



USG TECH SOLUTIONS LIMITED

ANNUAL REPORT 2017-2018

Registered Office :
Level 7 Maximus Towers Building,
2A Mindspace Complex, Hi-Tech City,
Hyderabad- 500081

Corporate office :
Flat No-11 B Shiv Apartments,
7 Raj Narain Road, Civil Lines, Delhi 110054

Website: www.usgtechsolutions.com

Email id: secretarial@usgtechsolutions.com

BOARD OF DIRECTORS

Mr. Servesh Gupta
Managing Director and Chairman (DIN: 01451093)
Mrs. Ashima Gupta
Executive Director (DIN: 07795866)
Mr. Deepak Kumar Bansal
Independent Director (DIN: 03081849)
Mrs. Nirmal Garg
Independent Director (DIN: 07145009)
Mr. Manish Kumar
Chief Financial Officer

COMPANY SECRETARY

Mrs. Jagpreet Kaur
Company Secretary

AUDIT COMMITTEE

Mr. Deepak Kumar Bansal
Chairman
Ms. Nirmal Garg
Member
Mrs. Ashima Gupta
Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. Deepak Kumar Bansal
Chairman
Ms. Nirmal Garg
Member
Mrs. Ashima Gupta
Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Deepak Kumar Bansal
Chairman
Ms. Nirmal Garg
Member
Mrs. Ashima Gupta
Member

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STATUTORY AUDITORS

M/s. Ravinder Gupta & Associates,
(Chartered Accountants)
Firm Registration. No.: 087726

SECRETARIAL AUDITOR

Atiuttam Singh & Associates
Company Secretaries
M.No 8719
C.P.No.:13333

INTERNAL AUDITOR

R.K SAH & CO.
R.K Sah & Co.
(Chartered Accountants)
E-32, Gaurav Apartment, Madhu Vihar,
I.P Extn. New Delhi-110092.

REGISTRAR & TRANSFER AGENT

M/s Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis Apartments,
Marol Maroshi Road, Andheri East,
Mumbai 400

BANKER

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

NOTICE

Notice is hereby given that the 19th Annual General Meeting of USG Tech Solutions Limited will be held on Friday , 28th September, 2018 at 10:00 A.M. at Oyster Airport Hotel, 5-12/1, Nehru Outer Ring Road, Brindavan Gardens, Kishanguda, Shamshabad, Hyderabad, Telangana -501218, to transact the following business:-

ORDINARY BUSINESS

1. To Consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2018, the Reports of the Directors and Auditors thereon:
2. To Re-appoint of Mrs. Ashima Gupta (DIN-07795866) who retires by rotation at this meeting and being eligible, offers herself for re-appointment.
3. To Re-appoint statutory auditors and fix their remuneration.

"RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, Ravinder Gupta & Associates , Chartered Accountants (Firm Registration No. 087726) be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this 19th Annual General Meeting (AGM) till the conclusion of the 23rd Annual General Meeting (AGM) of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

4. Re-Appointment of Managing Director

Re-Appointment of Mr. Servesh Gupta, DIN: 01451093 as Managing Director and Payment of Remuneration

To consider and if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder [including any statutory modification(s) or re-enactment thereof for the time being in force] and subject to other statutory approvals, if any, the consent of the Company be and is hereby accorded to the re-appointment of Mr. Servesh Gupta (DIN: 01451093) as Managing Director of the Company for a further period of five years w.e.f. 30th May 2018."

"RESOLVED FURTHER THAT Mr. Servesh Gupta, Managing Director be paid remuneration effective from 01.06.2018 for a period of Five years on the following terms and conditions:

- A. Salary: (Rs. /Month) - 1.50 lacs
- B. Perquisites: These are classified into the following three categories:

PART-A

- a) Medical Expenses: Reimbursement of expenses incurred for self and family in accordance with the rules of the Company for the time being in force and as amended from time to time.
- b) Leave Travel Concession: Leave travel concession for self and family once in a year Incurred in accordance with the rules of the Company.

- c) Club Fees: Fees of clubs subject to a maximum of two clubs.
- d) Personal Accident Insurance: Personal Accident Insurance of an amount, the annual premium of which shall not exceed Rs. 10000.

NOTE: For the purpose of perquisites stated hereinabove, 'family' means the spouse and the dependent children of the appointee.

PART-B

- i) Gratuity, if payable under the Company's Rules shall not exceed half a month's salary for each completed year of service.
- ii) Earned Leave and its Encashment: On full pay and allowances as per the rules of the Company, but not exceeding one month's leave for every eleven months of service.

PART-C

Provision of car with driver for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company. The perquisites mentioned above in Part 'A' will be included in the computation of ceiling on remuneration whereas Part 'B' and 'C' will not be included.

Ceiling on Remuneration: The aggregate remuneration shall not exceed the limits provided in Section 197 read with Schedule V of the Companies Act, 2013 except with the previous approval of the Central Government. , Pursuant to Sub-paragraph A of Section II of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and subject to such compliances and approvals as may be necessary, wherein, in any financial year during the tenure of his service, the Company has no profits or its Profits are inadequate; the Company may pay to Mr. Servesh Gupta Managing Director remuneration by way of salary, perquisites and other benefits as mentioned above as minimum remuneration.

Commission: Commission shall be paid over and above the total remuneration stated herein based on net profits of the Company in a particular financial year as may be determined by the Board of Directors and Nomination and Remuneration Committee of the Company, which put together with salary and perquisites shall be subject to the overall ceiling specified in Section 197 and Section I of Part II of Schedule V of the Companies Act, 2013.

"RESOLVED FURTHER that the Board of Directors and/or Committee thereof of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution

5. Approval of Related Party Transactions

To consider and if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 (including any amendment or modification thereof) and applicable provisions of the Companies Act, 2013 read with relevant Rules thereto [including any statutory modification(s) or re-enactment thereof, for the time being in force] and subject to such other approvals, sanctions as may be required from other authorities under any laws or regulations or guidelines and after such alterations and modifications as may be specified by such other authorities while according the approval or sanction, wherever applicable, approval of the members of the Company be and is hereby accorded to the Board of into ongoing related party contract/arrangements/transactions with Retails Information System Pty Ltd a Foreign Wholly Owned subsidiary of the Company, relating to sale, purchase or supply

of products, goods or materials or availing or rendering of services and leasing of property of any kind (movable or immovable) up to an amount 15 Crores (fifteen Crore only) for the financial year 2018-19 on such terms and conditions as may be decided by the Board."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do and perform all such acts, matters, deeds and things as may be necessary, without further referring to the Members of the Company in order to give effect to this resolution."

"RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolution are hereby approved ratified and confirmed in all respects.

6. Approval for changing the situation of Registered Office of the Company:

To consider, and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT subject to the provisions of Section 12, 13 and Section 110 and other applicable provisions of Companies Act, 2013, read with relevant rules applicable, if any, (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to the approval of Regional Director or the central government and such other approvals, permissions and sanction, as may be required from time to time, consent of the members be and is hereby accorded for shifting the registered office of the Company from the State of Telangana to the "National Capital Territory (NCT) of Delhi" and that the Clause II of the Memorandum of Association of the Company be substituted and replaced as the follows: **II. THE REGISTERED OFFICE OF THE COMPANY WILL BE SITUATED IN THE "NATIONAL CAPITAL TERRITORY (NCT) OF DELHI"**.

"RESOLVED FURTHER THAT upon the aforesaid resolution becoming effective, the registered office of the Company be shifted from Level 7 Maximus Towers Building, 2A Mindspace Complex, Hi-Tech City, Hyderabad- 500081 to National Capital Territory of Delhi situated under the jurisdiction of Registrar of Companies, Delhi (For State of Delhi & Haryana).

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company (hereinafter called the "Board", which term shall be deemed to include any person (s) authorized and / or Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) or any officer so authorised by the Board, be and is hereby authorised to agree to and make and accept such conditions, modifications and alterations stipulated by any one of the authorities, statutory or otherwise, while according approval, consent as may be considered necessary and to appoint counsels and advisors, file applications/petitions, issue notice, advertisements, obtain orders of shifting of registered office from the concerned authorities and take such steps and to do such acts, deeds and things as they may deem necessary and proper in this matter."

By the order of the Board of Directors
For USG Tech Solutions Limited

SD/-
Mr. Servesh Gupta
11B, Shiv Apartments,
7 Raj Narain Marg,
Civil Lines, Delhi-110054
Date: 13.08.2018

Notes :

The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 4,5 and 6 of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

1. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the commencement of the AGM. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. The Register of Members and Share Transfer Books of the Company will be closed on Members, Proxies and Authorized Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.
3. The Notice of the AGM along with the Annual Report 2017-18 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
4. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents (RTA), big share Services Pvt Ltd to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to RTA.
5. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or RTA for assistance in this regard.
6. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
7. Members / Proxies should bring the Attendance slip duly filled in for attending the meeting along with their copy of the Annual Report.
8. In accordance with section 20 of the Companies Act, 2013 service of documents on members by a company is allowed through electronic mode. Accordingly, as a part of Green Initiative, soft copy of the Annual Report for the year ended March 31, 2018 has been sent to all the members whose email address (es) are registered with the Company/ Depository Participant(s) unless any member has requested for a hard copy of the same. Further, in terms of SEBI Circular No. CIR/CFD/DIL/7/2011 dated 05.10.2011 the hard copies of Annual Report have been sent to all other

members who have not registered their email address (es). Members, who have not yet registered their email address with the Company/RTA/Depository Participant, are requested to do the same at the earliest. Members holding shares in dematerialized form are requested to register their email address with their Depository Participant only. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon receipt of request for the same, free of cost. The Notice of the Annual General Meeting and the Annual Report for 2017-18 will also be available on the Company's website www.usgtechsolutions.com for download by the members. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during business hours.

9. The route map showing directions to reach the venue of the 19th AGM is given on Back Over.
10. All documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection at the registered office of the Company.

11. VOTING THROUGH ELECTRONIC MEANS FOR ANNUAL GENERAL MEETING

In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.

- A. The Board of Directors has appointed Sunpreet Singh & Associates, Company Secretaries, Membership No.-43116, COP No. 16084, Registered Office WZ-283/241, Maddi Wali Gali No. 8, Vishnu Garden, New Delhi-110018, Mob No.: 9971443104 for conducting the e voting process in a fair and transparent manner.
- B. Members are requested to carefully read the instructions for e-voting before casting their vote.
- C. The e-voting facility will be available during the following voting period after which the portal will be blocked and shall be available for e-voting.

Commencement of e-voting	25/09/2018 at 09:00 a.m.
End of e-voting	27/09/2018 at 5:00 p.m.

- D. The cut-off date (i.e. the record date) for the purpose of e-voting is 21/09/2018, In compliance of Section 108 of the Companies Act, 2013

THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER;

1. The voting period begins on 25/09/2018 at 09:00 a.m. and ends on 27/09/2018 at 5:00 p.m., During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) 21/09/2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. Log on to the e-voting website www.evotingindia.com
3. Click on Shareholders / Members
4. Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.

5. Next enter the Image Verification as displayed and Click on Login.
6. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
7. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> ● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN Field. ● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
Dividend Bank Detail OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details OR Date of Birth (DOB)</p> <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> ● If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (4).

8. After entering these details appropriately, click on "SUBMIT" tab.
9. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
10. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
11. Click on the EVSN for the USG TECH SOLUTIONS LIMITED on which you choose to vote.
12. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
13. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
14. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

15. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
16. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
17. If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
18. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
19. Note for Non - Individual Shareholders and Custodians
 - i. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - ii. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - iii. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - iv. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - v. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
20. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

IN CASE OF MEMBERS RECEIVING THE PHYSICAL COPY:

1. Please follow all steps from sl. no. (1) to sl. no. (25) Above to cast vote.
2. The voting period 25/09/2018 at 09:00 a.m. and ends on 27/09/2018 at 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21/09/2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
3. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

Explanatory Statement (Pursuant to Section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4, 5 & 6 of the accompanying Notice:

Item -4

M/s Surinder Verma Associates, Chartered Accountants, Delhi have resigned from the office of Statutory Auditors of the Company due to unavoidable circumstances w.e.f 04.12.2017, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Act. Any casual vacancy caused by resignation in the office of the Statutory Auditors could be filled up by the Company in General Meeting as per recommendations made by the Audit Committee and Board of Directors in this regard. The Audit Committee and the Board of Directors in their respective meetings held on 07th December 2017 have recommended the appointment of M/s. Ravinder Gupta & Associates, Chartered Accountants, as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s Surinder Verma Associates, Chartered Accountants. Further The Company has appointed M/s. Ravinder Gupta & Associates in the Extraordinary General Meeting held on 28th February 2018, will hold office of Statutory Auditors from the conclusion of this 19th Annual General Meeting until the conclusion 23rd Annual General Meeting subject to ratification every year.

Item No- 5

M/s. Retails Information System Pty Ltd (RIS) is a foreign wholly owned subsidiary of USG Tech Solutions Limited and is a 'Related Party' within the meaning of Section 2(76) of the Companies Act, 2013 and 2 (ZB) of SEBI (LODR) Regulations 2015.

In terms of the proviso to Regulation 23 of SEBI (LODR) Regulations 2015, all transactions with related parties, which are material in nature, are subject to the approval of the Members of the Company by way of Special Resolution and the related parties shall abstain from voting on such resolutions.

For this purpose, the term "Material transaction" means any transaction entered either individually or taken together with previous transactions during a financial year, that exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company. Moreover, the estimated value of the transactions relating to ongoing sale, purchase, or receipt of products, goods and materials or availing or rendering of services and leasing of property of any kind (movable or immovable) with RIS during the financial year 2018-19 are likely to exceed the threshold prescribed under Regulation 23 of SEBI (LODR) Regulations 2015 and will be considered material and therefore would require the approval of shareholders of the Company by a Special Resolution.

The particulars of the Contracts/Arrangements/Transactions pursuant to sub- rule (3) of Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

Name of Related Party: Retails Information System Pty Ltd

Name of Director or Key Management Personnel who is related: Mr. Servesh Gupta is Director of RIS Pty Ltd.

Sr. No.	Particulars	
1.	Name of the related party	Retails Information System Pty Ltd
2.	Name of the director or Key Managerial Person	Servesh Gupta
3.	Nature of Relationship	Subsidiary of USG Tech Solutions Limited
4.	Nature, Material terms, monetary value and particulars of the contract or arrangement	Investment

Item No.6

Your Board of Directors analyze that the shifting of the registered office is in the best interest of the company, Currently, the registered office of the Company is situated at Hyderabad, in the state of Telangana and the corporate office of the Company is situated within the National Capital Territory of Delhi.

Further, the corporate office at Delhi is the place from where all the policy decisions are being taken by your management. Moreover the majority of Directors are also residing in Delhi. For strategic reasons and for administrative convenience, it would be more advantageous to the Company to have its Registered Office in the National Capital Territory of Delhi instead of Hyderabad. This would also facilitate the Company to carry out its business more economically and more efficiently. To achieve this objective it is proposed to change the registered office of the Company from the State of Telangana to the National Capital Territory of Delhi.

As per provisions of Section 12, 13, 110 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 and Rule 22 of Companies (Management and Administration) Rules 2014, regarding shifting of Registered Office requires the Company to alter Memorandum of Association of the Company and to obtain necessary approval of the Shareholders by way of special resolution

A copy of the Memorandum as on date and a copy indicating the proposed amendments is available for inspection at the registered office of the Company on any working day during office hours from 01.10.2018. None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

Therefore your Board of Directors recommends passing the resolution(s) set out in item No.6 as Special Resolution for shifting the registered office from the state of Telangana to the State of "National Capital Territory (NCT) of Delhi" and for altering Clause II of the Memorandum of Association of Company .

None of the Directors, Key Managerial Personnel of the company and their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board of Directors accordingly recommends the resolution set out in item no.6 of this notice for your approval as special resolution.

**By the order of the Board of Directors
For USG Tech Solutions Limited**

**SD/-
Mr. Servesh Gupta
11B, Shiv Apartments,
7 Raj Narain Marg,
Civil Lines, Delhi-110054
Date: 13.08.2018**

ANNEXURE TO NOTICE

Information pursuant to the Listing Regulations and Secretarial Standards in respect of Appointment/ Re-appointment of Directors

Name	Mr. Servesh Gupta
Date of Birth	06/12/1980
Date of Appointment	30.05.2018
Relationship with Directors	Son of one Promoter i.e. Mr. Satish Kumar Gupta & Husband of One Director, I. e. Mrs Ashima Gupta
Educational Qualification	Bachelor of Commerce
Experience & expertise in specific functional area	Experience in the field of Real Estate Development, Construction, and Project & Construction Management & Software Development & Information Technology.
Board Membership of Companies as on March 31, 2018	Yash Buildcon Pvt Ltd USG Estate Pvt Ltd USG Buildcon Pvt Ltd LUV Real Estate Pvt Ltd SVKL Properties Pvt Ltd Bhawna Realters Pvt Ltd In-N-Out Highway Motel Pvt. Ltd. Lakhanpur Coal Carriers Pvt Ltd Gajraj Carriers Pvt Ltd USG Tech Solutions Limited
Chairman/Member of the Committee of the Board of directors as on March 31, 2018	-NA-
Number of Shares held in the Company as on March 31, 2018	1897365 & 4.81%

DIRECTORS' REPORT

Dear Members,

Your directors have pleasure in presenting the 19th Annual Report and the Audited Statement for the Financial Year ended March 31, 2018.

FINANCIAL RESULTS

The Summarized Standalone & Consolidated financial results of the Company for the year under review are as below:

PARTICULARS	Standalone Financials Highlights (in Lacs)		Consolidate Financials Highlights (in Lacs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017	Year Ended March 31, 2018	Year Ended March 31, 2017
Total Income	124.71	138.54	273.17	271.34
Profit (Loss) before depreciation & tax	50.41	40.52	87.98	121.75
Depreciation	4.85	11.62	7.63	16.28
Profit (Loss) before tax & Extra Ordinary Items	45.56	28.90	80.5	105.47
Exceptional Items	-	(7.52)	6.29	(7.53)
Profit(Loss) before tax Provision for tax	39.93	36.43	74.06	113
- Current Tax	-	11.25	10.28	35.00
- Deferred Tax	0.007	(1.06)	-	(1.06)
Profit (Loss)after tax	39.92	26.23	63.78	79.06

FINANCIAL PERFORMANCE

The Income of the Company for the year ended 31st March, 2018, was Rs.(in lakh) 124.71 as compared to Rs (in lakh) 138.54 in the previous year.

CHANGE IN NATURE OF BUSINESS

During the year under review, there were no changes in nature of business of the company.

DIVIDEND

In order to conserve the resources of the company for the good future prospects and growth, and as the Company has gained small amount of Profit in the said reporting period, the Board of Directors taking this view have decided not to distributed any dividend out of the reserve of the Company and therefore the Board of Directors of the company has not recommended any dividend to the shareholders.

AMOUNT TRANSFERRED TO RESERVE

There is Profit amounting Rs. 39.93 (in lakhs) is transfer to reserves during the financial year 2017-2018

CHANGES IN SHARE CAPITAL

There was no change in the Share Capital of the company during the year.

- Disclosure regarding issues of equity shares with differential rights:

The Company has not issues any equity shares with differential rights during the year under review.

- Disclosure regarding issues of employee stock options:

The Company has not provided any Stock Option Scheme to the employees during the year under review.

- Disclosure regarding the issues of sweat equity shares:

The Company has not issued any Sweat Equity Shares during the year under review.

EXTRACT OF ANNUAL RETURN

The Extract of Annual Return in Form MGT-9 pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 for the financial year 2017-18 has been enclosed with this report in ANNEXURE- I

COMPOSITION OF BOARD AND COMMITTEES

THE BOARD OF DIRECTORS

i. COMPOSITION, NAME OF MEMBERS AND CHAIRMAN:

COMPOSITION OF BOARD AND COMMITTEES

THE BOARD OF DIRECTORS

i. COMPOSITION, NAME OF MEMBERS AND CHAIRMAN:

S.No.	Name of the Committee Member	Designation
1.	Mr. Servesh Gupta	Managing Director & Chairman
2.	Ms. Nirmal Garg	Independent Director
3.	Mr. Deepak Kumar Bansal	Independent Director
4.	Mrs. Ashima Gupta	Executive Director
5.	Mr. Manish Kumar	CFO

ii. NAME AND DESIGNATION OF COMPLIANCE OFFICER:

Mrs. Jagpreet Kaur, Company Secretary.

iii. MEETINGS DURING 2017-2018

Ten (10) meetings of Board of Directors of the Company were held and the intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 (i.e., the maximum interval between any two board meeting did not exceed 120 Days)

❖ 29/05/2017	❖ 12/08/2017
❖ 01/09/2017	❖ 14/09/2017
❖ 17/10/2017	❖ 07/12/2017
❖ 14/12/2017	❖ 05/02/2018
❖ 12/02/2018	❖ 31/03/2018

AUDIT COMMITTEE

The restructuring in the Directorship of the Company, necessitated restructuring in the Audit Committee. The committee as on date of this report consists of three members namely Mr. Deepak Kumar Bansal, Ms. Nirmal Garg and Mrs. Ashima Gupta out of which two are independent Directors. Mr. Deepak Kumar Bansal is the Chairman of Audit Committee. All members of the Audit Committee possess sufficient knowledge and experience in the field of Finance and Accounts. The Committee composition is in accordance with the provisions of Companies Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

i. MEETINGS DURING 2017-2018

❖ 29.05.2017	❖ 12.08.2017
❖ 01.09.2017	❖ 14.09.2017
❖ 17.10.2017	❖ 07.12.2017
❖ 14.12.2017	❖ 05.02.2018
❖ 12.02.2018	❖ 31.03.2018

STAKEHOLDER RELATIONSHIP COMMITTEE

The restructuring in the directorship of the company necessitated restructuring in this committee. The committee as on date of this report consists of three members.

i. COMPOSITION, NAME OF MEMBERS AND CHAIRMAN:

S.No.	Name of the Committee Member	Designation
1.	Mr. Deepak Kumar Bansal	Chairman
2.	Ms. Nirmal Garg	Member
3.	Mrs. Ashima Gupta	Member

ii. MEETINGS DURING 2017-2018

❖ 29/05/2017	❖ 12/08/2017
❖ 17/10/2017	❖ 05/02/2018

NOMINATION AND REMUNERATION COMMITTEE MEETING (NRC)

The restructuring in the directorship of the company necessitated restructuring in this committee. The committee as on date of this report consists of three members.

i. COMPOSITION, NAME OF MEMBERS AND CHAIRMAN:

S.No.	Name of the Committee Member	Designation
1.	Mr. Deepak Kumar Bansal	Chairman
2.	Ms. Nirmal Garg	Member
3.	Mrs. Ashima Gupta	Member

ii. MEETINGS DURING 2017-2018

❖ 29/05/2017	❖ 12/08/2017
❖ 17/10/2017	❖ 05/02/2018

BOARD EVALUTION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. The Nomination and Remuneration Committee ("NRC") has framed the Directors' Performance Evaluation Policy ('Policy') and based on the recommendation of the NRC. Accordingly, the evaluation of Board was carried out by each Director, of each committee by each of its member and of the individual Director by all other Directors on the Board excepting the concerned Director himself.

The Independent Directors of the Company positively reviewed the performance of non-independent directors and the Board as a whole; reviewed the performance of the Chairperson of the company, taking into account the views of the executive directors and non-executive directors; and assessed the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

All new independent directors inducted into the Board attend an orientation program. The details of training and familiarization program are provided in the corporate governance report, at the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities. (<http://www.usgtechsolutions.com/wp-content/uploads/2016/04/Familiarisation-Programme.pdf>)

USG TECH SOLUTIONS LIMITED CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 and the applicable US Securities laws. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website: (<http://www.usgtechsolutions.com/wp-content/uploads/2016/03/Code-of-Conduct.pdf>)

POLICIES

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All our corporate governance policies are available on our website: <http://www.usgtechsolutions.com/investors/>.

The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

- Annual Evaluation Policy
- Archive Policy
- Board Diversity Policy
- Policy On Determination Of Materiality Of Events
- Policy On Material Subsidiaries
- Preservation Of Records
- Related Party Transaction Policy
- Vigil Mechanism Policy

BOARD INDEPENDENCE

Definition of 'Independence' of Directors is derived from Regulation -25 of SEBI (LODR) Regulations 2015 and Section 149(6) of the Companies Act, 2013. Based on the confirmation /disclosures received from the Directors under Section 149(7) of the Companies Act 2013 and on evaluation of the relationships disclosed. The following Non-Executive Directors are considered as Independent Directors as on 31st March 2018

- a) Mr. Deepak Kumar Bansal
- b) Ms. Nirmal Garg

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

In accordance with Section 134(3)(g) of the Companies Act, 2013, the particulars of loans guarantees and investments under Section 186 of the Companies Act, 2013 are provided in notes to financial statements, read with respective heads to the Financial Statements which forms part of this Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of every contract or arrangements entered into by the Company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso there to shall be disclosed in Form No. AOC-2 as ANNEXURE- II.

INTERNAL AUDITOR, INTERNAL AUDIT & CONTROLS

The Company has well equipped internal audit mechanism. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

AUDITORS AND AUDITOR'S REPORT**STATUTORY AUDITORS:**

M/s Ravinder Gupta & Associates Chartered Accountants (Firm Registration Number: 0009102N) were appointed as Statutory Auditors for a period of Extra Ordinary General Meeting for the term of 5 years subject to the ratification in every Annual General Meeting in terms of section 139(1) of the Companies Act, 2013.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/S Atiuttam Singh & Associates a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit in Form MR-3 for the Financial Year ended March 31, 2018 is annexed as ANNEXURE-III to the Report. There are qualifications, reservations or remarks made by Secretarial Auditor In his report.

Management comments:

Company secretarial Auditor has pointed out in his report for financial Year 2017-2018 dated 13.08.2018 certain points requiring attention of management. Management take the responsibility to comply with the observation Made by the Secretarial Auditor during the year.

Copy of report placed before Board of Director, after the Detailed Discussion on the points raised by the Secretarial Auditor in his report. It was felt that in future immediate compliance should be done in view of the deliberation among Board of Director of USG Tech Solutions Limited.

COST AUDITOR

As per the Cost Audit Orders, Cost Audit is not applicable to the Company's in respect of its product/services.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standard of corporate Governance being Fountain head of Value Creation for all Stakeholders especially shareholders. The Company has in place a well-defined Corporate Governance Mechanism which considers the interest of the entire stakeholder. Separate report on corporate governance forming part of the Board Report Along with Auditor's Certificate is ANNEXURE -IV

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

As required by SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, the auditors' certificate on corporate governance is enclosed as ANNEXURE - V to the board's report. The auditors' certificate does not contain any qualification, reservation or adverse remark.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management's discussion and analysis report on company's performance - industry trends and other material changes with respect to the company and its subsidiaries, wherever applicable, are presented in this annual report ANNEXURE- VI

DECLARATION BY INDEPENDENT DIRECTOR(S)

The Independent Directors comply with the definition of Independent Director as given under Section 149(6) of the Companies Act, 2013. While appointing/ re-appointing any Independent Directors on the Board, the Committee considers the criteria as laid down in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the Independent Directors give a certificate confirming that they meet the "independence criteria" as mentioned in Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All independent director have given the Declaration that they meet the criteria of independence as laid down under the Companies Act 2013 and SEBI (LODR) Regulations 2015

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS

There are no significant and material orders passed by the regulators or tribunals impacting the going concern status and Company's operations in future.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Section 129 of the Companies Act 2013, Consolidated Financial Statements are attached and form part of the Annual Report and the same shall be laid before the ensuing AGM along with the Financial Statements of the Company.

SUBSIDIARY COMPANIES, JOINT VENTURES & ASSOCIATE COMPANIES

The Company has Foreign Wholly Owned Subsidiary Company Naming Retails Information Systems Pty Ltd, Having Its Registered office at Australia. Niskarsh Properties Pvt Ltd & Zeal Appartment LLP are subsidiary of the USG tech Solutions Limited

LISTING

The Equity shares continue to be listed on the BSE Ltd. (BSE) and the Calcutta Stock Exchange of India Ltd. (CSE).

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO CONSERVATION OF ENERGY:

The core activity of the company is civil construction which is not an energy intensive activity, however all steps are taken to conserve energy at all levels of operations wherever possible. There are no particulars required to be disclosed as required under the new provisions of Companies Act, 2013 & rules made there under.

During the year, there was no Technology Absorption, as your Company has not undertaken any research and development activity in any manufacturing activity nor any specific technology is obtained from any external sources which need to be absorbed or adapted. There are no particulars required to be disclosed as required under the new provisions of Companies Act, 2013 & rules made thereunder. Innovation is a culture in the Company to achieve cost efficiency in the construction activity to be more and more competitive in the prevailing environment and the effect of the same cannot be quantified.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The foreign exchange earning/outgo during the year are as under:

Foreign Exchange Earnings/ Outgo: (in Indian Rs)

Earnings	2441500
Outgo	Nil

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Act, the Board of Directors hereby state that:

- A. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- B. The directors had 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 at the end of the financial year and of the profit and loss of the company for that period;
- C. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities
- D. The directors had prepared the annual accounts on a going concern basis; and
- E. 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.
- F. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

As per the Companies Act, 2013, companies having net worth of Rs. 500 crore or more, or turnover of Rs. 1000 crore or more or net profit of Rs. 5 crore or more during any financial year are required to constitute a Corporate Social Responsibility (CSR) Committee of the Board of Directors comprising three or more directors, at least one of whom should be an independent director and such company shall spend at least 2% of the average net profit of the company's three immediately preceding financial years.

During the financial year 2017-18 the Company has not crossed the threshold limit for the Corporate Social Responsibility Committee as required under the Section 135 of the Companies Act, 2013 (as defined above). So the company has not constituted the CSR committee and not done any activities defined under Schedule VII of the Companies Act, 2013.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Chairman of the Board

Mr. Servesh Gupta, Managing Director is Chairman of the Board.

Inductions

The Board made the following appointments / re-appointments based on the recommendations of the nomination and remuneration committee:

1. Appointment of Mrs. Ashima Gupta with effect from 17th October 2017
2. Appointment of Mr. Servesh Gupta, Additional Managing Director with effect from 30th May 2018

Re-Appointments

As per the provisions of the companies act 2013, Mrs. Ashima Gupta, retires by rotation at the ensuing annual general meeting and being eligible, seeks re-appointment. The board recommends his re-appointment.

Retirements, Resignations & vacation

Mr. Satish Kumar Gupta & Mr. Servesh Gupta Vacant the position from Directorship Due to Disqualification under section 164 of Companies Act 2013 w.e.f 17th October 2017.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has adequate system for prevention of Sexual Harassment of Women at workplace and has set up cell for the same. During the year Company has not received any complaint of harassment.

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their appreciation towards bankers, clients and all the business associates for their continuous support to the Company and to the shareholders for the confidence reposed in the Company management. The directors also convey their appreciation to the employees at all levels for their enormous personal efforts as well as collective contribution.

For and on behalf of the Board of Directors of

USG Tech Solutions Limited

SD/-
Servesh Gupta
Managing Director
DIN- 01451093
Address: 4A/1, Raj Narain Road, Civil Lines,
Delhi-110054

SD/-
Mrs. Ashima Gupta
Director
DIN- 07795866
Address : 4A/1, Raj Narain Road, Civil Lines,
Delhi-110054

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L72200TG1999PLC032129
2	Registration Date	20/07/1999
3	Name of the Company	USG Tech Solutions Limited
4	Category/Sub-category of the Company	Category : Company Limited by Shares Sub Category : Indian Non- Government Company
5	Address of the Registered office & contact details	Level 7 Maximus Towers, Building 2A Mindspace Complex ,Hi-Tech City Hyderabad-500 081 Email Id- Secretarial@usgtechsolutions.com Phone No.- 91 40 4033 9668
6	Address of the Corporate office & contact details	11B, Shiv Apartments, 7 Raj Narain Marg, Civil Lines, Delhi-110054 Email Id- Secretarial@usgtechsolutions.com Phone No.- 011-23935876
7	Whether listed company	Listed on BSE Limited and The Calcutta Stock Exchange Limited(listed Suspended on CSE)
8	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Bigshare Services Pvt. Ltd. 4E/8 1st Floor, Jhandewalan Ext., New Delhi -110055 Mobile:-09971100544 Tel: 011-42425004 Email: bssdelhi@bigshareonline.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)

S.No.	Name and Description of main products / services		
1.	To carry on the business of software Development, supply of software, consultancy in hardware, and to act as Consultancy in hardware and to act as Consultant , job worker, representative , advisor ,or otherwise to deal in all kinds of computer software , equipment peripherals , accessories device.		
2.	To run computer Training center, conduct seminars, workshops, short term and long term courses on computer maintenance, software development and to develop and design software in India and abroad.		
3.	To provide placement of software professional consultancy service, advice in India an abroad manufacturing technical managerial and marketing service in computer education , software and other allied fields.		
S.No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	IT software	6209	5.82%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY

S. No.	Name and Address of the Company	Holding/Subsidiary/Associate	% of Shares held
1.	Retail Information Systems Pty Ltd. Eclipse Tower, Level 15, 60 Station Street, Paramatta, Sydney, NSW 2150, AUSTRALIA.	Wholly owned Subsidiary Company	100%
2.	Nishkarsh Properties Private Limited	Subsidiary	51%
3.	Zeal Appartments LLP	Subsidiary	90%

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(a) Category-wise Share Holding

Category of Share-holders	No. of Shares held at the beginning of the year [As on 31-March-2017]			No. of Shares held at the end of the year [As on 31-March-2018]				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
A. PROMOTERS								
(1) Indian	4546066	Nil	4546066	11.53	4546066	Nil	4546066	11.53
a) Individual/ HUF	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	3662984	Nil	3662984	9.3	3662984	Nil	3662984	9.3
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other	8209050	Nil	8209050	20.83	8209050	Nil	8209050	20.83
Total shareholding of Promoter (A)	4546066	Nil	4546066	11.53	4546066	Nil	4546066	11.53
Mr. Servesh Gupta , Chairman & Managing Director Disqualified by law, and immediately vacant the Position w.e.f 17 th October 2017.								
B. PUBLIC SHAREHOLDING								
I. Institutions								
a) Mutual Funds	354073	Nil	354073	0.90	354073	Nil	354073	0.90
b) Banks / FI	117817	Nil	117817	0.30	117817	Nil	117817	0.30
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1):-	471890	Nil	471890	1.20	471890	Nil	471890	1.20

Category of Share-holders	No. of Shares held at the beginning of the year [As on 31-March-2017]			No. of Shares held at the end of the year [As on 31-March-2018]				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
2. Non-Institutions								
a) Bodies Corp.	2692547	600000	3292547	8.4	2686287	600000	3286287	
i) Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	1573995	51011	1676017	4.01	1504422	51011	1555433	3.95
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	17839629	4500000	22339629	56.67	17918652	4500000	22418652	56.67
c) Others (specify)	-	-	-	-	-	-	-	-
NBFCs registered with RBI	950	Nil	950	0.0024	950	Nil	950	0.0024
Non Resident Indians (NRI)	8538	Nil	8538	0.0217	8538	Nil	8538	0.0217
Overseas Corporate Bodies (OVB)	Nil	3463410	3463410	8.79	Nil	3463410	3463410	8.79
Foreign Nationals								
Clearing Members	3190	Nil	3190	0.0081	Nil	Nil	Nil	Nil
Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foreign Bodies - D R	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(2):-	22118849	8614421	30733270	77.97	22118849	8614421	30733270	77.98
Total Public Shareholding (B)=(B)(1)+ (B)(2)	22590739	8614421	31205160	79.17	22118849	9086311	31205160	79.17
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	30799789	8614421	39414210	100%	30799789	8614421	39414210	100%

S.No.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Servesh Gupta	1897365	4.81	1897365	4.81
2	Satish Kumar Gupta	1676476	4.25	1676476	4.25
3	Lakhanpur Coal Carriers Pvt. Ltd.	2636484	6.69	2636484	6.69
4	Gajraj Carriers Pvt. Ltd.	1026500	2.60	1026500	2.60
5	Sudha Gupta	972225	2.47	972225	2.47

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

S.No.	Particulars	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
	At the beginning of the year 01.04.2017				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	No Change			
	At the end of the year 31.03.2018				

S.No.	for each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	RIS Group Ltd	3463410	8.79	3463410	8.79
2	Lakhanpur Coal Carriers Private Limited	2636484	6.68	2636484	6.68
3	Sh. Anil Kumar Jindal	2100000	5.33	2100000	5.33
4	Smt. Sunita Jindal	2100000	5.33	2100000	5.33
5	Sh. Vipin Gupta	2100000	5.33	2100000	5.33
6	Smt. Radhika Gupta	2100000	5.33	2100000	5.33
7	Sh. Naresh Bansal	2100000	5.33	2100000	5.33
8	Smt. Padma Bansal	2100000	5.33	2100000	5.33
9	Sh. Arun Garg	2100000	5.33	2100000	5.33
10	Shmt Neeru Garg	2100000	5.33	2100000	5.33

V. Shareholding of Directors and Key Managerial Personnel:

S.No.	Shareholding of each Directors and each Key Managerial Personnel	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
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	As per Annexure-(B)			
	At the end of the year				

VI. INDEBTEDNESS : Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	18012870	Nil	Nil
ii) Interest due but not paid	-	-	Nil	Nil
iii) Interest accrued but not due	-	-	Nil	Nil
Total (i+ii+iii)	-	18012870	Nil	Nil
Change in Indebtedness during the financial year				
* Addition	-	17751	Nil	Nil
* Reduction	-	5394480	Nil	Nil
Net Change	-	5376729	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	-	12636141	Nil	Nil
ii) Interest due but not paid	-		Nil	Nil
iii) Interest accrued but not due	-		Nil	Nil
Total (i+ii+iii)	-	12636141	Nil	Nil

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

SN.	Particulars of Remuneration	MD*	CEO
1	Gross salary	977419	300000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil
	(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, please specify	Nil	Nil
	Total (A)	Nil	Nil
	Ceiling as per the Act	Nil	Nil

* Mr. Servesh Gupta Managing Director, vacant the position of Director due to disqualification with effect 17th October 2018.

SN.	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors		
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	Total (1)		
2	Other Non-Executive Directors		
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

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

SN	Particulars of Remuneration	Key Managerial Personnel		
		Director (Ashima Gupta)	CS	CFO 3rd July 2017 to 31st March 2018
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	200000	417041	294306
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
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, please specify	Nil	Nil	Nil
	Total	200000	417041	294306

* Mrs. Ashima Gupta Joined the position as Director with effect from 17/10/2017.

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Types	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Annexure (A)

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

S.NO	As On 31st March 2018	Name of Promoter	Shareholding at the Beginning of the Year	increase, (Decrease)	Cumulative Shareholding during the Year
1	31/03/2018	SUDHA GUPTA	972225	Nil	972225
2	31/03/2018	SERVESH GUPTA	1897365	Nil	1897365
3	31/03/2018	SATISH KUMAR GUPTA	1676476	Nil	1676476
4	31/03/2018	GAJRAJ CARRIERS PRIVATE LIMITED	1026500	Nil	1026500
5	31/03/2018	LAKHANPUR COAL CARRIERS PRIVATE LIMITED	2636484	Nil	2636484

Annexure (B) Shareholding of Directors and Key Managerial Personnel:

1	31/03/2018	SERVESH GUPTA	1897365	Nil	1897365
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Annexure -II
FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

Details of *1 material contracts or arrangements or transactions at Arm's length basis.

A.		
i)	Name (s) of the related party & nature of relationship	Niskarsh Properties Pvt Ltd & Subsidiary of USG Tech Solutions Limited
ii)	Nature of contracts/arrangements/transactions	Joint Venture
iii)	Duration of the contracts/arrangements/transactions	Short Term
iv)	Salient terms of the contracts or arrangements or transactions including the value, if any	-
v)	Justification for entering into such contracts or arrangements or transactions:	-
vi)	Date (s) of approval by the Board:	05th February 2018
vii)	Amount paid as advances, if any	-
viii)	Date on which the special resolution was passed in General meeting as required under first proviso to Section 188	28th February 2018
B.		
i)	Name (s) of the related party & nature of relationship	RIS Pty Ltd & Wholly owned Subsidiary of USG Tech Solutions Limited
ii)	Nature of contracts/arrangements/transactions	Arrangement
iii)	Duration of the contracts/arrangements/transactions	long Term
iv)	Salient terms of the contracts or arrangements or transactions including the value, if any	-
v)	Justification for entering into such contracts or arrangements or transactions:	-
vi)	Date (s) of approval by the Board:	
vii)	Amount paid as advances, if any	-
viii)	Date on which the special resolution was passed in General meeting as required under first proviso to Section 188	29th September 2017

For And On Behalf Of the Board
USG Tech Solutions Limited
Sd/-

Mr. Servesh Gupta
Managing Director
Date: 13.08.2018



FORM NO. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year 2017-18

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

To
The Board of Directors
USG Tech Solutions Limited
Level 7, Maximus Towers Building,
2A Mindspace Complex,
Hi-Tech City, Hyderabad - 500 081

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s USG Tech Solutions Limited (CIN: L72200TG1999PLC032129) (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's 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, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st 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 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Other laws applicable specifically to the Company namely:
 - (a) The Indian Copy Right Act, 1957

- (b) The Trade Marks Act, 1999
- (c) The Patents Act, 1970
- (d) The Information Technologies Act, 2000

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

I report that, during the year under review the Company has complied with the provisions of the all applicable Act, Rules, Regulations, Guidelines, Standards mentioned above subject to the following observations:

1. Company has failed to provide financial statement of its subsidiaries, neither audit committee has reviewed the financial statement of its subsidiaries nor minutes of the meetings of the board of directors of subsidiaries was placed at the meeting of board of directors.
2. As per the provisions of Regulation 24(1) of LODR 2015, Company is required to appoint at least one independent director of the company into its unlisted material subsidiary companies incorporated in India.
3. Company has failed to provide fixed assets register.
4. Company has paid some share application money in certain companies but neither shares are allotted nor money refunded.

I further report that, there were no events/actions in pursuance of:

- (i) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (ii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
- (iv) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

I further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this audit since the same has been subject to review by statutory financial audit and other designated professionals.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meeting duly recorded and signed by the Chairman, the decision of the Board were unanimous and no dissenting views have been recorded.

I further report that, based on the information provided and representation made by the company and also on the review of the compliance reports of Company Secretary/Chief Financial Officer taken on the record by the Board of Directors of the Company, in my opinion 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 prescribed guidelines.

For Atiuttam Singh & Associates
Company Secretaries
SD/-
Atiuttam Prasad Singh
Proprietor
Membership No.:F8719
CP No.-13333
Date: 13.08.2018
Place: New Delhi

To
The Board of Directors
USG Tech Solutions Limited
Level 7, Maximus Towers Building,
2A Mindspace Complex,
Hi-Tech City, Hyderabad - 500 081

Our report of even date, for the financial year 2017-18 is to be read along with this letter:

1. It is the responsibility of the management of the company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we follow provide a responsible basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
7. The secretarial audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Atiuttam Singh & Associates
Company Secretaries
SD/-
Atiuttam Prasad Singh
Proprietor
Membership No.:F8719
CP No.-13333

Date: 13.08.2018
Place: New Delhi

Annexure IV

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."

Company's Philosophy on Code of Governance Corporate Governance is based on preserving core beliefs and ethical business conduct while maintaining a strong commitment to maximize long-term stakeholder value. Your Company is focused towards bringing transparency in all its dealings, adhering to well-defined corporate values and leveraging the corporate resources for long-term value creation.

Your Company is committed to molding Corporate Governance practices in line with its core values, beliefs and ethics. Your Company believes in attainment of highest levels of transparency in all facets of its operations and maintains an unwavering focus on imbuing good Corporate Governance practices.

The philosophy of governance has been deeply rooted in the culture of USG Tech Solutions Limited over a long period of time. Your Company continues to deliver value to its various stakeholders. The practice of responsible governance has enabled your Company to achieve sustainable growth, while meeting the expectations of all stakeholders and the society at large.

In India, Corporate Governance standards for listed companies are regulated by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'). As a Company which believes in implementing Corporate Governance practices that go beyond meeting the letter of law, your Company has comprehensively adopted practices mandated in the Listing Regulations. This chapter, along with the report on Management Discussion and Analysis and Additional Shareholders Information indicates the Company's compliance with the provisions of Listing Regulations during the financial Year from 1st April, 2017 to 31st March, 2018.

Board of Directors

- A. The composition of the Board is in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations, as amended from time to time. The Board has an optimum combination of executive and non-executive directors with one woman director and 50% percent of the Board of Directors comprising non-executive independent directors. The Chairman of the Company is an Executive Director of the
- B. None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2018 have been made by the Directors. None of the Directors are related to each other.
- C. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act
- D. Company with effect from 1st April, 2017. The Management of the Company is entrusted in the hands of Key Managerial Personnel's, headed by the Chairman, who operates under the supervision and control of the Board. The Board reviews and approves strategy and oversees the results of Management to ensure that the long term objective of enhancing stakeholders' value is achieved.

(A) Composition of the Board

The present Board of the Company consists of one Executive Director and Two Non-Executive Directors including two woman directors as on 31st March, 2018 out of which 2 directors are independent. The Company has an appropriate size of the Board for real strategic discussion and avails benefit of diverse experience and viewpoints. All directors are individuals of integrity and courage, with relevant skills and experience to bring judgment to bear on the business of the Company. During the Year Mr. Servesh Gupta Vacant the Position of Managing Director and Chairman, and Board appointed Mrs. Ashima Gupta , as Chairman of the Board. The Company Appointed Mr. Servesh Gupta as Additional Director on 22nd May 2018 and thereafter Managing Director and Chairman of the Company w.e.f 30th May 2018. The Constitution of the Board as on 31st March 2018 is as follows:

Name of the Director	Category	Number of Other		
		Directorship*	Committee Membership**	Committee Chairmanship**
Mrs. Ashima Gupta	Executive Director	4	3	0
Mr. Deepak Kumar Bansal	Independent Director	1	3	0
Mrs. Nirmal Garg	Independent Director	1	0	3

*Directorship in companies registered under the Companies Act, 2013 (earlier Companies Act, 1956), excluding directorships in private companies, foreign companies,

**Companies under Section 8 of the Companies Act, 2013 (earlier Section 25 of the Companies Act, 1956) and alternate directorship.

** Only covers Membership / Chairmanship of Audit Committee and Stakeholders Relationship Committee of public limited companies.

As at 31st March, 2018, in compliance with the Corporate Governance norms, the Company's Board of Directors headed by its Executive Chairman, Mrs. Ashima Gupta comprised and Two other directors, out of which two are Independent Non-Executive Directors including, women directors. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies and where any Independent Director is serving as whole time director in any listed company, such director is not serving as Independent Director in more than three listed companies. The Company issued letter of appointment to all the Independent Directors as per Schedule IV to the Companies Act, 2013 and the terms and conditions of their appointment have been disclosed on the website of the Company (web link <http://www.usgtechsolutions.com>).

During the year under review, 10 Board Meetings were held on:

❖ 29.05.2017	❖ 12.08.2017
❖ 01.09.2017	❖ 14.09.2017
❖ 17.10.2017	❖ 07.12.2017
❖ 14.12.2017	❖ 05.02.2018
❖ 12.02.2018	❖ 31.03.2018

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 Listing Regulations. Details of attendance of Directors in the Board meeting during the financial year 2017-18 are as under:

Name of the Director	Board Meeting held during the period	No. of Board Meetings Attended	Attendance at the Last AGM
Mr. Servesh Gupta	10	5	Yes
Mr. Satish Kumar Gupta	10	2	No
Mr Deepak Kumar Bansal	10	10	Yes
Mr. Nirmal Garg	10	10	Yes
Mrs. Ashima Garg	10	5	No

(B) Compliance with the Code of Conduct

The Company has adopted the "USG TECH Code of Business Conduct" (Code). The updated Code incorporates duties of Independent Directors and the Whistle Blower Policy. The Code is available on the website of the Company (web link <http://www.usgtechsolutions.com>). The Executive Director has given a declaration that the Directors and Senior Management of the Company have given an annual affirmation of compliance with the code of conduct.

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.

AUDIT COMMITTEE

(A) Qualified and Independent Audit Committee

The Company complies with Section 177 of the Companies Act, 2013 as well as requirements SEBI (LODR) Regulations 2015, pertaining to the Audit Committee. During the year, the Committee was reconstituted due to change in member of committee, The Committee's terms of reference functions include-

Its functioning is as under;

1. The Audit Committee presently consists of the 3 Directors, out of which 2 are Non-executive Independent Directors & 1 Executive Director.
2. All members of the Committee are financially literate and having the requisite financial management expertise
3. The Chairman of the Audit Committee is an Independent Director;
4. The Chairman of the Audit Committee was present at the last Annual General Meeting held on 29th September, 2017.

(B) Terms of reference

The terms of reference of the Audit Committee include inter-alia:

- I. The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
 - II. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 - III. Examination of the financial statement and the auditors' report thereon;
 - IV. Approval or any subsequent modification of transactions of the company with related parties;
 - V. Scrutiny of inter-corporate loans and investments;
 - VI. Valuation of undertakings or assets of the company, wherever it is necessary;
 - VII. Evaluation of internal financial controls and risk management systems;
 - VIII. Monitoring the end use of funds raised through public offers and related matters.
 - IX. Any other responsibility as may be assigned by the board from time to time.
- (C) The Chairman of the Audit Committee briefs the Board members about the significant discussions at Audit Committee Meetings.
- (D) The Committee comprises of following members as on 31st March, 2018:-

S. No.	Name of the Directors	Designation	Category
1.	Mr. Deepak Kumar Bansal	Chairman	Independent
2.	Mrs. Nirmal Garg	Member	Independent
3.	Mr. Ashima Gupta	Member	Executive

The Composition of the Committee meets the requirements of Section 177 of the Companies Act, 2013 and Regulation-18 of SEBI (LODR) Regulations 2015. The Company Secretary of the Company acts as the Secretary to the Committee. All the members of the Committee possess financial and accounting expertise.

(E) During the Financial year 2017-18, Ten (10) meetings of the Audit Committee were held on

❖ 29.05.2017	❖ 12.08.2017
❖ 01.09.2017	❖ 14.09.2017
❖ 17.10.2017	❖ 07.12.2017
❖ 14.12.2017	❖ 05.02.2018
❖ 12.02.2018	❖ 31.03.2018

The Attendance record of Audit Committee is given as follows:

S. No.	Name of the Member	No. of Meeting Attended(2017-2018)
1.	Mr Deepak Kumar Bansal	10
2.	Mr. Nirmal Garg	10
3.	Mr. Servesh Gupta	5
4.	Mrs. Ashima Gupta	5

(F) The Committee meetings are held at Company's Corporate Office. The Business and operations heads are invited to the meetings, as required.

(G) 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.

(H) 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.

NOMINATION AND REMUNERATION COMMITTEE

During the year, the as Nomination and Remuneration Committee was reconstituted due to change in member of committee" The Committee's terms of reference functions include-

1. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down,
2. Recommend to the Board their appointment and removal,
3. Carry out evaluation of every director's performance.
4. Formulate the criteria for determining qualifications, positive attributes and independence of a director and
5. Recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees

The Committee comprises of the following members as on 31/03/2018 viz. Mr. Deepak Kumar Bansal , Mrs Nirmal Garg, Mrs. Ashima Gupta & the Nomination and Remuneration Committee & Stakeholder Relationship committee by Mr. Deepak Kumar Bansal , who is the Independent Director of the Company. The Committee met four (4) times during the financial year ended 31st March, 2018. The details of attendance of each member of the Committee are as follows:

Name of Director	Designation	Category	No. of Meetings Held	No. of Meetings attended
Mr. Deepak Kumar Bansal	Chairman	Independent	4	4
Mrs. Nirmal Garg	Member	Independent	4	4
Mrs. Ashima Gupta	Member	Executive	4	1

STAKEHOLDERS' RELATIONSHIP COMMITTEE

(A) during the year, the as Stakeholder Relationship Committee was reconstituted due to change in member of committee" The Committee's terms of reference functions include-

The core area of Dealing of Committee is as follows

- a) Power to approve share transfers,
- b) Power to approve Share transmission,
- c) Power to issue duplicate shares certificates,
- d) Power to approve and issue fresh share certificate by way of split or consolidation of the existing certificate or in any other manner,
- e) To monitor the resolution of all types of shareholders/investors grievances and queries periodically,
- f) Power to allot shares, equity or preference, fully or partly convertible debentures, or other financial instruments convertible into equity shares at a later date in demat or physical mode , the issue of which has been approved by the Board of Directors of the Company,
- g) Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting,

(B) The Shareholders Relationship Committee of the Board comprises of three Directors as at 31st March 2018:

S. No.	Name of the Directors	Designation	Category
1.	Mr. Deepak Kumar Bansal	Chairman	Independent
2.	Mrs. Nirmal Garg	Member	Independent
3.	Mrs. Ashima Gupta	Member	Executive

The Company Secretary is the Compliance Officer for complying with the requirement of the Securities Laws and the SEBI (LODR) Regulations 2015 with the Stock Exchange.

(C) STATUS OF COMPLAINTS

S. No.	Particulars	Status of Complaints
1.	No. of complaints received from the shareholders during the period from 01.04.2017 to 31.03.2018	0
2.	No. of complaints resolved during the year	0
3.	No. of complaints pending at the end of the year as on 31.03.2018	0

(D) INDEPENDENT DIRECTORS MEETING

Independent Directors are regularly updated on performance of each line of business of the Company, strategy going forward and new initiatives being taken/proposed to be taken by the Company. The Independent Directors Mr. Deepak Kumar Bansal and Ms. Nirmal Garg met on 31 March, 2018 without any Senior Management Personnel to evaluate the performance of Non-Independent Directors including Chairman of the Board.

(E) SUBSIDIARY COMPANY

The Company has Foreign Wholly Owned Subsidiary Company Naming Retails Information Services Pty Ltd, Having Its Registered office at Australia.

(F) DISCLOSURES

◆ **Related Party Transactions**

- (i) The statements containing the transactions with related parties were submitted periodically to the Audit Committee.
- (ii) There are no related party transactions that may have potential conflict with the interest of the Company at large.
- (iii) There were no material individual transactions with related parties during the year, which were not in the normal course of business as well as not on an arm's length basis.
- (iv) There is no non-compliance by the Company and no penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital market, during the last three years.

◆ **Disclosure of Accounting Treatment**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historic cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

◆ **Board Disclosures - Risk Management**

The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Audit Committee and Board of Directors review these procedures periodically.

◆ **Proceeds from public issues, right issues, preferential issues etc.**

The Company did not have any of the above issues during the year under review.

◆ **Secretarial Audit Report**

The Company has obtained Secretarial Audit Report on Annual basis from the Company Secretary in practice for compliance with Section 204(1) of the Companies Act, 2013, Listing Agreement, SEBI Regulations on Takeover, Insider Trading and Depositories & Participants. A text of the Annual Secretarial Audit Report is annexed elsewhere.

◆ **Secretarial Standards**

The Company during the year under review has undertaken the audit for compliance of Secretarial Standards and procedures followed by the Company in compliance with Secretarial Standards on Annual General meeting and Board Meeting issued by Institute of Company Secretaries of India. The Secretarial Standards Report is published elsewhere forming a part of this Report.

◆ **Management Discussion and Analysis Report**

The Management Discussion and Analysis Report have been included separately in the Annual Report to the Shareholders.

(G) Compliance on Corporate Governance

The quarterly compliance report has been submitted to the Stock Exchanges where the Company's equity shares are listed in the requisite format duly signed by the Compliance Officer as per SEBI (LODR) Regulations 2015, the Auditor's Certificate in compliance on conditions of Corporate Governance is published elsewhere in the Annual Report.

(H) GENERAL BODY MEETINGS

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
2015	30/09/2015	1/95/1/5-6 2nd Floor Guttala Begumpet near Kavuri Hills Phase 2 Madhapur, Hyderabad - 500081	11:00 A.M	◆ Re - Designation of Mrs Nirmal Garg as Independent Director
2016	30/09/2016	Oyster Airport Hotel, 5-12/1, Nehru Outer Ring Road, Brindavan Gardens, Kishanguda, Shamshabad, Hyderabad, Telangana 501218	12:00 NOON	◆ Re-Designation of Mr. Servesh Gupta (DIN 01451093) as Managing Director of the company with effect from 23th October 2015 ◆ To approve the Related Party Transaction for Year 2016-17
2017	29/09/2017	Oyster Airport Hotel, 5-12/1, Nehru Outer Ring Road, Brindavan Gardens, Kishanguda, Shamshabad, Hyderabad, Telangana 501218	11:00 A.M.	◆ Appointment of Independent Director i.e Mr. Deepak Kumar Bansal ◆ To approve the Related Party Transaction for Year 2017-18 with wholly owned Subsidiary (RIS PTY Ltd)

(I) COMPLIANCE OFFICER

Ms. Jagpreet Kaur, Company Secretary, who is the Compliance Officer of the Company can be contacted at: USG Tech Solutions Limited 11B, 3rd Floor, 7 Raj Narain Marg, Civil Lines, Delhi-110054. E-mail: Secretarial@usgtechsolutions.com. Or 011-23935876. 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.

(J) 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. The Financial Express (English) Hyderabad and Metro Evening (TELGU) Hyderabad. The Annual Report, Quarterly Results and Shareholding Patterns of the Company are regularly filed with the Stock Exchanges by electronic mode within the stipulated time.

(K) 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.

(L) GENERAL INFORMATION FOR MEMBERS

◆ **Annual General Meeting:**

Date and Time	28TH September 2018 at 10:00 A.M
Venue	Oyster Airport Hotel, 5-12/1, Nehru Outer Ring Road, Brindavan Gardens, Kishanguda, Shamshabad, Hyderabad, Telangana 501218

◆ **Financial Calendar (tentative):**

The financial year covers the period starting from 1st April,2018 and ended on 31st March,2018 Adoption of Quarterly Results Ended by the end of June, 2017, September,2017, December, 2017, March, 2018.

◆ **Book Closure Period:**

22th September 2018 to 28th September 2018

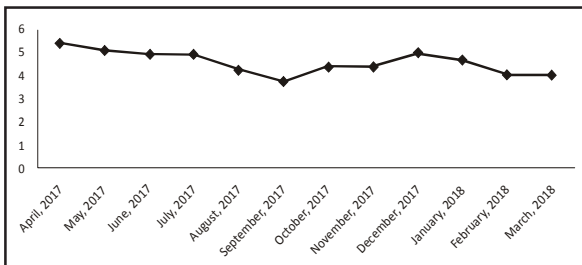
◆ **Listing Details:**

The Equity Shares of the Company are listed with BSE 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.

◆ **Market Price data:**

The monthly high & low quotations of the Company's Shares traded on the Bombay Stock Exchange Limited during the Financial Year 2017-18, along with the performance of stock are as under:

Bombay Stock Exchange (BSE)			
Month	High	Low	Average
April, 2017	5.61	5.05	5.41
May, 2017	5.25	5.07	5.08
June, 2017	5.43	4.87	4.91
July, 2018	5.15	4.84	4.92
August, 2017	4.80	3.85	4.27
September, 2017	4.04	3.52	3.75
October, 2017	4.4	4.4	4.38
November, 2017	4.4	4.4	4.38
December, 2017	5.25	4.61	4.98
January, 2018	5.23	4.28	4.68
February, 2018	4.15	3.9	4.02
March, 2018	4	4	4



◆ **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
 Tel: 011-42425004
 Email: bssdelhi@bigshareonline.com

Mumbai Branch Address:
 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis
 Apartments (Next To Keys Hotel), Marol Maroshi Road,
 Andheri East, Mumbai 400059
 Email: Info@Bigshareonline.Com
 Website: Www.Bigshareonline.Com

◆ **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.

◆ **Reconciliation of Share Capital:**

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).

◆ **Shareholding as on 31.03.2018**

(a) Distribution of shareholding as on 31.03.2018 is given below:

Share holding of nominal value Rs.	Share Holders		No of Shares	
	Number	% to total	Shares	% to total
(1)	(2)	(3)	(4)	(5)
1-5000	603	50.2082	1236860	0.3138
5001-10000	231	19.2340	2081070	0.5280
10001-20000	101	8.4097	1675550	0.4251
20001-30000	42	3.4971	1120940	0.2844
30001-40000	27	2.2481	964920	0.2448
40001-50000	38	3.1640	1817840	0.4612
50001-100000	56	4.6628	4640440	1.1774
10001-999999999	103	8.5762	380604480	96.5653
Total	1201		39414210	100

(b) Shareholding Pattern of Shares as on 31st March, 2018:

Category	No. of Shares	% of Shares (Approx.)
Corporate Bodies	3286287	8.33
Corporate Bodies (Promoter Co)	3662984	9.29
Corporate Bodies NBFC	950	0.0024
Fin Inst.	117817	0.2989
Foreign Company	3463410	8.78
Mutual Funds	354073	0.8983
NRI/OCBs	8538	0.0217
Promoters	4546066	11.53
Public	23974085	60.8260
Total	39,414,210	100.00

- ◆ ISIN for Dematerialization: INE718B01017
Dematerialization of Shares as on 31st March, 2018:

Particulars	NSDL		CDSL	
	2018	2017	2018	2017
Equity Shares	29242146	29319774	1557643	1480015

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 2017-18 have been paid by the Company to NSDL and CDSL.

- ◆ Address for correspondence :

USG Tech Solutions Limited
Company Secretary
Corporate Office:
11B, Shiv Apartments,
7 Raj Narain Marg
Civil Lines, Delhi-110054
Email:-Secretarial@usgtechsolutions.com

Annexure V
CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To
The Members of
USG Tech Solutions Limited

We have examined the compliance of conditions of Corporate Governance by USG Tech Solutions Limited for the year ended 31st March, 2018, as stipulated as referred in Regulation 15(2) of the Listing Regulations for the period 1st April, 2017 to 31st March, 2018.

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

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 Regulations of the Corporate Governance as stipulated in the above mentioned Listing Agreement/Listing Regulations as applicable.

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

For M/s. Ravinder Gupta & Associates

SD/-
Ravinder Kumar
(Chartered Accountants)

Annexure VI

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

USG Tech at its best provides innovative IT Solutions and complex software projects development that helps to keep it one step ahead of its competitors by continuously improving its IT-based business solutions.

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.

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 information technology in India is looking towards a bleak future in general in the current year. However, small sparks of encouragement are there. The Recession period, the free fall of rupees against dollar compounded with other factors has resulted in a severe decline in the hiring process of the IT sector. The employment generation capacity of this sector has shrunk considerably. IT professionals including ex- IT sector employees are now seeking employment in financial services, telecommunications and manufacturing industries which have recently witnessed a phenomenal growth.

Financial Performance

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 guidelines issued by the Securities and Exchange Board of India (SEBI) and the IND AS 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.

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 2017-18 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 continues 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.

INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS

To
The Members of
USG Tech Solutions Limited
Report on the Financial Statements

OPINION

We have audited the accompanying financial statements of USG TECH SOLUTIONS LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the 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 March 31, 2018;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

BASIS OF OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. That Board of Directors are also responsible for overseeing the company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 Act, we give in the Annexure-A a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books (and proper returns adequate for the purposes of our audit have been received from the branches which is also audited by us)
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.[and the returns received from the branches which are prepared by us]
 - 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 written representations received from the directors as on 31 March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
 - g) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company [or, following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company or there were no amounts which required to be transferred]

For RAVINDER GUPTA AND ASSOCIATES

Chartered Accountants

RAVINDER KUMAR GUPTA

4247/2, JAI MATA MARKET,

TRI NAGAR,

DELHI-110035

0009102N

Place: New Delhi

Date: 30.05.2018

ANNEXURE-A REFERRED TO IN OUR REPORT OF EVEN DATE OF USG TECH SOLUTIONS LIMITED FOR THE F.Y. 2017-18.

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 USG Tech Solutions Limited ("the Company") as of 31 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 be come in adequate 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 31 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.

For RAVINDER GUPTA & ASSOCIATES
Chartered Accountants
F.R.N. 0009102N

SD/-
RAVINDER GUPTA
(Proprietor)
M.No. 087726

Place: New Delhi
Date:30.05.2018

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To
The Members of
USG Tech Solutions Limited
Report on the Financial Statements

We have audited the accompanying the consolidated financial statements of M/s USG TECH SOLUTIONS LIMITED (the Company) (the Holding Company), and its subsidiaries (Subsidiaries include Associates) (the Holding Company and its Subsidiaries together referred to as "the Group") which comprise the Consolidated Balance sheet as at March 31, 2018, and Consolidated Statement of Profit & Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Holding Company's Management is responsible for the preparation of these Consolidated financial statements in terms of the requirement of Companies Act, 2013 that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated Cash Flows of the Group in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors and the respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities, the Selection and application of appropriate accounting policies, making judgment and estimates that a reasonable and prudent and the design implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparations and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated financial statements by the director of the Holding Company, as aforesaid.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the Audit, we have taken into account the provisions of the Act, the accounting and the 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 amount and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, 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 consolidated 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 accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on 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:

- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2018;
- b) in the case of the Consolidated Statement of Profit and Loss, of the Profit of the Group for the year ended on that date;
- c)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by section 143(3) of the Companies Act, 2013, 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 account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. the Consolidated Balance Sheet and the Consolidated Statement of Profit & Loss dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the CFS;
- d. In our opinion, the Consolidated Balance Sheet and the Consolidated Statement of Profit & Loss, comply with 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 Company as on 31st March, 2018 taken on record by the Board of Directors of the Company and its subsidiary companies incorporated in India, none of the directors of the Group Companies incorporated in India is disqualified as on 31st March, 2018 from being appointed as a director under section (2) of section 164 of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group Companies and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; which is based on the auditor report of the Company and its subsidiary companies incorporated in India;
- g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Group does not have any pending litigations which would impact its financial position.
 - ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.

For RAVINDER GUPTA & ASSOCIATES

Chartered Accountants

F.R.N. 0009102N

SD/-

RAVINDER GUPTA

(Proprietor)

M.No. 087726

Place: New Delhi

Date: 30.05.2018

ANNEXURE -B 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 M/s USG TECH SOLUTIONS LIMITED ("the Holding Company") and its Subsidiaries Companies incorporated in India 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 respective Board of Directors and its Subsidiary Companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and its Subsidiary Companies incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

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 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, o the best of our information and according to the explanations given to us, the Company and its subsidiary companies incorporated in India have in all matters 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 and its Subsidiary Companies incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For RAVINDER GUPTA & ASSOCIATES
Chartered Accountants
F.R.N. 0009102N
SD/-
RAVINDER GUPTA
(Proprietor)
M.No. 087726
Place: New Delhi
Date: 30.05.2018

BALANCE SHEET AS AT 31ST MARCH 2018

Particulars	Note	As at March 31, 2018	As at March 31, 2017
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
Share Capital	2.1	3941.42	3941.42
Reserves & Surplus	2.2	385.17	236.61
Security Premium	2.3	-	103.90
Share application money pending allotment		-	-
(2) Non-Current Liabilities			
Long-term borrowings		-	180.12
Deferred tax liabilities (Net)		-	4.57
Other Long term liabilities	2.3	-	-
Long-term provisions		-	-
(3) Current Liabilities			
Short-term borrowings	2.4	126.36	-
Trade payables		-	12.86
Other current liabilities	2.5	10.41	6.42
Short-term provisions	2.6	0.64	11.25
TOTAL		4464.00	4497.16
II. ASSETS			
(1) Non-Current Assets			
Fixed assets			
Tangible assets	2.7	14.06	18.74
Intangible assets	2.8	166.61	166.61
Capital work-in-progress		-	-
Intangible assets under development		-	-
Non-current investments	2.9	1832.69	1539.83
Deferred tax assets (net)		-	-
Long-term loans and advances	3.0	1293.55	-
Other non-current assets	3.1	362.34	311.44
(2) Current Assets			
Current investments		-	-
Inventories	3.2	17.47	43.47
Trade receivables	3.3	685.86	703.66
Cash and cash equivalents	3.4	91.42	12.74
Short-term loans and advances		-	1288.09
Other current assets	3.5	-	412.58
TOTAL		4464.00	4497.16

For USG Tech Solutions Limited

 For Ravinder Gupta and Associates
 Chartered Accountants
 FRN : 0009102N

SD/-
 Servesh Gupta
 (Managing Director)
 (DIN : 01451093)

SD/-
 Ashima Gupta
 (Director)
 (DIN : 07795866)

SD/-
 Jagpreet Kaur
 (Company Secretary)
 M : A41778

SD/-
 Manish Kumar
 (Chief Financial
 Officer)
 AOGPK1199G

SD/-
 Ravinder Kumar
 Gupta
 (Proprietor)
 M. NO. : 087726

Date: 30.05.2018, Place: Delhi

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2018

Particulars	Note	As at March 31, 2018	As at March 31, 2017
Revenue from operations	3.6	7.26	42.43
Other income	3.7	117.45	96.11
Total Revenue		124.71	138.54
Expenses			
Cost of materials consumed		-	-
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	3.8	26.00	18.63
Employee benefits expense	3.9	11.44	13.87
Finance costs	4.0	0.33	21.16
Depreciation and amortization expense	4.1	4.85	11.62
Other expenses	4.2	36.52	44.36
Total expenses		79.14	109.64
Profit before exceptional, extraordinary and prior period items and tax		45.56	28.90
Exceptional items		-	(7.52)
Profit before extraordinary and prior period items and tax Extraordinary Items		45.56	-
Profit before prior period items and tax		45.56	36.43
Prior Period Items	4.3	(5.63)	-
Profit before tax		39.93	36.43
Tax expense:	4.4		
Current tax		-	11.25
Deferred tax		0.007	(1.06)
Profit/(loss) for the period from continuing operations		39.92	26.24
Profit/(loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit/(loss) from Discontinuing operations (after tax)		-	-
Profit/(loss) for the period		39.92	26.23
Earnings per equity share:			
Basic		-	-
Diluted		-	-

For USG Tech Solutions Limited

For Ravinder Gupta and Associates
Chartered Accountants
FRN : 0009102NSD/-
Servesh Gupta
(Managing Director)
(DIN : 01451093)SD/-
Ashima Gupta
(Director)
(DIN : 07795866)SD/-
Jagpreet Kaur
(Company Secretary)
M : A41778SD/-
Manish Kumar
(Chief Financial
Officer)
AOGPK1199GSD/-
Ravinder Kumar
Gupta
(Proprietor)
M. NO. : 087726

Date: 30.05.2018, Place: Delhi

Notes forming part of Balance Sheet as at 31st March 2018

Particulars	As at March 31, 2018 (Amount in Rs.)	As at March 31, 2017 (Amount in Rs.)
2.1 SHARE CAPITAL		
Authorised		
43000000 Equity Shares of Rs.10/- Par Value	4300.00	4300.00
	<u>4300.00</u>	<u>4300.00</u>
Issued		
39414210 Equity Shares of Rs. 10/- Par Value	3941.42	3941.42
	<u>3941.42</u>	<u>3941.42</u>
Subscribed		
39414210 Equity Shares of Rs. 10/- Par Value	3941.42	3941.42
	<u>3941.42</u>	<u>3941.42</u>
Paidup		
39414210 Equity Shares of Rs.10/- Par Value Fully Paidup	3941.42	3941.42
	<u>3941.42</u>	<u>3941.42</u>
2.2 RESERVES & SURPLUS		
Capital Reserve Consolidation - Opening	236.60	236.59
Addition	0.00	0.00
Deduction	0.00	0.00
	<u>236.60</u>	<u>236.59</u>
Securities Premium Opening	103.90	103.90
	<u>103.90</u>	<u>103.90</u>
Profit and Loss Opening	4.74	-
Amount Transferred From Statement of P&L	39.93	26.22
	<u>44.67</u>	<u>26.22</u>
	<u>385.17</u>	<u>366.72</u>
2.3 OTHER LONG TERM LIABILITIES		
	0	0
2.4 OTHER SHORT TERM LIABILITIES		
Loans repayable on demand		
Others		
Unsecured	-	180.12
STARROSE DEALER PVT.LTD	126.18	-
USG BUILDCON PVT LTD.	0.18	-
	<u>126.36</u>	<u>180.12</u>

Particulars	As at March 31, 2018 (Amount in Rs.)	As at March 31, 2017 (Amount in Rs.)
2.5 OTHER CURRENT LIABILITIES		
Other payables		
Tax Payable	-	-
TDS	-	6.42
TDS ON INTEREST ON LOAN	0.01	-
TDS ON PROFESSIONAL	0.16	-
TDS ON SALARY PAYABLE	0.36	-
Other Current Liabilities		
ASHIMA GUPTA -DIRECTOR SALARY PAYABLE	0.90	-
AUDIT FEE PAYABLE	0.62	-
CHEQUES ISSUED BUT NOT PRESENTED FOR PAYMENT	4.00	-
IMPERIAL SEVICES OFFICE	0.001	-
IMPREST SERVESH GUPTA	1.00	-
INTERNAL AUDIT FEE PAYABLE	0.24	-
R.K. SAH & CO.	0.25	-
SALARY PAYABLE	0.84	-
SECRETARIAL AUDIT FEE PAYABLE	0.49	-
SERVESH GUPTA (CEO) SALARY PAYABLE	1.23	-
SHIV KUMAR AGGARWAL & ASSOCIATES	0.15	-
SPEED KINGS INDL.	0.007	-
UDIT AGGARWAL & ASSOCIATES		
Trade payable	0.10	-
		12.85
TELEPHONE EXP. PAYABLE	0.01	-
	<u>10.40</u>	<u>19.27</u>
2.6 SHORT TERM PROVISIONS		
Tax Provision		
Other Tax		
PROVISIONS	0.63	11.25
	<u>0.63</u>	<u>11.25</u>

2.7 Tangible Assets	USG TECH SOLUTIONS LIMITED												In Lacs	
	Gross				Depreciation				Impairment				Net	
	01.04. 2017	Addi- tion	Deduc- tion	31.03. 2018	01.04. 2017	During Period	Deduc- tion	Other Adj.	31.03. 2018	01.04. 2017	During Period	Rever- sal	31.03. 2018	01.04. 2017
Particulars														
Equipments														
Office Equipments	14.05	-	-	14.05	-	-	-	-	-	-	-	-	14.05	14.05
Grand Total	14.05	0.00	0.00	14.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14.05	14.05
Previous	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2.8 Intangible Assets														
Particulars	01.04. 2017	Addi- tion	Deduc- tion	31.03. 2018	01.04. 2017	During Period	Deduc- tion	Other Adj.	31.03. 2018	01.04. 2017	During Period	Rever- sal	31.03. 2018	01.04. 2017
Computer Soft- ware	166.61	-	-	166.61	-	-	-	-	-	-	-	-	166.61	166.61
Grand Total	166.61	0.00	0.00	166.61	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	166.61	166.61
Previous	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Particulars	As at March 31, 2018 (Amount in Rs.)	As at March 31, 2017 (Amount in Rs.)
2.9 NON-CURRENT INVESTMENTS		
Investments in Equity Instruments		
Trade, Quoted		
Investment in Associate		
SIBER SOFTWARE SERVICES (INDIA) LTD of		
Rs. 6000000 Each Fully Paid-up in	60.00	60.00
Non Trade, Unquoted		
Investment in NA		
ALLIED FINACIAL SERVICES PVT.LTD of		
Rs. 1817000 Each Fully Paid-up in	18.17	-
MUKESH COMMERCIAL PVT. LTD of 5000000 Each		
Fully Paid-up in	50.00	50.00
NISKARSH PROPERTIES PVT. LTD SHARE of		
Rs. 50000 Each Fully Paid-up in	0.50	0.50
NISKARSH PROPERTY PVT.LTD (JV ADVANCE) of		
Rs. 2500000 Each Fully Paid-up in	25.00	-
PRELIMINARY EXPENSES WRITTEN OFF of		
Rs. 889965 Each Fully Paid-up in	8.89	-
RETAIL INFORMATION SYSTEM PTY .LTD SHARE of		
Rs. 52361873 Each Fully Paid-up in	523.62	523.61
ZEAL APPARTMENT LLP of Rs. 88490000 Each Fully Paid-up in	884.90	884.9.
MONEY MISHRA FINANCIAL SERVICES	-	20.80
PROJECT EXPENSES PENDING ADJUSTMENT		
of 26159718 Each Fully Paid-up in	261.60	-
	1832.68	1539.81
3.0 Long-term loans and advances		
Loans and advances to related parties		
Unsecured, considered good	-	1288.03
AS COMPUSOFT SERVICES PVT. LTD	112.50	-
CMV INFORMATICS PVT .LTD	25.00	-
MERTA INVESTMENT PVT.LTD	25.00	-
OLYMPIC PHARMAC	5.00	-
RAS DEVELOPMENT PVT.LTD. ADVANCE ACCOUNT	408.39	-
USG SOLUTIONS PVT.LTD-SEC DEP FOR SOFTWARE DEVEL	387.00	-
VICTORY INFRA PROJECT PVT.LTD	0.87	-
Loans and advances to others		
Unsecured, considered good		
ABHISHEK	5.00	-
ASEEM GUPTA	40.00	-
ASHOK KUMAR JAIN	6.00	-
DELHI TEST HOUSE	23.81	-

Particulars	As at	As at
	March 31, 2018 (Amount in Rs.)	March 31, 2017 (Amount in Rs.)
JBL FINVEST PVT. LTD	85.00	-
KIRAN SECURITIES PVT. LTD	28.11	-
MITTAL MEDICOS (P) LTD	20.00	-
MR. SURAJ GARG	10.00	-
PARAS ALUMINIUM PVT.LTD	18.00	-
PURVI PRATAP UDESHI	9.0	-
RAJAN MANOCHA	10.0	-
SUNIL FINVEST PVT,LTD	35.00	-
URASTUN METAL INDUSTRIES PVT.LTD	4.37	-
VISHESH DEVELOPERS PVT.LTD	29.50	-
Secured, considered good		
LAKSHYA INDIA	6.00	-
	<u>1293.55</u>	<u>1288.03</u>

3.1 Other non-current assets

Trade Receivable

DEBTS OUTSTANDING FOR A PERIOD

EXCEEDING SIX MONTHS OTHER

- 703.66

Unsecured, Considered Good

Others

- 311.44

ADVANCE TAX FY- 2018-19

5.0 -

INCOME TAX AY 2009-10 REFUND

6.43 -

INCOME TAX FOR AY 2011-11 REFUND

15.54 -

INCOME TAX FOR F.A 2012-13 ADVANCE

3.25 -

INCOME TAX REFUND AY 2012-13

0.30 -

INCOME TAX REFUND AY2011-12

0.54 -

K.K.C RECEIVABLE@0.5%

.008 -

SECURITIES -BSNL

0.02 -

SECURITIES DEPOSIT -3 AIRTEL NEW

.007 -

SECURITIES DEPOSIT -4 VOICE PLAN

0.01 -

SECURITIES DEPOSIT DATA CONNECTION

.005 -

SECURITIES FOR HYDERABAD OFFICE

0.11 -

SERVICE TAX RECE.

6.76 -

SERVICE TAX RECEIVABLE (1%)

0.09 -

SERVICE TAX RECEIVABLE (12%)

0.93 -

SERVICE TAX RECEIVABLE (14%)

3.47 -

SERVICE TAX RECEIVABLE (2%)

0.18 -

TAX DEDUCTED SOURCE 2012-13

0.69 -

TDS RECEIVABLE

16.40 -

TDS RECEIVABLE 2018-19

6.64 -

TDS RECEIVABLE AY-2017-18

3.65 -

TDS RECEIVABLE ON HDFC BANK

0.01 -

VAT REFUND

2.04 -

Particulars	As at March 31, 2018 (Amount in Rs.)	As at March 31, 2017 (Amount in Rs.)
MADHUR BUILDCON PVT.LTD	0.25	-
SHIVMANGAL STOCK MANAGEMNET	13.12	-
UTILITY AGENCY PVT.LTD	2.10	-
VINDYAVASINI AGENCY PVT.LTD	2.01	-
VISTAAR INFRA	2.00	-
EURO INDIA POWER PVT.LTD	35.00	-
HIGHTIME MARKETING PVT.LTD	176.05	-
INTEGRATED LEASING & FINANCE (P) LTD	25.50	-
S.G.A. SECURITIES (P) LTD	30.00	-
SAI RAM PROMOTERS PVT . LTD	4.40	-
	<u>362.33</u>	<u>1015.10</u>
3.2 Inventories		
Stock in Trade		
CLOSING STOCK	17.47	43.47
	<u>17.47</u>	<u>43.47</u>
3.3 Trade receivables		
Trade Receivable		
Unsecured considered good		
Exceeding Six Months	-	1288.10
GREEN OPEN TECHNOLOGIES PVT. LTD	3.50	-
INTERNATIONAL POTASH COMPANY (U.K) LTD	201.45	-
INTERNATIONAL TRACEABILLITY SYSTEMS LTD.	135.26	-
K & M SOFFTECH INC USA	47.44	-
O.P GUPTA	21.57	-
ZTE KANGXUN TELECOME PVT.LTD	10.70	-
ACIC (INDIA) PRIVATE LIMITED	8.35	-
BALAJI TRADING COMPANY	7.63	-
BIG SHARE SEVICES PVT.LTD	0.18	-
BLS INSTITUTE OF MANAGEMENT	1.08	-
KK SPUM PIPE PRIVATE LIMITD	11.60	-
NEW SHAPE IN STYLE	0.91	-
RETAIL INFORMATION SYSTEM PTY LTD. (DEBTORS)	4.49	-
RETAIL INFORMATION SYSTEM PTY LTD.	6.56	-
S.K. ENTERPRISES	0.82	-
SHILPI CABLE TECHNOLOGIES LIMITED	41.29	-
SHREYA SALES CORPORATION	15.81	-
THE ASCENDERS GENERAL TRADING	168.02	-
INDIVAR REALTORS PVT LTD	0.20	-
	<u>685.86</u>	<u>1288.10</u>

Particulars	As at March 31, 2018 (Amount in Rs.)	As at March 31, 2017 (Amount in Rs.)
3.4 Cash and cash equivalents		
Cash in Hand	1.14	0.15
Balances With Banks		
Balance With Scheduled Banks	-	12.59
Current Account		
HDFC BANK A/C -1619	0.14	-
HDFC BANK A/C-3411	2.77	-
IDBI BANK A/C-0055	0.15	-
YES BANK A/C-0016	0.01	-
Deposit Account		
FDR 4021	0.58	-
SWEEP IN FD 1329	85.00	-
SWEEP -IN- FD- NO-0048	1.62	-
Others		
	91.41	12.74
DEFERRED TAX LIABILITIES(NET)		
DTA\DTL on DIFFERENCE IN DEPRECIATION AS PER BOOKS AND INCOME	-	4.57
		4.57
3.5 Other current assets		
Advance Tax & TDS	-	61.00
SERVICE TAX	-	11.20
VAT REFUND	-	2.04
OTHER RECEIVABLES	-	19.69
INTEREST RECEIVABLES	-	47.68
SHARE APPLICATION MONEY PAID	-	270.96
	-	412.57
3.6 Revenue from operations		
Sale of Services		
INCOME FROM SOFTWARE DEVELOPMENTS	7.26	42.42
	7.26	42.42
3.7 Other income		
Interest		96.11
INCOME OF INCOME TAX REFUND	0.73	-
INTEREST ON SWEEP IN FD	0.29	-
INTEREST INCOME ON UNSECURED LOAN	66.43	-
PROFIT FROM NISKARSH PROPERTIES	50.00	-
	117.45	96.11

Particulars	As at March 31, 2018 (Amount in Rs.)	As at March 31, 2017 (Amount in Rs.)
3.8 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		
Opening	43.47	62.10
Closing	17.47	18.63
Increase/Decrease	26.00	43.47
Details of Changes in Inventory		
Stock in Trade		
STOCK IN TRADE	<u>26.00</u>	<u>18.63</u>
	<u>26.00</u>	<u>18.63</u>
3.9 Employee benefits expense		
Salary, Wages & Bonus		
STAFF WELFARE	0.30	0.06
STAFF SALARY	11.14	13.81
	<u>11.44</u>	<u>13.87</u>
4.0 Finance costs		
Interest Expenses		
Interest Expenses		
INTEREST ON LOAN	0.20	-
Bank Charges		
BANK CHARGES	0.02	-
Other Interest Charges		
INTEREST ON TDS	0.11	-
	<u>0.33</u>	<u>21.15</u>
4.1 Depreciation and amortisation expense	<u>0.00</u>	<u>0.00</u>
4.2 Other expenses		
Administrative and General Expenses		
Telephone Postage		
POSTAGE & COURIER	0.19	-
TELEPHONE & COMMUNICATION EXPENSES	0.31	0.88
Printing Stationery		
PRINTING & STATIONERY	0.30	0.25
Auditors Remuneration		
Audit Fees	0.25	0.28
INTERNAL AUDIT FEE	0.25	0.24
LEGAL FEES	0.75	-
AUDIT FEE	0.34	-
Directors Sitting Fees		
DIRECTOR REMUNERATION	14.77	18.00
Repairs Maintenance Expenses		
REPAIR, RUNNING & MAINTENANCE	0.87	0.76

Particulars	As at	As at
	March 31, 2018 (Amount in Rs.)	March 31, 2017 (Amount in Rs.)
Legal and Professional Charges		
PROFESSIONAL FEE	4.17	7.51
Other Expenses	-	4.80
BUSINESS PROMOTION	0.24	1.69
INTERNET CHARGES	0.09	0.05
MISC. EXPENSES	0.08	0.04
OFFICE EXPENSES	0.55	-
OFFICE PREMISES EXP.	2.37	-
SEBI PENALTIES	1.00	-
WINDOWS SERVER HOSTING	0.15	-
COSTODIAN, CORPORATE AND LISTING FEES	4.88	-
ROC AND OTHER FILING FEES	0.26	-
TOUR & TRAVEL EXP.	0.72	5.05
PRIOR PERIOD EXPENSES	0.66	-
BAD DEBTS WRITTEN OFF	0.94	-
PRELIMINARY EXPENSES WRITTEN OFF	1.78	1.77
COMPUTER REPAIR & MAINTANANCE	0.48	1.50
CONVEYANCE	0.11	1.53
	<u>36.51</u>	<u>44.35</u>
4.3 Prior Period items		
Prior Period Income		
PRIOR PERIOD INCOME	0.15	-
Prior Period Expenses		
INTEREST RECEIVABLE (MONEY MISHRA)	(4.91)	-
TAX PAYABLE AY 17-18 PAST PERIOD	(0.87)	-
	<u>(5.63)</u>	<u>-</u>
4.4 Tax expense		
Deferred tax	0.07	(1.06)
	<u>0.07</u>	<u>-1.06</u>

For USG Tech Solutions Limited

For Ravinder Gupta and Associates
Chartered Accountants
FRN : 0009102NSD/-
Servesh Gupta
(Managing Director)
(DIN : 01451093)SD/-
Ashima Gupta
(Director)
(DIN : 07795866)SD/-
Jagpreet Kaur
(Company Secretary)
M : A41778SD/-
Manish Kumar
(Chief Financial
Officer)
AOGPK1199GSD/-
Ravinder Kumar
Gupta
(Proprietor)
M. NO. : 087726

Date: 30.05.2018, Place: Delhi

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

Particulars	As at March 31, 2017	As at March 31, 2018
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax as per Profit and Loss Account	24.98	40.19
Adjustments for :-		
Finance cost	21.16	0.21
Preliminary Expenses Written Off	1.78	1.78
Interest Income	(94.13)	(66.72)
Other Non-operating Receipts	0.00	(50.72)
Depreciation and Amortization Expenses	21.31	4.85
	(49.88)	(110.60)
Operating Profit before Working Capital Changes	(24.90)	(70.41)
Adjustment for :-		
Change in Trade and Other Payables	(5.69)	(8.87)
Increase in Inventories	18.63	26.00
Increase in Short term provisions	3.05	(0.27)
Change in Trade and Other Receivables	(23.78)	17.90
	(7.79)	34.76
Cash Generated from Operations	(32.69)	(35.65)
Adjustment for :-		
Provision for Income Tax	(7.72)	(10.35)
Provision for Deferred Tax Liabilities	1.06	(0.01)
Net Cash Generated from Operating Activities	(39.35)	(46.01)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchases/Sale of Fixed Assets	8.58	(0.16)
Purchases of Non-current Investment	(486.32)	2.62
Payment of Loan	(2.74)	(5.46)
Movement in Loans & Advances and other Assets	412.49	(22.99)
Net Cash Received from Investing Activities	(67.99)	(25.99)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	-	-
Proceeds from Long Term Borrowings	(126.46)	(53.78)
Finance cost	(21.16)	(0.21)
Interest Income	94.13	66.72
Other Non-operating Receipts		50.73
Increase in Deferred Tax Liabilities	(1.06)	0.01
Net Cash Received from Financing Activities	(54.55)	63.47
D Net Increase/Decrease in Cash and Cash Equivalent	(161.90)	(8.53)
Add : Opening Balance of Cash and Cash Equivalent	174.64	12.74
Closing Balance of Cash and Equivalent Cash	12.74	4.21

For USG Tech Solutions Limited

 For Ravinder Gupta and Associates
 Chartered Accountants
 FRN : 0009102N

 SD/-
 Servesh Gupta
 (Managing Director)
 (DIN : 01451093)

 SD/-
 Ashima Gupta
 (Director)
 (DIN : 07795866)

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 (Chief Financial
 Officer)
 AOGPK1199G

 SD/-
 Ravinder Kumar
 Gupta
 (Proprietor)
 M. NO. : 087726

Date: 30.05.2018, Place: Delhi

Particulars	As at March 31, 2018 (Amount in Rs.)	As at March 31, 2017 (Amount in Rs.)
Consolidated Balance Sheet as at 31st March 2018		
I. EQUITY AND LIABILITIES	-	
(1) Shareholders' Funds		
(a) Share Capital	7968.46	7,924.93
(b) Reserves & Surplus	(3,094.29)	(3,147.59)
(c) Security Premium	103.9	103.90
(2) Non Current Liabilities		
(a) Long term borrowings	126.36	180.13
(b) Deferred tax liabilities (Net)	4.58	5.64
(3) Current Liabilities		
(a) Trade payables	12.86	
(b) Other current liabilities	85.05	94.97
(c) Short-term provisions -Income Tax	10.92	0.00
TOTAL	5204.98	5,174.83
II. ASSETS		
(1) Non-Current Assets		
(a) Fixed Assets		
(i) Tangible assets	19.66	24.05
(ii) Intangible Assets under Development	1694.5	777.16
(b) Non-Current Investment	1537.19	1,539.82
(c) Other non-current assets	(723.67)	311.44
(2) Current Assets		
(a) Inventories	17.47	43.47
(b) Trade Receivables	685.66	703.66
(c) Cash and Cash Equivalents	4.66	12.74
(d) Short-term loans and advances	1293.55	1,300.85
(e) Other current assets	449.59	498.07
(d) Long-term loans and advances	226.37	-
TOTAL	5204.98	5,211.26

Notes on Financial Statement
Significant Accounting Policies

For USG Tech Solutions Limited

For Ravinder Gupta and Associates
Chartered Accountants
FRN : 0009102N

SD/-
Servesh Gupta
(Managing Director)
(DIN : 01451093)

SD/-
Ashima Gupta
(Director)
(DIN : 07795866)

SD/-
Jagpreet Kaur
(Company Secretary)
M : A41778

SD/-
Manish Kumar
(Chief Financial
Officer)
AOGPK1199G

SD/-
Ravinder Kumar
Gupta
(Proprietor)
M. NO. : 087726

Date: 30.05.2018, Place: Delhi

Particulars	As at	As at
	March 31, 2018 (Amount in Rs.)	March 31, 2017 (Amount in Rs.)
Consolidated Balance Sheet as at 31st March 2018 (Part-II)		
I Revenue from Operations	133.44	174.75
II Other Income	139.73	96.59
III Total Revenue [I+II]	273.17	271.34
IV Expenses		
Purchases & Development	36.23	7.36
Changes in inventories of finished goods	26.00	18.63
Employee Benefits Expenses	56.42	77.85
Finance Costs	0.29	21.16
Depreciation and amortization expenses	7.63	16.28
Other Expenses	66.25	24.58
Total Expenses	192.82	165.87
V Profit before exceptional and extraordinary items and tax (III- IV)	<u>80.35</u>	<u>105.47</u>
VI Exceptional items	6.29	(7.53)
VII Profit before extraordinary items and tax (V-VI)	74.06	113.00
VIII Extraordinary items	0.0	0.0
IX Profit before Tax (VII-VIII)	74.06	113.00
X Tax expenses:	10.28	35.00
(1) Current tax	10.28	35.00
(2) Deferred tax	0	(1.06)
XI Profit for the period from continuing operations (IX-X)	63.78	79.06
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)	63.78	79.06
XVI Earning per Equity share:		
(1) Basic	-	-
(2) Diluted	-	-
Notes on Financial Statement Significant Accounting Policies		

For USG Tech Solutions Limited

 For Ravinder Gupta and Associates
 Chartered Accountants
 FRN : 0009102N

SD/- Servesh Gupta (Managing Director) (DIN : 01451093)	SD/- Ashima Gupta (Director) (DIN : 07795866)
--	--

SD/- Jagpreet Kaur (Company Secretary) M : A41778
--

SD/- Manish Kumar (Chief Financial Officer) AOGPK1199G
--

SD/- Ravinder Kumar Gupta (Proprietor) M. NO. : 087726
--

Date: 30.05.2018, Place: Delhi

CONSOLIDATED CASH FLOW STATEMENT AS ON 31ST MARCH 2018

Particulars	As at March 31, 2017	As at March 31, 2018
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax as per Profit and Loss Account	24.98	74.06
Adjustments for :-		
Finance cost	21.16	0.29
Preliminary Expenses Written Off	1.78	0.00
Interest Income	(94.13)	(139.73)
Other Non-operating Receipts	0.00	0.00
Depreciation and Amortization Expenses	21.31	7.63
	(49.88)	(131.81)
Operating Profit before Working Capital Changes	(24.90)	(57.75)
Adjustment for :-		
Change in Trade and Other Payables	(5.69)	(22.78)
Increase in Inventories	18.63	(26.00)
Increase in Short term provisions	3.05	-
Change in Trade and Other Receivables	(23.78)	18.00
	(7.79)	(30.78)
Cash Generated from Operations	(32.69)	(88.53)
Adjustment for :-		
Provision for Income Tax	(7.72)	10.92
Provision for Deferred Tax Liabilities	1.06	(1.06)
Net Cash Generated from Operating Activities	(39.35)	(78.67)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchases/Sale of Fixed Assets	8.58	(920.58)
Purchases of Non-current Investment	(486.32)	(2.63)
Payment of Loan	(2.74)	(53.77)
Movement in Loans & Advances and other Assets	412.49	864.60
Net Cash Received from Investing Activities	(67.99)	(112.38)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	-	-
Proceeds from Long Term Borrowings	(126.46)	43.53
Finance cost	(21.16)	(0.29)
Interest Income	94.13	139.73
Other Non-operating Receipts	-	-
Increase in Deferred Tax Liabilities	(1.06)	-
Net Cash Received from Financing Activities	(54.55)	182.97
D Net Increase/Decrease in Cash and Cash Equivalent	(161.90)	(8.08)
Add : Opening Balance of Cash and Cash Equivalent	174.64	12.74
Closing Balance of Cash and Equivalent Cash	12.74	4.66

For USG Tech Solutions Limited

 For Ravinder Gupta and Associates
 Chartered Accountants
 FRN : 0009102N

 SD/-
 Servesh Gupta
 (Managing Director)
 (DIN : 01451093)

 SD/-
 Ashima Gupta
 (Director)
 (DIN : 07795866)

 SD/-
 Jagpreet Kaur
 (Company Secretary)
 M : A41778

 SD/-
 Manish Kumar
 (Chief Financial
 Officer)
 AOGPK1199G

 SD/-
 Ravinder Kumar
 Gupta
 (Proprietor)
 M. NO. : 087726

Date: 30.05.2018, Place: Delhi

Notes to Accounts**Basis of preparation:**

A. The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

B. Upto the year ended 31st March, 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1st April, 2015. The first-time adoption exemptions availed by the Company.

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.

1. Tangible Fixed Assets:

◆ Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

◆ Borrowing costs relating to acquisition of tangible assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Assets under installation or under construction as at the Balance Sheet date are shown as Capital Work in Progress.

2. Intangible Fixed Assets:

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

3. Impairment of Assets:

◆ The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

◆ After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

4. Depreciation and Amortization:

Depreciation on tangible assets is provided as per the provisions of Part B of Schedule II of the Companies Act, 2013 based on useful life and residual value notified for accounting purposes by Electricity Regulatory Authorities.

5. Investments:

◆ Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

◆ On initial recognition, all investments are measured at cost. The cost comprises the purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired by the issue of shares or the other securities, the acquisition cost is the fair value of securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

◆ Current investments are carried at the lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the long term investments.

◆ On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

6. Employee Benefits:

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and Compensated absences.

7. Inventories:

Stock in trade, stores and spares are valued at the lower of the cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Cost of stock in trade procured for specific projects is assigned by specific identification of individual costs of each item. Costs of stock in trade, that are interchangeable and not specific to any project is determined using the weighted average cost formula. Cost of stores and spare parts is determined using weighted average cost.

8. Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds.

9. Revenue Recognition:

Revenue from Operations

◆ Sale and operating income includes sale of products, services, profit from partnership firms, income from job work services, export incentives, etc.

◆ Sale of goods is recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. Sales include excise duty but exclude sales tax and value added tax.

◆ Sale of services is recognized when services are rendered and related costs are incurred.

◆ Profit from partnership firms which are in the same line of operation is considered as operating Income.

◆ Revenue from job work services is recognized based on the services rendered in accordance with the terms of contracts.

◆ Export benefit are accounted for in the year of exports based on eligibility and when there is no Uncertainty in receiving the same.

Other income

◆ Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

◆ Dividend income is recognized when right to receive is established.

◆ Rent income is booked as per terms of contracts.

10. Taxation:

Tax expense comprises current and deferred tax. Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961 and tax expense relating to overseas operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

◆ Deferred tax expense or benefit is recognized on timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

◆ Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Deferred tax assets and deferred tax liabilities are offset, if a legally

enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws

◆ Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. In the situations where the Company is entitled to a tax holiday under the Income realized against future taxable profits. In the situations where the Company is entitled to a tax holiday under the Income tax Act, 1961 enacted in India, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.

◆ At each balance sheet date the Company re-assesses recognized and unrecognized deferred tax assets. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which the deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. The Company recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

◆ Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

11. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

12. Provisions:

A provision is recognized when there exists a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to present value and are determined based on best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

13. Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably; the Company does not recognize a contingent liability but discloses its existence in the financial statements.

14. Cash and cash equivalent:

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term deposits with banks with an original maturity of three months or less.

USG TECH SOLUTIONS LIMITED**CIN:** L72200TG1999PLC032129Address: Level 7 Maximus Towers Building 2A Mindspace Complex,
Hi-Tech City Hyderabad, Telangana- 500081

Email: info@usgtechsolutions.com Website: www.usgtechsolutions.com

Landline: 011-23935876

Attendance Slip

Venue of the meeting	Oyster Airport Hotel, 5-12/1, Nehru Outer Ring Road, Brindavan Gardens, Kishanguda, Shamshabad, Hyderabad, Telangana 501218
Date & Time	28/09/2018 at 10 AM

(Please complete this attendance slip and hand it over at the entrance of the meeting venue)

Name	
Address	
DP Id*	
Client Id*	
Folio No.	
No. of shares held	

*Applicable for investors holding shares in Electronic form.

I certify that I am the registered shareholders/proxy for the registered shareholder of the Company.

I hereby record my presence at the Annual General Meeting of the Company held on 28th September, 2018 at 10:00 Hrs at Oyster Airport Hotel, 5-12/1, Nehru Outer Ring Road, Brindavan Gardens, Kishanguda, Shamshabad, Hyderabad, Telangana 501218*. Applicable for shareholders holding shares in electronic form Signature of the Shareholder/Proxy/Representative*

Note:

◆ Electronic copy of the Annual Report for 2018 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company/ Depository Participant unless any member has requested for a hard copy of the same. Shareholders receiving electronic copy and attending the Annual General Meeting can print copy of this Attendance Slip.

◆ Physical copy of the Annual Report for 2018 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email ids are not registered with the Company or have requested for a hard copy.

USG TECH SOLUTIONS LIMITED

CIN: L72200TG1999PLC032129

Address: Level 7 Maximus Towers Building 2A Mindspace Complex,
Hi-Tech City Hyderabad, Telangana- 500081

Email: info@usgtechsolutions.com Website: www.usgtechsolutions.com

Landline: 011-23935876

PROXY FORM

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

Name	
Address	
DP Id*	
Client Id*	
Folio No.	
No. of shares held	

*Applicable for investors holding shares in Electronic form.

I _____ /
We _____ of _____ being
a member/members of USG Tech Solutions Limited hereby appoint the following as my/our Proxy to attend vote (for
me/us and on my/our behalf at the 19th Annual General Meeting of the Company to be held on
_____ and at any adjournment thereof) in respect of such resolutions as are indicated below;

1. Mr/Mrs _____ (Name & Signature of the Proxy) or failing him/her
_____ Registered address _____ Email id
_____ Signature _____.

2. Mr/Mrs _____ (Name & Signature of the Proxy) or failing him/her
_____ Registered address _____ Email id
_____ Signature _____.

3. Mr/Mrs _____ (Name & Signature of the Proxy) or failing him/her
_____ Registered address _____ Email id
_____ Signature _____.

** I/We direct my/our Proxy to vote on the Resolutions in the manner as indicated below:

Sl.No.	Resolutions	For	Against
ORDINARY BUSINESS			
1	Consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2018, the Reports of the Directors and Auditors thereon		
2	Re- Appointment of Mrs. Ashima Gupta (DIN-07795866) who retires by rotation at this meeting and being eligible, offers herself for re-appointment		
3	To re-appoint statutory auditors and fix their remuneration.		
SPECIAL BUSINESS			
4.	Re-Appointment of Managing Director		
5.	Approval of Related Party Transactions		
6.	Approval for changing the situation of Registered Office of the Company.		

This is optional. Please put a tick mark (?) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.

Signature (s) of Member(s)

1. _____
2. _____
3. _____

**Affix one
Rupees
revenue
stamp**

Signed this ----- day of ----- 2018.

Notes:

- The Proxy to be effective should be deposited at the Registered office of the company not less than FORTY EIGHT HOURS before the commencement of the Meeting.
- A Proxy need not be a member of the Company.
- In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- The form of Proxy confers authority to demand or join in demanding a poll.
- The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
- In case a member wishes his/her votes to be used differently, he/she should indicate the number of shares under the columns "For" or "Against" as appropriate

USG TECH SOLUTIONS LIMITED

CIN: L72200TG1999PLC032129

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Hi-Tech City Hyderabad, Telangana- 500081

Email: info@usgtechsolutions.com Website: www.usgtechsolutions.com

Landline: 011-23935876

Dear Members,

Invitation to attend the Annual General Meeting on 28th September 2018

You are cordially invited to attend the Annual General Meeting of the Company held on Friday 28th September 2018 at 10:00 Am at Oyster Airport Hotel, 5-12/1, Nehru Outer Ring Road, Brindavan Gardens, Kishanguda, Shamshabad, Hyderabad, Telangana 501218

The notice convening the Annual General Meeting is attached herewith.

Yours truly,

FOR USG TECH SOLUTIONS LIMITED

Sd/-

Mr. Servesh Gupta
Managing Director

Place: Delhi

Date: 13.08.2018