

**35<sup>th</sup>**  
**ANNUAL REPORT**  
**2020-2021**



**USHAKIRAN FINANCE LIMITED**



**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**

Mrs. Sanjana Jain	—	Company Secretary
Mr. T. Ramesh Babu	—	Chief Financial Officer
Mr. Omprakash Koyalkar	—	Manager

**AUDITORS**

Niranjan & Narayan,  
Chartered Accountants,  
Hyderabad - 500 016.

**SECRETARIAL AUDITORS**

P.S. Rao & Associates, Company Secretaries,  
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:investor.relations@vccipl.com; www.vccipl.com

**USHAKIRAN FINANCE LIMITED**

**NOTICE**

NOTICE is hereby given that the Thirty Fifth Annual General Meeting of the Members of USHAKIRAN FINANCE LIMITED will be held on Friday, the 24<sup>th</sup> day of September, 2021 at 11.00 A.M., through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') facility to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements as at 31<sup>st</sup> March, 2021, together with the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in the place of Sri. T. Adinarayana, (DIN: 00917498), who retires by rotation and being eligible, offers himself for reappointment as Director.

**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 consideration and recommendation of the Nomination and remuneration committee and Board of Directors and provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all other applicable guidelines issued by the Central Government from time to time and such other approvals as may be necessary, Sri. Omprakash Koyalkar be and is hereby reappointed as Manager of the Company for a period of three years with effect from 10<sup>th</sup> July, 2021 to 9<sup>th</sup> July, 2024 on a total remuneration of Rs.21,000/- (Rupees Twenty One Thousand only) per month with an increase of 7.5% per annum and as per the rules of the company."

"RESOLVED FURTHER THAT subject to the applicable provisions of the Companies Act, 2013, in the event of loss or inadequacy of profits, in any financial year during the tenure of appointment, the above mentioned remuneration shall be paid to Sri. Omprakash Koyalkar, as minimum remuneration."

"Resolved further that the terms and conditions set out for appointment may be altered and varied from time to time by the Board during his tenure as Manager as it may, at its discretion, deem fit so as not to exceed the limits specified in Part II of Schedule V of the Companies Act, 2013 or any other amendments made there under in this regard."

By order of the Board of Directors  
For Ushakiran Finance Limited

Place : Hyderabad  
Date : 31.07.2021

(Sanjana Jain)  
Company Secretary  
ACS:55914

**NOTES:**

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its circular dated 5<sup>th</sup> May, 2020 read with circulars dated 8<sup>th</sup> April, 2020, 13<sup>th</sup> April, 2020 and 13<sup>th</sup> January, 2021 (collectively referred to as 'MCA Circulars') and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021 has permitted the holding of the annual general meeting ('AGM') through VC/OAVM facility, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the 'Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations') and MCA Circulars, the AGM of the Company is being held through VC/OAVM. The company has appointed Central Depository Services (India) Limited (CDSL) to provide Video Conferencing (VC)/ Other Audio Visual Means (OAVM) facility for the 35<sup>th</sup> Annual General Meeting and the attendant enablers for conducting of the AGM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circular through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Institutional/Corporate Shareholders (i.e., other than individuals/HUF,NRI etc.,) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM, on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer at the email address [dvratnam97@gmail.com](mailto:dvratnam97@gmail.com) and to the Company at the email address viz., [ushakiranfinance@yahoo.co.in](mailto:ushakiranfinance@yahoo.co.in).
4. Members desiring any information/clarifications regarding the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before the 20-9-2021 through email on [ushakiranfinance@yahoo.co.in](mailto:ushakiranfinance@yahoo.co.in). The same will be replied by the company suitably.
5. The Register of Members and Share Transfer Books will remain closed from 18<sup>th</sup> September, 2021 to 24<sup>th</sup> September, 2021 (both days inclusive).
6. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, M/s. Venture Capital and Corporate Investments Private Limited in this regard.
7. The Company's Shares have been listed at BSE Limited and the listing fee has been paid up to 2021 - 2022.

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8. 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 (RTA)/Company.
9. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
10. To support "Green Initiative" 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. Members who have not yet registered their email addresses are requested to register with concerned depository participant in respect of shares held in demat form to enable the company to serve documents in electronic form.
11. 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.
12. During the AGM, Members may access the electronic copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at [ushakiranfinance@yahoo.co.in](mailto:ushakiranfinance@yahoo.co.in), latest by 23<sup>rd</sup> September, 2021 (up to 3:00 p.m.).
13. 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/RTA.
14. 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, 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.R. Sekhar, Director of the company, none of the other directors or Key Managerial Personnel of the Company and their relatives are any way concerned or interested in the resolution. The board recommends for the approval of the members to pass the resolution as set out at item No.2 of the Notice as an Ordinary resolution.  
  
Further Mr. Omprakash Koyalkar, being the reappointee as Manager, none of the other Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special resolution as set out at item No.3.
15. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

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16. In compliance with the Ministry of Corporate Affairs ("MCA") Circular dated May 5, 2020 read with Circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 (collectively referred to as "MCA Circulars") and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Notice of the AGM along with the Annual Report 2020-2021 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2020-2021 will also be available on the Company's website [www.uffinance.com](http://www.uffinance.com), website of the BSE Limited [www.bseindia.com](http://www.bseindia.com) and on the website of CDSL <https://www.evotingindia.com>.
17. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
18. 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, and MCA circulars dated 8<sup>th</sup> April, 2020, 13<sup>th</sup> April, 2020 and 5<sup>th</sup> May, 2020, the Company is pleased to provide the Members with the facility to exercise their right to vote on resolutions proposed to be considered at the 35<sup>th</sup> Annual General Meeting (AGM) by electronic means, through the e-voting services provided by Central Depository Services (India) Limited (CDSL). The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
  - b. The Chairman shall formally propose to the members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of the 35<sup>th</sup> AGM and announce the start of the casting of vote through the e-voting system of CDSL.
  - c. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction on account of first come first served basis.
  - d. The voting rights of members shall be in proportion to their shareholding in the paid up equity share capital of the company as on 17<sup>th</sup> September, 2021, being the cut-off date.
  - e. The remote e-voting period commences on Tuesday, 21<sup>st</sup> September, 2021 (9:00 a.m. IST) and ends on Thursday, 23<sup>rd</sup> September, 2021 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Friday, 17<sup>th</sup> September, 2021 i.e., cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the AGM through VC/OAVM facility and have not casted their

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vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

The members of the Company, holding shares either in physical form or in dematerialized form, as on 17<sup>th</sup> September, 2021, being the cut-off date, may cast their vote (for or against) electronically. In case a person has become the member of the company after sending of AGM Notice but on or before the cut-off date i.e., 17<sup>th</sup> September, 2021 may write to M/s. Venture Capital and Corporate Investments Private Limited, (RTA), email: investor.relations@vccipl.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.

- f. The Members who have casted their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
- g. The Board has appointed Mr. D. Venkata Ratnam, Chartered Accountant, of M/s. Suresh and Babu, Chartered Accountants, as scrutinizer for conducting the remote e-voting and voting during the Annual General Meeting in a fair and transparent manner.
- h. Members can opt for only one mode of voting, i.e., e-voting in view of the COVID 19 pandemic and members may refer to the detailed procedure on e-voting as mentioned here under:

Instructions for e-voting and joining the AGM are as follows:

The instructions for shareholders for e-voting and Joining Virtual Meeting are as under:

- (i) The e-voting period will commence on Tuesday, 21<sup>st</sup> September, 2021 (9:00 a.m. IST) and ends on Thursday, 23<sup>rd</sup> September, 2021 (5:00 p.m. IST). 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., 17<sup>th</sup> September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a

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single login credential, through their demat accounts/websites of Depositories/Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL /NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"><li>1) Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li><li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e., CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li><li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration">https://web.cdslindia.com/myeasi/Registration</a> EasiRegistration.</li><li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li></ol>

Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., CDSL and NSDL

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Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

(v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
2. Click on "Shareholders" module.
3. 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>● Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	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. <ul style="list-style-type: none"> <li>● 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.</li> </ul>

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- vi. After entering these details appropriately, click on "SUBMIT" tab.
- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- viii. For Shareholders holding shares in physical form, the details can be used only for e- voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for the relevant Company, Ushakiran Finance Limited, on which you choose to vote.
- x. 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.
- xi. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xii. 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.
- xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print out of the votes cast by clicking on "Click here to print" option on the Voting page.
- xv. If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi. Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.
- \* Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- \* A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

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- \* 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.
- \* Alternatively Non Individual shareholders are required to send the relevant Board Resolution/Authority letter etc., together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz., [ushakiranfinance@yahoo.co.in](mailto:ushakiranfinance@yahoo.co.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

### INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their requesting advance at least 5 days prior to meeting mentioning their name, demat account Number/ folio number, email id, mobile number at [ushakiranfinance@yahoo.co.in](mailto:ushakiranfinance@yahoo.co.in). The Company reserves the right to restrict the number of speakers and time for each speaker depending on availability of time for the AGM. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at [ushakiranfinance@yahoo.co.in](mailto:ushakiranfinance@yahoo.co.in). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

## USHAKIRAN FINANCE LIMITED

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

### General Instructions

1. The Scrutiniser, after scrutinising the votes cast at the meeting and through remote e-voting unblock the votes cast in the presence of atleast two witnesses, not in the employment of the company, not later than two days of conclusion of the AGM, make a consolidated Scrutiniser's Report of the total votes cast in favor or against, if any, and submit the same to the Chairman or to a person authorized by him in writing.
2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.ufffinance.com](http://www.ufffinance.com) and on the website of CDSL i.e., [www.evotingindia.com](http://www.evotingindia.com). The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed, within two working days of conclusion of its AGM.
3. 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 24<sup>th</sup> September, 2021.

By order of the Board of Directors  
For Ushakiran Finance Limited

Place : Hyderabad  
Date : 31.07.2021

(Sanjana Jain)  
Company Secretary  
ACS:55914

**USHAKIRAN FINANCE LIMITED**

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).

<b>Particulars</b>	<b>Director</b>	<b>Manager</b>
Name	Tunuguntla Adinarayana	Omprakash Koyalkar
Date of Birth	02/05/1953	04/04/1966
Nationality	Indian	Indian
Age	68 years	55
Date of first appointment	20/03/1986	10/07/2018
DIN	00917498	PAN:AUNPK7064P
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 about 28 Years of Experience in Administration and accounts
No. of equity shares held in the Company (as on 31 <sup>st</sup> March, 2021)	3,25,385	10,500
Qualifications	B. Com., FCA., ACMA., ACS., B.L., DISA (ICA)., RV(SFA).,	B. Com.,
Directorships 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.R.Sekhar, Director	—
Remuneration Sought to be paid per annum	—	Rs. 2.52 Lakhs
Remuneration last drawn per annum	—	Rs. 2.43 Lakhs
Terms and conditions of reappointment	Liable to retire by rotation	Term of Reappointment is for 3 years
Number of board meetings attended during the year	4	—

**USHAKIRAN FINANCE LIMITED**

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

**Item No.3**

The Members may note that Mr. Omprakash Koyalkar had been appointed as a Manager of the company for a period of three years on 10<sup>th</sup> July, 2018 by the Board of Directors and his appointment was approved by members at the 32<sup>nd</sup> Annual General Meeting of the company held on 7<sup>th</sup> September, 2018. Based on the recommendations of the Nomination and Remuneration committee, the Board of Directors at its meeting held on 30<sup>th</sup> June 2021 approved the reappointment of Mr. Omprakash Koyalkar as Manager of the company for further period of three years, w.e.f. 10<sup>th</sup> July, 2021 to 9<sup>th</sup> July, 2024 on a remuneration of Rs. 21,000/- (Rupees Twenty One Thousand only) per month with annual increment of 7.5% per annum, and subject to the rules of the company and approval of members at the ensuing Annual General Meeting and subject to the provisions of the Companies Act, 2013.

Mr. Omprakash Koyalkar holds 10,500 (Ten Thousand Five Hundred Only) equity shares constituting 0.41% of total equity share capital of the Company.

The Board recommends the Special Resolution as set out at item No.3 for the approval of members.

None of the Directors and Key Managerial Personnel of the company or their respective relatives are concerned or interested in the said Special resolution.

**Annexure :**

**I. General Information:**

1. Nature of Business: Non Banking Finance Company (NBFC)
2. Year of Commencement: 1986
3. In case of new companies, expected date of commencement of activities as per project approved by the financial institutions appearing in the prospectus: Not Applicable.
4. Financial performance:

(Rs. in Lakhs)

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020	Year Ended 31.03.2019
Turnover/Gross Revenue	47.25	11.93	27.50
Profit/(Loss) before Interest, Depreciation and Tax	27.43	(9.27)	0.19
Net Profit/(Loss)	26.30	(9.50)	(1.57)

The effective capital of the Company based on the latest audited accounts of the Company for the Year ended 31<sup>st</sup> March, 2021 was Rs.250.33 Lakhs, excluding OCI.

5. Foreign investment or collaboration, if any: The Company has no foreign collaboration so far.

## USHAKIRAN FINANCE LIMITED

### II. Information about the appointee:

1. Background details:  
Mr. Omprakash Koyalkar, aged about 55 years, is Bachelor of Commerce with experience of over 28 years in Service.
2. Past remuneration: Rs.2.43 Lakhs per annum,
3. Recognition or awards: NIL
4. Job profile and his suitability: Sri. Omprakash Koyalkar is having about 28 years experience in service. He is suitable for the job.
5. Remuneration proposed: As mentioned in the resolution.
6. Comparative remuneration with respect to industry, size of the Company, profile of the position and person: Considering the size of the Company and the job profile of the position and the credentials, qualifications and experience of the appointee, the remuneration proposed is moderate and reasonable and compares well with that of similar companies.
7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: He has no pecuniary relationship with any Directors or Key Managerial Personnel.

### III. Other Information:

1. Reasons for loss or inadequate profits:  
The reasons for inadequate profits are mainly due to provisioning and NPAs.
2. Steps taken or proposed to be taken for improvement:  
The Company is looking forward to take all such steps and measures for improvement of margins through investments and diversification etc., which are in the best interests of the company. The Company is making all possible efforts to increase its revenue.
3. Expected increase in productivity and profits in measurable terms:  
Barring unforeseen circumstances, the Company hopes to register a reasonable increase of 3% to 4%, subject to recovery from Covid-19 pandemic.

### IV. Disclosures:

The shareholders of the Company are informed of the remuneration package of the Manager through the notice of the Annual General Meeting.

Though it is a listed Company, the Corporate Governance reporting is not applicable

By order of the Board of Directors  
For Ushakiran Finance Limited

Place : Hyderabad  
Date : 31.07.2021

(Sanjana Jain)  
Company Secretary  
ACS:55914

**USHAKIRAN FINANCE LIMITED****DIRECTORS' REPORT**

**To  
The Members,**

Your Directors have pleasure in presenting the Thirty Fifth Annual Report on the business of your company, together with the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2021 along with Auditors' Report thereon.

**FINANCIAL HIGHLIGHTS**

(Rupees in Lakhs)

Particulars	2020-2021	2019-2020
Gross income	47.25	11.93
Profit/(Loss) before Depreciation, Finance Costs and Tax	27.43	(9.27)
Depreciation	0.09	0.12
Finance costs	—	—
Profit/(Loss) before tax	27.34	(9.39)
Current Tax	0.97	—
Deferred Tax	0.07	0.11
Net Profit/(Loss)	26.30	(9.50)

**2. OPERATING RESULTS**

Your company has generated total Gross Income of Rs.47.25 Lakhs during the financial year 2020-2021 as against Rs.11.93 Lakhs during the financial year 2019-2020 and has earned a profit of Rs.26.30 Lakhs as against loss of Rs. 9.50 Lakhs respectively as per Ind AS.

**3. DIVIDEND**

With a view to conserve resources for long term needs of the Company, your directors do not recommend any dividend for the Financial Year 2020-2021.

**4. TRANSFER TO RESERVE**

The Company did not transfer any amount to the General Reserve for the Financial Year ended 31<sup>st</sup> March, 2021.

**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 31<sup>st</sup> March, 2021 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.

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 circumstances or situations, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge the duties with an independent judgment 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 2020-2021, Five Board Meetings were properly convened and held on 31<sup>st</sup> July, 2020, 15<sup>th</sup> September, 2020, 13<sup>th</sup> November, 2020, 10<sup>th</sup> February, 2021, 30<sup>th</sup> March, 2021.

#### **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/non-executive/independent directors through a peer-evaluation excluding the director being evaluated through a Board effectiveness survey. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement. Each Board member is requested to evaluate the effectiveness of the Board dynamics and relationships, information flow, decision-making of the directors, relationship to stakeholders, company performance, company strategy, and the effectiveness of the whole Board and its various committees on a scale of one to five. Feedback on each director is encouraged to be provided as part of the survey. Independent directors have three key roles: governance, control and guidance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interests of the Company and its minority shareholders etc., The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors and the Manager was carried out by the Independent Directors.

#### **10. KEY MANAGERIAL PERSONNEL**

The Board designated the following as Key Managerial personnel of the Company under the provisions of the Companies Act, 2013:

Mr. Omprakash Koyalkar - Manager

Mr. T. Ramesh Babu - Chief Financial Officer

Mrs. Sanjana Jain - Company Secretary and Compliance officer

During the year under review there were no 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 Fixed Deposits and as such no principal or interest was outstanding as on the date of the balance sheet.

## 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 and size and complexity of its operations. Internal control systems comprising of policies and procedures designed to ensure reliability of financial reporting, timely feedback, 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 for the financial year ended 31<sup>st</sup> March, 2021, 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 31<sup>st</sup> March, 2021 and of the Profit and Loss 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) 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. Niranjan & Narayan, Chartered Accountants, Hyderabad were appointed as statutory auditors of the Company for a period of 5 years at the 31<sup>st</sup> Annual General Meeting held on 29th September, 2017 and will hold office till the conclusion of 36<sup>th</sup> Annual General Meeting.

#### **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 31<sup>st</sup> March, 2021.

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 2020-2021 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 31<sup>st</sup> March, 2021.

#### **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.

The following is the composition of Audit Committee as at 31<sup>st</sup> March, 2021:

1. Mr. P.R.K. Murthy, Chairman
2. Mrs. S. Jhansi Kumari
3. Mr. T. R. 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 following is the constitution of Nomination and Remuneration Committee as at 31<sup>st</sup> March, 2021:

1. Mr. P.R.K. Murthy, Chairman
2. Mrs. S. Jhansi Kumari
3. Mr. T. R. 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.uffinance.com](http://www.uffinance.com).

### 23. STAKE HOLDERS RELATIONSHIP COMMITTEE

The following is the composition of Stake Holders Relationship Committee as at 31<sup>st</sup> March, 2021:

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 31<sup>st</sup> March, 2021.

### 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 initiatives taken are not applicable to the company.

### 25. MEETING OF INDEPENDENT DIRECTORS

The Independent Directors of the company have met separately on 30<sup>th</sup> March, 2021 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 developed and is implementing a risk management policy which includes the identification therein of elements of risk, which in the opinion of the board may threaten the existence of the Company.

### 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.uffinance.com](http://www.uffinance.com).

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

The company has adopted policy on prevention of sexual harassment of women at workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year ended March 31, 2021, the company has not received any complaints pertaining to sexual harassment.

**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 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.ufffinance.com](http://www.ufffinance.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 2021-2022.

**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](http://www.uffinance.com).

### **35. DECLARATION OF COMPLIANCE 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 and 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 2020-2021. A Declaration in this regard is herewith attached as Annexure IV.

### **36. 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.

The Covid-19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian Financial Markets and a decrease in the economic activities.

#### **b. OPPORTUNITIES & THREATS:**

The pandemic has severally affected small and large businesses alike. Here again, the small-scale industries (SMEs) with lack of easy access for credit were the ones most impacted. Many companies have been adversely affected while others have been dependent on credit for their survival. The world is still reeling with the virus but the discovery of vaccine rollout has raised morale, infused hope and ushered the economy going into revival.

The global markets are looming with uncertainty. The slow growth in the advanced economies and rising constraint on certain emerging economies can result in volatile capital inflows and currency fluctuations. The increasing restrictions on migration and global trade is likely to hurt productivity and incomes. Together, this may take an immediate toll on the market sentiment. The Current significant threat for any lending institution is slow implementation of regulatory reforms and lack of consensus on important legislations is further likely to delay growth.

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.

## USHAKIRAN FINANCE LIMITED

Phasing out of lockdown/social distancing measures at a slower pace coupled with relatively tepid policy response may adversely affect the NBFC sector in the Financial Year 2021-2022. 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:

Post the COVID-19 induced slowdown, businesses have gradually started picking up pace with the roll out of vaccines and economic revival. Co-lending and assignment/securitization are likely to remain the catalysts of the next financial year. Together, these will help boost the non banking lending and with reduced interest rates and modernization.

### 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 fluctuation will be a major risk associated with the company.

### e. INTERNAL CONTROL:

Effective internal controls is crucial for reducing the risk of financial loss. It helps to ensure accuracy, completeness and reliability in financial statements. Your 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. The Company has put in place enhanced risk-based supervision systems and ensures continuous monitoring. Your company has taken proper care for the maintenance of adequate accounting records as required by various statutes.

### f. PERFORMANCE HIGHLIGHTS:

During the year 2020-2021 the company has earned Gross Income of Rs.47.25 Lakhs as against Rs.11.93 Lakhs during the financial year 2019-2020 and has earned a net profit of Rs.26.30 Lakhs for financial year 2020-2021 as against loss of Rs. 9.50 Lakhs during the financial year 2019-2020 respectively.

### g. 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.

## USHAKIRAN FINANCE LIMITED

### h. Details of Key Financial Ratios:

(Rs. in Lakhs)

Sl. No.	Particulars	As at 31.3.2021	As at 31.3.2020	% Change
1	Debtors Turnover	NA	NA	NA
2	Inventory Turnover	NA	NA	NA
3	Interest Coverage Ratio	NA	NA	NA
4	Current Ratio (Current assets/Current liabilities)	26.44	40.08	(34.03)
5	Debt Equity Ratio	NA	NA	NA
6	Operating Profit Margin (%) (PBIT/Total Revenue)	57.86	(78.73)	173.49
7	Net Profit Margin (%) (Net Profit/Total Revenue)	55.66	(79.59)	169.93
8	Return on Net Worth (%) (Net Profit/Net Worth)	3.89	(2.14)	281.78

The percentage change, (more than 25%) in the ratios are mainly due to change in Fair Value Gains, except in current ratio.

### 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 from those expressed or implied. 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.

### 37. 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.

### 38. 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.8.50 Lakhs or more per month.

### 39. 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.

#### 40. IMPACT OF COVID-19 PANDEMIC

The COVID-19 pandemic is a once in a lifetime occurrence that has brought with it unimaginable suffering to people and to almost all sections of the economy and continuity of it will have micro and macro level implications like unusual lockdowns resulting in economic uncertainty for your company. The carrying value of the company's Investments as at 31<sup>st</sup> March, 2021, have been effected by the severity and duration of the outbreak; however the Company believes that it has taken into account all the possible impact of known events arising out of Covid19 pandemic in the preparation of financial results resulting out of fair valuation of these investments. The Loans have also been subjected to impairment losses. The NBFC Sector is staring at another bout of liquidity challenges due to the side effects of COVID-19.

The impact of the epidemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes and future economic conditions.

#### 41. 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.

#### 42. SECRETARIAL STANDARDS

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

#### 43. ACKNOWLEDGEMENT AND APPRECIATION

Your Directors gratefully acknowledge the continued assistance and co-operation extended by various Government Authorities, RBI, SEBI, Stock Exchange, 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

Place : Hyderabad  
Date : 31.07.2021

(T. Adinarayana)  
Chairman  
DIN:00917498

**USHAKIRAN FINANCE LIMITED**

**Annexure - I**

P.S. RAO & ASSOCIATES  
Company Secretaries

Flat No.10, 4<sup>th</sup> Floor,  
# 6-3-347/22/2,  
Ishwarya Nilayam,  
Opp: Sai Baba Temple,  
Dwarakapuri Colony,  
Panjagutta, Hyderabad-500082.

**SECRETARIAL AUDIT REPORT**

For the Financial Year ended on March 31, 2021

[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 31<sup>st</sup> March, 2021 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 31<sup>st</sup> March, 2021 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).

## USHAKIRAN FINANCE LIMITED

- 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, 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, 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, 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 Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.
- \* 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.

**USHAKIRAN FINANCE LIMITED**

- \* 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

Date : 31.07.2021  
Place : Hyderabad

**MB Suneel**  
Company Secretary  
C.P.No:14449  
UDIN: A031197C000718488

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.

**USHAKIRAN FINANCE LIMITED**

**'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 Account 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

Date : 31.07.2021  
Place : Hyderabad

**MB Suneel**  
Company Secretary  
C.P.No:14449

**USHAKIRAN FINANCE LIMITED**

ANNEXURE - II  
Form No. MGT - 9

**EXTRACT OF ANNUAL RETURN**

As on the Financial Year ended on 31<sup>st</sup> March, 2021  
(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 <sup>th</sup> 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 - 23818475/76 Email: investor.relations@vccipl.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the Company are as stated below.

Sl.No.	Name and Description of main products/services	NIC Code of the products/services	% to total turnover of the Company
1	Finance and Investments	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 (1st April, 2020)			No. of Shares held at the End of the Year (31st March, 2021)			% Change during the Year
		Demat	Physical	Total	Demat	Physical	Total	
(A)	Promoters							
1	Indian							
(a)	Individuals/Hindu Undivided Family	5,39,694	10,000	5,49,694	5,39,694	10,000	5,49,694	21.60
(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	24.47
(e)	Banks/Financial Institutions	-	-	-	-	-	-	-
(f)	Any Other	-	-	-	-	-	-	-
Sub-Total (A)(1)		11,52,244	20,000	11,72,244	11,52,244	20,000	11,72,244	46.07
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		11,52,244	20,000	11,72,244	11,52,244	20,000	11,72,244	46.07
(A) = (A)(1) + (A)(2)								-

[illegible]

## (ii). Shareholding of Promoters

Sl.No.	Shareholder's Name	Shareholding at the beginning of the Year (As on 1st April, 2020)			Shareholding at the end of the year (As on 31st March, 2021)			% 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	-	-
2	T. Bhagya Lakshmi	97,594	3.84	-	97,594	3.84	-	-
3	T.H.P.S. Kumar	11,515	0.45	-	11,515	0.45	-	-
4	Y. Nayudamma	5,000	0.20	-	5,000	0.20	-	-
5	T. Nanda Krishna	29,400	1.16	-	29,400	1.16	-	-
6	K. Rajamani	2,500	0.10	-	2,500	0.10	-	-
7	Ravindranath Taagore .T	2,500	0.10	-	2,500	0.10	-	-
8	S. Chidambaranathan	5,000	0.20	-	5,000	0.20	-	-
9	Smita Sinha	2,500	0.10	-	2,500	0.10	-	-
10	Amit Raj Sinha	2,500	0.10	-	2,500	0.10	-	-
11	Dharani Devi .C	2,500	0.10	-	2,500	0.10	-	-
12	T. L. Pravalika	32,000	1.26	-	32,000	1.26	-	-
13	T. Archana	16,300	0.64	-	16,300	0.64	-	-
14	T. Raja Sekhar	15,000	0.59	-	15,000	0.59	-	-
	PROMOTERS - (DOMESTIC COMPANIES)							
1	Sigachi Industries Limited (Formerly Sigachi Chloro Chemicals Private Limited)	10,000	0.39	-	10,000	0.39	-	-
2	Krishnaraj Securities Private Limited	6,12,550	24.07	-	6,12,550	24.07	-	-
	Total	11,72,244	46.07	-	11,72,244	46.07	-	-

(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 <sup>st</sup> April, 2020)		Datewise Increase/ Decrease in Shareholding during the year	No. of Shares	Reason	Cumulative Shareholding during the year (1-04-2020 to 31-03-2021)	
		No. of Shares	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
				NIL				

(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 <sup>st</sup> April, 2020)		Date	Increase/ (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (1-04-2020 to 31-03-2021)	
		No. of Shares	% of Total Shares of the Company				No. of Shares	% 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	Naga Raju Muvva	10,607	0.42	-	-	-	10,607	0.42
9	Omprakash Koyalkar	10,500	0.41	-	-	-	10,500	0.41
10	B. Kumar	10,300	0.40	18.09.2020	(300)	Sale of Shares	10,000	0.39
11	Ramesh Kumar Bagaria	10,185	0.40	-	-	-	10,185	0.40
12	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 <sup>st</sup> April, 2020)		Date	Increase/ (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2020 to 31-03-2021)	
		No. of Shares	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
Directors								
1	T. Adinarayana	3,25,385	12.79		NIL		3,25,385	12.79
2	P. Radha Krishna Murthy	NIL	-		NIL		NIL	-
3	S. Jhansi Kumari	NIL	-		NIL		NIL	-
4	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
1	Gross Salary		Omprakash Koyalkar
	(a) Salary as per provisions contained in Section 17 (1) of the Income tax Act, 1961	NIL	Rs. 2,13,893/-
	(b) Value of perquisites under Section 17 (2) of the Income tax Act, 1961		Rs. 28,800/-
	(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		Rs. 2,42,693/-
	Ceiling as per the Act		Rs. 60 Lakhs

VI. (b) Remuneration of Key Managerial Personnel other than MD/WTD/Manager					
Sl. No.	Particulars of Remuneration	Company Secretary	CFO	Total	
	Name	Sanjana Jain	T. Ramesh Babu		
		Rs.	Rs.		Rs.
1	Gross Salary				
	(a) Salary as per provisions contained in Section 17 (1) of the Income tax Act, 1961				
	(b) Value of perquisites under Section 17 (2) of the Income tax Act, 1961	3,00,000	2,83,538		5,83,538
	(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	3,00,000	2,83,538		5,83,538

**(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 of the Companies Act, 2013.

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
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.
Omprakash Koyalkar, Manager	Remuneration & Perquisites	3 Years w.e.f. 10-07-2018	N.A	10-07-2018	2,42,693/-
T. Ramesh Babu, Chief Financial Officer	Remuneration & Perquisites	Regular Employee	N.A	14-02-2020	2,83,538/-
Sanjana Jain, Company Secretary	Remuneration & Perquisites	Regular Employee	N.A	04-05-2019	3,00,000/-

Other than payment of remuneration to key managerial personnel amounting to Rs.8,26,231/-(Rs.7,91,238/-) there are no other contracts or arrangements with related parties.

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 2020 - 2021.

For Ushakiran Finance Limited

Place: Hyderabad  
Date : 31.07.2021

(Omprakash Koyalkar)  
Manager

**USHAKIRAN FINANCE LIMITED**

**Annexure – V.**

Disclosure as per Section 197 of The Companies Act, 2013 and Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Name	Age	Qualifications	Designation	Date of Commencement of employment	Experience (years)	Gross Remuneration (CTC) (Rs.)	Previous Employment	Previous Designation
Omprakash Koyalkar	55	B.Com.,	Manager	10-07-2018	28	2,42,693/-	Sigachi Laboratories Ltd.,	Accountant
Sanjana Jain	27	B.Com., ACS.,	Company Secretary	04-05-2019	2	3,00,000/-	NA	NA
T. Ramesh Babu	34	M.Com.,	CFO	01-03-2020	13	2,83,538/-	Sigachi Laboratories Ltd.,	Accounts Officer

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 2020 - 2021.

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 31-3-2021 (Rs. in lakhs)	% increase in Remuneration
Omprakash Koyalkar	Manager	2.43	—
T. Ramesh Babu	CFO	2.84	—
Sanjana Jain	Company Secretary	3.00	—

iii) The percentage increase in the median remuneration of employees in the financial year: Not Applicable as there are no employees other than KMP's.

iv) The number of permanent employees on the rolls of the company are 3 as on 31<sup>st</sup> March, 2021.

## USHAKIRAN FINANCE LIMITED

v) Average percentile increase already made in the salaries of the 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 remuneration of KMP's during the year 2020-2021. Thus there was no exceptional circumstance for increase in the managerial remuneration in the last financial year.

vi) Affirmation that the remuneration is as per the remuneration policy of the company:

Yes - the remuneration is as per the Remuneration Policy of the Company.

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

Name	Age (years)	Qualifications and experience of employee	Designation	Date of Commencement of employment	Nature of employment	Remuneration in (Rs.) Per Annum	Previous Employment	Relative of Director, If any	% of Share holding
				NIL					

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.

## USHAKIRAN FINANCE LIMITED

NIRANJAN & NARAYAN,  
CHARTERED ACCOUNTANTS

First Floor, H.No.7-1-28/1/A/21,  
Shyamkaran Road,  
Ameerpet, Hyderabad- 500 016.

### 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 31<sup>st</sup> March, 2021, and the Statement of Profit and Loss, (including other comprehensive income) the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of 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 ("The Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2021, and its profit and total comprehensive income, changes in equity 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 Companies Act, 2013. 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 Companies Act, 2013 and the Rules made there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Emphasis of Matter

We draw attention to point no. 1.17 of Notes forming part of Financial Statements to the accompanying financial statements, which describe the effects of uncertainties relating to Covid-19 pandemic outbreak on the Company's operations and management's evaluation of its impact on the accompanying financial statements as at 31<sup>st</sup> March, 2021, the impact of which is dependent on future developments that are highly uncertain. Our opinion is not modified in respect of this matter.

### 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	How our audit addressed the key audit matter
<p>1. The following are the major impact areas for the Company.</p> <ul style="list-style-type: none"> <li>- Classification and measurement of Financial Assets and Financial Liabilities</li> <li>- Measurement of Loan losses (expected credit losses)</li> <li>- Measurement of investments</li> <li>- Equity Shares (quoted)</li> <li>- Measurement of Investments other than Equity</li> </ul> <p>2. Impairment Loss Allowance Management's judgments in the calculation of impairment allowances have significant impact on the financial statements. The estimates regarding impairment require a significant degree of judgement, which increased with implementation of Expected Credit Loss ("ECL") as required by Ind AS 109 relating to "Financial instruments." Management is required to determine the expected credit loss.</p>	<p>Understood, the methodology implemented by management to give impact due to classification of Financial Instruments, Measurement of expected credit losses, Measurement of Investments and assessed the accuracy of the computations.</p> <p>We have obtained an understanding of management's assessment of impairment of loans and advances including the Ind AS 109 impairment allowance and ECL.</p>

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for other information. The other information comprises the information included in the Directors' report and Management Discussion and Analysis and Corporate Governance Report but does not include the financial statements and our auditor's report thereon and we do not express any form of assurance conclusion thereon.

Our opinion on the financial statements does not cover the other information and we do 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 and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors are 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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.

**Auditor's 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:

- a) 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.
- b) Obtain an understanding of internal financial 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.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) 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.

e) 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 "Annexure A", to this Report, a statement on the matters specified in paragraphs 3 and 4 of the said 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.

**USHAKIRAN FINANCE LIMITED**

- c. The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 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 31<sup>st</sup> March, 2021 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 would 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 and Narayan  
Chartered Accountants  
Firm Registration Number: 005899S

(M. Niranjan)  
Partner

Membership No. 029552  
UDIN: 21029552AAAAGJ3411

Place: Hyderabad  
Date : 30<sup>th</sup> June, 2021.

**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 to the members of Ushakiran Finance Limited on the Financial Statements for the year ended 31<sup>st</sup> March, 2021.

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 business.
- (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 Company has classified all the equities and mutual funds as investments under financial assets. Thus paragraph 3 (ii) is not applicable to the company.
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 loan to any director in accordance with the provisions of Section 185 of the Companies Act, 2013. The Company being a Non-banking financial company, its investments and/or lending activities are exempted under section 186(1) (b) of the Companies Act, 2013, hence the Company has complied with the provisions of Section 185 and 186 of the Act, as applicable.
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 31<sup>st</sup> March, 2021, for a period of more than six months from the date they became payable.

**USHAKIRAN FINANCE LIMITED**

(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 repayment 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 non-cash transactions with directors or persons connected with them. 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 and Narayan  
Chartered Accountants  
Firm Registration Number: 005899S

Place: Hyderabad  
Date : 30<sup>th</sup> June, 2021.

(M. Niranjan)  
Partner  
Membership No. 029552

**ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT**

(Referred to in paragraph 2(f) of the Independent Auditors’ Report of even date to the members of Ushakiran Finance Limited on the Financial Statements for the year ended 31<sup>st</sup> March, 2021.)

Report on the Internal Financial Controls over financial reporting 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 31<sup>st</sup> March, 2021 in conjunction with our audit of the 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 (ICAI). 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 the 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 ICAI 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 issued by the ICAI. 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 authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, the Company has maintained, 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 31<sup>st</sup> March, 2021, 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 and Narayan  
Chartered Accountants  
Firm Registration Number: 005899S

Place: Hyderabad  
Date : 30<sup>th</sup> June, 2021.

(M. Niranjan)  
Partner  
Membership No. 029552

**USHAKIRAN FINANCE LIMITED**

**BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2021**

Particulars	Note No.	As at 31 <sup>st</sup> March, 2021 Rs.	As at 31 <sup>st</sup> March, 2020 Rs.
<b>ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and cash equivalents	2	6,02,899.71	3,53,379.95
(b) Bank Balance other than (a) above	3	63,16,516.27	56,99,262.00
(c) Receivables	4		
(I) Trade Receivables		-	-
(II) Other Receivables		-	-
(d) Loans	5	61,52,134.00	67,66,471.60
(e) Investments	6	5,38,29,682.57	3,07,19,017.27
(f) Other Financial Assets	7	14,860.00	22,840.00
		<b>6,69,16,092.55</b>	<b>4,35,60,970.82</b>
<b>(2) Non-Financial Assets</b>			
(a) Deferred tax Assets (net)	8	34,671.00	42,064.00
(b) Investment Property	9	7,03,600.00	7,03,600.00
(c) Property, Plant and Equipment	10	75,812.00	88,469.00
(d) Other non-Financial Assets	11	2,21,500.88	2,16,380.00
		<b>10,35,583.88</b>	<b>10,50,513.00</b>
<b>Total Assets</b>		<b>6,79,51,676.43</b>	<b>4,46,11,483.82</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>(1) Financial Liabilities</b>			
(a) Payables	12		
(I) Trade Payables		-	-
(II) Other Payables		-	-
(b) Borrowings (Other than Debt Securities)		-	-
(c) Other Financial Liabilities	13	2,61,749.00	1,51,005.00
		<b>2,61,749.00</b>	<b>1,51,005.00</b>
<b>(2) Non-Financial Liabilities</b>			
(a) Provisions		-	-
(b) Other non-Financial Liabilities	14	-	-
		-	-
<b>(3) Equity</b>			
(a) Equity Share capital	15	2,74,70,750.00	2,74,70,750.00
(b) Other Equity	16	4,02,19,177.43	1,69,89,728.82
		<b>6,76,89,927.43</b>	<b>4,44,60,478.82</b>
<b>Total Liabilities and Equity</b>		<b>6,79,51,676.43</b>	<b>4,46,11,483.82</b>

The accompanying Significant accounting policies and Notes form an integral part of the financial statements.

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

(M. Niranjan)  
Partner  
Membership No.029552

Place: Hyderabad  
Date : 30.06.2021

For and on behalf of the Board

(T.R. Sekhar)  
Director  
DIN: 02943146

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

(Sanjana Jain)  
Company Secretary  
ACS: 55914

(Omprakash Koyalkar)  
Manager

(T. Ramesh Babu)  
Chief Financial Officer

**USHAKIRAN FINANCE LIMITED**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021**

Particulars	Note No.	For the Year ended 31 <sup>st</sup> March, 2021 Rs.	For the Year ended 31 <sup>st</sup> March, 2020 Rs.
Income			
I. Revenue from operations			
i. Interest Income	17	<b>19,07,300.67</b>	17,21,165.00
ii. Dividend Income	18	<b>4,65,074.44</b>	4,84,222.75
iii. Net gain/(loss) on fair value changes	19	<b>22,99,650.71</b>	(14,13,540.08)
Total Revenue from operations (I)		<b>46,72,025.82</b>	7,91,847.67
II. Other Income	20	<b>53,217.00</b>	4,01,325.00
III. Total Income (I+II)		<b>47,25,242.82</b>	11,93,172.67
IV. Expenses			
Finance Costs		-	-
Impairment on financial instruments	21	<b>(21,702.00)</b>	2,43,311.00
Employee Benefits Expenses	22	<b>8,09,906.00</b>	9,02,972.00
Depreciation and amortization expense	23	<b>9,249.00</b>	11,747.00
Other expenses	24	<b>11,93,575.31</b>	9,74,575.40
Total Expenses (IV)		<b>19,91,028.31</b>	21,32,605.40
V. Profit before tax (III-IV)		<b>27,34,214.51</b>	(9,39,432.73)
VI. Tax Expense			
(1) Current Tax		<b>96,520.00</b>	-
(2) Deferred Tax		<b>7,393.00</b>	10,272.00
VII. Profit/(Loss) for the period (V-VI)		<b>26,30,301.51</b>	(9,49,704.73)
VIII. Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or (loss)		<b>2,05,99,147.10</b>	(1,22,82,118.74)
Tax on items that will not be reclassified to profit or (loss)		-	-
Items that will be reclassified to profit or (loss)		-	-
Tax on items that may be reclassified to profit or (loss)		-	-
Items that may be reclassified subsequently to profit or (loss)		-	-
Other Comprehensive Income/(loss) for the year, net of tax		<b>2,05,99,147.10</b>	(1,22,82,118.74)
Total Comprehensive Income/(loss) for the period		<b>2,32,29,448.61</b>	(1,32,31,823.47)
Earnings per share of Rs.10/- each			
Basic		<b>1.03</b>	(0.37)
Diluted		<b>1.03</b>	(0.37)

The accompanying Significant accounting policies and Notes form an integral part of the financial statements.

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

(M. Niranjana)  
Partner  
Membership No.029552

Place: Hyderabad  
Date : 30.06.2021

For and on behalf of the Board

(T.R. Sekhar)  
Director  
DIN: 02943146

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

(Sanjana Jain)  
Company Secretary  
ACS: 55914

(Omprakash Koyalkar)  
Manager

(T. Ramesh Babu)  
Chief Financial Officer

**USHAKIRAN FINANCE LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021**

	Particulars	For the Year ended 31 <sup>st</sup> March, 2021 Rs.	For the Year ended 31 <sup>st</sup> March, 2020 Rs.
A	Cash Flows from Operating Activities		
	Net profit before tax	<b>27,34,214.51</b>	(9,39,432.73)
	Adjustments for :		
	Depreciation and amortization expense	<b>9,249.00</b>	11,747.00
	Provision for expected credit losses	<b>(21,702.00)</b>	2,43,311.00
	(Profit)/loss on sale of Investment Property	-	(3,60,325.00)
	(Profit)/loss on sale of Property, Plant and Equipment	<b>(14,892.00)</b>	-
	Net (gain)/loss on fair value changes	<b>(22,99,650.71)</b>	14,13,540.08
	Operating profit before working capital changes	<b>4,07,218.80</b>	3,68,840.35
	Movements in Working Capital		
	(Increase)/Decrease in Loans	<b>6,36,039.60</b>	(29,54,174.75)
	(Increase)/Decrease in Other Non Financial assets	<b>2,859.12</b>	(1,28,731.00)
	(Increase)/Decrease in Other Bank Balances	<b>(6,17,254.27)</b>	(15,19,384.00)
	Increase/(Decrease) in Other current liabilities	<b>1,10,744.00</b>	69,973.00
	Increase/(Decrease) in Other non-financial liabilities	-	-
	Cash generated from operations	<b>5,39,607.25</b>	(41,63,476.40)
	Taxes Paid	<b>96,520.00</b>	-
	Net Cash flows from operating activities (A)	<b>4,43,087.25</b>	(41,63,476.40)
B	Cash flows from Investing Activities		
	(Purchase)/Sale of Property, Plant and Equipment	<b>18,300.00</b>	(9,000.00)
	Proceeds from sale of Investment Property	-	11,92,800.00
	(Purchase)/Sale of Investments	<b>(2,11,867.49)</b>	(3,29,827.44)
	Net Cash flows from/(Used In) Investing Activities (B)	<b>(1,93,567.49)</b>	8,53,972.56
C	Cash flows from Financing Activities		
	Proceeds from Long term borrowings	-	-
	Net Cash flows from/(Used In) Financing Activities (C)	-	-
D	Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	<b>2,49,519.76</b>	(33,09,503.84)
	Cash and Cash equivalents at the beginning of the year	<b>3,53,379.95</b>	36,62,883.79
	Cash and Cash equivalents at the ending of the year	<b>6,02,899.71</b>	3,53,379.95

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

(M. Niranjana)  
Partner  
Membership No.029552

Place: Hyderabad  
Date : 30.06.2021

For and on behalf of the Board

(T.R. Sekhar)  
Director  
DIN: 02943146

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

(Sanjana Jain)  
Company Secretary  
ACS: 55914

(Omprakash Koyalkar)  
Manager

(T. Ramesh Babu)  
Chief Financial Officer

## 1. Notes forming part of Financial Statements

### 1.1 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 and financing.

### 1.2 Basis of Preparation and Presentation of Financial Statements

The financial statements of the Company for the year ended 31<sup>st</sup> March, 2021 have been prepared and presented in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Financial Statements have been prepared on historical cost convention on going concern and on accrual basis of accounting except for certain financial instruments that are measured at fair value. These financial statements may require further adjustments, if any, necessitated by the guidelines/clarifications/directions issued in the future by RBI, Ministry of Corporate Affairs, or other regulators, which will be implemented as and when the same are issued and made applicable.

### 1.3 Accounting Estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

#### a. Depreciation and amortization:

Depreciation and amortization is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets.

#### b. Provisions and contingencies:

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### c. Fair valuation:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2: Inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable inputs for the asset or liability.

For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or reassessed in line with the Company's Accounting Policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### **1.4 Functional and presentation currency**

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees.

#### **1.5 Property, Plant & Equipment**

##### **Recognition and measurement**

Property, Plant and Equipment are stated at purchase price or cost of acquisition or construction less accumulated depreciation and impairment loss, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, duties and taxes applicable and other expenses related to acquisition and installation. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continuous use of the asset.

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within the statement of profit and loss.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up. Property, Plant and Equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital Work-in-Progress". Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

### **Depreciation**

Depreciation is recognized in the statement of profit and loss on written down value method over the estimated useful lives of property, plant and equipment based on Schedule - II to the Companies Act, 2013 ("Schedule"), which prescribes the useful lives for various classes of tangible assets and useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate. For assets acquired or disposed off during the year, depreciation is provided on prorata basis. Land is not depreciated.

### **1.6 Investment Property**

Investment property is property (land or a building-or part of a building-or both) held to earn rentals or for capital appreciation or both, rather than for:

- (a) Use in the production or supply of goods or services or for administrative purposes; or
- (b) Sale in the ordinary course of business.

Recognition and measurement:

An investment property shall be recognised as an asset when and only when

- (a) It is probable that the future economic benefits that are associated with the investment property will flow to the entity; and
- (b) The cost of the investment property can be measured reliably.

An investment property shall be measured initially at its cost. Transaction costs shall be included in the initial measurement. The company adopted cost model prescribed in Ind AS 16 for accounting its investment property.

Cost Model:

After recognition as an asset, an item of investment property shall be carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation:

Depreciation on items of Investment Property is provided on written down value basis, computed on the basis of useful lives mentioned in Schedule II to the Companies Act, 2013. Depreciation on additions/disposals is provided on a pro-rata basis i.e., from/up to the date on which asset is ready for use/disposed-off. The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate. Land is non-depreciable asset as per the Schedule II of the companies Act, 2013.

### **1.7 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**A. Financial Assets****1. Initial Recognition**

In the case of financial assets, not recorded at fair value through profit or loss (FVTPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**2. Subsequent Measurement**

For purposes of subsequent measurement, financial assets are classified in the following categories:

**a. Financial Assets at Amortised Cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

**b. Financial Assets Measured at Fair Value**

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Investment in Equity Instruments are designated as Financial Assets measured at fair value through OCI and Investments in Mutual Funds, Bonds, Debentures etc., are designated as Financial Assets measured at fair value through statement of Profit & Loss.

**c. De-recognition of Financial Assets**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**B. Financial Liabilities**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**1. Initial Recognition**

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**2. Subsequent Measurement**

The measurement of financial liabilities depends on their classification, as described below:

**a. Financial liabilities at FVTPL**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

**3. De-recognition of Financial Liabilities**

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

**1.8 Impairment of non-financial assets**

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generated Units (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

**1.9 Cash and Cash Equivalents**

Cash and Bank balances comprise of cash balance in hand, in current accounts with banks and Bank Fixed Deposits with original maturity of 3 months or less than 3 months. Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year is classified by operating, investing and financing activities.

**1.10 Employee Benefits****Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The Company is not having any defined contribution plans and defined benefit plans at present.

**1.11 Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

**Contingent liabilities**

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no such disclosure is made.

**Contingent assets**

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

**1.12 Revenue recognition**

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts and returns. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts. Accumulated experience is used to estimate and provide for the discounts/right of return, using the expected value method.

As per Ind AS 109, Financial Instruments, Interest income from financial assets is recognised on accrual basis, other than non performing assets, using effective interest rate method (EIR). Interest income from a financial asset is recognised when it is probable that the economic

benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time proportionate basis, by reference to the principle outstanding and at the effective interest rate applicable. Interest income on Non-performing, doubtful/loss assets etc., are recognized as and when the amount is received and appropriated towards interest. Interest Income on Fixed Deposits is recognized on time proportionate basis taking into account the amount outstanding and the applicable interest rate.

Dividend income from investments is recognized when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

#### Net gain/loss on fair value changes

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company recognises gains/losses on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis.

#### Impairment of Financial Assets

In accordance with Ind AS 109, the company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset. As Company trade receivables are realised within normal credit period adopted by the company, the company trade receivables are not impaired.

However the company provides the expected credit loss on loans and advance made by the company as per the prudential guidelines on both standard assets and non-performing assets. The carrying amounts of assets are reviewed at each reporting date/balance sheet date to ascertain impairment based on internal/external factors. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the net selling price of the assets and their value in use.

### 1.13 Income Tax

#### Current Tax

Current Tax expenses are accounted in the same period to which the revenue and expenses relate. Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances, deductions and exemptions in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

#### Deferred Tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### **Cash flow Statement**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, tax and any deferrals or accruals of past or future cash receipts or payments. The cash flows are prepared for the operating, investing and financing activities of the Company.

#### **1.14 Earnings Per Share**

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

#### **1.15 Trade Receivables**

Trade receivables are initially recognized at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment, if any.

#### **1.16 Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

#### **1.17 Global Health Pandemic on COVID-19**

The Covid-19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian Financial Markets and a decrease in the economic activities. Given the virulent nature of the pandemic situation, the carrying value of the company's Investments as at 31<sup>st</sup> March, 2021, have been effected by the severity and duration of the outbreak; however the Company believes that it has taken into account all the possible impact of known events arising out of Covid-19 pandemic in the preparation of financial results resulting out of fair valuation of these investments. The Loans have also been subjected to impairment losses. However, the impact assessment of Covid-19 is a continuing process given its nature and duration. The Company will continue to monitor for any material changes in this regard. The ongoing COVID-19 situation may result in some changes in the overall economic and market conditions, which may intern have an impact on the operations of the Company.

**USHAKIRAN FINANCE LIMITED**

**Notes to Financial Statements**

**Note 2: Cash and Cash Equivalents**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Cash on hand	23,615.10	34,629.17
Cheques in hand	-	-
Balances with banks:		
- In current accounts	5,79,284.61	3,18,750.78
Total	6,02,899.71	3,53,379.95

**Note 3: Bank Balance other than Cash and Cash Equivalents**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Term deposits with Banks	63,16,516.27	56,99,262.00
Total	63,16,516.27	56,99,262.00

**Note 4: Receivables**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
(I) Trade receivables		
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	-	-
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - credit impaired	-	-
(II) Other Receivables		
Receivables considered good - Secured	-	-
Receivables considered good - Unsecured	-	-
Receivables which have significant increase in Credit Risk	-	-
Receivables - credit impaired	-	-
Total	-	-

**Note 5: Loans**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Loans Receivables considered good - Secured	-	-
Loans Receivables considered good - Unsecured	68,35,705.00	75,18,301.60
Loans Receivables which have significant increase in Credit Risk	-	-
Loans Receivables - credit impaired	29,65,918.00	29,19,361.00
Total (A)	98,01,623.00	1,04,37,662.60
Less: Provision		
Provision for Impairment on Loans	36,32,400.00	36,52,391.00
Provision for Standard Assets	17,089.00	18,800.00
Total (B)	36,49,489.00	36,71,191.00
Total Loans (A-B) - Net	61,52,134.00	67,66,471.60

**USHAKIRAN FINANCE LIMITED**

**Note 6: Investments**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Investments outside India	-	-
Investments in India		
A. Investments Carried at fair value through OCI		
Investments in Quoted Equity Instruments	<b>4,80,19,208.95</b>	2,76,56,373.35
Investments in Un Quoted Equity Instruments	<b>5,62,500.00</b>	2,25,000.00
	<b>4,85,81,708.95</b>	2,78,81,373.35
B. Investments designated as fair value through Profit & Loss		
Investments other than Equity	<b>52,47,973.62</b>	28,37,643.92
Total Investments	<b>5,38,29,682.57</b>	3,07,19,017.27

**USHAKIRAN FINANCE LIMITED**

**Note 6(i): Investments**

Sl. No.	Investments in Equity Instruments Quoted, at Fair Value	No. of Shares as at 31.03.2021	As at 31 <sup>st</sup> March, 2021 Rs.	No. of Shares as at 31.03.2020	As at 31 <sup>st</sup> March, 2020 Rs.
1	AARV Infratel Limited Equity Shares of Rs.10/- each	43,900	4,39,000.00	44,000	99,000.00
2	ACC Limited Equity Shares of Rs.10/- each	221	4,14,198.20	221	2,13,817.50
3	Arvind Fashions Limited Equity Shares of Rs.4/- each	400	55,900.00	400	58,400.00
4	Arvind Limited Equity Shares of Rs.10/- each	2,000	1,32,300.00	2,000	39,500.00
5	Aurobindo Pharma Limited Equity Shares of Rs.1/- each	100	87,015.00	100	41,305.00
6	Bank of India Equity Shares of Rs.10/- each	500	34,875.00	500	16,125.00
7	Bank of Maharashtra Equity Shares of Rs.10/- each	2,000	41,200.00	2,000	17,820.00
8	Bhaskar Agro Chemicals Limited Equity Shares of Rs.10/- each	1,000	31,550.00	1,000	11,950.00
9	Bharath Heavy Electricals Limited Equity Shares of Rs.2/- each	375	18,356.25	375	7,800.00
10	BKV Industries Limited Equity Shares of Rs.1/- each	4,200	13,566.00	4,200	9,954.00
11	Brightcom Group Limited Equity Shares of Rs.2/- each	1,000	8,260.00	1,000	3,100.00
12	Central Bank of India Equity Shares of Rs.10/- each	680	11,050.00	680	8,296.00
13	Union Bank of India (Corporation Bank) Equity Shares of Rs.10/- (Rs.2/-) each	330	11,253.00	1,000	9,800.00
14	Dewan Housing Finance Corporation Limited Equity Shares of Rs.10/- each	500	8,025.00	500	4,325.00
15	Everest Organics Limited Equity Shares of Rs.10/- each	1,044	2,42,469.00	1,044	99,180.00
16	GAIL (India) Limited Equity Shares of Rs.10/- each	4,800	6,35,760.00	4,800	3,66,960.00
17	Gateway Distriparks Limited Equity Shares of Rs.10/- each	1,112	1,98,380.80	1,112	1,05,306.40
18	GIC Housing Finance Limited Equity Shares of Rs.10/- each	400	46,180.00	400	23,780.00
19	GMR Infrastructure Limited Equity Shares of Rs.1/- each	2,200	53,680.00	2,200	35,750.00
20	Godrej Consumer Products Limited Equity Shares of Rs.1/- each	4,200	30,52,140.00	4,200	21,86,730.00
21	Gujarat State Petronet Limited Equity Shares of Rs.10/- each	1,718	4,58,276.50	1,718	2,97,214.00
22	Haldyn Glass Limited Equity Shares of Rs.1/- each	1,000	32,650.00	1,000	18,650.00
23	HDFC Bank Limited Equity Shares of Rs.1/- each	6,430	99,89,326.50	6,430	55,42,660.00
24	Heidelberg Cement India Limited Equity Shares of Rs.10/- each	2,000	4,61,200.00	2,000	2,84,200.00
25	Hemadri Cements Limited Equity Shares of Rs.10/- each	34,600	1,38,400.00	34,600	1,38,400.00
26	Hindalco Industries Limited Equity Shares of Rs.1/- each	522	1,70,224.20	522	49,929.30

**USHAKIRAN FINANCE LIMITED**

27	Hindustan Unilever Limited Equity Shares of Rs.1/- each	1,660	39,80,846.00	1,660	38,14,929.00
28	Ices Software Limited Equity Shares of Rs.10/- each	2,800	28,000.00	2,800	28,000.00
29	ICICI Bank Limited Equity Shares of Rs.2/- each	1,650	9,75,727.50	1,650	5,35,425.00
30	IDFC First Bank Limited Equity Shares of Rs.10/- each	1,389	80,978.70	1,389	29,307.90
31	IDFC Limited Equity Shares of Rs.10/- each	1,389	65,421.90	1,389	20,626.65
32	Indian Oil Corporation Limited Equity Shares of Rs.10/- each	1,000	91,550.00	1,000	81,650.00
33	Indraprastha Gas Limited Equity Shares of Rs.2/- each	2,000	10,21,400.00	2,000	7,77,700.00
34	Indusind Bank Limited Equity Shares of Rs.10/- each	500	4,81,600.00	500	1,75,575.00
35	Infosys Limited Equity Shares of Rs.5/- each	1,840	25,49,412.00	1,840	11,78,152.00
36	Jindal Saw Limited Equity Shares of Rs.2/- each	500	35,975.00	500	22,900.00
37	Karan Woosen Limited Equity Shares of Rs.10/- each	300	960.00	300	960.00
38	Kotak Mahindra Bank Limited Equity Shares of Rs.5/- each	1,806	32,16,124.80	1,806	23,41,208.10
39	Laurus Labs Limited Equity Shares of Rs.2/- (Rs.10/-) each	500	1,80,125.00	100	32,260.00
40	LIC Housing Finance Limited Equity Shares of Rs.2/- each	2,000	8,40,400.00	2,000	4,70,400.00
41	Mahindra & Mahindra Limited Equity Shares of Rs.5/- each	2,400	19,08,000.00	2,400	6,84,000.00
42	Mahindra Lifespace Developers Limited Equity Shares of Rs.10/- each	127	71,056.50	127	24,231.60
43	McLeod Russel India Limited Equity Shares of Rs.5/- each	1,000	19,200.00	1,000	2,080.00
44	Nagarjuna Fertilizers and Chemicals Limited Equity Shares of Rs.1/- each	23,980	1,58,507.80	23,980	74,817.60
45	Nagarjuna Oil Refinery Limited Equity Shares of Rs.1/- each	21,800	5,450.00	21,800	5,450.00
46	NBCC (India) Limited Equity Shares of Rs.1/- each	1,000	47,950.00	1,000	16,350.00
47	NCC Blue Water Products Limited Equity Shares of Rs.10/- each	2,400	7,008.00	2,400	16,368.00
48	NCC Limited Equity Shares of Rs.2/- each	8,000	6,41,600.00	8,000	1,50,400.00
49	NCL Industries Limited Equity Shares of Rs.10/- each	7,500	12,29,625.00	7,500	4,05,750.00
50	NHPC Limited Equity Shares of Rs.10/- each	3,000	75,450.00	3,000	59,850.00
51	Oil & Natural Gas Corporation Limited Equity Shares of Rs.5/- each	672	69,753.60	672	45,897.60
52	Phytochem (India) Limited Equity Shares of Rs.10/- each	7,100	1,19,635.00	7,100	1,27,445.00
53	Power Grid Corporation of India Limited Equity Shares of Rs.10/- each	435	96,417.75	435	69,165.00
54	Premium Capital Market & Investments Limited Equity Shares of Rs.10/- each	13,300	19,950.00	13,300	19,950.00

**USHAKIRAN FINANCE LIMITED**

55	Raymond Limited Equity Shares of Rs.10/- each	500	1,79,375.00	500	1,11,500.00
56	Reliance Communications Limited Equity Shares of Rs.5/- each	860	1,444.80	860	567.60
57	Reliance Industries Limited Equity Shares of Rs.10/- each	4,368	88,60,924.80	4,368	48,59,181.60
58	Reliance Industries Limited (Partly Paid Shares) Equity Shares of Rs.10/- each	322	3,58,981.70	-	-
59	REC Limited Equity Shares of Rs.10/- each	1,000	1,28,450.00	1,000	88,750.00
60	SBI Home Finance Limited Equity Shares of Rs.10/- each	200	3,050.00	200	3,050.00
61	Snowman Logistics Limited Equity Shares of Rs.10/- each	500	22,200.00	500	15,825.00
62	Southern Petrochemical Industries Corporation Limited Equity Shares of Rs.10/- each	1,000	29,000.00	1,000	11,850.00
63	Sree Rayalseema Hi-Strength Hypo Limited Equity Shares of Rs.10/- each	5,639	13,16,988.45	5,639	4,07,417.75
64	Sri Lakshmi Engineering Industries Limited Equity Shares of Rs.10/- each	58,200	77,550.00	58,200	77,550.00
65	Steel Authority of India Limited Equity Shares of Rs.10/- each	1,500	1,18,725.00	1,500	34,575.00
66	Summit Securities Limited Equity Shares of Rs.10/- each	6	3,201.90	6	1,650.00
67	Suzlon Energy Limited Equity Shares of Rs.2/- each	1,000	5,240.00	1,000	2,000.00
68	T.V. Today Networks Limited Equity Shares of Rs.5/- each	700	1,86,550.00	700	1,15,745.00
69	Tata Motors Limited Equity Shares of Rs.2/- each	1,000	2,96,950.00	1,000	71,050.00
70	TCFC Finance Limited Equity Shares of Rs.10/- each	500	12,550.00	500	9,175.00
71	TGV SRAAC Limited Equity Shares of Rs.10/- each	500	12,200.00	500	5,950.00
72	The Anup Engineering Limited Equity Shares of Rs.10/- each	74	42,168.90	74	23,047.30
73	The Bombay Dyeing and Manufacturing Company Limited Equity Shares of Rs.2/- each	2,500	1,78,250.00	2,500	1,14,500.00
74	The Great Eastern Shipping Company Limited Equity Shares of Rs.10/- each	720	2,27,232.00	720	1,49,148.00
75	The Karnataka Bank Limited Equity Shares of Rs.10/- each	2,942	1,77,696.80	2,942	1,24,005.30
76	Vindhya Telelinks Limited Equity shares of Rs.10/- each	1,091	8,91,892.50	1,091	4,68,311.75
77	Wipro Limited Equity Shares of Rs.2/- each	149	62,267.10	149	29,293.40
78	Yes Bank Limited Equity Shares of Rs.2/- each	1,400	22,960.00	1,400	31,430.00
	<b>Total (A)</b>		<b>4,80,19,208.95</b>		<b>2,76,56,373.35</b>

Sl. No.	Investments in Equity Instruments Un Quoted, at Fair Value	No. of Shares as at 31.03.2021	As at 31 <sup>st</sup> March, 2021 Rs.	No. of Shares as at 31.03.2020	As at 31 <sup>st</sup> March, 2020 Rs.
1	Sigachi Industries Limited Equity Shares of Rs.10/- each	56,250	5,62,500.00	22,500	2,25,000.00
	<b>Total (B)</b>		<b>5,62,500.00</b>		<b>2,25,000.00</b>

**USHAKIRAN FINANCE LIMITED**

**Mutual Funds - at Fair Value**

Sl. No.	Investments in Mutual Funds Instruments Quoted, at Fair Value	No. of Units as at 31.03.2021	As at 31 <sup>st</sup> March, 2021 Rs.	No. of Units as at 31.03.2020	As at 31 <sup>st</sup> March, 2020 Rs.
1	UTI - Banking & Financial Services Fund-Regular Plan Reinvestment of IDCW Units of Rs.10/- each	41,207.165	16,55,300.06	41,207.165	9,50,612.21
2	UTI - Mid Cap Fund - Direct Growth Plan Units of Rs.10/- each	2,099.427	3,31,532.48	2,099.427	1,69,300.11
3	UTI - MID Cap Fund - Regular Plan - Re-Investment of IDCW Units of Rs.10/- each	31,496.741	21,99,659.95	29,914.629	11,38,266.59
4	UTI - Value Opportunities Fund - Direct - Growth Plan Units of Rs.10/- each	1,156.175	1,01,742.24	1,156.175	57,343.04
5	UTI Banking & Financial Services Fund - Direct Growth Plan Units of Rs.10/- each	6,179.044	6,93,438.89	6,179.044	3,94,421.97
6	IRB Invit Fund Units of Rs.102/- each	5,000.000	2,66,300.00	5,000.000	1,27,700.00
	Total (C )		52,47,973.62		28,37,643.92
	Grand Total (A+B+C)		5,38,29,682.57		3,07,19,017.27

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**Note 7: Other Financial Assets**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Telephone Deposits	<b>3,500.00</b>	11,480.00
Rental Deposit	<b>11,360.00</b>	11,360.00
Total	<b>14,860.00</b>	22,840.00

**Note 8: Deferred Tax Assets (Net)**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Deferred Tax Assets (Net)	<b>34,671.00</b>	42,064.00
Total	<b>34,671.00</b>	42,064.00

**Note 9: Investment Property**

(Rs.)

Description	Gross Carrying Value			Accumulated Depreciation			Net Carrying Value	
	Opening Balance	Additions	Sales/ Adjustments	As at 31 <sup>st</sup> March, 2021	Charge for the Period	Sales/ Adjustments	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2021
Land	7,03,600.00	-	-	7,03,600.00	-	-	-	7,03,600.00
Total	7,03,600.00	-	-	7,03,600.00	-	-	-	7,03,600.00

(Rs.)

Description	Gross Carrying Value			Accumulated Depreciation			Net Carrying Value	
	Opening Balance	Additions	Sales/ Adjustments	As at 31 <sup>st</sup> March, 2020	Charge for the Period	Sales/ Adjustments	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2020
Land	15,36,075.00	-	8,32,475.00	7,03,600.00	-	-	-	7,03,600.00
Total	15,36,075.00	-	8,32,475.00	7,03,600.00	-	-	-	7,03,600.00

**Note 10: Property, Plant and Equipment**

(Rs.)

Description	Gross Carrying Value			Accumulated Depreciation			Net Carrying Value	
	Opening Balance	Additions	Sales/ Adjustments	As at 31 <sup>st</sup> March, 2021	Charge for the Period	Sales/ Adjustments	As at 31 <sup>st</sup> March, 2021	As at 1 <sup>st</sup> April, 2020
Furniture	5,665.00	-	-	5,665.00	-	-	870.00	4,795.00
Equipment	78,031.00	-	-	78,031.00	7,536.00	-	42,669.00	42,898.00
Vehicles	92,386.00	-	59,278.00	33,108.00	1,029.00	55,870.00	-	37,545.00
Computers	30,298.00	-	-	30,298.00	684.00	-	27,751.00	3,231.00
<b>Total</b>	<b>2,06,380.00</b>	<b>-</b>	<b>59,278.00</b>	<b>1,47,102.00</b>	<b>9,249.00</b>	<b>55,870.00</b>	<b>71,290.00</b>	<b>88,469.00</b>

(Rs.)

Description	Gross Carrying Value			Accumulated Depreciation			Net Carrying Value	
	Opening Balance	Additions	Sales/ Adjustments	As at 31 <sup>st</sup> March, 2020	Charge for the Period	Sales/ Adjustments	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Furniture	5,665.00	-	-	5,665.00	-	-	870.00	4,795.00
Equipment	69,031.00	9,000.00	-	78,031.00	6,582.00	-	35,133.00	40,480.00
Vehicles	92,386.00	-	-	92,386.00	1,993.00	-	54,841.00	39,538.00
Computers	30,298.00	-	-	30,298.00	3,172.00	-	27,067.00	6,403.00
<b>Total</b>	<b>1,97,380.00</b>	<b>9,000.00</b>	<b>-</b>	<b>2,06,380.00</b>	<b>11,747.00</b>	<b>-</b>	<b>1,17,911.00</b>	<b>91,216.00</b>

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**Note 11: Other Non-Financial Assets**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Income Tax Refund Due for F.Y. 2020-2021	4,710.26	-
Income Tax Refund Due for F.Y. 2019-2020	2,07,091.00	2,07,091.00
Income Tax Refund Due for earlier years	9,289.00	9,289.00
Other Advances	410.62	-
<b>Total</b>	<b>2,21,500.88</b>	<b>2,16,380.00</b>

**Note 12: Payables**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
(I) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(II) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 13: Other Financial Liabilities**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Salaries Payable	67,987.00	75,475.00
Other Payables	1,93,762.00	75,530.00
<b>Total</b>	<b>2,61,749.00</b>	<b>1,51,005.00</b>

**Note 14: Other Non-Financial Liabilities**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Statutory dues	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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**Note 15: Share Capital**

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
a) Authorized Share Capital 40,00,000 Equity Shares of Rs. 10/- each	Rs. <b>4,00,00,000.00</b>	Rs. 4,00,00,000.00
b) Issued & Subscribed Capital 33,54,700 Equity Shares of Rs. 10/- each	<b>3,35,47,000.00</b>	3,35,47,000.00
c) Paid up Capital 25,44,500 Equity Shares of Rs. 10/- each	<b>2,54,45,000.00</b>	2,54,45,000.00
d) Forfeited Shares	<b>20,25,750.00</b>	20,25,750.00
	<b>2,74,70,750.00</b>	2,74,70,750.00

**a) Reconciliation of Number of Shares**

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Number of Shares at the beginning of the year	<b>25,44,500</b>	25,44,500
Add : Shares issued during the year	-	-
Number of Shares at the end of the year	<b>25,44,500</b>	25,44,500

**b) Terms/Rights attached**

The Company has issued only one class of shares having par value of Rs. 10/- per share. Each holder of equity shares who has paid total amount of Rs. 10/- per 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.

**c) Details of shareholders holding more than 5% shares**

Particulars	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2020	
	No. of shares	% Holding	No. of shares	% Holding
Krishnaraj Securities Private Limited	<b>6,12,550</b>	<b>24.07%</b>	6,12,550	24.07%
T. Adinarayana	<b>3,25,385</b>	<b>12.79%</b>	3,25,385	12.79%
Andhra Pradesh Industrial Development Corporation Ltd.,	<b>1,92,900</b>	<b>7.58%</b>	1,92,900	7.58%

**Note 16: Other Equity**  
**Statement of Changes in Equity as at 31-03-2021**

Particulars	Retained earnings	General Reserve	Statutory Reserve Fund as per 45-IC of RBI Act	Other Comprehensive Income	Total
Balance as at 1/4/2020	(72,42,654.49)	7,52,106.39	14,22,500.00	2,20,57,776.92	<b>1,69,89,728.82</b>
Profit/(Loss) for the year	26,30,301.51	-	-	-	<b>26,30,301.51</b>
Additions during the year	-	-	-	2,05,99,147.10	<b>2,05,99,147.10</b>
Appropriation to reserve fund as per 45-IC of RBI Act	(5,26,061.00)	-	5,26,061.00	-	<b>-</b>
Balance as at 31/03/2021	(51,38,413.98)	7,52,106.39	19,48,561.00	4,26,56,924.02	<b>4,02,19,177.43</b>

**Statement of Changes in Equity as at 31-03-2020**

Particulars	Retained earnings	General Reserve	Statutory Reserve Fund as per 45-IC of RBI Act	Other Comprehensive Income	Total
Balance as at 1/4/2019	(62,92,949.76)	7,52,106.39	14,22,500.00	3,43,39,895.66	3,02,21,552.29
Profit/(Loss) for the year	(9,49,704.73)	-	-	-	(9,49,704.73)
Additions during the year	-	-	-	(1,22,82,118.74)	(1,22,82,118.74)
Appropriation to reserve fund as per 45-IC of RBI Act	-	-	-	-	-
Balance as at 31/03/2020	(72,42,654.49)	7,52,106.39	14,22,500.00	2,20,57,776.92	<b>1,69,89,728.82</b>

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**Note 17: Revenue from Operations**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
a) Interest Income		
(i) Interest on Loans & Advances	17,31,710.40	13,46,825.00
(ii) Interest on Fixed Deposits	1,75,590.27	3,74,340.00
Total	19,07,300.67	17,21,165.00

**Note 18: Dividend Income**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
a) Dividend Income		
(i) From Equity	3,45,421.45	4,84,222.75
(ii) From Mutual Funds	1,19,652.99	-
Total	4,65,074.44	4,84,222.75

**Note 19: Net Gain/(Loss) on Fair Value Changes other than Equity**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
on Mutual Funds	22,99,650.71	(14,13,540.08)
Total	22,99,650.71	(14,13,540.08)

**Note 20: Other Income**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
a) Profit on Sale of Assets	14,892.00	3,60,325.00
b) Other Interest	38,325.00	41,000.00
Total	53,217.00	4,01,325.00

**Note 21: Impairment on Financial Instruments**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
On loans	(21,702.00)	2,43,311.00
Total	(21,702.00)	2,43,311.00

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**Note 22: Employee benefits expense**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Salaries	7,97,431.00	8,72,246.00
Staff welfare expenses	12,475.00	30,726.00
Total	8,09,906.00	9,02,972.00

**Note 23: Depreciation and amortisation expense**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Depreciation	9,249.00	11,747.00
Total	9,249.00	11,747.00

**Note 24: Other Expenses**

(Rs.)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Electricity Charges	20,503.81	32,563.00
Rent	1,31,230.00	1,38,000.00
Insurance	5,568.00	6,853.00
Advertisement Expenses	47,615.00	48,326.00
Annual custody fee	34,265.00	35,532.16
Audit Fee & Expenses	24,100.00	20,500.00
Bank Charges	1,979.01	1,488.95
Books & Periodicals	5,870.00	8,531.00
Computer Maintenance	13,118.00	15,750.00
Conveyance Expenses	6,453.63	16,125.39
Internet & Broadband Charges	7,021.00	5,959.00
Listing Fees	3,54,000.00	3,54,000.00
Membership Fee	29,500.00	17,700.00
Miscellaneous expenses	55,385.94	34,316.00
Office Maintenance Charges	26,949.00	31,031.00
Postage & Telegrams	636.40	20,452.00
Printing & Stationery	40,089.00	40,895.36
Professional Charges	1,90,200.00	12,000.00
Secretarial Audit Fee	25,000.00	25,000.00
Share Transfer Fee	64,395.52	68,983.54
Telephone Charges	20,049.00	12,661.00
Vehicle Maintenance	79,047.00	17,308.00
Website Maintenance Charges	10,600.00	10,600.00
Total	11,93,575.31	9,74,575.40

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**Note 25: Auditors Remuneration**

Particulars	As at 31 <sup>st</sup> March, 2021 Rs.	As at 31 <sup>st</sup> March, 2020 Rs.
Audit fee	<b>23,600.00</b>	20,000.00
Reimbursement of out of pocket expenses	<b>500.00</b>	500.00
<b>TOTAL</b>	<b>24,100.00</b>	20,500.00

**Note 26: Earnings per Share**

Particulars	As at 31 <sup>st</sup> March, 2021 Rs.	As at 31 <sup>st</sup> March, 2020 Rs.
Earnings		
Profit/(loss) attributable to equity holders	<b>26,30,301.51</b>	(9,49,704.73)
Shares		
Number of shares at the beginning of the year	<b>25,44,500</b>	25,44,500
Add: Equity Shares issued	-	-
Less: Buy back of Equity shares	-	-
Total number of equity shares outstanding at the end of the year	<b>25,44,500</b>	25,44,500
Weighted average number of equity shares outstanding during the year – Basic	<b>25,44,500</b>	25,44,500
Add: Weighted average number of equity shares arising out of outstanding stock options (net of the stock options forfeited) that have dilutive effect on the EPS	-	-
Weighted average number of equity shares outstanding during the year – Diluted	<b>25,44,500</b>	25,44,500
Earnings per share of par value Rs. 10/- – Basic	<b>1.03</b>	(0.37)
Earnings per share of par value Rs. 10/- – Diluted	<b>1.03</b>	(0.37)

**Note 27: Related Parties**

In accordance with the provisions of Ind AS 24 “Related Party Disclosures” and the Companies Act, 2013, Company’s Directors, members of the Company’s Management and Key Managerial Personnel are considered. List of related parties of the Company is as below:

**USHAKIRAN FINANCE LIMITED**

Sl.No.	Name of the Related Party	Nature of Relationship
1	Sri. T. Adinarayana	Director
2	Sri. P.R.K. Murthy	Independent Director
3	Mrs. S. Jhansi Kumari	Independent Director
4	Sri. T. R. Sekhar	Director
5	Mrs. Sanjana Jain	Company Secretary
6	Sri. Omprakash Koyalkar	Manager
7	Sri. T. Ramesh Babu	Chief Financial Officer

**Related Party Transactions**

Sl.No.	Nature of Transaction	FY 2020-21 Rs.	Total Rs.	FY 2019-20 Rs.	Total Rs.
	Directors Remuneration / Salary and Perquisites	-	-	-	-
	Fee for attending Board/Committee meetings				
1	T. Adinarayana	-	-	-	-
2	P.R.K. Murthy	-	-	-	-
3	S. Jhansi Kumari	-	-	-	-
4	T.R. Sekhar	-	-	-	-
5	Shriya Jain, (Company Secretary)	-	-	17,000	17,000
6	Sanjana Jain, Company Secretary	<b>3,00,000</b>	<b>3,00,000</b>	2,72,581	2,72,581
7	Omprakash Koyalkar, Manager	<b>2,42,693</b>	<b>2,42,693</b>	2,40,900	2,40,900
8	B. Rama Devi, (CFO)	-	-	2,35,757	2,35,757
9	T. Ramesh Babu, CFO	<b>2,83,538</b>	<b>2,83,538</b>	25,000	25,000

Enterprises related to promoters/directors or their relatives:

M/s. Sigachi Laboratories Limited and M/s. Krishnaraj Securities Private Limited.

**Note 28: Employee benefits**

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The Company is not having any defined contribution plans and defined benefit plans at present.

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**Note 29: Income Taxes**

a. Income tax expense/(benefit) recognized in the statement of profit and loss:

Income tax expense/(benefit) recognized in the statement of profit and loss consists of the following: (Rs.)

Particulars	For the Year Ended 31 <sup>st</sup> March	
	2021	2020
Current taxes expense		
Domestic	<b>96,520.00</b>	-
Deferred taxes expense/(benefit)		
Domestic	<b>7,393.00</b>	10,272.00
Total income tax expense/(benefit) recognized in the statement of profit and loss	<b>1,03,913.00</b>	10,272.00

b. Reconciliation of Effective tax rate

(Rs.)

Particulars	For the Year Ended 31 <sup>st</sup> March	
	2021	2020
Profit before income taxes	27,34,215	(9,39,433)
Enacted tax rate in India	25.168%	26%
Computed expected tax (benefit)/expense	6,88,147	(2,44,253)
Effect of:		
Expenses not deductible for Tax purposes	2,328	4,34,941
Expenses deductible for Tax purposes	9,717	(11,938)
Items not subjected to Tax purposes	5,84,238	(2,19,582)
Taxable at Special Rates	-	-
Income tax (benefit)/expense	96,520	(40,832)
Effective tax rate	3.53%	-

c. Deferred tax Assets & Liabilities

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

(Rs.)

Particulars	For the Year Ended 31 <sup>st</sup> March	
	2021	2020
Deferred tax assets/(liabilities): opening	<b>42,064.00</b>	52,336.00
Property, plant and equipment	<b>(7,393.00)</b>	(10,272.00)
Others	-	-
Net deferred tax assets/(liabilities)	<b>34,671.00</b>	42,064.00

**USHAKIRAN FINANCE LIMITED**

d. Movement in deferred tax assets and liabilities during the year ended 31<sup>st</sup> March, 2021 & 2020

(Rs.)

Particulars	As at 1 <sup>st</sup> April, 2020	Recognized in statement of profit and loss	Recognized in equity	As at 31 <sup>st</sup> March, 2021
Deferred tax assets/(liabilities)				
Property, plant and equipment	42,064.00	(7,393.00)	-	<b>34,671.00</b>
Net deferred tax assets/(liabilities)	42,064.00	(7,393.00)	-	<b>34,671.00</b>

Particulars	As at 1 <sup>st</sup> April, 2019	Recognized in statement of profit and loss	Recognized in equity	As at 31 <sup>st</sup> March, 2020
Deferred tax assets/(liabilities)				
Property, plant and equipment	52,336.00	(10,272.00)	-	42,064.00
Net deferred tax assets/(liabilities)	52,336.00	(10,272.00)	-	42,064.00

**Note 30: Investments**

Investments consist of investments in Mutual funds measured at Fair value through Profit & Loss Account and investment in equity instruments measured at Fair Value through Other Comprehensive Income. The election made at the time of transition to Ind AS is irrevocable.

The details of such Investments in Mutual Funds, Debentures, Bonds, Preference Shares other than Equity and Equity as of 31<sup>st</sup> March, 2021 and 31<sup>st</sup> March, 2020 are as follows:

Financial Instruments Measured at Fair Value

(Rs.)

As at 31 <sup>st</sup> March, 2021	Cost	Fair Value	Level 1	Level 2	Level 3	Total
Financial Assets Measured at FVTPL						
Investments in Mutual Funds	27,37,233.04	52,47,973.62	52,47,973.62	-	-	52,47,973.62
Investments in Bonds	-	-	-	-	-	-
Total	27,37,233.04	52,47,973.62	52,47,973.62	-	-	52,47,973.62

(Rs.)

As at 31 <sup>st</sup> March, 2020	Cost	Fair Value	Level 1	Level 2	Level 3	Total
Financial Assets Measured at FVTPL						
Investments in Mutual Funds	26,26,554.05	28,37,643.92	28,37,643.92	-	-	28,37,643.92
Investments in Bonds	-	-	-	-	-	-
Total	26,26,554.05	28,37,643.92	28,37,643.92	-	-	28,37,643.92

**USHAKIRAN FINANCE LIMITED**

(Rs.)

As at 31 <sup>st</sup> March, 2021	Cost	Fair Value	Level 1	Level 2	Level 3	Total
Financial Assets Measured at FVTOCI						
Investments in Equity Instruments	82,52,186.63	4,85,81,708.95	4,85,81,708.95	-	-	4,85,81,708.95
<b>Total</b>	<b>82,52,186.63</b>	<b>4,85,81,708.95</b>	<b>4,85,81,708.95</b>	<b>-</b>	<b>-</b>	<b>4,85,81,708.95</b>

(Rs.)

As at 31 <sup>st</sup> March, 2020	Cost	Fair Value	Level 1	Level 2	Level 3	Total
Financial Assets Measured at FVTOCI						
Investments in Equity Instruments	81,50,998.13	2,78,81,373.35	2,78,81,373.35	-	-	2,78,81,373.35
<b>Total</b>	<b>81,50,998.13</b>	<b>2,78,81,373.35</b>	<b>2,78,81,373.35</b>	<b>-</b>	<b>-</b>	<b>2,78,81,373.35</b>

Level 1: Fair Value measurements are based on quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair values of equity are traded in the stock exchanges are valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Note 31: Financial Instruments**

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.

Fair value hierarchy of financial assets and financial liabilities measured at amortised cost

(Rs.)

As at 31 <sup>st</sup> March, 2021	Level 1	Level 2	Level 3	Total	Valuation Technique for Level 3 items
Financial assets					Carrying value approximately equal to fair value
Loans	-	-	61,52,134.00	61,52,134.00	
Total financial assets	-	-	61,52,134.00	61,52,134.00	
Financial liabilities					
Borrowings	-	-	-	-	
Total financial liabilities	-	-	-	-	

(Rs.)

As at 31 <sup>st</sup> March, 2020	Level 1	Level 2	Level 3	Total	Valuation Technique for Level 3 items
Financial assets					Carrying value approximately equal to fair value
Loans	-	-	67,66,471.60	67,66,471.60	
Total financial assets	-	-	67,66,471.60	67,66,471.60	
Financial liabilities					
Borrowings	-	-	-	-	
Total financial liabilities	-	-	-	-	

**USHAKIRAN FINANCE LIMITED**

Particulars	As at 31.03.2021		As at 31.03.2020	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
Cash and cash equivalents	6,02,899.71	6,02,899.71	3,53,379.95	3,53,379.95
Bank balance other than (a) above	63,16,516.27	63,16,516.27	56,99,262.00	56,99,262.00
Trade receivables	-	-	-	-
Loans	61,52,134.00	61,52,134.00	67,66,471.60	67,66,471.60
Investments	5,38,29,682.57	5,38,29,682.57	3,07,19,017.27	3,07,19,017.27
Other financial assets	14,860.00	14,860.00	22,840.00	22,840.00
<b>Financial Assets</b>	<b>6,69,16,092.55</b>	<b>6,69,16,092.55</b>	<b>4,35,60,970.82</b>	<b>4,35,60,970.82</b>
<b>Financial Liabilities</b>				
Trade payables	-	-	-	-
Other financial liabilities	2,61,749.00	2,61,749.00	1,51,005.00	1,51,005.00
<b>Financial Liabilities</b>	<b>2,61,749.00</b>	<b>2,61,749.00</b>	<b>1,51,005.00</b>	<b>1,51,005.00</b>

**USHAKIRAN FINANCE LIMITED**

**Maturity Analysis of Assets and Liabilities**

(Rs.)

	As at 31 <sup>st</sup> March, 2021			As at 31 <sup>st</sup> March, 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
(1) Financial Assets						
(a) Cash and cash equivalents	6,02,899.71	-	6,02,899.71	3,53,379.95	-	3,53,379.95
(b) Bank Balance other than (a) above	-	63,16,516.27	63,16,516.27	-	56,99,262.00	56,99,262.00
(c) Receivables						
(I) Trade Receivables	-	-	-	-	-	-
(II) Other Receivables	-	-	-	-	-	-
(d) Loans	61,52,134.00	-	61,52,134.00	67,66,471.60	-	67,66,471.60
(e) Investments	-	5,38,29,682.57	5,38,29,682.57	-	3,07,19,017.27	3,07,19,017.27
(f) Other Financial Assets	-	14,860.00	14,860.00	-	22,840.00	22,840.00
	<b>67,55,033.71</b>	<b>6,01,61,058.84</b>	<b>6,69,16,092.55</b>	<b>71,19,851.55</b>	<b>3,64,41,119.27</b>	<b>4,35,60,970.82</b>
(2) Non-Financial Assets						
(a) Deferred tax Assets (net)	-	34,671.00	34,671.00	-	42,064.00	42,064.00
(b) Investment Property	-	7,03,600.00	7,03,600.00	-	7,03,600.00	7,03,600.00
(c) Property, Plant and Equipment	-	75,812.00	75,812.00	-	88,469.00	88,469.00
(d) Other non-Financial Assets	-	2,21,500.88	2,21,500.88	-	2,16,380.00	2,16,380.00
	-	<b>10,35,583.88</b>	<b>10,35,583.88</b>	-	<b>10,50,513.00</b>	<b>10,50,513.00</b>
<b>Total Assets</b>	<b>67,55,033.71</b>	<b>6,11,96,642.72</b>	<b>6,79,51,676.43</b>	<b>71,19,851.55</b>	<b>3,74,91,632.27</b>	<b>4,46,11,483.82</b>
<b>LIABILITIES</b>						
(1) Financial Liabilities						
(a) Payables						
(I) Trade Payables	-	-	-	-	-	-
(II) Other Payables	-	-	-	-	-	-
(b) Borrowings (Other than Debt Securities)	-	-	-	-	-	-
(c) Other Financial Liabilities	2,61,749.00	-	2,61,749.00	1,51,005.00	-	1,51,005.00
	<b>2,61,749.00</b>	-	<b>2,61,749.00</b>	<b>1,51,005.00</b>	-	<b>1,51,005.00</b>
(2) Non-Financial Liabilities						
(a) Provisions	-	-	-	-	-	-
(b) Other non-Financial Liabilities	-	-	-	-	-	-
	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>2,61,749.00</b>	-	<b>2,61,749.00</b>	<b>1,51,005.00</b>	-	<b>1,51,005.00</b>

**Note 32: Financial Risk Management**

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk and Market risk. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

**a) Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer fails to meet his contractual obligations, and arises principally from the company's loan receivables. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration of risks. Risk principally consist of investments, loans and receivables, trade receivables, loans and advances and other financial assets.

Trade Receivables - The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. On account of adoption of Ind AS 109, the Company uses Expected Credit Loss (ECL) model for assessing the impairment loss. The Company is not having any trade receivables during the year 2020-2021. Financial assets that are neither past due nor impaired - None of the Company's cash equivalents, including deposits with banks, were past due or impaired as at 31<sup>st</sup> March, 2021.

**b) Liquidity Risks**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure.

As of 31<sup>st</sup> March, 2021 and 2020, the Company had unutilized credit limits from banks of NIL and NIL respectively.

As of 31<sup>st</sup> March, 2021, the Company had working capital (current assets less current liabilities) of Rs.66,57,666.98 including cash and cash equivalents of Rs.6,02,899.71, As of 31<sup>st</sup> March, 2020, the Company had working capital of Rs.59,01,636.95 including cash and cash equivalents of Rs.3,53,379.95.

**c) Market Risks**

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates which will affect the Company's financial position. Market risk is attributable to all market risk sensitive financial instruments. Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market Risk comprises of: Interest Rate Risk and Foreign Currency Risk.

**Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in Market Interest Rates. The Company is not having any debt obligations with floating interest rates.

## USHAKIRAN FINANCE LIMITED

### Foreign Currency Risk

Foreign Currency Risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is not having any foreign exchange exposure.

### d) Operational risk

Operational risk is the risk arising from inadequate or failed internal processes, people or systems, or from external events. The Company manages operational risks through comprehensive internal control systems and procedures laid down around various key activities in the Company viz., customer service, finance function etc.,

### Note 33: Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The funding requirements are met through equity, and operating cash flows required. The Company's capital comprises Equity Share Capital, Retained Earnings and other equity attributable to equity holders.

### Note 34: Contingent Liabilities and Commitments

- a. Claims against the company: Nil
- b. Bank Guarantees: Nil
- c. Partly paid shares:

An amount of Rs.3,03,565.50 is payable towards 322 partly paid equity shares as and when called by Reliance Industries Limited.

**Note 35:** The company is mainly engaged in the business of Investments, financing and all other activities of the company revolve around the main business and as such, there are no separate reportable segments.

**Note 36:** No amount is due or payable by any of the directors, firms, private companies in which any Director is a partner/director/manager or companies under the same management towards sundry debtors/loans and advances in the Company. Maximum amount outstanding from the above - Nil (Nil).

**Note 37:** The company has no amount due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 as at 31<sup>st</sup> March, 2021.

**Note 38:** Previous year's figures have been regrouped/reclassified/recasted wherever necessary to conform to the current year's presentation.

**Note 39:** The Financial Statements were approved for issue by the Board of Directors on 30<sup>th</sup> June, 2021.

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

(M. Niranjana)  
Partner  
Membership No.029552

Place: Hyderabad  
Date : 30.06.2021

For and on behalf of the Board

(T.R. Sekhar)  
Director  
DIN: 02943146

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

(Sanjana Jain)  
Company Secretary  
ACS: 55914

(Omprakash Koyalkar)  
Manager

(T. Ramesh Babu)  
Chief Financial Officer

**USHAKIRAN FINANCE LIMITED**

**SCHEDULE TO THE BALANCE SHEET FOR THE YEAR ENDED 31.03.2021**

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

PARTICULARS	(Rs. in Lakhs)	
Liabilities		
	Amount Outstanding	Amount Overdue
1. Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid		
(a) Debentures : Secured	--	--
Unsecured	--	--
(other than falling within the meaning of public deposits)		
(b) Deferred Credits	--	--
(c) Term Loans	--	--
(d) Inter-corporate loans and borrowing	--	--
(e) Commercial Paper	--	--
(f) Public Deposits	--	--
(g) Other Loans	--	--
<b>Assets</b>		
2. Break-up of Loans and Advances including Bills receivables (other than those included in (4) Below)		Amount Outstanding
(a) Secured	--	--
(b) Unsecured		98.02
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		

**USHAKIRAN FINANCE LIMITED**

**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)**

--

**Long Term Investments :**

**1. Quoted**

**(i) Shares**

(a) Equity

480.19

(b) Preference

--

**ii) Debentures and Bonds**

--

**iii) Units of Mutual Funds**

52.48

**iv) Government securities**

--

**v) Others (please specify)**

--

**2. Unquoted**

**(i) Shares**

(a) Equity

5.63

(b) Preference

--

**ii) Debentures and Bonds**

--

**iii) Units of Mutual Funds**

--

**iv) Government securities**

--

**v) Others (please specify)**

--

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

**Category**

**Amount (net of provisions)**

**1. Related Parties**

**(a) Subsidiaries**

Secured	Unsecured	Total
--	--	--
--	--	--
--	--	--
--	61.52	61.52
--	61.52	61.52

**(b) Companies in the same group**

**(c) Other related Parties**

**2. Other than related parties**

**Total**

**USHAKIRAN FINANCE LIMITED**

**6. Investor group wise classification of all investments in shares and securities (both quoted and unquoted) 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)
--	--
--	--
--	--
538.30	538.30
538.30	538.30

**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

--  
 29.66  
 Nil  
 Nil  
 Nil

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

(M. Niranjan)  
Partner  
Membership No.029552

Place: Hyderabad  
Date : 30.06.2021

For and on behalf of the Board

(T.R. Sekhar)  
Director  
DIN: 02943146

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

(Sanjana Jain)  
Company Secretary  
ACS: 55914

(Omprakash Koyalkar)  
Manager

(T. Ramesh Babu)  
Chief Financial Officer

NOTES





**PRINTED MATTER**

**USHAKIRAN FINANCE LIMITED**  
CIN: L65923TG1986PLC006294  
Regd. Office: 405, Raghava Ratna Towers,  
Chirag Ali Lane, Hyderabad – 500 001.