary

(B. Rama Devi)
Chief Financial Officer

(Omprakash Koyalkar)
Manager

Place : Hyderabad
Date : 27.05.2019

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019

		As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
A.	CASH FLOW FROM OPERATING ACTIVITIES		
a.	Net Profit/(Loss) before Tax & Extraordinary items	1,54,766.53	20,41,674.95
	Adjustments for:		
	Add:		
	Depreciation	40,121.00	66,043.00
	Interest paid	-	-
	Profit on Sale of Fixed Assets	-	-
		1,94,887.53	21,07,717.95
b.	Operating Profit/(Loss) before Working Capital changes		
	Adjustments for:		
	Trade and other Receivables	(2,45,094.85)	12,56,500.00
	Inventories	2,20,120.15	(637.00)
	Trade Payables	6,548.00	(61,893.00)
		1,76,460.83	33,01,687.95
c.	Cash generated from operations		
	Interest Paid	-	-
	Taxes Paid	20,484.00	(8,85,310.00)
		1,96,944.83	24,16,377.95
d.	Cash Flow before Extraordinary items		
	Adjustments for:	-	-
	Net Cash Flow from Operating Activities (A)	1,96,944.83	24,16,377.95

USHAKIRAN FINANCE LIMITED

B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	(7,600.00)
Sale/Purchase/writeoff of Investments	15,97,561.00	(7,67,173.92)
Sale of Fixed Assets	-	-
Deferred Tax Asset/Liability	(1,53,450.00)	2,57,200.00
Increase/Decrease in Non - Current Deposits	9,43,926.00	(27,16,833.00)
Net Cash Flow from Investing Activities (B)	23,88,037.00	(32,34,406.92)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share Capital	-	-
Increase/Decrease in Other Non - Current Assets	(87,649.00)	-
Increase/Decrease in Non - Current Liabilities	6,05,000.00	(10,00,000.00)
Increase / Decrease in Long Term Loans and Advances	-	-
Net Cash Flow from Financing Activities (C)	5,17,351.00	(1,000,000.00)
D. NET INCREASE/(DECREASE) IN CASH		
And Cash Equivalents (A+B+C)	31,02,332.83	(18,18,028.97)
Cash and Cash Equivalents at the beginning of the year	5,60,550.96	23,78,579.93
Cash and Cash Equivalents at the end of the year	36,62,883.79	5,60,550.96

Per our report of even date annexed
for Niranjana & Narayan
Chartered Accountants
Firm Regn. No.005899S

for and on behalf of the Board

(T.R. Sekhar)
Director
DIN: 02943146

(P.R.K. Murthy)
Director
DIN: 02769220

(M. Niranjana)
Partner
Membership No. 029552

(Sanjana Jain)
Company Secretary

(B. Rama Devi)
Chief Financial Officer

(Omprakash Koyalkar)
Manager

Place : Hyderabad
Date : 27.05.2019

Notes forming part of the Financial Statements:**Note 1.****A. Corporate Information:**

Ushakiran Finance Limited is a Non-Banking Finance Company registered with Reserve Bank of India and listed on the Bombay Stock Exchange (BSE Ltd.). It is mainly engaged in the business of investments, financing and trading in equity shares etc.,

Significant Accounting Policies:**B. Basis of Accounting:**

The Financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on accrual basis, except those with significant uncertainties. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

C. Use of Estimates:

The preparation of Financial Statements is in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the end of the reporting period. Although such estimates and assumptions are made on reasonable and prudent basis, taking into account all available information, current events and actions, the actual results could differ from these estimates and assumptions and such differences are recognized in the period in which the results are known/materialized/crystallized.

D. 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.

E. Revenue Recognition:

- a). Income from interest is accounted on accrual 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.

- b). Interest Income on Fixed Deposits is recognized on time proportionate basis taking into account the amount outstanding and the applicable interest rate.
- c). Dividend Income is accounted when the right to receive the dividend is established. Sale is recognized when the significant risks and rewards of ownership have been transferred to the customers. On disposal of investments, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

F. Expenses:

All the expenses are accounted on accrual basis.

G. Property, Plant and Equipment:

Fixed Assets are stated at cost, less accumulated depreciation and impairment losses, if any. The Cost comprises the purchase cost and any attributable cost of bringing the asset to its working condition for its intended use.

H. Depreciation:

Depreciation has been provided on its Fixed Assets over the useful life on written down value method, in the manner prescribed in Schedule II of the Companies Act, 2013.

I. Impairment of tangible assets:

At each Balance Sheet date, the company reviews the carrying amount of assets to determine whether there is an indication that those assets have suffered impairment loss. If any such conditions exist, the recoverable amount of assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

J. Investments:

- a). Investments that are readily realizable and are intended to be held for not more than one year from the date, on which such investments

are made, are classified as current investments. All other investments, other than held in Stock-in-Trade, have been classified as long term investments.

- b). Current Investments are stated at lower of cost or fair/market value, determined on an individual investment basis. In case of Mutual Funds, the net asset value of the units declared by Mutual Funds is considered as fair value. Long term investments are stated at cost. Provision for diminution in the value of long term investments is made to recognize the decline, other than temporary.
- c). Unquoted Investments are valued at cost and provision for diminution in value of these investments is made based on the guidelines issued by the Reserve Bank of India or based on the judgement of the management, whichever, provision is higher.

K. Inventories:

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

L. Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying the economic benefits.

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying the economic benefits will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

M. Retirement and other employee benefits:

All employees benefits due wholly within a year of rendering services are classified as short term benefits. These benefits like salaries, wages, short term compensation absences, expected cost of bonus, ex-gratia are recognized as expenses on accrual basis of undiscounted amounts in the Statement of Profit and Loss. Retirement benefits to the Employees will be provided as and when the relevant acts are applicable to the Company.

N. Accounting for taxes on income:

- (a) Current Tax is determined as the amount of tax payable in respect of its taxable income as per the provisions of the Income Tax Act, 1961.
- (b) Deferred tax is recognized, subject to consideration of prudence in respect of deferred tax assets and liabilities, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates. Deferred tax assets are recognised and carried forward only to the extent that there is virtual certainty that the deferred tax asset will be realized in future.

O. Non Performing Assets:

The Company follows the direction of Reserve Bank of India on prudential norms for income recognition, provisioning for bad and doubtful debts, Accounting for investments etc.

P. Earnings per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to the equity share holders by weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to the equity share holders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of dilutive part of equity shares, if any.

Q. Cash Flow Statement:

Cash-flow statement is prepared in accordance with the "Indirect Method" as explained in the Accounting Standard (AS) 3 – Cash Flow Statements.

Cash and cash equivalent in the cash flow statement comprises cash in hand, bank balances in current accounts, cheques and drafts on hand and term deposits with an original maturity of less than three months.

Note 2: Share Capital

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
(a) Authorised Capital: 40,00,000 Equity Shares of Rs.10/- each	4,00,00,000.00	4,00,00,000.00
(b) Issued & Subscribed Capital: 33,54,700 Equity Shares of Rs.10/- each	3,35,47,000.00	3,35,47,000.00
(c) Paid up Capital: 25,44,500 Equity Shares of Rs.10/- each	2,54,45,000.00	2,54,45,000.00
(d) Forfeiture of Shares	20,25,750.00	20,25,750.00
	2,74,70,750.00	2,74,70,750.00

2. (a) Reconciliation of shares Outstanding

	As at 31.03.2019	As at 31.03.2018
At the beginning of the year		
No. of shares	25,44,500	2,544,500
Amount in Rs.	2,54,45,000.00	2,54,45,000.00
Changes during the year		
No. of shares	-	-
Amount in Rs.	-	-
shares outstanding at the end of the year		
No. of shares	25,44,500	25,44,500
Amount in Rs.	2,54,45,000.00	2,54,45,000.00

2. (b) Terms / Rights attached to Equity Shares

The company has only one class of equity shares having par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2. (c) Details of Shareholders holding more than 5% shares in the Company

Name of the Shareholder	As at 31.03.2019 Rs.		As at 31.03.2018 Rs.	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of Rs.10/- each				
Krishnaraj Securities Private Limited	612,550	24.07%	612,550	24.07%
T. Adinarayana	325,385	12.79%	325,385	12.79%
Andhra Pradesh Industrial Development Corporation Ltd.,	192,900	7.58%	192,900	7.58%

2. (d) There are no bonus shares issued, shares issued for consideration other than cash and shares bought back during five years preceeding 31st March, 2019.

Note 3: Reserves and Surplus

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
(a) General Reserve		
As per last Balance Sheet	7,52,106.39	7,52,106.39
Add: Transfer from Surplus/(deficit) in the statement of Profit and Loss	-	-
	7,52,106.39	7,52,106.39
(b) Statutory Reserve Fund		
As per last Balance Sheet	14,22,500.00	11,90,500.00
Add: Transfer from Surplus in the statement of Profit and Loss	35,100.00	2,32,000.00
	14,57,600.00	14,22,500.00
(a+b)	22,09,706.39	21,74,606.39

USHAKIRAN FINANCE LIMITED

(c) Surplus/(deficit) as per last Balance Sheet	(74,79,024.69)	(84,03,389.64)
Add: Profit / (Loss) for the year	1,75,250.53	11,56,364.95
	(73,03,774.16)	(72,47,024.69)
Less: Appropriations		
Transfer to Statutory Reserve Fund	35,100.00	2,32,000.00
Transfer to General Reserve	-	-
	35,100.00	2,32,000.00
Closing Balance	(73,38,874.16)	(74,79,024.69)
(a+b+c)	(51,29,167.77)	(53,04,418.30)

Note 4: Deferred Tax Liabilities (Net)

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
Deferred Tax Liabilities	-	5,47,640.00
Less: Deferred Tax Assets	-	3,95,700.00
	-	1,51,940.00

Note 5: Long-term Provisions

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
Provision for Standard and Substandard Assets	19,86,000.00	17,36,000.00
Provision for Diminution in the value of Investments	14,20,700.00	10,65,700.00
	34,06,700.00	28,01,700.00

Note 6: Other Current Liabilities

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
Creditors For Expenses	-	-
Audit Fee Payable	49,000.00	49,000.00
Other Payables	32,032.00	23,290.00
	81,032.00	72,290.00

Note 7: Short term Provisions

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
Income Tax Provision for Financial Year 2017 - 2018	-	2,194.00
	-	2,194.00

Note 8: PROPERTY, PLANT AND EQUIPMENT

Sl. No.	Particulars	Gross Block				Depreciation				Net Block	
		As at 01.04.2018	Additions Rs.	Deletions Rs.	As at 31.03.2019 Rs.	As at 01.04.2018 Rs.	For the Year Rs.	Deletions/ Adjustments Rs.	As at 31.03.2019 Rs.	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
	Tangible Assets										
1	Land	15,36,075.00	-	-	15,36,075.00	-	-	-	-	15,36,075.00	15,36,075.00
2	Furniture	2,48,517.00	-	-	2,48,517.00	2,43,413.00	309.00	-	2,43,722.00	4,795.00	5,104.00
3	Equipment	5,46,437.00	-	-	5,46,437.00	4,95,181.00	10,776.00	-	5,05,957.00	40,480.00	51,256.00
4	Vehicles	7,55,876.00	-	-	7,55,876.00	6,96,073.00	20,265.00	-	7,16,338.00	39,538.00	59,803.00
5	Computers	1,18,635.00	-	-	1,18,635.00	1,03,461.00	8,771.00	-	1,12,232.00	6,403.00	15,174.00
	Total:	32,05,540.00	-	-	32,05,540.00	15,38,128.00	40,121.00	-	15,78,249.00	16,27,291.00	16,67,412.00
	Intangible Assets										
1	Tally Software	10,600.00	-	-	10,600.00	10,600.00	-	-	10,600.00	-	-
	Total:	10,600.00	-	-	10,600.00	10,600.00	-	-	10,600.00	-	-
	Grand Total	32,16,140.00	-	-	32,16,140.00	15,48,728.00	40,121.00	-	15,88,849.00	16,27,291.00	16,67,412.00

Note 9: Non-Current Investments
INVESTMENTS (QUOTED)

Sl. No.	INVESTMENTS (LONG TERM) Shares (Fully Paid up) at cost	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
1	Aurobindo Pharma Limited 100 Equity shares of Rs.1/- each	81,135.81	81,135.81
2	AARV Infratel Limited 43,900 Equity Shares of Rs.10/- each	4,62,175.00	4,62,175.00
3	Bank of Maharashtra 2,000 Equity Shares of Rs.10/- each	46,000.00	46,000.00
4	Bharat Heavy Electricals Limited 375 Equity Shares of Rs.2/- each	81,594.18	81,594.18
5	Brightcom Group Limited 1,000 Equity Shares of Rs.2/- each	40,360.00	40,360.00
6	Central Bank of India 680 Equity Shares of Rs.10/- each	62,610.79	62,610.79
7	Corporation Bank 1,000 Equity Shares of Rs.2/- each	16,000.00	16,000.00
8	Dewan Housing Finance Corporation Limited 500 Equity shares of Rs.10/- each	1,65,228.29	1,65,228.29
9	GAIL (India) Limited 2,400 (1,800) Equity Shares of Rs.10/- each	2,27,295.00	2,27,295.00
10	Gateway Distriparks Limited 1,112 Equity Shares of Rs.10/- each	1,48,160.52	148,160.52
11	GIC Housing Finance Limited 200 Equity Shares of Rs.10/- each	8,000.00	8,000.00
12	GMR Infrastructure Limited 2,200 Equity Shares of Rs.1/- each	2,54,030.13	2,54,030.13
13	Godrej Consumer Products Limited 600 (400) Equity Shares of Rs.1/- each	24,600.00	24,600.00
14	Gujarat State Petronet Limited 1,718 Equity Shares of Rs.10/- each	1,08,232.56	1,08,232.56
15	Haldyn Glass Limited 1,000 Equity Shares of Rs.1/- each	43,763.81	43,763.81
16	HDFC Bank Limited 3,215 Equity Shares of Rs.2/- each	37,000.00	37,000.00

USHAKIRAN FINANCE LIMITED

17	Heidelberg Cement India Limited 2,000 Equity Shares of Rs.10/- each	94,160.48	94,160.48
18	Hemadri Cements Limited 3,200 Equity Shares of Rs.10/- each	32,000.00	32,000.00
19	Hindalco Industries Limited 272 Equity Shares of Rs.1/- each	49,164.00	49,164.00
20	Hindustan Unilever Limited 1,660 Equity Shares of Rs.1/- each	13,012.50	13,012.50
21	ICICI Bank Limited 1,650 Equity Shares of Rs.2/- each	10,500.00	10,500.00
22	IDFC Limited 1,389 Equity Shares of Rs.10/- each	1,11,261.88	1,11,261.88
23	IDFC Bank Limited 1,389 Equity Shares of Rs.10/- each	72,400.00	72,400.00
24	Indian Oil Corporation Limited 1,000 Equity Shares of Rs.10/- each	81,160.48	81,160.48
25	Indraprasta Gas Limited 2,000 Equity Shares of Rs. 2/- each	19,200.00	19,200.00
26	Infosys Limited 1,840 (920) Equity Shares of Rs.5/- each	2,21,011.14	2,21,011.14
27	Jindal Saw Limited 500 Equity Shares of Rs.2/- each	54,780.89	54,780.89
28	Kotak Mahindra Bank Limited 1,372 Equity Shares of Rs.5/- each	42,570.00	42,570.00
29	Karan Woosen Limited 300 Equity Share of Rs.10/- each	3,000.00	3,000.00
30	Leena Textiles Limited 7,000 Equity Shares of Rs.10/- each	70,000.00	70,000.00
31	Laurus Labs Limited 100 Equity Shares of Rs. 10/- each	60,980.00	60,980.00
32	Mahindra Lifespace Developers Limited 27 Equity Share of Rs.10/- each	7,884.00	7,884.00
33	McLeod Russel India Limited 1,000 Equity Shares of Rs.5/- each	56,249.37	56,249.37
34	Montana International Limited 1,000 Equity Shares of Rs.10/- each	10,000.00	10,000.00
35	NCC Blue Water Products Limited 2,400 Equity Shares of Rs.10/- each	24,000.00	24,000.00

USHAKIRAN FINANCE LIMITED

36	NCL Industries Limited 7,500 Equity Shares of Rs.10/- each	1,89,097.51	1,89,097.51
37	NHPC Limited 3,000 Equity Shares of Rs.10/- each	92,264.02	92,264.02
38	Novatex Fabrics Limited 1,433 Equity Shares of Rs.10/- each	14,333.00	14,333.00
39	NBCC (India) Limited 1,000 Equity Shares of Rs.1/- each	64,498.00	-
40	Oil and Natural Gas Corporation Limited 672 Equity Shares of Rs.5/- each	46,320.00	46,320.00
41	Oswal Agro Furane Limited 100 Equity Shares of Rs.10/- each	6,300.00	6,300.00
42	Oswal Agro Mills Limited 100 Equity Shares of Rs.10/- each	5,000.00	5,000.00
43	Pennar Paterson Securities Limited 800 Equity Share of Rs.10/- each	12,000.00	12,000.00
44	Phytochem (India) Limited 7,100 Equity Shares of Rs.10/- each	71,000.00	71,000.00
45	Power Grid Corporation of India Limited 435 Equity Shares of Rs.10/- each	29,954.00	29,954.00
46	Reliance Industries Limited 2,732 Equity Shares of Rs. 10/- each	3,06,523.98	3,06,523.98
47	REC Limited 1,000 Equity shares of Rs.10/- each	121,407.77	1,21,407.77
48	Snowman Logistics Limited 500 Equity shares of Rs.10/- each	49,195.98	49,195.98
49	Sree Rayalseema Hi-Strength Hypo Limited 5,228 Equity Shares of Rs.10/- each	1,95,778.00	1,95,778.00
50	Sri Lakshmi Engineering Industries Limited 30,000 Equity Shares of Rs.10/- each	3,00,000.00	3,00,000.00
51	Steel Authority of India Limited 1,000 Equity Shares of Rs.10/- each	51,875.00	51,875.00
52	Suzlon Energy Limited 1,000 Equity shares of Rs. 2/- each	24,013.19	24,013.19
53	The Karnataka Bank Limited 2,675 Equity shares of Rs.10/- each	2,62,130.15	2,62,130.15
54	TCFC Finance Limited 500 Equity Shares of Rs.10/- each	12,825.00	12,825.00

USHAKIRAN FINANCE LIMITED

55	T.V.Today Network Limited 700 Equity Shares of Rs.5/- each	66,500.00	66,500.00
56	Vindhya Telelinks Limited 200 Equity shares of Rs.10/- each	32,719.05	32,719.05
57	Yes Bank Limited 1,400 (1,100) Equity shares of Rs. 2/- each	3,55,827.65	2,90,739.65
58	Sigachi Industries Private Limited (Un-Quoted) 22,500 Equity Shares of Rs.10/- each	1,50,000.00	1,50,000.00
	TOTAL (A)	52,99,083.13	51,69,497.13

MUTUAL FUNDS (UNITS) AT COST

1	UTI - Banking & Financial Services Fund - Regular Dividend Plan Reinvestment 41,207.165 Units of Rs. 10/- each	7,56,106.91	7,56,106.91
2	UTI - Value Opportunities Fund - Direct - Growth Plan 1,156.175 Units of Rs.10/- each	55,090.70	55,090.70
3	UTI - Mid Cap Fund - Regular Dividend Plan Reinvestment 29,914.629 Units of Rs.10/- each	7,86,529.00	7,86,529.00
4	UTI Banking & Financial Services Fund - Direct Growth Plan 6,179.044 Units of Rs. 10/- each	4,99,000.00	4,99,000.00
5	UTI - Mid Cap Fund - Direct Growth Plan 2,099.427 Units of Rs.10/- each	2,00,000.00	2,00,000.00
	TOTAL (B)	22,96,726.61	22,96,726.61
	TOTAL INVESTMENTS (A + B)	75,95,809.74	74,66,223.74
	Aggregate Amount of Quoted Shares	51,49,083.13	50,19,497.13
	Aggregate Market Value of Quoted Shares	2,56,18,508.30	2,22,74,358.00
	Aggregate Amount of Unquoted Shares	1,50,000.00	1,50,000.00

Note 10: Deferred Tax Assets (Net)

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
Deferred Tax Assets	5,49,150.00	-
Less: Deferred Tax Liabilities	5,47,640.00	-
	1,510.00	-

Note 11: Long-Term Loans & Advances (Unsecured, considered good)

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
Deposits:		
With Govt.	11,480.00	11,480.00
With Others	11,360.00	11,360.00
	22,840.00	22,840.00

Note 12: Current Investments

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
UTI - Liquid Cash Plan - Institutional - Direct Plan - Daily Dividend Reinvestment (856.385) Units of Rs.1,000/- each	-	8,72,897.00
UTI Treasury Advantage Fund - Institutional Plan - Direct Plan - Daily Dividend Reinvestment (852.246) Units of Rs.1,000/- each	-	8,54,250.00
	-	17,27,147.00

Note 13 : Inventories

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
Stock in Trade - Shares and Securities (Valued at Lower of Cost or Market Value)	11,67,964.85	13,88,085.00
	11,67,964.85	13,88,085.00

Note 14 : Cash & Cash Equivalents

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
Cash on Hand	22,465.36	8,644.31
Balances with Banks:		
In Current Accounts	35,93,168.43	5,51,906.65
Cheques and Drafts on hand	47,250.00	-
In Fixed Deposits:		
In Fixed Deposits Accounts (with original maturity period of less than 3 months)	-	-
	36,62,883.79	5,60,550.96
Other Bank Balances:		
In Fixed Deposits Accounts (with original maturity period of more than 3 months)	41,79,878.00	51,23,804.00
	78,42,761.79	56,84,354.96

Note 15 : Short-Term Loans & Advances

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
Loans & Advances, Secured	12,53,443.00	12,53,443.00
Loans & Advances, Unsecured	32,52,785.85	42,23,000.00
Loans & Advances Unsecured, Doubtful	29,77,259.00	17,61,950.00
	74,83,487.85	72,38,393.00

Note 16 : Other Current Assets

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
Income Tax Refund due	87,649.00	-
	87,649.00	-

Note 17: Revenue from Operations

	For the year ended 31.03.2019 Rs.	For the year ended 31.03.2018 Rs.
a) Interest Income		
Interest on Loans & Advances	21,37,538.00	23,32,200.00
Interest on Fixed Deposits	53,763.00	3,12,221.00
	21,91,301.00	26,44,421.00

Note 18: Other Income

	For the year ended 31.03.2019 Rs.	For the year ended 31.03.2018 Rs.
a) Dividend Income		
On Long Term Investments:		
From Equity Shares	2,80,200.09	2,35,911.02
From Mutual Funds	16,058.18	1,91,373.70
On Stock in Trade	1,41,927.97	1,05,815.38
b) Bad debts recovery	-	3,00,000.00
c) Miscellaneous Income	2,850.00	-
	4,41,036.24	8,33,100.10

Note 19: Changes in Opening stock and Closing stock of shares

	For the year ended 31.03.2019 Rs.	For the year ended 31.03.2018 Rs.
Opening Stock of Shares	13,88,085.00	13,87,448.00
Closing Stock of Shares	11,67,964.85	13,88,085.00
	2,20,120.15	(637.00)

Note 20: Employee benefits expense

	For the year ended 31.03.2019 Rs.	For the year ended 31.03.2018 Rs.
Salaries	6,87,371.00	4,96,856.00
Staff Welfare	28,120.00	20,691.00
	7,15,491.00	5,17,547.00

Note 21: Other Expenses

	For the year ended 31.03.2019 Rs.	For the year ended 31.03.2018 Rs.
Electricity Charges	11,716.00	20,639.00
Rent	59,725.00	56,025.00
Insurance	6,216.00	8,151.00
Audit Fee	20,000.00	20,500.00
Advertisement Expenses	55,997.20	53,437.91
Annual Custody Fee	26,171.21	27,772.79
Bad Debts	-	10,00,000.00
Bank Charges	4,168.00	2,701.48
Books & Periodicals	7,400.00	8,450.00
Computer Maintenance	10,190.00	6,270.00
Conveyance Expenses	10,110.43	17,698.25
Consultancy Charges	-	20,000.00
Internet & Broadband Charges	6,372.00	9,468.44
Listing Fee	2,95,000.00	2,90,375.00
Membership Fee	17,700.00	44,100.00
Miscellaneous Expenses	51,706.20	47,759.28
Office Maintenance Charges	34,406.00	41,358.00
Postage & Telegrams	63,435.00	22,484.00
Printing & Stationery	56,356.00	32,859.00
Professional Charges	15,500.00	13,000.00
Vehicle Repairs	10,466.52	8,846.00
Secretarial Audit Fee	25,000.00	25,000.00
Share Transfer Fee	87,318.00	62,390.00
Telephone Charges	12,036.00	13,608.00
Website Maintenance Charges	9,849.00	-
	896,838.56	1,852,893.15

Note 22: Provision for Standard and Substandard Assets

	For the year ended 31.03.2019 Rs.	For the year ended 31.03.2018 Rs.
Provision for Standard and Substandard Assets	2,50,000.00	(10,00,000.00)
	2,50,000.00	(10,00,000.00)

Note 23: Provision for Diminution in the Value of Investments

	For the year ended 31.03.2019 Rs.	For the year ended 31.03.2018 Rs.
Provision on Diminution in the value of Investments	3,55,000.00	-
	3,55,000.00	-

Note 24: Current Tax

	For the year ended 31.03.2019 Rs.	For the year ended 31.03.2018 Rs.
Current Tax	1,40,550.00	1,50,600.00
Prior Period Tax	(7,584.00)	4,77,510.00
	1,32,966.00	6,28,110.00

25. 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.
26. 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 31.03.2019 Rs.	As at 31.03.2018 Rs.
27. Auditors Remuneration:		
Statutory Audit Fee	20,000.00	20,000.00
Out of Pocket Expenses	--	500.00
	20,000.00	20,500.00

28. Earnings per share: The following reflects the Income and Share data used in the computation of Basic and diluted Earnings per share:

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
a) Amounts used as the numerator		
Net Profit/(Loss) (Rs.)	1,75,250.53	11,56,364.95
b) Weighted average number of equity shares (Nos.)	25,44,500	25,44,500
c) Basic and Diluted Earnings per Share (Rs.)	0.07	0.45

29. The company is mainly engaged in the business of Investments, financing and trading in shares etc., and all other activities of the company revolve around the main business and as such, there are no separate reportable segments.

30. Related Party Transactions:

Related party disclosures as required under Accounting Standard 18 are given below:

Related Parties

Enterprises related to promoters / directors or their relatives:

Sigachi Laboratories Limited and Krishnaraj Securities Private Limited.

The following transactions were carried out during the year with related parties in the ordinary course of business:

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
Sitting Fee and incidental expenses paid to Directors:		
Sri. T. Adinarayana	NIL	NIL
Sri. Y.B.K. Murthy	NIL	NIL
Sri. P.R.K. Murthy	NIL	NIL
Smt. S. Jhansi Kumari	NIL	NIL
Sri. T.R. Sekhar	NIL	NIL

Remuneration paid to

Key Managerial Personnel: **Rs.5,99,700/-** Rs.3,90,765/-

(Key Managerial personnel comprises the Manager, Company Secretary and Chief Financial Officer)

There are no balances outstanding from related parties as at 31st March, 2019.

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

Quantitative details of (Stocks) Shares & Securities:

	2018-2019		2017-2018	
	Quantity No.	Value Rs.	Quantity No.	Value Rs.
Opening Stock	2,26,765	13,88,085	2,23,491	13,87,448
Purchases	--	--	--	--
Sales --	--	--	--	--
Closing Stock	2,27,476	11,67,964.85	2,26,765	13,88,085

32. Foreign Exchange Transactions:

	As at 31.03.2019	As at 31.03.2018
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

33. Previous year figures have been regrouped/reclassified/rearranged, wherever necessary to conform to the classification of the current year figures.

Per our report of even date annexed
for Niranjan & Narayan
Chartered Accountants
Firm Regn. No.005899S

for and on behalf of the Board

(T.R. Sekhar)
Director
DIN: 02943146

(P.R.K. Murthy)
Director
DIN: 02769220

(M. Niranjan)
Partner
Membership No. 029552

(Sanjana Jain)
Company Secretary

(B. Rama Devi)
Chief Financial Officer

(Omprakash Koyalkar)
Manager

Place : Hyderabad
Date : 27.05.2019

**SCHEDULE TO THE
BALANCE SHEET FOR THE YEAR ENDED 31.03.2019**

(Disclosure of details as required by Para 13 of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007).

PARTICULARS		(Rs. in Lakhs)	
Liabilities			
1.	Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:	Amount Outstanding	Amount Overdue
	(a) Debentures : Secured	--	--
	Unsecured	--	--
	(other than falling within the meaning of public deposits)		
	(b) Deferred Credits	--	--
	(c) Term Loans	--	--
	(d) Inter-corporate loans and borrowings	--	--
	(e) Commercial Paper	--	--
	(f) Public Deposits	--	--
	(g) Other Loans	--	--
Assets			
2.	Break-up of Loans and Advances including Bills receivables (other than those included in (4) Below)		Amount Outstanding
	(a) Secured		12.53
	(b) Unsecured		62.30
3.	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	i) Lease assets including lease rentals under sundry debtors:		
	(a) Financial Lease		NIL
	(b) Operating Lease		
	ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire		NIL
	(b) Repossessed Assets		
	iii) Hypothecation loans counting towards AFC activities		
	(a) Loans where assets have been repossessed		NIL
	(b) Loans other than (a) above		

4. Break up of investments :	
Current investments:	
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)	--
(Stock-in-Trade)	
1. Quoted	
i) Shares (a) Equity	11.68
(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	51.49
(b) Preference	--
ii) Debentures and Bonds	--
iii) Units of Mutual Funds	--
iv) Government securities	--
v) Others (please specify)	--
2. Unquoted	
(i) Shares (a) Equity	1.50
(b) Preference	--
ii) Debentures and Bonds	--
iii) Units of Mutual Funds	22.97
iv) Government securities	--
v) Others (please specify)	--

USHAKIRAN FINANCE LIMITED

5. Borrower group-wise classification of assets financed as in (2) and (3) above.
Category

1. Related Parties
 - (a) Subsidiaries
 - (b) Companies in the same group
 - (c) Other related Parties
2. Other than related parties
- Total

Amount (net of provisions)

Secured	Unsecured	Total
--	--	--
--	--	--
--	--	--
--	54.97	54.97
--	54.97	54.97

6. Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted, excluding Stock-in-Trade)
Category

1. Related Parties
 - (a) Subsidiaries
 - (b) Companies in the same group
 - (c) Other related Parties
2. Other than related parties
- Total

Market Value/ Break up or fair value or NAV	Book value (net of Provisions)
--	--
--	--
--	--
299.67	61.75
299.67	61.75

7. Other Information
Particulars

- i) Gross Non-performing Assets
 - a) Related Parties
 - b) Other than related Parties
- ii) Net Non-performing Assets
 - a) Related Parties
 - b) Other than related parties
- iii) Assets acquired in satisfaction of debt

--
29.77

Nil
10.03
Nil

Per our report of even date annexed
for Niranjan & Narayan
Chartered Accountants
Firm Regn. No.005899S

for and on behalf of the Board

(T.R. Sekhar)
Director
DIN: 02943146

(P.R.K. Murthy)
Director
DIN: 02769220

(M. Niranjan)
Partner
Membership No. 029552

(Sanjana Jain)
Company Secretary

(B. Rama Devi)
Chief Financial Officer

(Omprakash Koyalkar)
Manager

Place : Hyderabad
Date : 27.05.2019

USHAKIRAN FINANCE LIMITED**FORM NO. MGT – 11****PROXY FORM**

[Pursuant to section 105 (6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

CIN	L65923TG1986PLC006294
Name of the Company	USHAKIRAN FINANCE LIMITED
Registered Office	405, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad – 500 001. Tel: 040-2320 1073 Email: ushakiranfinance@yahoo.co.in Website: www.uflfinance.com

Name of the member(s)	
Registered Address	
E-Mail ID	
Folio No/DP & Client ID	

I/We, being the member(s), holding _____ shares of the above named company, hereby appoint

Name		Signature
Address		
E-Mail ID		

or failing him / her

Name		Signature
Address		
E-Mail ID		

or failing him / her

Name		Signature
Address		
E-Mail ID		

USHAKIRAN FINANCE LIMITED

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Third Annual General Meeting of the Company, to be held on Friday, 27th September, 2019 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 – 500073, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description	Type of Resolution	For	Against
1.	Ordinary Business: Adoption of Audited Financial Statements and Reports of Board of Directors and Auditors for the year ended 31 st March, 2019.	Ordinary Resolution		
2	Re-appointment of Mr. T.Adinarayana as a director of the Company who retires by rotation and being eligible offers himself for re-appointment as Director.	Ordinary Resolution		
3	Special Business: Re-appointment of Mr. P.Radha Krishna Murthy as an Independent director for a further term of 5 years.	Special Resolution		
4	Re-appointment of Mrs. S. Jhansi Kumari as an Independent director for a further term of 5 years.	Special Resolution		

Signed this Day of 2019.

Affix Re. 1/-
Revenue
stamp

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



USHAKIRAN FINANCE LIMITED

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

Tel: 040-2320 1073 www.uffinance.com.

CIN: L65923TG1986PLC006294, Email: ushakiranfinance@yahoo.co.in

THIRTY THIRD ANNUAL GENERAL MEETING

Date: 27th September, 2019 Time: 10.00 a.m.

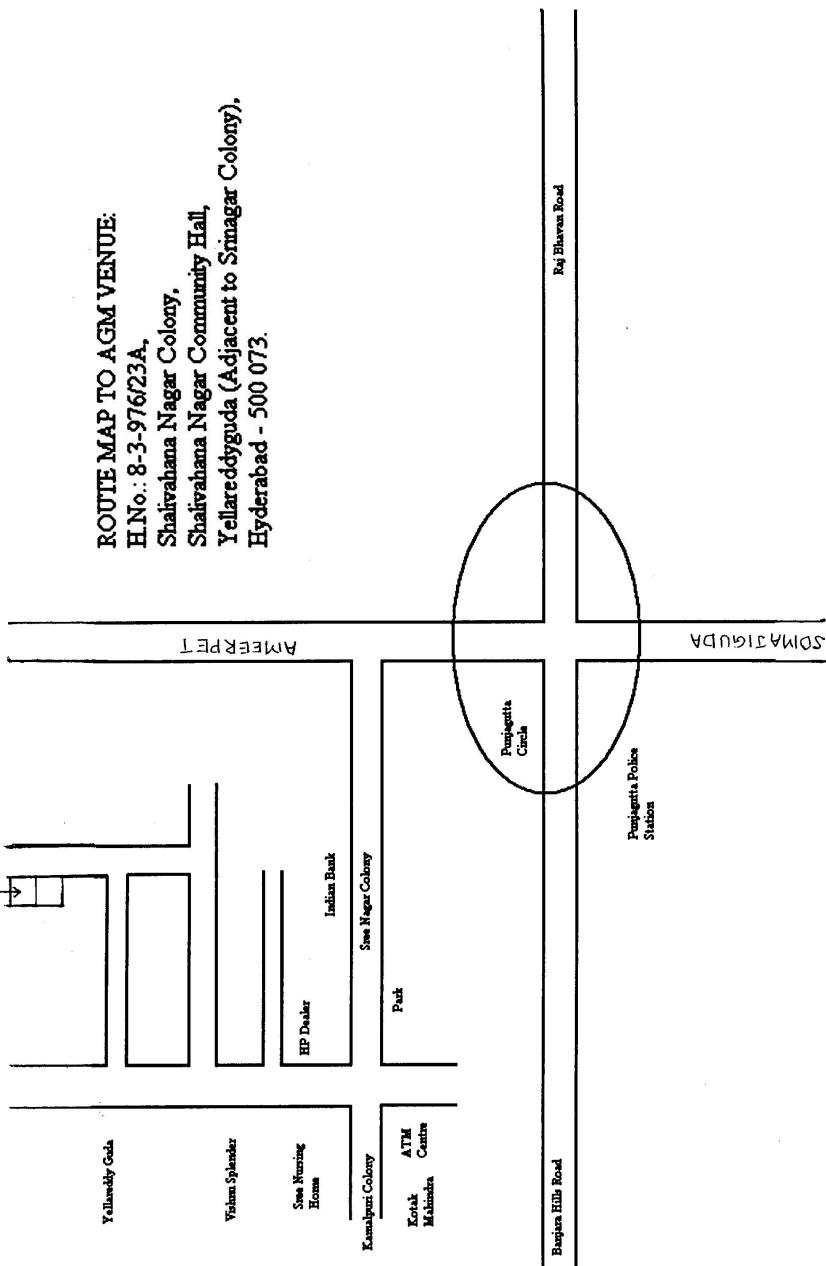
ATTENDANCE SLIP

To be handed over at the entrance of Meeting Hall

Regd. Folio / DP ID & Client ID	
No. of Shares held	
Name and Address of The Shareholder	
Name of the Proxy	
Signature of the Shareholder / Proxy Present	

1. I, hereby record my/our presence at the Thirty Third Annual General Meeting of the Company at H.No.:8-3-976/23A, Shalivahana Nagar Colony, Shalivahana Nagar Community Hall, Yellareddyguda, (Adjacent to Srinagar Colony), Hyderabad – 500073, Telangana.
2. Shareholder / Proxy holder wishing to attend the meeting must bring this Attendance Slip, duly signed, to the meeting and hand it over at the entrance.
3. Shareholder / Proxy holder desiring to attend the meeting may bring his / her copy of the Annual Report for reference at the meeting.

Shalivahana Nagar Community Hall



ROUTE MAP TO AGM VENUE:
HNo.: 8-3-976/23A,
Shalivahana Nagar Colony,
Shalivahana Nagar Community Hall,
Yellareddyguda (Adjacent to Srinagar Colony),
Hyderabad - 500 073.

PRINTED MATTER

If Undelivered Please return to:

USHAKIRAN FINANCE LIMITED

CIN: L65923TG1986PLC006294

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