



USG Tech Solutions Limited

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2012 - 2013 ■ ■ ■ ■ ■ ■ ■ ■ ■ ■
14TH ANNUAL REPORT



USG Tech

Futuristic Solutions...

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CORPORATE INFORMATION

Board of Directors

Mr. Servesh Gupta-Whole Time Director
Mr. Satish Kumar Gupta
Mr. Umesh Bhat
Mr. Anil Kumar Gupta
Mr. Umesh Sharma

Registrar and Transfer Agent

M/s Bigshare Services Private
Limited, E-2/3, Ansal Industrial
Estate, Sakivihar Road, Sakinaka,
Andheri (East), Mumbai - 400 072

Company Secretary

Ms. Mala Sharma

Auditors

M/s PVR-N & Co.,
Chartered Accountants

Registered Office

H.No. 1/95/1/5-6 2nd Floor Guttala Begumpet
near Kavuri Hills Phase 2 Madhapur
Hyderabad – 500081.

Bankers

HDFC Bank, New Delhi
HDFC Bank, Noida
IDBI Bank, New Delhi
YES Bank, New Delhi

14th Annual General Meeting on Thursday, the 26th day of September, 2013 at 16:00 Hrs at
H.No. 1/95/1/5-6 2nd Floor Guttala Begumpet near Kavuri Hills Phase 2 Madhapur, Hyderabad – 500081

NOTICE

Notice is hereby given that the 14th Annual General Meeting of the Members of USG Tech Solutions Limited is scheduled to be held on Thursday, the 26th day of September, 2013 at 16:00 Hrs at the Registered Office of the Company at H.No. 1/95/1/5-6, 2nd Floor, Guttala Begumpet, near Kavuri Hills, Phase 2, Madhapur, Hyderabad - 500081, to transact the following business:

Ordinary Business :

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2013 and Profit & Loss Account for the period from 1st April, 2012 to 31st March, 2013 together with the Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Anil Kumar Gupta, who retires by rotation and being eligible, seeks re-appointment.
3. To appoint a Director in place of Mr. Umesh Sharma, who retires by rotation and being eligible, seeks re-appointment.
4. To appoint Statutory Auditors of the Company, to hold the office from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

"RESOLVED THAT M/s PVR-N & Co., Chartered Accountants, retiring Auditors of the Company, be and are hereby re - appointed as the Statutory Auditors of the Company to hold office from the date of conclusion of ensuing Annual General Meeting till the date of conclusion of the next Annual General Meeting of the Company on such remuneration as may be mutually agreed upon among themselves."

For and on behalf of the Board
USG Tech Solutions Limited

Sd/-
Mala Sharma
Company Secretary

Noida, 27th August, 2013

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing the proxy in order to be effective must be deposited with the Company not less than 48 hours before the time fixed for the commencement of the meeting.
3. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of Board Resolution authorizing the representatives to attend and vote in the General Meeting.
4. Pursuant to section 154 of the Companies Act, 1956, the Registrar of the Members and the Share Transfer Books of the Company will remain closed from Friday, the 20th day of September, 2013 to Thursday, the 26th day of September, 2013 (both days inclusive).
5. Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of Annual General Meeting to enable the management to compile the relevant information to reply the same in the meeting.
6. Members are requested to notify any change in their address, if any to the Registrar & Share Transfer Agent of the Company - M/s Bigshare Services Pvt. Limited, E-2/3 Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri, Mumbai (East) - 400 072 in respect of the Physical Shares and to the Depository Participant in respect of the shares held in Demat form.
7. The Copies of Memorandum and Article of Association of the Company, and all other documents referred in the Notice etc., shall be available for the inspection at the Registered Office of the Company on any working day between 11:00 Hrs to 14: 00 Hrs up to the date of Annual General Meeting and also at the venue of Meeting.
8. In case of Joint holders attending the meeting, only such Joint holder who is higher in the order of names will be entitled to vote. Pursuant to provisions of Section 109A of the Companies Act, 1956 every member or Joint holder (s) may nominate in the prescribed manner, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the Joint holders.
9. Members are requested to notify their particulars including e-mail Id for updating the records in the performa enclosed with proxy/attendance slip.
10. Members are requested to fill in the attendance slip for attending the meeting and those who hold shares in dematerialised form to bring their client ID and depository participants ID number for identification for attendance at the meeting.
11. Members/Proxies are requested to bring their copy of Annual Report and Attendance Slips duly filled in and signed for attending the Meeting.
12. The Register of Contract, maintained under Section 301 of the Companies Act, 1956 will be available for inspection by the members at the registered office of the Company.
13. The Registers of Director's Shareholding maintained under Section 307 of the Companies Act, 1956 shall be available for inspection by the members at the AGM during the meeting.

For and on behalf of the Board
USG Tech Solutions Limited

Sd/-
Mala Sharma
Company Secretary

Noida, 27th August, 2013

ANNEXURE TO NOTICE

Information under clause 49 of the Listing Agreements regarding the Directors seeking re-appointment in the Annual General Meeting

Particulars	Mr. Anil Kumar Gupta	Mr. Umesh Sharma
Educational Qualification	Post Graduate	CAIIB
Experience & expertise in specific functional area	32 year Experience in field of Real Estate development & construction.	Experience in Banking Operation.
Name of Companies in which the person holds directorship	RAS Developments Pvt Ltd Vatika Infrastructures Pvt Ltd RAS Buildwell Pvt Ltd RAS Infra Projects Pvt Ltd USG Promoters Pvt Ltd Zoomshot Entertainment Pvt Ltd	ADS Projects & Systems Private Limited
Name of Companies in which the person holds membership of Committee	NIL	NIL
Shareholding in the Company (Number & %	NIL	NIL

Directors' Report

Dear Members,

Your Directors are delighted to present the 14th Annual Report on the business and operations for the Financial Year ended 31st March, 2013:

Financial & Operational Highlights :*(Rs. In Lacs)*

PARTICULARS	Year ended 31st March, 2013	Year ended 31st March, 2012
Income	644.88	2029.57
Expenditure	640.02	1983.03
Profit Before Tax	4.86	46.54
Provision For Tax	0.72	13.69
Profit Before Deferred Tax	4.14	32.85
Provision For Deferred Tax	0.78	6.07
Net Profit After Taxation	3.36	26.78
Equity Share Capital (F.V Rs.10 each)	339.64	305.00
Reserve & Surplus	194.67	191.68
Basic Earning per Share	0.01	0.09

Year in Retrospect

During the year under review, the Company's Gross turnover reduced marginally from 2029.57 Lacs previous year to 644.88 Lacs current year. The Current years working resulted into a profit of Rs 3.36 Lacs as compared to Rs 26.78 Lacs in the immediately preceding previous year. Your Directors are putting in their best efforts to improve the performance of the Company.

Material Changes etc.

The Board of Directors in their meeting held on 1st April, 2013 allotted 54,50,000 fully paid Equity Shares of Rs 10/- (Rupees Ten only) each to various strategic investors on the conversion of Warrants, also allotted 34,63,410 fully paid equity shares to M/s RIS Group Ltd, by way of preferential allotment at their meeting held on 20th November, 2012.

Dividend

In order to strengthen the fundamentals of the Company, your Directors decided that it would be prudent to plough back the profits of the Company and accordingly the Board has not recommended any dividend for the year under review.

Public Deposits

During the year under report, your Company did not accept any deposits from the public in terms of the provisions of section 58A & 58AA of the Companies Act, 1956.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

a. **Conservation of Energy & Technology Absorption:** Since the Company is not engaged in any manufacturing activity, issues relating to conservation of energy and technology absorption are not quite relevant to its functioning.

b. **Export Activities:** During the year under review, the Company has undertaken Offshore activities for software customization.

c. **Foreign Exchange Earnings and Outgo :** *(Rs. In Lacs)*

Particulars	2012-13	2011-12
Total Foreign Exchange earnings	168.02	NIL
Total Foreign Exchange outgo	587.14	NIL

Particulars of Employees

During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and hence no particulars are required to be disclosed in this Report.

Directors

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Anil Kumar Gupta & Mr. Umesh Sharma, Directors of the Company, retires by rotation and being eligible, seeks re-appointment.

Brief details of the Directors seeking appointment/re-appointment as stipulated under Clause 49 of the Listing Agreement with the stock exchange is enclosed with the Notice.

During the year under review Mr Prem Gupta, Managing Director of the Company has resigned from the Board w.e.f. 6th May, 2013

Auditors

M/s PVR-N & Co., Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A certificate under section 224(1) of the Companies Act, 1956 regarding their eligibility for the proposed re-appointment has been obtained from them. Your Directors recommend their re-appointment.

Auditors' Report

Comments made by the Statutory Auditors in the Auditors' Report are self-explanatory and do not require any further clarification

Directors' Responsibility Statement

In terms of the provisions of section 217(2AA) of the Companies Act, 1956, and to the best of their knowledge and belief and according to the information and explanations obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- a. in preparation of the annual accounts, the applicable accounting standards have been followed;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and of the profit of the Company for the year ended on that date;

- c. the Directors have taken proper and sufficient care for the 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 fraud and other irregularities; and
- d. the Directors have prepared the Annual Accounts on a going concern basis.

Corporate Governance

The Company is committed to adopt the best practices in Corporate Governance, which is guided by the principles of conducting the business in a responsible, transparent and ethical manner so as to protect the interest of all stakeholders. As per Clause 49 of the Listing Agreement, a separate Section on Corporate Governance forms part of the Annual Report.

A certificate from Statutory Auditors with regard to the compliance of the Corporate Governance, as stipulated under Clause 49 of the Listing Agreement, is also annexed to this Report.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report for the year, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are presented in a separate section forming part of the Annual Report.

Listing

The Equity Shares of the Company are listed at the Bombay Stock Exchange Limited and The Calcutta Stock Exchange Association Ltd. The Listing fees for the financial year 2013-14 have been paid to the Bombay Stock Exchange Limited.

Acknowledgment

Your Directors take this opportunity to place on record their sincere appreciation for the co-operation and assistance the Company has received from Banks and various Government Departments. The Board also places on record its appreciation of the devoted services of the employees; support and co-operation extended by the valued business associates and the continuous patronage of the customers of the Company.

By Order of the Board
USG Tech Solutions Limited

Noida, 27th August, 2013

Sd/-
Satish Kumar Gupta
Director

Sd/-
Servesch Gupta
Director

Annexure to the Director's Report

Auditor's Certificate on compliance with the conditions of Corporate Governance under clause 49 of the listing Agreement(s).

The Board of Directors
USG Tech Solutions Limited
Noida

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement, entered into by the Company with the Stock Exchange(s) in India, for the financial year ended on 31st March 2013.

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

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review to the best of our information and according to the explanations given to us, in our opinion, the Company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the said Listing Agreement.

On the basis of Certificate issued by the Registrar and Share Transfer Agent of the Company and the Minutes of Meetings of the Shareholders/ Investors Grievance Committee of the Company, we state that, there was only one investor grievance pending against the Company for a period exceeding one month.

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

For PVR-N & Co.
Chartered Accountants,
Firm Regn. No. 004062N

Place: New Delhi
Date: 29th May, 2013

Sd/-
Pradeep Kumar Jindal
Partner
M.No. 082646

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**Cautionary Statement**

The Management Discussion and Analysis Report may contain certain statements that might be considered forward looking. These statements are subject to certain risks and uncertainties. Actual results may differ materially from those expressed in the statement as important factors could influence Company's operations such as Government policies, economic development, political factors and such other factors beyond the control of the Company.

Overview and brief Background

Crafted to perform, USG Tech is more than a singular avenue for payment processing system, it represents the ambition to connect, the ability to integrate and the freedom to move beyond the hassles of prior systems. USG Tech was brought to life by individuals who imagine a seamless system that allows complete freedom and guarantees a greater performance capability.

Bringing together the merchants, banks, financial institutions, corporate companies and other modes of transaction activities on a singular platform, USG Tech is a one stop destination for a secure network for growth oriented services. Combining state-of-the-art technology with the ambition to streamline the business processes throughout the country, USG Tech equips businesses and organizations to stay in control of payment processing, point of sale systems, reward and loyalty programs and all other related business processes.

The multi-functional feature of USG Tech payment systems allow product manufacturers to stay linked to the traders, the banks to their customers, the government to the various trading points, the corporate houses to their branched processes and merchants to their customers.

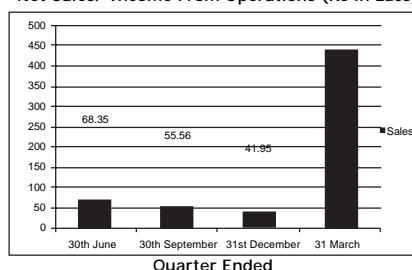
Spread across multiple channels USG Tech's strategic solutions are capable of communicating across broadband, GPRS, Wi-Fi and dial-up along with supporting several third-party VAA's (Value Added Applications).

IT Industry Scenario

The IT Industry is facing major challenges and opportunities, and currently undergoing a metamorphosis. Protectionist policies arising out of a highly weakened economic environment, stringent visa regulations, intense competition amongst vendors, and emergence of other low cost destinations are challenging the current business models. Further, with the end of the tax holiday, application of MAT on SEZs and spiraling inflation, the industry has to literally reinvent itself in order to remain relevant and continue to provide the returns expected.

It had seen an increased preference for onshore locations and other lower cost centers in past year, primarily to tap into the local talent, as well as to provide customers with more options and stronger capabilities.

The next decade is expected to be vastly different from the previous one, in which business models will undergo transformation and new models will emerge. The labor arbitrage may not be sustainable beyond a few more years. The business model of the future will be driven by the need to change the profit per employee equation and increasingly bring in "non-linearity". Building capabilities in new technologies like smart computing, cloud computing, mobility and analytics, and investing in the creation of delivery accelerators and IP will enable vendors to rapidly deliver business-impacting solutions and value to their clients. To remain competitive and profitable, organisations must increase operational efficiencies, and reinvent and embrace new business models which will offer customers a transformed business proposition.

Net Sales/ Income From Operations (Rs in Lacs)

Financial Performance

"USG is a place for people to discover what's important, make it happen, share your progress."

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the year.

During the year under review, the Company's Gross turnover reduced marginally from 2029.59 Lacs previous year to 644.88 Lacs current year. The main reason for fall in turnover is devotion of Company's all resources toward development software which resulted into drop in turnover. The Current years working resulted into a profit of Rs 3.36 Lacs has compared to Rs 26.78 Lacs in the immediately preceding previous year. Your Directors are putting in their best efforts to improve the performance of the Company.

As there is a substantial growth in IT Sector and Software Projects development, Your Directors are hopeful that in forthcoming years, Company will definitely perform up to the mark, achieve good profitability and Earning per share will be increased. On a generic note, given the current economic and industry environment, prospects in our business segments look attractive and we look forward to 2013-14 with sustained growth and excitement.

Opportunities Lying Ahead and our Outlook

As your Company keeps on exploring various avenues, your Management proposes to have a singular avenue for payment processing system, representing the ambition to connect, with an ability to integrate and the freedom to move beyond the hassles of prior systems. They imagine a seamless payment system that allows complete freedom and guarantees a greater performance capability.

Bringing together the merchants, banks, financial institutions, corporate companies and other modes of transaction activities on a singular platform, The Company will be one stop destination for a secure network for growth oriented services. Combining state-of-the-art technology with the ambition to streamline the business processes in throughout the country.

The multi-functional feature of the payment systems will allow product manufacturers to stay linked to the traders, the banks to their customers, the government to the various trading points, the corporate houses to their branched processes and merchants to their customers. However it is not our ability to connect trading processes that is revolutionary, it is our ability to provide you with a customized solution based on your objective and the instant software updates across all POS terminals in India that sets us apart.

It would help customers to stay in control of payment processing, point of sale systems, reward and loyalty programs and all other related processes. Spread across multiple channels the proposed strategic solutions are capable of communicating across broadband, GPRS, Wi-Fi and dial-up along with supporting several third-party VAA's (Value Added Applications).

The Management's mission is

"To eternally adapt, create & innovate to deliver an open payments processing platform that seamlessly integrates with banks, business systems and consumers. USG Tech's applications are built on state-of-art infrastructure and technology with one key ambition, to drive value for your business and for your customers"

Human resource / Industrial relations

Management is keen on following the best practices for attracting, retaining and enhancing human resources of the Company. The company's Industrial relations continued to be harmonious during the year under review. The Company continue to invest in people through various initiatives which enable the work force to meet out the production requirements and challenges related thereto and to infuse positive enthusiasm towards the organization.

Internal Control Systems and Adequacy

The Internal Control Systems and procedure are adequate and commensurate with the size of the Company. The company has implemented suitable controls on ongoing basis to assure that all resources are utilized optimally, financial transactions are reported with the accuracy and all applicable laws and regulations are strictly complied with.

CORPORATE GOVERNANCE REPORT

"Corporate Governance is an integral part of the philosophy of the Company in its pursuit of excellence, growth and value creation by focusing a balance between individual interests and corporate goals."

1. COMPANY 'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance enshrines the goal of achieving the highest level of transparency, accountability and equity in all spheres of its operations and in all its dealing with the shareholders, employees, the Government and other parties. In carrying out this, it is ensured that the Company's objectives are adequately measured and monitored. The Corporate Governance is a key element which involves a set of relationships between a Company's management, its Board, Shareholders and Stakeholders.

Corporate Governance is considered as an important tool for shareholders protection and maximization of their long term values. The cardinal principle such as accountability, responsibility, transparency and fair disclosure serve as the measure for achieving goals.

2. BOARD OF DIRECTORS

2.1 The Company maintains an optimum combination of Executive, Non Executive and Independent Directors. The Board consists of total Six (6) directors on 31st March, 2013, out of which three (3) are independent. The Company is chaired by Mr Satish Kumar Gupta, Non-Executive Director who belongs to Promoter Group and Mr Servesh Gupta is the Whole Time Director of the company. The Constitution of the Board as on 31st March 2013 is as follows:

Name of the Director	Category	Number of Other		
		Directorship*	Committee Membership**	Committee Chairmanship**
Mr. Prem Gupta	Managing Director (Executive)	2	NIL	2
Mr. Servesh Gupta	Promoter Director/Executive Director	NIL	NIL	NIL
Mr. Satish Kumar Gupta	Promoter Director / Non-Executive Director	NIL	NIL	NIL
Mr. Anil Kumar Gupta	Independent Director	NIL	NIL	NIL
Mr. Umesh Bhat	Independent Director	NIL	NIL	NIL
Mr Umesh Sharma	Independent Director	NIL	NIL	NIL

*The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships in Private Limited Companies, Foreign Companies and Companies under Section 25 of the Companies Act, 1956.

** In accordance with Clause 49, Memberships/Chairmanships of only the Audit Committee and Shareholder's/Investors Grievance Committee in all public limited companies (excluding USG Tech Solutions Limited) have been considered. None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committee (as specified in Clause 49 of the Listing Agreement), across all the Companies in which he is a Director.

2.2 During the year under review, 12 Board Meetings were held on 15/05/2012, 30/05/2012, 09/07/2012, 14/08/2012, 22/08/2012, 09/10/2012, 13/10/2012, 09/11/2012, 20/11/2012, 26/12/2012, 16/01/2013 and 13/02/2013. The Board was duly supplied with the agenda of the meetings incorporating all material information for facilitating meaningful and focused discussions at the meeting. The intervening period between the Board Meetings was well within the maximum time gap of four months as prescribed in clause 49 of the Listing Agreement. Details of attendance of Directors in the Board meeting during the financial year 2012-13 are as under:

Name of the Director	Board Meeting held during the period	No. of Board Meetings Attended	Attendance at the Last AGM
Mr. Prem Gupta	12	11	Yes
Mr. Servesh Gupta	12	12	Yes
Mr. Satish Kumar Gupta	12	11	Yes
Mr. Umesh Bhat	12	10	Yes
Mr. Anil Kumar Gupta	12	9	Yes
Mr Umesh Sharma@	10	8	Yes
Mr Vickram Jaidka#	2	2	Yes

@. Appointed w.e.f. 9th July, 2012.

#. Appointed w.e.f. 22nd August, 2012 and subsequently resigned w.e.f 19th September, 2012.

3. COMMITTEES OF THE BOARD

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted a set of committees with specific terms of reference/scope. The Committees as empowered agents of the Board as per their charter/terms of reference. Targets set by them as agreed with the management are reviewed periodically and mid - course corrections are also carried out. The minutes of the meetings of all committees of the Board are placed before the Board for discussions/ noting.

4. AUDIT COMMITTEE

- 4.1 The Audit Committee functions according to its charter that defines its Composition, Authority, Responsibility and Reporting functions in accordance with the Companies Act, 1956, listing requirements as applicable to the Company and is reviewed from time to time. The brief terms of reference for the audit committee as laid down by the Board are laid as under:
- Overseeing the Company's financial reporting process and the disclosure of the financial information to ensure that the financial statements are correct, sufficient and credible.
 - Recommending the appointment/re-appointment and replacement/ removal of statutory auditors, fixation of audit fee and also approval for payment for any other services.
 - Reviewing with Management, the quarterly, half yearly and annual financial statements before submission to the Board.
 - Reviewing with the Management, performance of Statutory and Internal auditors, the adequacy of internal control system and ensuring compliance therewith.
 - Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - Discussion with internal auditors any significant findings and follow up thereon.
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - Discussion with statutory auditors before the audit commences about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

j) To review report on Management Discussion & Analysis of Financial Condition and Results of operation, to be included in the Company's Annual Report to its Shareholders.

4.2 The Chairman of the Audit Committee briefs the Board members about the significant discussions at Audit Committee Meetings.

4.3 The Committee comprises of following members as at 31st March, 2013:-

S. No.	Name of the Directors	Designation	Category
1.	Mr. Anil Kumar Gupta	Chairman	Independent
2.	Mr. Umesh Bhat	Member	Independent
3.	Mr. Servesh Gupta	Member	Executive

The Composition of the Committee meets the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

The Company Secretary of the Company acts as the Secretary to the Committee.

All the members of the Committee possess financial and accounting expertise.

4.4 During the Financial year 2012-13, Four (4) meetings of the Audit Committee were held on 30/05/2012, 14/08/2012, 09/11/2012 and 13/02/2013. The Attendance record of Audit Committee is given as follows:

S. No.	Name of the Member	No. of Meeting Attended
1.	Mr. Anil Kumar Gupta	4
2.	Mr. Umesh Bhat	4
3.	Mr. Servesh Gupta	4

4.5 The Committee meetings are held at Company's Corporate Head quarters and are usually attended by the Chief Internal Auditor and the Statutory Auditor. The Business and operations heads are invited to the meetings, as required.

4.6 The Committee relies on the expertise and Knowledge of Management, the internal Auditors and the Independent Statutory Auditors in carrying out its oversight responsibilities. It also uses external expertise if required.

4.7 The Company's Independent Statutory Auditor, is responsible for performing an Independent Audit of the Financial Statements and expressing an opinion on the conformity of those financial statements with accounting principles generally accepted in India.

5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

5.1 As a measure of good Corporate Governance and to focus on the Shareholder's Grievances and for strengthening investor's relation, an Investor's / Shareholder's Grievances Committee has been constituted. This Committee specifically looks into the redressal of shareholder's complaints like transfer of shares, non receipt of annual

report, Dematerialization of shares, replacement of lost/stolen/mutilated share certificates, non receipt of rights/bonus/split share certificates and any other related matters.

The purpose of constituting this Committee is to uphold the basic rights of the shareholders including right to transfer and registration of shares, obtaining relevant information about the company on a timely and regular basis, participating and voting in shareholders meetings, electing members of the board and sharing in the residual profits of the Company. Further the Committee is empowered to act on behalf of the Board, in the matters connected with allotment of shares, issuance of duplicate share certificates, split and consolidation of shares into marketable lots etc.

- 5.2 The Shareholders'/Investors' Grievance Committee of the Board comprises of three Directors as at 31st March 2013:

S. No.	Name of the Directors	Designation	Category
1.	Mr. Satish Kumar Gupta	Chairman	Non-Executive
2.	Mr. Anil Kumar Gupta	Member	Independent
3.	Mr. Umesh Bhat	Member	Independent

The Company Secretary is the Compliance Officer for complying with the requirement of the Securities Laws and the Listing Agreements with the Stock Exchange.

- 5.3 Status of Complaints

S. No.	Particulars	Status of Complaints
1.	No. of complaints received from the shareholders during the period from 01.04.2012 to 31.03.2013	1
2.	No. of complaints resolved during the year	0
3.	No. of complaints pending at the end of the year	1

- 5.4 Compliance Officer

Ms. Mala Sharma, Company secretary, who is the Compliance Officer of the Company can be contacted at: USG Tech Solutions Limited, B-121, 2nd Floor, Sector-2, Noida-201301. e-mail : secretarial@usgtechsolutions.com. Complaints or queries relating to the shares can be forwarded to the Company's Registrar and Transfer Agents - M/s Bigshare Services Pvt. Ltd. at info@bigshareonline.com.

6. REMUNERATION COMMITTEE

- 6.1 The Remuneration Committee of the Company is empowered to review the remuneration of the Managing Director/Whole Time Director and the Executive Directors, approved by the Board and deal with matters relating thereto.
- 6.2 During the year 2012-2013, the Company has paid remuneration to the Whole Time Director.

6.3 The Remuneration of the Managing/Whole Time Director and Executive Directors is recommended by the Remuneration Committee based on criteria such as industry benchmarks, the Company's performance vis-a-vis the industry, the responsibility shouldered performance/track record and is decided by the Board of Directors.

7. GENERAL BODY MEETINGS

(A) Annual General Meetings

Location and time of the General Body Meetings of the Company in the past three years :

Year	Date	Venue	Time	Special Resolution passed
2010	29th September, 2010	I-405, 4th Floor, Divyashakti Apartments, Ameerpet, Hyderabad-500 016	16:00 Hrs	<ul style="list-style-type: none"> • Appointment of Managing Director
2011	8th August, 2011	I-405, 4th Floor, Divyashakti Apartments, Ameerpet, Hyderabad-500 016	16:00 Hrs	<ul style="list-style-type: none"> • Appointment of Promoter Directors • Regularisation of additional Directors • Change in name of the Company • Change in Management and Control of the Company • Re-issue of Forfeited Shares • Further Issue of 3,19,50,000 Convertible Warrants/Resultant Equity Shares
2012	19th September, 2012	1/95/1/5-6 2nd Floor Guttala Begumpet near Kavuri Hills Phase 2 Madhapur, Hyderabad - 500081	16:00 Hrs	<ul style="list-style-type: none"> • Regularisation of additional Directors • Preferential Issue of 70,49,200 Equity Shares

(B) Extra Ordinary General Meetings

Date	Venue	Time	Business passed
9th November, 2012	Hotel La-Vista, 938/3, Naiwala, Karol Bagh, New Delhi-110005	11:00 A.M.	Issue of 34,63,410 equity shares by way of Preferential Issue

8. DISCLOSURES

8.1 Besides the transactions mentioned elsewhere in the Annual Report, there were no other materially significant related party transactions that may have potential conflict with the interests of the Company at large.

8.2 The Company has complied with various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authority relating to capital markets during the last three years. No penalties have been imposed by them on the Company.

8.3 The Company has laid down procedure to inform Board Members about the risk assessment and minimization procedures. These procedures are being periodically reviewed to ensure that management controls risk through the means of properly defined framework.

9. MEANS OF COMMUNICATION

The Company regularly intimates unaudited as well as audited financial results to the Stock Exchanges immediately after these were taken on record by the Board.

The quarterly/half-yearly/annual financial results are generally published in the English and Telgu Newspapers i.e. Business Standard (English) and Prajashakthi (Telgu). The Annual Report, Quarterly Results and Shareholding Patterns of the Company are regularly filed with the Stock Exchanges in hard copies within the stipulated time.

10. GREEN INITIATIVE IN CORPORATE GOVERNANCE

Pursuant to Circular No. 17/2011 dated 21st April, 2011 and Circular No. 18/2011 dated 29th April, 2011, Ministry of Corporate Affairs (MCA) has launched "Green Initiative in Corporate Governance" whereby the companies are allowed to send notices, documents, and other communications to the shareholders in electronic mode.

Your company encourages its shareholders to support the "Green Initiatives" by registering their email addresses with their respective depositories/Company's Registrar and Transfer Agent and intimate changes in the e-mail addresses from time to time.

11. GENERAL INFORMATION FOR MEMBERS

11.1 Annual General Meeting:

Date and Time	Thursday, 26th September, 2013 at 16:00 Hrs
Venue	1/95/1/5-6 2nd Floor Guttala Begumpet near Kavuri Hills Phase 2 Madhapur Hyderabad - 500081

11.2 Financial Calender (tentative) :

The financial year covers the period starting from 1st April and ended on 31st March
Adoption of Quarterly Results Ended by the end of
June, 2012 14th August, 2012
September, 2012 9th November, 2012
December, 2012 31st January, 2013

11.3 Book Closure Period:

Friday, 20th September, 2013 to Thursday, 26th September, 2013 (both days inclusive.)

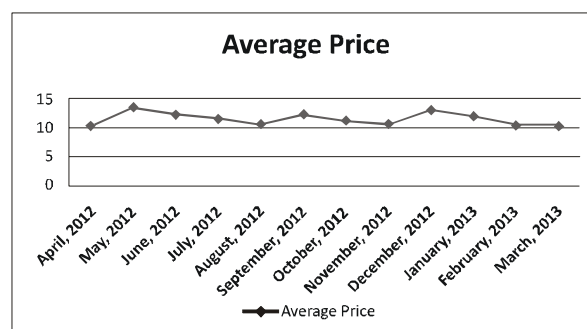
11.4 Listing Details:

The Equity Shares of the Company are listed with Bombay Stock Exchange Limited & The Calcutta Stock Exchange Association Ltd. [Scrip Code: BSE LTD -532402]. The listing fee has been paid to BSE where the Company's Equity shares are listed.

11.5 Market Price data:

The monthly high & low quotations of the Company's Shares traded on the Bombay Stock Exchange Limited during the Financial Year 2012-13, along with the performance of stock are as under:

Bombay Stock Exchange (BSE)			
Month	High	Low	Average
April, 2012	14.20	6.50	10.35
May, 2012	16.00	11.12	13.56
June, 2012	13.00	11.50	12.25
July, 2012	13.10	10.05	11.58
August, 2012	12.45	8.62	10.54
September, 2012	14.00	10.71	12.36
October, 2012	12.25	10.21	11.23
November, 2012	12.44	8.73	10.59
December, 2012	15.40	10.75	13.08
January, 2013	13.89	10.02	11.96
February, 2013	12.90	8.00	10.45
March, 2013	12.89	7.66	10.28



11.6 Registrar and Transfer Agent:

M/s Bigshare Services Pvt. Ltd.

Contact Person: Srinivas Dornala,

Delhi Branch Address :

4E/8 1st Floor, Jhandewalan Ext., New Delhi -110055

Mobile:-09971100544, Tel: 011-42425004

Email: bssdelhi@bigshareonline.com

Mumbai Branch Address :

E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka

Andheri (East), Mumbai-400072.

Tel: 91 22 2847 0652 / 4043 0200, Fax: 91 22 2847 5207

Email: info@bigshareonline.com

Website: www.bigshareonline.com

11.7 Share Transfer System :

The Company's share being in compulsory Demat list, are transferable through the depository system. However, shares in the physical form are processed by the Registrar & Transfer Agent and approved by the Shareholders and Investors Grievance Committee. The share transfer process is reviewed by the said committee. The Company obtains from a Company Secretary in Practice, the half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchanges and file a copy of the certificate with the Stock Exchanges.

11.8 Secretarial Audit :

The Company obtains certificate of compliance from a Company Secretary in practice quarterly under SEBI (Depository & Participants) Regulations, 1996 for the purpose of reconciliation of the total issued/paid - up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

11.9 Distribution of Shareholding :

Distribution of shareholding as on 31.03.2013 is given below :

Share holding of nominal value Rs.	Share Holders		Share Amount	
	Number	% to total	Number	% to total
(1)	(2)	(3)	(4)	(5)
Up to 5000	585	47.0636	1337770	0.3939
5001-10000	239	19.2277	2212730	0.6515
10001-20000	96	7.7233	1624990	0.4784
20001-30000	46	3.7007	1211150	0.3566
30001-40000	34	2.7353	1217380	0.3584
40001-50000	42	3.3789	2019230	0.5945
50001-100000	60	4.8270	4834070	1.4233
100001 and above	141	11.3435	325184780	95.7434
Total	1243		339642100	100

11.10 Shareholding Pattern of Shares as on 31st March, 2013 :

Category	No. of Shares	% of Shares
Promoters		
Indian	24,45,582	7.20
Foreign: Body Corporate	-	-
Non - Promoters		
Mutual Funds	3,54,073	1.04
Fin Inst.	1,18,919	0.35
Corporate Bodies	23,06,133	6.79
Individuals	2,52,21,865	74.26
NRI/ OCBs	35,17,638	10.36
Total	3396421	100.00

11.11 ISIN for Dematerialization: INE718B01017**11.12 Dematerialization of Shares as on 31st March, 2013:**

The electronic holding of shares as on 31st March, 2013 through NSDL and CDSL are as follows :

Particulars	NSDL		CDSL	
	2013	2012	2013	2012
Equity Shares	2,81,53,129	2,35,16,291	16,46,660	14,83,498

The Company has entered into an agreement with both National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL), whereby the shareholders have an option to dematerialize with either of the depositories. Annual Custody fees for the year 2013-14 have been paid by the Company to NSDL and CDSL.

11.13 Address for correspondence

USG Tech Solutions Limited

Company Secretary

Corporate Office:

B-121, 2nd Floor,

Sector -2, Noida - 201301

Email:-secretarial@usgtechsolutions.com

WHISTLE BLOWER POLICY

The Company promotes ethical behavior in all its business activities and has put in all place a mechanism of reporting illegal or unethical behavior. The Company has adopted a Whistle Blower Policy, which afford protection and confidentiality to Whistle blowers. The Audit Committee Chairman is authorised to receive protected Disclosure under this policy. The Audit Committee is also authorized to supervise the conduct of investigation of any disclosures made by whistle blowers in accordance with policy.

Declaration by the CEO under Clause 49 of the Listing Agreement regarding adherence to the Code of Conduct

In accordance with Clause 49 sub Clause I (D) of the Listing Agreement with the Stock Exchanges, I, Servesh Gupta, Director of the Company do hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective code of conduct, as applicable to them for the financial year ended 31st March, 2013.

By Order of the Board
USG Tech Solutions Limited

Sd/-
Servesh Gupta
Director

Noida, 27th August, 2013

AUDITORS' REPORT

To
The Members of
USG Tech Solutions Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of USG Tech Solutions Limited (the "company"). Which comprise the Balance Sheet as at 31st March, 2013, the Statment of Profit and Loss and the Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") This responsibility includes the design, implementation and maintenance of internal control 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

3. Our responsibility is to express an opinion on these financial statement based on our audit. We conducted out, audit in accordance with the Standards on auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. 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 auditors judgment, including the assessment of the risks of material mistatement of the financial statements, whether dure to fraud or error. In making those risk assessments, the auditors considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audi procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the 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.
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013.
 - (b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
 - (c) In the case of the Cash Flow Statement of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditors' Report) Order, 2003, (the Order) issued by the Central Government of India in terms of sub – Section (4A) of Section 227 of the Act, We give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the the order.

As required by Section 227(3) of the Act, we report that

- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The balance sheet, 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 balance sheet, Statement of profit and loss and the cash flow statement comply with the accounting standards referred to in sub – Section (3C) of Section 211 Act.
- e. On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2013 from being appointed as a Director in terms of Clause (g) of sub Section (1) of Section 274 of the Act.

Place : New Delhi
Date : 29th May, 2013

For PVR-N & Co.
Chartered Accountants

Sd/-
Pradeep Kumar Jindal
Partner
M.No. 82646
Firm Regn. No. 004062N

ANNEXURE TO THE AUDITORS REPORT

Referred to in paragraph 3 of our report of even date

1. In respect of its fixed assets
 - a) The Company has maintaining proper records showing full particulars, including quantitative details and situation of the fixed assets on the basis of available information.
 - b) As explained to us, the management has physically verified the fixed assets during the year and there is a regular programme of verification which, in our opinion is reasonable having regard to the size of the Company and the nature of the assets. No material discrepancies were noticed on such physical verification.
 - c) In our opinion, the Company has not disposed off any part of its Fixed Assets during the year and the going concern status of the company is not affected.
2. In respect of its Inventory
 - a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to size of the company and nature of the its business.
 - c) The company has maintained proper record of inventories. As explanation given to us, there were no material discrepancies notices on such physical verification of the inventories as compared to the book records.
3. In respect of the loans, secured or unsecured granted or taken by the company to / from companies, firms or other parties covered under the register maintained under Section 301 of the Companies Act 1956, according to the information and explanations given to us
 - a) The Company has not granted any loans, secured or unsecured, from companies, firms or other parties covered under the register maintained under Section 301 of the Companies Act 1956. Consequently, the requirement of Clause (iii) (f) and (iii) (g) of paragraph 4 of the Order are not applicable.
 - b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered under the register maintained under Section 301 of the Companies Act 1956. Consequently, the requirement of Clause (iii) (f) and (iii) (g) of paragraph 4 of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of products and services. During the course of our audit, we have not observed any continuing failure or weakness in internal control system.
5. In our opinion and according to the information and explanations given to us there are no transactions made pursuant of contracts or arrangements that need to be entered into the register maintained under Section 301 of the Companies Act, 1956.
6. In our opinion and according to information and explanations given to us, the Company has not accepted any deposits from public. Therefore the provision of Clause (vi) of paragraph of the Order is not application to the company.
7. In our opinion, the Company has internal audit system commensurate with the size and nature of its business.
8. In our opinion and according to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956.
9. In respect of statutory dues

- a) According to the information and explanations given to us the particulars of undisputed statutory dues of provident fund, employees state insurance, income tax and service tax were in arrears as at 31st March 2013 for a period of more than six months from the date they became payable and which have not been deposited are for Rs. 3, 02,839/-, the amount relates to Previous years.No dues are pending for the current year.
- b) The Company does not have any disputed dues of sales tax / income tax / customs / wealth tax / excise duty /cess etc. which have not been deposited except the Income Tax Demand of Rs. 23, 10, 837/- for the assessment year 2005 – 2006 against which the Company has filed an appeal with ITAT, although the Income Tax Department has set it off this liability against the amount of Income tax Refund due for the A.Y.2010-2011 and earlier years. Therefore, the matter would be finalized on the order of ITAT.
10. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred any cash losses during the financial year covered by audit and the immediately preceding financial year.
11. According to the information and explanations given to us, the Company has no dues to any financial institutions, bank or debenture holders during the year under report.
12. According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of securities by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or nidhi / mutual benefit fund / society and therefore the provisions of special statute under paragraph (13) of the order are not applicable to the Company.
14. In our opinion and the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the Company has not given the guarantee for loans taken by others from banks or financial institutions.
16. According to the information and explanation given to us, the Company has not raised any term loans.
17. According to information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on a short term basis which have been used for long term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956 during the year.
19. According to the information and explanations given to us, the Company has not issued any debentures during the year under report.
20. According to the information and explanations given to us the Company has not raised any money by public issues during the year.
21. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year under report.

For PVR-N & Co.
Chartered Accountants

Place : New Delhi
Date : 29th May, 2013

Sd/-
Pradeep Kumar Jindal
Partner
M.No. 82646
Firm Regn. No. 004062N

BALANCE SHEET AS AT 31ST MARCH 2013

Particulars	Note No.	As at	As at
		March 31, 2013 (Amount in Rs.)	March 31, 2012 (Amount in Rs.)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	339,642,100.00	305,008,000.00
(b) Reserves & Surplus	2	19,504,381.26	19,168,342.00
(c) Security Premium	3	10,390,230.00	-
(d) Money Received Against Share Warrants	4	54,506,127.00	23,000,000.00
(2) Non Current Liabilities			
(a) Long term borrowings	5	31,798,344.00	2,201,840.00
(b) Deferred tax liabilities(Net)	6	1,469,563.00	1,391,086.00
(3) Current Liabilities			
(a) Trade payables	7	157,204,897.00	237,724,522.00
(b) Other current liabilities	8	2,079,997.00	4,960,701.00
(c) Short-term provisions -Income Tax	9	71,780.00	1,368,927.00
TOTAL		616,667,419.26	594,823,418.00
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	10		
(i) Tangible assets		12,167,658.00	18,394,254.00
(ii) Intangible Assets under Development		17,630,376.00	56,330,376.00
(b) Non-Current Investment	11	119,654,344.00	71,350,000.00
(c) Other non-current assets	12	1,779,938.00	1,977,710.00
(2) Current Assets			
(a) Closing Stock		3,990,339.00	650,750.00
(b) Trade receivables	13	229,494,183.00	264,131,124.00
(c) Cash and cash equivalents	14	7,420,811.00	29,509,069.00
(d) Short-term loans and advances	15	174,004,905.00	97,469,421.00
(e) Other current assets	16	50,524,865.26	55,010,714.00
TOTAL		616,667,419.26	594,823,418.00
Notes on Financial Statement Significant Accounting Policies	1 to 32 a to t		

For PVR-N & Co.

Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Pradeep Jindal

Partner

M.No. 82646

FRN 004062N

Place :-Noida

Date :-29th May, 2013

Sd/-

Satish Gupta

Director

Sd/-

Servesh Gupta

Director

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2013

Particulars	Note No.	As at	As at
		March 31, 2013 (Amount in Rs.)	March 31, 2012 (Amount in Rs.)
I Revenue from Operations	17	60,634,767.00	200,788,932.00
II Other Income	18	3,853,677.84	2,168,894.00
III Total Revenue [I+II]		<u>64,488,444.84</u>	<u>202,957,826.00</u>
IV Expenses			
Purchases & Development	19	43,114,680.08	177,144,632.00
Changes in inventories of finished goods		(3,339,589.00)	(650,750.00)
Employee Benefits Expenses	20	6,888,752.00	7,565,005.00
Finance Costs	21	270,486.13	136,850.00
Depreciation and amortization expenses	10	6,597,608.00	4,953,529.00
Other Expenses	22	10,470,211.37	9,154,378.00
Total Expenses		<u>64,002,148.58</u>	<u>198,303,644.00</u>
V "Profit before exceptional and "extraordinary items and tax (III- IV)"		486,296.26	4,654,182.00
VI Exceptional items		-	-
VII "Profit before extraordinary items and tax"(V-VI)"		486,296.26	4,654,182.00
VIII Extraordinary items			
IX Profit before Tax (VII-VIII)		486,296.26	4,654,182.00
X Tax expenses:			
(1) Current tax		71,780.00	1,368,927.00
(2) Deferred tax		78,477.00	606,690.00
XI Profit for the period from continuing operations (IX-X)		336,039.26	2,678,565.00
XII Profit from discontinuing period		-	-
XIII Tax expenses of discontinuing operations		-	-
XIV Profit from Discontinuing operation (after tax) (XII-XIII)		-	-
XV Profit for the period (XI+XIV)		336,039.26	2,678,565.00
XVI Earning per Equity share:			
(1) Basic		0.01	0.09
(2) Diluted		0.01	0.07
Notes on Financial Statement	1 to 32		
Significant Accounting Policies	a to t		

For PVR-N & Co.

Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Pradeep Jindal

Partner

M.No. 82646

FRN 004062N

Place :-Noida

Date :-29th May, 2013

Sd/-

Satish Gupta

Director

Sd/-

Servesh Gupta

Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

Particulars	As at March 31, 2013 (Amount in Rs.)	As at March 31, 2012 (Amount in Rs.)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax as per Profit and Loss Account	4.86	46.54
Adjustments for :-		
Finance cost	2.70	1.37
Preliminary Expenses Written Off	1.97	2.19
Interest Income	(38.39)	
Other Non-operating Receipts	(0.15)	
Depreciation and Amortization Expenses	65.97	49.54
	32.10	53.10
Operating Profit before Working Capital Changes	<u>36.96</u>	<u>99.64</u>
Adjustment for :-		
Change in Trade and Other Payables	(834.00)	(8051.08)
Increase in Inventories	(33.39)	(6.51)
Change in Trade and Other Receivables	265.23	6511.37
	<u>(602.16)</u>	<u>(1546.22)</u>
Cash Generated from Operations	<u>(565.20)</u>	<u>(1446.58)</u>
Adjustment for :-		
Provision for Income Tax	(0.72)	(13.69)
Provision for Deferred Tax Liabilities	(0.78)	(6.07)
Net Cash Generated from Operating Activities	<u>(566.70)</u>	<u>(1466.34)</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchases/Sale of Fixed Assets	449.26	(755.17)
Purchases of Non-current Investment	(483.04)	(224.20)
Movement in Loans & Advances and other Assets	(718.14)	469.01
Net Cash Received from Investing Activities	<u>(751.92)</u>	<u>(510.36)</u>
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	765.30	2218.19
Proceeds from Long Term Borrowings	295.96	22.01
Finance cost	(2.70)	(1.37)
Interest Income	38.39	
Increase in Deferred Tax Liabilities	0.78	6.07
Payment of Preliminary Expenses for increase in Authorised Share Capital	0.00	(21.97)
Net Cash Received from Financing Activities	<u>1097.73</u>	<u>2222.93</u>
D Net Increase/Decrease in Cash and Cash Equivalent	<u>(220.89)</u>	<u>246.23</u>
Add : Opening Balance of Cash and Cash Equivalent	295.09	48.86
Closing Balance of Cash and Equivalent Cash	<u><u>74.20</u></u>	<u><u>295.09</u></u>

For PVR-N & Co.

Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Pradeep Jindal

Partner

M.No. 82646

FRN 004062N

Place :-Noida

Date :-29th May, 2013

Sd/-

Satish Gupta

Director

Sd/-

Servesh Gupta

Director

Significant Accounting Policies forming part of Balance Sheet as at 31st March 2013**a. Basis of Preparation of Financial Statements**

The financial statements have been prepared under historical cost convention in accordance with Indian Generally Accepted Accounting Principles on a going concern on accrual basis and the relevant provisions of the Companies Act, 1956.

b. Grouping / Regrouping

Previous year figures have been regrouped / reclassified wherever necessary so as to make comparable to figure of current year presentation. The figures in bracket represent corresponding figures of the previous year.

c. Owned Tangible Fixed Assets and Intangible Assets under Development

Fixed Assets are stated at cost of acquisition less accumulated depreciation, recoverable taxes and impairment loss, if any. An intangible asset under developments is shown on actual payment basis.

d. Intangible Assets under Development

An intangible asset under developments was shown on actual payment basis of Rs.56330376/- during the financial year 2011-2012 to acquire license of Credit Card Software which is under development. It included Security deposit of Rs. 38700000/- Rectified on 31.03.2013. Hence, intangible asset under developments as on 31.03.2013 amounts to Rs. 17630376/-

e. Depreciation and Amortisation

Depreciation has been calculated on fixed assets on their written down value method in accordance with section 205 of the Companies Act, 1956 at the rates specified in Schedule XIV of the Companies Act 1956. The company follows the policy of charging depreciation on pro-rata basis on the assets acquired or disposed off during the year. There is no change in the method of providing depreciation as compared to previous year.

f. Impairment of Assets

An assets is treated as impaired when the carrying cost of fixed assets exceeds its recoverable value. The company on an annual basis makes an assessment of any indicator that may lead to impairment of assets. If any such indication exists, the company estimates the recoverable amount of such assets. If such recoverable amount is less than the carrying amount, then the carrying amount is reduced to its recoverable amount by treating the difference between them as impairment loss and is charged to Profit and Loss Account.

g. Amortization of Intangible Assets

No intangible asset has been amortized.

h. Investments

Investments are shown at acquisition cost.

i. Inventories

The Inventory is valued at lower of cost price and realisable value after providing for obsolescence, if any.

j. Trade Receivable, Trade Payables and Loans and Advances

Sundry Debtors, Creditors and Loans and advances are subject to confirmation.

k. Realisation value of Current Assets

In the opinion of the Management, value of all the current assets including loans and advances, if realised in the normal course shall not be less than the value stated in Balance Sheet.

l. Revenue Recognition

- a) **Services** : Revenue from rendering of services is recognized on the date on which the invoice is raised to customers.
- b) **Products** : Revenue from sale of products is recognized at a point of despatch of finished products to customers.

m. Employees Benefits:-

- a) **Short term employees**
Short term benefits are recognised as an expense on an undiscounted basis in the Profit & Loss Account of the year in which the related it is rendered.
- b) **Long Term Benefit**
 - (i) The company is not covered under Employees provident Fund to which defined contribution are made on regularly basis.
 - (ii) In accordance with the Payment of gratuity Act 1972, the gratuity is payable to an employees after completion of 5 years of his service in the company.

n. Provision for Gratuity and Leave Encashment

There is no employee eligible for gratuity as per Payment of Gratuity Act 1972 and therefore no provision has been made for gratuity. The company has also not made any provision for leave encashment. It is policy of the company to pay amount equivalent to value of leave balance in the employee account at the time full and final settlement of his account.

o. Borrowing Cost

Borrowing Cost which is attributable to acquisition of any assets is capitalized as a part of that asset. Other costs are recognized as an expense in the year in which they are incurred.

p. Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rate prevailing at time of transactions.

q. Provision for Current and Deferred Income Taxes

- a) **Income Tax** :- Provision for current tax for the year is based on computations after considering rebates, relief and exemptions under the Income Tax Act, 1961 applicable to the company.
- b) **Deferred Tax** :- Deferred tax assets and liabilities are recognised for future consequences attributable to the time difference that result between the profit offered for income tax and the profit as per financial statement of the company. Deferred tax assets and liabilities are measured as per the tax rates / laws that have been enacted or substantively enacted by the Balance Sheet. Deferred tax assets and liabilities are reassessed for the appropriateness of their respective carrying amount at each balance sheet.

r. Contingent Liabilities and Capital Commitments

Income Tax demand for Rs.2310837/- is pending for the Assessment Year 2005-2006. The Company has filed an appeal with the ITAT against the orders of CIT (Appeal). The order of ITAT is pending. The Income Tax department has set off this liability against the refund due for the following Assessment Years.

SN.	Assessment Year	Date of Adjustment	Amount
1	2009-2010	30-03-2011	611258.00
2	2006-2007	23-04.2011	176791.00
3	2006-2007	26-04.2011	1767.00
4	2007-2008	26-04.2011	9121.00
5	2007-2008	26-04.2011	91.00
6	2008-2009	26-04.2011	28529.00
7	2008-2009	26-04.2011	285.00
	Total		827842.00

s. The Company was exclusively engaged in the business of Software Services and Development of Software Products during previous year. The company has also started trading of Computer Hardware and Accessories from February 2013.Hence the quantitative details as required under the Companies Act 1956.

t. Any other policy

Any other policy matter which is not specifically mentioned herein is as per generally accepted accounting principles and standards

Notes forming part of Balance Sheet as at 31st March 2013

Particulars	As at March 31, 2013 (Amount in Rs.)	As at March 31, 2012 (Amount in Rs.)
1 SHARE CAPITAL		
Authorized Share Capital		
43000000 Equity Shares of Rs.10 each (30000000 Equity Shares of Rs.10 each)	430,000,000.00	430,000,000.00
Issued Share Capital		
33964210 Equity Shares of Rs.10 each (10650800 Equity Shares of Rs.10 each)	339,642,100.00	305,008,000.00
Subscribed & Paid up Share Capital		
33964210 Equity Shares of Rs.10 each (9753918 Equity Shares of Rs.10 each)	339,642,100.00	305,008,000.00
Total	<u>339,642,100.00</u>	<u>305,008,000.00</u>

1.1 The company has issued the Preferential 3463410 Equity Shares of Rs. 13/- each on 30th November 2012

1.2 The reconciliation of the number of shares outstanding is as under:-

Particulars	Number of Shares	Number of Shares
Equity Share at the beginning of the year	30,500,800.00	30,500,800.00
Add :- Issue of Preferential shares	3,463,410.00	-
Add :- Convertible share warrants converted in to Equity Shares	-	-
Equity Share at the end of the year	33,964,210.00	30,500,800.00

1.3 The details of Shareholders holding more than 5% shares is as under:-

Name of Shareholder	Number	% Held	Number	% Held
RIS Group Ltd	3463410	10.19		-
Sh. Anil Kumar Jindal	21000000	6.18	21000000	6.89
Smt. Sunita Jindal	21000000	6.18	21000000	6.89
Sh. Vipin Gupta	21000000	6.18	21000000	6.89
Smt. Radhika Gupta	21000000	6.18	21000000	6.89
Sh. Naresh Bansal	21000000	6.18	21000000	6.89
Smt. Padma Bansal	21000000	6.18	21000000	6.89

2 RESERVES & SURPLUS
2.1 Profit and Loss Account

Profit and Loss Account b/f from last year	19,168,342.00	16,489,777.00
Add :- Transferred from current year Profit and Loss	336,039.26	2,678,565.00
Total	<u>19,504,381.26</u>	<u>19,168,342.00</u>

USG TECH SOLUTIONS LIMITED

Particulars	As at March 31, 2013 (Amount in Rs.)	As at March 31, 2012 (Amount in Rs.)
3 Security Premium		
Security Premium	10,390,230.00	-
Total	<u>10,390,230.00</u>	<u>0.00</u>
4 MONEY RECEIVED AGAINST SHARE WARRANTS		
Money received against Share Warrants	54,506,127.00	23,000,000.00
Rs.2.30 Crores (Rs.0.85 Crores) is received against 5450000 (2300000) shares warrants under SEBI guidelines		
Total	<u>54,506,127.00</u>	<u>23,000,000.00</u>
5 NON-CURRENT LIABILITIES		
Long Term Borrowings		
Secured Loan		
From Bank	1,798,344.00	2,201,840.00
UnSecured Loan		
Eins Edutech Limited	30,000,000.00	-
Total	<u>31,798,344.00</u>	<u>2,201,840.00</u>
Rs.22.01 lac is secured by way of hypothecation on first charge of car to BMW Financial Services Limited.		
6 DEFERRED TAX LIABILITIES(Net)		
Difference in depreciation as per books and income Tax Act	1,469,563.00	1,391,086.00
Relating difference in depreciation as per the Companies Act and Income Tax Act		
As per Income Tax Act	51245824	
As per Companies Act, 1956	56001687	
Total	<u>1,469,563.00</u>	<u>1,391,086.00</u>
7 TRADE PAYABLES		
Micro, Small and Medium Enterprises	2,776,719.00	84,857.00
Others	154,428,178.00	237,639,665.00
Total	<u>157,204,897.00</u>	<u>237,724,522.00</u>
The detail of amount outstanding to Mirco, Small and Meduim Enterprises based on available information with the company is as under:		
Principal amount due and remaining unpaid		-
Interest due on above and unpaid interest		-
Interest paid		-
Payment made beyond the appointed day during the year		-
Interest due and payable for the period of delay		-
Interest accrued and remaining unpaid		-

USG TECH SOLUTIONS LIMITED

Amount of further interest remaining due and payable in succeeding year -

8 OTHER CURRENT LIABILITIES

Statutory Payable for taxes and duties	432,592.00	577,224.00
Other Non-statutory Payables	504,736.00	4,383,477.00
Includes Rs.733187 (Rs.50000/-) due to Directors		
HDFC Bank Ltd A/c No 18978190000101	1,142,669.00	0.00
Total	2,079,997.00	4,960,701.00

9 SHORT TERM PROVISIONS

Provision for Income Taxes	71,780.00	1,368,927.00
Total	71,780.00	1,368,927.00

10 FIXED ASSETS

Particulars	Fixed Assets forming part of Balance Sheet as at 31st March 2013											
	Gross Block					Depreciation					Net Block	
	As at 01.04.2012	Additions during the year	(Deletion) during the year	As at 31.03.2013	As at 01.04.2012	ACharged for the Current Year	Adj.	As at 31.03.2013	Net Block as on 31.03.2013	Net Block as on 01.04.2012		
Tangible Fixed Assets												
Computer Hardware	39,796,009.00	114,625.00	-	39,910,634.00	27,231,721.00	5,018,401.00	-	39,910,634.00	7,660,512.00	12,564,288.00		
Computer Software	15,895,773.00	176,387.00	-	16,072,160.00	14,301,427.00	652,526.00	-	16,072,160.00	1,118,207.00	1,594,346.00		
Furniture and Fixtures	237,500.00	80,000.00	-	317,500.00	16,968.00	19,849.00	-	317,500.00	280,683.00	220,532.00		
Office & Electrical Equipments	1,188,040.00	-	-	1,188,040.00	80,617.00	154,040.00	-	1,188,040.00	953,383.00	1,107,423.00		
Vehicles	5,925,148.00	-	-	5,925,148.00	3,017,483.00	752,792.00	-	5,925,148.00	2,154,873.00	2,907,665.00		
Sub-Total(A)	63,042,470.00	371,012.00	-	63,413,482.00	44,648,216.00	6,597,608.00	-	63,413,482.00	12,167,658.00	18,394,254.00		
Previous year	43,855,968.00	9,186,502.00	-	63,042,470.00	39,694,687.00	4,953,529.00	-	63,042,470.00	18,394,254.00	4,161,281.00		
Intangible Assets under Development												
Development Right	56,330,376.00	-	-	56,330,376.00	-	-	-	56,330,376.00	17,630,376.00	56,330,376.00		
Sub-Total(B)	56,330,376.00	-	-	56,330,376.00	-	-	-	56,330,376.00	17,630,376.00	56,330,376.00		
Previous year	-	-	-	-	-	-	-	-	-	-		
Total (A+B)	19,372,846.00	371,012.00	88,700,000.00	81,043,858.00	44,648,216.00	6,597,608.00	-	81,043,858.00	29,798,034.00	74,724,630.00		

Particulars	As at March 31, 2013 (Amount in Rs.)	As at March 31, 2012 (Amount in Rs.)
11 NON-CURRENT INVESTMENTS		
Trade Investment		
11.1 In Equity Shares -Quoted		
Siber Software Services (India) Limited	6,000,000.00	-
11.2 In Equity Shares -Unquoted		
Fortunate Infra Devepolers (P) Limited (12500 @ Rs.10/- each)	2,500,000.00	2,500,000.00
Glorious Impex Pvt Ltd (12500 @ Rs.10/- each)	2,500,000.00	2,500,000.00
Hightime Marketing Private Limited	-	-
Kreative Finsol Pvt Ltd (90000 @ Rs.10/-each)	900,000.00	900,000.00
Loknath Financial Management Private Limited (16600 @ Rs.10/- each)	400,000.00	8,300,000.00
Mukesh Commercial (P) Limited (30000 @ Rs.10/- each)	6,000,000.00	6,000,000.00
Neptune Financial Advisory Private Limited (9000 @ Rs.10/- each)	4,500,000.00	4,500,000.00
Radix Dealcom Pvt Ltd (250000 @ Rs.10/- Each)	5,000,000.00	5,000,000.00
Retail Informaion System Pty Ltd	50,204,344.00	0.00
Rise High Tracom (P) Ltd (52500 @ Rs.10/- each)	26,250,000.00	26,250,000.00
SSS Glass Private Limited	-	-
Subhlaxmi Financial Management Pvt Ltd (17600 @ Rs.10/- Each)	8,800,000.00	8,800,000.00
Vemuri Finvest (P) Ltd (13000 @ Rs.10/- each)	2,600,000.00	2,600,000.00
Vishika International Private Limited	-	-
Well Build Vanijya (P) Limited (20000 @ Rs.10/- Each)	4,000,000.00	4,000,000.00
Total	119,654,344.00	71,350,000.00
12 OTHER NON-CURRENT ASSETS		
Preliminary expenses to the extent not written off	1,977,710.00	2,197,456.00
Less written off during the year	(197,772.00)	(219,746.00)
Total	1,779,938.00	1,977,710.00
13 TRADE RECEIVABLES		
Debts outstanding for a period exceeding six months	199,753,213.00	264,131,124.00
Others	29,740,970.00	-
Total	229,494,183.00	264,131,124.00
14 BANK, CASH AND CASH EQUIVALENTS		
Balance with Scheduled Banks	737,560.00	4,696,134.00
Cash in Hand and Equivalent Cash	6,683,251.00	24,812,935.00
Total	7,420,811.00	29,509,069.00

Particulars	As at March 31, 2013 (Amount in Rs.)	As at March 31, 2012 (Amount in Rs.)
15 OTHER CURRENT ASSETS (Unsecured and Considered Good)		
Short Term Advances	174,004,905.00	97,469,421.00
Total	174,004,905.00	97,469,421.00
16 OTHER CURRENT ASSETS		
Advance Tax & TDS	4,401,100.00	5,156,891.00
Receivables	1,468,765.26	1,518,823.00
Share Application Money Paid	44,655,000.00	48,335,000.00
Total	50,524,865.26	55,010,714.00
Schedules forming part of Profit and Loss account for the year ended 31st March 2013		
17 Revenue From Operations		
Scientific & Technical Books and other items	762,810.00	200,042,835.00
IT Products & Accessories	39,389,357.00	-
Income from Services	20,482,600.00	746,097.00
Total	60,634,767.00	200,788,932.00
18 Other Incomes		
Other Interests	3,838,735.00	1,948,988.00
Other Non-operating Receipts	14,942,84.00	219,906.00
Total	3,853,677.84	2,168,894.00
19 Purchases & Developments		
Scientific & Technical Books and other items	-	177,144,632.00
Software Development Cost	-	-
IT Products & Accessories	43,114,680.08	-
Total	43,114,680.08	177,144,632.00
20 Employees Benefit Expenses		
Salaries	6,683,344.00	6,609,858.00
Staff Welfare	205,408.00	955,147.00
Total	6,888,752.00	7,565,005.00
21 Finance Cost		
Term Loans	238958.71	136,431.00
Others	31527.42	419.00
Total	270,486.13	136,850.00

Particulars	As at March 31, 2013 (Amount in Rs.)	As at March 31, 2012 (Amount in Rs.)
22 Other Expenses		
Staff Recruitment and Training	-	419,489.00
Directors Remunerations	855,000.00	300,000.00
Audit Fee	25,000.00	25,000.00
Internal Audit Fee	-	20,000.00
Professional, Consultancy & Legal	2,895,631.68	519,129.00
Books & Periodicals	-	14,302.00
Entertainment	-	90,654.00
Printing & Stationery	-	199,170.00
Postage and Courier	34,268.00	153,997.00
Telephone, Fax and Internet	361,861.86	187,736.00
Travelling and Conveyance	2,147,803.84	2,058,656.00
Office Expenses	357,532.34	57,171.00
Business Promotion	-	158,242.00
Rent	1,293,250.00	685,000.00
Round Off	(9.02)	-
Insurance of Dakc Asset	8,990.00	-
Hire Charges	600,000.00	300,000.00
Security and Watch & Ward	-	90,000.00
Car Running and Maintenance	14,385.00	317,390.00
Computers Repair and Maintenance	-	3,950.00
Data Operation Machine Repair and Maintenance	703,734.00	655,750.00
Electricity and Office Maintenance	186,831.00	2,030,193.00
Generator Running and Maintenance	44,923.00	179,941.00
IT/Sundry Technical Maintenance	81,435.00	5,990.00
Office Equipments Repair and Maintenance	78,746.00	18,877.00
Invertor Repair and Maintenance	986.00	-
Office Repair & Maintenance	27,068.00	-
Vehile Running & Maintenance Exp	580.00	-
Publication Expenses	62,895.00	-
Annual General Meeting	-	10,925.00
Depository Fees	110,000.00	71,697.00
Listing Fees	272,500.00	108,095.00
Register & Share Transfer Fee	31,326.00	68,625.00
Fee, Rate, Taxes ans Subscription Fee	11,636.00	6,500.00
General and Sundry Expenses	28,425.00	17,957.00
Preliminary Expenses Written Off	197,772.00	219,746.00
Delay in payment of TDS	6,664.00	197.00
Donation	-	160,000.00
Marketing,Selling & Distribution Exp	30,976.67	-
Total	10,470,211.37	9,154,379.00

Notes on Financial Statement forming part of Balance Sheet as at 31st March 2013

23 Payment to Managing Director/Directors

Particulars	Current Year 2012-13	Previous Year 2011-12
Salary	Rs.855000/-	Rs.300000/-
24 Payment to Auditors		
Statutory Audit Fee	Rs.25000/-	Rs.10000/-
Tax Audit Fee	Rs.00/-	Rs.10000/-
Certifications Fee	Rs. 5000/-	Rs. 5000/-

25 Deferred Tax Liabilities / Assets

The major components in determination of Deferred Tax Liabilities are as under:-

Difference of depreciation between the Financial Statement and Income Tax Act	Rs.1469563/-
Total	Rs.1469563/-

Due to calculation of depreciation as per Income Tax Act, there is difference in amount of Deferred Tax Liability as shown in Audited Result which was submitted to BSE on dated 29.05.2013. Now rectified

26 Expenditure in Foreign Currency

The company has not incurred expenses in foreign currency.

27 Earning in Foreign Currency

During the year, the company has raised invoices for offshore services for software customization to the tune of USD305105/- equivalent to Rs.1,68,02,000/-

28 List of key personnel and related parties with relations during the year
a) Key Management Personnel

- i) Sh. Prem Gupta, Managing Director
- ii) Sh. Servesh Gupta, Director
- iii) Sh. Satish Kumar Gupta, Director
- iv) Sh. Umesh Bhatt, Director
- v) Sh. Umesh Sharma, Director
- vi) Sh. Anil Kumar Gupta, Director

b) Enterprises over which key management persons or their relative exercise significant influence

- i) USG Solutions Private Limited

29 Transaction during the year with related parties

Nature of Transaction	Key Management Personnel		Enterprises over which key management persons or their relative exercise significant influence	
	Current Reporting Year 2012-13	Previous Reporting Year 2011-2012	Current Reporting Year 2012-13	Previous Reporting Year 2011-2012
Salary	Rs.855000/-	Rs.300000/-		
Security Deposited	N.A.	N.A.	Rs.48000000/-	Rs.930000/-
Rent & Hire Charges	N.A.	N.A.	Rs.600000/-	Rs.1025790/-

USG TECH SOLUTIONS LIMITED

30 Additional information's pursuant to the provision of paragraph 4C & 4D of part II of schedule VI of the Companies Act, 1956 as per figures prepared and certified by the management are as under:-

a) Particulars in respect of trading products purchased

S.No.	Item	Quantity		Value	
		Current Year 2012-13	Previous Year 2011-2012	Current Year 2012-13	Previous Year 2011-2012
1.	Scientific & Technical Books and other activity	Assorted books	Assorted books	NIL	Rs.177144632/-
2.	Computer Hardware and Accessories	4995	N.A.	Rs.43114680/-	N.A.

b) Particulars in respect of trading products sold

S.No.	Item	Quantity		Value	
		Current Year 2012-13	Previous Year 2011-2012	Current Year 2012-13	Previous Year 2011-2012
1.	Scientific & Technical Books and other activity	Assorted books	Assorted books	Rs.762810/-	Rs.200788932/-
2.	Computer Hardware and Accessories	4585	N.A.	Rs.39389357/-	N.A.

31 Earnings Per Share(EPS)

	Current Year	Previous Year
i) Net Profit as per Profit and Loss Account (Amount in Rs)	336039	2678565
ii) Number of Equity Share for calculating Basic Value Per Share	33964210	30500800
iii) Number of Equity Share for calculating Diluted Value Per Share	33964210	35950800
iv) Face Value of Equity Share (Amount in Rs.)	10/-	10/-
v) Basic Earnings Per Share (Amount in Rs.)	0.01	0.09
vi) Diluted Earnings Per Share (Amount in Rs.)	0.01	0.07

32 Employees Benefits

The company has not created any fund or trust for meeting its future liability for leave encashment or any other dues to employees. The liability will be met out of from its own fund whenever it may arise in future.

33 Impairment Assets

There was no impairment of assets during the year.

For PVR-N & Co.

Chartered Accountants

Sd/-

Pradeep Jindal

Partner

M.No. 82646

FRN 004062N

Place :-Noida

Date :-29th May, 2013

For and on behalf of the Board of Directors

Sd/-

Satish Gupta

Director

Sd/-

Servesh Gupta

Director

USG TECH SOLUTIONS LIMITED

H.No. 1/95/1/5-6 2nd Floor Guttala Begumpet near Kavuri Hills
Phase 2 Madhapur Hyderabad - 500081

ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the entrance of the hall.
Only members or their proxies are entitled to be present at the meeting.

NAME & ADDRESS :	FOLIO/DPID NO :
	NO. OF SHARES :

I hereby record my presence at the 14th Annual General Meeting of the Company at Registered office on Thursday, the 26th September, 2013 at 16:00 Hrs.

Signature of the Shareholder/Proxy

Note: Members are requested to carry the copy of the Annual Report.

USG TECH SOLUTIONS LIMITED

H.No. 1/95/1/5-6 2nd Floor Guttala Begumpet near Kavuri Hills
Phase 2 Madhapur Hyderabad - 500081

PROXY FORM

FOLIO/DPID NO :

I/We.....
being a Member/Members of USG Tech Solutions Limited hereby appoint.....of
.....or failing himof
.....as my/our proxy to at-
tend and vote for me/us and on my/our behalf at Registered office on Thursday, the 26th September, 2013 at 16:00 Hrs.

Dated this.....day of.....2013.

Signed by the said



NOTE : The proxy form duly signed by the Member(s) across Re. 1/- revenue stamp should reach the Company's share department at Registered Office of the Company at least 48 hours before the time fixed for the Meeting.

BOOK POST

If undelivered, please return to:

USG Tech Solutions Limited

H.No. 1/951/5-6 2nd Floor, Guttala Begumpet, Near Kavuri Hills Phase 2
Madhapur, Hyderabad - 500081.