

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 24TH ANNUAL GENERAL MEETING OF USHA FINANCIAL SERVICES PRIVATE LIMITED (THE "COMPANY") WILL BE HELD AS FOLLOWS:

Day: Wednesday

Date: 30/09/2020

Time: 04:00 P.M

Place: 330, Mezanine Floor, Functional Industrial Estate, Patparganj, Delhi -110092

to transact the following business/(s):

ORDINARY BUSINESS:

1. **ADOPTION OF AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON.**

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2020, including the Audited Balance Sheet as at 31st March, 2020, the statement of Profit & Loss, Cash Flow Statement for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.

BY ORDER OF THE BOARD
For USHA FINANCIAL SERVICES PRIVATE LIMITED





LAKSHAY VAID
(COMPANY SECRETARY)
Membership No.: A-45438

Date: 05/09/2020

Place: Delhi

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PROXY IN ORDER TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST FORTY EIGHT HOURS BEFORE THE TIME OF THE MEETING.

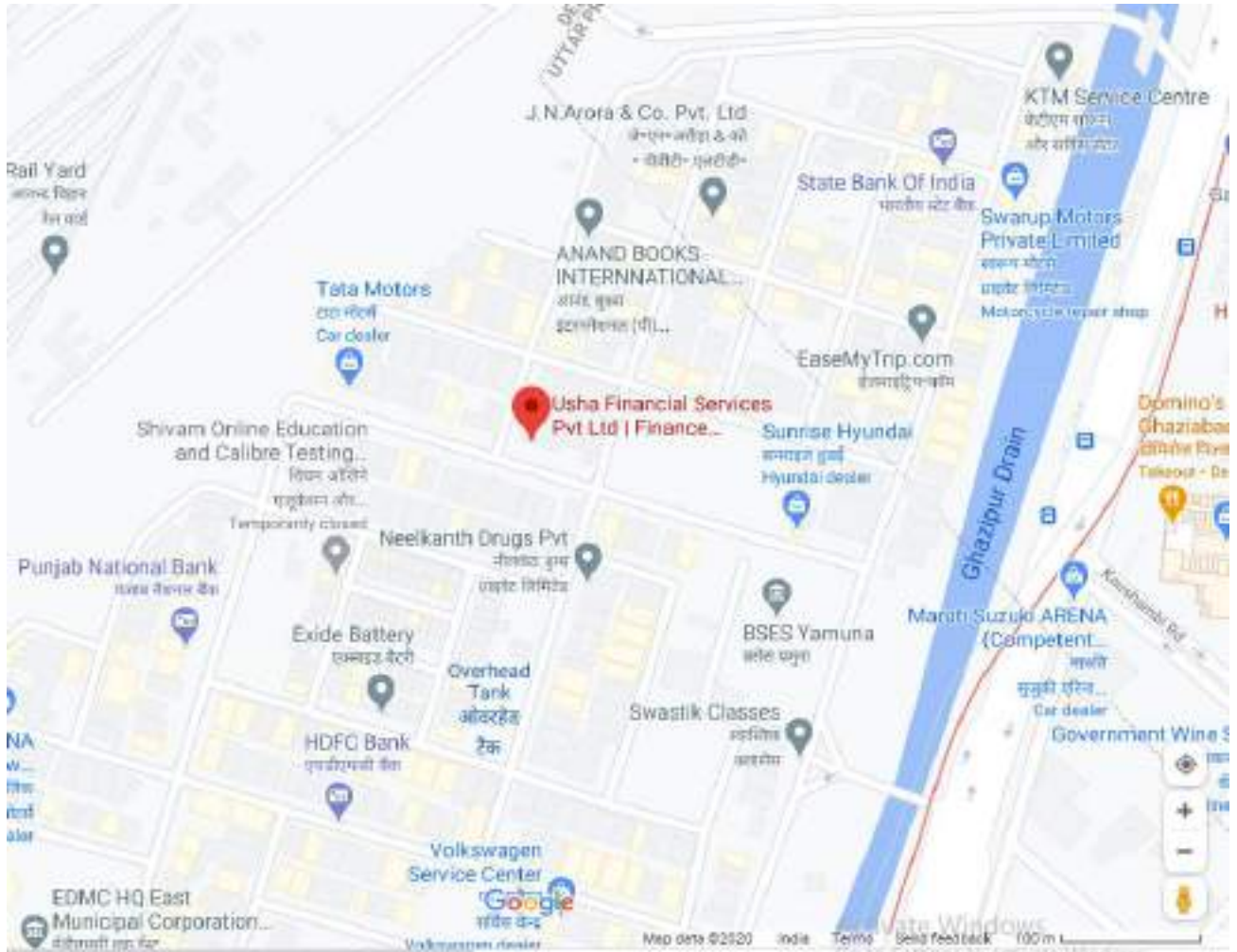
A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY MEMBERS AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF

SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHT MAY APPOINT SINGLE AS PROXY AND SUCH PERSON CANNOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Corporate Members intending to send their authorised representative to attend the meeting are advised to send a duly certified copy of the Board resolution authorising their representative to attend and vote at the meeting.
3. Members/ proxies attending the meeting are requested to bring their duly filled attendance slip sent along with the notice of Annual General Meeting at the meeting.
4. Members desirous of getting any information about the accounts and operations of the Company are requested to submit their queries addressed to the Director at least 7 days in advance of the meeting so that the information called for can be made available at the meeting.
5. Register of Directors and Key Managerial Personnel and their Shareholdings maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013 will be available for inspection at A.G.M.
6. A route map along with prominent landmark for easy location to reach the venue of Annual General Meeting is annexed with the notice of Annual General Meeting.



ROUTE MAP OF VENUE OF ANNUAL GENERAL MEETING



DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present the 24th Annual Report together with the Audited Financial Statements for the Financial year ended on 31st March, 2020.

1. Financial Results

The Financial performance of your Company for the Financial Year ended on 31st March, 2020 and the corresponding figures for the last year is summarized below:

Particulars	(Amount in Lakhs)	
	Year Ended 31.03.2020	Year Ended 31.03.2019
Total Revenue	5153.56	2705.23
Total Expenses	3679.97	2140.91
Profit before Depreciation and tax	1573.59	564.32
Depreciation & Amortization Expense	49.78	48.85
Profit before Tax	1523.81	515.46
Tax Expenses	402.35	150.54
Profit after Tax	1121.46	364.92
Provision for transfer to Statutory Reserve Fund (RBI Norms)	224.29	72.98
Balance carried to Balance Sheet	897.17	291.94

2. Reserve & Surplus

The balance as at 31st March, 2020 amounted to Rs. 3250.95 Lakhs which is increased by Rs.1380.32 Lakhs in the current year. Out of the Net Profit of Rs. 1121.46 Lakhs, the Board of Directors of your Company has decided not to transfer any amount to the General Reserve for the year under review.

3. Statutory Reserve Fund :

During the year, the Company has transferred Rs. 224.29 Lakhs being 20% of Net Profits to the Statutory Reserve in accordance with the provisions of section 45-IC of Reserve Bank of India Act, 1934.

4. Provision for Standard Assets :

The Company has transferred Rs.15,81,295 @ 0.25 % as a provision for Standard Assets.

5. Major Events During the Year

State of affairs and Performance review of the Company

The Company is carrying out the business as Non-Banking Finance Company without accepting any Public Deposits for which the Certificate of Registration (RBI = B-14.02818 dated 04.01.2003) has been obtained from Reserve Bank of India, New Delhi. Following is the brief highlight of the operations:

- Gross revenue, which increased from Rs. 2861.59 Lakhs in FY 2018-19 to Rs. 5082.24 Lakhs in FY 2019-20.
- Profit after tax increased from Rs. 364.92 Lakhs to Rs. 1121.46 Lakhs.
- The aggregate gross loan portfolio (GLP) of the Company stood at Rs. 18512.27 Lakh (Owned) + 1151.59 Lakh (Managed) = Rs. 19663.86 Lakh as on 31st March, 2020. This represents a year on year growth of 63% as compared to 31st March, 2019.
- Loan amount of Rs. 113757.16 Lakh was disbursed in FY 2019-20, representing an increase of 277% as compared to FY 2018-19.
- The Company disbursed 1527056 loans during FY 2019-20, representing an increase of 59017 loans from FY 2018-19.
- Average loan amount disbursed per account during FY 2019-20 was 8000, an increase of 69396 from FY 2018-19.
- The Company has operations spread across 10 states/union territories.

6. Impact of Covid-19

NBFCs have been struggling to keep alive in wake of the pandemic. The financial regulator in India has been taking rigorous steps to counter the impact of the pandemic on the shadow banking sector. The central bank has been continuously tracking the sector in India and has taken a number of steps to support the NBFC sector in India and prevent its collapse. The steps include measures to maintain adequate liquidity in the system, facilitate smooth bank credit flow and ease financial strain amidst the deadly virus outbreak. Some of these have been introduced during the last quarter of the FY 2019-20 even before the actual outbreak of the disruption in our country. Covid-19 is a natural crisis, people have not lost their assets, homes and capital in that sense post lockdown collections will pick up and clients make efforts to restore normalcy, they will find us ready and waiting to help. They will need help to fully avail the RBI moratorium announced till end August, 2020, financial advice to rebuild their lives and additional credit to support their livelihoods. Given the RBI and the government priority in ensuring liquidity, the lending banks will extend support. The management of the Company has strong belief and strategic plans to come out with this period of pandemic in positive way.

7. Change in the Nature of Business

There is no Change in the nature of the business of the Company during the year under review.

8. Events subsequent to the Date of Financial Statements:

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which these financial statements relate and on the date of this report.

9. Dividend

To strengthen the financial position of the Company and to augment working capital, your directors do not consider it desirable to recommend / declare any dividend.

10. Number Of Meetings of the Board

During the year under review, 19 (Nineteen) Board Meetings were convened and held. The maximum interval between any two meetings was well within the maximum allowed gap of 120 days, as prescribed in the Companies Act, 2013.

S. No.	Date of Board Meeting	Board strength	No. of Directors Present
1	4 th April, 2019	3	3
2	16 th April, 2019	3	3
3	1 st May, 2019	3	3
4	4 th May, 2019	3	3
5	6 th May, 2019	3	3
6	14 th May, 2019	3	3
7	27 th May, 2019	3	3
8	27 th June, 2019	5	2
9	24 th July, 2019	5	5
10	28 th August, 2019	5	3
11	3 rd September, 2019	5	5
12	3 rd October, 2019	5	5
13	18 th November, 2019	5	5
14	13 th December, 2019	5	5
15	27 th December, 2019	5	5
16	29 th February, 2020	5	5
17	16 th March, 2020	5	5
18	21 st March, 2020	5	3
19	26 th March, 2020	5	2

11. Board Of Directors & Key Managerial Personnel :

During the year under review, Mr. Gauri Shankar and Mr. Bhupinder Nayyar was appointed as an non-executive Independent Director of the Company to hold office for a period of 2 consecutive years w.e.f. 1st June, 2019, in accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company and in respect of which the Company has received the declarations to the effect that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013. Directors/KMPs has not acquired any disqualification and is persons of sound integrity and honesty, apart from knowledge, experience etc. in their respective fields and as on 31st March, 2020 Composition of Board of the Company are as follows:

S. No.	Name	Designation	DIN	Date of Appointment	Date of Cessation, if any
1.	Mr. Rajesh Gupta	Executive Director	01941985	18/03/2015	NA
2.	Mr. Anoop Garg	Executive Director	01941972	15/06/2015	NA
3.	Ms. Geeta Goswami	Executive Director	07810522	03/05/2017	NA
4.	Mr. Gauri Shankar	Non-Executive Independent Director	06764026	01/06/2019	NA
5.	Mr Bhupinder Nayyar	Non-Executive Independent Director	06790358	01/06/2019	NA

12. Company's Policy Relating to Directors Appointment, Payment of Remuneration and Discharge of their duties :

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company.

13. Risk Management Policy :

The Board of Directors has adopted the Risk management policy which sets out the framework for the management of risks faced by the Company in the conduct of business to ensure that all business risks are identified, managed and monitored. The contents of Risk Management Policy have been included in Management Discussion and Analysis forming part of this report.

14. Subsidiary, Joint-venture and Associate Company :

The Company is not having any Subsidiary, Joint Venture and Associate Companies during the year under review.

15. Significant & Material Orders passed by the Regulators:

There are no significant and material orders passed by the regulators or courts or any tribunals during the year under review which has an impact on the Going Concern status and Company's operations in future.

16. Capital Structure :

During the period under review, the paid up capital of the Company was increased from Rs. 4,75,73,519/- to Rs. 5,95,16,853/-. The Company has not issued/allotted Equity Shares in the Financial year under review.

During the financial year under review Seven Calls were made on 3333333 partly paid Equity shares. The Details is as follows:

Date of Call Money	NUMBER OF SHARES	FACE VALUE OF THE SHARES	PRICE (FV) Rs.	Premium per shares (Rs.)	Total Premium (Rs.)
14 th June,2019	3159033	0.5	1579517	1	3159033
12 th July,2019	3159033	0.5	1579517	1	3159033
21 st Sep,2019	3333333	0.5	1666666	1	3333333
17 th Oct,2019	3333333	0.5	1666666	1	3333333
16 th Nov,2019	1333333	1.5	2000000	3	4000000
10 th Jan,2020	3159033	0.5	1579517	1	3159033
10 th Jan,2020	174300	0.26	45750	0.52	91500

17. Debenture Structure:

During the year under review, the Company has allotted 467 (Four Hundred Sixty Seven) Non-Convertible Debentures having nominal value of Rs.1,00,000/- (One Lakh) aggregating amounting to Rs. 467,00,000/- (Rupees Four Crore Sixty Seven Lakh only) under Series D in May, 2019 and 634 (Six Hundred Thirty Four) Non-Convertible Debentures under Series E through private placement basis having nominal value of Rs. 1,00,000/- (One Lakh) aggregating amounting to Rs. 634,00,000/- (Rupees Six Crore Thirty Four Lakh only) for tenure of three years.

As per the provisions of the Companies act, 2013 and other applicable laws, the Company has appointed VISTRA ITCL (India) Ltd. having its registered office located at the IL& FS Financial Centre, Plot No. C-22, G- Block, 7th Floor, Bandra Kurla Complex Bandra (East) , Mumbai-400051, India through its authorized representative(s) to act as Trustee for the Debenture holders ("Trustees") for series 'D' and 'E'.

18. Redemption of the Debentures:

During the financial year under review, the Company has Redeemed Non-Convertible Debentures under Series A having nominal value of Rs. 1,00,000/- each (Rupees One Lakh Only) aggregate amounting to Rs. 1,90,00,000/- (Rupees One Crore Ninety Lakhs Rupees Only) in March,2020. The list of Redemption of Non-Convertible Debentures is given below:

S.No.	Name of Debentureholders	Amount of Debentures	No. of Debentures
1	Ajay Goyal HUF	100,000	1
2	Alok Aggarwal	100,000	1
3	Ashu Goyal	100,000	1
4	Deepak Gupta	100,000	1
5	Dharam Pal Singh	1,000,000	10
6	Hitesh Gupta	500,000	5
7	Jitendra Nath Gupta	300,000	3
8	Krishan Kumar Gupta	300,000	3
9	Lakshmi Devi Gupta	400,000	4
10	Madan Mohan Aggarwal	500,000	5
11	Mahesh Kumar Gupta HUF	3,100,000	31
12	Mamta Gupta	100,000	1
13	Minakshi Gupta	600,000	6
14	Naval Kishore Gupta	600,000	6
15	Nupur Gupta	1,000,000	10
16	Parul Gupta	1,400,000	14
17	Pooja Rajvanshi	500,000	5
18	Radha Rani	900,000	9
19	Rajeev Sharma	100,000	1
20	Sandhya Gupta	1,800,000	18
21	Sanjay Kumar Mishra	200,000	2
22	Shivish Gupta	500,000	5
23	Sumer Chand Garg HUF	2,300,000	23
24	Surbhi Gupta	500,000	5
25	Sushila Aggarwal	500,000	5
26	Sushil Gupta	700,000	7
27	Sushma Gupta	100,000	1
28	Vimal Gupta	700,000	7
Total		19,000,000	190

19. Statutory Auditors:

Pursuant to the provisions of the Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Shareholders in the Annual General Meeting held on 9th May, 2016 had appointed M/s. P. Sahni & Associates, Chartered Accountants, (Firm reg. No.015369N) as the Statutory Auditors for a term of five (5) consecutive years i.e, from the conclusion of Annual General Meeting held in 2016 to the conclusion of Annual General Meeting to be held in the year 2021.

The observation made in Auditors' Report are self-explanatory and do not contain any reservation, qualification or adverse remarks and, therefore needs no further clarification/ explanations as required under Section 134 of the Companies Act, 2013.

20. Compliance with Secretarial Standards :

Your Company is in Compliance with the Secretarial Standards on Meeting of the Board of Directors (SS-1) and Secretarial Standards on General Meeting (SS-2) for the Financial Year ended on 31st March, 2020.

21. Particulars of Contracts or Arrangements with Related Parties :

The Related Party Transactions that were entered during the financial year under review were on arm's length basis and were in the ordinary course of business details of which, as required to be provided under Section 134(3)(h) of the Companies Act, 2013 are disclosed in form AOC-2 as "Annexure I" and form of this Board's Report. Further, details of Related Party Transactions as required to be disclosed as per Accounting Standard 18 "Related Party Disclosures" specified under Section 133 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

22. Extract of Annual Return:

In terms of requirement made under Section 92 and Section 134(3)(a) of the Companies Act, 2013 read with applicable rules of The Companies (Accounts) Rules, 2014, extract of annual return forms part of this Directors' Report and annexed as "Annexure - II".

23. Details of Policy Developed and Implemented by the Company on its Corporate Social Responsibility Initiatives :

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company established the Corporate Social Responsibility Committee(CSR Committee) and has contribute in the CSR activities the details of which is annexed as "Annexure- III".

24. Particulars of Loans, Guarantees or Investment under Section 186 :

The Company has duly complied with the provisions of Section 186 of the Companies Act, 2013 and Rules made thereunder. Details on loans, guarantee or investments made during the financial year are mentioned in the notes to the financial statements.

25. Conservation of Energy, Technology Absorption and foreign and outgo:

The particulars required under Section 134(3)(m) of the Companies Act, 2013 read with Rules 8 of the (Accounts) Rules 2014 in respect of conservation of energy and technology absorption are not applicable to your Company.

The total foreign exchange earnings during the year under review and previous period is NIL and total foreign exchange out go during the year under review and the previous period is NIL.

26. Compliance With RBI guidelines::

The Company being an NBFC has complied with all applicable regulations of Reserve Bank of India for Non-deposit taking NBFC, As per Non-Banking Finance Companies RBI Directions, 1998, the directors hereby report that the Company did not accept any public deposits during the year and did not have any public deposits outstanding at the end of the year.

27. Code of Conduct, Transparency and Client Protection

The Company has fully implemented the Reserve Bank of India's Fair Practice Code and also adopted the unified Code of Conduct of Usha Financial Services Pvt. Ltd.

28. Particulars of Employees

The provisions of Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable, as there are no such employee who were drawing / in receipt of remuneration of prescribed amount during the period under review.

29. Sexual Harassment policy for women under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 :

Your Company has in place a formal policy for prevention of sexual harassment of its employees at workplace. The Company is in compliance with the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and has adopted a policy on Sexual Harassment to prohibit, prevent or deter any acts of sexual harassment at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment, thereby providing a safe and healthy work environment.

Further, during the year under review, there was no case filed under the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

30. Maintenance Of Cost Records

The nature of Company's business/ activities is such that maintenance of cost records under Section 148 (1) of the Companies Act, 2013 is not applicable to the Company.

31. Director's Responsibility Statement

In accordance with Clause (C) Of Sub-Section (3) Of Section 134 of the Companies Act, 2013 the Board of Directors of the company informed the members that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis; and

- e. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

32. Acknowledgements

The Board expresses its sincere gratitude to the shareholders, bankers and clients for their continued support. The Board also wholeheartedly acknowledges with thanks the dedicated efforts of all the staff and employees of the Company.

For and on Behalf of
USHA FINANCIAL SERVICES PRIVATE LIMITED



Place: Delhi
Date: 5th September, 2020


Rajesh Gupta
(Director)
DIN: 01941985


Anoop Garg
(Director)
DIN: 01941972

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 arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

There were no contracts or arrangements or transactions entered during the year ended 31st March, 2020, which were not at arm's length basis.

2. Details of contracts or arrangements or transactions at Arm's length basis.

There were no material contracts or arrangements or transactions entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013. However, the Company has entered into transactions with related parties at arm's length basis, the details of which are given in the notes to financial Statements.

**For and on Behalf of
USHA FINANCIAL SERVICES PRIVATE LIMITED**



Place: Delhi
Date: 5th September, 2020


Rajesh Gupta
(Director)
DIN: 01941985


Anoop Garg
(Director)
DIN: 01941972

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020
*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]*

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U74899DL1995PTC068604
ii.	Registration Date	16/05/1995
iii.	Name of the Company	Usha Financial Services Private Limited
iv.	Category / Sub-Category of the Company	Private Company – Company Limited By Shares
v.	Address of the Registered office and contact details	330, Mezzanine Floor, Functional Industrial Estate, Patparganj, Delhi-110092 E-mail Id-usha.nbfc@gmail.com
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A.

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:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/	% to total turnover of the company
1	Financial Services except Investment Banking, Insurance Services and Pension Services	6499	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
NIL					

g) FIs	0	0	0	0	0	0	0	0	Nil
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	Nil
i) Others (specify)	0	0	0	0	0	0	0	0	Nil
Sub-total (B)(1)	0	0	0	0	0	0	0	0	Nil
2. Non Institutions									
a) Bodies Corp.									
(i) Indian									
(ii) Overseas	0	12094	12094	0.18	0	12094	12094	0.18	Nil
b) Individuals	0	16129	16129	0.25	0	16129	16129	0.25	Nil
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others(Specify)	0	11385	11385	0.17	0	11385	11385	0.17	Nil
HUF									
Sub-total (B)(2)	0	27514	27514	0.42	0	27514	27514	0.42	Nil
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	81352	81352	1.24	0	81352	81352	1.24	Nil
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	Nil
Grand Total (A+B+C)	0	6551685	6551685	100	0	6551685	6551685	100	Nil

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Co.	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Co.	%of Shares Pledged / encumbered to total shares	
1.	Rajesh Gupta	2311651	35.28	Nil	23116	35.28	Nil	Nil
2.	Anoop Garg	1797949	27.44	Nil	17979	27.44	Nil	Nil
3.	Priya Garg	513700	7.84	Nil	51370	7.84	Nil	Nil

4.	Shikha Gupta	513700	7.84	Nil	51370	7.84	Nil	Nil
5.	Uninav Developers Pvt. Ltd.	1333333	20.35	Nil	126833	19.36	Nil	(0.99)
6.	Sumer Chand Garg HUF	-	-	Nil	35000	0.53	Nil	0.53
7.	Sandhya Gupta	-	-	Nil	30000	0.46	Nil	0.46
	Total	6470333	98.75	Nil	64703	98.75	Nil	Nil

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

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1. Uninav Developers Pvt. Ltd.					
	At the beginning of the year	1333333	20.35	1333333	20.35
	30/03/2020 - Transfer	(65000)	(0.99)	(65000)	(0.99)
	At the End of the year			1268333	19.36
2. Sumer Chand Garg HUF					
	At the beginning of the year	0	0	0	0
	30/03/2020 – Acquisition*	35000	0.53	35000	0.53
	At the End of the year			35000	0.53
3. Sandhya Gupta					
	At the beginning of the year	0	0	0	0
	30/03/2020 – Acquisition**	30000	0.46	30000	0.46
	At the end of the year			30000	0.46

* Sumer Chand Garg HUF, Promoter of the Company acquired 35000 Equity Shares by way of Transfer from Uninav Developers Pvt. Ltd.

** Sandhya Gupta, Promoter of the Company acquired 30000 Equity Shares by way of Transfer from Uninav Developers Pvt. Ltd.

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Eeshan Corporation Limited				
	At the beginning of the year	18975	0.29	18975	0.29
	At the End of the year			18975	0.29

2.	Riwaaz Investments Private Limited				
	At the beginning of the year	12333	0.19	12333	0.19
	At the End of the year			12333	0.19
3.	Initia Holdings Limited				
	At the beginning of the year	12094	0.18	12094	0.18
	At the End of the year			12094	0.18
4.	Abhishek Mishra HUF				
	At the beginning of the year	11385	0.17	11385	0.17
	At the End of the year			11385	0.17
5.	Longview Research and Advisory Services Pvt. Ltd.				
	At the beginning of the year	10436	0.16	10436	0.16
	At the End of the year			10436	0.16
6.	Vipin Aggarwal				
	At the beginning of the year	8539	0.13	8539	0.13
	At the End of the year			8539	0.13
7.	Abhishek Mishra				
	At the beginning of the year	7590	0.12	7590	0.12
	At the End of the year			7590	0.12

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Rajesh Gupta	2311651	35.28	2311651	35.28
2	Mr. Anoop Garg	1797949	27.44	1797949	27.44

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	760141000	218156662	0	978297662

i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not				
Total (i+ii+iii)	760141000	218156662	0	978297662
Change in Indebtedness during the financial year				
- Addition	1164200000	637180389	0	1801380389
- Reduction	867645895	381926296	0	1249572191
Net Change	296554105	255254093	0	551808198
Indebtedness at the end of the financial year				
i) Principal Amount	1056695105	466874000	0	1523569105
ii) Interest due but not paid		6536755	0	6536755
iii) Interest accrued but not due				
Total (i+ii+iii)	1056695105	473410755	0	1530105860

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount (in Rs.)
		Mr. Rajesh Gupta (Director)	Mr. Anoop Garg (Director)	Miss Geeta Goswami (Director)	
1.	Gross salary	36,00,000	36,00,000	15,50,000	87,50,000
	(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	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission - as % of profit - others, specify...	0	0	0	0
5.	Others, please specify (Diwali Bonus)	0	0	13,500	13,500
6.	Total (A)	36,00,000	36,00,000	15,63,500	87,63,500
	Ceiling as per the Act	Private Limited Companies are out of preview of Section 197 of Schedule V. There is no limit on remuneration of Private Limited Companies.			

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Bhupinder Nayyar	Gauri Shankar	
	<u>Independent Directors</u> · Fee for attending board /committee meetings · Commission · Others, please specify	1,77,000	1,50,000	3,27,000
	Total (1)	1,77,000	1,50,000	3,27,000
	<u>Other Non-Executive Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	0	0	0
	Total (2)	0	0	0
	Total (B)=(1+2)	1,77,000	1,50,000	3,27,000
	Total Managerial Remuneration	1,77,000	1,50,000	3,27,000
	Overall Ceiling as per the Act	Sitting fees is paid as per the provisions of Companies Act,2013		

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary		
		Sunita Yadav (upto 13.12.2019)	Lakshay Vaid (w.e.f. 13.12.2019)	
1.	Gross salary (a) Salary as per provisions contained u/s	328447	239032	567479

	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			
3.	Sweat Equity			
4.	Commission - as % of profit - others, specify...			
5.	Others, please specify			
6.	Total	328447	239032	567479

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	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			None		
Compounding					
B. Directors					
Penalty					
Punishment			None		
Compounding					
C. Other Officers In Default					
Penalty					
Punishment			None		
Compounding					



Place: Delhi
Date: 05th September, 2020

For and on Behalf of
USHA FINANCIAL SERVICES PRIVATE LIMITED


Rajesh Gupta
Director
DIN: 01941985


Anoop Garg
Director
DIN: 01941972

1. A brief outline of Company's CSR policy, including overview of project or program to be undertaken:

Corporate Social Responsibility is an integral part of the Company's ethos and policy and it has been pursuing this on a sustained basis. Usha Financial Service Private Limited is committed to conduct business in a socially, economically and environmentally responsible and sustainable manner, which enables the creation and distribution of wealth for the betterment of through the implementation and integration of ethical systems and sustainable management practices. In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company established the Corporate Social Responsibility Committee(CSR Committee) in the meeting of the Board of Director held on 3rd September, 2019 .The Board adopted the CSR Policy, formulated and recommended by the CSR Committee, Your Company has the policy of giving back to the society and has carried a host of CSR activities this year in accordance with the requirement of Section 135 of the Companies Act, 2013.

2. The Composition of the CSR Committee:

The Committee comprises of following members:

1. Mr. Rajesh Gupta, Chairperson (Executive Director)
2. Ms. Geeta Goswami, Member, (Executive Director)
3. Mr. Gauri Shankar, Member, (Non-Executive Independent Director)

3. Average Net profit of the Company for last three Financial Year:

The Company has achieved a net profit of Rs. 5,15,61,777/- during the Financial Year 2018-19, and the average net profit of the last 3 Financial years is Rs. 28,250,538.33/- and as per the provisions of Companies Act, 2013, Company has to contribute 2% of the average net profit of last 3 Financial year in CSR activities, hence the budget for CSR activities is Rs. 5,65,025/- on CSR activities.

4. Details of CSR spent for the Financial Year:

- (a) Total amount spent for the financial year: Rs 5,65,025/-
- (b) Amount unspent: NIL
- (c) Manner in which the amount spent for the financial year is detailed below:

S.No.	CSR project	Sector in which the project or activity covered	Project or programs 1.Local area or other 2. Specify the state and district where projects/activity undertaken	Amount outlay (budget) project or programs (in Rs.)	Amount spent on the projects or programs (in Rs.)	Mode of Amount Spend
1.	Contribution to All India Society for Health AID Education & Research	Health Care	Delhi-DL	5,65,025/-	5,65,025/-	Direct Contribution

5. In case the company has failed to spend the two percent, of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report:

NA

6. A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company:

Implementation of CSR activities is in compliance with Companies Act, 2013 to meet the CSR objectives and policy of the Company.

For and on Behalf of
USHA FINANCIAL SERVICES PRIVATE LIMITED



Place: Delhi
Date: 5th September, 2020


Rajesh Gupta
(Director)
DIN: 01941985


Anoop Garg
(Director)
DIN: 01941972



P. Sahni & Associates

CHARTERED ACCOUNTANTS

101, 1st Floor, Ganga Apartments,
1/50, Lalita Park, Laxmi Nagar, Delhi-110092 (India),

E-mail : psahni@psaindia.co.in

Tel.: +91-11-2254 0606, 2205 0607

+91-11-43016763, Cell: +91-98101 87101

Date :

INDEPENDENT AUDITORS' REPORT

**To the Members of
M/s Usha Financial Services Private Limited**

Opinion

We have audited the accompanying standalone financial statements of M/s Usha Financial Services Private Limited, which comprise the balance sheet as at March 31, 2020, and the Statement of Profit and Loss and statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the **Companies Act, 2013** ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its Profit for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone



financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors is also responsible for overseeing the Company's financial reporting process.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the balance sheet, the statement of profit and loss dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of 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 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164 (2) of the Act;



- f) with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the investor Education and Protection Fund by the Company.

For P. Sahni & Associates
Chartered Accountants
FRN-015369N


Parveen Sahni
(Proprietor)

M. No.: 095428

Place: Delhi

Date: 05th September 2020

UDIN: 20095428AAAAEP5165





101, 1st Floor, Ganga Apartments,
1/50, Lalita Park, Laxmi Nagar, Delhi-110092 (India),
E-mail :psahni@psaindia.co.in
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P. Sahni & Associates

CHARTERED ACCOUNTANTS

Date :

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF M/s USHA FINANCIAL SERVICES PRIVATE LIMITED FOR THE YEAR ENDED 31st MARCH 2020

(1)(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of two years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable properties and accordingly, paragraph 3(i)(c) of the Order is not applicable.

(2) The Company is a Non-Deposit taking Non-banking Financial Company (NBFC-ND) and primarily engaged in lending activities; accordingly it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.

(3) The Company has not granted any loan, secured or unsecured to companies, firms, limited liability Partnerships or other parties covered in the register required under Section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable.

(4) The Company does not have any loan, investment, guarantees and security which requires compliance under Sections 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the Order is not applicable.

(5) The Company has not accepted deposits from the public. Accordingly, paragraph 3(v) of the Order is not applicable.

(6) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.

(7) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax and any other material statutory dues have been generally deposited regularly during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax; value added tax, wealth tax, duty of customs, duty of excise and cess. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax and any other material statutory dues were in arrears as at 31st March 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax and service tax, which have not been deposited with the appropriate authorities on account of any dispute.



(8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers or to any financial institutions. The Company did not have any outstanding loans or borrowings to government or dues to debenture holders during the year.

(9) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). However the Company has raised term loans during the year. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.

(10) According to the information and explanations given to us, no fraud on or by the Company by its officers or employees has been noticed or reported during the course of our audit.

(11) The Company being a private Company, the provisions of section 197 read with schedule V to Companies Act, 2013 is not applicable.

(12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(14) The Company has during the year offered shares for preferential placement and has complied with the provisions of Section 42, of the Companies Act, 2013. According to the information and explanations given to us and based on our examination of the records of the Company, the amount so raised have been used for the purpose for which the funds were raised.

(15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(16) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has obtained the certificate of registration dated 16 May 1995, required under section 45-IA of the Reserve Bank of India Act 1934.

For P. Sahni & Associates
Chartered Accountants
Firm Registration No- 015369N


Parveen Sahni
(Proprietor)
Membership No: 095428

Place: New Delhi
Date: 05th September, 2020
UDIN: 20095428AAAAEP5165

USHA FINANCIAL SERVICES PVT. LTD

330, Mezzanine Floor Functional Industrial Estate, Patparganj, Delhi-110092

Balance Sheet as at 31st March 2020

Particulars	Note	As at 31st March 2020	As at 31st March 2019
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	5,95,16,853	4,75,73,519
(b) Share Application Pending for Allotment			
(c) Reserves and Surplus	4	32,50,94,530	18,70,62,210
		38,46,11,383	23,46,35,728
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	5	49,36,76,128	51,99,81,333
(b) Deferred Tax Liabilities			
(c) Other Non-Current Liabilities	6	1,12,40,590	26,58,764
(d) Long Term Provisions	7	9,56,053	20,27,836
		50,58,72,772	52,46,67,934
(3) Current Liabilities			
(a) Short-Term Borrowings	5	99,05,69,287	45,83,16,869
(b) Trade Payables	8	2,14,17,496	1,26,78,629
(c) Other Current Liabilities	9	59,01,01,671	10,08,95,185
(d) Short-Term Provisions	10	4,94,79,771	1,87,85,134
		1,65,15,68,224	59,06,75,818
Total		2,54,20,52,378	1,34,99,79,480
II. Assets			
Non-Current Assets			
(a) Property, Plant & Equipments	11	1,36,71,263	1,29,26,366
(b) Non Current Investment	12	2,99,211	-
(c) Deferred Tax Assets (Net)	13	10,63,198	6,65,581
(d) Long Term Loans & Advances			
-Receivables Under Financing Activities	14	38,24,21,363	13,62,73,474
(e). Other Non-Current Assets	15	2,28,44,159	3,93,06,425
		42,02,99,194	18,91,71,846
Current assets			
(a) Short Term Loans & Advances			
-Receivables Under Financing Activities	14	1,46,88,05,362	1,07,34,69,357
-Other Loans and Advances			
(b) Cash and cash equivalents	16	29,65,11,102	2,04,31,374
(c) Other current assets	17	35,64,36,720	6,69,06,904
		2,12,17,53,184	1,16,08,07,634
Total		2,54,20,52,378	1,34,99,79,480

The Notes referred to above are an integral part of Balance Sheet.
Significant Accounting Policies and Notes on Accounts as Note 1 & 2

As Per Our Report Of Even Date
For **P. SAHNI & ASSOCIATES**
FRN 015369N
Chartered Accountants

(PARVEEN SAHNI)
Prop. M. No. : - 095428
PLACE : DELHI
DATE : 05/09/2020



Rajesh Gupta

Rajesh Gupta
DIN:01941985

Anoop Garg

Anoop Garg
DIN:01941972

For & on Behalf of the Board

Geeta Goswami

Geeta Goswami
DIN: 07810522

Lakshay Vaid

Lakshay Vaid
(Company Secretary)
M. No.: 45438



USHA FINANCIAL SERVICES PVT. LTD.

330, Mezzanine Floor Functional Industrial Estate, Patparganj, Delhi-110092

Profit and Loss statement for the Year ended 31st March, 2020


Particulars	Note	As at	As at
		31st March, 2020	31st March, 2019
I. Revenue from Operations	18	50,82,24,330	26,61,59,175
II. Other Income	19	71,31,922	43,63,475
III. Total Revenue (I +II)		51,53,56,252	27,05,22,650
IV. Expenses:			
Employee Benefit Expenses	20	4,13,54,888	3,13,66,736
Finance Cost	21	19,57,71,885	10,45,93,477
Depreciation and Amortization Expense	22	49,77,839	48,85,473
Provision & Write-off	23	76,16,987	42,59,475
Other Expenses	24	11,32,53,535	7,38,71,044
Total Expenses		36,29,75,133	21,89,76,206
V. Profit before Exceptional and Extraordinary Items and Tax		15,23,81,119	5,15,46,445
VI. Exceptional Items		-	-
VII. Profit before Extraordinary Items and TAX		15,23,81,119	5,15,46,445
VIII. Extra-ordinary Tax		-	-
IX. Profit before Tax		15,23,81,119	5,15,46,445
X. Tax expense:			
- Current tax		4,02,55,717	1,55,57,961
- Previous year Tax		3,77,362	-15,332
- Deferred tax charge/(Benefit)		-3,97,617	-4,88,158
XI. Profit for the year/period		11,21,45,657	3,64,91,974
XII. APPROPRIATIONS:			
Transfer to Statutory reserve @ 20%		2,24,29,131	72,98,395
Balance C/f to balance Sheet		8,97,16,526	2,91,93,579
XIII. Earnings per equity shares of Rs. 10 each (PY. of Rs. 10 each)			
Earning per equity share:			
a) Normal		17.00	7.17
a) Diluted		17.00	7.17

The Notes referred to above are an integral part of Balance Sheet.
Significant Accounting Policies and Notes on Accounts as Note 1 & 2

As Per Our Report Of Even Date
For P. SAHNI & ASSOCIATES
Chartered Accountants
Firm Registration No. 015369N


(PARVEEN SAHNI)
Prop. Membership. No.: 095428
PLACE : DELHI
DATE : 05/09/2020




Rajesh Gupta
DIN:01941985


Anoop Garg
DIN:01941972

For & on Behalf of the Board


Geeta Goswami
DIN: 07810522


Lakshay Vaid
(Company Secretary)
M. No.: 45438



USHA FINANCIAL SERVICES PVT. LTD
330, Mezzanine Floor Functional Industrial Estate, Patparganj, Delhi-110092

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31/03/2020

A CASH FLOW FROM OPERATING ACTIVITIES

Net Profit After Tax		11,21,45,657
Adjustments for:		
Provision for Income Tax	4,02,55,717	
Finance Cost	19,57,71,885	
Interest Income on Fixed Deposit	(70,50,934)	
Depreciation & Ammortization	49,77,839	
Provision for Standard and Non performing assets	49,25,098	
Portfolio loans written off	26,91,889	
		24,15,71,494
Operating Profit before Working Capital Changes		35,37,17,151
Adjustments for:		
Decrease/(Increase) in Short term Loan & Advances	(39,80,27,894)	
Decrease/(Increase) in Long term Loan & Advances	(24,61,47,889)	
Decrease/(Increase) in Other Current Assets	(28,95,29,816)	
Decrease/(Increase) in Other Non Current Assets	1,60,64,649	
Increase/(Decrease) in Payables	87,38,866	
Increase/(Decrease) in Other Current Liabilities	48,92,06,485	
Increase/(Decrease) in Other Non Current Liabilities	85,81,826	
Cash generated from operations	-	(41,11,13,772)
Net Cash flow from Operating activities		(5,73,96,622)
Income Tax Paid		1,55,57,961
		(7,29,54,583)

B CASH FLOW FROM INVESTING ACTIVITIES

Purchase of Fixed Assets	(57,22,736)	
Interest Income on Fixed Deposits	70,50,934	
Purchase of Investment	(2,99,211)	
Net Cash used in Investing activities		10,28,987

C CASH FLOW FROM FINANCING ACTIVITIES

Proceeds from Issue of Equity Shares	3,78,29,998	
Proceeds/(Repayment) from Issuance of Debentures(Net)	9,09,00,000	
Proceeds/(Repayment) of Long term Borrowings(Net)	(1,29,05,205)	
Proceeds/(Repayment) of Short term Borrowings(Net)	42,79,52,418	
Payment of finance cost	(19,57,71,885)	34,80,05,325
Net Cash used in financing activities		34,80,05,325
Net Increase in cash & Cash Equivalents		27,60,79,729
Cash and Cash equivalents as at 01.04.2019		2,04,31,374
Cash and Cash equivalents as at 31.03.2020		29,65,11,102

As Per Our Report Of Even Date
For P. SAHNI & ASSOCIATES
FRN 015369N

Chartered Accountants


(PARVEEN SAHNI)
 Prop. M. No. :- 095428

PLACE : DELHI

DATE : 05/09/2020



For & on Behalf of the Board


Rajesh Gupta
 DIN:01941985


Anoop Garg
 DIN:01941972


Geeta Goswami
 DIN: 07810522


Lakshay Vaid
 (Company Secretary)
 M. No.: 45438



USHA FINANCIAL SERVICES PVT. LTD

330, Mezzanine Floor Functional Industrial Estate, Patparganj, Delhi-110092

Notes to Financial Statements for the year ended March, 2020

	As at March 31, 2020	As at March 31, 2019
3 Share Capital		
Authorized		
1,00,00,000 Equity shares of Rs. 10 each (Previous Year 70,00,000 Equity shares of Rs.10 each)	10,00,00,000	7,00,00,000
	10,00,00,000	7,00,00,000
Issued, subscribed & fully paid up share capital		
45,51,685 Equity Shares of Rs. 10 each (Previous Year 32,18,352 Equity shares of Rs. 10 each)	4,55,16,850	3,21,83,520
Partly paid up share capital		
20,00,000 equity shares of Rs. 10 each (Rs. 7 per Share paid-up) (Previous Years 33,33,333 Equity shares of Rs 10 each On 3159033 Shares Rs. 4.50 Paid-up On 174300 Shares Rs. 6.74 Paid-up)*	1,40,00,003	1,53,89,999
Total	5,95,16,853	4,75,73,519

*Note: During the FY 2018-2019 9487 Equity Shares of Rs 10/- each fully paid up were issued & Paid Up at a premium of Rs 517/- each.

*Note: During the FY 2017-2018 3333333, No's of Equity Shares having face value Rs 10/- partly paid up at premium of Rs20 per share were issued & subscribed. In the FY 2017-18, we received Rs. 1 per share Face Value and Rs. 0.50 per share premium on 3333333 shares. In the FY 2018-19, we have received Rs.3.50 per share face value and Rs.7 per share Premium was called up & Paid on 3159033 shares & we also received Rs.5.7375 per share face value & Rs.11.475 per share Premium was called & paid on 174300 shares. In the FY 2019-20, We have received Rs.5.50 per share face value & Rs.12.5 per share Premium was called up & Paid on 1333333 shares. and we have received Rs. 2.5 per share face Value and Rs. 5 per share Premium was called up & paid on 1825700 shares and We have received Rs. 0.262478 per share face value and Rs. 0.52495697 per share Premium on 174300 shares.

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2020		As at March 31, 2019	
	(In No's)	(In Rs.)	(In No's)	(In Rs.)
Equity shares				
At the time of beginning of the year	65,51,685	4,75,73,519	65,42,198	3,54,21,983
Issued/ Called up during the year				
(a) fully Paid Up	-	-	9,487	94,870
(b) Partly Paid Up	-	1,19,43,335	-	1,20,56,666
Outstanding at the end of the year	65,51,685	5,95,16,853	65,51,685	4,75,73,519

b. Terms/rights attached to shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. During the period ended 31st March, 2020 the company did not recognized dividend as distributions to equity shareholders.

c. Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Particulars	As at March 31, 2020	As at March 31, 2019
i.) Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash	NIL	NIL
ii.) Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	NIL	NIL
iii.) Aggregate number and class of shares bought back.	NIL	NIL

d. Details of shareholders holding more than 5% shares in the company

Name of Share Holders	As at March 31, 2020		As at March 31, 2019	
	(In No's)	% Holding	(In No's)	% Holding
Anoop Garg	17,97,949	27.44%	17,97,949	27.44%
Rajesh Gupta	23,11,651	35.28%	23,11,651	35.28%
Shikha Gupta	5,13,700	7.84%	5,13,700	7.84%
Priya Garg	5,13,700	7.84%	5,13,700	7.84%
Uninav Developers Private Limited	12,68,333	19.36%	13,33,333	20.35%

4 Reserve & Surplus

Particulars	As at March 31, 2020	As at March 31, 2019
A) Statutory Reserve u/s 45-IC of RBI Act,1934		
Opening Balance	1,38,93,614	65,95,219
Statutory Reserves Fund	2,24,29,131	72,98,395
Closing Balance	3,63,22,746	1,38,93,614
B) Profit & Loss A/c:-		
Opening Balance	4,39,79,614	1,47,86,035
Add: Profit during the year	8,97,16,526	2,91,93,579
Closing balance	13,36,96,139	4,39,79,614
C) Securities Premium		
Opening Balance	12,91,88,982	10,01,70,872
Add: Addition during the year	2,58,86,663	2,90,18,110
Closing balance	15,50,75,645	12,91,88,982
Balance C/f to Balance sheet	32,50,94,530	18,70,62,210
Total (a+b+c)		



Lakshay Vaid

Bhita

R. Anup A

Geetika Joshi

USHA FINANCIAL SERVICES PVT. LTD

330, Mezzanine Floor Functional Industrial Estate, Patparganj, Delhi-110092

Notes to Financial Statements for the year ended March, 2020

5	Long term Borrowing/ Short term Borrowing	As at March 31, 2020		As at March 31, 2019	
		Particulars	Non Current	Current	Non Current
	Term Loans				
	Secured Loans				
	- From NBFC/Financial Institutions/Bank	23,55,49,218	35,81,42,146	18,84,17,971	32,42,23,446
	- Privately Placed Non convertible Debenture	21,51,00,000	12,33,00,000	22,85,00,000	1,90,00,000
	Unsecured Loans				
	- From Relatives	-	29,62,947	-	-
	- From Banks/NBFC/Financial Institutions	4,30,26,910	3,57,16,386	2,58,69,700	2,41,30,300
	- From Inter-Corporate deposits	-	47,04,47,808	7,71,93,662	-
	- Loan under Advance Funding Facility	-	-	-	9,09,63,123
	Total	49,36,76,128	99,05,69,287	51,99,81,333	45,83,16,869

Explanation to Note No. 5

Terms of Repayment of terms loan:-

Term Loan	Range(Rate Of interest)	Tenure of Loan (In Months)	Amount Outstanding as on 31/03/2020	Amount Outstanding as on 31/03/2019
-Term Loans from Relatives	8-12	06-12	29,62,947	-
-Term Loans from Inter Corp. Deposits	9-12	12-36	47,04,47,808	7,71,93,662
-Non-Convertible Debentures	14	36	33,84,00,000	24,75,00,000
-Terms loans from Financial Institutions/NBFC/Bank	10-17	12-120	67,24,34,660	65,36,04,541
Total			1,48,42,45,415	97,82,98,203

6 Other Non Current Liability

Security Deposits against the Loan Portfolio

1,12,40,590
1,12,40,590 26,58,764
26,58,764

7 Long Term Provisions

Particulars

a) Provision for Standard Assets

	As at March 31, 2020	As at March 31, 2019
Opening Balance	3,29,731	20,42,574
Add: Addition during the year	6,26,322	-
Less: Reversal of excess provision	-	17,12,843
Closing balance	(a) 9,56,053	3,29,731

b) Provision for Substandard Assets

Opening Balance	2,98,105	8,47,684
Add: Addition during the year	-	2,98,105
Less: Write-off during the Year	2,98,105	8,47,684
Closing Balance	(b) -	2,98,105

c) Provision for Doubtful Assets

Opening Balance	14,00,000	-
Add: Addition during the year	14,00,000	14,00,000
Less: Write-off during the Year	-	-
Closing Balance	(c) -	14,00,000

Total (a+b+c) 9,56,053 20,27,836

8 Trade Payable

Total Outstanding dues of MSME
Others

53,29,736
1,60,87,760
2,14,17,496 39,46,215
87,32,414
1,26,78,629

9 Other Current Liabilities

TDS payable	77,16,264	33,51,635
Expenses Payable	10,24,048	2,31,519
Salary Payable	30,82,891	32,00,573
Interest accrued on Loan From Bank/NBFC but not due	46,46,312	22,59,003
Interest accrued on debentures but not due	36,89,490	26,79,579
Advance EMI Received	34,48,171	36,09,369
Security Deposits against the Loan Portfolio	55,20,20,908	7,18,10,156
Audit fees payable	59,400	55,000
Other Payable	1,26,76,843	-
GST payable	17,37,343	7,498
Bank Overdraft	-	1,00,90,853
Debenture Application Money pending Allotment	-	36,00,000
Total	59,01,01,671	10,08,95,185



Lakshay Vaid

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USHA FINANCIAL SERVICES PVT. LTD

330, Mezzanine Floor Functional Industrial Estate, Patparganj, Delhi-110092

Notes to Financial Statements for the year ended March, 2020

10 Short term Provisions

a.) Provision for Income Tax

Opening Balance

Add: Provision Created For Current Period

Closing Balance

(a.)

4,02,55,717

1,55,57,961

4,02,55,717

1,55,57,961

b) Provision for Standard Assets

Opening Balance

Add: Addition during the year

Closing balance

(b.)

26,76,684

9,54,972

36,31,657

-

26,76,684

26,76,684

c.) Provision for Substandard Assets

Opening Balance

Add: Provision Created For Current Period

Less: Write-off during the Year

Closing Balance

(c.)

3,83,476

11,72,248

3,83,476

11,72,248

-

3,83,476

-

3,83,476

d.) Provision for Doubtful Assets

Opening Balance

Add: Provision Created For Current Period

Less: Write-off during the Year

Closing Balance

(d.)

(a+b+c+d)

1,67,012

44,20,149

1,67,012

44,20,149

-

1,67,012

-

1,67,012

4,94,79,771

1,87,85,134

11 Property, Plant & Equipments

Tangible Assets

Intangibles Assets

Gross Total (Net Of Depreciation)

1,32,02,259

4,69,004

1,36,71,263

1,25,65,836

3,60,530

1,29,26,366

12 Non Current Investment

Unquoted Equity Shares

Investment in Equity Share Warrants of

- Capfront Technologies Pvt. Ltd.

2,99,211

2,99,211

-

-

13 Deferred Tax assets

Deferred Tax assets

10,63,198

10,63,198

6,65,581

6,65,581

14 Loans & Advances -Receivables Under Financing Activities

As at March 31, 2020

As at March 31, 2019

Particulars

Non Current

Current

Non Current

Current

Secured

-Considered Good Assets

10,35,56,017

28,77,97,958

4,38,71,579

29,15,94,496

-Sub-Standard Assets

-

24,81,394

-

-

Unsecured

-Considered Good Assets

27,88,65,346

1,16,48,64,775

8,80,20,842

77,78,73,085

-Sub-Standard Assets

-

92,41,086

29,81,053

38,34,764

-Doubtful Assets

44,20,149

14,00,000

14,00,000

1,67,012

-Write-off Assets

26,91,889

1,40,464

1,40,464

17,54,260

Total

38,24,21,363

1,47,14,97,251

13,64,13,938

1,07,52,23,617

Less: Loan Write-off during the period

-

26,91,889

1,40,464

17,54,260

Net Assets after Write-off

38,24,21,363

1,46,88,05,362

13,62,73,474

1,07,34,69,357

Note: The Portfolio amounting Rs. 11,51,59,142.69 comprises of the Managed Portfolio of Mas Financial Services Limited and the same is not included in the Portfolio given above.

15 Other Non current Assets

Advance EMI

Deposit given as security against borrowings

Total

2,28,44,159

2,28,44,159

20,83,333

3,72,23,092

3,93,06,425

16 Cash & Cash Equivalent

A) Cash-In-Hand

B) Bank Balance

-Balance with Banks

-Debtore application Money pending Allotment

Fixed Deposits*

*Fixed Deposits under lien with Yes Bank against OD Limits

Total

14,34,048

27,95,77,054

-

1,55,00,000

29,65,11,102

4,98,929

8,32,444

36,00,000

1,55,00,000

2,04,31,374



Lakshay Vaid

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A

Geeti Goswami

USHA FINANCIAL SERVICES PVT. LTD

330, Mezzanine Floor Functional Industrial Estate, Patparganj, Delhi-110092

Notes to Financial Statements for the year ended March, 2020

17 Other Current Assets

Security Deposits	7,06,500	7,08,000
Deposit given as security against borrowings	4,67,42,912	3,85,30,002
Interest Accrued on Loan & Advances but not due	2,28,23,932	1,00,89,708
Interest Accrued on FDR	3,20,951	1,57,019
Advance Tax	1,48,00,000	20,00,000
TDS/ TCS deducted during the year	1,17,18,146	75,18,040
Other Advances	25,13,57,007	5,76,990
Prepaid expenses	1,53,443	3,32,023
Income Tax Refundable	1,86,140	1,86,140
TDS Recoverable	16,16,109	4,22,072
GST Input	11,79,585	46,60,889
Other Receivable	11,22,128	5,19,836
Advance EMI	20,83,333	-
Insurance Claim Receivable	16,26,533	12,06,186
Total	35,64,36,720	6,69,06,904

18 Revenue from operations

Particulars	As at March 31, 2020	As at March 31, 2019
Interest Income from Financing Activities	45,10,05,335	24,06,03,295
Portfolio Management Fees	1,58,81,102	-
Processing and Other Fees	4,13,37,894	2,55,55,880
Total	50,82,24,330	26,61,59,175

19 Other Income

Interest income on FD/ Security Deposit against Borrowing	70,50,934	43,63,475
Recovery of Loan Write-off	80,988	-
Total	71,31,922	43,63,475

20 Employee Benefit Expense

Salary	2,99,51,869	2,37,39,871
Staff Welfare	5,57,388	5,20,242
Director Remuneration	87,50,000	59,50,000
EPF- Administration charges	48,029	52,010
EPF- Employer contribution	11,39,480	6,01,743
ESIC-Employer contribution	1,58,682	2,79,041
Insurance -Employee Mediclaim	2,14,792	64,600
Recruitment expenses	1,15,233	69,267
Incentive Expenses	4,19,415	89,962
Total	4,13,54,888	3,13,66,736

21 Finance Cost

Interest expenses on		
- Term Loan	14,16,99,120	7,19,57,117
- Security Deposits	1,13,79,373	27,00,353
- OD limit	7,41,567	5,69,316
- Int. on Non Convertible Debentures	4,19,51,825	2,93,66,691
Total	19,57,71,885	10,45,93,477

22 Depreciation & Amortization Cost

Depreciation on Tangible Assets	46,99,175	44,20,459
Depreciation on Intangible Assets	2,78,664	4,65,014
Total	49,77,839	48,85,473

23 Provision & Write-off

Provision on Standard Assets	15,81,295	9,63,842
Provision on Sub-standard & Doubtful Assets	55,92,397	22,48,594
Loan Write off during the period	4,43,295	10,47,040
Total	76,16,987	42,59,475

24 Other expenses

Business Promotion Expenses	10,36,046	21,65,165
Audit fees	66,000	55,000
Professional & Technical Fees	2,58,91,244	86,80,895
Portfolio Management Fees	6,91,95,625	4,74,23,239
Repair and Maintenance		
-Computer repair & Maintenance	3,98,038	43,087
-General	4,45,160	5,94,528
Insurance Expenses	2,25,048	2,74,947
Electricity expenses	5,04,729	4,64,564
Bank Charges	91,052	1,39,655
Loan Processing Fees	58,14,610	58,32,054
Conveyance	7,93,574	12,88,184
Office expenses	5,72,880	5,47,296
Misc. Expenses	28,643	8,451
Postage & Courier	16,018	1,16,523



Subhraj Vaid

DELHI R

Anub A

Jeet Gargwal

USHA FINANCIAL SERVICES PVT. LTD

330, Mezzanine Floor Functional Industrial Estate, Patparganj, Delhi-110092

Notes to Financial Statements for the year ended March, 2020

Printing & Stationery	1,93,757	3,23,150
Communication expenses	2,47,531	2,46,291
Rent-Office & Branches	26,37,712	24,40,175
Travelling Exp.	21,93,052	15,47,391
Fees Rates & Taxes	6,22,168	2,82,581
IT Support Charges	6,47,299	7,49,126
Training & Development Expenses	1,38,500	-
Stamp Duty Expenses	7,08,398	3,85,001
Advertising Expenses	1,21,427	2,63,741
Corporate Social Responsibility-Contribution	5,65,025	-
Total	11,32,53,535	7,38,71,044

The Notes referred to above are an integral part of Balance Sheet.
Significant Accounting Policies and Notes on Accounts as Note 1 & 2

As Per Our Report Of Even Date
For **P. SAHNI & ASSOCIATES**
FRN 015369N

Chartered Accountants


(PARVEEN SAHNI)
Prop. M. No. :- 095428
PLACE : DELHI
DATE : 05/09/2020




Rajesh Gupta
DIN:01941985


Anoop Garg
DIN:01941972

For & on Behalf of the Board


Geeta Goswami
DIN: 07810522


Lakshay Vaid
(Company Secretary)
M. No.: 45438



USHA FINANCIAL SERVICES PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2020

11 Property, Plant & Equipment

Fixed Assets	Rate	Balance as at April 1, 2019		Additions	Disposals	Balance as at March 31, 2020		Depreciation charge for the year	Balance as at March 31, 2020		(in ₹)	
		Rs.	%			Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
Tangible Assets												
Furniture and Fixtures	25.89%	14,86,353		1,67,810	-	16,54,163		3,97,919	12,56,244	14,86,353		
Office equipment	45.07%	4,77,849		46,600	-	5,24,449		2,24,111	3,00,338	4,77,849		
Computers	63.16%	3,63,349		3,10,813	-	6,74,162		3,55,033	3,19,129	3,63,349		
Motor Vehicles	31.23%	1,02,38,286		48,10,375	-	1,50,48,661		37,22,112	1,13,26,549	1,02,38,286		
Total		1,25,65,837		53,35,598	-	1,79,01,435		46,99,175	1,32,02,260	1,25,65,837		
Intangible Assets												
Software		2,42,461		3,87,138	-	6,29,599		2,04,092	4,25,507	2,42,461		
Website		12,936		-	-	12,936		8,170	4,766	12,936		
Mobile App		1,05,133		-	-	1,05,133		66,402	38,731	1,05,133		
Total		3,60,529		3,87,138	-	7,47,667		2,78,664	4,69,003	3,60,529		
Gross Total		1,29,26,366		57,22,736	-	1,86,49,102		49,77,839	1,36,71,263	1,29,26,366		

Jatshay Vaid

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Anup

A

Geeti Joswani



USHA FINANCIAL SERVICES PVT. LTD.

Office at 330, Mezzanine Floor, Functional Industrial Estate, Patparganj, Delhi- 110092

Notes forming part of the financial statements ending as on 31st March, 2020 (Note- 1 & 2)

Note-1

Background

Usha Financial Services Private Limited (CIN: U74899DL1995PTC068604) ('the Company') was incorporated on 16/05/1995. The Company has received the Certificate of Registration dated 04/01/2003 from the Reserve Bank of India ("RBI") to carry on the business of Non Banking Financial Institution without accepting deposits ("NBFC-ND").

The Company is engaged in extending credit to Individuals and small enterprises typically self-employed business. The Company follows the cash flow based credit assessment with suitable adaptations for each type of business, where the loans are given for business expansion, working capital or for purchase of assets.

Note 2

Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared and presented under historical cost convention and accrual basis of accounting, unless otherwise stated, and in accordance with the generally accepted accounting principles in India (Indian GAAP) and conform to the statutory requirements, circulars, regulations and guidelines issued by Reserve Bank of India (RBI) from time to time to the extent they have an impact on the financial statements and current practices prevailing in India. The financial statements have been prepared to comply in all material aspects with the Accounting Standards ("AS") notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable. The Company follows the prudential norms for income recognition, asset classification and provisioning as prescribed by the RBI for Non-deposit taking Non-Banking Finance Companies (NBFC-ND).

2.2 Use of estimates

The preparation of financial statements in conformity with the GAAP requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period, reported balance of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3 Revenue recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- i. Interest income is recognized in the statement of profit and loss on an accrual basis. In case of Non Performing Assets (NPA) interest income is recognised upon realisation as per the RBI Guidelines. Interest accrued and not realised before the classification of the asset as an NPA is reversed in the month in which the loan is classified as NPA.
- ii. Upfront /processing fees are recovered and recognised at the time of disbursement of loan / receipt.
- iii. Interest income on other deposits are recognised on a time proportion basis. Income from dividend is recognized in the statement of profit and loss when the right to receive is established.
- iv. Profit / Loss on disposal of an investment is recognised at the time of such sale / redemption and is computed based on weighted average cost

Usha Financial Services (P) Limited (2019-20)

Sakshay Vaid



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A*

Geetika Grewal

2.4 Tangible fixed assets, intangible fixed assets and intangible fixed assets under development

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes non-refundable taxes, duties, freight and other incidental expenses incurred directly related to the acquisition and installation of the asset. Subsequent expenditure on fixed assets after their purchase / completion is capitalized, only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

The cost of intangible fixed assets not ready for the intended use at each balance sheet date is disclosed as intangible fixed assets under development.

2.5 Impairment

The Company determines periodically whether there is any indication of impairment of the carrying amount of its assets. The recoverable amount (higher of net selling price and value in use) is determined for an individual asset, unless the asset does not generate cash inflow that are largely independent of those from other assets or group of assets. The recoverable amounts of such asset are estimated, if any indication exists and impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

2.6 Depreciation and Amortization

Depreciation on tangible fixed assets is provided on pro-rata basis (i.e. from the date on which the asset is ready to use) on written down value method. Depreciation on fixed assets is provided over the useful lives of the asset, as estimated by the management based on internal technical assessment. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged, depreciation is provided at a higher rate based on the management's estimate of the useful life / remaining useful life. Pursuant to this policy, the estimated useful life of assets are as follows:

Fixed Asset Description	Estimated Useful Life
Computers and accessories	3 Years
Office Equipment	5 Years
Furniture and Fixtures	10 Years

- Intangible assets are amortized over their estimated useful life on written down value method as follows:

Fixed Asset Description	Estimated Useful Life
Intangible Assets - Computer Software	License period or 3 years, whichever is lower

2.7 Borrowing costs

Borrowing costs include interest and ancillary costs that the Company incurs in connection with the borrowings. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss at the time of avilment of the loan.

2.8 Loan origination costs

Brokerage, commission and other costs paid at the time of acquisition of loans are charged to the Statement of Profit and Loss.

Usha Financial Services (P) Limited (2019-20)

Lakshay Vaid



Geetika Grewal

2.9 Earnings per share:

Basic earnings per share is computed and disclosed using the weighted average number of common shares outstanding during the year. Diluted earnings per share is computed and disclosed using the weighted average number of common and dilutive common equivalent shares outstanding during the year, except when the results would be anti-dilutive.

2.10 Income taxes

- Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognized in statement of profit and loss except that tax expense relating to items recognized directly in reserves is also recognized in those reserves.
- Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognized in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

2.11 Provisions, contingent liabilities and contingent assets

A provision is recognized when there is present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc., are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated

2.12 Classification and provisioning on receivables from financing activities

- Receivable from financing activities are recognised on disbursement of loan to customers. The details of the policy are given below:
- Receivable from financing activities are classified as standard, sub - standard and doubtful assets and provided for as per the Company's policy and Management's estimates, subject to the minimum classification and provisioning norms as per the Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

Non-Performing Assets (NPA)

Sub-Standard Assets

Overdue for 181 days and more but up to 18 months.

Doubtful Assets

Overdue for more than 18 months and more but up to 3 years.

Loss Assets

Assets which are identified as loss asset by the Company or the internal auditor or the external auditor or by the Reserve Bank of India.

Usha Financial Services (P) Limited (2019-20)

Lakshay Vaid



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Geetika Joshi

"Overdue" refers to interest and / or principal and / or installment remaining unpaid from the day it became receivable.

Provisioning norms for loans:

Asset Classification	Secured	Unsecured
Standard Assets (disclosed under Contingent provision against standard assets)	0.25%	0.25%
Non Performing Assets (NPA)		
Sub-Standard Assets	10%	10% to 50%
Doubtful Assets	20% to 50%	100%
Loss Assets	100%	100%

- d) Under exceptional circumstances, Management may renegotiate loans by rescheduling repayment terms for customers who have defaulted in repayment but who appear willing and able to repay their loans under a longer term agreement. Rescheduled Standard Assets are classified / provided for as Sub-Standard Assets as per (b) above which classification / provisioning is retained for a period of 1 year of satisfactory performance. Rescheduled Non Performing Assets are not upgraded but are retained at the original classification / provisioning for a period of 1 year of satisfactory performance.

2.13 Operating cycle

Assets and liabilities are classified as current and non-current based on the operating cycle which has been estimated to be 12 months. All assets and liabilities which are expected to be realized and settled, within a period of 12 months from the date of Balance sheet have been classified as current and other assets and liabilities are classified as non-current. All Non-Performing Assets are classified as non-current.

2.14 Transaction with Related Parties

Names of Related Parties and Nature of relationship

Key Management Personnel:

Anoop Garg
Rajesh Gupta
Geeta Goswami
Lakshay Vaid

Auth *Auth* *Geeta Goswami*
Lakshay Vaid



Related of Key Management Personnel

Anoop Garg HUF
 Arushi Garg
 Kanta Rani
 Mahesh Kumar Gupta
 Mahesh Kumar Gupta HUF
 Nupur Gupta
 Priya Garg
 Rajesh Gupta HUF
 Sandhya Gupta
 Shikha Gupta
 Sumer Chand Garg
 Sumer Chand Garg
 Nupur Recyclers Pvt Ltd.
 Sumer Chand Garg HUF
 Uninav Developers Private Limited
 Vertex Buildwell Pvt. Ltd

Related Party Transactions				
Sl No.	Name of Related Party	Relation	Nature of Transaction	Amount in Rs.
1	Anoop Garg	Director	Director Remuneration	3600000
2	Anoop Garg	Director	Interest on Loan	3378
3	Anoop Garg	Director	Loan Taken	75000
4	Anoop Garg	Director	Share call money	3412120
5	Anoop Garg HUF	Concern of Director	Interest on Debentures	732941
6	Anoop Garg HUF	Concern of Director	Interest on Loan	153914
7	Anoop Garg HUF	Concern of Director	Investment in Debentures	7500000
8	Anoop Garg HUF	Concern of Director	Loan Repaid	4055000
9	Anoop Garg HUF	Concern of Director	Loan Taken	5265000
10	Arushi Garg	Daughter of Director	Interest on Debentures	11852
11	Arushi Garg	Daughter of Director	Interest on Loan	20590
12	Arushi Garg	Daughter of Director	Investment in Debentures	600000
13	Arushi Garg	Daughter of Director	Loan Repaid	440000
14	Arushi Garg	Daughter of Director	Loan Taken	460000
15	Geeta Goswami	Director	Interest on Debentures	145595
16	Geeta Goswami	Director	Investment in Debentures	800000
17	Kanta Rani	Mother of Director	Interest on Debentures	1528032
18	Kanta Rani	Mother of Director	Interest on Loan	21098
19	Kanta Rani	Mother of Director	Investment in Debentures	1500000
20	Kanta Rani	Mother of Director	Loan Repaid	700000



Handwritten signatures and stamps:
 - Blue circular stamp: Usha Finance & Associates Limited
 - Blue ink signatures: Anup, Geeta Goswami, Rakshay Vaid

21	Kanta Rani	Mother of Director	Loan Taken	685000
22	Mahesh Kumar Gupta	Director's Brother in Law	Interest on Debentures	42114
23	Mahesh Kumar Gupta	Director's Brother in Law	Interest on Loan	1368
24	Mahesh Kumar Gupta	Director's Brother in Law	Loan Taken	40000
25	Mahesh Kumar Gupta HUF	Concern of Director's Brother in Law	Debenture Redeem	3100000
26	Mahesh Kumar Gupta HUF	Concern of Director's Brother in Law	Interest on Debentures	1555574
27	Mahesh Kumar Gupta HUF	Concern of Director's Brother in Law	Interest on Loan	53927
28	Mahesh Kumar Gupta HUF	Concern of Director's Brother in Law	Investment in Debentures	6800000
29	Mahesh Kumar Gupta HUF	Concern of Director's Brother in Law	Loan Repaid	775000
30	Mahesh Kumar Gupta HUF	Concern of Director's Brother in Law	Loan Taken	845000
31	Nupur Gupta	Daughter of Director	Debenture Redeem	1000000
32	Nupur Gupta	Daughter of Director	Interest on Debentures	798035
33	Nupur Gupta	Daughter of Director	Interest on Loan	36643
34	Nupur Gupta	Daughter of Director	Investment in Debentures	2000000
35	Nupur Gupta	Daughter of Director	Loan Repaid	720000
36	Nupur Gupta	Daughter of Director	Loan Taken	750000
37	Priya Garg	Wife of Director	Interest on Debentures	517427
38	Priya Garg	Wife of Director	Interest on Loan	27156
39	Priya Garg	Wife of Director	Investment in Debentures	200000
40	Priya Garg	Wife of Director	Loan Repaid	140000
41	Priya Garg	Wife of Director	Loan Taken	655000
42	Priya Garg	Wife of Director	Share call money	137250
43	Rajesh Gupta	Director	Director Remuneration	3600000
44	Rajesh Gupta	Director	Interest on Loan	6756
45	Rajesh Gupta	Director	Loan Taken	150000
46	Rajesh Gupta	Director	Share call money	7998385
47	Rajesh Gupta HUF	Concern of Director	Interest on Debentures	536484
48	Rajesh Gupta HUF	Concern of Director	Interest on Loan	18550



49	Rajesh Gupta HUF	Concern of Director	Investment in Debentures	300000
50	Rajesh Gupta HUF	Concern of Director	Loan Repaid	721000
51	Rajesh Gupta HUF	Concern of Director	Loan Taken	760000
52	Sandhya Gupta	Sister of Director	Debenture Redeem	1800000
53	Sandhya Gupta	Sister of Director	Interest on Debentures	1155861
54	Sandhya Gupta	Sister of Director	Interest on Loan	64322
55	Sandhya Gupta	Sister of Director	Investment in Debentures	2800000
56	Sandhya Gupta	Sister of Director	Loan Repaid	345000
57	Sandhya Gupta	Sister of Director	Loan Taken	5055000
58	Shikha Gupta	Wife of Director	Interest on Debentures	784038
59	Shikha Gupta	Wife of Director	Interest on Loan	26414
60	Shikha Gupta	Wife of Director	Investment in Debentures	100000
61	Shikha Gupta	Wife of Director	Loan Repaid	1060000
62	Shikha Gupta	Wife of Director	Loan Taken	1300000
63	Shikha Gupta	Wife of Director	Share call money	2282250
64	Sumer Chand Garg	Father of Director	Investment in Debentures	200000
65	Sumer Chand Garg	Father of Director	Interest on Debentures	1384960
66	Sumer Chand Garg	Father of Director	Interest on Loan	52595
67	Sumer Chand Garg	Father of Director	Investment in Debentures	700000
68	Sumer Chand Garg	Father of Director	Loan Repaid	1175000
69	Sumer Chand Garg	Father of Director	Loan Taken	1215000
70	Sumer Chand Garg HUF	Concern of Father of Director	Debenture Redeem	2300000
71	Sumer Chand Garg HUF	Concern of Father of Director	Interest on Debentures	1365367
72	Sumer Chand Garg HUF	Concern of Father of Director	Interest on Loan	78334
73	Sumer Chand Garg HUF	Concern of Father of Director	Investment in Debentures	6600000
74	Sumer Chand Garg HUF	Concern of Father of Director	Loan Repaid	1435000
75	Sumer Chand Garg HUF	Concern of Father of Director	Loan Taken	1500000
76	Uninav Developers Private Limited	Common Director	Interest on Debentures	2929795
77	Uninav Developers Private Limited	Common Director	Interest on Loan	20871481
78	Uninav Developers Private Limited	Common Director	Investment in Debentures	500000
79	Uninav Developers Private Limited	Common Director	Loan Repaid	75000000
80	Uninav Developers Private Limited	Common Director	Loan Taken	440000000







81	Uninav Developers Private Limited	Common Director	Share call money	23999995
82	Vertex Buildwell Pvt. Ltd	Common Director	Interest on Debentures	59679
83	Vertex Buildwell Pvt. Ltd	Common Director	Investment in Debentures	200000
84	Nupur Recyclers Pvt. Ltd	Common Director	Loan Given	89400000
85	Nupur Recyclers Pvt. Ltd	Common Director	Loan Taken Back	79550000
86	Lakshay Vaid	Company Secretary	Salary	203587
87	Geeta Goswami	Director	Director Remuneration	1563500

2.15 Prior Period Comparatives

Previous period figures have been reclassified/regrouped wherever necessary.

As per Our report of Even Date
For P. SAHNI & ASSOCIATES
FRN 015369N
Chartered Accountants

(PARVEEN SAHNI)
Prop. M. No :-095428
PLACE : DELHI
DATE : 05/09/2020



For & on behalf of the board

Anoop
Anoop Garg
DIN: 01941972

Rajesh
Rajesh Gupta
DIN: 01941985

Geeta Goswami
DIN: 07810522
Lakshay Vaid
Lakshay Vaid
(Company Secretary)
(M. No. :- 45438)

