

22nd
ANNUAL
REPORT
2019



USHA MARTIN EDUCATION & SOLUTIONS LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman

Shri Prashant Jhawar

Vice-Chairman

Shri Rajeev Jhawar

Whole-Time Director

Shri Vinay Kumar Gupta

Non Executive Director

Shri Trivikram Khaitan

Shri Manoj Kumar Vijay

Shri Nipendra Kumar Sharma

Shri Arun Kumar Ladha

Woman Director

Smt. Gangotri Guha

Chief Financial Officer

Shri Indrajit Bandyopadhyay

Company Secretary

Mrs. Chaitee Baral

Bankers

IDBI Bank Ltd.

IndusInd Bank Ltd.

Axis Bank Ltd.

Registered Office

CIN : L31300WB1997PLC085210

Godrej Waterside, 5th Floor, Block - DP

Sector-V, Salt Lake City, Kolkata - 700 091

Tel.: +91 33 4085 3700, Fax: +91 33 4085 3800

Website : www.umesl.co.in

E-mail : chaitee.baral@umesl.co.in

Registrar and Transfer Agent

MCS Share Transfer Agent Limited

383, Lake Garden, 1st Floor

Kolkata - 700 045

Tel : 033 - 4072 4051/4052/4053

Fax : 033 - 4072 4050

Email : mcssta@rediffmail.com

Website : www.mcsdel.com

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NOTICE TO THE MEMBERS

NOTICE is hereby given that the 22nd Annual General Meeting of the members of Usha Martin Education & Solutions Limited will be held on Wednesday, the 4th day of September, 2019 at 11:00 A.M. at "Sujata Sadan Auditorium", 7, Bakul Bagan, Bhowanipore, Hazra Road, Kolkata-700026, to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2019, Statement of Profit & Loss for the year ended on that date and the Report of the Directors' and Auditors' thereon.
2. To appoint a director in place of Shri Prashant Jhawar (DIN 00353020), who retires by rotation at this meeting and being eligible offers himself for reappointment
3. To appoint a director in place of Shri Trivikram Khaitan (DIN 00043428), who retires by rotation at this meeting and being eligible offers himself for reappointment
4. To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rule, 2014 (the rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) the members of the company do hereby ratify the appointment of M/s. G Basu & Co., Chartered Accountants (Registration No. 301174E), who were appointed in the 20th Annual General Meeting (held on 22nd September 2017) to hold office for a period of 3 years until the conclusion of the 23rd Annual General Meeting, on a remuneration plus reimbursement of out-of-pocket expenses, as may be mutually agreed to between the Board of Directors and the Auditors."

Special Business

5. To appoint Shri Nipendra Kumar Sharma (DIN: 00076223) as a Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Shri Nipendra Kumar Sharma (DIN: 00076223), who was appointed as an Additional Independent Director by the Board of the Company with effect from 12th February 2019 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 27th Annual General Meeting of the Company in the calendar year 2024."

Registered Office:

Godrej Waterside, 5th Floor, Block DP

Sector V, Salt Lake, Kolkata - 700091

Dated: 28th May, 2019

By Order of the Board of Directors

Sd/-

Chaitee Baral

Company Secretary

Notes:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Proxy form in order to be effective, must be duly stamped, executed and reach the Registered Office of the Company not later than 48 hours before the time of commencement of the Meeting.
3. Corporate Members are requested to send to the Registered Office of the Company a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Meeting.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. Members / proxy holders are requested to bring their attendance slip duly signed so as to avoid inconvenience.
6. The Register of Members and the Share Transfer Book of the Company will remain closed from 29th August, 2019 to 4th September, 2019 (both days inclusive).
7. Members are requested to intimate to the Company queries, if any, on the Accounts at least 10 days before the meeting to enable the management to keep the required information available at the meeting.

8. Members holding shares in physical form are requested to advise any change in their registered address, transfer of equity shares and allied matters to the Company's Registrar and Transfer Agent, MCS Share Transfer Agents Limited, quoting their folio number. Members holding shares in electronic form must send the advice about change in their registered address or bank particulars, transfer of equity shares and allied matters to their respective Depository Participant and not to the Company.
9. In all correspondence with the Company or with its Share Transfer Agent, members are requested to quote their folio number and in case the shares are held in the dematerialised form, they must quote their Client ID Number and their DPID Number.
10. As per the Circular no. 17/2011 dated 21st April, 2011 issued by Ministry of Corporate Affairs, Members are requested to register their email address either with the Registrar and Transfer Agents of the Company, i.e., MCS Share Transfer Agents Limited or with their Depositories for electronic communication.
11. EQUITY SHARES OF THE COMPANY ARE UNDER COMPULSORY DEMAT TRADING BY ALL INVESTORS. THOSE MEMBERS, WHO HAVE NOT DEMATERIALIZED THEIR SHARES, ARE ADVISED TO DEMATERIALIZED THEIR SHAREHOLDING, TO AVOID INCONVENIENCE IN FUTURE.
12. Members who are holding equity shares in identical order of names in more than one folio are requested to write to the Company's Registrar and Transfer Agent, MCS Share Transfer Agents Limited, to enable the Company to consolidate their shareholding in one folio.
13. All documents referred to in the Notice are open for inspection at the Registered Office of the Company from 10 AM to 12 Noon on all working days until the date of Meeting or any adjournment(s) thereof.
14. Members are requested to bring their copy of Annual Report to the Meeting.
15. Electronic copy of the Annual Report for 2019 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes. For members who have not registered their email address, physical copies of the Annual Report for 2019 is being sent in the permitted mode.
16. Electronic copy of the Notice of the 22nd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 22nd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

I Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 22nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)]:
 - (i) Open email and open PDF file viz; "UMESL" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii) **Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>**
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
 - (vii) Select "EVEN" of Usha Martin Education & Solutions Limited.
 - (viii) Now you are ready for e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to mukhopadhyay_k@yahoo.co.in.
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy]:
 - (i) **Initial Password as provided below:**

EVEN(E VOTING EVENT NUMBER)	USER ID	PASSWORD/PIN
.....	PIN MAILER ENCLOSED	PIN MAILER ENCLOSED

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
 - III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - V. The e-voting period commences on Sunday, 1st day of September, 2019 at 9:00 am and ends on Tuesday, the 3rd day of September, 2019 at 5:00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 28th August, 2019, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date 28th August, 2019.
 - VII. Mr. K Mukhopadhyay (Membership No. FCS 4176), Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - VIII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company.
 - IX. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.umesl.co.in and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited and NSE Limited.

ANNEXURE TO NOTICE

Explanatory Statements in respect of Special Business pursuant to Section 102 & 152 of the Companies Act, 2013

Mr. Nipendra Kumar Sharma, aged about 61 years, has a vast experience of more than 35 years in the accounts and finance departments of various Companies. Earlier he was associated with varied companies of different fields in the finance and accounts related areas. Keeping the necessities of the Company in view the Board of your Company thought that his appointment would be beneficial for the Company and hence recommended his appointment as Director of the Company at the Board meeting held on 12th February, 2019 for 5 years subject to the approval of the members at the ensuing Annual General Meeting of the Company and other necessary approvals, if any.

Shri Sharma is deemed to be interested in the proposed resolution to the extent of his appointment as a Independent, Non-Executive Director of the Company.

No other Director of the Company is interested in this resolution.

The information/details to be provided under Regulation 27 of SEBI (LODR) Regulation, 2015 on Corporate Governance for the appointment/reappointment of Directors for the aforesaid directors are as under:

Name of Director	Shri Prashant Jhawar	Shri Trivikram Khaitan	Shri Nipendra Kumar Sharma
Date of Birth	6 th April 1963	20 th December, 1964	4 th April, 1958
Date of Appointment	4 th March, 2000	27 th October, 2003	12 th February, 2019
Qualification	B.Com, Management Development in Wharton Business School	L.L.B	B.COM, L.L.B
Expertise in specific functional areas	Management	Legal Matters	Accounts, & Finance Department
List of outside Directorship held excluding Alternate Directorship and Private companies as on 31 st March, 2019	<ul style="list-style-type: none"> • Usha Martin Limited • Peterhouse Investments India Ltd. • Usha Martin Ventutres Limited • Usha Breco Realty Limited • Usha Breco Limited • Usha Breco Education Infrastructure Limited 	<ul style="list-style-type: none"> • Rainbow Investments Limited • Khaitan Consultants Limited 	<ul style="list-style-type: none"> • KGVK Rural Enterprises Limited • KGVK Agro Limited • KGVK Social Enterprises Limited
Chairman/Member of the Committee of the Board of Directors of the Company as on 31 st March, 2019	NIL	NIL	<ul style="list-style-type: none"> • Audit Committee • Nomination & Remuneration Committee
Chairman/Member of the Committee of the Board of Directors of other Companies as on 31 st March, 2019	NIL	NIL	NIL

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the 22nd Annual Report, together with the Audited Statement of Accounts of the Company for the financial year ended 31st March, 2019.

Financial Results

(₹ in Lakh)

Particulars	Standalone		Consolidated	
	Year ended 31.3.2019	Year ended 31.3.2018	Year ended 31.3.2019	Year ended 31.3.2018
Gross Income	86.66	100.76	94.92	107.80
Gross Profit/(loss) before Finance Cost and Depreciation	30.36	26.81	33.00	29.26
Less: Finance Cost	20.41	36.32	20.43	36.33
Less: Depreciation	4.63	8.43	4.63	8.43
Profit/(loss) before Exceptional items and tax	5.32	(17.94)	7.94	(15.51)
Less: Exceptional items	—	—	—	—
Profit/(loss) Before Tax	5.32	(17.94)	7.94	(15.51)
Less: Provision for Tax(Net)	16.53	—	17.87	0.62
Profit/(Loss) After Tax	(11.21)	(17.94)	(9.93)	(16.13)
Transfer to Reserves and Surplus	(11.21)	(17.94)	(9.93)	(16.13)

Financial Review

During the Financial Year ended 31st March 2019, your company recorded standalone revenue of ₹.86.66 Lakhs, commensurate with its present business activities. Consolidated revenue for the current financial year is ₹. 94.92 Lakhs.

Dividend

Your Directors do not recommend any dividend for the current financial year.

Reserve and Surplus

The balance of Reserves and Surplus, as at 31st March, 2019 stands at ₹.1077.77 Lakhs after making the appropriations indicated above.

Subsidiary

The Company has obtained exemption from annexing accounts and other documents pertaining to subsidiary, through the general approval from Ministry of Corporate Affairs, Government of India, vide their letter no. 47/07/2011-CL-III dated 20th January 2011. However, the financial statements of the subsidiary company (i.e., Usha Martin Education Private Limited) and other detailed information will be made available to the members seeking such information at any point of time. The annual accounts of the subsidiary company will also be available for inspection at the Registered Office of the Company as well as at the Registered Office of the subsidiary.

Consolidated Financial Statements

The Audited Consolidated Financial Statements based on the Financial Statements received from subsidiary company, as approved by its Board of Directors, have been prepared in accordance with the Accounting Standard 21 (AS-21) – Consolidated Financial Statements as notified under Section 129 (3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 as applicable. Further, the Consolidated Financial Statements are also presented in accordance with Regulation 33 of the SEBI (Listing Obligation and Disclosures Requirement) Act, 2015 entered into with the stock exchanges where the shares of the company are listed.

Public Deposit

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

Particulars of Loans, Guarantees or Investments:

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the investments made by company are given in the notes to the financial statements.

Internal Control Systems and their adequacy:

Company is equipped with a proper and adequate system of internal controls for maintaining proper accounting cost control and efficiency in operation. Company has developed documented procedures and various methods as follows:-

- Proper Delegation of power to de-centralize the whole operation for making it more dynamic.
- Preparation of annual budget for targets for business growth which is continuously monitored throughout the year.
- Financial control & approval based on budget allocation.

The Company also has adequate system to ensure that all of its assets are safeguarded and protected against loss from unauthorized use or disposition, and transactions are authorized, recorded, and reported correctly. The internal control system is supplemented by internal audits, review by management, documented policies and procedures.

Corporate Social Responsibility initiatives

Your Company does not fulfill the criteria for making contribution towards corporate social responsibility as directed by The Companies (Corporate Social Responsibility Policy) Rule, 2014. However, as a responsible entity of the country we respect social value and make endeavor to contribute for the social cause as far as possible.

Directors

During the year, two of the Directors of the Company, who were associated with the Company for quite a long duration and also contributed for the betterment of the Company greatly, viz. Mr Rahul Choudhary and Mr. Debjit Bhattacharya, placed their resignations from the post of Directorship, both due to their other pressing and domestic commitments.

The Board places on record great appreciation for them and wish them all the best in their life ahead.

To fill up the vacancy created by the resignation of Mr. Rahul Choudhary, who was also an Independent Director of the Company, the Company needed to appoint an Independent Director.

The members of the Nomination and Remuneration Committee searched for a suitable person for the post and ultimately recommended to appoint Mr. Nipendra Kumar Sharma for the same. Mr. Sharma, aged about 61 years, has a vast experience of more than 35 years, through various industries associated with finance and accounts. Keeping the necessities of the Company in view, his appointment would be beneficial for the Company. Board also accepted the recommendation of the Committee and appointed Mr. Sharma as an Independent Additional Director of the Company with effect from 12th February 2019 upto the forthcoming Annual General Meeting.

Suitable resolution has been put in the Notice of the forthcoming Annual General Meeting for appointment of Mr. Sharma as an Independent Director of the Company for a period of 5 years, which is subject to adoption by the shareholders.

None of the Directors are disqualified under Section 149 of Companies Act, 2013. As required by law, this position is also reflected in the Auditors' Report.

- **Declaration of Independence**

The Independent Directors have submitted their declaration of Independence, as per the Companies Act, 2013 and Regulation 25 of the SEBI (LODR) Regulation, 2015, to the Board at the first Board Meeting of this current Financial Year.

- **Board Evaluation:**

You are aware that, in compliance with the Companies Act, 2013, your Board on its Meeting held on 29th January 2015, has adopted a Policy for evaluation of itself along with all its committees and all the Directors individually.

According to the policy, a comprehensive evaluation was done to assess the Board's performance as well as working of all its committees in its first Board Meeting held after the end of Financial Year 2018-19. The evaluation also included personal evaluation of individual Directors. The Directors provided their opinion and feedback on the questionnaire on secret ballot.

The Board noted the outcome of the evaluation and expects better governance in the Board's working for the coming period.

- **Remuneration Policy**

The earlier Remuneration Committee of the Company was renamed as The Nomination and Remuneration Committee. The Committee has been re-constituted in line with the provisions of Regulation 19 of the SEBI (Listing Obligation and Disclosures Requirement) Act, 2015 and also meets the requirement of Section 178 of the Companies Act, 2013.

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel and their remuneration.

- **Meetings:**

Details of the various meetings held during the financial year 2018-19 have been given in the Corporate Governance Report.

Corporate Governance

Your Company recognizes the importance of good Corporate Governance in building stakeholders' confidence, improving investor protection and enhancing long-term enterprise value. A report on Corporate Governance is annexed.

SEBI(LODR) REGULATIONS, 2015:

All the regulations and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been complied by your Company within the due time.

CEO / CFO Certification

The Whole-time Director and CFO of the Company have submitted a certificate to the Board as required under Regulation 17 (8) of the SEBI (LODR) Regulation, 2015, for the year ended 31st March 2019.

Directors' Responsibility Statement

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013, the Directors confirm:

- (i) That in preparation of the accounts for the financial year ended 31st March 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the accounts for the financial year ended 31st March 2019 on a 'going concern' basis.
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

Auditors

M/s G Basu & Co., Chartered Accountants were appointed as the statutory auditors of the Company for a term upto the 23rd Annual General Meeting of the Company i.e upto the financial year 2020-21.

A resolution to ratify their appointment has been made a part of the Notice of the Meeting, for your consideration and adoption.

Human Resources

At your Company, the management believes and affirms the importance of development of human resources, which is most valuable and key element in bringing all round improvement and achieving growth of the business. We are proud to have a successful relationship philosophy at all level, which focuses on finding solutions through dialogue in a spirit of open work culture and constructive team work. This has enabled us to maintain a cordial and peaceful work environment throughout.

The ratio of remuneration of Median Employee to that of the Whole time Director is 1:2 as at 31st March 2019. No other Directors get any remuneration from the Company except the Board sitting fees, which is Rs 2,000 per meeting.

There was no increase in the salary of the Whole time Director and a nominal increase in the salaries of the Company Secretary or other employees of the Company.

Related Party Transactions:

The Board has adopted a Related Party Transaction Policy for the Company at its meeting held on 29th January 2015.

However, during the financial year 2018-19, there is no materially significant related party transaction made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

Energy, Technology and Foreign Exchange Earning and Outgo

The nature of the Company's business does not require involving any type of energy consumption or adaptation of any technology. The particulars required to be furnished under Rule 8 of the Companies (Accounts) Rules, 2014:

- (i) Part A and B pertaining to conservation of energy and technology absorption are not applicable to the Company.
- (ii) Foreign Exchange earnings and outgo are as under:
Earnings : ₹. 54.56 Lakhs
Outgo ₹. 1.94 Lakhs

Vigil Mechanism / Whistle Blower Policy:

The Board has adopted a Whistle Blower Policy for the Company at its meeting held on 29th January 2015.

This policy is formulated to provide opportunity to all the employees to access in good faith, to the Audit Committee of the Company in case they observe any unethical and improper practice or behaviour or wrongful conduct in the Company and to prohibit managerial personnel from taking adverse personnel action against such employee.

Environment

Though the Company's operations are not inherently polluting in nature, the Company continues to take adequate precautions to comply with all regulatory measures in this regard at all the educational premises and sites, so that no harm would cause to the society and the nature at a large.

Declaration on compliance with code of conducts

The Board has formulated a Code of Conducts for the Board Members and Senior Management of the Company, which has been posted on the website of the Company.

It is hereby affirmed that all the Directors and Senior Management Personnel have complied with the Code and a confirmation to that effect has been obtained from the Directors and the Senior Management.

Prevention of Insider Trading:

The Company already had a structured Code of Conduct for Prevention of Insider Trading Policy since long back, with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code has been further streamlined to keep parity with the new Companies Act, 2013 and the newly enacted SEBI (Prohibition of Insider Trading) Amendment Regulation, 2019.

The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Directors and the designated employees, who hold any shares in the Company, have confirmed compliance with the Code.

Secretarial Audit:

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Mr. Prateek Kohli, Partner of M/s Prateek Kohli & Associates., Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as "Annexure B" along with the Secretarial Audit Report of the Subsidiary Company as per the requirement of the SEBI (LODR), Regulation, 2015.

Extract of Annual Return:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure A".

Business Risk Management:

Pursuant to section 134 (3) (n) of the Companies Act, 2013, the company has adopted a Risk Management Policy. The Board identified some risks that may affect the business of your Company and segregated them in various categories. Based upon such categorization Board has directed the Management to adopt and follow certain preventive steps.

Board reviews the risks periodically.

Compliance Certificate

A Certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Schedule (V) (E) of the SEBI (Listing Obligation and Disclosures Requirement) Act, 2015 is attached to this Report.

Acknowledgements

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from shareholders, customers, vendors, bankers, and other business constituents for their support during the year under review. Your Directors also wish to place on records their deep sense of appreciation for the commitment displayed by all employees during the year.

Place: Kolkata

Date: 28th May, 2019

On Behalf of the Board of Directors

Vinay Kumar Gupta

Whole-time Director (DIN: 00574665)

AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To

The Members of USHA MARTIN EDUCATION & SOLUTIONS LIMITED

We have examined the compliance of conditions of Corporate Governance by Usha Martin Education & Solutions Limited ("the Company"), for the year ended 31st March, 2019, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations)

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the company.

We conducted our examination in accordance with the guidance note on Reports & Certificates for Special Purposes (Revised 2016) issued by Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC), Quality control for firms that perform audits and Reviews of Historical Financial Statements, and Other Assurance and Related Services Engagements.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Obligations and Disclosure Requirements, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company, nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For G.Basu & Company
Firm Registration Number:301174E
Chartered Accountants
P.K.Chaudhuri Partner
Membership No. 003814

Place: Kolkata
Date: 28th May, 2019

CEO & CFO Certification [Regulation 17(8)]

CEO/CFO Certification specified in Part -B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To

The Board of Directors

Usha Martin Education & Solutions Limited

In pursuance to Part -B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, with various Stock Exchanges, I hereby certify as under with regard to the Annual Audited Accounts of the Company for the financial year ended 31st March, 2019, including the Schedules and notes forming part thereof, as well as the Cash Flow Statement for the financial year ended as on that date:

- a. That the financial statements and the cash flow statement for the year have been reviewed and that to the best of my knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. That there are, to the best of my knowledge and belief, no transactions entered into by the company during the year which is fraudulent, illegal or violative of the company's code of conduct.
- c. That I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware of and the steps I have taken or propose to take to rectify these deficiencies.
- d. That I have indicated to the auditors and the Audit committee :
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Date: 28th May, 2019
Place: Kolkata

Vinay Kumar Gupta
Whole-time Director

Indrajit Bandyopadhyay
Chief Financial Officer

ANNEXURE - A

Form No. MGT-9 EXTRACT OF ANNUAL RETURN As on the financial year ended on 31/03/2019 [Pursuant to Section 92(1) of the Companies Act, 2013 And Rule 11(1) of the Companies (Management and Administration) Rules, 2014]
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I. REGISTRATION AND OTHER DETAILS

i)	CIN:	L31300WB1997PLC085210
ii)	Registration Date	18/08/1997
iii)	Name of the Company	Usha Martin Education & Solutions 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	Godrej Waterside, 5 th Floor, Block - DP, Sector V, Salt Lake City, Kolkata-700091 Telephone: 033 4085 3700 FAX: 033 4085 3800 E-mail: chaitee.baral@umesl.co.in
vi)	Whether listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agents Limited 383, Lake Garden, 1 st Floor, Kolkata - 700 045 Telephone: 033 4072-4051/52/53, FAX: 033 4072-4050 E-mail: mcssta@rediffmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No	Name and Description of main products / services	NIC Code of the Product /service	% to total turnover of the company	% of Shares	Applicable Section
1	Educational Support Services	855	100%	100%	2 (87)

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	% Of Shares	Applicable Section	Holding/Subsidiary/Associate
1	Usha Martin Education Private Limited Godrej Waterside, 5 th Floor Block-DP, Sector-V, Salt Lake City, Kolkata - 700 091	U80221WB2009PTC140112	100%	2 (87)	Subsidiary

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	414623	0	414623	1.602	392473	0	392473	1.515	0.09
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	8510364	0	8510364	32.217	8526881	0	8526881	32.279	0.06
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1):-	8924987	0	8924987	33.84	8919354	0	8919354	33.794	0.15
(2) Foreign									
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp	2388291	0	2388291	9.041	2388291	0	2388291	9.041	0

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(2):-	2388291	0	2388291	9.041	2388291	0	2388291	9.041	0
Total Shareholding of Promoter(A)=A(1) + A(2)	11313278	0	11313278	42.881	11307645	0	11307654	42.835	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1101	533	1634	0.006	1101	533	1634	0.006	0
b) Banks / FI	2921	3052	5973	0.023	2921	3052	5973	0.023	0
c) Central Govt	0	727	727	0.003	0	727	727	0.003	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	929862	0	929862	3.520	929862	0	929862	3.520	0
g) FIs	1277291	699	1277990	4.838	1277291	699	1277990	4.838	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	2211175	5011	2216186	8.390	2211175	5011	2216186	8.390	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	2038996	15048	2054044	7.776	1739519	15044	1754563	6.8360	0.94
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹.2Lakh	8134743	571588	8706331	32.989	7797061	568428	8365489	32.2893	0.7
ii) Individual shareholders holding nominal share capital in excess of ₹.2 lakh	1234581	0	1234581	4.674	1896366	0	1896366	7.3196	2.646
iii) NBFC Registered with RBI	0	0	0	0	0	0	0	0	0
c) Others (specify)									
i. Trust & Foundation	132	0	132	0	132	0	132	0	0
ii. NRI with REPAT	324187	9479	333666	1.263	333535	9495	343030	1.3240	0.06
ii. NRI without REPAT	18741	0	18741	0.0701	23548	0	23548	0.0909	0.02
iii. Cooperative Societies	1000	0	1000	0.004	1000	0	1000	0.004	0
iv. OCB	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	11752380	596115	12348363	46.776	11791161	592967	12383996	47.8638	0.08
Total Shareholding of Promotor (B)=B(1) + B(2)	13963555	601126	14564549	52.166	14002336	597978	14600303	53.27	1.104
C. Shares held by Custodian for GDRs & ADRs	537852	0	537852	2.077	507852	0	507852	1.9652	0.117
Grand Total (A+B+C)	25814685	601126	26415811	100	25817833	597978	26415811	100	0

ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding 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	
1	Usha Breco Limited	3377627	12.79	0	3377627	12.79	0	12.79
2	UMIL Shares & Stock Broking Services Ltd	3075127	11.64	0	3075127	11.64	0	0
3	Peterhouse Investments Ltd	2388291	9.04	0	2388291	9.23	0	0
4	Prajeev Investments Limited	2057610	7.79	0	2057610	7.79	0	0
5	Basant Kumar Jhawar	158462	0.60	0	158462	0.60	0	0
6	Prashant Jhawar	134220	0.51	0	134220	0.51	0	0
7	Rajeev Jhawar	36957	0.14	0	36957	0.14	0	0
8	Anupama Jhawar	36466	0.14	0	14316	0.054	0	0
9	Shanti Devi Jhawar	35065	0.13	0	35065	0.13	0	0
10	Usha Martin Ventures Ltd.	0	0	0	16517	0	0	0.06
11	Akshay Goenka	4878	0.02	0	4878	0.02	0	0
12	Susmita Jhawar	4736	0.02	0	4736	0.02	0	0
13	Brij Kishore Jhawar	2973	0.11	0	2973	0.11	0	0
14	Stuti Raghav Agarwalla	666	0.00	0	666	0.00	0	0
15	Apurv Jhawar	399	0.00	0	399	0.00	0	0
16	Biharilal Santhalia	200	0.00	0	200	0.00	0	0
17	Anupriya Jhawar	661	0.00	0	661	0	0	0

iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Usha Martin Ventures Limited				
	At the beginning of the year	0			
	Purchase of Shares from Mrs. Anupama Jhawar	16517	0.06	0	0.00
	At the end of the year	16517	0.00	0	0.00
2.	Anupama Jhawar				
	At the beginning of the year	36466	0.14	36466	0.14
	Sale of Shares	22150	0.08	22150	0.08
	At the end of the year	14316	0.054	14316	0.054

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

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during theyear	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ELARA INDIA OPPORTUNITIES FUND LIMITED	1277291	4.8353	1277291	4.8353
2	JHUNJHUNWALA RESORTS LIMITED	468000	1.7717	468000	1.7717
3	RAJYA BARDHAN KANORIA	450055	1.7037	450055	1.7037

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during theyear	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	ANUJA TANTIA	392866	1.4872	392866	1.4872
5	AJAY MEENA	370203	1.4014	370203	1.4014
6	GENERAL INSURANCE CORPORATION OF INDIA	369295	1.398	369295	1.398
7	JRL MARKETING P LTD	284899	1.0785	0	0
8	FALGUNI NILESH DEDHIA	247500	0.9369	247500	0.9369
9	ANTONY JONES	228141	0.8637	228141	0.8637
10	NATIONAL INSURANCE COMPANY LTD.	227035	0.8595	227035	0.8595

v) Shareholding of Directors and Key Managerial Personnel

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during theyear	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Prashant Jhawar				
	At the beginning of the year	134220	0.51	134220	0.51
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year	134220	0.51	134220	0.51
2.	Rajeev Jhawar				
	At the beginning of the year	36957	0.14	36957	0.14
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year	36957	0.14	36957	0.14
3.	Nipendra Kumar Sharma				
	At the beginning of the year	19900	0.08	19900	0.08
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year	19900	0.08	19900	0.08

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in ₹.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3623378.84	23425000.00	—	27051378.84
ii) Interest due but not paid	42117.00	6387163.00	—	6429280.00

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	3,665,495.84	29812163.00	-	33,480,658.84
Change in Indebtedness during the financial year				
* Addition	2163284.68	150000.00	-	2313284.68
* Reduction	3075929.00	700000.00	-	3775929.00
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	2713734.52	22875000.00	-	25588734.52
ii) Interest due but not paid	32742.00	7429410.00	-	7462152.00
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2746476.52	30304410.00	-	33050886.52

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(Amount in ₹.)

SN.	Particulars of Remuneration	Name of Whole-time Director Vinay Kumar Gupta	Total Amount
1	Gross salary	4,12,500	4,12,500
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission- as % of profit- others, specify ...	NIL	NIL
5	Others, (Allowances, Reimbursements & Retrials)	8,37,500	8,37,500
	Total (A)	12,50,000	12,50,000
	Ceiling as per the Act		

B. Remuneration to other Directors

(Amount in ₹.)

SN.	Particulars of Remuneration	Name of Directors					Total Amt.
1	Independent Directors	Rahul Choudhary	Trivikram Khaitan	Arun Kumar Ladha	Manoj Kumar Vijay	Nitin Sharma	
	Fee for attending board committee meetings	0	2000	4000	18000	2000	
	Commission	0	0	0	0	0	
	Others, please specify	0	0	0	0	0	
	Total (1)	0	2000	4000	18000	2000	
2	Other Non-Executive Directors	P.Jhawar	R.Jhawar	Gangotri Guha	Debjit Bhattacharya	Nipendra Kumar Sharma	
	Fee for attending board committee meetings	2000	0	18000	18000	0	
	Commission	0	0	0	NIL	0	
	Others, please specify	0	0	0	NIL	0	
	Total (2)	2000	0	18000	18000	0	
	Total (B)=(1+2)	2000	2000	22000	36000	2000	
	Total Managerial Remuneration						64000
	Overall Ceiling as per the Act						

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Amount in ₹.)

SN	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,65,000	2,74,56	4,39,560
	(b) Value of perquisites u/s 17(2) income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL
	others, specify...	NIL	NIL	NIL
5	Others, (Allowances, Reimbursements & Retrials)	3,35,000	5,57,440	8,92,440
	Total	5,00,000	8,32,000	13,32,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details Penalty of / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
------	------------------------------	-------------------	--	-------------------------------	------------------------------------

A. COMPANY

Penalty					
Punishment					
Compounding					

B. DIRECTORS

Penalty					
Punishment			NIL		
Compounding					

C. OTHER OFFICERS IN DEFAULT

Penalty					
Punishment					
Compounding					

**ANNEXURE - B
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st Day of March, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2015 as amended from time to time]

To,
The Members,
Usha Martin Education & Solutions Limited
L31300WB1997PLC085210

We have conducted the **Secretarial Audit** of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Usha Martin Education & Solutions Limited (hereinafter called "the Company")**. The 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 books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, 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 **31st March, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- I. The Companies Act, 2013 ("**the Act**") and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. The following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- V. No Specific Laws were applicable to the Company during the period under review.

We have also examined the compliance by the company of the following statutory provisions/standards/regulations:

 - a. The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - b. The Secretarial Standards (SS - 1 and SS - 2) issued by the Institute of Company Secretaries of India.

We further report that:

1. The Board of Directors of the Company is **duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director**. Further Mr. Rajeev Jhavar has not attended any meetings of the Board in the period under review neither has he prayed for any leave of absence as apparent from the records of the company. The signatory Details of the company shows two Chief Financial Officers of the company on the MCA Portal as per explanations rovided by the Management of the company and in its letter dated 05th April, 2019 to the Registrar of Companies it stated that Mr. Vinay Kumar Gupta is the Whole Time Director of the Company and Mr. Indrajit Bandyopadhyay is the Chief Financial Officer of the Company. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and SEBI (LODR) Regulations, 2015. 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.

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 as also represented by the management.

We further report that during the period under review there were no special events which occurred.

Place : Kolkata
Date : 28.05.2019

For Prateek Kohli & Associates
Company Secretaries

Prateek Kohli - Partner
C. P. No. : 16457

ANNEXURE - B
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st Day of March, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2015 as amended from time to time]

To,

The Members,

Usha Martin Education Private Limited

U80221WB2009PTC140112

We have conducted the **Secretarial Audit** of the compliance of applicable statutory provisions and the adherence to good corporate practices by **USHA MARTIN EDUCATION PRIVATE LIMITED (hereinafter called "the Company")**. The 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 books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, 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 **31st March, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- I. The Companies Act, 2013 ("the Act") and the rules made thereunder;
 - II. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
 - III. The following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-
 - (a) The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable;
 - IV. No Specific Laws were applicable to the Company during the period under review.
- We have also examined the compliance by the company of the following statutory provisions/standards/regulations:
- a. The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable.
 - b. The Secretarial Standards (SS - 1 and SS - 2) issued by the Institute of Company Secretaries of India.

We further report that:

The Board of Directors of the Company is **duly constituted as per the provisions of the Act**. The changes in the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Further the reporting(s) required to be made by the Board pursuant to Section 179(3)(g) of the Act have not been made for 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.

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 as also represented by the management.

We further report that during the period under review there were no special events which occurred.

Place : Kolkata
Date : 28.05.2019

For Prateek Kohli & Associates
Company Secretaries

Prateek Kohli - Partner
C. P. No. : 16457

MANAGEMENT DISCUSSION AND ANALYSIS

The Indian System of higher education is facing today many challenges arising out of globalization and liberalization. Globalization has a multidimensional impact on the system of higher education in India. It has underlined the need for reforms in the educational system with particular reference to the wider utilization of information technology, giving productivity dimension to education and emphasis on its research and development activities because education is an important investment in building human capital. Aspiration of India is to establish a knowledge society in the context of increasing globalization. It is based on the assumption that higher and technical education essentially empowers people with the requisite competitive skills and knowledge. It has been realized that it is the quality of education that prepares one for all pursuits of life and in the absence of an acceptable level of quality, higher education becomes a mere formalism devoid of any purpose or substance. As a result, from last century, increasing attention has been paid to quality and excellence in higher education.

India is the third largest higher education system in the world, behind China and the USA, with 37,000 institutions and 729 universities. Higher education in China having the highest enrolment in the world (nearly 23 million), is organized in only about 2,500 institutions. While the average enrolment in a higher education institution in India is about 500-600 students, a higher education institution in the United States and Europe would have 3000-4000 students and in China this would be about 8000-9000 students. This makes the system of higher education in India a highly fragmented one that is far more difficult to manage than any other system of higher education in world. However, other than a handful few institutions of national importance providing high quality higher education, the system is failing to produce wealth creators and creative, intellectual leaders who are much needed in all sectors of the society. India's higher education sector has failed to map the future demand for various skills, Global Competition and Competitiveness. This is the area where e-learning and techno-vocational training can do a miracle to meet up the gap between demand and supply of the quality incumbent.

Industry Overview:

E-learning platforms are changing the Indian education landscape by addressing the demand-supply gap of both students as well as corporate employees by dispensing personalized learning outcomes, experts say. Online learning has widened the scope of education and transcended it beyond classroom boundaries. With high internet penetration in the last two years, it has taken over the traditional methods not just in the urban landscape but also in rural areas. This rapid increase in Internet connectivity in the last few years has been an important catalyst for the growth of e-learning in India and floating with the dream to be a "Digital India" in near future. A robust Internet ecosystem, with a multitude of local and global players, will help online learning make further inroads.

"In the current scenario, professionals will be required to re-skill themselves every 3-4 years to remain relevant in their evolving job roles," said Zairus Master, CEO, Shine Learning.com, which gives access to certification courses from top global educational service providers.

At this scale, e-learning platforms are the only way forward. Professionals will need to equip themselves with relevant skills before their current skills become obsolete. Moreover, the government is adopting a series of measures to bring a technological revolution to accentuate e-learning which will ultimately lead to a major shift in the Indian education sector, experts added. "E-learning platforms are bringing a measurable difference in students' engagement and performance. It is reducing gaps in the delivery of education and giving a new dimension to the education space," Pearson India Managing Director Vikas Singh said.

With the number of Indian Internet users expected to reach 250 million this year, rivalling the US and second only to China, India's potential as a huge market for e-learning is enormous. Additionally, a large number of new users are accessing the Internet for the first time from their smartphones, which is an ideal, personalised and commerce-enabled platform for e-learning adoption. Fuelling this growth will be India's education system, already one of the largest in the world with a network of more than one million schools and 18,000 higher education institutions. More than half of the country's 1.2 billion population falls in the target market for education and related services.

E-learning brings unique advantages, the most prominent being the ability for online instructors to provide personalised attention to all students. This is especially critical for those students who cannot afford private face-to-face tutoring sessions or who live in rural areas where such help is not available. In a conventional set up, this is only possible when a highly skilled tutor offers one-to-one tutorials to a student. However, considering that most of the institutions have a classroom-based setup, such individualised attention becomes very difficult.

Another important advantage is that people living in smaller towns and cities can get access to the best possible learning resources from across the world, at a very affordable price. This helps create a level-playing field.

(Source: Organization's internal research data, www.researchgate.net, www.isaet.org, <https://economictimes.indiatimes.com>)

Company Outlook & Strategy:

Your Company is engaged in imparting training to the fresher and experienced professionals in different modules (technical and functional) of ERP. In addition to that your company is engaged to impart training on Hybris and Big Data.

Since your company is operating from Kolkata, we are suffering from the problem of enrolment of the desired number. The reasons are of the low affordability of the inhabitants and less job opportunity in the local industries followed by low level of interest and awareness.

Your Company also has started imparting training to the employees of various corporates including some of the Companies within the same Group.

Business Review:**Learning Business Segment:**

- Understanding the gradual increase of the importance of e-learning and IT-enabled courses your company is continuing to impart quality training of ERP modules in a state-of-art infrastructure.
- Your company is also providing training on ERP, e-Commerce, BigData Analytics and other allied areas to the employees of its sister concerns.
- Your company has also initiated to impart training on customised ERP modules and assist the neighbouring countries to get trained and to enhance the employability skill.

Opportunities and Threats:

The new challenge before the country at the beginning of the twenty first century is to become a developed society by the year 2020, which requires that not only a vibrant economy driven by knowledge has to be ushered in soon, but also a new society where justice and human values prevail has to be created. Moreover, challenges in higher education are no longer only nation centric. They have already attained global dimensions, particularly after trade in services has been brought under the purview of the WTO regime. With the explosive growth of knowledge in the past century and with the development of handy tools of information and communication technologies as well as of other scientific innovations, competition has become a hallmark of growth all over the World. As a result, knowledge is not only going to be the driver of Indian economy, but also, it is going to permeate into all the strata of Indian society for a better quality of life and living conditions. Therefore, India has to rise to the occasion urgently and reorient its higher education system to be vibrant, competitive, meaningful and purposeful; besides, there is absolutely no substitute to quality of higher education, although the country has been faced for a long time with the serious problem of meeting the quantity needs of our society. It is, therefore, essential that a careful balancing of the two is given priority to meet the twin requirements of the society in the expected future.

However we are enthusiastic to produce skilled workers and the administrators are willing to create a congenial environment but in terms of creating employment opportunities we are still looking for in bound projects and struggling to become self-reliant. Our industries should be directed in such a fashion that our equipped professionals should no longer to look outwards for implementing their hard earned skills and expertise.

Adequacy of Internal Controls:

As a practice the company continues with the process of having internal control system which is adequate and in commensuration with the span and quality of operations of the organization. Benchmarks related to cost, quality, purchase etc. are strictly monitored to ensure a smooth and standardized operations. The synopsis of the procedures is:

- Proper Delegation of power to de-centralise the whole operation for making it more dynamic.
- Preparation of annual budget for targets for business growth which is continuously monitored throughout the year. Any deviation is properly evaluated.
- Financial control & approval based on budget allocation.

The Company also has adequate system to ensure that all of its assets are safeguarded and protected against loss from unauthorized use or disposition, and transactions are authorized, recorded, and reported correctly. The internal control system is supplemented by internal audits, review by management, documented policies and procedures.

Human Resources:

Human capital is treated as an integrated part of organization's development. Right skills and attitudes are required for achieving the objectives of the organization. Keeping those in mind your company searches the right talent as and when required and right skills are always encouraged. The company maintains the appropriate HR policies and practices as per the industry standards and creates a congenial working environment within the organization.

The Board of Directors expresses its deep appreciation for sincere efforts made by the employees of your Company at all levels for the development of its business during the year and their co-operation in maintaining cordial relations.

Cautionary Statements

This document includes certain forward-looking statements. These statements are based on management's current expectations or beliefs, and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive, technological and/or regulatory factors. The Company is under no obligation to, and expressly disclaims any such obligation to, update or alter its 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 that speak only as of their dates. This Report should be read in conjunction with the financial statements included herein and the notes thereto.

On Behalf of the Board of Directors

Place: Kolkata

Gangotri Guha

Vinay Kumar Gupta

Date: 28th May, 2019

Director (DIN: 01666863)

Whole-time Director (DIN: 00574665)

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance ensures a mechanism of observance which in turn ensures that the Management empowered with the ultimate decision making abilities, is using utmost care and is responsible enough to safeguard the stakeholders' aspirations and expectations. Good governance can be achieved only if it is embedded as part of the corporate culture in the Organisation. Good corporate governance is a continuing exercise and it or the lack of it can have an impact on the entire organization and its business activities as a whole. Hence the Company's activities are carried out in accordance with good corporate practices and are constantly striving to improve upon the same. The Company is always in compliance with all the procedures and stipulations as directed by Companies Act and other statutory legislations and the SEBI (LODR) Regulations, 2015.

II. BOARD OF DIRECTORS

➤ Composition

The Company's policy is to maintain optimum combination of Executive Directors, Non-Executive Directors and Independent Directors.

The total strength of your Board of Directors as on 31st March, 2019 is eight members consisting of one Non-Executive Chairman, Two Non-Executive Directors, including one Women Director, Four Independent Director and One Executive Director. None of the Directors on the Board is a Member of more than ten Committees or a Chairman of more than 5 Committees [as specified under Regulation 26 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015] across all the companies in which he is a Director. All the Directors have furnished a notice of disclosure of interest as specified under Section 184(1) of the Companies Act, 2013. The Company maintains Register of Contracts and details of companies and firms in which Directors are interested as provided under Section 189 of the said Act.

All the Independent Directors of the Company at the first meeting of the Board in every financial year give a declaration that they meet with the criteria of independence as provided under Companies Act, 2013 and Reg. 16 & 25 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

Composition of the Board of Directors and their shareholding as on 31st March, 2019

Name	Designation	No. of Outside Directorship held **	No. of outside Committee position held #		No. of Equity Shares held in the Company
			Member	Chairman	
Shri. Prashant Jhawar	Chairman/Non-Executive/Dependent	4	—	—	134,220
Shri. Rajeev Jhawar	Vice-Chairman /Non-Executive/Dependent	4	2	—	36,957
Shri. Trivikram Khaitan	Non-Executive/ Independent	2	—	—	—
Smt. Gangotri Guha	Woman Director/ Non-Executive	2	—	—	—
Shri. Vinay Kumar Gupta	Whole-Time Director/ Executive	—	—	—	—
Shri. Manoj Kumar Vijay	Non-Executive/ Independent	2	1	—	—
Shri. Nipendra Kumar Sharma	Non-Executive/ Independent	3	—	—	19,900
Shri. Arun Kumar Ladha	Non-Executive/ Independent	—	—	—	—

** Excluding foreign companies, private companies and companies under Section 8 of the Companies Act, 2013

Chairmanship and membership of Audit Committee and Stakeholders' Relationship Committee is only considered.

➤ Meeting of the Board of Directors

The dates of the Board Meeting are fixed in advance and accordingly intimation is sent to the Board Members. Senior officials are also invited to attend the meetings to provide clarification as and when required. During the year under review, 4(Four) Board meetings were held.

The dates on which the Board Meetings were held are as follows: 30th May, 2018, 10th August, 2018, 14th November, 2018 and 12th February, 2019. All relevant information as required under Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 was placed before the Board from time to time.

Attendance of the Directors at the Meeting of the Board and at the last AGM

Director	Board Meetings Attended	Attendance in last AGM
Shri Prashant Jhawar	1	Not Present
Shri Rajeev Jhawar	Nil	Not Present
Shri Arun Kumar Ladha	2	Present
Shri Trivikram Khaitan	1	Not Present
Shri Debjit Bhattacharya (Resigned as on 12/02/2019)	4	Present
Shri Rahul Choudhary (Resigned as on 10/08/2018)	NIL	Present

Attendance of the Directors at the Meeting of the Board and at the last AGM

Director	Board Meetings Attended	Attendance in last AGM
Smt. Gangotri Guha	4	Present
Shri Nitin Sharma (Resigned as on 10/08/2018)	1	Not Present
Shri Manoj Kumar Vijay	4	Present
Shri Vinay Kumar Gupta	4	Present
Shri Nipendra Kumar Sharma (joined as on 12/02/2019)	NIL	NA

➤ Functioning and responsibilities of Board of Directors

The Board of directors plays the primary role in ensuring good corporate governance and functioning of the Company. All statutory and other significant and material information including information mentioned in the Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, is placed before the Board to enable it to discharge its responsibilities of strategic supervision of the Company as trustees of the members. The Company has an effective post-meeting follow-up mechanism in place. Action Taken Report on decisions taken at previous meetings of the Board is reviewed at the subsequent meeting of the Board.

➤ Compliance with Laws

Pursuant to Regulation 17(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, the Board periodically reviews compliance report on all laws applicable to the Company, as prepared by the Company. There has been no non-compliance in this respect.

➤ Code of Conduct

The Company maintains a well-defined Code of Conduct for Board Members and Senior Executive of the Management, and the same has been circulated to all concerned and is also hosted on the website of the Company. As per Regulation 17(5) SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, the Board Members and Senior Executives of the Management have given their declarations confirming compliance of the provisions of the above Code of Conduct.

➤ Board Evaluation

As per Companies Act, 2013, the Board has a formal mechanism for evaluating its performance and has adopted a Policy for evaluation of itself along with all its committees and all the Directors individually.

Based on such policy, the Board in its first Board Meeting held after the end of Financial Year 2018-19, performed an Evaluation, on a comprehensive basis, of its own working, as well as working of all its committees. The evaluation also included personal evaluation of individual Directors.

As a result of such evaluation some advises generated, which the entire Board noted and adopted to follow in its future performance.

III. AUDIT COMMITTEE
➤ Constitution of Audit Committee

The Audit Committee has been constituted in the year 2000 and it meets all the requirements of the provisions of Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and also meets the requirement of Section 177 of the Companies Act, 2013. The members of the Committee are financial experts. The Chairman of the committee is an independent director, elected by the Members of the Committee.

The members of Audit Committee as on 31st March 2019 are as follows:

Name	Designation
Shri Nipendra Kumar Sharma (Joined as on 12/02/2019)	Chairman/Independent/Non-executive
Shri Arun Kumar Ladha (Joined as on 12/02/2019)	Member/Independent/Non-executive
Shri Manoj Kumar Vijay	Member/Independent/Non-executive
Smt. Gangotri Guha	Member/Non-executive

However, the committee needed a re-constitution which took place during the last quarter of 2018-19.

The Company Secretary acts as the Compliance Officer in the meetings of the committee.

➤ Terms of Reference for Audit Committee

The terms of reference of Audit Committee cover the areas mentioned under Part C of Schedule II of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 as well as Section 177 of the Companies Act, 2013.

Apart from the Audited Annual Accounts, the Audit Committee had also reviewed the Un-audited quarterly financial results and Internal Audit Report of the Company during the year.

➤ Meeting of the Audit Committee

The dates of the Audit Committee Meeting are fixed in advance and accordingly intimation is sent to the Audit Committee Members. During the year under review, 4 (four) Audit Committee Meetings were held on 30th May, 2018, 10th August, 2018, 14th November, 2018 and 12th February, 2019.

Director	Audit Committee Meeting Attended
Shri Rahul Choudhary (Resigned as on 10 th August, 2018)	NIL
Shri Debjit Bhattacharya (Resigned as on 12/02/2019)	4
Smt. Gangotri Guha	4
Shri Manoj Kumar Vijay	4
Shri Nipendra Kumar Sharma (Joined as on 12/02/2019)	NA

IV. NOMINATION AND REMUNERATION COMMITTEE
➤ Constitution of Nomination and Remuneration Committee

The Nomination and Remuneration has been constituted in line with the provisions of Regulation 19 of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 and also meets the requirement of Section 178 of the Companies Act, 2013. As on 31st March 2019, the Committee comprises of following members:

Name	Nomination and Remuneration Committee attended
Shri Nipendra Kumar Sharma (Joined as on 12/02/2019)	Chairman/Independent/Non-Executive
Shri Manoj Kumar Vijay	Member/Independent/Non-Executive
Smt.Gangotri Guha	Member/Dependent/Non-Executive

However, the committee needed a re-constitution which took place during the last quarter of 2018-19.

The Company Secretary acts as the Compliance Officer in the meetings of the committee.

➤ Terms of Reference of Nomination and Remuneration Committee

The terms of the reference of Nomination and Remuneration Committee covers the areas mentioned under Part D of Schedule II of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 as well as section 178 of the Companies Act, 2013.

➤ Meeting of the Nomination and Remuneration Committee

The dates of the Nomination & Remuneration Committee Meeting are fixed in advance and accordingly intimation is sent to the Committee Members. During the year Nomination & Remuneration Committee Meetings was held on 12th February, 2019.

Director	Nomination and Remuneration Committee attended
Smt. Gangotri Guha	1
Shri Manoj Kumar Vijay	1
Shri Nipendra Kumar Sharma (Joined as on 12/02/2019)	N.A

Details of Remuneration paid to all Directors
• Executive Directors

The remuneration of Whole-time Director is recommended by the Nomination and Remuneration Committee and is approved by both the Board of Directors and the members at the General Meeting of the Company.

Executive Director	Relationship with other Directors	Business relationship with the Company	All elements of remuneration package	Fixed components and performance linked incentives	Service contracts, notice period	Stock options details, if any	Date of Appointment
Shri. Vinay Kumar Gupta	None	Whole-time Director	Pl. see note below	Pl. see note below	Pl. see note below	Pl. see note below	Re-Appointed as Executive Director w.e.f. 4 th July, 2018

Notes:

- Details as per Note 21.6 to the Notes on Accounts;
- The appointment is subject to termination by 3 months' notice in writing from either side;
- The Company does not have any scheme for grant of stock options to its Directors and Employees.

• Non- Executive Directors

Directors	Sitting Fees Paid (₹)		
	Board Meeting	Audit Committee Meeting	Nomination and Remuneration Committee
Shri Prashant Jhawar	2000	NA	NA
Shri Rajeev Jhawar	NIL	NA	NA
Shri Arun Kumar Ladha	4000	NA	NA
Shri Trivikram Khaitan	2000	NA	NA
Shri Debjit Bhattacharya	8000	8000	NA
Shri Rahul Choudhary	NL	NIL	NIL
Smt. Gangotri Guha	8000	8000	2000
Shri Nitin Sharma	2000	NA	NA
Shri Manoj Kumar Vijay	8000	8000	2000
Shri Nipendra Kumar Sharma	NA	NA	NA

The Non-Executive Directors of the Company are also eligible for commission for any financial year as per the Articles of Association of the Company, if approved by the Board. The Non-Executive Directors were not paid any commission or any other remuneration during the financial year under review.

V. STAKEHOLDERS RELATIONSHIP COMMITTEE

➤ Constitution of Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of following members as on 31st March 2019:

Director	Designation
Shri Vinay Kumar Gupta	Chairman/Executive
Smt. Gangotri Guha	Member/ Non-Executive

However, the committee needed a re-constitution which took place during the last quarter of 2018-19.

The Company Secretary acts as the Compliance Officer in the meetings of the committee.

➤ Terms of Reference of the Committee

The Terms of Reference of the Stakeholders Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and also include the roles as stipulated in Regulation 20 of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015.

Status of complaints for the period from 01-04-2018 to 31-03-2019:

Complaints pending as on 1st April, 2018	Nil
Number of complaints received	3
Number of complaints attended to/resolved	3
Complaints pending as on 31st March, 2019	Nil
Number of share transfer pending for approval as on 31st March, 2019	Nil

➤ Meeting of the Stakeholders Relationship Committee

During the year under review, 4 (Four) Stakeholders Relationship Committee Meetings were held on 30th May, 2018, 10th August, 2018, 14th November, 2018 and 12th February, 2019.

Director	Stakeholders Relationship Committee Meeting Attended
Shri Debjit Bhattacharya (Resigned as on 12/02/2019)	4
Smt Gangotri Guha	4
Shri Vinay Kumar Gupta (Joined as on 12 th February, 2019)	NA

VI. GENERAL BODY MEETINGS

Particulars of Annual General Meetings (AGM) held during the three previous years

Date	Venue	Special Resolutions Passed
12 th September, 2018 at 11.30 A.M	"Sujata Sadan Auditorium", 7, Bakul bagan Bhawanipore, Hazra Road, Kolkata 700 126	None
22 nd September, 2017 at 11.00 A.M	"Rabindra Niketan Auditorium, Nalban Sector. IV, Salt Lake, Kolkata - 700 091	None
9 th August, 2016 at 4.00 P.M.	Shripati Singhania Hall, Rotary Sadan, 94/2, J.N Road, Kolkata-700020	None

VII. DISCLOSURES

➤ Materially significant related party transactions

The Board of Directors have adopted Related Party Disclosure Policy as per the newly enacted Companies Act, 2013 and Regulation 23(3) of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 the same has been uploaded in the website of the Company. There were no materially significant related party transactions (i.e. transactions of the Company of material nature) made by the Company with its Promoters, Directors or Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.

Transactions with the related parties are disclosed in the Notes to the Accounts.

➤ Details of Non-compliance during the last three year

During the last three years, there were no strictures or penalties imposed on the Company by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter relating to Capital Market.

➤ Secretarial Compliance Report:

Secretarial Compliance report for the year end 31st March, 2019 is prepared and attached as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Regulations") in line with the provisions of the Companies Act, 2013.

➤ Whistle Blower Policy

The Whistle Blower Policy made in accordance with Companies Act, 2013 and Regulation 46 (2)(e) of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 has been adopted by the Board of Directors and the same has been uploaded in the website of the Company. It is also affirmed that no personnel has been denied access to the Audit Committee.

➤ Subsidiaries

The Company has a subsidiary under the name and style of "Usha Martin Education Private Limited". An Independent Director of the Company is appointed as one of the Director of subsidiary company. The minutes of proceedings of meetings of the Board of Directors of subsidiary companies are placed before the Board of Directors of the Company and attention of the directors is drawn to significant transactions and arrangements entered into by the subsidiary company.

➤ Disclosure of Accounting treatment

The financial statements are prepared on accrual basis of accounting and in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India from time to time, Indian GAAP, provisions of the Companies Act, 2013 and comply in material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 2013 read with the Companies (Accounting Standard) Rules, 2006

➤ **CEO/CFO Certification**

As required by Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, the management has given a declaration to the Board that they have no personal interest in any material, commercial and financial transactions that may have potential conflict with the interest of the Company at large.

➤ **Reconciliation of Share Capital Audit**

A qualified practicing Company Secretary carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Ltd (NSDL) and Central Depository Services Ltd (CDSL) with the total issued paid-up and listed capital. The Reconciliation of Share Capital Audit Report confirms the total issued/paid-up capital is in agreement with the total number of share in physical and dematerialized form.

➤ **Compliance with Non Mandatory requirements**

• **The Board**

The Board decided to maintain the office of Chairman. Shri Prashant Jhawar was appointed/ elected to be the Chairman of the Company, until otherwise decided.

• **Audit Qualification**

There is no audit qualification.

• **Report of Internal Auditor**

Internal Audit Report as issued by the Internal Auditor of the Company is reviewed quarterly by the Audit Committee of the Company.

The rest of the Non Mandatory Requirements such as Shareholders' Right, will be implemented by the Company as and when required and / or deemed necessary by the Board.

VIII. MEANS OF COMMUNICATION

➤ **Financial Results**

The quarterly unaudited financial results of the Company are announced within 45 days of the end of respective quarter and the audited financial results are announced within 60 days of the end of financial year. The results are published in one English Newspaper and a vernacular (Bengali) Newspaper. The results are also promptly forwarded to stock exchanges in which the shares of the Company are listed.

➤ **Website**

The Company's website www.umesl.co.in provides a separate section for the investors where relevant shareholders information is available. The Annual Report of the Company is also available on the website in a user-friendly and downloadable form.

➤ **Annual Report**

Annual Report is circulated to members and others entitled thereto. Corporate Governance Report form a part of the Annual Report.

➤ **Chairman's speech at General Meeting**

Chairman's speech is distributed to the members at the Annual General Meeting. The same is also sent to the stock exchanges for information of members

IX. GENERAL SHAREHOLDERS INFORMATION

➤ Date of Incorporation	18 th August, 1997
➤ Corporate Identity Number (CIN)	L31300WB1997PLC085210
➤ Registered Office	Godrej Waterside, 5 th Floor, Block - DP, Sector - V, Salt Lake Kolkata 700 091
➤ Date, time and Venue of Annual General Meeting	4 th September, 2019 at 11.00 A.M. at "Sujata Sadan Auditorium", 7, Bakul Bagan, Bhowanipur Hazra Road, Kolkata - 700 026
➤ Financial Calendar (tentative and subject to change)	
• Financial reporting for the first quarter ending June 30, 2019	On or before 15 th August, 2019
• Financial reporting for the second quarter ending September 30, 2019	On or before 15 th November, 2019
• Financial reporting for the third quarter ending December 31, 2019	On or before 15 th February, 2020
• Audited Results for the year ended March 31, 2020	On or before 31 st May, 2020
• Annual General Meeting for the year ended March 31, 2020	On or before 30 th September, 2020
➤ Date of Book Closure	29 th August, 2019 - 4 th September, 2019 (both days inclusive)
➤ Dividend Payment Date	Not Applicable

➤ Listing on Stock Exchange and Code Number	Stock Exchange	Scrip Code
• Equity Shares	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	532398 UMESL
	National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No.C/1, G Block Bandra Kurla Complex, Bandra (E)Mumbai - 400 051	UMESLTD.
• Global Depository Receipt (GDRs)	Societ� de la Bourse de Luxembourg Societe Anonyme, R.C.B.6222 B.P. 165, L-2011 Luxembourg	UMIFG
• Overseas Depository for GDRs	Deutsche Bank Trust Company Americas, 60, Wall Street, New York, NY10005, United States	
• Domestic Custodian of GDRs	ICICI Bank Limited Securities Market Services, 1 st floor, Empire Complex, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013	
➤ ISIN	Fully paid up equity shares: ISIN INE240C01028 GDRs : US91730W1053	
➤ Registrar and Transfer Agents	M/s. MCS Share Transfer Agents Ltd. 383, Lake Garden, 1 st floor, Kolkata-700 045 Tel: 033 4072 4051 / 4052 / 4053 Fax: 033 4072 4050 Website : www.mcsdel.com	
➤ Address for correspondence / enquiry	Usha Martin Education & Solutions Limited Godrej Waterside, 5th Floor, Block - DP, Sector - V, Salt Lake , Kolkata-700 091 Email: chaitee.baral@umesl.co.in	

➤ Market Price Data

Share price for financial year 2018 - 19

Prices in ₹

Month	High	Low
Mar'19	1.23	0.98
Feb'19	1.10	0.92
Jan'19	1.62	1.14
Dec'18	1.78	1.70
Nov'18	1.75	1.45
Oct'18	1.94	1.70
Sep'18	1.94	0.98
Aug'18	1.03	0.86
Jul'18	1.12	0.90
Jun'18	1.00	0.93
May'18	1.20	1.02
Apr'18	1.50	1.15

Distribution of Shareholding as on 31st March, 2019

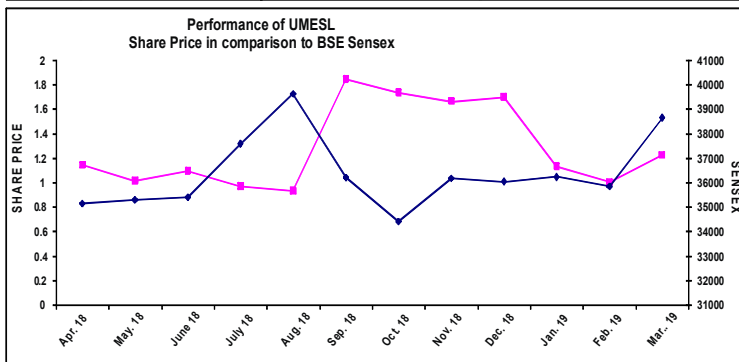
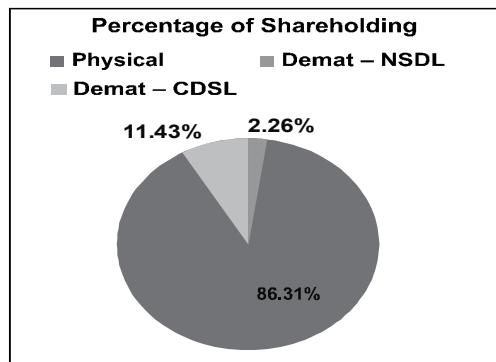
Range	No. of Shareholders	Number of Shares
1 - 500	28669	1979639
501 - 1000	1051	896437
1001 - 5000	906	2203190
5001 - 10000	130	982383
10001 & above	139	20354162
Total	30895	26415811

➤ **Performance of Company's Shares vis-à-vis BSE Sensex**

Comparison of monthly closing price of the Company with monthly closing BSE Sensex during the period April 2018 to March, 2019 is given below:

SR. NO:	MONTH	SENSEX	SHARE PRICE
1.	Apr, 18	35160.36	1.15
2.	May, 18	35322.38	1.02
3.	Jun, 18	35423.48	1.10
4.	July, 18	37606.58	0.98
5.	Aug, 18	39645.07	0.94
6.	Sept, 18	36227.14	1.85
7.	Oct, 18	4442.05	1.74
8.	Nov, 18	36194.30	1.67
9.	Dec, 18	3668.33	1.70
10.	Jan, 19	36256.69	1.14
11.	Feb, 19	35867.44	1.01
12.	Mar, 19	38972.91	1.23

➤ **Physical vis-à-vis Demat shareholding as on 31st March 2019**



➤ **Dematerialization of Shares and Liquidity as on 31st March, 2019**

The shares of the Company are compulsorily traded in dematerialized form. In order to facilitate the members to dematerialize the shares, the Company has an agreement with NSDL and CDSL. The summarized position of members in physical and Demat segment as on 31st March, 2019 is as under:

Type of shareholding	Number of Shares	Percentage of Shareholding
Physical	597978	2.26
Demat - NSDL	22798401	86.31
Demat - CDSL	3019432	11.43
Total	26415811	100

➤ **Pattern of shareholding as on 31st March, 2019**

Category	No. of shareholders	Percentage of shareholders	No. of shares held	Percentage of shareholding
Promoters Group	15	0.049	11307645	42.81
Mutual Funds/UTI	6	0.019	1634	0.006
Banks/Financial Institutions/ Ins/ Govt.	33	0.107	936562	3.55
FIIS/FVC	5	0.012	1277990	4.84
Bodies Corporates	386	1.25	1771080	6.70
Individuals	30288	98.04	10245338	38.78
Others	162	0.52	367710	1.38
GDRs	1	0.003	507852	1.92
Total	30895	100	26415811	100

➤ **Share Transfer System**

The Company at its Registered Office or at M/s. MCS Share Transfer Agent Ltd, Registrar and Transfer Agents, Kolkata receives the application for transfers, transmission, sub division and consolidation. As the Company's shares are currently traded in dematerialized form, the transfers are processed and approved in the electronic form by NSDL/CDSL through their depository participants. The Company on a regular basis processes the physical transfers and the certificates are dispatched by the Registrar directly to the transferees. A committee of the members of the Board is also formed to approve the share transfer on a fortnightly basis.

➤ **Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity.**

As on 31st March, 2019, there are 507852 outstanding GDRs each representing one equity share of the Company.

INDEPENDENT AUDITOR'S REPORT

To the Members of Usha Martin Education & Solutions Ltd.
Report on the Audit of the Standalone Financial Statements
Opinion

We have audited the accompanying stand alone financial statements of Usha Martin Education & Solutions Ltd. ("the Company") which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "the stand alone financial statements").

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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its loss, 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 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the stand alone financial statements.

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 period. 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.

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)</p> <p>The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p>	<p>Principal Audit Procedures</p> <p>We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard. • Selected a sample of continuing and new contracts and performed the following procedures: <ul style="list-style-type: none"> • Read, analysed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration

Sr. No.	Key Audit Matter	Auditor's Response
		<ul style="list-style-type: none"> • Samples in respect of revenue recorded for time and material contracts were tested using a combination of approved time sheets including customer acceptances, subsequent invoicing and historical trend of collections and disputes. • In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual and estimated efforts from the time recording and budgeting systems. We also tested the access and change management controls relating to these systems. • Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. • We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date
2.	<p><i>Accuracy of revenues and onerous obligations in respect of fixed price contracts involves critical estimates</i> Estimated effort is a critical estimate to determine revenues and liability for onerous obligations. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts incurred till date and efforts required to complete the remaining contract performance obligations.</p> <p>Refer Notes 1(d) and NIL to the Standalone Financial Statements.</p>	<p><i>Principal Audit Procedures</i> Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations. • Tested the access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorised changes to recording of efforts incurred • Selected a sample of contracts and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to efforts incurred and estimated. • Selected a sample of contracts and performed a retrospective review of efforts incurred with estimated efforts to identify significant variations and verify whether those variations have been considered in estimating the remaining efforts to complete the contract. • Reviewed a sample of contracts with unbilled revenues to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations. • Performed analytical procedures and test of details for reasonableness of incurred and estimated efforts.
3.	<p><i>Evaluation of uncertain tax positions & Recoverability of advance tax.</i> The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Notes 1(i) and NIL to the Standalone Financial Statements</p>	<p><i>Principal Audit Procedures</i> Obtained details of completed tax assessments and demands for the year ended March 31, 2019 from management. Involvement of our internal experts hardly found anything to challenge the management's underlying assumptions in estimating the tax provision and recoverability and advance tax.</p>
4.	<p>Valuation of investments and impairment thereof. (a). Non Current Investments in Body Corporate; (b). Fixed Deposit with IDBI</p>	<p>Held at cost. No impairment provision is called for in terms of latest balance sheet of investee Carried at cost.</p>

Responsibilities of Management's and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)⁵ and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 statement 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.

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:

- Identify and assesses the risk 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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. 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.

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 on 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 Section 143(ii) of the Act, we give in the Annexure-2 a statement on the matters specified in paragraphs 3 and 4 of the order.
2. As required by Section 143(3) of Indian Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the Directors are disqualified as at 31st March 2019 from being appointed as a director
- (f) We have audited the Internal Financial Controls over Financial Reporting (IFCOFR) of the company as on 31st March, 2019 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date and our report dated May 28, 2019 as per Annexure-1 expressed an unmodified report.
- (g) 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 explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 2(e) to the financial statements; [or the Company does not have any pending litigations which would impact its financial position⁹]
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note NIL to the financial statements; [or the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.¹⁰]

For G.Basu & Company
Firm Registration Number:301174E
Chartered Accountants

Place : Kolkata

Dated : 28th May 2019

P.K.Chaudhuri Partner
Membership No. 003814

ANNEXURE "1" TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Usha Martin Education & Solutions Limited, ("the Company") as of 31st March 2019 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by 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 applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Kolkata
Dated : 28th May 2019

For G.Basu & Company
Firm Registration Number:301174E
Chartered Accountants

P.K.Chaudhuri Partner
Membership No. 003814

ANNEXURE "2" TO THE AUDITORS' REPORT**THIS IS REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE**

- i) The body corporate has fixed assets during the year.
The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. Physical Verification has not been conducted during the year under audit.
- ii) The company is a service company. Accordingly it does not hold any physical inventories. Thus paragraph 3(ii) of the Order is not applicable.
- iii) 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 Act. Accordingly, the provisions of paragraph 3(iii)(a) to (c) of the Order are not applicable to the Company.
- iv) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable. Hence, paragraph 3(V) of the Order is not applicable.
- v) The clause relating to maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the company. Hence, paragraph 3(vi) of the Order is not applicable.
- vi) (a) Accordingly to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. Accordingly to the information and explanation given to us, no undisputed amounts payable in respect of the above were in arrears as at 31st March, 2019 for a period of more than six months from the date on when they become payable.
(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- vii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institution, bank, government or dues to debenture holders (there is no debenture holders).
- viii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, paragraph 3(xi) of the order is not applicable to the Company.
- ix) According to the information and explanations given to us, no fraud by the Company or on the company by its offers or employees has been noticed or reported during the year.
- x) Accordingly to the information and explanations given to us and on the basis of our examination of the records of the company, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies.
- xi) 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 to the Company.
- xii) According to the information and explanations given to us and on the basis of our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiii) Accordingly to the information and explanations given to us and on the basis of 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 under review. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- xiv) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable to the company.
- xv) Other clauses of the Order are not applicable to the Company.

Place : Kolkata
Dated : 28th May 2019

For G.Basu & Company
Firm Registration Number:301174E
Chartered Accountants

P.K.Chaudhuri Partner
Membership No. 003814

Balance Sheet as at 31st March, 2019

Particulars	Note no.	As at 31st March, 2019 (Amount in ₹)	As at 31st March, 2018 (Amount in ₹)
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	1	12,892,936	13,355,641
Intangible Assets	2	847	847
Financial Assets			
(i) Investment	3(i)	160,500,000	160,500,000
(ii) Others	3(ii)	1,175,000	1,351,410
Other Non-Current Assets	4	666,469	604,321
Total Non-Current Assets		175,235,252	175,812,219
Current Assets			
Financial Assets			
(i) Trade Receivables	5	789,871	1,459,971
(ii) Cash and Cash Equivalents	6	128,559	142,700
(iii) Bank Balances other than (ii) above	7	1,331,140	1,251,541
Other Current Assets	8	7,757,411	9,265,515
Total Current Assets		10,006,981	12,119,727
TOTAL ASSETS		185,242,233	187,931,946
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	9	26,415,811	26,415,811
Other Equity	10	107,777,761	108,899,550
TOTAL EQUITY		134,193,572	135,315,361
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	11(i)	-	-
Provisions	11(ii)	12,535,097	12,451,604
Total Non-Current Liabilities		12,535,097	12,451,604
Current Liabilities			
Financial Liabilities			
(i) Borrowings	12(i)	25,588,735	27,051,379
(ii) Trade and Other Payables	12(ii)	4,335,810	4,898,750
(iii) Others	12(iii)	8,322,551	7,754,987
Other Current Liabilities	13	255,164	450,858
Provisions	14	11,304	9,007
Total Current Liabilities		38,513,564	40,164,981
TOTAL LIABILITIES		51,048,661	52,616,585
TOTAL EQUITY AND LIABILITIES		185,242,233	187,931,946

Notes on Account and Significant
Accounting Policies

21

The accompanying notes are integral part of the Balance Sheet.
This is the Balance Sheet referred to in our report of even date.

For G.Basu & Company

Firm Registration Number: 301174E

Chartered Accountants

P.K.Chaudhuri

Partner

Membership No. 003814

Place: Kolkata

Date: 28th May, 2019

For and on behalf of the Board of Directors
Gangotri Guha

Director (DIN: 01666863)

Vinay Kumar Gupta

Whole-Time Director (DIN: 00574665)

Indrajit Bandyopadhyay

Chief Financial Officer

Chaitee Baral

Company Secretary

Statement of Profit and Loss for the Year Ended 31st March, 2019

Particulars	Note no.	Year Ended 31st March, 2019 (Amount in ₹)	Year Ended 31st March, 2018 (Amount in ₹)
REVENUES			
Revenue from Operations	15	7,540,530	8,365,170
Other Income	16	1,125,228	1,710,447
Total Income		8,665,758	10,075,617
EXPENSES			
Employee Benefits Expense	17	2,853,606	2,953,756
Finance Cost	18	2,041,359	3,632,182
Depreciation and Amortization	19	462,705	843,051
Operating and Administrative Expenses	20	2,776,313	4,440,849
Total Expenses		8,133,983	11,869,838
Profit / Loss before Exceptional Items and Tax		531,775	(1,794,221)
Exceptional Items		-	-
Profit / Loss before Tax		531,775	(1,794,221)
Tax Expense:			
(i) Current Tax		-	-
(ii) Previous Years		1,653,564	-
Profit / (Loss) after Taxation		(1,121,789)	(1,794,221)
Profit/ Loss per equity share [Nominal Value per share : ₹.1] -Basic and Diluted in Rupees		(0.04)	(0.07)

Notes on Account and Significant Accounting Policies 21
The accompanying notes are integral part of the Profit and Loss.

This is the Statement of Profit & Loss referred to in our report of even date

For G.Basu & Company
Firm Registration Number: 301174E
Chartered Accountants
P.K.Chaudhuri
Partner
Membership No. 003814

Place: Kolkata
Date: 28th May, 2019

For and on behalf of the Board of Directors

Gangotri Guha Director (DIN: 01666863)
Vinay Kumar Gupta Whole-Time Director (DIN: 00574665)
Indrajit Bandyopadhyay Chief Financial Officer
Chaitee Baral Company Secretary

Cash Flow Statement for the year ended March 31, 2019

Particulars	For the Year Ended 31st March, 2019 (Amount in ₹)	For the Year Ended 31st March, 2018 (Amount in ₹)
A. Cash Flow generated / (used) in Operating Activities		
Profit / (Loss) before tax	531,775	(1,794,221)
Adjustment for:		
Depreciation and Amortization	462,705	843,051
Interest Income	(154,346)	(181,072)
Liabilities no longer required written back	(699,930)	(581,693)
Provision for Doubtful Debts	-	1,108,143
Bad Debts / Sundry balances written off (net)	96,410	71,892
Unrealised Foreign Exchange Loss (net)	-	14,078
Loss/ (Gain) on Tangible Assets Sold / Discarded	-	(325,637)
Finance Costs	<u>2,041,359</u>	<u>3,632,182</u>
Operating Profit before working capital changes	2,277,973	2,786,723
Adjustment for changes in Working Capital :		
- (Decrease) / Increase in Trade Payables	(161,580)	(1,477,452)
- (Decrease) / Increase in Provisions	85,790	(127,156)
- (Decrease) / Increase in Other Financial Liabilities	(166,739)	364,464
- (Decrease) / Increase in Other Current Liabilities	(195,694)	11,607
- (Decrease) / Increase in Trade Receivables	670,100	(583,786)
- Refund / (payment) of tax	-	1,522,017
- (Decrease) / Increase in Other Non-Current Financial Assets	130,000	21,500
- Decrease / (Increase) in Other Assets	<u>(147,075)</u>	<u>80,375</u>
Cash generated from Operations	2,492,775	2,598,292
Direct Taxes Paid (Net)	<u>(190,131)</u>	<u>(158,439)</u>
Net Cash generated from Operating Activities	2,302,643	2,439,853
B. Cash Flow used in Investing Activities		
Proceeds from disposal of property, plant and equipment	-	513,100
Interest Received	<u>154,346</u>	<u>181,072</u>
Net Cash used in Investing Activities	154,346	694,172
C. Cash Flow used in Financing Activities		
Proceeds / (Repayments) of Loan from Banks	(1,462,644)	(1,589,398)
Finance Costs	<u>(1,008,487)</u>	<u>(1,575,384)</u>
Net Cash used in Financing Activities	(2,471,131)	(3,164,782)
Net increase / decrease in Cash and Cash equivalents	(14,141)	(30,757)
Cash and Cash Equivalents at the beginning of the year	142,700	173,457
Cash and Cash Equivalents at the end of the year	<u>128,559</u>	<u>142,700</u>
	<u>(14,141)</u>	<u>(30,757)</u>
<i>* Amount is below the rounding off norm adopted by the Company</i>		
Cash and Cash Equivalents comprise:	As at 31st March, 2019 (Amount in `)	As at 31st March, 2018 (Amount in ₹)
Cash on hand	2,082	324
Balances with Banks		
- In current accounts	126,477	142,376
	<u>128,559</u>	<u>142,700</u>

The accompanying notes are integral part of the Cash Flow Statements.

For G. Basu & Company
Firm Registration Number: 301174E
Chartered Accountants
P.K. Chaudhuri
Partner
Membership No. 003814

Place: Kolkata
Date: 28th May, 2019

For and on behalf of the Board of Directors

Gangotri Guha Director (DIN: 01666863)
Vinay Kumar Gupta Whole-Time Director (DIN: 00574665)
Indrajit Bandyopadhyay Chief Financial Officer
Chaitee Baral Company Secretary

Statement of Changes in Equity for the year ended March 31, 2019

A. Equity Share Capital		(Amount in ₹)	
Balance at the April 01, 2018			26,415,811
Changes in the Equity Share Capital during the year on account of shares issued			-
Balance at the March 31, 2019			26,415,811

B. Other Equity			(Amount in ₹)
Particulars	Retained Earnings / (Accumulated Deficit)	Capital Contribution by Holding Company	Total
Balance as at April 01, 2018			
Share Premium Account	120,249	-	120,249
Retained Earnings:			
Opening Balance	108,779,301	-	108,779,301
(a) Profit/(Loss) for the year	(1,121,789)	-	(1,121,789)
(b) Other comprehensive income for the year	-	-	-
Total comprehensive loss for the year (a+b)	(1,121,789)	-	(1,121,789)
Closing Balance	107,657,512	-	107,657,512
Share based payment expenses	-	-	-
Repayment towards Share based payment expenses	-	-	-
Balance as at March 31, 2019	107,777,761	-	107,777,761

Statement of Changes in Equity for the year ended March 31, 2018

A. Equity Share Capital		(Amount in ₹)	
Balance at the April 01, 2017			26,415,811
Changes in the Equity Share Capital during the year on account of shares issued			-
Balance at the March 31, 2018			26,415,811

B. Other Equity			(Amount in ₹)
Particulars	Retained Earnings / (Accumulated Deficit)	Capital Contribution by Holding Company	Total
Balance as at April 01, 2017			
Share Premium Account	120,249	-	120,249
Retained Earnings:			
Opening Balance	110,573,522	-	110,573,522
(a) Profit/(Loss) for the year	(1,794,221)	-	(1,794,221)
(b) Other comprehensive Loss for the year	-	-	-
Total comprehensive loss for the year (a+b)	(1,794,221)	-	(1,794,221)
Closing Balance	108,779,301	-	108,779,301
Additional Capital Contribution	-	-	-
Share based payment expenses	-	-	-
Repayment towards Share based payment expenses	-	-	-
Balance as at March 31, 2018	108,899,550	-	108,899,550

For G.Basu & Company
Firm Registration Number: 307714E
Chartered Accountants
P.K.Chaudhuri
Partner
Membership No. 003814

Place: Kolkata
Date: 28th May, 2019

For and on behalf of the Board of Directors

Gangotri Guha	Director (DIN: 01666863)
Vinay Kumar Gupta	Whole-Time Director (DIN: 00574665)
Indrajit Bandyopadhyay	Chief Financial Officer
Chaitee Baral	Company Secretary

Notes Annexed to and forming part of the Financial Statements
1) PROPERTY, PLANT AND EQUIPMENT

Assets	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount		
	As at April 01, 2018	Additions During the year	Disposal/ Adjustments During the year	As at March 31, 2019	As at April 01, 2018	Additions During the year	Disposal/ Adjustments During the year	As at March 31, 2019	As at March 31, 2018
Buildings	13,472,826	-	-	13,472,826	1,296,073	-	-	12,176,753	12,176,753
Plant and Equipment	2,572,031	-	-	2,572,031	2,230,330	101,898	-	239,803	341,701
Vehicles	1,536,725	-	-	1,536,725	1,315,022	131,345	-	90,358	221,703
Furniture and Fixture	2,413,523	-	-	2,413,523	1,977,007	165,512	-	271,004	436,516
Office Equipment	635,668	-	-	635,668	456,700	63,950	-	115,018	178,968
Total [A]	20,630,773	-	-	20,630,773	7,275,132	462,705	-	12,892,936	13,355,641
Previous Year	23,108,565	-	2,477,792	20,630,773	8,722,422	843,051	2,290,341	13,355,641	

2) INTANGIBLE ASSETS

Assets	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount		
	As at April 01, 2018	Additions During the year	Disposal/ Adjustments During the year	As at March 31, 2019	As at April 01, 2018	Additions During the year	Disposal/ Adjustments During the year	As at March 31, 2019	As at April 01, 2018
Computer Software	52,582	-	-	52,582	51,735	-	-	847	847
Total	52,582	-	-	52,582	51,735	-	-	847	847
Previous Year	1,543,167	-	1,490,585	52,282	1,542,308	-	1,490,573	847	

Notes annexed to and forming part of the Financial Statements

	As at March 31, 2019 (Amount in ₹.)	As at March 31, 2018 (Amount in ₹.)
3 Financial Assets		
i) Investment : Non-Current		
Long-Term Trade and Unquoted Investments in Equity Instruments (Valued at Cost)	160,500,000	160,500,000
	<u>160,500,000</u>	<u>160,500,000</u>
(ii) Other		
Other : Non-Current		
Security Deposits	1,175,000	1,351,410
	<u>1,175,000</u>	<u>1,351,410</u>
4 Other Non-Current Assets		
Gratuity (Funded with LIC of India)	666,469	604,321
	<u>666,469</u>	<u>604,321</u>
5 Trade Receivables		
Unsecured, Considered Good		
Outstanding for a period exceeding six months	1,977,877	1,915,656
Less: Provision for Doubtful Debts	1,188,006	1,110,885
	<u>789,871</u>	<u>804,771</u>
(a)		
Considered Good		
Outstanding for a period less than six months		
From Related Parties		
Others	-	655,200
	<u>-</u>	<u>-</u>
(b)		
	<u>-</u>	<u>655,200</u>
Total (a) + (b)	<u>789,871</u>	<u>1,459,971</u>
Details of Trade Receivable Outstanding	Percentage of Total Outstanding	
Name of Customer		
Punjab Technical University	65.32%	35.34%
Highgate Developers Pvt. Ltd.	0.00%	7.40%
Peterhouse Investments India Ltd.	0.00%	37.48%
Others	34.68%	19.78%
	<u>100.00%</u>	<u>100.00%</u>
6 Cash and Cash Equivalents		
Cash on hand	2,082	324
Balances with Banks		
- In current accounts	126,477	142,376
	<u>128,559</u>	<u>142,700</u>

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

Notes annexed to and forming part of the Financial Statements

	As at March 31, 2019 (Amount in ₹.)	As at March 31, 2018 (Amount in ₹.)
7 Bank Balances other than Cash and Cash Equivalents		
Fixed Deposits with more than 12 months maturity	1,331,140	1,251,541
	<u>1,331,140</u>	<u>1,251,541</u>
8 Other Current Assets		
Advances to Suppliers	-	50,000
Prepaid Expenses	42,169	67,729
Balances with Government Authorities	117,422	92,736
Advance Payment of Taxes (Net of Provisions)	7,590,618	9,054,050
Advance/Loans to Employees	7,202	1,000
	<u>7,757,411</u>	<u>9,265,515</u>
9 Equity Share Capital		
a) Authorized Share Capital		
200,000,000 (As at March 31, 2018 : 200,000,000; equity shares of ₹. 1 each	200,000,000	200,000,000
1,000,000 10.75% Cumulative Redeemable Preference Shares of ₹.50/- each (As at March 31, 2018 : 1,000,000)	50,000,000	50,000,000
10.75% Cumulative Preference Shares of ₹. 50/- each		
	<u>250,000,000</u>	<u>250,000,000</u>
b) Issued, Subscribed and Paid up Share Capital		
26,415,811 Equity Shares of ₹. 1/- each (As at March 31, 2018: 26,415,811; equity shares of ₹. 1 each	26,415,811	26,415,811
	<u>26,415,811</u>	<u>26,415,811</u>

c) Reconciliation of the Equity Shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2019		As at March 31, 2018	
	Nos.	₹.	Nos.	₹.
At the beginning of the year	26,415,811	26,415,811	26,415,811	26,415,811
Issued during the year	-	-	-	-
Outstanding at the end of the year	26,415,811	26,415,811	26,415,811	26,415,811

Note:

Paid up capital includes 26,414,411 Equity Shares issued as fully paid-up in terms of the Scheme of Demerger approved by the Hon'ble Calcutta High Court.

d) There has been no movement in number of shares outstanding at the beginning and at the end of reporting period.

e) The Company has only one class of issued shares i.e. ordinary equity shares having par value of ₹. 1 per share. Each holder of ordinary shares is entitled to one vote per share and equal right for dividend. No preference and/or restrictions on distribution of dividend and repayment of capital is attached to the above shares.

Notes annexed to and forming part of the Financial Statements

f) Shares in the Company held by each shareholder holding more than 5% as on balance sheet date

Name of the Shareholders	No. of Equity Shares as on 31.03.2019	% of Equity Shares as on 31.03.2019	No. of Equity Shares as on 31.03.2018	% of Equity Shares as on 31.03.2018
UMIL Shares & Stock Broking Services Ltd	3,075,127	11.88	3,075,127	11.88
Peterhouse Investments Limited	2,388,291	9.23	2,388,291	9.23
Usha Breco Ltd	3,377,627	13.05	3,377,627	13.05
Prajeev Investments Limited	2,057,610	7.95	2,057,610	7.95

	As at March 31, 2019 (Amount in ₹.)	As at March 31, 2018 (Amount in ₹.)
10 Other Equity		
Retained Earnings / (Accumulated Deficit) [Refer note 'a' below']	107,657,512	108,779,301
	<u>107,657,512</u>	<u>108,779,301</u>
Reserves & Surplus		
Securities Premium Account	120,249	120,249
	<u>120,249</u>	<u>120,249</u>
a. Retained Earnings / (Accumulated Deficit)		
Opening Balance	108,779,301	110,573,522
Net (Loss)/ Surplus for the year	(1,121,789)	(1,794,221)
Closing Balance	<u>107,657,512</u>	<u>108,779,301</u>
	<u>107,777,761</u>	<u>108,899,550</u>
11 Non-Current Liabilities		
Financial Liabilities		
(i) Borrowings	-	-
(ii) Provisions		
Non-Current portion of Provisions		
Provision for Impairment of Assets	12,176,753	12,176,753
Employee Benefits		
Gratuity	252,767	192,155
Leave entitlement	105,577	82,696
	<u>12,535,097</u>	<u>12,451,604</u>

Notes annexed to and forming part of the Financial Statements

	As at March 31, 2019 (Amount in ₹.)	As at March 31, 2018 (Amount in ₹.)
12 Current Liabilities		
Financial Liabilities- Current		
(i) Borrowings		
Secured		
From Banks		
Cash Credit repayable on demand	2,713,735	3,626,379
	<u>2,713,735</u>	<u>3,626,379</u>
Unsecured		
From Related Party		
Inter-Corporate Deposit	22,875,000	23,425,000
	<u>22,875,000</u>	<u>23,425,000</u>
	<u>25,588,735</u>	<u>27,051,379</u>
(ii) Trade and other Payables		
Trade Payables	2,129,187	2,429,022
Employee Related Liabilities	327,537	620,933
Accrued Expenses	1,879,086	1,848,795
	<u>4,335,810</u>	<u>4,898,750</u>
(iii) Others		
Capital Creditors	167,893	167,893
Interest on Secured Loan	32,742	42,117
Interest on Unsecured Loan - Related Parties	7,429,410	6,387,163
Dues payable to related parties	692,506	1,157,814
	<u>8,322,551</u>	<u>7,754,987</u>
13 Other Current Liabilities		
Statutory Dues Payable	255,164	450,858
	<u>255,164</u>	<u>450,858</u>
14 Current portion of Provisions		
Employee Benefits		
Gratuity	7,967	6,327
Leave entitlement	3,337	2,680
	<u>11,304</u>	<u>9,007</u>

Notes annexed to and forming part of the Financial Statements

	For the Year Ended 31st March, 2019 (Amount in ₹)	For the Year Ended 31st March, 2018 (Amount in ₹)
15 Revenue from Operations		
Income from Business	7,540,530	8,365,170
	<u>7,540,530</u>	<u>8,365,170</u>
16 Other Income		
Interest Income		
Fixed Deposit with Bank (Tax deducted at Source ₹. 8,843/- ,Previous year ₹. 8,279/-)	88,443	82,790
Income Tax Refund	-	98,282
Income on Planned Assets (Gratuity)	65,903	22,045
Other Non-Operating Income (Tax deducted at Source ₹. 4,800/-, Previous year ₹. 12,000/-)	250,732	600,000
Foreign Exchange Fluctuation Gain(Net)	20,220	-
Liabilities no longer required written back	699,930	581,693
Profit on Fixed Assets sold/scrapped	-	325,637
	<u>1,125,228</u>	<u>1,710,447</u>
17 Employee Benefits Expense		
Salaries and Bonus	2,698,350	2,754,910
Contribution to Provident and other Funds	154,783	145,493
Staff Welfare expenses	473	53,353
	<u>2,853,606</u>	<u>2,953,756</u>
18 Finance Cost		
Interest on Working Capital Loan from Bank	444,262	682,928
Bank Charges	34,425	34,177
Other Borrowing Cost	1,550,000	2,893,893
Others	12,672	21,184
	<u>2,041,359</u>	<u>3,632,182</u>
19 Depreciation and Amortization		
Depreciation on Property, Plant and Equipment	462,705	843,051
	<u>462,705</u>	<u>843,051</u>

Notes annexed to and forming part of the Financial Statements

	For the Year Ended 31st March, 2019 (Amount in ₹)	For the Year Ended 31st March, 2018 (Amount in ₹)
20 Operating and Administrative Expenses		
Travelling and conveyance	121,964	174,331
Communication	103,748	219,494
Maintenance expenses	1,402	73,820
Rent (Including Lease Rent)	48,000	78,000
Insurance charges	131,174	134,370
Computer Consumables	-	3,953
Professional and Consultancy Charges	453,654	538,765
Legal and Secreterial	1,199,274	1,065,086
Printing and Stationery expenses	368,368	524,685
Director Meeting Fees	60,200	74,000
Payment to Auditors (Refer note 'a' below)	125,000	125,000
Rates and Taxes	2,500	9,787
Foreign Exchange Fluctuation Gain (Net)	-	41,148
Other Comprehensive Expense	47,813	135,429
Provision for Doubtful Debts	-	1,108,143
Bad Debts/Sundry Balances written off (Net)	96,410	71,892
Miscellaneous Expenses	16,806	62,946
	2,776,313	4,440,849
a. Payment to Auditors		
Statutory Auditors		
Statutory Audit fees	100,000	100,000
Tax Audit fees	25,000	25,000
	125,000	125,000

Note 21 : Significant Accounting Policies and Notes on Accounts for the year ended 31st March, 2019

1 **SIGNIFICANT ACCOUNTING POLICIES**

a) **Basis of Preparation of Financial Statements**

The Company generally follows mercantile system of accounting unless otherwise stated and recognizes income and expenditure on accrual basis except those with significant uncertainties. The accounts have been prepared in accordance with historical cost convention method.

b) **Fixed Assets and Depreciation**

Fixed assets comprising both tangible and intangible items are stated at cost less depreciation. The Company capitalizes all costs relating to acquisition of fixed assets. Cost of Software expected to be used on long-term basis is capitalized. Depreciation (including amortization) on fixed assets has been provided on the basis of the useful life of assets as provided in schedule II to the Companies Act, 2013 (the "Act")

Depreciation on additions and deletions to fixed assets is provided on a pro-rata basis.

c) **Investments**

Long-term investments are valued at their acquisition cost. Any decline in the value of the said investment, other than a temporary decline, is recognized and charged to the Statement of Profit and Loss.

Current Investments are stated at lower of cost or fair value.

d) **Revenue Recognition**

Revenue from training is recognized over the period of the course program.

Revenue from operations is accounted for net of Service Tax.

e) **Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Note 21 : Significant Accounting Policies and Notes on Accounts for the year ended 31st March, 2019

f) Current and Non-Current assets and liabilities

An asset or liability is classified as current when it satisfies any of the following criteria

- (i) It is expected to be realized / settled, or is intended for sale or consumption, in the Company's normal operating cycle;
- (ii) It is held primarily for the purpose of being traded;
- (iii) It is expected to be realized / due to be settled within twelve months after the reporting date; or
- (iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date or
- (v) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date

g) Foreign Currency Transactions

Transactions in foreign currency are accounted for at the rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies at the year-end are restated at the exchange rates prevailing on that date. Gain/loss arising out of exchange fluctuation on settlement or such restatement are accounted for in the Statement of Profit and Loss, except to the extent these relate to acquisition of fixed assets, in which case these are adjusted to the carrying value of the related fixed assets.

h) Leases

Operating Leases- Rentals are expensed with reference to lease terms and other considerations.

i) Employee Benefits

- (i) Contribution to employee provident fund is charged to revenue on a monthly basis
- (ii) Liability for retiral, gratuity and un-availed earned leave is provided for based on an independent actuarial valuation report as per the requirements of Accounting Standard - 15 (revised) on "Employee Benefits".
- (iii) Employee benefits of short-term nature are recognized as expense as and when it accrues. Long term employee benefits (e.g. long-service leave) and post employments benefits (e.g. gratuity), both funded and unfunded, are recognized as expense based on actuarial valuation.

j) Taxation

Current Tax in respect of taxable income of the year is provided for based on applicable tax rates and laws. Deferred tax is recognized subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are Officer apable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets / liabilities are reviewed at each Balance Sheet date.

k) Borrowing Cost

Borrowing cost attributable to the acquisition and contribution of qualifying assets are added to the cost up to date when such assets are ready for their intended use. Other borrowing costs are recognized as expense in the period in which these are incurred.

l) Contingencies

Contingencies, which can be reasonably ascertained, are provided for if, in the opinion of the Company, there is a probability that the future outcome may be materially adverse to the Company.

m) Prior Period and Extra Ordinary Items and Changes in Accounting Policies

Prior Period and Extra Ordinary Items and Changes in Accounting Policies having material impact on the financial affairs of the Company are disclosed.

- 2) During the year, the Company has utilized its working capital facility (Overdraft) of Rs. 36.26 lacs as on 1st April 2018 from IDBI Bank Ltd., secured by first charge by way of hypothecation of all the current assets, both present and future, of the Company. The above loan is also collaterally secured by first charge by way of hypothecation of movable fixed assets of the Company. The outstanding balance as on 31st March 2019 was Rs. 27.14 lacs.

3) Foreign Currency Earnings & Outgo:

a) Expenditure in foreign currency:

	2018-19 (₹.)	2017-18 (₹.)
Listing Fees	194,375	199,665

b) Earnings in foreign currency:

	2018-19 (₹.)	2017-18 (₹.)
Management Training, Educational Consultancy, Market Research and Delivery of modules for H & D Business Studies and Computing Studies	5,456,530	7,525,170

Note 21 : Significant Accounting Policies and Notes on Accounts for the year ended 31st March, 2019

4) Related Party Disclosures Pursuant to Accounting Standard 18 issued by The Institute of Chartered Accountants of India.

i) **Related Parties**

Name	Relationship
Usha Martin Education Private Limited	Subsidiary
Usha Breco Education Infrastructure One Limited	Substantial interest in voting power of the entity
Usha Breco Limited	- do -
Redtech Network India Private Limited	- do -
Highgate Developers Private Limited	- do -
Jhawar Impact Ventures Private Limited	- do -
Jhawar Venture Management Private Limited	- do -
Peterhouse Investments India Limited	- do -
Vinay Kumar Gupta (Whole Time Director)	Key Managerial Personnel
Indrajit Bandyopadhyay (Chief Financial Officer)	Key Managerial Personnel
Chaitee Baral (Company Secretary)	Key Managerial Personnel

ii) Particulars of Transactions during the year ended 31st March, 2019

Particulars	Subsidiaries and Associates (₹.)	Key Management Personnel (₹.)
Rent Paid (including lease Rent)	48,000	-
	48,000	-
Key Managerial Personnel's Remuneration	-	2,582,000
	-	2,427,644
Training Fees	2,000,000	-
	840,000	-
Sale of Fixed Assets	=	=
	400,000	-
Interest Paid	1,550,000	=
	2,893,893	-
Reimbursement of Expenses received	355,308	-
	325,536	-
Unsecured Loans:		
Taken during the year	150,000	-
Repaid during the year	700,000	-
	-	-
	-	-
	30,996,916	=
Balances outstanding at the year end	Refer Note No. 3	
Investment in Equity and Preference Shares	to Accounts	
	-do-	

Remuneration to key Managerial personnel's include remuneration of Chief Financial Officer, Company Secretary and Whole-Time Director
 Figures are inclusive of Service Tax, wherever applicable and figures in normal font relate to previous year

5) **Computation of Earning Per Equity Share (Basic and Diluted)**

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
(I) Basic		
(a) (i) Number of Equity Shares at the beginning of the year	26,415,811	26,415,811
(ii) Number of Equity Shares at the end of the year	26,415,811	26,415,811
(iii) Weighted average number of Equity Shares outstanding during the year	26,415,811	26,415,811
(iv) Face Value of each Equity Share- ₹.	1	1
(b) Profit/(Loss) after tax attributable to Equity Shareholders- (₹.)		
Net Profit/(Loss) after Taxation (₹.)	(1,121,789)	(1,794,221)
Basic Earnings per Share [(b)/(a)(iii)]- (₹.)	(0.04)	(0.07)
(II) Diluted		
(a) Diluted Potential Equity Shares		
(b) Diluted Earnings per Share [I(b)/I(a)(iii)]- ₹.	(0.04)	(0.07)

Note 21 : Significant Accounting Policies and Notes on Accounts for the year ended 31st March, 2019

6) Managerial Remuneration paid/payable

	2018-19		2017-18	
	₹	₹	₹	₹
(a) Key Managerial Personnel's Remuneration:				
Salary	852,060		762,629	
Contribution to Provident Fund	102,247		91,515	
Contribution to Gratuity and Superannuation	40,984		36,682	
Other Benefits (actual and/or estimated)	1,586,709	2,582,000	1,536,818	2,427,644
(b) Other Directors		60,200		74,000
Directors' Sitting Fees		2,642,200		2,501,644

7) The Company has unabsorbed depreciation and carried forward losses available for set off under the Income- tax Act, 1961. However, in view of inability to assess future taxable income, the extent of net deferred tax assets which may be adjusted in the subsequent years, is not ascertainable with virtual certainty at this stage and accordingly the same has not been recognized in the accounts on prudent basis.

8) The Company has no amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) as at 31.03.2019. The disclosure as required under the said Act as under:

a) Principal amount due to suppliers under MSMED Act	Nil
b) Interest due to suppliers as above	Nil
c) Any payment made to suppliers beyond appointed date (under Section 16 of the Act)	Nil
d) Interest due and payable to suppliers under MSMED Act	Nil
e) Interest accrued and remaining unpaid as at 31.03.2019	Nil
f) Interest remaining due and payable as per Section 23 of the Act	Nil

9) Defined Benefit Plans / Long Term Compensated Absences - as per Actuarial Valuations as on March 31, 2019 and recognized in the financial statements in respect of Employee Benefit Schemes.

I Components Employer Expense		Gratuity Funded	Leave Encashment Unfunded
1	Current Service Cost	33,485	14,570
		30,199	13,878
2	Interest Cost	(33,732)	6,574
		(41,334)	8,789
3	Expected Return on Plan Assets	-	-
4	Curtailment Cost / (Credit)	-	-
5	Settlement Cost / (Credit)	-	-
6	Past Service Cost	-	-
7	Actuarial Losses / (Gains)	-	2,394
		-	48,211
8	Total expense recognized in the Statement of Profit & Loss	(247)	23,538
		(11,135)	70,878
II	Actuarial Returns for the period ended March, 2019	-	-
III	Net Asset / (Liability) recognized in Balance Sheet as at March 31, 2019		
1	Present Value of Defined Benefit Obligation	438,070	(85,376)
		562,364	119,583
2	Fair Value on Plan Assets	-	-
3	Status [Surplus/(Deficit)]	-	-
4	Expense recognized in Income Statement	(247)	23,538
		(11,135)	70,878
5	Expense recognized in Other Comprehensive Income	14,439	-
		135,429	-
6	Employer Contribution	-	(105,085)
7	Net Asset/(Liability) recognized in Balance Sheet	423,878	(108,914)
		438,070	(85,376)

Note 21 : Significant Accounting Policies and Notes on Accounts for the year ended 31st March, 2019

IV Change in Defined Benefit Obligations (DBO) during the year ended March 31, 2019		Gratuity Funded	Leave Encashment Unfunded
1	Present Value of DBO at the Beginning of Period	198,482	85,376
2	Current Service Cost	291,431	119,583
3	Interest Cost	33,485	14,570
4	Curtailment Cost / (Credit)	30,199	13,878
5	Settlement Cost / (Credit)	15,283	6,574
6	Plan Amendments	21,420	8,789
7	Acquisitions	—	—
8	Actuarial (Gains)/Losses	—	—
9	Benefits Paid	—	—
10	Present Value of DBO at the End of Period	13,484	2,394
		137,137	(48,211)
		(281,705)	(105,085)
		260,734	108,914
		198,482	85,376
V Change in Fair Value of Assets during the year ended March 31, 2019			
1	Plan Assets at the Beginning of Period	636,552	—
2	Investment Income	853,795	—
3	Return on Plan Assets	49,015	—
4	Actuarial Gains/(Losses)	62,754	—
5	Actual Company Contribution	(955)	—
6	Benefits Paid	1,708	—
7	Present Value of DBO at the End of Period	—	—
		—	105,085
		(281,705)	(105,085)
		684,612	—
		636,552	—
VI Actuarial Assumptions			
1	Discount Rate (%)	7.60%	7.60%
2	Expected Return on Plan Assets (%)	7.55%	—
The estimates of future salary increases, considered in actuarial valuations take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.			

Figures in normal font relate to previous year

- 10) Balances of Sundry Debtors, Sundry Creditors and Loans and Advances (Dr. & Cr.) are subject to confirmation from the respective parties.
- 11) Previous year figures have been regrouped / rearranged wherever necessary.
- 12) The investments in Usha Martin Education Private Limited (subsidiary company), Redtech Network India Private Limited (associate company) and Usha Communication Technology Limited, British Virgin Island (other company) have been evaluated by the management and no provision for impairment is considered necessary in respect of these investments.

For G.Basu & Company
 Firm Registration Number: 301174E
 Chartered Accountants
P.K.Chaudhuri
 Partner
 Membership No. 003814

Place: Kolkata
 Date : 28th May, 2019

For and on behalf of the Board of Directors

Gangotri Guha Director (DIN: 01666863)
Vinay Kumar Gupta Whole-Time Director (DIN: 00574665)
Indrajit Bandyopadhyay Chief Financial Officer
Chaitee Baral Company Secretary

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF USHA MARTIN EDUCATION & SOLUTIONS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of USHA MARTIN EDUCATION & SOLUTIONS LIMITED and its subsidiary, which comprises the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 judgements 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31st March, 2019 and its Loss 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 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the stand alone financial statements.

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 period. 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.

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)</p> <p>The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p>	<p><i>Principal Audit Procedures</i></p> <p>We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls.

Sr. No.	Key Audit Matter	Auditor's Response
		<p style="text-align: center;"><i>Principal Audit Procedures</i></p> <ul style="list-style-type: none"> • Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard. • Selected a sample of continuing and new contracts and performed the following procedures: • Read, analysed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. • Samples in respect of revenue recorded for time and material contracts were tested using a combination of approved time sheets including customer acceptances, subsequent invoicing and historical trend of collections and disputes. • In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual and estimated efforts from the time recording and budgeting systems. We also tested the access and change management controls relating to these systems. • Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. • We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.
2.	<p><i>Accuracy of revenues and onerous obligations in respect of fixed price contracts involves critical estimates</i></p> <p>Estimated effort is a critical estimate to determine revenues and liability for onerous obligations. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts incurred till date and efforts required to complete the remaining contract performance obligations.</p> <p>Refer Notes 1(d) and NIL to the Standalone Financial Statements.</p>	<p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations. • Tested the access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorised changes to recording of efforts incurred. • Selected a sample of contracts and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to efforts incurred and estimated. • Selected a sample of contracts and performed a retrospective review of efforts incurred with estimated efforts to identify significant variations and verify whether those variations have been considered in estimating the remaining efforts to complete the contract <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations. • Tested the access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorised changes to recording of efforts incurred. • Selected a sample of contracts and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to efforts incurred and estimated.

Sr. No.	Key Audit Matter	Auditor's Response
		<i>Principal Audit Procedures</i>
		<p>Selected a sample of contracts and performed a retrospective review of efforts incurred with estimated efforts to identify significant variations and verify whether those variations have been considered in estimating the remaining efforts to complete the contract</p> <ul style="list-style-type: none"> Reviewed a sample of contracts with unbilled revenues to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations. performed analytical procedures and test of details for reasonableness of incurred and estimated efforts.
3.	<p>Evaluation of uncertain tax positions & Recoverability of advance tax. The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Notes 1 (j) and NIL to the Standalone Financial Statements</p>	<p>Obtained details of completed tax assessments and demands for the year ended March 31, 2019 from management. Involvement of our internal experts hardly found anything to challenge the management's underlying assumptions in estimating the tax provision and recover ability and advance tax.</p>
4.	<p>Valuation of investments and impairment thereof. (a). Non Current Investments in Body Corporate; (b). Fixed Deposit with IDBI</p>	<p>Held at cost. No impairment provision is called for in terms of latest balance sheet of investee Carried at cost.</p>

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintain for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the holding company as on 31st March, 2019 taken on record by the Board of Directors of the holding company and the report of the statutory auditors of its subsidiary company incorporated in India, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and its subsidiary incorporated in India and the operating effectiveness of such control, refer to our separate report in Annexure.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audits and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i) The Company and its subsidiary incorporated in India does not have any pending litigations which would impact its financial position.
 - ii) The Company and its subsidiary incorporated in India did not have any long-term contracts including derivative contracts for which there were any material for reasonable losses.

For G. Basu & Company
Firm Registration Number:301174E
Chartered Accountants
P.K.Chaudhuri Partner
Membership No. 003814

Place : Kolkata

Dated : 28th May 2019

ANNEXURE TO THE AUDITORS' REPORT

(This is the Annexure referred to in our Report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls over financial reporting of USHA MARTIN EDUCATION & SOLUTIONS LIMITED ("the Company") as on 31st March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by 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 applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 authorization 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, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Kolkata

Date: 28th May, 2019

For G.Basu & Company
Firm Registration Number:301174E
Chartered Accountants

P.K.Chaudhuri Partner
Membership No. 003814

Consolidated Cash Flow Statement for the year ended March 31, 2019

Particulars	For the Year Ended March 31, 2019 (Amount in ₹)	For the Year Ended March 31, 2018 (Amount in ₹)
A. Cash Flow generated / (used) in Operating Activities		
profit / (Loss) before tax	794,264	(1,551,473)
Adjustment for:		
Depreciation and Amortization	462,705	843,051
Interest Income	(980,572)	(1,107,527)
Liabilities no longer required written back	(699,930)	(581,693)
Provision for Doubtful Debts	-	1,108,143
Bad Debts / Sundry balances written off (net)	96,410	75,729
Unrealised Foreign Exchange Loss (net)	-	14,078
Loss / (Gain) on Tangible Assets Sold / Discarded	-	(325,637)
Finance Costs	2,043,052	3,633,943
Operating Profit before working capital changes	1,715,929	2,108,614
Adjustment for changes in Working Capital :		
- (Decrease) / Increase in Trade Payables	(95,706)	(1,408,716)
- (Decrease) / Increase in Provisions	85,790	(127,156)
- (Decrease) / Increase in Other Financial Liabilities	298,570	(180,381)
- (Decrease) / Increase in Other Current Liabilities	(191,994)	29,435
- (Decrease) / Increase in Trade Receivables	670,100	(587,623)
- Refund / (payment) of tax	118,029	1,640,046
- Decrease / (Increase) Other Non-Current Financial Assets	130,000	21,500
- Decrease / (Increase) in Other Assets	(199,164)	50,057
Cash generated from Operations	2,531,553	1,545,777
Direct Taxes Paid (Net)	(310,142)	(310,173)
Net Cash generated from Operating Activities	2,221,411	1,235,604
B. Cash Flow used in Investing Activities		
Proceeds from disposal of property, plant and equipment	-	513,100
Interest Received	238,072	1,399,822
Net Cash used in Investing Activities	238,072	1,912,922
C. Cash Flow used in Financing Activities		
Proceeds / (Repayments) of Loan from Banks	(912,644)	(1,314,398)
Proceeds / (Repayments) of Loan from Others	(550,000)	(275,000)
Finance Costs	(1,010,180)	(1,575,384)
Net Cash used in Financing Activities	(2,472,824)	(3,164,782)
Net increase / decrease in Cash and Cash equivalents	(13,341)	(16,257)
Cash and Cash Equivalents at the beginning of the year	162,940	179,197
Cash and Cash Equivalents at the end of the year	149,599	162,940
	(13,341)	(16,257)

* Amount is below the rounding off norm adopted by the Company

Cash and Cash Equivalents comprise:

	As at March 31, 2019	As at March 31, 2018
Cash on hand	2,650	1,121
Balances with Banks		
- In current accounts	146,949	161,819
The accompanying notes are integral part of the Cash Flow Statements.	149,599	162,940

For and on behalf of the Board of Directors

For G. Basu & Company

Firm Registration Number: 301174E
Chartered Accountants
P.K. Chaudhuri
Partner
Membership No. 003814
Place: Kolkata
Date: 28th May, 2019

Gangotri Guha	Director (DIN: 01666863)
Vinay Kumar Gupta	Whole-Time Director (DIN: 00574665)
Indrajit Bandyopadhyay	Chief Financial Officer
Chaitee Baral	Company Secretary

Consolidated Balance Sheet as at 31st March, 2019

Particulars	Note no.	As at 31st March, 2019 (Amount in ₹)	As at 31st March, 2018 (Amount in ₹)
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	1	12,892,936	13,355,641
Intangible Assets	2	847	847
Financial Assets			
(i) Investment	3(i)	155,000,000	155,000,000
(ii) Others	3(ii)	1,175,000	1,351,410
Other Non-Current Assets	4	666,469	609,857
Total Non-Current Assets		169,735,252	170,317,755
Current Assets			
Financial Assets			
(i) Trade Receivables	5	789,871	1,459,971
(ii) Cash and Cash Equivalents	6	149,599	162,940
(iii) Bank Balances other than (ii) above	7	1,331,140	1,251,541
Other Current Assets	8	17,903,999	18,743,674
Total Current Assets		20,174,609	21,618,126
TOTAL ASSETS		189,909,861	191,935,881
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	9	26,415,811	26,415,811
Other Equity	10	112,733,717	113,726,695
TOTAL EQUITY		139,149,528	140,142,506
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	11(i)	-	-
Provisions	11(ii)	12,535,097	12,451,604
Total Non-Current Liabilities		12,535,097	12,451,604
Current Liabilities			
Financial Liabilities			
(i) Borrowings	12(i)	25,588,735	27,051,379
(ii) Trade and Other Payables	12(ii)	4,715,020	5,212,086
(iii) Others	12(iii)	7,630,045	6,597,173
Other Current Liabilities	13	280,132	472,126
Provisions	14	11,304	9,007
Total Current Liabilities		38,225,236	39,341,771
TOTAL LIABILITIES		50,760,333	51,793,375
TOTAL EQUITY AND LIABILITIES		189,909,861	191,935,881

Notes on Account and Significant Accounting Policies 21

The accompanying notes are integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

For G.Basu & Company

Firm Registration Number: 301174E

Chartered Accountants

P.K.Chaudhuri

Partner

Membership No. 003814

Place: Kolkata

Date : 28th May, 2019

For and on behalf of the Board of Directors

Gangotri Guha

Director (DIN: 01666863)

Vinay Kumar Gupta

Whole-Time Director (DIN: 00574665)

Indrajit Bandyopadhyay

Chief Financial Officer

Chaitee Baral

Company Secretary

Consolidated Statement of Profit & Loss for the Year Ended 31st March, 2019

Particulars	Note no.	Year Ended 31st March, 2019 (Amount in ₹)	Year Ended 31st March, 2018 (Amount in ₹)
REVENUES			
Revenue from Operations	15	7,540,530	8,165,170
Other Income	16	1,951,454	2,614,857
Total Income		9,491,984	10,780,027
EXPENSES			
Employee Benefits Expense	17	2,969,706	3,109,302
Finance Cost	18	2,043,052	3,633,943
Depreciation and Amortization	19	462,705	843,051
Operating and Administrative Expenses	20	3,222,257	4,745,204
Total Expenses		8,697,720	12,331,500
Loss before Exceptional Items and Tax			
Less: Exceptional Items		-	-
Profit / Loss before Exceptional Items and Tax		794,264	(1,551,473)
Exceptional Items		-	-
Profit / Loss before Tax		794,264	(1,551,473)
Tax Expense:			
(i) Current Tax		82,000	62,000
(ii) Previous Year		1,705,241	-
(iii) Deferred Tax		-	-
Profit / (Loss) after Taxation		(992,977)	(1,613,473)
Profit/ Loss per equity share			
[Nominal Value per share : ₹. 1]			
-Basic and Diluted in Rupees			
		(0.04)	(0.06)

Notes on Account and Significant Accounting Policies 21

The accompanying notes are integral part of the Profit and Loss.

This is the Statement of Profit and Loss referred to in our report of even date.

For G.Basu & Company
Firm Registration Number: 301174E
Chartered Accountants
P.K.Chaudhuri
Partner
Membership No. 003814

Place: Kolkata
Date : 28th May, 2019

For and on behalf of the Board of Directors

Gangotri Guha	Director (DIN: 01666863)
Vinay Kumar Gupta	Whole-Time Director (DIN: 00574665)
Indrajit Bandyopadhyay	Chief Financial Officer
Chaitee Baral	Company Secretary

Consolidated Statement of Changes in Equity for the year ended March 31, 2019

A. Equity Share Capital		(Amount in ₹)
Balance at the April 01, 2018		26,415,811
Changes in the Equity Share Capital during the year on account of shares issued		-
Balance at the March 31, 2019		26,415,811

B. Other Equity				(Amount in ₹)
Particulars	Retained Earnings / (Accumulated Deficit)	Capital Contribution by Holding Company	Total	
Balance as at April 01, 2018				
Share Premium Account	120,249	-	120,249	
Retained Earnings				
Opening Balance	113,606,445	-	113,606,445	
(a) Profit/(Loss) for the year	(992,977)	-	(992,977)	
(b) Other comprehensive income for the year	-	-	-	
Total comprehensive loss for the year (a+b)	(992,977)	-	(992,977)	
Closing Balance	112,613,468	-	112,613,468	
Additional Capital Contribution	-	-	-	
Share based payment expenses	-	-	-	
Re-payment towards Share based payment expenses	-	-	-	
Balance as at March 31, 2019	112,733,717	-	112,733,717	

Statement of Changes in Equity for the year ended March 31, 2018

A. Equity Share Capital		(Amount in ₹)
Balance at the April 01, 2017		26,415,811
Changes in the Equity Share Capital during the year on account of shares issued		-
Balance at the March 31, 2018		26,415,811

B. Other Equity				(Amount in ₹)
Particulars	Retained Earnings / (Accumulated Deficit)	Capital Contribution by Holding Company	Total	
Balance as at April 01, 2017				
Share Premium Account	120,249	-	120,249	
Retained Earnings				
Opening Balance	115,219,919	-	115,219,919	
(a) Profit/(Loss) for the year	(1,613,473)	-	(1,613,473)	
(b) Other comprehensive Loss for the year	-	-	-	
Total comprehensive loss for the year (a+b)	(1,613,473)	-	(1,613,473)	
Closing Balance	113,606,446	-	113,606,446	
Additional Capital Contribution	-	-	-	
Share based payment expenses	-	-	-	
Re-payment towards Share based payment expenses	-	-	-	
Balance as at March 31, 2018	113,726,695	-	113,726,695	

For G.Basu & Company
 Firm Registration Number: 301174E
 Chartered Accountants
 P.K.Chaudhuri
 Partner
 Membership No. 003814
 Place: Kolkata
 Date : 28th May, 2019

For and on behalf of the Board of Directors

Gangotri Guha	Director (DIN: 01666863)
Vinay Kumar Gupta	Whole-Time Director (DIN: 00574665)
Indrajit Bandyopadhyay	Chief Financial Officer
Chaitee Baral	Company Secretary

Notes Annexed to and forming part of the Consolidated Financial Statements

1) PROPERTY, PLANT AND EQUIPMENT

Assets	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount		
	As at April 01, 2018	Additions During the year	Disposal/ Adjustments During the year	As at March 31, 2019	As at April 01, 2018	Additions During the year	Disposal/ Adjustments During the year	As at March 31, 2019	As at April 01, 2018
Buildings	13,472,826	-	-	13,472,826	1,296,073	-	-	12,176,753	12,176,753
Plant and Equipment	2,572,031	-	-	2,572,031	2,230,330	101,898	-	239,803	341,701
Vehicles	1,536,725	-	-	1,536,725	1,315,022	131,345	-	90,358	221,703
Furniture and Fixture	2,413,523	-	-	2,413,523	1,977,007	165,512	-	271,004	436,516
Office Equipment	635,668	-	-	635,668	456,700	63,950	-	115,018	178,968
Total [A]	20,630,773	-	-	20,630,773	7,275,132	462,705	-	12,892,936	13,355,641
Previous Year	23,108,565	-	2,477,792	20,630,773	8,722,422	843,051	2,290,341	13,355,641	

2) INTANGIBLE ASSETS

Assets	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount		
	As at April 01, 2018	Additions During the year	Disposal/ Adjustments During the year	As at March 31, 2019	As at April 01, 2018	Additions During the year	Disposal/ Adjustments During the year	As at March 31, 2019	As at April 01, 2018
Computer Software	52,582	-	-	52,582	51,735	-	-	847	847
Total	52,582	-	-	52,582	51,735	-	-	847	847
Previous Year	1,543,167	-	1,490,585	52,282	1,542,308	-	1,490,573	847	

Notes annexed to and forming part of the Consolidated Financial Statements

	As at March 31, 2019 (Amount in ₹.)	As at March 31, 2018 (Amount in ₹.)
3) <u>Financial Assets</u>		
(i) Investment : Non-Current		
Long-Term Trade and Unquoted Investments in Equity Instruments (Valued at Cost)	155,000,000	155,000,000
	<u>155,000,000</u>	<u>155,000,000</u>
(ii) Others		
Other Non-Current		
Security Deposits	1,175,000	1,351,410
	<u>1,175,000</u>	<u>1,351,410</u>
4) <u>Other Non-Current Assets</u>		
Gratuity (Funded with LIC of India)	666,469	604,321
MAT Credit Entitlement	-	5,536
	<u>666,469</u>	<u>609,857</u>
5) <u>Trade Receivables</u>		
Unsecured, Considered Good		
Outstanding for a period exceeding than six months	1,977,877	1,915,656
Less: Provision for Doubtful Debts	1,188,006	1,110,885
(a)	<u>789,871</u>	<u>804,771</u>
Considered Good		
Outstanding for a period less than six months From Related Parties	-	655,200
(b)	<u>-</u>	<u>655,200</u>
Total (a) + (b)	<u>789,871</u>	<u>1,459,971</u>
Details of Trade Receivable Outstanding	Percentage of Total Outstanding	
Name of Customer		
Punjab Technical University	65.32%	35.34%
Highgate Developers Pvt. Ltd.	0.00%	7.40%
Peterhouse Investments India Ltd.	0.00%	37.48%
Others	34.68%	19.78%
	<u>100.00%</u>	<u>100.00%</u>
6) <u>Cash and Cash Equivalents</u>		
Cash on hand	2,650	1,121
Balances with Banks		
- In current accounts	146,949	161,819
	<u>149,599</u>	<u>162,940</u>

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

Notes annexed to and forming part of the Consolidated Financial Statements

	As at March 31, 2019 (Amount in ₹.)	As at March 31, 2018 (Amount in ₹.)
7) Bank Balances other than Cash and Cash Equivalents		
Fixed Deposits with more than 12 months maturity	1,331,140	1,251,541
	1,331,140	1,251,541
8) Other Current Assets		
Intercompany Deposits (Unsecured)	7,500,000	7,500,000
Advances to Suppliers	-	50,000
Prepaid Expenses	42,169	67,729
Balance with Excise, Customs and Sales Tax Authorities	518,774	436,464
Advance Payment of Taxes (Net of Provisions)	8,546,142	10,141,269
Advance/Loans to Employees	7,202	1,000
Interest Receivable	1,289,712	547,212
Other Receivables	-	-
	17,903,999	18,743,674
9) Equity Share Capital		
a) Authorized Share Capital		
200,000,000 (As at March 31, 2018 : 200,000,000) equity shares of ₹. 1 each	200,000,000	200,000,000
1,000,000 10.75% Cumulative Redeemable Preference Shares of ₹.50/- each (As at March 31, 2018 : 1,000,000) 10.75% Cumulative Preference Shares of ₹. 50/- each	50,000,000	50,000,000
	250,000,000	250,000,000
b) Issued, Subscribed and Paid up Share Capital		
26,415,811 Equity Shares of ₹. 1/- each (As at March 31, 2018: 26,415,811 equity shares of ₹.1 each)	26,415,811	26,415,811
	26,415,811	26,415,811

c) Reconciliation of the Equity Shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2019		As at March 31, 2018	
	Nos.	₹.	Nos.	₹.
At the beginning of the year	26,415,811	26,415,811	26,415,811	26,415,811
Issued during the year	-	-	-	-
Outstanding at the end of the year	26,415,811	26,415,811	26,415,811	26,415,811

Note:

Paid up capital includes 26,414,411 Equity Shares issued as fully paid-up in terms of the Scheme of Demerger approved by the Hon'ble Calcutta High Court.

d) There has been no movement in number of shares outstanding at the beginning and at the end of reporting period.

e) The Company has only one class of issued shares i.e. ordinary equity shares having par value of ₹. 1 per share. Each holder of ordinary shares is entitled to one vote per share and equal right for dividend. No preference and/or restrictions on distribution of dividend and repayment of capital is attached to the above shares.

Notes annexed to and forming part of the Consolidated Financial Statements

f) Shares in the Company held by each shareholder holding more than 5% as on balance sheet date

Name of the Shareholders	No. of Equity Shares as on 31.03.2019	% of Equity Shares as on 31.03.2019	No. of Equity Shares as on 31.03.2018	% of Equity Shares as on 31.03.2018
UMIL Shares & Stock Broking Services Ltd	3,075,127	11.88	3,075,127	11.88
Peterhouse Investments Limited	2,388,291	9.23	2,388,291	9.23
Usha Breco Ltd	3,377,627	13.05	3,377,627	13.05
Prajeev Investments Limited	2,057,610	7.95	2,057,610	7.95

	As at March 31,2019 (Amount in ₹.)	As at March 31,2018 (Amount in ₹.)
10) Other Equity		
Retained Earnings / (Accumulated Deficit) [Refer note 'a' below']	112,613,468	113,606,446
	<u>112,613,468</u>	<u>113,606,446</u>
Reserves & Surplus		
Securities Premium Account	120,249	120,249
	<u>120,249</u>	<u>120,249</u>
a. Retained Earnings / (Accumulated Deficit)		
Opening Balance	113,606,445	115,219,919
Net (Loss)/ Surplus for the year	(992,977)	(1,613,473)
	<u>112,613,468</u>	<u>113,606,446</u>
Closing Balance	<u>112,733,717</u>	<u>113,726,695</u>
11) Non-Current Liabilities		
Financial Liabilities		
(i) Borrowings	-	-
(ii) Provisions		
Non-Current Portion of Provisions		
Provision for Impairment of Assets	12,176,753	12,176,753
Employee Benefits		
Gratuity	252,767	192,155
Leave entitlement	105,577	82,696
	<u>12,535,097</u>	<u>12,451,604</u>
12) Current Liabilities		
Financial Liabilities- Current		
(i) Borrowings		
Secured		
From Banks	2,713,735	3,626,379
Cash Credit repayable on demand	<u>2,713,735</u>	<u>3,626,379</u>
Unsecured		
From Related Party	22,875,000	23,425,000
Inter-Corporate Deposit	<u>22,875,000</u>	<u>23,425,000</u>
	<u>25,588,735</u>	<u>27,051,379</u>

Notes annexed to and forming part of the Consolidated Financial Statements

	As at March 31,2019 (Amount in ₹.)	As at March 31,2018 (Amount in ₹.)
(ii) Trade and other Payables		
Trade Payables	2,345,887	2,631,848
Employee Related Liabilities	327,537	620,933
Accrued Expenses	2,041,596	1,959,305
	4,715,020	5,212,086
(iii) Others	167,893	167,893
Capital Creditors	32,742	42,117
Interest on Secured Loan	7,429,410	6,387,163
Interest on Unsecured Loan- Related Parties		
	7,630,045	6,597,173
13) <u>Other Current Liabilities</u>		
Statutory Dues Payable	280,132	472,126
	280,132	472,126
14) <u>Current portion of Provisions</u>		
Employee Benefits		
Gratuity	7,967	6,327
Leave entitlement	3,337	2,680
	11,304	9,007
	For the Year Ended March 31,2019 (Amount in ₹)	For the Year Ended March 31,2018 (Amount in ₹)
15) <u>Revenue from Operations</u>		
Income from Business	7,540,530	8,165,170
	7,540,530	8,165,170
16) <u>Other Income</u>		
Interest Income		
Fixed Deposit with Bank	88,443	82,790
(Tax deducted at Source ₹. 8,843/- ,Previous year ₹.8,279/-)		
Income Tax Refund	1,226	105,363
Income on Planned Assets (Gratuity)	65,903	22,045
Inter Corporate Deposits	825,000	897,329
Other Non-Operating Income	250,732	600,000
(Tax deducted at Source ₹. 4,800/-, Previous year ₹, 12,000/-)		
Foreign Exchange Fluctuation Gain (Net)	20,220	-
Liabilities no longer required written back	699,930	581,693
Profit on Fixed Assets Sold/Scrapped	-	325,637
	1,951,454	2,614,857

Notes annexed to and forming part of the Consolidated Financial Statements

	For the Year Ended March 31, 2019 (Amount in ₹)	For the Year Ended March 31, 2018 (Amount in ₹)
17) <u>Employee Benefits Expense</u>		
Salaries and Bonus	2,814,450	2,910,456
Contribution to Provident and other Funds	154,783	145,493
Staff Welfare expenses	473	53,353
	<u>2,969,706</u>	<u>3,109,302</u>
18) <u>Finance Cost</u>		
Interest on Working Capital Loan from Bank	444,262	682,928
Bank Charges	36,118	35,938
Other Borrowing Cost	1,550,000	2,893,893
Others	12,672	21,184
	<u>2,043,052</u>	<u>3,633,943</u>
19) <u>Depreciation and Amortization</u>		
Depreciation on Property, Plant and Equipment	462,705	843,051
	<u>462,705</u>	<u>843,051</u>
20) <u>Operating and Administrative Expenses</u>		
Travelling and conveyance	122,193	177,931
Communication	103,748	219,494
Maintenance expenses	1,402	73,820
Rent (Including Lease Rent)	48,000	78,000
Insurance charges	131,174	134,370
Computer Consumables	-	3,953
Professional and Consultancy Charges	755,254	665,419
Legal and Secreterial	1,199,274	1,065,086
Printing and Stationery expenses	368,368	524,685
Director Meeting Fees	60,200	74,000
Payment to Auditors (Refer note 'a' below)	135,000	135,000
Rates and Taxes	5,000	18,722
Foreign Exchange Fluctuation Gain (Net)	-	41,148
Other Comprehensive Expense	47,813	135,429
Provision for Doubtful Debts	-	1,108,143
Bad Debts/Sundry Balances written off (Net)	96,410	75,729
Miscellaneous Expenses	148,421	214,275
	<u>3,222,257</u>	<u>4,745,204</u>
a. Payment to Auditors		
Statutory Auditors		
Statutory Audit fees	110,000	110,000
Tax Audit fees	25,000	25,000
	<u>135,000</u>	<u>135,000</u>

Note 21: Significant Accounting policies and Notes on Accounts for the year ended 31st March, 2019

1 SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

- a) The consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS-21) - 'Consolidated Financial Statements'. These financial statements comprise Usha Martin Education & Solutions Limited and its wholly owned subsidiary Usha Martin Education Private Limited. The financial statements of each of these companies are prepared using uniform accounting policies in accordance with the generally accepted accounting principles in India.
- b) The Company has one subsidiary Company named Usha Martin Education Private Limited which has been considered in the preparation of these consolidated financial statements.
- 2 The financial statements of the Company are prepared on accrual basis and under historical cost convention. The significant accounting policies adopted by the Company are detailed below:

a) Consolidation

Consolidated Financial Statements relate to Usha Martin Education & Solutions Limited, Parent Company and its subsidiary. The Consolidated Financial Statements are in conformity with the Accounting Standard (AS)-21 on Consolidated Financial Statements, prescribed under the Companies Act, 2013 (the 'Act') and are prepared as set out below:

The financial statements of the Parent Company and its subsidiary have been combined on a line by line basis by adding together book values of like items of assets, liabilities, income and expenses after adjustments/elimination of inter-company balances and transactions. The paid up share capital of the subsidiary company comprises of ₹.5,500,010/- divided into 550,001 equity shares of ₹.10/- each out of which 550,000 shares are held by the parent company and one share is held by a nominee beneficial interest of which vests in the parent company.

The consolidated financial statements relate to Usha Martin Education & Solutions Limited, Parent Company and its subsidiary, Usha Martin Education Private Limited, which is incorporated in India, and in which the company owns 100% of Equity Shares.

The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances in all material respect and are presented to the extent possible, in the same manner as the Parent Company's separate financial statements.

b) Fixed Assets and Depreciation

Fixed assets comprising both tangible and intangible items are stated at cost less depreciation. The Company capitalizes all costs relating to acquisition of fixed assets. Cost of Software expected to be used on long-term basis is capitalized.

Depreciation (including amortization) on fixed assets has been provided on the basis of the useful life of assets as provided in schedule II to the Companies Act, 2013 (the "Act")

Depreciation on additions and deletions to fixed assets is provided on a pro-rata basis.

c) Investments

Long-term investments are valued at their acquisition cost. Any decline in the value of the said investment, other than a temporary decline, is recognized and charged to the Statement of Profit and Loss.

Current Investments are stated at lower of cost or fair value.

d) Revenue Recognition

Revenue from training is recognized over the period of the course program.

Revenue from operations is accounted for net of Service Tax.

e) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

f) Current and Non-Current assets and liabilities

An asset or liability is classified as current when it satisfies any of the following criteria

- (i) It is expected to be realized / settled, or is intended for sale or consumption, in the Company's normal operating cycle:
- (ii) It is held primarily for the purpose of being traded:
- (iii) It is expected to be realized / due to be settled within twelve months after the reporting date: or
- (iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date or
- (v) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

g) Foreign Currency Transactions

Transactions in foreign currency are accounted for at the rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies at the year-end are restated at the exchange rates prevailing on that date. Gain/loss arising out of exchange fluctuation on settlement or such restatement is accounted for in the Statement of Profit and Loss account, except to the extent these relate to acquisition of fixed assets, in which case these are adjusted to the carrying value of the related fixed assets.

Note 21: Significant Accounting policies and Notes on Accounts for the year ended 31st March, 2019

- h) **Leases**
Operating Leases - Rentals are expensed with reference to lease terms and other considerations.
- i) **Employee Benefits**
- (i) Contribution to employee provident fund is charged to revenue on a monthly basis
 - (ii) Liability for retiral, gratuity and un-availed earned leave is provided for based on an independent actuarial valuation report as per the requirements of Accounting Standard - 15 (revised) on "Employee Benefits".
 - (iii) Employee benefits of short-term nature are recognized as expense as and when it accrues. Long term Employee benefits (e.g. long-service leave) and post employments benefits (e.g. gratuity), both funded and unfunded, are recognized as expense based on actuarial valuation.
- j) **Taxation**
 Current Tax in respect of taxable income of the year is provided for based on applicable tax rates and laws. Deferred tax is recognized subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets / liabilities are reviewed at each Balance Sheet date.
- k) **Borrowing Cost**
 Borrowing cost attributable to the acquisition and contribution of qualifying assets are added to the cost up to date when such assets are ready for their intended use. Other borrowing costs are recognized as expense in the period in which these are incurred.
- l) **Contingencies**
 Contingencies, which can be reasonably ascertained, are provided for if, in the opinion of the Company, there is a probability that the future outcome may be materially adverse to the Company.
- m) **Prior Period and Extra Ordinary Items and Changes in Accounting Policies**
 Prior Period and Extra Ordinary Items and Changes in Accounting Policies having material impact on the financial affairs of the Company are disclosed.
- 3) During the year, the Company has utilized its working capital facility (Overdraft) of Rs. 36.26 lacs as on 1st April 2018 from IDBI Bank Ltd, secured by first charge by way of hypothecation of all the current assets, both present and future, of the Company. The above loan is also collaterally secured by first charge by way of hypothecation of movable fixed assets of the Company. The outstanding balance as on 31st March 2019 was Rs. 27.14 lacs.

4) **Foreign Currency Earnings & Outgo:**

a) Expenditure in foreign currency:	2018-19 (₹.)	2017-18 (₹.)
Listing Fees	194,375	199,665
b) Earning in foreign currency:	2018-19 (₹.)	2017-18 (₹.)
Management Training, Educational Consultancy, Market Research and Delivery of modules for H & D Business Studies and Computing Studies	5,456,530	7,525,170

5) **Related Party Disclosures Pursuant to Accounting Standard 18 issued by The Institute of Chartered Accountants of India.**

i) **Related Parties**

<u>Name</u>	<u>Relationship</u>
Usha Martin Education Private Limited.	Subsidiary
Usha Breco Education Infrastructure One Limited	Substantial interest in voting power of the entity
Usha Breco Limited	- do -
Redtech Network India Private Limited.	- do -
Highgate Developers Private Limited	- do -
Jhawar Impact Ventures Private Limited	- do -
Jhawar Venture Management Private Limited	- do -
Peterhouse Investments India Limited	- do -
Rahul Chaudhary	Key Managerial Personnel
Debjit Bhattacharya	Key Managerial Personnel
Ravindra Kumar Goenka	Key Managerial Personnel
Vinay Kumar Gupta (Whole - Time Director)	Key Managerial Personnel
Indrajit Bandyopadhyay (Chief Financial Officer)	Key Managerial Personnel
Chaitee Baral (Company Secretary)	Key Managerial Personnel

Note 21: Significant Accounting policies and Notes on Accounts for the year ended 31st March, 2019

ii) Particulars of Transactions during the year ended 31st March, 2019

Particulars	Subsidiaries and Associates	Key Management Personnel
	(₹.)	(₹.)
Rent Paid (including lease Rent)	48,000	-
	48,000	-
Key Managerial Personnel's Remuneration	-	2,582,000
	-	2,427,644
Training Fees	2,000,000	
	840,000	
Sale of Fixed Assets	-	
	400,000	
Interest Paid	1,550,000	
	2,893,893	
Reimbursement of Expenses received	355,308	
	325,536	
Unsecured Loans: Taken during the year	150,000	
Repaid during the year	700,000	
	-	
	-	
Balances outstanding at the year end	30,996,916	-
Investment in Equity and Preference Shares	Refer Note No. 3 to Accounts	
	-do-	

Remuneration to Key Managerial Personnel's' include remuneration of Chief Financial Officer, Company Secretary and Whole-Time Director

Figures are inclusive of Service Tax, wherever applicable and figures in normal font relate to previous year

6) Computation of Earning Per Equity Share (Basic and Diluted)

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
(I) Basic		
(a) (i) Number of Equity Shares at the beginning of the year	26,415,811	26,415,811
(ii) Number of Equity Shares at the end of the year	26,415,811	26,415,811
(iii) Weighted average number of Equity Shares outstanding during the year	26,415,811	26,415,811
(iv) Face Value of each Equity Share- ₹.	1	1
(b) Profit/(Loss) after tax attributable to Equity Shareholders- (₹.)		
Net Profit/(Loss) after Taxation (₹.)	(992,977)	(1,613,473)
Basic Earnings per Share [(b)/(a)(iii)]- ₹.	(0.04)	(0.06)
(II) Diluted		
(a) Diluted Potential Equity Shares	-	-
(b) Diluted Earnings per Share [(b)/I(a)(iii)]- ₹.	(0.04)	(0.06)

Note 22: Significant Accounting policies and Notes on Accounts for the year ended 31st March, 2019

7)	Managerial Remuneration paid/payable	2018-19		2017-18	
(a)	Key Managerial Personnel's Remuneration:	₹.	₹.	₹.	₹.
	Salary	852,060		762,629	
	Contribution to Provident Fund	102,247		91,515	
	Contribution to Gratuity and Superannuation	40,984		36,682	
	Other Benefits (actual and/or estimated)	1,586,709	2,582,000	1,536,818	2,427,244
(b)	Other Directors		60,200		74,000
	Directors' Sitting Fees		2,642,200		2,501,244

8) The Company has unabsorbed depreciation and carried forward losses available for set off under the Income-tax Act, 1961. However, in view of inability to assess future taxable income, the extent of net deferred tax assets which may be adjusted in the subsequent years, is not ascertainable with virtual certainty at this stage and accordingly the same has not been recognized in the accounts on prudent basis.

9) The Company has no amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) as at 31.03.2019. The disclosure as required under the said Act as under:

a)	Principal amount due to suppliers under MSMED Act	Nil
b)	Interest due to suppliers as above	Nil
c)	Any payment made to suppliers beyond appointed date (under Section 16 of the Act)	Nil
d)	Interest due and payable to suppliers under MSMED Act	Nil
e)	Interest accrued and remaining unpaid as at 31.03.2019	Nil
f)	Interest remaining due and payable as per Section 23 of the Act	Nil

10) Defined Benefit Plans / Long Term Compensated Absences - as per Actuarial Valuations as on March 31, 2019 and recognized in the financial statements in respect of Employee Benefit Schemes.

I Components Employer Expense		Gratuity Funded	Leave Encashment Unfunded
1	Current Service Cost	33,485	14,570
2	Interest Cost	30,199	13,878
		(33,732)	6,574
3	Expected Return on Plan Assets	(41,334)	8,789
4	Curtailment Cost / (Credit)	-	-
5	Settlement Cost / (Credit)	-	-
6	Past Service Cost	-	-
7	Actuarial Losses / (Gains)	-	2,394
8	Total expense recognized in the Statement of Profit & Loss	(247)	48,211
		(11,135)	70,878
II Actuarial Returns for the period ended March, 2019		-	-
III Net Asset / (Liability) recognized in Balance Sheet as at March 31, 2019		-	-
1	Present Value of Defined Benefit Obligation	438,070	(85,376)
2	Fair Value on Plan Assets	562,364	119,583
3	Status [Surplus/(Deficit)]	-	-
4	Expense recognized in Income Statement	-	-
		(247)	23,538
		(11,135)	70,878
5	Expense recognized in Other Comprehensive Income	14,439	-
6	Employer Contribution	135,429	-
7	Net Asset/(Liability) recognized in Balance Sheet	-	(105,085)
		423,878	(108,914)
		438,070	(85,376)

Note 21: Significant Accounting policies and Notes on Accounts for the year ended 31st March, 2019

IV	Change in Defined Benefit Obligations (DBO) during the year ending 31, 2019	Gratuity Funded	Leave Encashment Unfunded
1	Present Value of DBO at the Beginning of Period	198,482	85,376
		291,431	119,583
2	Current Service Cost	33,485	14,570
		30,199	13,878
3	Interest Cost	15,283	6,574
		21,420	8,789
4	Curtailment Cost / (Credit)	-	-
5	Settlement Cost / (Credit)	-	-
6	Plan Amendments	-	-
7	Acquisitions	-	-
8	Actuarial (Gains)/Losses	13,484	2,394
		137,137	(48,211)
9	Benefits Paid	-	-
		(281,705)	(105,085)
10	Present Value of DBO at the End of Period	260,734	108,914
		198,482	85,376
V	Change in Fair Value of Assets during the year ended March 31, 2019		
1	Plan Assets at the Beginning of Period	636,552	-
		853,795	-
2	Investment Income	49,015	-
		62,754	-
3	Return on Plan Assets	(955)	-
		1,708	-
4	Actuarial Gains/(Losses)	-	-
5	Actual Company Contribution	-	-
		-	105,085
6	Benefits Paid	-	-
		(281,705)	(105,085)
7	Present Value of DBO at the End of Period	684,612	-
		636,552	-
VI	Actuarial Assumption		
1	Discount Rate (%)	7.60%	7.60%
2	Expected Return on Plan Assets(%)	7.55%	-
	The estimates of future salary increases, considered in actuarial valuations take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.		

Figures in normal font relate to previous year

Note 21: Significant Accounting policies and Notes on Accounts for the year ended 31st March, 2019

- 11) Balances of Sundry Debtors, Sundry Creditors and Loans and Advances (Dr. & Cr.) are subject to confirmation from the respective parties.
- 12) Previous year figures have been regrouped / rearranged wherever necessary.
- 13) The investments in Usha Martin Education Private Limited (subsidiary company), Redtech Network India Private Limited (associate company) and Usha Communication Technology Limited, British Virgin Island (other company) have been evaluated by the management and no provision for impairment is considered necessary in respect of these investments.

For and on behalf of the Board of Directors

For G.Basu & Company
Firm Registration Number: 301174E
Chartered Accountants
P.K.Chaudhuri
Partner
Membership No. 003814

Place: Kolkata
Date: 28th May, 2019

Gangotri Guha	Director (DIN: 01666863)
Vinay Kumar Gupta	Whole-Time Director (DIN: 00574665)
Indrajit Bandyopadhyay	Chief Financial Officer
Chaitee Baral	Company Secretary

USHA MARTIN EDUCATION & SOLUTIONS LIMITED

L31300WB1997PLC085210

Regd. Office : Godrej Waterside, Tower-1, 5th Floor, Block DP, Sector V, Salt Lake, Kolkata - 700091

Phone : +91 33 4085 3700, Fax: +91 33 4085 3800

E-mail: chaitee.baral@umesl.co.in, Website: umesl.co.in

PROXY FORM

I/We.....of.....being a member/members of Usha Martin Education & Solutions Limited, hereby appoint of or failing him.....of.....or failing him.....of.....as my / our Proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at "Sujata Sadan Auditorium", 7, Bakul Bagan, Bhowanipur, Hazra Road, Kolkata 700 026 on 4th day of September, 2019 at 11.00 A.M. and at any adjournment thereof.

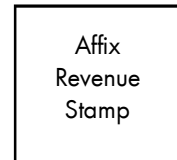
Signed thisday ofTwo Thousand nineteen

Signature(s) of the Shareholder(s).....

DP ID No.....

Folio No. / Client ID No.....

No. of Shares.....



Note : This form must be deposited at the Registered Office of the Company not later than 48 hours before the time for holding the meeting.



USHA MARTIN EDUCATION & SOLUTIONS LIMITED

L31300WB1997PLC085210

Regd. Office : Godrej Waterside, Tower-1, 5th Floor, Block DP, Sector V, Salt Lake, Kolkata - 700091

Phone : +91 33 4085 3700, Fax: +91 33 4085 3800

E-mail: chaitee.baral@umesl.co.in, Website: umesl.co.in

ADMISSION SLIP

DP ID No.....

Folio No./ Client ID No.....

No. of Shares.....

I certify that I am the registered Shareholder/Proxy for the registered shareholder of the Company, I hereby record my presence at the Twenty Second Annual General Meeting of the Company to be held at "Sujata Sadan Auditorium", 7, Bakul Bagan, Bhowanipur, Hazra Road, Kolkata 700 026, on Wednesday at 4th day of September, 2019 at 11.00 A.M. and at any adjournment thereof.

Name of the Shareholder/Proxy

In BLOCK LETTERS

Signature of the Shareholder/Proxy

Note : Please fill this admission slip and hand it over at the entrance of the hall.

If Undelivered please return to :-

Usha Martin Education & Solutions Limited

Godrej Waterside, Tower-1, 5th Floor, Block DP

Sector V, Salt Lake, Kolkata - 700 091