



USG TECH SOLUTIONS LIMITED

ANNUAL REPORT 2015-2016

Registered Office :
Plot No.-3 ,Shiva Nagar Colony, Sainik Puri,
Secunderabad, Telangana-500094

Corporate office :
11B, Shiv Apartments,
7 Raj Narain Marg, Civil Lines, Delhi-110054

Website: www.usgtechsolutions.com

Email id: secretarial@usgtechsolutions.com

BOARD OF DIRECTORS

Mr. Servesh Gupta

Managing Director

Mr. Satish Kumar Gupta

Director & Chairman

Mr. Anil Kumar Gupta

Independent Director

Ms. Nirmal Garg

Independent Director

AUDIT COMMITTEE

Mr. Anil Kumar Gupta

Chairman

Ms. Nirmal Garg

Member

Mr. Servesh Gupta

Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. Anil Kumar Gupta

Chairman

Ms. Nirmal Garg

Member

Mr. Servesh Gupta

Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Anil Kumar Gupta

Chairman

Ms. Nirmal Garg

Member

Mr. Servesh Gupta

Member

Notice

Directors' Report

Annual Return

Secretarial Audit Report

Corporate Governance Report

Auditors' Report

Balance Sheet

Statement of Profit & Loss

Cash Flow Statement

Notes on Financial Statement

Attendance Slip

Proxy

STATUTORY AUDITORS

M/s. Udit Aggarwal & Associates.

Chartered Accountants

Firm Registration. No.: 026161N

BANKER

HDFC Bank, New Delhi

HDFC Bank, Noida

YES Bank, New Delhi

**REGISTRAR & TRANSFER
AGENT**

M/s Bigshare Services

Private Limited

E-2/3, Ansa Industrial Estate,

Sakivihar Road, Sakinaka,

Andheri (East) Mumbai-400072

Email id: info@bigshareonline.com

NOTICE

Notice is hereby given that the 17th Annual General Meeting of USG Tech Solutions Limited will be held on Friday, 30th September, 2016 at 12:00 Hrs. 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. Consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2016, the Reports of the Directors and Auditors thereon:
2. Re-appoint Mr. Satish Kumar Gupta (DIN- 01451050) who retires by rotation at this meeting and being eligible, offers himself for re-appointment
3. Ratification of and fixing of remuneration of, the Statutory Auditors.

SPECIAL BUSINESS

4. 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. 23rd October, 2015."

"**RESOLVED FURTHER THAT** Mr. Servesh Gupta, Managing Director be paid remuneration effective from 1st October, 2015 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**i) Housing:**

a) The expenditure by the Company, on hiring furnished accommodation shall be subject to the following ceilings:
Sixty per cent of the Basic Salary, over and above ten per cent payable by him.

b) If the Company does not provide accommodation, he shall be entitled to House Rent Allowance subject to the ceiling laid down in (a) above.

Explanation: The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of ten percent of the Salary.

ii) 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.

iii) Leave Travel Concession: Leave travel concession for self and family once in a year Incurred in accordance with the rules of the Company.

- iv) Club Fees: Fees of clubs subject to a maximum of two clubs.
- v) 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 of Rs.20.00 Crores : (Rupees Twenty Crore Only) for the financial year 2016-17 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.

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: 10.08.2016

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 and 5 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"), of the person seeking re-appointment as Managing Director under Item No. 3 of the Notice, are also annexed.
- 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.
- The Register of Members and Share Transfer Books of the Company will be closed on 23rd September 2016
- Members, Proxies and Authorised 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.
- The Notice of the AGM along with the Annual Report 2015-16 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.
- 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.
- 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.
- 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.
- Members / Proxies should bring the Attendance slip duly filled in for attending the meeting along with their copy of the Annual Report.
- 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, 2016 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 2015-16 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.

- The route map showing directions to reach the venue of the 17th AGM is given on Back Cover.
- All documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection at the registered office of the Company.

- **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 Sunny Chopra & Company (Company Secretaries) as the Scrutinizer having office S-26 TF, Part-II Chankya Market, Next To Mongia Building C-1, Janak Puri New Delhi-110059, 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	From 27th September 2016 at 9:00 AM(IST)
End of e-voting	Up to 29th September 2016 at 05:00 PM(IST)

- d. The cut-off date (i.e. the record date) for the purpose of e-voting is 23rd September 2016. In compliance of Section 108 of the Companies Act, 2013

THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER

(i) The voting period begins on 27th September 2016 at 9:00 AM and ends on 29th September 2016 at 5:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on Shareholders
- (iii) Now Enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) 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.
- (vi) 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 Details OR Date of Birth (DOB)	<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 (iv).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant Company. i.e. < USG TECH SOLUTIONS LIMITED > on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) 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.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) 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.

(xvii) 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xviii) Note for Non - Individual Shareholders and Custodians

- 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.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- 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.

(xix) 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:

(A) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.

(B) The voting period begins on 27th September 2016 at 9:00 AM and ends on 29th September 2016 at 5:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(C) 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 and 5 of the accompanying Notice:

Item No. 3

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

Udit Aggarwal & Associates, (ICAI Firm Registration No.), Chartered Accountants, Delhi were appointed as the statutory auditors of the Company for a period of Three years at the Annual General Meeting (AGM) of the Company held on September 29, 2014, to hold office from the conclusion of the 15th AGM till conclusion of the 18th AGM to be held in the year 2017. As per provisions of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by members at every AGM. Accordingly, ratification of the members is being sought for appointment of statutory auditors as per the proposal contained in the Resolution set out at item no. 3 of the Notice. The Board commends the Resolution at item No. 3 for approval by the Members. None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs is concerned or interested in the Resolution at Item No. 3 of the accompanying Notice.

Item No. 4

Mr. Servesh Gupta is the Director of the Company since July, 2011. The terms of appointment of Mr. Servesh Gupta Whole Time Director were approved by the Shareholders in their meeting held on September, 2011 for a period of five years. The terms of his remuneration were also approved by the Shareholders in their meeting held on September, 2011 for a period of five years. The Board felt that for the sake of efficient running of the Company the services of Mr. Servesh Gupta as Managing Director should be available to the Company for a further period of five years with effect from 23rd October 2015

Considering the increase in responsibilities being shouldered by the Managing Director in the context of increased volume of business of the Company, your Board of Directors felt it appropriate subject to shareholders approval to re-appoint Mr. Servesh Gupta, Managing Director on remuneration as detailed in the resolutions, which commensurate with the responsibilities undertaken by him. The remuneration previously payable to him was approved for Five years effective from 23rd October, 2015. The Remuneration Committee has approved the proposed re-appointment and remuneration payable to him which is further subject to your approval.

The Board, therefore, recommends the Special Resolution as set out at Item No.4 for your approval.

The Explanatory Statement together with the accompanying Notice should be treated as an Abstract of the Terms and Memo-randum of Interest of the Directors under section 102 of the Companies Act, 2013. Except Mr. Servesh Gupta, being appointee and Mr. Satish Kumar Gupta, being relatives, none of the Directors, Key Managerial Personnel or their relatives, are interested or concerned, financially or otherwise, in the aforesaid resolution.

The particulars required to be disclosed in the Explanatory Statement in accordance with the provisions of Sub-paragraph (A) of Section II of Part II of Schedule V of the Companies Act, 2013 are given below:

Item.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 2016-17 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.

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: 10.08.2016

ANNEXURE TO NOTICE

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

Particulars	Mr. Servesh Gupta	Mr. Satish Kumar Gupta
Date of Birth	06/12/1980	11/01/1949
Date of Appointment	01451093	01451050
Relationship with Directors	Son of one Promoter Director i.e Mr. Satish Kumar Gupta	Father of Promoter Director. I.e. Mr. Servesh Gupta
Educational Qualification	Bachelor of Commerce	Bachelor of Engineering
Experience & expertise in specific functional area	Experience in the field of Real Estate Development, Construction, and Project & Construction Management & Software Development & Information Technology.	Experience in the field of Real Estate Development, Construction, Project & Construction Management
Board Membership of Companies as on March 31, 2016	YASH BUILDCON PVT LTD S G BUILDTECH PVT LTD SKG TRADELINK 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	YASH BUILDCON PVT LTD S G BUILDTECH PVT LTD SKG TRADELINK 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 ONS REALTORS PRIVATE LIMITED NISKARSH PROPERTIES PRIVATE LIMITED DEVAM U S REALTORS PRIVATE LIMITED
Chairman/Member of the Committee of the Board of directors as on March 31, 2016	<ul style="list-style-type: none"> ❖ Member of Audit Committee ❖ Member of Stakeholder Relationship Committee ❖ Member of Nomination & Remuneration Committee 	Chairman of Board of Director
Number of Shares held in the Company as on March 31, 2016	1897365 & 4.81%	1676476 & 4.25%

Boards' Report

Dear Members,

Your directors have pleasure in presenting the 17th Annual Report and the Audited Statement for the Financial Year ended March 31, 2016.

A. FINANCIAL RESULTS

The financial performance of the Company during for the Financial Year ended March 31, 2016 is as under:
The financial Summary

PARTICULARS	<i>(Rs. In Lacs)</i>	
	31st March, 2016	31st March, 2015
Income	252.29	176.51
Expenditure	<u>237.22</u>	<u>179.73</u>
Profit Before Tax	15.07	(3.21)
Provision For Tax	<u>04.65</u>	-----
Profit Before Deferred Tax	10.42	(3.21)
Provision For Deferred Tax	<u>(2.89)</u>	<u>(4.90)</u>
Net Profit/loss After Taxation	<u>13.31</u>	<u>1.68</u>
Equity Share Capital (F.V Rs.10 each)	394.14	394.14
Reserve & Surplus	210.35	197.04
Basic Earnings per Share	0.033	-

B. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

During the year under review, the Company has gained Profit before tax of Rs.1507558.07 as compared to Loss of Rs. 321808.16 during the previous year and has earned a profit after tax (MAT) of Rs. 32180.8462 as compared to profit of Rs. 168883.67 during the previous year. The company expects good business and returns in future

C. CHANGE IN NATURE OF BUSINESS

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

D. 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 divi-dend to the shareholders.

E. AMOUNT TRANSFERRED TO RESERVE

There is Profit amounting Rs. 13, 31,027 is transfer to reserves during the financial year 2015-2016

F. 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.

G. 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 2015-16 has been enclosed with this report in ANNEX-URE- I

H. NUMBER OF MEETING OF THE BOARD OF DIRECTORS

During the financial year 2015-16

12 (Twelve) 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)

❖ 01/04/2015	❖ 27/05/2015
❖ 16/06/2015	❖ 13/08/2015
❖ 17/08/2015	❖ 04/09/2015
❖ 01/10/2015	❖ 23/10/2015
❖ 14/11/2015	❖ 05/01/2016
❖ 09/02/2016	❖ 21/03/2016

I. NUMBER OF MEETINGS OF COMMITTEE

During the financial year 2015-16

6 (Six) Audit Committee Meetings (AC)

❖ 27/05/2015	❖ 16/07/2015
❖ 13/08/2015	❖ 17/08/2015
❖ 23/10/2015	❖ 08/02/2016

5 (Five) Nomination and Remuneration Committee Meeting (NRC)

❖ 01/04/2015	❖ 13/08/2015
❖ 17/08/2015	❖ 23/10/2015
❖ 08/02/2016	-

4 (Four) Stakeholder Relationship Committee Meeting (SRC)

❖ 27/05/2015	❖ 13/08/2015
❖ 23/10/2015	❖ 08/02/2016

J. BOARD EVALUATION

SEBI (LODR) Regulations 2015 Mandate that board shall monitor and Review the Board evaluation Framework. The Framework includes the evaluation of Directors on Various parameters such as:

- ✿ Board Dynamics and relationship
- ✿ Information's inflows
- ✿ Decision making
- ✿ Relationship with stakeholders
- ✿ Company Performance and Strategy
- ✿ Tracking Board and committee effective ness
- ✿ Peer evaluation

The companies Act 2013 states that formal annual evaluation needs to be made by the board of its own performance and that's its committees and individual directors. Schedule IV of companies act 2013 states that performance evaluation of independent director shall be done by entire Board of Director, Excluding the Director being Evaluated.

The evaluations of the entire director and the board as a whole was conducted based on the criteria and framework adopted by the board. The evaluation process has been explained in the Corporate Governance Report. The Board approved the evaluation results as collated by NRC.

K. 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 Com-pany 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>)

L. 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>)

M. LISTING AGREEMENT

The Securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different Segments of capital markets to ensure better enforceability. The said regulations were effective December 1, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within six months from the effective date. The Company entered into Listing Agreement with BSE Limited and the CSE Limited during February 2016.

N. 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

O. 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 2016

- a) Mr. Anil Kumar Gupta
- b) Ms. Nirmal Garg

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

During the financial year 2015-16, the company has Invested in Loan Deposit under section 186 Read with Section 179(3)(f) of the Companies Act, 2013. In M/S Money Mishra Financial Services Amounting Rs. 4,50,00,000 (Four Crore Fifty lakh) @ 24% P.A During The Year 2015-2016

Q. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There was a contract or arrangements made with related parties with arm length pricing as defined under Section 188 of the Companies Act, 2013 during the year under review

R. INTERNAL AUDIT & CONTROLS

The Company continues to engage CA RAVINDER KUMAR AGARWA, (Agarwal Ravinder & Associates) as its Internal Auditor. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. 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.

S. AUDITORS AND AUDITORS' REPORT

STATUTORY AUDITORS:

M/s Udit Aggarwal & Associates, Chartered Accountants (Firm Registration Number 026161N) were appointed as Statutory Auditors for a period of 3 years in the 29 September 2014 Annual General Meeting subject to the ratification in every Annual General Meeting in terms of section 139(1) of the Companies Act, 2013. Their continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting. The Company has received a certificate from the above Auditors to the effect that if their appointment is ratified, it

would be in accordance with the provisions of Section 141 of the Companies Act, 2013. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

T. 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 Dharmendra Sharma & 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, 2016 is annexed as Annexure-III to the Report. There are no qualifications, reservations or adverse remarks made by Secretarial Auditor In his report.

U. COST AUDITOR

As per the Cost Audit Orders, Cost Audit is not applicable to the Company's in respect of its product/services. Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the statutory auditors and the practicing company secretary in their secretarial audit report. There was no qualification, reservation or adverse remark made by the Statutory Auditors & Secretarial auditor in their report for FY 2015-16.

V. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

No Material Changes affecting the Financial Position of Company Took Place

W. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under:

a) Conservation of Energy:

Steps taken for conservation	NA
Steps taken for utilizing alternate sources of energy	NA
Capital investment on energy conservation equipments	NA

b) Technology Absorption:

Details of technology imported, if any	NA
Year of import	NA
Whether imported technology fully absorbed	NA
Areas where absorption of imported technology has not taken place, if any	NA

Efforts made for technology absorption	NIL
Benefits derived	NIL
Expenditure on Research & Development, if any	NIL

c) Foreign Exchange Earnings/ Outgo: (in Indian Rs)

Earnings	14270723
Outgo	Nil

X. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES:

RIS Pty Ltd is Foreign wholly owned Subsidiary of USG Tech Solutions Limited Having Its Registered office at Australia. & Niskarsh Properties Private Limited having Registered Office RR-19, Mianwali Nagar Paschim Vihar New Delhi West Delhi- 110087 is also the Subsidiary Company of USG Tech Solutions Limited

Y. HUMAN RESOURCE DEVELOPMENT

As a member of The USG Group, your Company's human resource function is aligned to its global HR strategy, with intent to support its business strategy. It therefore derives robust support from the Group in areas of recruitment, training, appraisal, com-pensation, managing and rewarding performance, etc. Human Resources function ensures that all employees are aligned to the organization's shared values, management principles and a high performance culture. Your Company strives to embrace best HR practices to become an "Employer of Choice". Your Company aims to maintain its competitive edge by ensuring the right talent for the right job. This is ensured by using multi-pronged Selection tools like assessment centers, personality tests and one-on-one interviews. Our recruitment strategy centres on infusing quality talent aligned to the values of Linde with potential to take the organisation to a higher level of performance. Social networking sites are actively used - both as a source of candidate database and also as a platform to create strong employer brand.

Z. RISK MANAGEMENT POLICY

The management has taken all necessary steps to identify the elements of risks, if any. The management has implemented an effective and meaningful system to safeguard the assets of the company.

The Board has to review the business plan at regular intervals and develop the Risk Management Strategy which shall encompass laying down guiding principles on proactive planning for identifying, analyzing and mitigating all the material risks, both external and internal viz. Environmental, Business, Operational, Financial and others. Communication of Risk Management Strategy to various levels of management for effective implementation is essential for achieving the goals of the organization.

ZA. PARTICULARS OF EMPLOYEES:

In terms of the provisions of Section 197 of the Companies Act, 2013 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, none of the Company's Employees who were in receipt of a remuneration not less than Rs. 60 Lacs during the financial year; or the employee receipt of the remuneration for any part of that year , at a rate which, in aggregate, was not less was Rs.5 lacs per month and hence no particulars are required to be disclosed in this report

ZB. REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and ap-ointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Gover-nance Report.

ZC. DIRECTORS AND KEY MANAGERIAL PERSONNEL**◆ Chairman of the Board**

Mr. Satish Kumar Gupta., Executive Director is Chairman of the Board.

◆ Inductions

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

1. Re-appointment of Mr. Servesh Gupta as Managing Director of the Company subject to approval of Shareholders.
2. Appointment of Ms. Nidhi Dixit as Company Secretary & Compliance Officer effective from April 1, 2015.

3. Appointment of Ms. Ruchi Aggarwal as Company Secretary & Compliance Officer effective from September 4, 2015
4. Appointment of Mr. Shiv Kumar Gupta as additional director with effect from August 17, 2015
5. Appointment of Ms. Jagpreet kaur gill as company Secretary & compliance officer with effect from 5th January 2016 as per SEBI(LODR) Regulations 2015 with effect from December 1, 2015

◆ **Re-Appointments**

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

◆ **Retirements And Resignations**

1. Mr. Umesh Sharma resigned as independent director with effect from October 1, 2015 due to personal reasons. The board places on record its appreciation for the services rendered by Mr. Umesh Sharma during his tenure with the company.
2. Ms. Nidhi Dixit resigned as Company Secretary with effect from August 15, 2015 due to personal reasons. The board places on record its appreciation for the services rendered by Ms. Nidhi Dixit during her tenure with the company.
3. Mr. Shiv Kumar Gupta resigned as director with effect from January 05, 2016 due to personal reasons. The board places on record its appreciation for the services rendered by Mr. Shiv Kumar Gupta during his tenure with the company.
4. Ms. Ruchi Aggarwal resigned as Company Secretary with effect from January 05, 2016 due to personal reasons. The board places on record its appreciation for the services rendered by Ms. Ruchi Aggarwal during her tenure with the company.

ZD. DECLARATION BY INDEPENDENT DIRECTORS U/S 149(6)

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

ZE. COMMITTEES OF THE BOARD

Currently, The Board Has 3 Committees: The Audit Committee, The Nomination And Remuneration Committee, The Stakeholders Relationship Committee has Proper composition of Independent Directors and Executive Director. A Detailed Note On The Composition Of The Board And Its Committees Is Provided In The Corporate Governance Report Section Of This Annual Report.

ZF. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Board Has Adopted Policies And Procedures For Ensuring The Orderly And Efficient Conduct Of Its Business, Including Adherence To The Company's Policies, The Safeguarding Of Its Assets, The Prevention And Detection Of Frauds And Errors, The Accuracy And Completeness Of The Accounting Records, And The Timely Preparation Of Reliable Financial Disclosures.

ZG. SIGNIFICANT AND MATERIAL ORDERS

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

- a) In the preparation of the annual accounts for the financial year ended 31st March, 2016, 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 as at 31st March, 2016 and of the profit /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 the Companies Act 2013 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;
- e) As required under Section 134(5)(f) of the Companies Act, 2013, and according to the information and explanations presented to us, based on the review done by the Audit/Risk and Compliance Committee and as recommended by it, we, the Board of Directors, hereby, state that adequate systems and processes, commensurate with the size of the Company and the nature of its business, have been put in place by the Company, to ensure compliance with the provisions of all applicable laws as per the Company's Global Statutory Compliance Policy and that such systems and processes are 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.

ZJ. AUDITORS

Statutory Auditors

At the annual general meeting held on 29/09/2014, M/S Udit Aggarwal & Associates, chartered accountants, were appointed as statutory auditors of the company to hold office till the conclusion of the annual general meeting to be held in the calendar year 2017. In terms of the first proviso to section 139 of the companies act, 2013, the appointment of the auditors shall be placed for ratification at every annual general meeting. Accordingly, the appointment of M/S Udit Aggarwal & Associates, chartered accountants, as statutory auditors of the company, is placed for ratification by the shareholders

The auditors' report for fiscal 2016 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report.

ZK. SECRETARIAL AUDITOR

Dharmendra Sharma & Associates, practicing company secretaries, was appointed to conduct the secretarial audit of the company for the fiscal 2016, as required under section 204 of the companies act, 2013 and rules thereunder. The secretarial audit report for fiscal 2016 forms part of the annual report as ANNEXURE- III to the board's report. The secretarial audit report does not contain any qualification, reservation or adverse remark.

ZL. 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

ZM. 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 for fiscal 2016 does not contain any qualification, reservation or adverse REMARK

ZN. 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.

ZO. DEPOSITS

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet

ZP. 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 2015-16 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.

ZQ. 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:

The Board place on record their appreciations of the whole hearted and sincere co-operation received by the Company during the year from the employees, customers/ clients, bankers and various Government authorities at all levels.

For and on behalf of the Board of Directors of
USG Tech Solutions Limited

Sd/-

Servesh Gupta

Whole Time Director

DIN- 01451093

Address: 4A/1, Raj Narain Road,
Civil Lines, Delhi, 110054 (India)

Sd/-

Satish Kumar Gupta

Director

DIN- 01451050

Address : 4A/1, Raj Narain Road,
Civil Lines, Delhi, 110054 (India)

Annexure-1 Extract of Annual Return

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016

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:

CIN	L72200TG1999PLC032129
Registration Date	20/07/1999
Name of the Company	USG Tech Solutions Limited
Category/Sub-category of the Company	Category : Company Limited by Shares Sub Category : Indian Non- Government Company
Address of the Registered office & contact details	Plot No- 03, Shiva Nagar Colony, Sainik Puri, Secunderabad, Telangana-500094 Email Id- Secretarial@usgtechsolutions.com Phone No.- 011-23973762
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.- 011-23973762
Whether listed company	Listed on BSE Limited and The Calcutta Stock Exchange Limited
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	NIC Code of the Product/service	% to total turnover of the company
1	IT software	6209	56 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY

S. No.	Name and Address of the Company	Hold-ing/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 Sub-sidiary Company	100%

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-2015]			No. of Shares held at the end of the year [As on 31-March-2016]					% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/ HUF	4307233	Nil	4307233	10.93	4546066	Nil	4546066	11.53	0.6
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	3662984	Nil	3662984	9.29	3662984	Nil	3662984	9.3	0.01
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total shareholding of Promoter (A)	7970217	Nil	7970217	20.22	8209050	Nil	8209050	20.83	0.61
B. PUBLIC SHARE-HOLDING									
1. Institutions									
a) Mutual Funds	354073	Nil	354073	0.90	354073	Nil	3354073	0.90	-
b) Banks / FI	118919	Nil	118919	0.30	117817	Nil	117817	0.30	-
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1)-	472992	Nil	472992	1.20	471890	Nil	471890	1.20	4.77

2. Non-Institutions									
a) Bodies Corp.	2366753	600000	2966753	7.53	4864454	600000	4847607	12.30	4.77
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual share-holders holding no-minal share capital up to Rs. 2 lakh	1273766	31011	1304777	3.31	1603360	51011	1603360	4.07	0.76
ii) Individual share-holders holding no-minal share capital in excess of Rs 2 lakh	18699362	4520000	23219362	58.91	22402046	4500000	22402046	56.84	-2.02
c) Others (specify)									
Non Resident In-dians	13199	0	13199	0.03	13089	Nil	13089	0.03	0.05
Overseas Corporate Bodies	3463410	3463410	3463410	8.79	3463410	3463410	3463410	8.79	-
Foreign Nationals									
Clearing Members	3500	Nil	3500	0.00	3758	Nil	3758	0.1	0.1
Trusts									
Foreign Bodies - D R									
Sub-total (B)(2):-	22356580	8614421	30971001	78.58	30733270		30733270	77.98	0.6
Total Public									
Share-holding									
(B)=(B)(1)+ (B)(2)	22829572	8614421	31443993	79.78	31205160		31205160	79.17	0.61
C. Shares held by Custodian for GDRs & ADRs	0	0	0		0	0	0	0	
Grand Total (A+B+C)	39414210	8864421	39414210	100	39414210	8614421	39414210	100	

(b) Shareholding of Promoter & Promoter Group-

S.No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			%change in share-holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Servesh Gupta	1897365	4.81	NA	1897365	4.81	NA	-
2	Satish Kumar Gupta	15517690	3.94	NA	1676476	4.25	NA	0.31
3	Lakhanpur Coal Carriers Pvt. Ltd.	2636484	6.69	NA	2636484	6.69	NA	-
4	Gajraj Carriers Pvt. Ltd.	1026500	2.60	NA	1026500	2.60	NA	-
5	Sudha Gupta	858099	2.18	NA	972225	2.47	NA	0.29

(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 shares of the company	% of total	No. of shares shares of the company	% of total
	At the beginning of the year	As per Annexure-(A)		As per Annexure-(A)	
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)				
	At the end of the year				

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

S.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares shares of the company	% of total	No. of shares shares of the company	% of total shares of the company
	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	N.A	N.A	N.A	N.A
	At the end of the year	N.A	N.A	N.A	N.A

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 shares of the company	% of total	No. of shares shares of the company	% of total
	At the beginning of the year	As per Annexure-(B)		As per Annexure-(B)	
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	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	12,63,570	10,10,00,000	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
* Addition	Nil	Nil	Nil	Nil
* Reduction	12,63,570	7,02,00,000	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	12,63,570	3,08,00,000	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	0	3,08,00,000	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	Name of MD/WTD/ Manager			Total Amount
		WTD 01/04/2015 to 30/09/2015	MD* 01/10/2015 to 31/03/2016	Manager	
1	Gross salary	600000	900000	N.A	1500000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2	Stock Option	Nil	Nil	N.A	Nil
3	Sweat Equity	Nil	Nil		Nil
4	Commission	Nil	Nil	N.A	Nil
	- as % of profit			N.A	
	- others, specify...			N.A	
5	Others, please specify	Nil	Nil	N.A	Nil
	Total (A)	600000	900000	N.A	1500000
	Ceiling as per the Act				

* Mr. Servesh Gupta whole time Director Re-Designated as Managing director with effect from 23/10/2015 and remuneration paid from 01/10/2015

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
	Independent Directors					
1	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (1)					
	Other Non-Executive Directors					
2	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					

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

SN	Particulars of Remuneration	Key Managerial Personnel			
		Director* 17/08/2015 to 05/01/2016	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	419240	300000	300000	1019240
	(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	N.A	Nil	Nil	Nil
3	Sweat Equity	N.A	Nil	Nil	Nil
4	Commission	N.A	Nil	Nil	Nil
	- as % of profit	N.A	Nil	Nil	Nil
	Others specify...	N.A	Nil	Nil	Nil
5	Others, please specify	N.A	Nil	Nil	Nil
	Total	419240	300000	300000	1019240

* Shiv Kumar Gupta is appointed with effect from 17/08/2015 and resigned on 05/01/2016

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 2016	Name of Promoter	Shareholding at the Beginning of the Year	increase, (Decrease)	Cumulative Shareholding during the Year
1	31/03/2016	SUDHA GUPTA	858099	+0.28	972225
2	31/03/2016	SERVESH GUPTA	1897365	Nil	1897365
3	31/03/2016	SATISH KUMAR GUPTA	1551769	+0.31	1676476
4	31/03/2016	GAJRAJ CARRIERS PRIVATE LIMITED	1026500	Nil	1026500
5	31/03/2016	LAKHANPUR COAL CARRIERS PRIVATE LIMITED	2636484	Nil	2636484

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

1	31/03/2016	SERVESH GUPTA	1897365	Nil	1897365
2	31/03/2016	SATISH KUMAR GUPTA	1551769	+0.31	1676476

**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.

1. Details of contracts or arrangements or transactions not at Arm's length basis	
i) Name (s) of the related party & nature of relationship	N.A
ii) Nature of contracts/arrangements/transactions	N.A
iii) Duration of the contracts/arrangements/transactions	N.A
iv) Salient terms of the contracts or arrangements or transactions including the value, if any	N.A
v) Justification for entering into such contracts or arrangements or transactions:	N.A
vi) Date (s) of approval by the Board:	N.A
vii) Amount paid as advances, if any	N.A
viii) Date on which the special resolution was passed in General meeting as required under first proviso to Section 188	N.A

Details of * ¹ material contracts or arrangements or transactions at Arm's length basis.	
i) Name (s) of the related party & nature of relationship	USG Buildcon Private Limited
ii) Nature of contracts/arrangements/transactions	Loan
iii) Duration of the contracts/arrangements/transactions	Short Term
iv) Salient terms of the contracts or arrangements or transactions including the value, if any	N.A
v) Justification for entering into such contracts or arrangements or transactions:	N.A
vi) Date (s) of approval by the Board:	14/11/2015
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	NA

For And On Behalf Of the Board

Date: 10/08/2016
Place: Delhi

Sd/-
Mr. Servesh Gupta
Managing Director



Annexure-III Secretarial Audit Report

Dharmendra Sharma & Associates

Company Secretaries

Wing-II, Shop No.2,LGF, Hans Bahwan,ITO, IP Estate,New Delhi-110002

Email:cssharma1984@gmail.com, Phone: 011-23378249

Secretarial Audit Report

(For the period 01/04/2015 to 31/03/2016)

[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 SOLUTION LIMITED
PLOT NO-3 SHIVA NAGAR COLONY
SAINIK PURI SECUNDERABAD KURNOOL 500094

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 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on our verification of the 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, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March, 2016, 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. I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s USG TECH SOLUTIONS LIMITED for the period ended on 31st March, 2016 according to the provisions of:
 - I. The Companies Act, 2013 (the Act) and the Rules made there under;
 - II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
 - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made 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') to the extent applicable to the Company:
 - 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 re-garding the Companies Act and dealing with client;
 - E. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - F. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

G. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited; and Calcutta Stock Exchange

H. The Income Tax Act, 1961, Service Tax, Delhi Value Added Tax Act, 2002 and Indian Contract Act, 1932

I have also examined compliance with the applicable clauses of the following:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
 - II. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with the BSE Limited and Calcutta Stock Exchange. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc. mentioned above
2. I further report that the Company has, in my opinion, complied with the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:
 - a) maintenance of various statutory registers and documents and making necessary entries therein;
 - b) Closure of the Register of Members.
 - c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
 - d) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
 - e) notice of Board meetings and Committee meetings of Directors;
 - f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
 - g) the 16th Annual General Meeting held on 30 September, 2015;
 - h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;
 - i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
 - j) constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
 - k) payment of remuneration to Directors including the Managing Director and Whole-time Directors,
 - l) appointment and remuneration of Auditors and provisions relating to appointment of cost auditors is not applicable;
 - m) transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
 - n) no dividend was declared during the period;
 - o) transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs- Not Applicable
 - p) borrowings and registration, modification and satisfaction of charges wherever applicable; Not Applicable
 - q) investment of the Company's funds including investments and loans to others;
 - r) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
 - s) Directors' report;
 - t) contracts, common seal, registered office and publication of name of the Company; and
 - u) Generally, all other applicable provisions of the Act and the Rules made under the Act.
 - v) Regulation relating to corporate governance and other relevant listing provisions;
 3. 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.

_ Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

_ The Company has obtained all necessary approvals under the various provisions of the Act; and

_ there was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidelines framed under these Acts against / on the Company, its Directors and Officers

_ The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.
5. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.
6. The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.
7. I further report that:
 - A. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited and Calcutta stock exchange limited;
 - B. the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
 - C. the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
 - D. I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
 - E. I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Date: 14/07/2016

Place: DELHI

For DHARMENDRA SHARMA & ASSOCIATES
(COMPANY SECRETARIES)

SD/-
CS DHARMENDRA SHARMA
C P NO. 12973
M. No. 29317

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 moulding 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 the Securities and Exchange Board of India (SEBI) through Clause 49 of the Listing Agreement (till 30th November 2015) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (w.e.f. 1st December, 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, 2015 to 31st March, 2016.

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, 2016 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, 2015. 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 Two Executive Director and Two Non-Executive Directors including one woman director as on 31st March, 2016 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. The Company is chaired by Mr. Satish Kumar Gupta, Executive Director who belongs to Promoter Group and Mr. Servesh Gupta is the Managing Director of the company. The Constitution of the Board as on 31st March 2016 is as follows:

Name of the Director	Category	Number of Other	Committee Membership**	Committee Chairmanship**
		Directorship*		
Mr. Servesh Gupta	Promoter Director/ Executive Director	NIL	3	NIL
Mr. Satish Kumar Gupta	Promoter Director / Executive Director	NIL	NIL	NIL
Mr. Anil Kumar Gupta	Independent Director	NIL	NIL	3
Mr. Umesh Sharma	Independent Director	NIL	3 (1st April 2015 to 1st October 2015)	NIL
Mrs. Nirmal Garg	Independent Director	NIL	3 (2nd October to 31st March 2016)	NIL

* 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, 2016, in compliance with the Corporate Governance norms, the Company's Board of Directors headed by its Executive Chairman, Mr. Satish Kumar Gupta comprised and three other directors, out of which two are Independent Non-Executive Directors including a woman director. 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 (weblink <http://www.usgtechsolutions.com>).

During the year under review, 12 Board Meetings were held on:

❖ 01/04/2015	❖ 27/05/2015
❖ 16/06/2015	❖ 13/08/2015
❖ 17/08/2015	❖ 04/09/2015
❖ 01/10/2015	❖ 23/10/2015
❖ 14/11/2015	❖ 05/01/2016
❖ 09/02/2016	❖ 21/03/2016

(A) Composition of the Board

The present Board of the Company 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 2015-16 are as under: Company consists of Two Executive Directors

Name of the Director	Board Meeting held during the period	No. of Board Meetings Attended	Attendance at the Last AGM
Mr. Servesh Gupta	12	7	Yes
Mr. Satish Kumar Gupta	12	12	Yes
Mr. Shiv Kumar Gupta	12	5	No
Mr. Anil Kumar Gupta	12	12	Yes
Mr. Nirmal Garg	12	12	No
Mr. Umesh Sharma	12	7	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 during the year 2014.

3. COMMITTEES OF THE BOARD

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

3.1 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. 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 30th September, 2015.

(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, 2016:-

S. No.	Name of the Directors	Designation	Category
1.	Mr. Anil Kumar Gupta	Chairman	Independent
2.	Mrs. Nirmal Garg	Member	Independent
3.	Mr. Servesh 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 2015-16, Six (6) meetings of the Audit Committee were held on

❖ 27/05/2015	❖ 16/07/2015
❖ 13/08/2015	❖ 17/08/2015
❖ 23/10/2015	❖ 08/02/2016

The Attendance record of Audit Committee is given as follows:

S. No.	Name of the Member	No. of Meeting Attended
1.	Mr. Anil Kumar Gupta	6
2.	Mr. Umesh Sharma (01/04/2015 to 01/10/2015)	4
3.	Mr. Nirmal Garg (02/10/2015 to 31/03/2016)	2
4.	Mr. Servesh Gupta	3

(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.

3.2 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 em-mployees

The Committee comprises of the following members as on 31/03/2016 viz. Mr. Anil Kumar Gupta, Mrs Nirmal Garg, Mr. Servesh Gupta & the Nomination and Remuneration Committee & Stakeholder Relationship Committee is chaired by Mr. Anil Kumar Gupta, who is the Independent Director of the Company. The Committee met Five (5) times during the financial year ended 31st March, 2016. 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. Anil Kumar Gupta	Chairman	Independent	5	5
Mr. Umesh Sharma (01/04/2015 to 01/10/2015)	Member	Independent	5	3
Mrs. Nirmal Garg (02/10/2015 to 31/03/2016)	Member	Independent	5	2
Mr. Servesh Gupta	Member	Executive	5	3

3.3 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 2016:

Name of the Directors	Category	Category
Mr. Anil Kumar Gupta	Chairman	Non-Executive
Mr. Umesh Sharma (01/04/2015 to 01/10/2015)	Member	Independent
Mrs. Nirmal Garg (02/10/2015 to 31/03/2016)	Member	Independent
Mr. Servesh 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 Com-plaints
1.	No. of complaints received from the shareholders during the period from 01.04.2015 to 31.03.2016	1
2.	No. of complaints resolved during the year	1
3.	No. of complaints pending at the end of the year as on 31.03.2016	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. Anil Kumar Gupta and Ms. Nirmal Garg met on 31 March, 2016 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
2013	26/09/2013	1/95/1/5-6 2nd Floor Guttala Begumpet near Kavuri Hills Phase 2 Madhapur, Hyderabad - 500081	16:00 Hrs	◆ NA
2014	29/09/2014	1/95/1/5-6 2nd Floor Guttala Begumpet near Kavuri Hills Phase 2 Madhapur, Hyderabad - 500081	16:00 Hrs 12:00	◆ Alteration in Object Clause in Memorandum of Association of the Company ◆ change the registered office of the Company from the one state to another state
2015	30/09/2015	1/95/1/5-6 2nd Floor Guttala Begumpet near Kavuri Hills Phase 2 Madhapur, Hyderabad - 500081		◆ Re - Designation of Mrs Nirmal Garg as Independent Director

(I) COMPLIANCE OFFICER

Ms. Jagpreet Kaur Gill, Company Secretary, who is the Compliance Officer of the Company can be contacted at: USG Tech Solutions Limited 11B, 4th Floor, 7 Raj Narain Marg, Civil Lines, Delhi-110054. E-mail: Secretarial@usgtechsolutions.com. Complaints or queries relating to the shares can be forwarded to the Company's Registrar and Transfer Agents - M/s Bigshare Services Pvt. Ltd. at info@bigshareonline.com.

(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 re-spective 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	30th September 2016
Venue	Oyster Airport Hotel, 5-12/1, Nehru Outer Ring Road, Brindavan Gardens, Kishanguda, Shamshabad, Hyderabad, Telangana 501218

◆ **Financial Calender (tentative):**

The financial year covers the period starting from 1st April,2015 and ended on 31st March,2016 Adoption of Quarterly Results Ended by the end of June, 2015, September,2015,December, 2015, March, 2016.

◆ **Book Closure Period:**

24th September 2016 to 30th September 2016 (both days inclusive)

◆ **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 2015-16, along with the performance of stock are as under:

Bombay Stock Exchange (BSE)			
Month	High	Low	Average
April, 2015	3.97	2.88	3.43
May, 2015	4.11	3.2	3.66
June, 2015	3.15	2.8	2.98
July, 2015	2.91	2.64	2.78
August, 2015	3.04	2.55	2.75
September, 2015	2.42	2.13	2.28
October, 2015	2.14	2.04	2.09
November, 2015	2.57	2.24	2.41
December, 2015	2.23	2.12	2.18
January, 2016	2.33	2.22	2.28
February, 2016	2.44	2.32	2.38
March, 2016	2.67	2.21	2.44



◆ **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 -55
 Mobile:-09971100544, Tel: 011-42425004
 Email: bssdelhi@bigshareonline.com

Mumbai Branch Address:
 E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka
 Andheri (East), Mumbai-400072.
 Tel: 91 22 2847 0652 / 4043 0200, Fax: 91 22 2847 5207
 Email: info@bigshareonline.com
 Website: www.bigshareonline.com

◆ **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 Regulation 40(9) of SENI (LODR) Regulations 2016 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 31.03.2016**

(a) **Distribution of shareholding as on 31.03.2016 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	592	48.60	128615	0.3263
5001-10000	235	19.2939	214672	0.5447
10001-20000	105	8.6207	174150	0.4418
20001-30000	42	3.4483	114359	0.2901
30001-40000	25	2.0525	90804	0.2304
40001-50000	44	3.6125	211015	0.5354
50001-100000	62	5.0903	503198	1.2767
10001-999999999	113	9.2775	37977397	96.3546
Total	1218		39414210	100

(b) Shareholding Pattern of Shares as on 31st March, 2016:

Category	No. of Shares	% of Shares (Approx)
Promoters		
Indian	8209050	20.8
Foreign: Body Corporate	-	
Non - Promoters		
Mutual Funds	354,073	0.90
Fin Inst.	117817	0.30
Corporate Bodies	4847607	12.3
Individuals	22405406	56.8
NRI/OCBs	3476499	8.8
Clearing Members	3,758	0.009
Total	39,414,210	100.00

- ◆ ISIN for Dematerialization: INE718B01017
- ◆ Dematerialization of Shares as on 31st March, 2016:

The electronic holding of shares as on 31st March, 2016 through NSDL and CDSL are as follows:

Particulars	NSDL		CDSL	
	2016	2015	2016	2015
Equity Shares	2,93,41,692	29,242,150	14,58,097	15,57,639

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 2015-16 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

WHISTLE BLOWER POLICY

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

Annexure V

INDEPENDENT AUDITORS' REPORT

To
The Members of
USG Tech Solutions Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of USG TECH SOLUTIONS LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2016, 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.

Management's Responsibility for the Financial Statements

2. 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give 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 financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

4. 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, 2016;

- 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.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2015 (the Order) issued by the Central Government of India in terms of Section 143 of the Companies Act, 2013, we give in the annexure a statement on the matters specified in paragraph 3 & 4 of the order, to the extent applicable.
2. As required by Section 143 of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement 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 as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as Director in terms of Sec 164(2) of the Act.
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the companies (Audit & Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations as at 31st March, 2016 on its financial position in its financial statements.
 - ii. The company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Udit Aggarwal & Associates
Chartered Accountants

Sd/-
Udit Aggarwal
Proprietor
M.No. 529994
Firm Regn. No. 026161N

Place: Delhi
Date: 20/05/2016

ANNEXURE TO THE AUDITORS REPORT

The annexure referred to in our Independent Auditors Report to the members of the company, we report that:

1. In respect of its fixed assets
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets on the basis of available information.
 - b) As explained to us, the management has physically verified the fixed assets during the year and there is a regular programme of verification which, in our opinion is reasonable having regard to the size of the Company and the nature of the assets. No material discrepancies were noticed on such physical verification.
2. In respect of its Inventory
 - a) The inventories have been physically verified during the year by the management though same has not been physically verified by auditor.
 - b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to size of the company and nature of the its business.
 - c) The company has maintained proper records of its inventories. As explanation given to us, there were no material discrepancies.
3. In respect of the loans, secured or unsecured granted or taken by the company to / from companies, firms or Other parties covered under the register maintained under Section 189 of the Companies Act 2013, according to the information and explanations given to us
 - a) The Company has not granted any loans, secured or unsecured, from companies, firms or other parties covered under the register maintained under Section 189 of the Companies Act 2013. Consequently, the provisions of Clause (iii) (a) and (iii) (b) of Companies (Auditor's Report) Order, 2015 are not applicable.
 - b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered under the register maintained under Section 189 of the Companies Act 2013. Consequently, the provisions of Clause (iii) (a) and (iii) (b) of Companies (Auditor's Report) Order, 2015 are not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of products and services. During the course of our audit, we have not observed any continuing failure or weakness in internal control system.
5. In our opinion and according to information and explanations given to us, the Company has not accepted any Deposits within the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 from public. Therefore the provision of Companies (Auditor's Report) Order, 2015 is not application to the Company.
6. In our opinion and according to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Companies Act, 2013.
7. In respect of statutory dues
 - a) According to the information and explanations given to us the particulars of undisputed statutory dues of provident fund, em-ployee's state insurance, income tax and service tax relating to previous year 2015-16 are paid.

- b) The Company does not have any disputed dues of sales tax / income tax / customs / wealth tax / excise duty /cess etc. which have not been deposited
- c) According to the information and explanations given to us the amount which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the companies Act, 1956 and rules thereunder has been transferred to such fund within time.
8. The Company does have accumulated losses at the end of the financial year. The Company has not incurred any losses during the immediately preceding financial year.
9. According to the information and explanations given to us, the Company has no dues to any financial institutions, bank or de-benture holders during the year under report.
10. According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of securities by way of pledge of shares, debentures and other securities.
11. According to the information and explanations given to us, the Company has not given the guarantee for loans taken by others from banks or financial institutions.
12. According to the information and explanations given to us, no material fraud on or by the Company has been Noticed or re-reported during the year under report.

For Udit Aggarwal & Associates
Chartered Accountants

Sd/-

Udit Aggarwal
Proprietor

M.No. 529994, Firm Regn. No. 026161N

BALANCE SHEET AS AT 31ST MARCH 2016

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	394,142,100.00	394,142,100.00
(b) Reserves & Surplus	2	21,036,138.57	19,704,074.93
(c) Security Premium	3	10,390,230.00	10,390,230.00
(d) Money Received Against Share Warrants	-	-	-
(2) Non Current Liabilities			
(a) Long term borrowings	5	30,659,317.00	77,263,570.81
(b) Deferred tax liabilities(Net)	6	563,674.43	852,979.17
(3) Current Liabilities			
(a) Trade payables	7	2,158,971.00	2,471,049.00
(b) Other current liabilities	8	338,858.00	2,930,108.00
(c) Short-term provisions -Income Tax	9	466,299.00	63,652.00
TOTAL		459,755,588.00	507,817,763.91
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	10		
(i) Tangible assets		3,893,464.31	6,186,557.40
(ii) Intangible Assets under Development		17,630,376.00	17,630,376.00
(b) Non-Current Investment	11	105,411,873.18	119,361,873.40
(c) Other non-current assets	12	54,642,845.79	55,728,893.79
(2) Current Assets			
(a) Inventories		6,210,000.00	7,254,880.00
(b) Trade receivables	13	67,987,568.00	126,790,150.49
(c) Cash and cash equivalents	14	17,464,568.72	3,128,716.73
(d) Short-term loans and advances	15	127,410,458.00	133,565,836.00
(e) Other current assets	16	59,104,434.00	38,170,480.10
TOTAL		459,755,588.00	507,817,763.91
Notes on Financial Statement	1 to 32		
Significant Accounting Policies	a to t		

For UDIT AGGARWAL & ASSOCIATES

Chartered Accountants

Udit Aggarwal

Proprietor

M.No. 529994

FRN 026161N

Place: Delhi

Date: 20/05/2016

Satish Gupta
Director

For and on behalf of the Board of Directors

Servesh Gupta
Managing Director

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2016

Particulars	Note No.	As at	As at
		March 31, 2016	March 31, 2015
I Revenue from Operations	17	14,270,723.00	9,586,505.80
II Other Income	18	10,959,005.00	8,065,366.29
III Total Revenue [I+II]		<u>25,229,728.00</u>	<u>17,651,872.09</u>
IV Expenses			
Purchases & Development	19	5,567,085.00	54,721.00
Changes in inventories of finished goods		1,044,880.00	39,640.00
Employee Benefits Expenses	20	7,150,910.00	10,024,869.00
Finance Costs	21	1,635,011.00	28,096.66
Depreciation and amortization expenses	10	2,510,592.09	3,724,656.10
Other Expenses	22	5,812,192.01	4,101,697.49
Total Expenses		23,720,670.10	17,973,680.25
V Profit before exceptional and extraordinary items and tax (III- IV)		<u>1,509,057.90</u>	<u>(321,808.16)</u>
VI Exceptional items		-	-
VII Profit before extraordinary items and tax(V-VI)		1,509,057.90	(321,808.16)
VIII Extraordinary items			
IX Profit before Tax (VII-VIII)		1,509,057.90	(321,808.16)
X Tax expenses:			
(1) Current tax		466,299.00	-
(2) Deferred tax		(289,304.74)	(490,691.83)
XI Profit for the period from continuing operations (IX-X)		1,332,063.64	168,883.67
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)		1,332,063.64	168,883.67
XVI Earning per Equity share:			
(1) Basic		-	-
(2) Diluted		-	-
Notes on Financial Statement	1 to 32		
Significant Accounting Policies	a to t		

For UDIT AGGARWAL & ASSOCIATES

Chartered Accountants

Udit Aggarwal

Proprietor

M.No. 529994

FRN 026161N

Place: Delhi

Date: 20/05/2016

Satish Gupta

Director

For and on behalf of the Board of Directors

Serveshe Gupta

Managing Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

Particulars	As at March 31, 2016	As at March 31, 2015
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax as per Profit and Loss Account	(321808.16)	1509057.90
Adjustments for :-		
Finance cost	28096.66	1635011.00
Preliminary Expenses Written Off	177994.00	177994.00
Interest Income	(6012979.33)	(9917228.00)
Other Non-operating Receipts	(114715.89)	0.00
Depreciation and Amortization Expenses	3724656.10	2510592.09
	<u>(2196948.46)</u>	<u>(5593630.91)</u>
Operating Profit before Working Capital Changes	<u>(2518756.62)</u>	<u>(4084573.01)</u>
Adjustment for :-		
Change in Trade and Other Payables	(2,347,904.18)	(2,903,328.00)
Increase in Inventories	39,640.00	1,044,880.00
Increase in Short term provisions	-	426,285.00
Change in Trade and Other Receivables	9,816,333.51	58802582.00
	7508069.33	57370419.00
Cash Generated from Operations	<u>4989312.71</u>	<u>53285845.99</u>
Adjustment for :-		
Provision for Income Tax	0.00	(489937.00)
Provision for Deferred Tax Liabilities	(490691.83)	289305.00
Net Cash Generated from Operating Activities	<u>4498620.88</u>	<u>53085213.99</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchases/Sale of Fixed Assets	(2,058,997.50)	(217,499.00)
Purchases of Non-current Investment	6,675,000.00	13,950,000.00
Payment of Loan	14,992,848.42	6,155,378.00
Movement in Loans & Advances and other Assets	(5,407,866.89)	(20,025,899.00)
Net Cash Received from Investing Activities	<u>14200984.03</u>	<u>(138020.00)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	-	-
Proceeds from Long Term Borrowings	(27,980,957.63)	(46,604,254.00)
Finance cost	(28,096.66)	(1,635,011.00)
Interest Income	6,012,979.33	9,917,228.00
Increase in Deferred Tax Liabilities	490,691.83	(289,305.00)
Net Cash Received from Financing Activities	<u>(21505383.13)</u>	<u>(38611342.00)</u>
Net Increase/Decrease in Cash and Cash Equivalent	<u>(2805778.22)</u>	<u>14335851.99</u>
Add : Opening Balance of Cash and Cash Equivalent	5934494.95	3128716.73
Closing Balance of Cash and Equivalent Cash	<u>3128716.73</u>	<u>17464568.72</u>

For UDIT AGGARWAL & ASSOCIATES
Chartered Accountants
Udit Aggarwal
Proprietor
M.No. 529994
FRN 026161N
Place: Delhi
Date: 20/05/2016
Satish Gupta
Director
For and on behalf of the Board of Directors
Servesh Gupta
Managing Director

Significant Accounting Policies forming part of Balance Sheet as at 31st March 2016

- A. Basis of Preparation of Financial Statement**
The financial statements have been prepared under historical cost convention in accordance with Indian Generally Accepted Accounting Principles on a going concern on accrual basis and the relevant provisions of the Companies Act, 2013.
- B. Grouping / Regrouping**
Previous year figures have been regrouped / reclassified wherever necessary so as to make comparable to figure of current year presentation. The figures in bracket represent corresponding figures of the previous year.
- C. Fixed Assets**
Fixed Assets are stated at cost of acquisition less accumulated depreciation, recoverable taxes and impairment loss, if any.
- D. Depreciation and Amortisation**
Depreciation has been calculated on fixed assets on their written down value method in accordance with section 205 of the Companies Act, 2013 at the rates specified in Schedule XIV of the Companies Act 2013. The company follows the policy of charging depreciation on pro-rata basis on the assets acquired or disposed off during the year. There is no change in the method of providing depreciation as compared to previous year.
- E. Impairment of Assets**
An assets is treated as impaired when the carrying cost of fixed assets exceeds its recoverable value. The company on an annual basis makes an assessment of any indicator that may lead to impairment of assets. If any such indication exists, the company estimates the recoverable amount of such assets. If such recoverable amount is less than the carrying amount, then the carrying amount is reduced to its recoverable amount by treating the difference between them as impairment loss and is charged to Profit and Loss Account.
- F. Investments**
Investments are shown at acquisition cost, if any.
- G. Inventories**
The Inventory is valued at lower of cost price and realizable value after providing for obsolescence, if any.
- H. Trade Receivable, Trade Payables and Loans and Advances**
Sundry Debtors, Creditors and Loans and advances are subject to confirmation.
- I. Realisation value of Current Assets**
In the opinion of the Management, value of all the current assets including loans and advances, if realised in the normal course shall not be less than the value stated in Balance Sheet.
- J. Revenue Recognition**
Services: Revenue from rendering of services is recognized on the date on which the invoice is raised to customers.
Products: Revenue from sale of products is recognized at a point of despatch of finished products to customers.
- K. Borrowing Cost**
There is no borrowing Cost which is attributable to acquisition of any assets.
- L. Foreign Currency Transactions**
There are no foreign currency transactions.
- M. Provision for Current and Deferred Income Taxes**
Income Tax: - Provision for current tax for the year is based on computations after considering rebates, relief and ex-emptions under the Income Tax Act, 1961 applicable to the company.
Deferred Tax: - Deferred tax assets and liabilities are recognised for future consequences attributable to the time difference that result between the profit offered for income tax and the profit as per financial statement of the company. Deferred tax assets and liabilities are measured as per the tax rates / laws that have been enacted or substantively enacted by the Balance Sheet. Deferred tax assets and liabilities are reassessed for the appropriateness of their re-spective carrying amount at each balance sheet.
- N. Any other policy**
Any other policy matter which is not specifically mentioned herein is as per generally accepted accounting principles and standards.

Notes forming part of Balance Sheet as at 31st March 2016

Particulars	As at March 31, 2016 (Amount in Rs.)	As at March 31, 2015 (Amount in Rs.)
1.1 SHARE CAPITAL		
Authorized Share Capital		
43000000 Equity Shares of Rs.10 each (43000000 Equity Shares of Rs.10 each)	430,000,000.00	430,000,000.00
Issued Share Capital		
39414210 Equity Shares of Rs.10 each (39414210 Equity Shares of Rs.10 each)	394,142,100.00	394,142,100.00
Subscribed & Paid up Share Capital		
39414210 Equity Shares of Rs.10 each (39414210 Equity Shares of Rs.10 each)	394,142,100.00	394,142,100.00
Total	394,142,100.00	394,142,100.00

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

Particulars	Number of Shares	Number of Shares
Equity Share at the beginning of the year	39,414,210.00	33,964,210.00
Add :- Issue of Preferential shares	-	-
Add :- Convertible share warrants converted in to Equity Shares	-	-
Equity Share at the end of the year	39,414,210.00	33,964,210.00

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

Name of Shareholder	Number	% Held	Number	% Held
RIS Group Ltd	3463410	8.79	3463410	8.79
Sh. Anil Kumar Jindal	2100000	5.33	2100000	5.33
Smt. Sunita Jindal	2100000	5.33	2100000	5.33
Sh. Vipin Gupta	2100000	5.33	2100000	5.33
Smt.Radhika Gupta	2100000	5.33	2100000	5.33
Sh. Naresh Bansal	2100000	5.33	2100000	5.33
Smt. Padma Bansal	2100000	5.33	2100000	5.33
Sh. Arun Garg	2100000	5.33	2100000	5.33
Smt. Neeru Garg	2100000	5.33	2100000	5.33

2 RESERVES & SURPLUS
2.1 Profit and Loss Account

Profit and Loss Account b/f from last year	19,704,075	19,535,191.26
Add :-Transferred from current year Profit and Loss	1,332,064	168,883.67
Total	21,036,139	19,704,075

Particulars	As at March 31, 2016 (Amount in Rs.)	As at March 31, 2015 (Amount in Rs.)
3 Security Premium		
Security Premium	10,390,230.00	10,390,230.00
Total	<u>10,390,230.00</u>	<u>10,390,230.00</u>
5 NON-CURRENT LIABILITIES		
Long Term Borrowings		
Secured Loan		
From Bank	-	1,263,570.81
UnSecured Loan		
Aplaya Creations Limited	12,800,000.00	76,000,000.00
USG Buildcon Pvt. Ltd.	17,859,317.00	-
Total	<u>30,659,317.00</u>	<u>77,263,570.81</u>
Rs.22.01 lac is secured by way of hypothecation on first charge of car to BMW Financial Services Limited.		
6 DEFERRED TAX LIABILITIES(Net)		
DTA/DTL on Difference in depreciation as per books and income Tax Act	563,674.43	852,979.17
Relating difference in depreciation as per the Companies Act and Income Tax Act		
As per Income Tax Act		
As per Companies Act, 1956		
Total	<u>563,674.43</u>	<u>852,979.17</u>
7 TRADE PAYABLES		
Advance from customers	2,158,971.00	2,437,554.00
Micro, Small and Medium Enterprises	-	33,495.00
Total	<u>2,158,971.00</u>	<u>2,471,049.00</u>
8 OTHER CURRENT LIABILITIES		
Statutory Payable for taxes and duties	224,123.00	127,576.00
Other Non-statutory Payables	114,735.00	87,638.00
Cheque issued but not yet presented for payment	-	2,714,894.00
Total	<u>338,858.00</u>	<u>2,930,108.00</u>
9 SHORT TERM PROVISIONS		
Provision for Income Taxes	466,299.00	63,652.00
Total	<u>466,299.00</u>	<u>63,652.00</u>

Particulars	As at March 31, 2016 (Amount in Rs.)	As at March 31, 2015 (Amount in Rs.)
11 NON-CURRENT INVESTMENTS		
Trade Investment		
11.1 In Equity Shares -Quoted		
Siber Software Services (India) Limited	6,000,000.00	6,000,000.00
11.2 In Equity Shares -Unquoted		
Glorious Impex Pvt Ltd	-	2,500,000.00
Kreative Finsol Pvt Ltd	-	900,000.00
Loknath Financial Management Private Limited	-	400,000.00
Mukesh Commercial (P) Limited	5,000,000.00	6,000,000.00
Niskarsh Properties Pvt Ltd	50,000.00	50,000.00
Neptune Financial Advisory Private Limited	-	4,500,000.00
Radix Dealcom Pvt Ltd	-	5,000,000.00
Retail Informaion System Pty Ltd	52,361,873.18	52,361,873.40
Rise High Tracom (P) Ltd	-	26,250,000.00
Subhlaxmi Financial Management Pvt Ltd	-	8,800,000.00
Vemuri Finvest (P) Ltd	-	2,600,000.00
Well Build Vanijya (P) Limited	-	4,000,000.00
11.3 Other Investment		
Money Mishra Financial Services	42,000,000.00	-
Total	105,411,873.18	119,361,873.40
12 OTHER NON-CURRENT ASSETS		
Preliminary expenses to the extent not written off	1,423,947.00	1,601,944.00
Less written off during the year	(177,994.00)	(177,994.00)
	1,245,953.00	1,423,950.00
Advance in JV (Nishkarsh Properties)	26,050,000.00	30,550,000.00
Security Deposits	1,187,175.00	1,387,175.00
Project Cost	26,159,717.79	22,367,768.79
Total	54,642,845.79	55,728,893.79
13 TRADE RECEIVABLES		
Debts outstanding for a period exceeding six months	53,934,692.00	123,343,194.00
Others	14,052,876.00	3,446,956.49
Total	67,987,568.00	126,790,150.49
14 BANK, CASH AND CASH EQUIVALENTS		
Balance with Scheduled Banks	14,944,324.47	598,399.42
Cash in Hand and Equivalent Cash	2,520,244.25	2,530,317.31
Total	17,464,568.72	3,128,716.73

Particulars	As at March 31, 2016 (Amount in Rs.)	As at March 31, 2015 (Amount in Rs.)
15 Loans & Advances (Unsecured and Considered Good)		
Term Loans & Advances	127,410,458.00	133,565,836.00
Total	127,410,458.00	133,565,836.00
16 OTHER CURRENT ASSETS		
Advance Tax & TDS	5,436,335.00	5,153,418.10
Service Tax	1,091,914.00	676,746.00
VAT Refund	204,531.00	204,531.00
Other Receivables	1,974,476.00	26,128.00
Interest Receivables	4,896,603.00	654,657.00
Share Application Money Paid	27,095,000.00	31,455,000.00
FDR	18,405,575.00	-
Total	59,104,434.00	38,170,480.10

USG TECH SOLUTIONS LIMITED

Particulars	Schedules No. 10 of Fixed Assets forming part of Balance Sheet as at 31st March 2016									
	Gross Block					Depreciation			Net Block	
	As at 01.04.2015	Additions during the year	(Deletion) during the year	As at 31.03.2016	As at 01.04.2015	Charged for the Current Year	Adj.	As at 31.03.2016	Net Block as on 31.03.2016	Net Block as on 01.04.2015
Tangible Fixed Assets										
Computer Hardware	38,539,353.00	159,656.00	-	38,699,009.00	36,007,017.62	1,662,412.43	-	37,669,430.05	1,029,578.95	2,532,335.38
Computer Software	16,201,559.00	91,927.00	-	16,293,486.00	15,899,349.15	147,393.94	-	16,046,743.09	246,742.91	302,209.85
Furniture and Fixtures	300,379.00	-	-	300,379.00	123,366.44	45,828.55	-	169,194.99	131,184.01	177,012.56
Office & Electrical Equipments	2,868,588.50	8,000.00	42,084.07	2,834,504.43	760,985.82	378,608.09	-	1,139,593.91	1,694,910.52	2,107,602.68
Vehicles	5,925,148.00	-	-	5,925,148.00	4,857,751.00	276,349.08	-	5,134,100.08	791,047.92	1,067,397.00
Sub-Total(A)	68,835,027.50	259,583.00	42,084.07	64,052,526.43	57,648,470.03	2,510,592.09	-	60,159,062.12	3,893,464.31	6,186,557.47
Previous year	61,776,030.00	2,058,997.50	-	63,835,027.50	53,923,814.00	3,724,656.03	1,223,895.00	57,648,470.03	6,186,557.47	7,852,216.00
Intangible Assets under Development Development Right	17,630,376.00	-	-	17,630,376.00	-	-	-	-	17,630,376.00	17,630,376.00
Sub-Total(B)	17,630,376.00	-	-	17,630,376.00	-	-	-	-	17,630,376.00	17,630,376.00
Previous year	17,630,376.00	-	-	17,630,376.00	-	-	-	-	17,630,376.00	17,630,376.00
Total (A+B)	81,465,403.50	259,583.00	38,742,084.07	81,682,902.43	57,648,470.03	2,510,592.09	-	60,159,062.12	21,523,840.31	23,816,933.47
Previous year	119,372,846.00	2,058,997.50	38,700,000.00	81,465,403.50	53,923,814.00	3,724,656.03	1,223,895.00	57,648,470.03	23,816,933.47	64,182,592.00

 28625.465
2,293,093.16

 62989.40242
-2867.995443
88746.87198

Particulars	As at March 31, 2016 (Amount in Rs.)	As at March 31, 2015 (Amount in Rs.)
Schedules forming part of Profit and Loss account for the year ended 31st March 2016		
17 Revenue From Operations		
Income from IT products & services	14,270,723.00	9,586,505.80
Total	14,270,723.00	9,586,505.80
18 Other Incomes		
Interest Income	9,917,228.00	6,012,979.33
Other Non-operating Receipts	23,277.00	114,715.89
Unclaimed balances written off not exceeding provision made	-	1,875,171.07
Profit from sale of investments	1,018,500.00	62,500.00
Total	10,959,005.00	8,065,366.29
19 Purchases & Developments		
IT Products & Accessories	5,567,085.00	54,721.00
Total	5,567,085.00	54,721.00
20 Employees Benefit Expenses		
Salaries	6,763,556.00	9,450,205.00
Employees Benefit	-	258,962.00
Staff Welfare	387,354.00	315,702.00
Total	7,150,910.00	10,024,869.00
21 Finance Cost		
Term Loans	1,618,224.00	1,895.37
Others	16,787.00	26,201.29
Total	1,635,011.00	28,096.66
22 Other Expenses		
Directors Remunerations	1,500,000.00	711,660.00
Audit Fee	28,500.00	28,500.00
Internal Audit Fees	24,000.00	24,000.00
Secretarial Audit Fees	24,000.00	24,000.00
Professional, Consultancy & Legal	415,246.00	359,838.00
Printing & Stationery	52,611.00	82,518.00
Postage and Courier	15,468.00	16,915.00
Telephone, Fax and Internet	197,572.92	188,119.00
Travelling and Conveyance	190,176.20	272,048.47
Business Promotion Expenses	291,380.00	465,186.67
Rent	1,323,773.28	595,021.00
Bad Debts	-	44,606.00

Particulars	As at March 31, 2016 (Amount in Rs.)	As at March 31, 2015 (Amount in Rs.)
Web Designing Charges	25,534.00	-
Car Lease Rental	185,000.00	-
Hire Charges	117,600.00	113,843.00
Medical Expenses	133,170.00	-
Electricity and Office Maintenance	315,593.00	218,590.00
Generator Running and Maintenance	26,351.00	35,614.00
IT/Sundry Technical Maintenance	110,735.00	103,397.35
Office Repair & Maintenance	95,895.00	25,643.00
Vehicle Running & Maintenance Exp	110,836.00	119,485.00
Books & Publication Expenses	47,646.00	47,242.00
Stipend Expenses-Trainee	-	291,093.00
Depository & Listing Fees	276,211.00	130,942.00
Fee, Rate, Taxes ans Subscription Fee	1,519.00	8,970.00
General and Sundry Expenses	56,315.61	13,053.00
Preliminary Expenses Written Off	177,994.00	177,994.00
Interest in payment of TDS/VAT/ Service Tax	69,065.00	3,419.00
Total	5,812,192.01	4,101,697.49

List of key personnel and related parties with relations during the year

a) **Key Management Personnel**

- i) Sh. Prem Sharma, CFO
- ii) Sh. Servesh Gupta, Managing Director
- iii) Sh. Satish Kumar Gupta, Director
- iv) Ms. Jagpreet Kaur Gill, CS

b) **Enterprises over which key management persons or their relative exercise significant influence having trans-action during the year**

USG TECH SOLUTIONS LIMITED**CIN:** L72200TG1999PLC032129

Address: Plot No.-3, Shiva Nagar Colony, Sainik Puri, Secunderabad, Telangana-500094

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

Landline: 011-23973762

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	30/09/2016 at 12 Noon

(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 30th September, 2016 at 12:00 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 2016 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 2016 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: Plot No.-3, Shiva Nagar Colony, Sainik Puri, Secunderabad, Telangana-500094

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

Landline: 011-23973762

Form No. MGT-113

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 17th 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 _____.

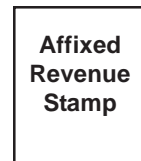
** I/We direct my/our Proxy to vote on the Resolutions in the manner as indicated below:

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, 2016, the Reports of the Directors and Auditors thereon		
2	Re-Designation of Mr. Satish Kumar Gupta Gupta (DIN 01451050) who retires by rotation at this meeting and being eligible, offers himself for re-appointment		
3	Appointment or Ratification of, and fixing of remuneration of, the Statutory Auditors.		
SPECIAL BUSINESS			
4	Re-Designation of Mr. Servesh Gupta (DIN 01451093) as managing Director of the company with effect from 23th October 2015		
5.	To approve the Related Party Transaction for Year 2016-17		

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. _____



Signed this ----- day of ----- 2016.

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

Address: Plot No.-3, Shiva Nagar Colony, Sainik Puri, Secunderabad, Telangana-500094

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

Landline: 011-23973762

Dear Members,

Invitation to attend the Annual General Meeting on 30th September 2016

You are cordially invited to attend the Annual General Meeting of the Company held on Friday, 30th September, 2016 at 12:00 Noon 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,

Sd/-

Mr. Servesh Gupta

Managing Director

USG TECH SOLUTIONS LIMITED

Place: Delhi

Date: 10/08/2016