

**21<sup>st</sup>**  
**ANNUAL**  
**REPORT**  
**2018**



**USHA MARTIN EDUCATION & SOLUTIONS LIMITED**



## **CORPORATE INFORMATION**

### **Chairman**

Shri Prashant Jhawar

### **Vice-Chairman**

Shri Rajeev Jhawar

### **Whole-Time-Director**

Shri Vinay Kumar Gupta

### **Company Secretary**

Mrs. Chaitee Baral

### **Chief Financial Officer**

Shri.Indrajit Bandyopadhyay

### **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 3322 3700, Fax: +91 33 3322 3800

Website : [www.umesl.co.in](http://www.umesl.co.in)

E-mail : [chaitee.baral@umesl.co.in](mailto:chaitee.baral@umesl.co.in)

### **Registrar and Transfer Agent**

MCS Share Transfer Agents Limited

12/1/5,Manoharpukur Road, Ground Floor

Kolkata - 700 026

Tel : 033 - 4072 4051/4052/4053

Fax : 033 - 4072 4050

Email : [mcssta@rediffmail.com](mailto:mcssta@rediffmail.com)

Website : [www.mcsdel.com](http://www.mcsdel.com)

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## NOTICE TO THE MEMBERS

NOTICE is hereby given that the 21<sup>st</sup> Annual General Meeting of the members of Usha Martin Education & Solutions Limited will be held on Wednesday, the 12<sup>th</sup> Day of September, 2018 at 11:30 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 31<sup>st</sup> March, 2018, 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 Smt. Gangotri Guha (DIN 01666863), who retires by rotation and being eligible offers herself for reappointment
3. 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 20<sup>th</sup> Annual General Meeting (held on 22<sup>nd</sup> September 2017) to hold office for a period of 3 years until the conclusion of the 23<sup>rd</sup> 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

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

"RESOLVED THAT pursuant to Section 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and all other applicable guidelines for managerial remuneration issued by the Central Government from time to time, and in terms of Article 114 of Articles of Association of the Company, the Company hereby ratifies the re-appointment of Shri Vinay Kumar Gupta as the Whole-Time Director of the Company for another period of two years with effect from 4<sup>th</sup> July, 2018 upon the terms and conditions embodied in the Agreement placed, which agreement is hereby sanctioned with the liberty to the Board of Directors (which term shall be deemed to include the Committee, if any, constituted by the Board of Directors from time to time) to alter and vary, subject to necessary approvals as may be required from time to time, the terms and conditions of the said reappointment and/or Agreement in such manner as may be agreed to between the Board of Directors and Shri Vinay Kumar Gupta."

"RESOLVED FURTHER that Smt. Chaitee Baral, Company Secretary of the Company be and is hereby authorized to take all necessary, expedient and effective steps and execute all documents and writings as the case may be for the implementation of the above re-appointment and to do all such acts, deeds, matters and things as she may deem fit and proper for giving effect to the above."

Registered Office:

Godrej Waterside, 5<sup>th</sup> Floor, Block DP

Sector V, Salt Lake, Kolkata - 700091

Dated: 30<sup>th</sup> May, 2018

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 6<sup>th</sup> September, 2018 to 12<sup>th</sup> September, 2018 (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

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 21<sup>st</sup> 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 2018 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 2018 is being sent in the permitted mode.
16. Electronic copy of the Notice of the 21<sup>st</sup> 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 21<sup>st</sup> 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 21<sup>st</sup> 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] :

**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](http://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, the 9th September, 2018 (9:00 am) and ends on Tuesday, the 11th September, 2018 (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 5th September, 2018, 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 5th September, 2018.
- 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](http://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

Shri Vinay Kumar Gupta was reappointed as a Whole-time Director at a meeting of the Board of Directors on 30<sup>th</sup> May 2018, to hold office as such with effect from 4<sup>th</sup> July, 2018 for another period of two years subject to the approval of the members at the ensuing Annual General Meeting of the Company and other necessary approvals, if any.

Shri Vinay Kumar Gupta is an Associate Member of Institute of the Chartered Accountants of India with more than 15 years of experience. He has vast experience of working in various industry verticals. Prior to joining the Company, he has served prestigious companies like Century Plyboards (India) Limited, Hiland Group etc.

He is associated with this Company for the past 8 years. With effect from January 2015 he was the Chief Financial Officer of the Company and from 4<sup>th</sup> July 2016 he is the Whole-time Director. He has an extensive knowledge about the Company and it's working from all perspective.

The agreement entered into between the Company and Shri Gupta, inter alia, contains the following terms and conditions, in brief:

1. Period of Appointment: The appointment is for a period of 2 years with effect from 4<sup>th</sup> July 2018.
2. Compensation: Total remuneration by way of salary, perquisites and other allowances payable to Mr. Gupta shall not exceed ₹. 12,50,000/- (Rupees twelve lakhs and fifty thousand only) per annum. The Total Salary includes basic, HRA, Conveyance, special allowance, telephone, medical, attire, books & periodicals, leave travel allowance, contribution towards provident fund, leave encashment and gratuity payment.
3. Minimum Remuneration: Notwithstanding anything to the contrary herein contained where in any financial year, the Company has no profits or its profits are inadequate, the Company will pay consolidated remuneration as specified above.
4. The terms and conditions of the appointment and/ or the Agreement may be altered and varied from time to time by the Board as it may, in its discretion deem fit, within the maximum amount payable to the managerial personnel in accordance the applicable provisions of the Companies Act, 2013, or any amendments or enactments made hereafter in this regard.
5. Either party shall be entitled to determine this Agreement by giving three calendar months' notice in writing in that behalf to the other party or at shorter notice as mutually agreed or on the expiry of the period of such notice, this Agreement shall stand terminated.

The entire agreement is available for inspection by the Members of the Company at the Registered Office on any working day up to the day immediately preceding the day of the Annual General Meeting between 10.00 am to 12 noon and also at the venue of the Annual General Meeting.

The Board of Directors of your Company is of the opinion that his appointment would be beneficial to the Company and hence recommend the resolution at item no. 4 for your approval.

Shri Vinay Kumar Gupta is deemed to be interested in the proposed resolution to the extent of his appointment as a Whole-time Director. No other Director of the Company is interested in this resolution.



## DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the 21st Annual Report, together with the Audited Statement of Accounts of the Company for the financial year ended 31st March, 2018.

### Financial Results

(₹ in Lakh)

| Particulars   | Standalone              |                         | Consolidated            |                         |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
|   | Year ended<br>31.3.2018 | Year ended<br>31.3.2017 | Year ended<br>31.3.2018 | Year ended<br>31.3.2017 |
| Gross Income  | 100.76                  | 151.55                  | 107.80                  | 163.08                  |
| Gross Profit/(loss) before Finance<br>Cost and Depreciation | 26.81                   | (101.86)                | 29.26                   | (99.82)                 |
| Less: Finance Cost  | 36.32                   | 37.12                   | 36.33                   | 37.13                   |
| Less: Depreciation  | 8.43                    | 19.90                   | 8.43                    | 19.89                   |
| Profit/(loss) before exceptional items and tax              | (17.94)                 | (158.88)                | (15.51)                 | (156.84)                |
| Less: Exceptional items                                     | —                       | 121.77                  | —                       | 121.77                  |
| Profit/(loss) Before Tax                                    | (17.94)                 | (280.65)                | (15.51)                 | (278.61)                |
| Less: Provision for Tax(Net)                                | —                       | —                       | 0.62                    | 0.65                    |
| Profit/(Loss) After Tax                                     | (17.94)                 | (280.65)                | (16.13)                 | (279.26)                |
| Transfer to Reserves and Surplus                            | (17.94)                 | (280.65)                | (16.13)                 | (279.26)                |

### Financial Review

During the Financial Year ended 31st March 2018, your company recorded standalone revenue of ₹.100.76 Lakhs, considerably lower as compared to the previous financial year. Consolidated revenue for the current financial year is ₹. 107.80 Lakhs, which also follows the same trend.

### 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, 2018 stands at ₹. 1088.99 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) Regulations, 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 society value and make endeavor to contribute for the social cause as far as possible.

### Directors

The term of appointment of Shri Vinay Kumar Gupta, Whole-time Director, who was appointed for a period of 2 years with effect from 4th July, 2016, is going to be end on 3rd July, 2018. The Board, considering the expertise and experience of Shri Gupta and his contribution towards the overall growth of the Company, observe that it would be best in the interest of the Company to re-appoint Shri Gupta for a further period of 2 years with effect from 4th July, 2018. Hence a resolution is placed at the Notice of the forthcoming Annual General Meeting for the re-appointment of Shri Gupta, as a whole-time director of the Company for a further period of 2 years, subject to compliance with all regulatory requirements, for the kind consideration of 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) Regulations, 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 2017-18. 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) Regulations, 2015 and also meets the requirement of Section 178 of the Companies Act, 2013.

The Board has, on the recommendation of the Nomination & 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 2017-18 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.

### 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 Listing Agreement for the year ended 31st March 2018.

### 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 2018, 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 2018 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

Section 139 of the Companies Act, 2013 directed that a Listed Company cannot appoint or re-appoint an Individual as auditor for more than one term of five consecutive years.

Here Auditor means Statutory Auditor.

M/s G Basu & Co., Chartered Accountant 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 2018. No other Directors get any remuneration from the Company except the Board sitting fees, which is ₹. 2,000 per meeting.

There was no increase in the salary of the Whole time Director, 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 2017-18, 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 : | ₹. 75.25 Lakhs |
| Outgo :    | ₹. 1.99 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.

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".

**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) Regulations, 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.

On Behalf of the Board of Directors

Place: Kolkata

Debjit Bhattacharya

Vinay Kumar Gupta

Date: 30<sup>th</sup> May, 2018

Director (DIN: 02560547)

Whole-time Director (DIN: 00574665)



## Auditors' Certificate on compliance of conditions of Corporate Governance.

To

The Members

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 on 31 March 2018, 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 Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We conducted our examination in accordance with the guidance note on Reports or 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) 1, 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.

Place: Kolkata

Date: 30th May, 2018

For G.Basu & Company

Firm Registration Number:301174E

Chartered Accountants

P.K.Chaudhuri Partner

Membership No. 003814

## 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) Regulations, 2015, with various Stock Exchanges, we hereby certify as under with regard to the Annual Audited Accounts of the Company for the financial year ended 31st March, 2018, 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 our 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 our 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 we accept responsibility for establishing and maintaining internal controls for financial reporting and that we 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 we are aware of and the steps we have taken or propose to take to rectify these deficiencies.
- d. That we 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 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: 30<sup>th</sup> May, 2018

Place: Kolkata

Vinay Kumar Gupta

Whole-time Director

Indrajit Bandyopadhyay

Chief Financial Officer

**ANNEXURE - A**

|  |
|--|
| <b>Form No. MGT-9</b><br><b>EXTRACT OF ANNUAL RETURN</b><br><b>As on the financial year ended on 31/03/2018</b><br>[Pursuant to Section 92(1) of the Companies Act, 2013 And<br>Rule 11(1) of the Companies (Management and Administration) Rules, 2014] |
|--|

**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 <sup>th</sup> Floor, Block - DP, Sector V, Salt Lake City, Kolkata-700091<br>Telephone: 033 3322 3700 FAX: 033 3322 3800<br>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<br>12/1/5, Monaharpukur Road, Ground Floor, Kolkata - 700026<br>Telephone: 033 4072-4051/52/53, FAX: 033 4072-4050<br>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<br>Godrej Waterside, 5 <sup>th</sup> Floor<br>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 |                          |
| <b>A. Promoters</b>       |   |          |                |                   |   |          |                |                   |                          |
| (1) Indian                |   |          |                |                   |   |          |                |                   |                          |
| a) Individual/ HUF        | 429241  | 0        | 429241         | 1.625             | 414623                                    | 0        | 414623         | 1.602             | 0                        |
| 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            | 8510364                                   | 0        | 8510364        | 32.217            | 0                        |
| e) Banks / FI             | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 | 0                        |
| f) Any other              | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 | 0                        |
| <b>Sub-total (A)(1):-</b> | <b>8939605</b>                                  | <b>0</b> | <b>8939605</b> | <b>34.00</b>      | <b>8924987</b>                            | <b>0</b> | <b>8924987</b> | <b>33.84</b>      | <b>0</b>                 |
| (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                        |
| <b>Sub-total (A)(2):-</b>   | <b>2388291</b>                                  | <b>0</b>      | <b>2388291</b>  | <b>9.041</b>      | <b>2388291</b>                            | <b>0</b>      | <b>2388291</b>  | <b>9.041</b>      | <b>0</b>                 |
| <b>Total Shareholding of Promoter(A)=A(1) + A(2)</b>                            | <b>11327896</b>                                 | <b>0</b>      | <b>11327896</b> | <b>43.041</b>     | <b>11313278</b>                           | <b>0</b>      | <b>11313278</b> | <b>42.881</b>     | <b>0</b>                 |
| <b>B. Public Shareholding</b>   |   |               |                 |                   |   |               |                 |                   |                          |
| <b>1. Institutions</b>  |   |               |                 |                   |   |               |                 |                   |                          |
| 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                        |
| <b>Sub-total (B)(1):-</b>   | <b>2211175</b>                                  | <b>5011</b>   | <b>2216186</b>  | <b>8.390</b>      | <b>2211175</b>                            | <b>5011</b>   | <b>2216186</b>  | <b>8.390</b>      | <b>0</b>                 |
| <b>2. Non-Institutions</b>  |   |               |                 |                   |   |               |                 |                   |                          |
| a) Bodies Corp.   |   |               |                 |                   |   |               |                 |                   |                          |
| i) Indian   | 1757387   | 15048         | 1772435         | 6.710             | 2038996                                   | 15048         | 2054044         | 7.776             | 0                        |
| ii) Overseas  | 0   | 0             | 0               | 0                 | 0   | 0             | 0               | 0                 | 0                        |
| b) Individuals  |   |               |                 |                   |   |               |                 |                   |                          |
| i) Individual shareholders holding nominal share capital upto ₹.2Lakh           | 7233962   | 575117        | 7809079         | 29.562            | 8134743                                   | 571588        | 8706331         | 32.989            | 0                        |
| ii) Individual shareholders holding nominal share capital in excess of ₹.2 lakh | 1151533   | 0             | 1151533         | 4.359             | 1234581                                   | 0             | 1234581         | 4.674             | 0                        |
| iii) NBFC Registered with RBI   | 0   | 250           | 250             | 0.00              | 0   | 0             | 0               | 0                 | 0                        |
| c) Others (specify)   |   |               |                 |                   |   |               |                 |                   |                          |
| i. Trust & Foundation   | 98  | 0             | 98              | 0.000             | 132                                       | 0             | 0               | 0                 | 0                        |
| ii. NRI with REPAT  | 310237  | 9479          | 319716          | 1.210             | 324187                                    | 9479          | 333666          | 1.263             | 0                        |
| ii. NRI without REPAT   | 18163   | 0             | 18163           | 0.688             | 18741                                     | 0             | 18741           | 0.0701            | 0                        |
| 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                        |
| <b>Sub-total (B)(2):-</b>   | <b>10472380</b>                                 | <b>599644</b> | <b>11072024</b> | <b>42.529</b>     | <b>11752380</b>                           | <b>596115</b> | <b>12348363</b> | <b>46.776</b>     | <b>0</b>                 |
| <b>Total Shareholding of Promotor (B)=B(1) + B(2)</b>                           | <b>12683555</b>                                 | <b>604655</b> | <b>13288210</b> | <b>50.077</b>     | <b>13963555</b>                           | <b>601126</b> | <b>14564549</b> | <b>55.166</b>     | <b>0</b>                 |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                          | <b>1799455</b>                                  | <b>0</b>      | <b>1799455</b>  | <b>6.812</b>      | <b>537852</b>                             | <b>0</b>      | <b>537852</b>   | <b>2.077</b>      | <b>0</b>                 |
| <b>Grand Total (A+B+C)</b>  | <b>25810906</b>                                 | <b>604905</b> | <b>26415811</b> | <b>100</b>        | <b>25814685</b>                           | <b>601126</b> | <b>26415811</b> | <b>100</b>        | <b>0</b>                 |

**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                      | 0   | 0                                | 0  | 3377627                              | 12.79                            | 0  | 12.79                                     |
| 2  | UMIL Share & Stock Broking Services Ltd | 3075127                                   | 11.64                            | 0  | 3075127                              | 11.64                            | 0  | 0   |
| 3  | Peterhouse Investments India Limited    | 2968718                                   | 11.24                            | 0  | 0                                    | 0                                | 0  | 11.24                                     |
| 4  | Peterhouse Investments Ltd              | 2388291                                   | 9.04                             | 0  | 2388291                              | 9.23                             | 0  | 0   |
| 5  | Prajeev Investments Limited             | 2057610                                   | 7.79                             | 0  | 2057610                              | 7.79                             | 0  | 0   |
| 6  | Usha Martin Ventures Ltd                | 408909                                    | 1.55                             | 0  | 0                                    | 0                                | 0  | 1.55                                      |
| 7  | Basant Kumar Jhawar                     | 158462                                    | 0.60                             | 0  | 158462                               | 0.60                             | 0  | 0   |
| 8  | Prashant Jhawar                         | 134220                                    | 0.51                             | 0  | 134220                               | 0.51                             | 0  | 0   |
| 9  | Rajeev Jhawar                           | 36957                                     | 0.14                             | 0  | 36957                                | 0.14                             | 0  | 0   |
| 10 | Anupama Jhawar                          | 36466                                     | 0.14                             | 0  | 36466                                | 0.14                             | 0  | 0   |
| 11 | Shanti Devi Jhawar                      | 35065                                     | 0.13                             | 0  | 35065                                | 0.13                             | 0  | 0   |
| 12 | Akshay Goenka                           | 4878                                      | 0.02                             | 0  | 4878                                 | 0.02                             | 0  | 0   |
| 13 | Susmita Jhawar                          | 4736                                      | 0.02                             | 0  | 4736                                 | 0.02                             | 0  | 0   |
| 14 | Brij Kishore Jhawar                     | 2973                                      | 0.11                             | 0  | 2973                                 | 0.11                             | 0  | 0   |
| 15 | Stuti Raghav Agarwalla                  | 666                                       | 0.00                             | 0  | 666                                  | 0.00                             | 0  | 0   |
| 16 | Apurv Jhawar                            | 399                                       | 0.00                             | 0  | 399                                  | 0.00                             | 0  | 0   |
| 17 | Biharilal Santhalia                     | 200                                       | 0.00                             | 0  | 200                                  | 0.00                             | 0  | 0   |
| 18 | Anupriya Jhawar                         | 661                                       | 0.00                             | 0  | 661                                  | 0.00                             | 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  | <b>Peterhouse Investments India Limited</b> |   |                                  |   |                                  |
|    | At the beginning of the year                | 2968718                                   | 11.24                            | 0                                       | 0.00                             |
|    | Sale of Shares to Usha Breco Limited        | 2968718                                   | 11.24                            | 0                                       | 0.00                             |
|    | At the end of the year                      | 0   | 0.00                             | 0                                       | 0.00                             |
| 2. | <b>Usha Martin Ventures Limited</b>         |   |                                  |   |                                  |
|    | At the beginning of the year                | 408909                                    | 1.55                             | 0                                       | 0.00                             |
|    | Sale of Shares to Usha Breco Limited        | 408909                                    | 1.55                             | 0                                       | 0.00                             |
|    | At the end of the year                      | 0   | 0.00                             | 0                                       | 0.00                             |
| 3. | <b>Usha Breco Limited</b>                   |   |                                  |   |                                  |
|    | At the beginning of the year                | 0   | 0                                | 0                                       | 0.00                             |
|    | Purchase of Shares                          | 3377627                                   | 12.79                            | 3377627                                 | 12.79                            |
|    | At the end of the year                      | 3377627                                   | 12.79                            | 3377627                                 | 12.79                            |

**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  | FOLLOWEL ENGINEERING 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  | GENERAL INSURANCE CORPORATION OF INDIA | 369295                                    | 1.398                            | 369295                                 | 1.398                            |
| 5  | AJAY MEENA                             | 319160                                    | 1.208                            | 319160                                 | 1.208                            |
| 6  | EDELWEISS BROKING LIMITED              | 288899                                    | 1.208                            | 288899                                 | 1.208                            |
| 7  | FALGUNI NILESH DEDHIA                  | 247500                                    | 0.9369                           | 247500                                 | 0.9369                           |
| 8  | NATIONAL INSURANCE COMPANY LTD.        | 227035                                    | 0.8595                           | 227035                                 | 0.8595                           |
| 9  | ANJU TANTIA                            | 217866                                    | 0.8248                           | 217866                                 | 0.8248                           |
| 10 | GOLDVIEW FINANCIAL SERVICES LTD        | 198974                                    | 0.7532                           | 198974                                 | 0.7532                           |

#### 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. | <b>Prashant Jhawar</b>  |   |                                  |  |                                  |
|    | 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. | <b>Rajeev Jhawar</b>  |   |                                  |  |                                  |
|    | 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. | <b>Debjit Bhattacharya</b>  |   |                                  |  |                                  |
|    | At the beginning of the year  | 48183                                     | 0.18                             | 48183                                  | 0.18                             |
|    | 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  | 48183                                     | 0.18                             | 48183                                  | 0.18                             |

#### 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 |
|--|----------------------------------|-----------------|----------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                 |          |                    |
| i) Principal Amount  | 4940777.34                       | 23,700,000.00   | —        | 28,640,777.34      |
| ii) Interest due but not paid                              | 43,497.00                        | 4,328,985.00    | —        | 4,372,482.00       |

|   | Secured Loans<br>excluding deposits | Unsecured<br>Loans   | Deposits | Total<br>Indebtedness |
|---|-------------------------------------|----------------------|----------|-----------------------|
| iii) Interest accrued but not due                       | -                                   | -                    | -        | -                     |
| <b>Total (i+ii+iii)</b>                                 | <b>4,984,274.34</b>                 | <b>28,028,985.00</b> | <b>-</b> | <b>33,013,259.34</b>  |
| <b>Change in Indebtedness during the financial year</b> |                                     |                      |          |                       |
| * Addition  | 2,650,572.50                        | 1,000,000.00         | -        | 3,650,572.50          |
| * Reduction   | 3,964,971.00                        | 1,275,000.00         | -        | 5,239,971.00          |
| <b>Net Change</b>                                       |                                     |                      |          |                       |
| <b>Indebtedness at the end of the financial year</b>    |                                     |                      |          |                       |
| i) Principal Amount                                     | 3,626,378.84                        | 23,425,000.00        | -        | 27,051,378.84         |
| ii) Interest due but not paid                           | 42,117.00                           | 6,387,163.00         | -        | 6,429,280.00          |
| iii) Interest accrued but not due                       | 0.00                                | 0.00                 | 0.00     | 0.00                  |
| <b>Total (i+ii+iii)</b>                                 | <b>3,668,495.84</b>                 | <b>298,121,63.00</b> | <b>-</b> | <b>33,480,658.84</b>  |

**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  | 412500                      | 412500         |
|     | (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)                                     | 837500                      | 837500         |
|     | <b>Total (A)</b>  | <b>1250000</b>              | <b>1250000</b> |
|     | Ceiling as per the Act  |                             |                |

**B. Remuneration to other Directors**

( Amount in ₹.)

| SN. | Particulars of Remuneration                | Name of Directors |                   |                  |                     |              | Total Amt.   |
|-----|--|-------------------|-------------------|------------------|---------------------|--------------|--------------|
|     |  | Rahul Choudhary   | Trivikram Khaitan | Arun Kumar Ladha | Manoj Kumar Vijay   | Nitin Sharma |              |
| 1   | Independent Directors                      |                   |                   |                  |                     |              |              |
|     | Fee for attending board committee meetings | 20000             | 12000             | 2000             | 8000                | 2000         |              |
|     | Commission                                 | 0                 | 0                 | 0                | 0                   | 0            |              |
|     | Others, please specify                     |                   |                   |                  |                     |              |              |
|     | <b>Total (1)</b>                           | <b>20000</b>      | <b>12000</b>      | <b>2000</b>      | <b>8000</b>         | <b>2000</b>  |              |
| 2   | Other Non-Executive Directors              | P.Jhawar          | R.Jhawar          | Gangotri Guha    | Debjit Bhattacharya |              |              |
|     | Fee for attending board committee meetings | 2000              | 0                 | 16000            | 12000               |              |              |
|     | Commission                                 | 0                 | 0                 | 0                | NIL                 |              |              |
|     | Others, please specify                     | 0                 | 0                 | 0                | NIL                 |              |              |
|     | <b>Total (2)</b>                           | <b>2000</b>       | <b>0</b>          | <b>16000</b>     | <b>12000</b>        |              |              |
|     | <b>Total (B)=(1+2)</b>                     | <b>22000</b>      | <b>12000</b>      | <b>18000</b>     | <b>20000</b>        |              |              |
|     | <b>Total Managerial Remuneration</b>       |                   |                   |                  |                     |              | <b>74000</b> |
|     | 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 | 132000                   | 218129 | 350129  |
|    | (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)                                     | 268000                   | 559115 | 827115  |
|    | Total   | 400000                   | 777244 | 1177244 |

## 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 31<sup>st</sup> Day of March, 2018**

[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 31<sup>st</sup> March, 2018 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 31<sup>st</sup> March, 2018 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. Secretarial Audit  
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. Draft Minutes of all the Meetings are sent to the Directors of the Company along with the Agenda of the next meeting for finalization thereon.

We further report that:

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 whereas the members of the company had given their consent for regularization of Gangotri Guha filing of which is still pending with the Registrar of Companies. Further Mr. Rajeev Jhavar has not attended any meetings of the Board for a period of one year neither he has prayed for any leave of absence as apparent from the records 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 : 30.05.2018

For Prateek Kohli & Associates  
Company Secretaries

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

## MANAGEMENT DISCUSSION AND ANALYSIS

The internationalization of higher education can be linked to various parametric changes in the international system. Exogenously, there have been changes in the labour market, which have resulted in calls for more knowledge and skilled labour force, and workers with deeper realizations of customs, traits, languages, and business models all over the world. Education especially the technical education is becoming more invaluable to individuals, to societies, to the nation for their very basic existence. In today's environment, education provides individuals with a better chance of employment, which in turn leads to a better lifestyle, power and status. A global education should teach about issues that cross national boundaries, and interconnected systems on ecological, cultural, economic, political and technological grounds such as the globalization program which draws upon expertise in many areas such as humanities, social science, physical science, technology and environmental sciences. Globalization and technological advancements are delivering and increasing access to the world and subsequently subjects should reflect this global outlook. It is a fact that the world is moving fast in technological developments and subsequently there is much advancement and reforms in teaching methodology and the content of courses in developed countries. Technical education is an important investment in building human capital that is a driving force for technological innovation and economic growth. It is only through improving the educational status of a society that the multi-faceted development of its people can be ensured. In the post-liberalized world, the advanced nations have derived major proportion of their national income not from agriculture or industry but from the service sector and more specifically from the IT and ITES related industries. Since the service sector is based on imparting skills or training to the students and youth, the education sector is the most sought after. It must provide gainful employment so that the sector is developed in a big way.

### Industry Overview:

E-learning has become increasingly popular across this subcontinent. The consistent increase in Internet users and the revolutionary changes that have happened in education have created a very fertile environment for e-learning to grow. "Education is what remains after one has forgotten what one has learned in school." While Einstein's words may have been intended in good humour, they aptly reflect the fact that effective education is, indeed, constant, always evolving and perpetual in nature. In fact, the face of education has experienced a radical change over the decades. Once characterized by the traditional classroom model, education today has metamorphosed into learning that is instant, online, self-driven and on the go. The journey of education in India, too, has been dotted with innumerable milestones—most recently, e-learning. The Government of India (GoI) is a strong supporter of e-learning and the Department of Electronics and Information Technology (DeitY) has been actively developing tools and technologies to promote it. Specifically, DeitY has supported e-learning-focused R&D projects at various academic educational institutes throughout India. These include content development, R&D technology initiatives, human resource development projects, and faculty training initiatives to improve literacy through distance education.

The 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.

The story is not limited to schools alone. Indian companies are adopting e-learning platforms at a rapid pace as continuous employee learning has become a strategic necessity. Leading companies are adopting e-learning to support both short term courses and qualification-focused learning objectives among their employees.

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.

In the near future, universities will see more students accessing their coursework from outside the traditional campus and classroom. According to a July 2015 report from e-learning solutions provider Docebo, the worldwide market for self-paced e-learning reached \$35.6 billion in 2011. The five-year compound annual growth rate is estimated to be almost 7.6 per cent so revenues should reach \$51.5 billion by 2018. While the aggregate growth rate is 7.6 per cent, several world regions have significantly higher growth rates. The highest growth rate is in Asia at 17.3 per cent, followed by Eastern Europe, Africa, and Latin America at 16.9 per cent, 15.2 per cent, and 14.6 per cent, respectively.

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.

The developing wave of adaptive learning will also help students with various levels of intellectual capabilities to glean the best from the learning process at their own pace, without feeling left out.

(Source: Organization's internal research data, <http://www.intechopen.com>, <http://www.hughes.com>, <http://www.ijitmas.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. After providing the training, your company is also taking the initiative to assist the participants to get a suitable placement. Some of our students are well placed in companies like Wipro, Cap Gemini, Deloitte, TCS etc.

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 payment capability 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 and to provide the placement assistance to the successful consultants.
- 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:**

India targets creation of 500 million skilled workers in 2022. Failure to generate employment has its consequences. India's IT firms are working with academic institutions and setting up in-house institutes to groom the right talent as these companies move to social media, mobility, analytics and cloud (SMAC) technologies. Further, the need to train fresh graduates in new skills (Techno-vocational) and ensure that they remain employable is important and will propel the country towards a leadership position in the years to come. This will also ensure sustained growth of the economy. In this scenario preparing skilled personnel in the area of ERP modules, e-Commerce, Analytics will have immense potential in near future considering national macro educational and employment policies.

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

Debjit Bhattacharya

Vinay Kumar Gupta

Date: 30<sup>th</sup> May, 2018

Director (DIN: 02560547)

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 31<sup>st</sup> March, 2018 was Ten members consisting of one Non-Executive Chairman, Three Non-Executive Directors, including one Women Director, Five 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 five Committees [as specified under Regulation 26 of SEBI (Listing Obligation and Disclosure Requirement) Regulation] 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, 2018

| Name                      | Designation                   | No. of Outside Directorship held ** | No. of outside Committee position held # |          | No. of Equity Shares held |
|---------------------------|-------------------------------|-------------------------------------|--|----------|---------------------------|
|                           |                               |                                     | Member                                   | Chairman |                           |
| Shri. Prashant Jhawar     | Chairman/Non-Executive        | 7                                   | -  | -        | 134,220                   |
| Shri. Rajeev Jhawar       | Vice-Chairman /Non-Executive  | 4                                   | 2  | -        | 36,957                    |
| Shri. Trivikram Khaitan   | Non-Executive/ Independent    | -                                   | -  | -        | -                         |
| Shri. Rahul Choudhary     | Non-Executive / Independent   | -                                   | -  | -        | -                         |
| Shri. Debjit Bhattacharya | Non-Executive                 | 4                                   | 1  | -        | 48,183                    |
| Smt. Gangotri Guha        | Woman Director/ Non-Executive | 2                                   | -  | -        | -                         |
| Shri. Vinay Kumar Gupta   | Whole-Time Director/ Excutive | -                                   | -  | -        | -                         |
| Mr. Manoj Kumar Vijay     | Non-Executive/ Independent    | 2                                   | 2  | -        | -                         |
| Mr. Nitin Sharma          | Non-Executive/ Independent    | -                                   | -  | -        | -                         |
| Mr. 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 Meetings are schedule in advance and accordingly intimation being 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: 26th May, 2017, 17th August, 2017, 14th November, 2017 and 9th February, 2018. All relevant information as required under Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 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 | Presence in AGM |
|--------------------------|-------------------------|-----------------|
| Shri Prashant Jhawar     | 1                       | Not Present     |
| Shri Rajeev Jhawar       | Nil                     | Not Present     |
| Shri Arun Kumar Ladha    | 1                       | Present         |
| Shri Trivikram Khaitan   | 2                       | Not Present     |
| Shri Debjit Bhattacharya | 4                       | Present         |
| Shri Rahul Choudhary     | 4                       | Present         |
| Smt. Gangotri Guha       | 4                       | Present         |
| Shri Nitin Sharma        | 1                       | Not Present     |
| Shri Manoj Kumar Vijay   | 2                       | Present         |
| Shri Vinay Kumar Gupta   | 4                       | Present         |

**➤ 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 2017-18, 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 2018 are as follows:

| Name                     | Designation                        |
|--------------------------|------------------------------------|
| Shri Rahul Choudhary     | Chairman/Independent/Non-executive |
| Shri Debjit Bhattacharya | Member/ Non-executive              |
| Smt. Gangotri Guha       | Member/Non-executive               |
| Shri Manoj Kumar Vijay   | Member/Independent/Non-executive   |



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

The Company Secretary acts as the Secretary to 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 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 being sent to the Audit Committee Members. During the year under review, 4 (four) Audit Committee Meetings were held on 26th May, 2017, 17th August, 2017, 14th November, 2017 and 9th February, 2018 and the attendance are as follows:

| Name   | Audit Committee Meeting Attended |
|--|----------------------------------|
| Shri Rahul Choudhary                             | 4                                |
| Shri Debjit Bhattacharya (Joined 17th Aug, 2017) | 2                                |
| Smt. Gangotri Guha                               | 4                                |
| Shri Manoj Kumar Vijay (joined 17th Aug, 2017)   | 2                                |
| Shri Trivikram Khaitan (Upto 17th August, 2017)  | 2                                |

#### 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 2018, the Committee comprises of following members:

| Name                   | Nomination and Remuneration Committee attended |
|------------------------|--|
| Shri Rahul Chaudhary   | Chairman/Independent/Non-Executive             |
| Shri Manoj Kumar Vijay | Member/Independent/Non-Executive               |
| Smt. Gangotri Guha     | Member/ Non-Executive                          |

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

The Company Secretary acts as Secretary 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**

During the financial year ended 31st March 2018, meeting of Nomination and Remuneration Committee was held on 26th May, 2017 and 17th August, 2017 and the attendance are as follows:

| Director   | Nomination and Remuneration Committee attended |
|--|--|
| Shri Rahul Chaudhary                             | 2  |
| Shri Manoj Kumar Vijay (Joined 17th August,2017) | N.A  |
| Smt. Gangotri Guha (Joined 17th August,2017)     | N.A  |
| Shri Trivikram Khaitan (Upto 17th August, 2017)  | 2  |
| Shri Rajeev Jhavar (Upto 17th August, 2017)      | Nil  |

**Details of Remuneration paid to all Directors**

- **Executive Directors**

The remuneration of Whole-time Director is recommended by the Nomination and Remuneration Committee to the Board of Directors for its necessary consideration and approval. The remuneration of the Executive Director is to be approved by 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 <sup>th</sup> July, 2018 |

**Notes:**

- Details as per Note 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 Jhavar     | 2000                    | NA                      | NA                                    |
| Shri Rajeev Jhavar       | NA                      | NA                      | –                                     |
| Shri Arun Kumar Ladha    | 2000                    | NA                      | NA                                    |
| Shri Trivikram Khaitan   | 4000                    | 4000                    | 4000                                  |
| Shri Debjit Bhattacharya | 8000                    | 4000                    | NA                                    |
| Shri Rahul Choudhary     | 8000                    | 8000                    | 4000                                  |
| Smt. Gangotri Guha       | 8000                    | 8000                    | –                                     |
| Shri Nitin Sharma        | 2000                    | NA                      | NA                                    |
| Shri Manoj Kumar Vijay   | 4000                    | 4000                    | –                                     |

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 31<sup>st</sup> March 2018:

| Director                 | Designation                    |
|--------------------------|--------------------------------|
| Shri Debjit Bhattacharya | Non-Independent/ Non-Executive |
| Smt. Gangotri Guha       | Non-Independent/ Non-Executive |
| Shri Rajeev Jhavar       | Chairman/ Non-Executive        |

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 01-04-2017 to 31-03-2018:

|  |     |
|--|-----|
| Complaints pending as on 1st April, 2017                             | Nil |
| Number of complaints received  | 1   |
| Number of complaints attended to/resolved                            | 1   |
| Complaints pending as on 31st March, 2018                            | Nil |
| Number of share transfer pending for approval as on 31st March, 2018 | Nil |

➤ **Meeting of the Stakeholders Relationship Committee**

During the year under review, 4 (Four) Stakeholders Relationship Committee Meetings were held on 25th May, 2017, 17th August, 2017, 14th November, 2017 and 9th February, 2018. and the attendance are as follows:

| Director                 | Stakeholders Relationship Committee Meeting Attended |
|--------------------------|--|
| Shri Rajeev Jhawar       | 1  |
| Shri Debjit Bhattacharya | 4  |
| Smt Gangotri Guha        | 3  |

**VI. GENERAL BODY MEETINGS**

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

| Date  | Venue   | Special Resolutions Passed |
|---|---|----------------------------|
| 22 <sup>nd</sup> September, 2017 at 11.00 A.M | "Rabindra Niketan Auditorium, Nalban Sector. IV, Salt Lake, Kolkata - 700 091 | None                       |
| 9 <sup>th</sup> August, 2016 at 4.00 P.M      | Shripati Singhanian Hall, Rotary Sadan, 94/2, J.N Road, Kolkata-700020        | None                       |
| 5 <sup>th</sup> August, 2015 at 2:30 P.M      | Shripati Singhanian 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.

➤ **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 of the Listing Agreement 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

➤ **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 and Vice-Chairman. Shri Prashant Jhawar and Shri Rajeev Jhawar were appointed/ elected to be the Chairman and Vice-Chairman of the Company, respectively, 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](http://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 <sup>th</sup> August, 1997   |
| ➤ Corporate Identity Number (CIN)                                      | L31300WB1997PLC085210   |
| ➤ Registered Office  | Godrej Waterside, 5 <sup>th</sup> Floor,<br>Block - DP, Sector - V, Salt Lake<br>Kolkata 700 091  |
| ➤ Date, time and Venue of Annual General Meeting                       | 12 <sup>th</sup> September, 2018 at 11.30 A.M.at<br>"Sujata Sadan Auditorium", 7, Bakul Bagan,<br>Bhowanipur, Hazra Road, Kolkata - 700 026 |
| ➤ Financial Calendar (tentative and subject to change)                 |   |
| • Financial reporting for the first quarter ending June 30, 2018       | On or before 15 <sup>th</sup> August, 2018  |
| • Financial reporting for the second quarter ending September 30, 2018 | On or before 15 <sup>th</sup> November, 2018  |
| • Financial reporting for the third quarter ending December 31, 2018   | On or before 15 <sup>th</sup> February, 2019  |
| • Audited Results for the year ended March 31, 2019                    | On or before 31 <sup>st</sup> May, 2019   |
| • Annual General Meeting for the year ended March 31, 2019             | On or before 30 <sup>th</sup> September, 2019   |
| ➤ Date of Book Closure   | 6 <sup>th</sup> September, 2018 - 12 <sup>th</sup> September, 2018<br>(both days inclusive)   |
| ➤ Dividend Payment Date  | Not Applicable  |

|   |  |                 |
|---|--|-----------------|
| ➤ Listing on Stock Exchange and Code Number | Stock Exchange   | Scrip Code      |
| • Equity Shares                             | BSE Limited<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street, Mumbai - 400 001  | 532398<br>UMESL |
|   | National Stock Exchange of India Ltd.<br>Exchange Plaza, 5th Floor,<br>Plot No.C/1, G Block<br>Bandra Kurla Complex,<br>Bandra (E) Mumbai - 400 051  | UMESLTD.        |
| • Global Depository Receipt (GDRs)          | Societ  de la Bourse de Luxembourg<br>Societe Anonyme, R.C.B.6222<br>B.P. 165, L-2011 Luxembourg   | UMIFG           |
| • Overseas Depository for GDRs              | Deutsche Bank Trust Company Americas,<br>60, Wall Street, New York,<br>NY10005, United States  |                 |
| • Domestic Custodian of GDRs                | ICICI Bank Limited<br>Securities Market Services,<br>1 <sup>st</sup> floor, Empire Complex,<br>Senapati Bapat Marg, Lower Parel,<br>Mumbai - 400 013   |                 |
| ➤ ISIN                                      | Fully paid up equity shares:<br>ISIN INE240C01028<br>GDRs: US91730W1053  |                 |
| ➤ Registrar and Transfer Agents             | M/s. MCS Share Transfer Agent Limited<br>12/1/5, Manoharpukur Road, Ground Floor<br>Kolkata-700026<br>Ph. : 033 4072-4051 / 4052/4053<br>Fax: 033 4072-4050<br>E-mail : mcsstal@rediffmail.com<br>Website : www.mcsdel.com |                 |
| ➤ Address for correspondence / enquiry      | Usha Martin Education & Solutions Limited<br>Godrej Waterside, 5th Floor,<br>Block - DP, Sector - V,<br>Salt Lake , Kolkata-700 091<br>Email: chaitee.baral@umesl.co.in  |                 |

## ➤ Market Price Data

Share price for financial year 2017 - 18

Prices in ₹

| Month  | High | Low  |
|--------|------|------|
| Mar'18 | 1.51 | 1.31 |
| Feb'18 | 1.68 | 1.13 |
| Jan'18 | 2.17 | 1.52 |
| Dec'17 | 2.20 | 1.84 |
| Nov'17 | 2.23 | 1.64 |
| Oct'17 | 2.77 | 2.09 |
| Sep'17 | 2.65 | 1.74 |
| Aug'17 | 2.85 | 1.73 |
| Jul'17 | 2.78 | 2.20 |
| Jun'17 | 2.79 | 2.25 |
| May'17 | 2.68 | 2.36 |
| Apr'17 | 2.88 | 2.47 |

## Distribution of Shareholding as on 31st March, 2018

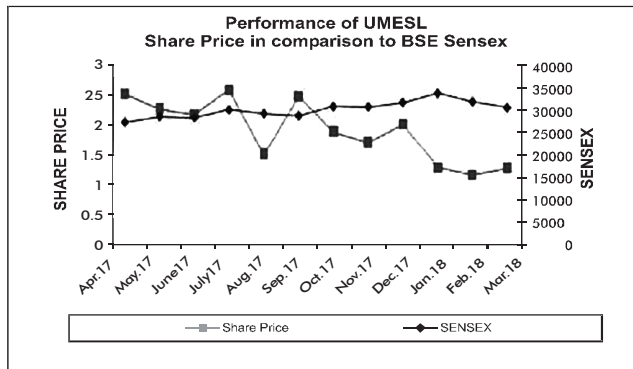
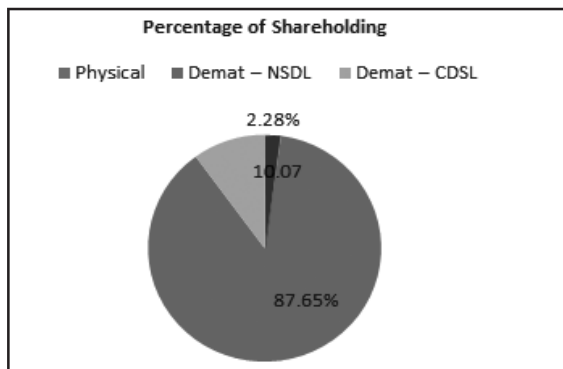
| Range         | No. of Shareholders | Number of Shares |
|---------------|---------------------|------------------|
| 1 - 500       | 28823               | 1999621          |
| 501 - 1000    | 1055                | 899460           |
| 1001 - 5000   | 906                 | 2192747          |
| 5001 - 10000  | 250                 | 4284384          |
| 10001 & above | 26                  | 17039599         |
| <b>Total</b>  | <b>31199</b>        | <b>26415811</b>  |

➤ **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 2017 to March, 2018 is given below:

| SR. NO: | MONTH    | SENSEX   | SHARE PRICE |
|---------|----------|----------|-------------|
| 1.      | Apr, 17  | 29918.40 | 2.68        |
| 2.      | May, 17  | 31145.80 | 2.45        |
| 3.      | Jun, 17  | 30921.61 | 2.36        |
| 4.      | July, 17 | 32514.94 | 2.75        |
| 5.      | Aug, 17  | 31730.49 | 1.73        |
| 6.      | Sept, 17 | 31283.72 | 2.65        |
| 7.      | Oct, 17  | 33213.13 | 2.09        |
| 8.      | Nov, 17  | 33149.35 | 1.92        |
| 9.      | Dec, 17  | 34056.83 | 2.20        |
| 10.     | Jan, 18  | 35965.02 | 1.52        |
| 11.     | Feb, 18  | 34184.04 | 1.40        |
| 12.     | Mar, 18  | 32968.68 | 1.51        |

➤ **Physical vis-à-vis Demat shareholding as on 31st March 2018**



➤ **Dematerialization of Shares and Liquidity as on 31st March, 2018**

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, 2018 is as under:

| Type of shareholding | Number of Shares | Percentage of Shareholding |
|----------------------|------------------|----------------------------|
| Physical             | 601126           | 2.28                       |
| Demat - NSDL         | 23153884         | 87.65                      |
| Demat - CDSL         | 2660801          | 10.07                      |
| <b>Total</b>         | <b>26415811</b>  | <b>100</b>                 |

➤ **Pattern of shareholding as on 31st March, 2018**

| Category                                 | No. of shareholders | Percentage of shareholders | No. of shares held | Percentage of shareholding |
|--|---------------------|----------------------------|--------------------|----------------------------|
| Promoters Group                          | 14                  | 0.045                      | 11313278           | 42.83                      |
| Mutual Funds/UTI                         | 6                   | 0.019                      | 1634               | 0.006                      |
| Banks/Financial Institutions/ Ins/ Govt. | 33                  | 0.106                      | 936562             | 3.55                       |
| FIIS/FVC                                 | 5                   | 0.016                      | 1277990            | 4.84                       |
| Bodies Corporates                        | 405                 | 1.304                      | 2054044            | 7.78                       |
| Individuals                              | 30447               | 98.03                      | 9940912            | 37.63                      |
| Others                                   | 149                 | 0.48                       | 353539             | 1.34                       |
| GDRs                                     | 1                   | 0.003                      | 537852             | 2.036                      |
| <b>Total</b>                             | <b>31060</b>        | <b>100</b>                 | <b>26415811</b>    | <b>100</b>                 |

➤ **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.

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

As on 31st March, 2017, there are 1,799,455 outstanding GDRs each representing one equity share of the Company.



## INDEPENDENT AUDITOR'S REPORT

To the Members of USHA MARTIN EDUCATION & SOLUTIONS LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of USHA MARTIN EDUCATION & SOLUTIONS LTD., (The Company) which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

Our responsibility is to express an opinion on these 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 there under.

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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit 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 Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Opinion

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 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 state of affairs of the Company as at 31st March, 2018, and its loss and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in Annexure - 2 a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2018 from being appointed as a Director in terms of section 164 (2) of the Act.
  - f. Our report on adequacy of internal financial control system in place and its operating effectiveness is enclosed in Annexure- 1.
  - 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 as amended vide notification of MCA dated 30-03-2017, in our opinion and to the best of our information and according to the explanations given to us:
    - I. There is no pending litigation on its financial position which will have impact in its financial statements.
    - II. The Company did not have any long-term contract including derivative contract which may lead to any foreseeable loss.
    - III. There were no such dues which are, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

P.K.Chaudhuri Partner  
Membership No. 003814

Place : Kolkata

Dated : 30th May 2018

**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 2018 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 2018, 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 : 30th May 2018

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.
  - (a) 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, 2018 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 where 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 : 30<sup>th</sup> May 2018

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

**P.K.Chaudhuri** Partner  
Membership No. 003814

**Balance Sheet as at 31st March, 2018**

| Particulars                               | Note no. | As at<br>31st March, 2018<br>(Amount in ₹) | As at<br>31st March, 2017<br>(Amount in ₹) | As at<br>April 1, 2016<br>(Amount in ₹) |
|---|----------|--|--|---|
| <b>ASSETS</b>                             |          |  |  |   |
| <b>Non-Current Assets</b>                 |          |  |  |   |
| Property, Plant & Equipment               | 1        | 13,355,641                                 | 14,386,143                                 | 20,981,993                              |
| Intangible Assets                         | 2        | 847  | 859  | 519,335                                 |
| <b>Financial Assets</b>                   |          |  |  |   |
| (i) Investment                            | 3(i)     | 160,500,000                                | 160,500,000                                | 160,500,000                             |
| (ii) Others                               | 3(ii)    | 1,351,410                                  | 1,372,910                                  | 2,997,295                               |
| Other Non-Current Assets                  | 4        | 604,321                                    | 853,796                                    | 1,446,179                               |
| <b>Total Non-Current Assets</b>           |          | <b>175,812,219</b>                         | <b>177,113,708</b>                         | <b>186,444,802</b>                      |
| <b>Current Assets</b>                     |          |  |  |   |
| <b>Financial Assets</b>                   |          |  |  |   |
| (i) Trade Receivables                     | 5        | 1,459,971                                  | 2,070,298                                  | 5,660,554                               |
| (ii) Cash and Cash Equivalents            | 6        | 142,700                                    | 173,457                                    | 1,692,112                               |
| (iii) Bank Balances other than (ii) above | 7        | 1,251,541                                  | 1,177,030                                  | 763,821                                 |
| Other Current Assets                      | 8        | 9,265,515                                  | 10,534,504                                 | 12,460,059                              |
| <b>Total Current Assets</b>               |          | <b>12,119,727</b>                          | <b>13,955,289</b>                          | <b>20,576,546</b>                       |
| <b>TOTAL ASSETS</b>                       |          | <b>187,931,946</b>                         | <b>191,068,997</b>                         | <b>207,021,348</b>                      |
| <b>EQUITY AND LIABILITIES</b>             |          |  |  |   |
| <b>Equity</b>                             |          |  |  |   |
| Equity Share Capital                      | 9        | 26,415,811                                 | 26,415,811                                 | 26,415,811                              |
| Other Equity                              | 10       | 108,899,550                                | 110,693,771                                | 138,759,144                             |
| <b>TOTAL EQUITY</b>                       |          | <b>135,315,361</b>                         | <b>137,109,582</b>                         | <b>165,174,955</b>                      |
| <b>Liabilities</b>                        |          |  |  |   |
| <b>Non-Current Liabilities</b>            |          |  |  |   |
| <b>Financial Liabilities</b>              |          |  |  |   |
| Borrowings                                | 11(i)    |  |  |   |
| Provisions                                | 11(ii)   | 12,451,604                                 | 12,575,838                                 | 1,045,193                               |
| <b>Total Non-Current Liabilities</b>      |          | <b>12,451,604</b>                          | <b>12,575,838</b>                          | <b>1,045,193</b>                        |
| <b>Current Liabilities</b>                |          |  |  |   |
| <b>Financial Liabilities</b>              |          |  |  |   |
| (i) Borrowings                            | 12(i)    | 27,051,379                                 | 28,640,777                                 | 27,602,381                              |
| (ii) Trade and Other Payables             | 12(ii)   | 4,940,867                                  | 7,001,392                                  | 9,079,604                               |
| (iii) Others                              | 12(iii)  | 7,712,870                                  | 5,290,228                                  | 2,926,747                               |
| Other Current Liabilities                 | 13       | 450,858                                    | 439,251                                    | 1,112,602                               |
| Provisions                                | 14       | 9,007                                      | 11,929                                     | 79,866                                  |
| <b>Total Current Liabilities</b>          |          | <b>40,164,981</b>                          | <b>41,383,577</b>                          | <b>40,801,200</b>                       |
| <b>TOTAL LIABILITIES</b>                  |          | <b>52,616,585</b>                          | <b>53,959,415</b>                          | <b>41,846,393</b>                       |
| <b>TOTAL EQUITY AND LIABILITIES</b>       |          | <b>187,931,946</b>                         | <b>191,068,997</b>                         | <b>207,021,348</b>                      |

**Notes on Account and Significant Accounting Policies**

22

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 : 30th May, 2018

**For and on behalf of the Board of Directors**
**Debjit Bhattacharya**

Director (DIN: 02560547)

**Vinay Kumar Gupta**

Whole-Time Director (DIN: 00574665)

**Chaitee Baral**

Company Secretary

## Statement of Profit and Loss for the Year Ended 31st March, 2018

| Particulars   | Note no. | For the Year Ended<br>31st March, 2018<br>(Amount in ₹) | For the Year Ended<br>31st March, 2017<br>(Amount in ₹) |
|---|----------|---|---|
| <b>REVENUES</b>   |          |   |   |
| Revenue from Operations   | 15       | 8,365,170   | 14,226,081  |
| Other Income  | 16       | 1,710,447   | 929,193   |
| <b>Total Income</b>   |          | <b>10,075,617</b>                                       | <b>15,155,274</b>                                       |
| <b>EXPENSES</b>   |          |   |   |
| Employee Benefits Expense   | 17       | 2,953,756   | 8,220,340   |
| Power and Fuel  | 18       | 564   | 311,922   |
| Finance Cost  | 19       | 3,632,182   | 3,780,528   |
| Depreciation and Amortization   | 20       | 843,051   | 1,989,919   |
| Operating and Administrative Expenses   | 21       | 4,440,285   | 16,741,185  |
| <b>Total Expenses</b>   |          | <b>11,869,838</b>                                       | <b>31,043,894</b>                                       |
| <b>Profit / Loss before Exceptional Items and Tax</b>   |          | <b>(1,794,221)</b>                                      | <b>(15,888,620)</b>                                     |
| Exceptional Items   |          |   |   |
| Impairment of Tangible Assets   |          | —   | 12,176,753  |
| <b>Profit / Loss before Tax</b>   |          | <b>(1,794,221)</b>                                      | <b>(28,065,373)</b>                                     |
| Tax Expense:  |          |   |   |
| (i) Current Tax   |          | —   | —   |
| (ii) Deferred Tax   |          | —   | —   |
| <b>Profit / (Loss) after Taxation</b>   |          | <b>(1,794,221)</b>                                      | <b>(28,065,373)</b>                                     |
| Profit/ Loss per equity share<br>[Nominal Value per share : ₹.10]<br>-Basic and Diluted in Rupees |          | (0.07)  | (1.06)  |

Notes on Account and Significant Accounting Policies 22  
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 : 30th May, 2018

For and on behalf of the Board of Directors

Debjit Bhattacharya Director (DIN: 02560547)  
Vinay Kumar Gupta Whole-Time Director (DIN: 00574665)  
Chaitee Baral Company Secretary

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

**Statement of Changes in Equity for the year ended March 31, 2017**
**A. Equity Share Capital**
(Amount in ₹)

|   |            |
|---|------------|
| Balance at the April 01, 2016   | 26,415,811 |
| Changes in the Equity Share Capital during the year on account of shares issued | -          |
| Balance at the March 31, 2017   | 26,415,811 |

**B. Other Equity**
(Amount in ₹)

| Particulars  | Retained Earnings<br>/ (Accumulated Deficit) | Capital Contribution<br>by Holding Company | Total               |
|--|--|--|---------------------|
| <b>Balance as at April 01, 2016</b>                |  |  |                     |
| Share Premium Account                              | 120,249                                      | -  | 120,249             |
| <b>Retained Earnings:</b>                          |  |  |                     |
| Opening Balance                                    | 138,638,895                                  | -  | 138,638,895         |
| (a) Profit/(Loss) for the year                     | (28,065,373)                                 | -  | (28,065,373)        |
| (b) Other comprehensive Loss for the year          | -  | -  | -                   |
| <b>Total comprehensive loss for the year (a+b)</b> | <b>(28,065,373)</b>                          | <b>-</b>                                   | <b>(28,065,373)</b> |
| <b>Closing Balance</b>                             | <b>110,573,522</b>                           | <b>-</b>                                   | <b>110,573,522</b>  |
| Additional Capital Contribution                    | -  | -  | -                   |
| Share based payment expenses                       | -  | -  | -                   |
| Re-payment towards Share based payment expenses    | -  | -  | -                   |
| <b>Balance as at March 31, 2017</b>                | <b>110,693,771</b>                           | <b>-</b>                                   | <b>110,693,771</b>  |

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

Place: Kolkata  
Date : 30th May, 2018

For and on behalf of the Board of Directors

Debjit Bhattacharya                      Director (DIN: 02560547)  
Vinay Kumar Gupta                      Whole-Time Director (DIN: 00574665)  
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, 2017  | As at March 31, 2018 | Disposal/ Adjustments During the year | Additions During the year | As at April 01, 2017 | Additions During the year | Disposal/ Adjustments During the year | As at March 31, 2018 | As at April 01, 2017 |
| Buildings             | 13,472,826            | 13,472,826           | -                                     | -                         | 1,296,073            | -                         | -                                     | 1,296,073            | 12,176,753           |
| Plant and Equipment   | 3,169,752             | 2,572,031            | 597,721                               | 98,847                    | 2,729,194            | 597,711                   | 98,847                                | 2,230,330            | 341,701              |
| Vehicles              | 1,933,657             | 1,536,725            | 396,932                               | 208,336                   | 1,503,618            | 396,932                   | 208,336                               | 1,315,022            | 221,703              |
| Furniture and Fixture | 2,464,493             | 2,413,523            | 50,970                                | 403,718                   | 1,605,484            | 32,195                    | 403,718                               | 1,977,007            | 859,009              |
| Office Equipment      | 2,067,837             | 635,668              | 1,432,169                             | 132,150                   | 1,588,053            | 1,263,503                 | 132,150                               | 456,700              | 178,968              |
| <b>Total [A]</b>      | <b>23,108,565</b>     | <b>20,630,773</b>    | <b>2,477,792</b>                      | <b>843,051</b>            | <b>8,722,422</b>     | <b>2,290,341</b>          | <b>843,051</b>                        | <b>7,275,132</b>     | <b>14,386,143</b>    |
| Assets                | Gross Carrying Amount |                      |                                       | Accumulated Depreciation  |                      |                           | Net Carrying Amount                   |                      |                      |
|                       | As at April 01, 2016  | As at March 31, 2017 | Disposal/ Adjustments During the year | Additions During the year | As at April 01, 2016 | Additions During the year | Disposal/ Adjustments During the year | As at March 31, 2017 | As at April 01, 2016 |
| Buildings             | 13,472,826            | 13,472,826           | -                                     | 212,987                   | 1,083,086            | -                         | 212,987                               | 1,296,073            | 12,389,740           |
| Plant and Equipment   | 8,848,428             | 3,169,752            | 5,678,676                             | 225,659                   | 7,976,537            | 5,473,002                 | 225,659                               | 2,729,194            | 440,558              |
| Vehicles              | 1,961,064             | 1,933,657            | 27,407                                | 209,876                   | 1,322,653            | 28,911                    | 209,876                               | 1,503,618            | 638,411              |
| Furniture and Fixture | 9,259,220             | 2,464,493            | 6,794,727                             | 891,698                   | 3,719,207            | 3,005,421                 | 891,698                               | 1,605,484            | 859,009              |
| Office Equipment      | 3,554,530             | 2,067,837            | 1,486,693                             | 265,280                   | 2,012,592            | 689,819                   | 265,280                               | 1,588,053            | 1,541,938            |
| <b>Total [A]</b>      | <b>37,096,068</b>     | <b>23,108,565</b>    | <b>13,987,503</b>                     | <b>1,805,500</b>          | <b>16,114,075</b>    | <b>9,197,153</b>          | <b>1,805,500</b>                      | <b>8,722,422</b>     | <b>20,981,993</b>    |

**Notes Annexed to and forming part of the Financial Statements**

2) INTANGIBLE ASSETS

| Assets            | Gross Carrying Amount |                      |                                       | Accumulated Depreciation  |                      |                           | Net Carrying Amount                   |                      |                      |
|-------------------|-----------------------|----------------------|---------------------------------------|---------------------------|----------------------|---------------------------|---------------------------------------|----------------------|----------------------|
|                   | As at April 01, 2017  | As at March 31, 2018 | Disposal/ Adjustments During the year | Additions During the year | As at April 01, 2017 | Additions During the year | Disposal/ Adjustments During the year | As at March 31, 2018 | As at April 01, 2017 |
| Computer Software | 1,543,167             | 52,582               | 1,490,585                             | -                         | 1,542,308            | 1,490,573                 | -                                     | 51,735               | 859                  |
| <b>Total</b>      | <b>1,543,167</b>      | <b>52,582</b>        | <b>1,490,585</b>                      | <b>-</b>                  | <b>1,542,308</b>     | <b>1,490,573</b>          | <b>-</b>                              | <b>51,735</b>        | <b>859</b>           |
| Assets            | Gross Carrying Amount |                      |                                       | Accumulated Depreciation  |                      |                           | Net Carrying Amount                   |                      |                      |
|                   | As at April 01, 2016  | As at March 31, 2017 | Disposal/ Adjustments During the year | Additions During the year | As at April 01, 2016 | Additions During the year | Disposal/ Adjustments During the year | As at March 31, 2017 | As at April 01, 2016 |
| Computer Software | 3,281,712             | 1,543,167            | 1,738,545                             | 184,419                   | 2,762,377            | 1,404,488                 | 184,419                               | 1,542,308            | 519,335              |
| <b>Total</b>      | <b>3,281,712</b>      | <b>1,543,167</b>     | <b>1,738,545</b>                      | <b>184,419</b>            | <b>2,762,377</b>     | <b>1,404,488</b>          | <b>184,419</b>                        | <b>1,542,308</b>     | <b>519,335</b>       |



## Notes annexed to and forming part of the Financial Statements

|   | As at<br>March 31,2018<br>(Amount in ₹.) | As at<br>March 31,2017<br>(Amount in ₹.) | As at<br>March 31,2016<br>(Amount in ₹.) |
|---|--|--|--|
| <b>3 Financial Assets</b>   |  |  |  |
| <b>i) Investment : Non-Current</b>  |  |  |  |
| Long-Term Trade and Unquoted Investments in Equity Instruments (Valued at Cost) | 160,500,000                              | 160,500,000                              | 160,500,000                              |
|   | <u>160,500,000</u>                       | <u>160,500,000</u>                       | <u>160,500,000</u>                       |
| <b>(ii) Other</b>   |  |  |  |
| <b>Other : Non-Current</b>  |  |  |  |
| Security Deposits   | 1,351,410                                | 1,372,910                                | 2,997,295                                |
|   | <u>1,351,410</u>                         | <u>1,372,910</u>                         | <u>2,997,295</u>                         |
| <b>4 Other Non-Current Assets</b>   |  |  |  |
| Prepaid Expenses  |  |  | 250,000                                  |
| Gratuity (Funded with LIC of India )  | 604,321                                  | 853,796                                  | 1,196,179                                |
|   | <u>604,321</u>                           | <u>853,796</u>                           | <u>1,446,179</u>                         |
| <b>5 Trade Receivables</b>  |  |  |  |
| Unsecured, Considered Good  |  |  |  |
| Outstanding for a period exceeding six months                                   | 1,915,656                                | 2,070,298                                | 5,390,154                                |
| Less: Provision for Doubtful Debts  | 1,110,885                                | -  | -  |
| (a)   | <u>804,771</u>                           | <u>2,070,298</u>                         | <u>5,390,154</u>                         |
| Considered Good   |  |  |  |
| Outstanding for a period less than six months                                   |  |  |  |
| From Related Parties  | 655,200                                  | -  | -  |
| Others  |  |  | 270,400                                  |
| (b)   | <u>655,200</u>                           | <u>-</u>                                 | <u>270,400</u>                           |
| <b>Total (a) + (b)</b>  | <u>1,459,971</u>                         | <u>2,070,298</u>                         | <u>5,660,554</u>                         |

### Details of Trade Receivable Outstanding

| Name of Customer                  | Percentage of Total Outstanding |                |                |
|-----------------------------------|---------------------------------|----------------|----------------|
|                                   |                                 |                |                |
| Punjab Technical University       | 35.34%                          | 24.92%         | 58.02%         |
| Mars Solutions Ltd                | 0.00%                           | 53.58%         | 0.00%          |
| Highgate Developers Pvt. Ltd.     | 7.40%                           | 0.00%          | 0.00%          |
| Peterhouse Investments India Ltd. | 37.48%                          | 0.00%          | 0.00%          |
| Others                            | 19.78%                          | 21.50%         | 41.98%         |
|                                   | <u>100.00%</u>                  | <u>100.00%</u> | <u>100.00%</u> |

### 6 Cash and Cash Equivalents

|                         |                |                |                  |
|-------------------------|----------------|----------------|------------------|
| Cash on hand            | 324            | 3,769          | 12,831           |
| Balances with Banks     |                |                |                  |
| - In current accounts   | 142,376        | 169,688        | 1,405,544        |
| - Remittance in Transit | -              | -              | 273,737          |
|                         | <u>142,700</u> | <u>173,457</u> | <u>1,692,112</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<br>March 31, 2018<br>(Amount in ₹.) | As at<br>March 31, 2017<br>(Amount in ₹.) | As at<br>March 31, 2016<br>(Amount in ₹.) |
|---|---|---|---|
| <b>7 Bank Balances other than Cash and Cash</b>   |   |   |   |
| <b>Equivalents</b>  |   |   |   |
| Fixed Deposits with more than 12 months maturity  | 1,251,541                                 | 1,177,030                                 | 763,821                                   |
|   | <u>1,251,541</u>                          | <u>1,177,030</u>                          | <u>763,821</u>                            |
| <b>8 Other Current Assets</b>   |   |   |   |
| Advances to Suppliers   | 50,000                                    | 50,000                                    | 406,819                                   |
| Prepaid Expenses  | 67,729                                    | 64,876                                    | 862,769                                   |
| Balances with Government Authorities  | 92,736                                    | -   | -   |
| Advance Payment of Taxes (Net of Provisions)  | 9,054,050                                 | 10,417,628                                | 11,096,550                                |
| Advance/Loans to Employees  | 1,000                                     | 2,000                                     | 93,921                                    |
|   | <u>9,265,515</u>                          | <u>10,534,504</u>                         | <u>12,460,059</u>                         |
| <b>9 Equity Share Capital</b>   |   |   |   |
| <b>a) Authorized Share Capital</b>  |   |   |   |
| 200,000,000 ( As at March 31, 2017 : 200,000,000;<br>As at April 01, 2016: 200,000,000) equity shares of ₹. 1 each  | 200,000,000                               | 200,000,000                               | 200,000,000                               |
| 1,000,000 10.75% Cumulative Redeemable<br>Preference Shares of ₹.50/- each<br>(As at March 31, 2017 : 1,000,000; As at April 01, 2016:<br>1,000,000) 10.75% Cumulative Preference Shares of ₹.. 50/- each | 50,000,000                                | 50,000,000                                | 50,000,000                                |
|   | <u>250,000,000</u>                        | <u>250,000,000</u>                        | <u>250,000,000</u>                        |
| <b>b) Issued, Subscribed and Paid up Share Capital</b>  |   |   |   |
| 26,415,811 Equity Shares of ₹. 1/- each<br>(As at March 31, 2017: 26,415,811; As at April 01, 2016:<br>26,425,811) equity shares of ₹.1 each  | 26,415,811                                | 26,415,811                                | 26,415,811                                |
|   | <u>26,415,811</u>                         | <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<br>March 31, 2018 |            | As at<br>March 31, 2017 |            | As at<br>March 31, 2016 |            |
|------------------------------------|-------------------------|------------|-------------------------|------------|-------------------------|------------|
|                                    | Nos.                    | ₹.         | Nos.                    | ₹.         | Nos.                    | ₹.         |
| At the beginning of the year       | 26,415,811              | 26,415,811 | 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 | 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 31.03.2018 | % of Equity Shares as on 31.03.2018 | No. of Equity Shares as on 31.03.2017 | % of Equity Shares as on 31.03.2017 | No. of Equity Shares as on 31.03.2016 | % of Equity Shares as on 31.03.2016 |
|--|---------------------------------------|-------------------------------------|---------------------------------------|-------------------------------------|---------------------------------------|-------------------------------------|
| UMIL Shares & Stock Broking Services Ltd | 3,075,127                             | 11.88                               | 3,075,127                             | 11.64                               | 3,075,127                             | 11.64                               |
| Peterhouse Investments India Limited     | -                                     | -                                   | 2,968,718                             | 11.24                               | 2,968,718                             | 11.24                               |
| Peterhouse Investments Limited           | 2,388,291                             | 9.23                                | 2,388,291                             | 9.04                                | 2,388,291                             | 9.04                                |
| Usha Breco Ltd                           | 3,377,627                             | 13.05                               | -                                     | -                                   | -                                     | -                                   |
| Prajeev Investments Limited              | 2,057,610                             | 7.95                                | 2,057,610                             | 7.79                                | 2,057,610                             | 7.79                                |
| Deutsche Bank Trust Company Americas     | -                                     | -                                   | 1,799,455                             | 6.81                                | 1,799,455                             | 6.81                                |

|  | As at<br>March 31,2018<br>(Amount in ₹.) | As at<br>March 31,2017<br>(Amount in ₹.) | As at<br>March 31,2016<br>(Amount in ₹.) |
|--|--|--|--|
| <b>10 Other Equity</b>   |  |  |  |
| Retained Earnings / (Accumulated Deficit)<br>[Refer note 'a' below'] | 108,779,301                              | 110,573,522                              | 138,638,895                              |
|  | <u>108,779,301</u>                       | <u>110,573,522</u>                       | <u>138,638,895</u>                       |
| <b>Reserves &amp; Surplus</b>  |  |  |  |
| Securities Premium Account   | 120,249                                  | 120,249                                  | 120,249                                  |
|  | <u>120,249</u>                           | <u>120,249</u>                           | <u>120,249</u>                           |
| <b>a. Retained Earnings / (Accumulated Deficit)</b>                  |  |  |  |
| Opening Balance  | 110,573,522                              | 138,638,895                              | 167,703,873                              |
| Net (Loss)/ Surplus for the year                                     | (1,794,221)                              | (28,065,373)                             | (29,064,978)                             |
| Closing Balance  | <u>108,779,301</u>                       | <u>110,573,522</u>                       | <u>138,638,895</u>                       |
|  | <u>108,899,550</u>                       | <u>110,693,771</u>                       | <u>138,759,144</u>                       |
| <b>11 Non-Current Liabilities</b>                                    |  |  |  |
| <b>Financial Liabilities</b>   |  |  |  |
| (i) Borrowings   | -  | -  | -  |
| (ii) Provisions  |  |  |  |
| <b>Non-Current portion of Provisions</b>                             |  |  |  |
| Provision for Impirement of Assets                                   | 12,176,753                               | 12,176,753                               | -  |
| Employee Benefits  |  |  |  |
| Gratuity   | 192,155                                  | 283,164                                  | 718,016                                  |
| Leave entitlement  | 82,696                                   | 115,921                                  | 327,177                                  |
|  | <u>12,451,604</u>                        | <u>12,575,838</u>                        | <u>1,045,193</u>                         |

## Notes annexed to and forming part of the Financial Statements

|   | As at<br>March 31, 2018<br>(Amount in ₹.) | As at<br>March 31, 2017<br>(Amount in ₹.) | As at<br>March 31, 2016<br>(Amount in ₹.) |
|---|---|---|---|
| <b>12 Current Liabilities</b>               |   |   |   |
| <b>Financial Liabilities- Current</b>       |   |   |   |
| <b>(i) Borrowings</b>                       |   |   |   |
| <b>Secured</b>                              |   |   |   |
| From Banks                                  |   |   |   |
| Cash Credit repayable on demand             | 3,626,379                                 | 4,940,777                                 | 4,852,381                                 |
|   | <u>3,626,379</u>                          | <u>4,940,777</u>                          | <u>4,852,381</u>                          |
| <b>Unsecured</b>                            |   |   |   |
| From Related Party                          |   |   |   |
| Inter-Corporate Deposit                     | 23,425,000                                | 23,700,000                                | 22,750,000                                |
|   | <u>23,425,000</u>                         | <u>23,700,000</u>                         | <u>22,750,000</u>                         |
|   | <u>27,051,379</u>                         | <u>28,640,777</u>                         | <u>27,602,381</u>                         |
| <b>(ii) Trade and other Payables</b>        |   |   |   |
| Trade Payables                              | 2,429,022                                 | 3,403,107                                 | 3,896,262                                 |
| Employee Related Liabilities                | 620,933                                   | 1,735,440                                 | 3,312,388                                 |
| Accrued Expenses                            | 1,890,912                                 | 1,862,845                                 | 1,870,954                                 |
|   | <u>4,940,867</u>                          | <u>7,001,392</u>                          | <u>9,079,604</u>                          |
| <b>(iii) Others</b>                         |   |   |   |
| Capital Creditors                           | 167,893                                   | 347,893                                   | 618,343                                   |
| Interest on Unsecured Loan- Related Parties | 6,387,163                                 | 4,328,985                                 | 1,837,840                                 |
| Dues payable to related parties             | 1,157,814                                 | 613,350                                   | -   |
| Unearned Revenue                            | -   | -   | 470,564                                   |
|   | <u>7,712,870</u>                          | <u>5,290,228</u>                          | <u>2,926,747</u>                          |
| <b>13 Other Current Liabilities</b>         |   |   |   |
| Advance received from Customer              | -   | -   | 8,000                                     |
| Statutory Dues Payable                      | 450,858                                   | 439,251                                   | 1,104,602                                 |
|   | <u>450,858</u>                            | <u>439,251</u>                            | <u>1,112,602</u>                          |
| <b>14 Current portion of Provisions</b>     |   |   |   |
| Employee Benefits                           |   |   |   |
| Gratuity                                    | 6,327                                     | 8,267                                     | 68,844                                    |
| Leave entitlement                           | 2,680                                     | 3,662                                     | 11,022                                    |
|   | <u>9,007</u>                              | <u>11,929</u>                             | <u>79,866</u>                             |

**Notes annexed and forming part of the Financial Statements**

|   | For the Year Ended<br>31st March, 2018<br>(Amount in ₹) | For the Year Ended<br>31st March, 2017<br>(Amount in ₹) |
|---|---|---|
| <b>15 Revenue from Operations</b>   |   |   |
| Income from Business  | 8,365,170   | 14,226,081  |
|   | <b>8,365,170</b>  | <b>14,226,081</b>                                       |
| <b>16 Other Income</b>  |   |   |
| Interest Income   |   |   |
| Fixed Deposit with Bank<br>(Tax deducted at Source Rs 8,279/ ,Previous year Rs 7,023/-)       | 82,790  | 70,232  |
| Income Tax Refund   | 98,282  | 123,451   |
| Income on Planned Assets (Gratuity)   | 22,045  | 85,660  |
| Other Non-Operating Income<br>(Tax deducted at Source Rs 12,000/-, Previous year Rs 12,000/-) | 600,000   | 649,850   |
| Liabilities no longer required written back   | 581,693   | -   |
| Profit on Fixed Assets sold/scrapped  | 325,637   | -   |
|   | <b>1,710,447</b>  | <b>929,193</b>  |
| <b>17 Employee Benefits Expense</b>   |   |   |
| Salaries and Bonus  | 2,754,910   | 7,785,401   |
| Contribution to Provident and other Funds   | 145,493   | 313,515   |
| Staff Welfare expenses  | 53,353  | 121,424   |
|   | <b>2,953,756</b>  | <b>8,220,340</b>  |
| <b>18 Power and Fuel</b>  |   |   |
| Power and Fuel  | 564   | 311,922   |
|   | <b>564</b>  | <b>311,922</b>  |
| <b>19 Finance Cost</b>  |   |   |
| Interest on Working Capital Loan from Bank  | 682,928   | 634,342   |
| Bank Charges  | 34,177  | 67,941  |
| Other Borrowing Cost  | 2,893,893   | 3,074,651   |
| Others  | 21,184  | 3,594   |
|   | <b>3,632,182</b>  | <b>3,780,528</b>  |
| <b>20 Depreciation and Amortization</b>   |   |   |
| Depreciation on Property, Plant and Equipment   | 843,051   | 1,805,500   |
| Amortization on Intangible Assets   | -   | 184,419   |
|   | <b>843,051</b>  | <b>1,989,919</b>  |

## Notes annexed to and forming part of the Financial Statements

|   | For the Year Ended<br>31st March, 2018<br>(Amount in ₹) | For the Year Ended<br>31st March, 2017<br>(Amount in ₹) |
|---|---|---|
| <b>21 Operating and Administrative Expenses</b> |   |   |
| Travelling and conveyance                       | 174,331   | 609,683   |
| Communication                                   | 219,494   | 735,293   |
| Maintenance expenses                            | 73,820  | 2,156,356   |
| Rent (Including Lease Rent)                     | 78,000  | 1,238,920   |
| Insurance charges                               | 134,370   | 131,156   |
| Computer Consumables                            | 3,953   | 65,245  |
| Professional and Consultancy Charges            | 538,765   | 3,474,252   |
| Legal and Secreterial                           | 1,065,086   | 1,016,729   |
| Marketing and Advertisement                     | -   | 343,468   |
| Business Development                            | -   | 4,028   |
| Printing and Stationery expenses                | 524,685   | 526,579   |
| Registration and Courseware                     | -   | 853,000   |
| Director Meeting Fees                           | 74,000  | 78,000  |
| Payment to Auditors (Refer note 'a' below)      | 125,000   | 125,000   |
| Rates and Taxes                                 | 9,787   | 40,038  |
| Loss on Fixed Assets sold/ discarded (Net)      | -   | 3,563,036   |
| Foreign Exchange Fluctuation Gain (Net)         | 41,148  | 45,840  |
| Other Comprehensive Expense                     | 135,429   | -   |
| Provision for Doubtful Debts                    | 1,108,143   | -   |
| Bad Debts/Sundry Balances written off (Net)     | 71,892  | 1,343,875   |
| Miscellaneous Expenses                          | 62,382  | 390,687   |
|   | <b>4,440,285</b>  | <b>16,741,185</b>                                       |
| <b>a. Payment to Auditors</b>                   |   |   |
| Statutory Auditors                              |   |   |
| Statutory Audit fees                            | 100,000   | 100,000   |
| Tax Audit fees                                  | 25,000  | 25,000  |
|   | <b>125,000</b>  | <b>125,000</b>  |

### Note 22 : Significant Accounting Policies and Notes on Accounts for the year ended 31st March, 2018

#### 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 22 : Significant Accounting Policies and Notes on Accounts for the year ended 31st March, 2018**
**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 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.

- 2) During the year, the Company has utilized its working capital facility (Overdraft) of Rs 50 lacs 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.

**3) Foreign Currency Earnings & Outgo:**
**a) Expenditure in foreign currency:**

|                 | 2017-18 (₹.) | 2016-17 (₹.) |
|-----------------|--------------|--------------|
| Listing Fees    | 199,665      | 183,938      |
| Travel Expenses | -            | 54,201       |

**b) Earnings in foreign currency:**

|  | 2017-18 (₹.) | 2016-17 (₹.) |
|--|--------------|--------------|
| Management Training, Educational Consultancy, Market Research and Delivery of modules for H & D Business Studies and Computing Studies | 7,525,170    | 11,207,943   |



**Note 22 : Significant Accounting Policies and Notes on Accounts for the year ended 31st March, 2018**

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 Martin Limited                              | Substantial interest in voting power of the entity |
| Usha Breco Education Infrastructure One 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 -   |
| Usha Martin Ventures Limited                     | - do -   |
| Peterhouse Investments India Limited             | - do -   |
| Vinay Kumar Gupta (Whole Time Director)          | Key Managerial Personnel                           |
| Indrajit Bandyopadhyay (Chief Financial Officer) | Key Managerial Personnel                           |
| Chaittee Baral (Company Secretary)               | Key Managerial Personnel                           |

ii) Particulars of Transactions during the year ended 31st March, 2018

| Particulars                                 | Subsidiaries and Associates(₹.)         | Key Management Personnel (₹.) |
|---|---|-------------------------------|
| Rent Paid (including lease Rent)            | 48,000<br>48,000                        | =<br>-                        |
| Key Managerial Personnel's Remuneration     | =<br>-                                  | 24,27,644<br>28,56,370        |
| Training Fees                               | 840,000<br>1,618,112                    | =<br>-                        |
| Sale of Fixed Assets                        | 400,000<br>493,980                      | =<br>-                        |
| Interest Paid                               | 2,893,893<br>1,524,651                  | =<br>-                        |
| Reimbursement of Expenses received          | 325,536<br>1,651,225                    | =<br>-                        |
| Unsecured Loans:                            |   |                               |
| Taken during the year                       | 1,000,000                               | =                             |
| Repaid during the year                      | 1,275,000                               | =                             |
|   | -                                       | -                             |
|   | -                                       | -                             |
| <b>Balances outstanding at the year end</b> | <b>24,337,516</b>                       | <b>50,778</b>                 |
| Investment in Equity and Preference Shares  | Refer Note No. 3<br>to Accounts<br>-do- |                               |

Remuneration to key Managerial person'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<br>31st March, 2018 | For the year ended<br>31st March, 2017 |
|--|--|--|
| (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 .                                     |  |  |
| (b) Profit/(Loss) after tax attributable to Equity Shareholders-(₹.)       | 1                                      | 1                                      |
| Net Profit/(Loss) after Taxation   | (1,794,221)                            | (28,065,373)                           |
| Basic Earnings per Share [(b)/(a)(iii)]- (₹.)                              | (0.07)                                 | (1.06)                                 |
| (II) Diluted   |  |  |
| (a) Diluted Potential Equity Shares  | -                                      | -                                      |
| (b) Diluted Earnings per Share [(b)/(a)(iii)]- Re.                         | (0.07)                                 | (1.06)                                 |

**Note 22 : Significant Accounting Policies and Notes on Accounts for the year ended 31st March, 2018**

| 6) Managerial Remuneration paid/payable      | 2017-18   |           | 2016-17   |           |
|--|-----------|-----------|-----------|-----------|
|  | ₹         | ₹         | ₹         | ₹         |
| (a) Key Managerial Personnel's Remuneration: |           |           |           |           |
| Salary                                       | 762,629   |           | 904,936   |           |
| Contribution to Provident Fund               | 91,515    |           | 108,592   |           |
| Contribution to Gratuity and Superannuation  | 36,682    |           | 43,527    |           |
| Other Benefits (actual and/or estimated)     | 1,536,818 | 2,427,244 | 1,799,315 | 2,856,370 |
| (b) Other Directors                          |           | 74,000    |           | 78,000    |
| Directors' Sitting Fees                      |           | 2,501,244 |           | 2,934,370 |

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 31.03.2018. 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 31.03.2018                            | 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, 2018 and recognized in the financial statements in respect of Employee Benefit Schemes.

| Components Employer Expense  |  | Gratuity<br>Funded | Leave<br>Encashment Unfunded |
|--|--|--------------------|------------------------------|
| 1  | Current Service Cost                                       | 30,199             | 13,878                       |
|  |  | 46,113             | 19,652                       |
| 2  | Interest Cost  | (41,334)           | 8,789                        |
|  |  | 61,769             | 26,549                       |
| 3  | Expected Return on Plan Assets                             | (95,674)           | -                            |
| 4  | Curtailment Cost / (Credit)                                | -                  | -                            |
| 5  | Settlement Cost / (Credit)                                 | -                  | -                            |
| 6  | Past Service Cost  | -                  | -                            |
| 7  | Actuarial Losses / (Gains)                                 | -                  | 48,211                       |
| 8  | Total expense recognized in the Statement of Profit & Loss | (165,233)          | (55,974)                     |
|  |  | (11,135)           | 70,878                       |
|  |  | (153,045)          | (9,773)                      |
| II Actuarial Returns for the period ended March, 2018                        |  | -                  | -                            |
| III Net Asset / (Liability) recognized in Balance Sheet as at March 31, 2018 |  |                    |                              |
| 1  | Present Value of Defined Benefit Obligation                | 562,364            | (119,583)                    |
| 2  | Fair Value on Plan Assets                                  | 291,431            | 119,583                      |
| 3  | Status [Surplus/(Deficit)]                                 | 853,795            | -                            |
| 4  | Expense recognized in Income Statement                     | 562,364            | (119,583)                    |
|  |  | (11,135)           | 70,878                       |
| 5  | Expense recognized in Other Comprehensive Income           | 135,429            | -                            |
| 6  | Employer Contribution                                      | -                  | 105,085                      |
| 7  | Net Asset/(Liability) recognized in Balance Sheet          | 438,070            | (85,376)                     |
|  |  | 562,364            | (119,583)                    |

**Note 22 : Significant Accounting Policies and Notes on Accounts for the year ended 31st March, 2018**

| IV Change in Defined Benefit Obligations (DBO) during the year ended March 31, 2018 |   | Gratuity Funded | Leave Encashment Unfunded |
|---|---|-----------------|---------------------------|
| 1   | Present Value of DBO at the Beginning of Period   | 291,431         | 119,583                   |
|   |   | 786,860         | 338,199                   |
| 2   | Current Service Cost  | 30,199          | 13,878                    |
|   |   | 46,113          | 19,652                    |
| 3   | Interest Cost   | 21,420          | 8,789                     |
|   |   | 61,769          | 26,549                    |
| 4   | Curtailment Cost / (Credit)   | —               | —                         |
| 5   | Settlement Cost / (Credit)  | —               | —                         |
| 6   | Plan Amendments   | —               | —                         |
| 7   | Acquisitions  | —               | —                         |
|   |   | 137,137         | 48,211                    |
| 8   | Actuarial (Gains)/Losses  | (202,590)       | (55,974)                  |
|   |   | (281,705)       | (105,085)                 |
| 9   | Benefits Paid   | (400,721)       | (208,843)                 |
|   |   | 198,482         | 85,376                    |
| 10  | Present Value of DBO at the End of Period   | 291,431         | 119,583                   |
| V Change in Fair Value of Assets during the year ended March 31, 2018               |   |                 |                           |
| 1   | Plan Assets at the Beginning of Period  | 853,795         | —                         |
|   |   | 1,196,179       | —                         |
| 2   | Investment Income   | 62,754          | —                         |
| 3   | Return on Plan Assets   | 1,708           | —                         |
|   |   | 95,694          | —                         |
| 4   | Actuarial Gains/(Losses)  | (37,357)        | —                         |
| 5   | Actual Company Contribution   | —               | 105,085                   |
|   |   | —               | 208,843                   |
| 6   | Benefits Paid   | (281,705)       | (105,085)                 |
|   |   | (400,721)       | (208,843)                 |
| 7   | Present Value of DBO at the End of Period   | 636,552         | —                         |
|   |   | 853,795         | —                         |
| VI Actuarial Assumptions  |   |                 |                           |
| 1   | Discount Rate (%)   | 7.35%           | 7.70%                     |
| 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) The capital expenditures incurred on leasehold land till 31-03-2017 at the carrying amount i.e., written down value (WDV) at ₹. 1,21,76,753/- has been provided by way of impairment of tangible asset being building. The said decision has been ratified by the Board of Directors by passing a resolution to this effect in its meeting held on 26<sup>th</sup> May, 2017.
- 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 G.Basu & Company**

Firm Registration Number: 301174E

Chartered Accountants

**P.K.Chaudhuri**

Partner

Membership No. 003814

Place: Kolkata

Date : 30<sup>th</sup> May, 2018

**For and on behalf of the Board of Directors**

**Debit Bhattacharya**

Director (DIN: 02560547)

**Vinay Kumar Gupta**

Whole-Time Director (DIN: 00574665)

**Chaitee Baral**

Company Secretary

**Cash Flow Statement for the year ended March 31, 2018**

| Particulars   | For the Year Ended<br>31st March, 2018<br>(Amount in ₹) | For the Year Ended<br>31st March, 2017<br>(Amount in ₹) |
|---|---|---|
| <b>A. Cash Flow generated / (used) in Operating Activities</b>        |   |   |
| Profit / (Loss) before tax  | (1,794,221)   | (28,065,373)  |
| Adjustment for:   |   |   |
| Depreciation and Amortization   | 843,051   | 1,989,919   |
| Interest Income   | (181,072)   | (279,343)   |
| Liabilities no longer required written back                           | (581,693)   | -   |
| Provision for Doubtful Debts  | 1,108,143   | -   |
| Bad Debts / Sundry balances written off (net)                         | 71,892  | 1,343,875   |
| Unrealised Foreign Exchange Loss (net)                                | 14,078  | -   |
| Loss/ (Gain) on Tangible Assets Sold / Discarded                      | (325,637)   | 3,563,036   |
| Finance Costs   | 3,632,182   | 3,780,528   |
| <b>Operating Profit before working capital changes</b>                | <b>2,786,723</b>  | <b>(17,667,358)</b>                                     |
| Adjustment for changes in Working Capital :                           |   |   |
| - (Decrease) / Increase in Trade Payables                             | (1,478,832)   | (2,078,212)   |
| - (Decrease)/ Increase in Provisions                                  | (127,156)   | 11,462,708  |
| - Increase in Other Financial Liabilities                             | 2,422,642   | 2,363,481   |
| - Increase in Other Current Liabilities                               | 11,607  | (673,351)   |
| - Decrease in Trade Receivables                                       | (583,786)   | 2,246,381   |
| - Refund/ (payment) of tax  | 1,522,017   | 1,262,119   |
| - Other Non-Current Financial Assets                                  | 21,500  | 1,624,385   |
| - Decrease/(Increase) in Other Assets                                 | 80,375  | 1,425,807   |
| <b>Cash generated from Operations</b>                                 | <b>4,655,090</b>  | <b>(34,040)</b>   |
| Direct Taxes Paid (Net)   | <b>(158,439)</b>  | <b>(583,197)</b>  |
| <b>Net Cash generated from Operating Activities</b>                   | <b>4,496,651</b>  | <b>(617,237)</b>  |
| <b>B. Cash Flow used in Investing Activities</b>                      |   |   |
| Proceeds from disposal of property, plant and equipment               | 513,100   | 1,561,371   |
| Interest Received   | 181,072   | 279,343   |
| <b>Net Cash used in Investing Activities</b>                          | <b>694,172</b>  | <b>1,840,714</b>  |
| <b>C. Cash Flow used in Financing Activities</b>                      |   |   |
| Proceeds/(Repayments) of Loan from Banks                              | (1,589,398)   | 1,038,396   |
| Finance Costs   | (3,632,182)   | (3,780,528)   |
| <b>Net Cash used in Financing Activities</b>                          | <b>(5,221,580)</b>                                      | <b>(2,742,132)</b>                                      |
| <b>Net increase /decrease in Cash and Cash equivalents</b>            | <b>(30,757)</b>   | <b>(1,518,655)</b>                                      |
| Cash and Cash Equivalents at the beginning of the year                | 173,457   | 1,692,112   |
| Cash and Cash Equivalents at the end of the year                      | 142,700   | 173,457   |
|   | <b>(30,757)</b>   | <b>(1,518,655)</b>                                      |
| <i>* Amount is below the rounding off norm adopted by the Company</i> |   |   |
| <b>Cash and Cash Equivalents comprise:</b>                            | <b>As at<br/>31st March, 2018<br/>( Amount in ₹ )</b>   | <b>As at<br/>31st March, 2017<br/>(Amount in ₹)</b>     |
| Cash on hand  | 324   | 3,769   |
| Balances with Banks   |   |   |
| - In current accounts   | 142,376   | 169,688   |
|   | <b>142,700</b>  | <b>173,457</b>  |

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

For and on behalf of the Board of Directors

Debjit Bhattacharya Director (DIN: 02560547)  
Vinay Kumar Gupta Whole-Time Director (DIN: 00574665)  
Chaitee Baral Company Secretary

Place: Kolkata  
Date : 30th May, 2018

## 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, 2018, 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 to the Company's preparation of the financial statements that give a true and fair view in order to design audit 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, 2018 and its Loss and its cash flows for the year ended on that date.

### 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 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, 2018 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, 2018 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.

Place: Kolkata  
Date : 30th May, 2018

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

## 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, 2018 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

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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

In our opinion, 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, 2018, 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 : 30th May, 2018

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

P.K.Chaudhuri Partner  
Membership No. 003814

### Consolidated 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 |                    |
| <b>Balance as at April 01, 2017</b>                |   |   |       |                    |
| Share Premium Account                              | 120,249                                   | -                                       |       | 120,249            |
| <b>Retained Earnings</b>                           |   |   |       |                    |
| Opening Balance                                    | 115,219,919                               | -                                       |       | 115,219,919        |
| (a) Profit/(Loss) for the year                     | (1,613,473)                               | -                                       |       | (1,613,473)        |
| (b) Other comprehensive income for the year        | -   | -                                       |       | -                  |
| <b>Total comprehensive loss for the year (a+b)</b> | <b>(1,613,473)</b>                        | <b>-</b>                                |       | <b>(1,613,473)</b> |
| Closing Balance                                    | 113,606,446                               | -                                       |       | 113,606,446        |
| Additional Capital Contribution                    | -   | -                                       |       | -                  |
| Share based payment expenses                       | -   | -                                       |       | -                  |
| Re-payment towards Share based payment expenses    | -   | -                                       |       | -                  |
| <b>Balance as at March 31, 2018</b>                | <b>113,726,695</b>                        | <b>-</b>                                |       | <b>113,726,695</b> |

#### Statement of Changes in Equity for the year ended March 31, 2017

| A. Equity Share Capital   |  |            |
|---|--|------------|
| Balance at the April 01, 2016   |  | 26,415,811 |
| Changes in the Equity Share Capital during the year on account of shares issued |  | -          |
| Balance at the March 31, 2017   |  | 26,415,811 |

| B. Other Equity                                    |   |   |                     |
|--|---|---|---------------------|
| Particulars  | Retained Earnings / (Accumulated Deficit) | Capital Contribution by Holding Company | Total               |
| <b>Balance as at April 01, 2016</b>                |   |   |                     |
| Share Premium Account                              | 120,249                                   | -                                       | 120,249             |
| <b>Retained Earnings</b>                           |   |   |                     |
| Opening Balance                                    | 143,146,000                               | -                                       | 143,146,000         |
| (a) Profit/(Loss) for the year                     | (27,926,081)                              | -                                       | (27,926,081)        |
| (b) Other comprehensive Loss for the year          | -   | -                                       | -                   |
| <b>Total comprehensive loss for the year (a+b)</b> | <b>(27,926,081)</b>                       | <b>-</b>                                | <b>(27,926,081)</b> |
| Closing Balance                                    | 115,219,919                               | -                                       | 115,219,919         |
| Additional Capital Contribution                    | -   | -                                       | -                   |
| Share based payment expenses                       | -   | -                                       | -                   |
| Re-payment towards Share based payment expenses    | -   | -                                       | -                   |
| <b>Balance as at March 31, 2017</b>                | <b>115,340,168</b>                        | <b>-</b>                                | <b>115,340,168</b>  |

**For G.Basu & Company**

Firm Registration Number: 301174E

Chartered Accountants

P.K.Chaudhuri

Partner

Membership No. 003814

Place: Kolkata

Date : 30th May, 2018

**For and on behalf of the Board of Directors**

Debit Bhattacharya

Vinay Kumar Gupta

Chaitee Baral

Director (DIN: 02560547)

Whole-Time Director (DIN: 00574665)

Company Secretary



**Consolidated Balance Sheet as at 31st March, 2018**

| Particulars                               | Note no. | As at<br>31st March, 2018<br>(Amount in ₹) | As at<br>31st March, 2017<br>(Amount in ₹) | As at<br>31st March 2016<br>(Amount in ₹) |
|---|----------|--|--|---|
| <b>ASSETS</b>                             |          |  |  |   |
| <b>Non-Current Assets</b>                 |          |  |  |   |
| Property, Plant & Equipment               |          |  |  |   |
| Intangible Assets                         | 1        | 133,55,641                                 | 143,86,143                                 | 209,81,993                                |
| Financial Assets                          | 2        | 847  | 859  | 5,19,335                                  |
| (i) Investment                            |          |  |  |   |
| (ii) Others                               | 3(i)     | 1550,00,000                                | 1550,00,000                                | 1550,00,000                               |
| Other Non-Current Assets                  | 3(ii)    | 13,51,410                                  | 13,72,910                                  | 29,97,295                                 |
|   | 4        | 6,09,857                                   | 9,21,332                                   | 15,32,260                                 |
| <b>Total Non-Current Assets</b>           |          | <b>1703,17,755</b>                         | <b>1716,81,244</b>                         | <b>1810,30,883</b>                        |
| <b>Current Assets</b>                     |          |  |  |   |
| Financial Assets                          |          |  |  |   |
| (i) Trade Receivables                     | 5        | 14,59,971                                  | 20,70,298                                  | 56,60,554                                 |
| (ii) Cash and Cash Equivalents            | 6        | 1,62,940                                   | 1,79,197                                   | 28,18,574                                 |
| (iii) Bank Balances other than (ii) above | 7        | 12,51,541                                  | 11,77,030                                  | 7,63,821                                  |
| Other Current Assets                      | 8        | 187,43,674                                 | 202,40,935                                 | 213,38,215                                |
| <b>Total Current Assets</b>               |          | <b>216,18,126</b>                          | <b>236,67,460</b>                          | <b>305,81,164</b>                         |
| <b>TOTAL ASSETS</b>                       |          | <b>1919,35,881</b>                         | <b>1953,48,704</b>                         | <b>2116,12,047</b>                        |
| <b>EQUITY AND LIABILITIES</b>             |          |  |  |   |
| <b>Equity</b>                             |          |  |  |   |
| Equity Share Capital                      | 9        | 264,15,811                                 | 264,15,811                                 | 264,15,811                                |
| Other Equity                              | 10       | 1137,26,695                                | 1153,40,168                                | 1432,66,249                               |
| <b>TOTAL EQUITY</b>                       |          | <b>1401,42,506</b>                         | <b>1417,55,979</b>                         | <b>1696,82,060</b>                        |
| <b>Liabilities</b>                        |          |  |  |   |
| <b>Non-Current Liabilities</b>            |          |  |  |   |
| Financial Liabilities                     |          |  |  |   |
| Borrowings                                | 11(i)    | -  | -  | -   |
| Provisions                                | 11(ii)   | 124,51,604                                 | 125,75,838                                 | 10,45,193                                 |
| <b>Total Non-Current Liabilities</b>      |          | <b>124,51,604</b>                          | <b>125,75,838</b>                          | <b>10,45,193</b>                          |
| <b>Current Liabilities</b>                |          |  |  |   |
| Financial Liabilities                     |          |  |  |   |
| (i) Borrowings                            | 12(i)    | 270,51,379                                 | 286,40,777                                 | 276,02,381                                |
| (ii) Trade and Other Payables             | 12(ii)   | 52,54,203                                  | 72,44,612                                  | 91,55,502                                 |
| (iii) Others                              | 12(iii)  | 65,55,056                                  | 46,76,878                                  | 29,26,747                                 |
| Other Current Liabilities                 | 13       | 4,72,126                                   | 4,42,691                                   | 11,20,298                                 |
| Provisions                                | 14       | 9,007                                      | 11,929                                     | 79,866                                    |
| <b>Total Current Liabilities</b>          |          | <b>393,41,771</b>                          | <b>410,16,887</b>                          | <b>408,84,794</b>                         |
| <b>TOTAL LIABILITIES</b>                  |          | <b>517,93,375</b>                          | <b>535,92,725</b>                          | <b>419,29,987</b>                         |
| <b>TOTAL EQUITY AND LIABILITIES</b>       |          | <b>1919,35,881</b>                         | <b>1953,48,704</b>                         | <b>2116,12,047</b>                        |

Notes on Account and Significant Accounting Policies 22

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 &amp; Company

Firm Registration Number: 301174E

Chartered Accountants

P.K. Chaudhuri

Partner

Membership No. 003814

Place: Kolkata

Date: 30th May, 2018

For and on behalf of the Board of Directors

Debjit Bhattacharya

Director (DIN: 02560547)

Vinay Kumar Gupta

Whole-Time Director (DIN: 00574665)

Chaitee Baral

Company Secretary

## Consolidated Statement of Profit & Loss for the Year Ended 31st March, 2018

| Particulars   | Note no. | For the Year Ended<br>31st March, 2018<br>(Amount in ₹) | For the Year Ended<br>31st March, 2017<br>(Amount in ₹) |
|---|----------|---|---|
| <b>REVENUES</b>                                       |          |   |   |
| Revenue from Operations                               | 15       | 8,165,170   | 14,476,081  |
| Other Income  | 16       | 2,614,857   | 1,832,004   |
| <b>Total Income</b>                                   |          | <b>10,780,027</b>                                       | <b>16,308,085</b>                                       |
| <b>EXPENSES</b>                                       |          |   |   |
| Employee Benefits Expense                             | 17       | 3,109,302   | 8,741,442   |
| Power and Fuel  | 18       | 564   | 311,922   |
| Finance Cost  | 19       | 3,633,943   | 3,782,778   |
| Depreciation and Amortization                         | 20       | 843,051   | 1,989,919   |
| Operating and Administrative Expenses                 | 21       | 4,744,640   | 17,166,340  |
| <b>Total Expenses</b>                                 |          | <b>12,331,500</b>                                       | <b>31,992,401</b>                                       |
| <b>Loss before Exceptional Items and Tax</b>          |          |   |   |
| Less: Exceptional Items                               |          | -   | -   |
| <b>Profit / Loss before Exceptional Items and Tax</b> |          | <b>(1,551,473)</b>                                      | <b>(15,684,316)</b>                                     |
| Exceptional Items                                     |          |   |   |
| Impairment of Tangible Assets                         |          | -   | 12,176,753  |
| <b>Profit / Loss before Tax</b>                       |          | <b>(1,551,473)</b>                                      | <b>(27,861,069)</b>                                     |
| Tax Expense:  |          |   |   |
| (i) Current Tax                                       |          | 62,000  | 63,000  |
| (ii) Previous Year                                    |          | -   | 2,012   |
| (iii) Deferred Tax                                    |          | -   | -   |
| <b>Profit / (Loss) after Taxation</b>                 |          | <b>(1,613,473)</b>                                      | <b>(27,926,081)</b>                                     |
| <b>Profit/ Loss per equity share</b>                  |          |   |   |
| [Nominal Value per share : ₹. 10]                     |          |   |   |
| -Basic and Diluted in Rupees                          |          | (0.06)  | (1.06)  |

### Notes on Account and Significant Accounting Policies 22

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 : 30th May, 2018

### For and on behalf of the Board of Directors

Debjit Bhattacharya

Vinay Kumar Gupta

Chaitee Baral

Director (DIN: 02560547)

Whole-Time Director (DIN: 00574665)

Company Secretary

**Consolidated Cash Flow Statement for the year ended March 31, 2018**

| Particulars   | For the Year Ended<br>March 31, 2018<br>(Amount in ₹) | For the Year Ended<br>March 31, 2017<br>(Amount in ₹) |
|---|---|---|
| <b>A. Cash Flow generated / (used) in Operating Activities</b>        |   |   |
| profit / (Loss) before tax  | (1,551,473)   | (27,861,069)  |
| Adjustment for:   |   |   |
| Depreciation and Amortization   | 843,051   | 1,989,919   |
| Interest Income   | (1,107,527)   | (1,179,343)   |
| Liabilities no longer required written back                           | (581,693)   | -   |
| Provision for Doubtful Debts  | 1,108,143   | -   |
| Bad Debts / Sundry balances written off (net)                         | 75,729  | 1,343,875   |
| Unrealised Foreign Exchange Loss (net)                                | 14,078  | 34,798  |
| Loss/ (Gain) on Tangible Assets Sold / Discarded                      | (325,637)   | 3,563,036   |
| Finance Costs   | 3,633,943   | 3,782,778   |
| <b>Operating Profit before working capital changes</b>                | <u>2,108,614</u>                                      | <u>(18,326,006)</u>                                   |
| Adjustment for changes in Working Capital :                           |   |   |
| - (Decrease) / Increase in Trade Payables                             | (1,408,716)   | (1,921,054)   |
| - (Decrease)/ Increase in Provisions                                  | (127,156)   | 11,462,708  |
| - Increase in Other Financial Liabilities                             | 1,878,178   | 1,750,131   |
| - Increase in Other Current Liabilities                               | 29,435  | (677,607)   |
| - Decrease in Trade Receivables                                       | (587,623)   | 2,221,747   |
| - Refund/ (payment) of tax  | 1,640,046   | 1,262,119   |
| - Other Non-Current Financial Assets                                  | 21,500  | 1,624,385   |
| - Decrease/(Increase) in Other Assets                                 | 50,057  | 1,355,261   |
| <b>Cash generated from Operations</b>                                 | <u>3,604,335</u>                                      | <u>(1,248,316)</u>                                    |
| Direct Taxes Paid (Net)   | (310,173)   | (577,393)   |
| <b>Net Cash generated from Operating Activities</b>                   | <u>3,294,162</u>                                      | <u>(1,825,709)</u>                                    |
| <b>B. Cash Flow used in Investing Activities</b>                      |   |   |
| Proceeds from disposal of property, plant and equipment               | 513,100   | 1,561,371   |
| Interest Received   | 1,399,822   | 369,343   |
| <b>Net Cash used in Investing Activities</b>                          | <u>1,912,922</u>                                      | <u>1,930,714</u>                                      |
| <b>C. Cash Flow used in Financing Activities</b>                      |   |   |
| Proceeds/(Repayments) of Loan from Banks                              | (1,314,398)   | 88,396  |
| Proceeds/(Repayments) of Loan from Others                             | (275,000)   | 950,000   |
| Finance Costs   | (3,633,943)   | (3,782,778)   |
| <b>Net Cash used in Financing Activities</b>                          | <u>(5,223,341)</u>                                    | <u>(2,744,382)</u>                                    |
| <b>Net increase /decrease in Cash and Cash equivalents</b>            | <u>(16,257)</u>                                       | <u>(2,639,377)</u>                                    |
| Cash and Cash Equivalents at the beginning of the year                | 179,197   | 2,818,574   |
| Cash and Cash Equivalents at the end of the year                      | <u>162,940</u>  | <u>179,197</u>  |
|   | <u>(16,257)</u>                                       | <u>(2,639,377)</u>                                    |
| <i>* Amount is below the rounding off norm adopted by the Company</i> |   |   |
| <b>Cash and Cash Equivalents comprise:</b>                            | <b>As at<br/>March 31, 2018</b>                       | <b>As at<br/>March 31, 2017</b>                       |
| Cash on hand  | 1,121   | 4,896   |
| Balances with Banks   |   |   |
| -In current accounts  | 161,819   | 174,301   |
|   | <u>162,940</u>  | <u>179,197</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 : 30th May, 2018

**For and on behalf of the Board of Directors**

**Debjit Bhattacharya** Director (DIN: 02560547)  
**Vinay Kumar Gupta** Whole-Time Director (DIN: 00574665)  
**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, 2017  | Additions During the year | Disposal/ Adjustments During the year | As at March 31, 2018     | As at April 01, 2017 | Additions During the year | Disposal/ Adjustments During the year | As at March 31, 2018 | As at April 01, 2017 |
| Buildings             | 13,472,826            | -                         | -                                     | 13,472,826               | 1,296,073            | -                         | -                                     | 1,296,073            | 12,176,753           |
| Plant and Equipment   | 3,169,752             | -                         | 597,721                               | 2,572,031                | 2,729,194            | 98,847                    | 597,711                               | 2,230,330            | 341,701              |
| Vehicles              | 1,933,657             | -                         | 396,932                               | 1,536,725                | 1,503,618            | 208,336                   | 396,932                               | 1,315,022            | 221,703              |
| Furniture and Fixture | 2,464,493             | -                         | 50,970                                | 2,413,523                | 1,605,484            | 403,718                   | 32,195                                | 1,977,007            | 436,516              |
| Office Equipment      | 2,067,837             | -                         | 1,432,169                             | 635,668                  | 1,588,053            | 132,150                   | 1,263,503                             | 456,700              | 178,968              |
| <b>Total [A]</b>      | <b>23,108,565</b>     | <b>-</b>                  | <b>2,477,792</b>                      | <b>20,630,773</b>        | <b>8,722,422</b>     | <b>843,051</b>            | <b>2,290,341</b>                      | <b>7,275,132</b>     | <b>14,386,143</b>    |
| Assets                | Gross Carrying Amount |                           |                                       | Accumulated Depreciation |                      |                           | Net Carrying Amount                   |                      |                      |
|                       | As at April 01, 2016  | Additions During the year | Disposal/ Adjustments During the year | As at March 31, 2017     | As at April 01, 2016 | Additions During the year | Disposal/ Adjustments During the year | As at March 31, 2017 | As at April 01, 2016 |
| Buildings             | 13,472,826            | -                         | -                                     | 13,472,826               | 1,083,086            | 212,987                   | -                                     | 1,296,073            | 12,389,740           |
| Plant and Equipment   | 8,848,428             | -                         | 5,678,676                             | 3,169,752                | 7,976,537            | 225,659                   | 5,473,002                             | 2,729,194            | 440,558              |
| Vehicles              | 1,961,064             | -                         | 27,407                                | 1,933,657                | 1,322,653            | 209,876                   | 28,911                                | 1,503,618            | 430,039              |
| Furniture and Fixture | 9,259,220             | -                         | 6,794,727                             | 2,464,493                | 3,719,207            | 891,698                   | 3,005,421                             | 1,605,484            | 859,009              |
| Office Equipment      | 3,554,530             | -                         | 1,486,693                             | 2,067,837                | 2,012,592            | 265,280                   | 689,819                               | 1,588,053            | 479,784              |
| <b>Total [A]</b>      | <b>37,096,068</b>     | <b>-</b>                  | <b>13,987,503</b>                     | <b>23,108,565</b>        | <b>16,114,075</b>    | <b>1,805,500</b>          | <b>9,197,153</b>                      | <b>8,722,422</b>     | <b>20,981,993</b>    |

Notes annexed to and forming part of the Consolidated Financial Statements

2) INTANGIBLE ASSETS

| Assets            | Gross Carrying Amount |                           |                                       | Accumulated Depreciation |                      |                           | Net Carrying Amount                   |                      |                      |
|-------------------|-----------------------|---------------------------|---------------------------------------|--------------------------|----------------------|---------------------------|---------------------------------------|----------------------|----------------------|
|                   | As at April 01, 2017  | Additions During the year | Disposal/ Adjustments During the year | As at March 31, 2018     | As at April 01, 2017 | Additions During the year | Disposal/ Adjustments During the year | As at March 31, 2018 | As at April 01, 2017 |
| Computer Software | 1,543,167             | -                         | 1,490,585                             | 52,582                   | 1,542,308            | -                         | 1,490,573                             | 51,735               | 859                  |
| <b>Total</b>      | <b>1,543,167</b>      | <b>-</b>                  | <b>1,490,585</b>                      | <b>52,582</b>            | <b>1,542,308</b>     | <b>-</b>                  | <b>1,490,573</b>                      | <b>51,735</b>        | <b>859</b>           |
| Assets            | Gross Carrying Amount |                           |                                       | Accumulated Depreciation |                      |                           | Net Carrying Amount                   |                      |                      |
|                   | As at April 01, 2016  | Additions During the year | Disposal/ Adjustments During the year | As at March 31, 2017     | As at April 01, 2016 | Additions During the year | Disposal/ Adjustments During the year | As at March 31, 2017 | As at April 01, 2016 |
| Computer Software | 3,281,712             | -                         | 1,738,545                             | 1,543,167                | 2,762,377            | 184,419                   | 1,404,488                             | 1,542,308            | 519,335              |
| <b>Total</b>      | <b>3,281,712</b>      | <b>-</b>                  | <b>1,738,545</b>                      | <b>1,543,167</b>         | <b>2,762,377</b>     | <b>184,419</b>            | <b>1,404,488</b>                      | <b>1,542,308</b>     | <b>519,335</b>       |

**Notes annexed to and forming part of the Consolidated Financial Statements**

|   | As at<br>March 31,2018<br>(Amount in ₹.) | As at<br>March 31,2017<br>(Amount in ₹.) | As at<br>March 31,2016<br>(Amount in ₹.) |
|---|--|--|--|
| <b>3) <u>Financial Assets</u></b>   |  |  |  |
| (i) <b>Investment : Non-Current</b>   |  |  |  |
| Long-Term Trade and Unquoted Investments in Equity Instruments (Valued at Cost) | 155,000,000                              | 155,000,000                              | 155,000,000                              |
|   | <u>155,000,000</u>                       | <u>155,000,000</u>                       | <u>155,000,000</u>                       |
| (ii) <b>Others</b>  |  |  |  |
| <b>Other Non-Current</b>  |  |  |  |
| Security Deposits   | 1,351,410                                | 1,372,910                                | 2,997,295                                |
|   | <u>1,351,410</u>                         | <u>1,372,910</u>                         | <u>2,997,295</u>                         |
| <b>4) <u>Other Non-Current Assets</u></b>                                       |  |  |  |
| Prepaid Expenses  |  |  | 250,000                                  |
| Gratuity (Funded with LIC of India )  | 604,321                                  | 853,796                                  | 1,196,179                                |
| MAT Credit Entitlement  | 5,536                                    | 67,536                                   | 86,081                                   |
|   | <u>609,857</u>                           | <u>921,332</u>                           | <u>1,532,260</u>                         |
| <b>5) <u>Trade Receivables</u></b>  |  |  |  |
| Unsecured, Considered Good  |  |  |  |
| Outstanding for a period exceeding than six months                              | 1,915,656                                | 2,070,298                                | 5,390,154                                |
| Less: Provision for Doubtful Debts  | 1,110,885                                | -  | -  |
|   | <u>804,771</u>                           | <u>2,070,298</u>                         | <u>5,390,154</u>                         |
| (a)   |  |  |  |
| <b>Considered Good</b>  |  |  |  |
| Outstanding for a period less than six months                                   |  |  |  |
| From Related Parties  | 655,200                                  | -  | -  |
| Others  | -  | -  | 270,400                                  |
|   | <u>655,200</u>                           | <u>-</u>                                 | <u>270,400</u>                           |
| (b)   |  |  |  |
| <b>Total (a) + (b)</b>  | <u>1,459,971</u>                         | <u>2,070,298</u>                         | <u>5,660,554</u>                         |
| <b>Details of Trade Receivable Outstanding</b>                                  | <b>Percentage of Total Outstanding</b>   |  |  |
| <b>Name of Customer</b>   |  |  |  |
| Punjab Technical University   | 35.34%                                   | 24.92%                                   | 58.02%                                   |
| Mars Solution Ltd.  | 0.00%                                    | 53.58%                                   | 0.00%                                    |
| Highgate Developers Pvt. Ltd.   | 7.40%                                    | 0.00%                                    | 0.00%                                    |
| Peterhouse Investments India Ltd.   | 37.48%                                   | 0.00%                                    | 0.00%                                    |
| Others  | 19.78%                                   | 21.50%                                   | 41.98%                                   |
|   | <u>100.00%</u>                           | <u>100.00%</u>                           | <u>100.00%</u>                           |
| <b>6) <u>Cash and Cash Equivalents</u></b>                                      |  |  |  |
| Cash on hand  | 1,121                                    | 4,896                                    | 16,482                                   |
| Balances with Banks   |  |  |  |
| - In current accounts   | 161,819                                  | 174,301                                  | 2,528,355                                |
| - Remittance in Transit   | -  | -  | 273,737                                  |
|   | <u>162,940</u>                           | <u>179,197</u>                           | <u>2,818,574</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<br>March 31, 2018<br>(Amount in ₹.) | As at<br>March 31, 2017<br>(Amount in ₹.) | As at<br>March 31, 2016<br>(Amount in ₹.) |
|--|---|---|---|
| <b>7) Bank Balances other than Cash and Cash Equivalents</b>   |   |   |   |
| Fixed Deposits with more than 12 months maturity   | 1,251,541                                 | 1,177,030                                 | 763,821                                   |
|  | <b>1,251,541</b>                          | <b>1,177,030</b>                          | <b>763,821</b>                            |
| <b>8) Other Current Assets</b>   |   |   |   |
| Intercompany Deposits (Unsecured)  | 7,500,000                                 | 7,500,000                                 | 7,500,000                                 |
| Advances to Suppliers  | 50,000                                    | 50,000                                    | 406,819                                   |
| Prepaid Expenses   | 67,729                                    | 64,876                                    | 862,769                                   |
| Balance with Excise, Customs and Sales Tax Authorities   | 436,464                                   | 251,410                                   | 162,319                                   |
| Advance Payment of Taxes (Net of Provisions)   | 10,141,269                                | 11,533,142                                | 12,282,880                                |
| Advance/Loans to Employees   | 1,000                                     | 2,000                                     | 93,921                                    |
| Interest Receivable  | 547,212                                   | 839,507                                   | 29,507                                    |
|  | <b>18,743,674</b>                         | <b>20,240,935</b>                         | <b>21,338,215</b>                         |
| <b>9) Equity Share Capital</b>   |   |   |   |
| <b>a) Authorized Share Capital</b>   |   |   |   |
| 200,000,000 (As at March 31, 2017 : 200,000,000; As at April 01, 2016:   | 200,000,000                               | 200,000,000                               | 200,000,000                               |
| 1,000,000 10.75% Cumulative Redeemable Preference Shares of ₹.50/- each (As at March 31, 2017 : 1,000,000; As at April 01, 2016: 1,000,000) 10.75% Cumulative Preference Shares of ₹.50/- each | 50,000,000                                | 50,000,000                                | 50,000,000                                |
|  | <b>250,000,000</b>                        | <b>250,000,000</b>                        | <b>250,000,000</b>                        |
| <b>b) Issued, Subscribed and Paid up Share Capital</b>   |   |   |   |
| 26,415,811 Equity Shares of ₹. 1/- each (As at March 31, 2017: 26,415,811; As at April 01, 2016: 26,425,811) equity shares of ₹. 1 each  | 26,415,811                                | 26,415,811                                | 26,415,811                                |
|  | <b>26,415,811</b>                         | <b>26,415,811</b>                         | <b>26,415,811</b>                         |

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

| Particulars                        | As at<br>March 31, 2018 |            | As at<br>March 31, 2017 |            | As at<br>March 31, 2016 |            |
|------------------------------------|-------------------------|------------|-------------------------|------------|-------------------------|------------|
|                                    | Nos.                    | ₹.         | Nos.                    | ₹.         | Nos.                    | ₹.         |
| At the beginning of the year       | 26,415,811              | 26,415,811 | 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 | 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 31.03.2018 | % of Equity Shares as on 31.03.2018 | No. of Equity Shares as on 31.03.2017 | % of Equity Shares as on 31.03.2017 | No. of Equity Shares as on 31.03.2016 | % of Equity Shares as on 31.03.2016 |
|--|---------------------------------------|-------------------------------------|---------------------------------------|-------------------------------------|---------------------------------------|-------------------------------------|
| UMIL Shares & Stock Broking Services Ltd | 3,075,127                             | 11.88                               | 3,075,127                             | 11.64                               | 3,075,127                             | 11.64                               |
| Peterhouse Investments India Limited     | -                                     | -                                   | 2,968,718                             | 11.24                               | 2,968,718                             | 11.24                               |
| Peterhouse Investments Limited           | 2,388,291                             | 9.23                                | 2,388,291                             | 9.04                                | 2,388,291                             | 9.04                                |
| Usha Breco Ltd                           | 3,377,627                             | 13.05                               | -                                     | -                                   | -                                     | -                                   |
| Prajeev Investments Limited              | 2,057,610                             | 7.95                                | 2,057,610                             | 7.79                                | 2,057,610                             | 7.79                                |
| Deutsche Bank Trust Company Americas     | -                                     | -                                   | 1,799,455                             | 6.81                                | 1,799,455                             | 6.81                                |

|   | As at<br>March 31, 2018<br>(Amount in ₹.) | As at<br>March 31, 2017<br>(Amount in ₹.) | As at<br>March 31, 2016<br>(Amount in ₹.) |
|---|---|---|---|
| <b>10) Other Equity</b>   |   |   |   |
| Retained Earnings / (Accumulated Deficit) [Refer note 'a' below'] | 113,606,446                               | 115,219,919                               | 143,146,000                               |
|   | <u>113,606,446</u>                        | <u>115,219,919</u>                        | <u>143,146,000</u>                        |
| <b>Reserves &amp; Surplus</b>                                     |   |   |   |
| Securities Premium Account  | 120,249                                   | 120,249                                   | 120,249                                   |
|   | <u>120,249</u>                            | <u>120,249</u>                            | <u>120,249</u>                            |
| <b>a. Retained Earnings / (Accumulated Deficit)</b>               |   |   |   |
| Opening Balance   | 115,219,919                               | 143,146,000                               | 172,043,460                               |
| Net (Loss)/ Surplus for the year                                  | (1,613,473)                               | (27,926,081)                              | (28,897,460)                              |
| Closing Balance   | <u>113,606,446</u>                        | <u>115,219,919</u>                        | <u>143,146,000</u>                        |
|   | <u>113,726,695</u>                        | <u>115,340,168</u>                        | <u>143,266,249</u>                        |
| <b>11) Provisions</b>   |   |   |   |
| <b>Non-Current portion of Provisions</b>                          |   |   |   |
| Provision for Impairment of Assets                                | 12,176,753                                | 12,176,753                                | -   |
| Employee Benefits   |   |   |   |
| Gratuity  | 192,155                                   | 283,164                                   | 718,016                                   |
| Leave entitlement   | 82,696                                    | 115,921                                   | 327,177                                   |
|   | <u>12,451,604</u>                         | <u>12,575,838</u>                         | <u>1,045,193</u>                          |
| <b>12) Financial Liabilities- Current</b>                         |   |   |   |
| <b>(i) Secured</b>  |   |   |   |
| <b>From Banks</b>   |   |   |   |
| Cash Credit repayable on demand                                   | 3,626,379                                 | 4,940,777                                 | 4,852,381                                 |
|   | <u>3,626,379</u>                          | <u>4,940,777</u>                          | <u>4,852,381</u>                          |
| <b>Unsecured</b>  |   |   |   |
| <b>From Related Party</b>   |   |   |   |
| Inter-Corporate Deposit   | 23,425,000                                | 23,700,000                                | 22,750,000                                |
|   | <u>23,425,000</u>                         | <u>23,700,000</u>                         | <u>22,750,000</u>                         |
|   | <u>27,051,379</u>                         | <u>28,640,777</u>                         | <u>27,602,381</u>                         |



Notes annexed to and forming part of the Consolidated Financial Statements

|   | As at<br>March 31,2018<br>(Amount in ₹.) | As at<br>March 31,2017<br>(Amount in ₹.)             | As at<br>March 31,2016<br>(Amount in ₹.)             |
|---|--|--|--|
| (ii) <u>Trade and other Payables</u>                            |  |  |  |
| Trade Payables  | 2,631,848                                | 3,575,017  | 3,930,850  |
| Employee Related Liabilities                                    | 620,933                                  | 1,735,440  | 3,312,388  |
| Accrued Expenses  | 2,001,422                                | 1,934,155  | 1,912,264  |
|   | <u>5,254,203</u>                         | <u>7,244,612</u>                                     | <u>9,155,502</u>                                     |
| (iii) <u>Others</u>   |  |  |  |
| Capital Creditors   | 167,893                                  | 347,893  | 618,343  |
| Interest on Unsecured Loan- Related Parties                     | 6,387,163                                | 4,328,985  | 1,837,840  |
| Unearned Revenue  | -  | -  | 470,564  |
|   | <u>6,555,056</u>                         | <u>4,676,878</u>                                     | <u>2,926,747</u>                                     |
| 13) <u>Other Current Liabilities</u>                            |  |  | 8,000  |
| Advance received from Customer                                  | 472,126                                  | 442,691  | 1,112,298  |
| Statutory Dues Payable  | -  | -  | -  |
|   | <u>472,126</u>                           | <u>442,691</u>                                       | <u>1,120,298</u>                                     |
| 14) <u>Current portion of Provisions</u>                        |  |  |  |
| Employee Benefits   | 6,327                                    | 8,267  | 68,844   |
| Gratuity  | 2,680                                    | 3,662  | 11,022   |
| Leave entitlement   | -  | -  | -  |
|   | <u>9,007</u>                             | <u>11,929</u>  | <u>79,866</u>  |
|   |  | For the Year Ended<br>March 31,2018<br>(Amount in ₹) | For the Year Ended<br>March 31,2017<br>(Amount in ₹) |
| 15) <u>Revenue from Operations</u>                              |  |  |  |
| Income from Business  |  | 8,165,170  | 14,226,081   |
| Licence Fees  |  | -  | 250,000  |
|   |  | <u>8,165,170</u>                                     | <u>14,476,081</u>                                    |
| 16) <u>Other Income</u>   |  |  |  |
| <u>Interest Income</u>  |  | 82,790   | 70,232   |
| Fixed Deposit with Bank   |  |  |  |
| (Tax deducted at Source ₹. 8,279/ ,Previous year ₹. 7,023/-)    |  | 105,363  | 123,451  |
| Income Tax Refund   |  | 22,045   | 85,660   |
| Income on Planned Assets (Gratuity)                             |  | 897,329  | 900,000  |
| Inter Corporate Deposits  |  | 600,000  | 652,661  |
| Other Non-Operating Income                                      |  |  |  |
| (Tax deducted at Source ₹. 12,000/-, Previous year ₹, 12,000/-) |  | 581,693  | -  |
| Liabilities no longer required written back                     |  | 325,637  | -  |
| Profit on Fixed Assets sold/scrapped                            |  |  |  |
|   |  | <u>2,614,857</u>                                     | <u>1,832,004</u>                                     |

**Notes annexed to and forming part of the Consolidated Financial Statements**

|   | For the Year Ended<br>March 31, 2018<br>(Amount in ₹) | For the Year Ended<br>March 31, 2017<br>(Amount in ₹) |
|---|---|---|
| 17) <b><u>Employee Benefits Expense</u></b>             |   |   |
| Salaries and Bonus                                      | 2,910,456   | 8,306,503   |
| Contribution to Provident and other Funds               | 145,493   | 313,515   |
| Staff Welfare expenses                                  | 53,353  | 121,424   |
|   | <b><u>3,109,302</u></b>                               | <b><u>8,741,442</u></b>                               |
| 18) <b><u>Power and Fuel</u></b>                        |   |   |
| Power and Fuel  | 564   | 311,922   |
|   | <b><u>564</u></b>                                     | <b><u>311,922</u></b>                                 |
| 19) <b><u>Finance Cost</u></b>                          |   |   |
| Interest on Working Capital Loan from Bank              | 682,928   | 634,342   |
| Bank Charges  | 35,938  | 70,191  |
| Other Borrowing Cost                                    | 2,893,893   | 3,074,651   |
| Others  | 21,184  | 3,594   |
|   | <b><u>3,633,943</u></b>                               | <b><u>3,782,778</u></b>                               |
| 20) <b><u>Depreciation and Amortization</u></b>         |   |   |
| Depreciation on Property, Plant and Equipment           | 843,051   | 1,805,500   |
| Amortization on Intangible Assets                       | -   | 184,419   |
|   | <b><u>843,051</u></b>                                 | <b><u>1,989,919</u></b>                               |
| 21) <b><u>Operating and Administrative Expenses</u></b> |   |   |
| Travelling and conveyance                               | 177,931   | 609,683   |
| Communication   | 219,494   | 735,293   |
| Maintenance expenses                                    | 73,820  | 2,156,356   |
| Rent (Including Lease Rent)                             | 78,000  | 1,238,920   |
| Insurance charges                                       | 134,370   | 131,156   |
| Computer Consumables                                    | 3,953   | 65,245  |
| Professional and Consultancy Charges                    | 665,419   | 3,630,428   |
| Legal and Secreterial                                   | 1,065,086   | 1,016,729   |
| Marketing and Advertisement                             | -   | 343,468   |
| Business Development                                    | -   | 4,028   |
| Printing and Stationery expenses                        | 524,685   | 527,157   |
| Registration and Courseware                             | -   | 853,000   |
| Director Meeting Fees                                   | 74,000  | 78,000  |
| Payment to Auditors (Refer note 'a' below)              | 135,000   | 135,000   |
| Rates and Taxes   | 18,722  | 55,182  |
| Loss on Fixed Assets sold/ discarded (Net)              | -   | 3,563,036   |
| Foreign Exchange Fluctuation Gain (Net)                 | 41,148  | 45,840  |
| Other Comprehensive Expense                             | 135,429   | -   |
| Provision for Doubtful Debts                            | 1,108,143   | -   |
| Bad Debts/Sundry Balances written off (Net)             | 75,729  | 1,343,875   |
| Miscellaneous Expenses                                  | 213,711   | 633,944   |
|   | <b><u>4,744,640</u></b>                               | <b><u>17,166,340</u></b>                              |
| a. <b><u>Payment to Auditors</u></b>                    |   |   |
| Statutory Auditors                                      |   |   |
| Statutory Audit fees                                    | 110,000   | 110,000   |
| Tax Audit fees  | 25,000  | 25,000  |
|   | <b><u>135,000</u></b>                                 | <b><u>135,000</u></b>                                 |

## Note 22: Significant Accounting policies and Notes on Accounts for the year ended 31st March, 2018

### 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 22: Significant Accounting policies and Notes on Accounts for the year ended 31st March, 2018**

- 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 50 lacs 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.
- 4) **Foreign Currency Earnings & Outgo:**

**a) Expenditure in foreign currency:**

|                 | 2017-18 (₹.) | 2016-17 (₹.) |
|-----------------|--------------|--------------|
| Listing Fees    | 199,665      | 183,938      |
| Travel Expenses | -            | 54,201       |

**b) Earning in foreign currency**

|  | 2017-18 (₹.) | 2016-17 (₹.) |
|--|--------------|--------------|
| Management Training, Educational Consultancy, Market Research and Delivery of modules for H & D Business Studies and Computing Studies | 7,525,170    | 11,207,943   |

- 5) 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 Martin Limited.                             | Substantial interest in voting power of the entity |
| Usha Breco Education Infrastructure One 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 -   |
| Usha Martin Ventures 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 22: Significant Accounting policies and Notes on Accounts for the year ended 31st March, 2018**

ii) Particulars of Transactions during the year ended 31st March, 2018

| Particulars                                 | Subsidiaries and Associates  | Key Management Personnel |
|---|------------------------------|--------------------------|
|   | (₹.)                         | (₹.)                     |
| Rent Paid (including lease Rent)            | 48,000                       | —                        |
|   | 48,000                       | —                        |
| Key Managerial Personnel's Remuneration     | =                            | 2,427,644                |
|   | —                            | 2,856,370                |
| Training Fees                               | 840,000                      |                          |
|   | 1,618,112                    |                          |
| Sale of Fixed Assets                        | 400,000                      |                          |
|   | 493,980                      |                          |
| Interest Paid                               | 2,893,893                    |                          |
|   | 1,524,651                    |                          |
| Reimbursement of Expenses received          | 325,536                      |                          |
|   | 1,651,225                    |                          |
| Unsecured Loans:<br>Taken during the year   | 1,000,000                    |                          |
| Repaid during the year                      | 1,275,000                    |                          |
|   | —                            |                          |
|   | —                            |                          |
| <b>Balances outstanding at the year end</b> | <b>24,337,516</b>            | <b>50,778</b>            |
| 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<br>31st March, 2018 | For the year ended<br>31st March, 2017 |
|--|--|--|
| <b>(I) Basic</b>   |  |  |
| (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   | (1,613,473)                            | (28,065,373)                           |
| Basic Earnings per Share [(b)/(a)(iii)]- ₹.                                | (0.06)                                 | (1.06)                                 |
| <b>(II) Diluted</b>  |  |  |
| (a) Diluted Potential Equity Shares  | —                                      | —                                      |
| (b) Diluted Earnings per Share [(b)/(a)(iii)]- ₹.                          | (0.06)                                 | (1.06)                                 |

**Note 22: Significant Accounting policies and Notes on Accounts for the year ended 31st March, 2018**

| 7)  | Managerial Remuneration paid/payable        | 2017-18   |           | 2016-17   |           |
|-----|---|-----------|-----------|-----------|-----------|
| (a) | Key Managerial Personnel's Remuneration:    | ₹.        | ₹.        | ₹.        | ₹.        |
|     | Salary                                      | 762,629   |           | 904,936   |           |
|     | Contribution to Provident Fund              | 91,515    |           | 108,592   |           |
|     | Contribution to Gratuity and Superannuation | 36,682    |           | 43,527    |           |
|     | Other Benefits (actual and/or estimated)    | 1,536,818 | 2,427,244 | 1,799,315 | 2,856,370 |
| (b) | Other Directors                             |           | 74,000    |           | 78,000    |
|     | Directors' Sitting Fees                     |           | 2,501,244 |           | 2,934,370 |

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 31.03.2018. 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 31.03.2018                            | 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, 2018 and recognized in the financial statements in respect of Employee Benefit Schemes.

| I  |  | Gratuity Funded | Leave Encashment Unfunded |
|--|--|-----------------|---------------------------|
| 1  | Current Service Cost                                       | 30,199          | 13,878                    |
| 2  | Interest Cost  | 46,113          | 19,652                    |
|  |  | (41,334)        | 8,789                     |
| 3  | Expected Return on Plan Assets                             | 61,769          | 26,549                    |
| 4  | Curtailment Cost / (Credit)                                | —               | —                         |
| 5  | Settlement Cost / (Credit)                                 | —               | —                         |
| 6  | Past Service Cost  | —               | —                         |
| 7  | Actuarial Losses / (Gains)                                 | —               | 48,211                    |
| 8  | Total expense recognized in the Statement of Profit & Loss | (165,233)       | (55,974)                  |
|  |  | (11,135)        | 70,878                    |
|  |  | (153,045)       | (9,773)                   |
| II Actuarial Returns for the period ended March, 2018                        |  | —               | —                         |
| III Net Asset / (Liability) recognized in Balance Sheet as at March 31, 2018 |  | —               | —                         |
| 1  | Present Value of Defined Benefit Obligation                | 562,364         | (119,583)                 |
| 2  | Fair Value on Plan Assets                                  | 291,431         | 119,583                   |
| 3  | Status [Surplus/(Deficit)]                                 | 853,795         | —                         |
| 4  | Expense recognized in Income Statement                     | 562,364         | (119,583)                 |
| 5  | Expense recognized in Other Comprehensive Income           | (11,135)        | 70,878                    |
| 6  | Employer Contribution                                      | 135,429         | —                         |
| 7  | Net Asset/(Liability) recognized in Balance Sheet          | —               | (105,085)                 |
|  |  | 438,070         | —                         |
|  |  | 562,364         | (85,376)                  |
|  |  |                 | (119,583)                 |

Note 22: Significant Accounting policies and Notes on Accounts for the year ended 31st March, 2018

| IV Change in Defined Benefit Obligations (DBO) during the year ending 31, 2018 |   | Gratuity Funded | Leave Encashment Unfunded |
|--|---|-----------------|---------------------------|
| 1  | Present Value of DBO at the Beginning of Period   | 291,431         | 119,583                   |
|  |   | 786,860         | 338,199                   |
| 2  | Current Service Cost  | 30,199          | 13,878                    |
|  |   | 46,113          | 19,652                    |
| 3  | Interest Cost   | 21,420          | 8,789                     |
|  |   | 61,769          | 26,549                    |
| 4  | Curtailment Cost / (Credit)   | —               | —                         |
| 5  | Settlement Cost / (Credit)  | —               | —                         |
| 6  | Plan Amendments   | —               | —                         |
| 7  | Acquisitions  | —               | —                         |
|  |   | 137,137         | 48,211                    |
| 8  | Actuarial (Gains)/Losses  | (202,590)       | (55,974)                  |
|  |   | (281,705)       | (105,085)                 |
| 9  | Benefits Paid   | (400,721)       | (208,843)                 |
|  |   | 198,482         | 85,376                    |
| 10   | Present Value of DBO at the End of Period   | 291,431         | 119,583                   |
| <b>V Change in Fair Value of Assets during the year ended March 31, 2018</b>   |   |                 |                           |
| 1  | Plan Assets at the Beginning of Period  | 853,795         | —                         |
|  |   | 1,196,179       | —                         |
| 2  | Investment Income   | 62,754          | —                         |
|  |   | —               | —                         |
| 3  | Return on Plan Assets   | 1,708           | —                         |
|  |   | 95,694          | —                         |
| 4  | Actuarial Gains/(Losses)  | —               | —                         |
|  |   | (37,357)        | —                         |
| 5  | Actual Company Contribution   | —               | 105,085                   |
|  |   | —               | 208,843                   |
| 6  | Benefits Paid   | (281,705)       | (105,085)                 |
|  |   | (400,721)       | (208,843)                 |
| 7  | Present Value of DBO at the End of Period   | 636,552         | —                         |
|  |   | 853,795         | —                         |
| <b>VI Actuarial Assumption</b>   |   |                 |                           |
| 1  | Discount Rate (%)   | 7.35%           | 7.70%                     |
| 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 22: Significant Accounting policies and Notes on Accounts for the year ended 31st March, 2018**

- 11) The capital expenditures incurred on leasehold land till 31-03-2017 at the carrying amount i.e., written down value (WDV) at ₹. 1,21,76,753/- has been provided by way of impairment of tangible asset being building. The said decision has been ratified by the Board of Directors by passing a resolution to this effect in its meeting held on 26<sup>th</sup> May, 2017.
- 12) Balances of Sundry Debtors, Sundry Creditors and Loans and Advances (Dr. & Cr.) are subject to confirmation from the respective parties.
- 13) Previous year figures have been regrouped / rearranged wherever necessary.
- 14) 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 : 30th May, 2018

For and on behalf of the Board of Directors

|                     |                                     |
|---------------------|-------------------------------------|
| Debjit Bhattacharya | Director (DIN: 02560547)            |
| Vinay Kumar Gupta   | Whole-Time Director (DIN: 00574665) |
| 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 3322 3700, Fax: +91 33 3322 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 Wednesday, 12<sup>th</sup> day of September, 2018 at 11:30 A.M. and at any adjournment thereof.

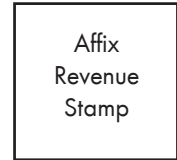
Signed this .....day of .....Two Thousand Ten.

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 3322 3700, Fax: +91 33 3322 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 21<sup>st</sup> 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 12<sup>th</sup> day of September, 2018 at 11:30 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