

21st
ANNUAL
REPORT
2018



USHA MARTIN EDUCATION & SOLUTIONS LIMITED

CORPORATE INFORMATION

Chairman

Shri Prashant Jhawar

Vice-Chairman

Shri Rajeev Jhawar

Whole-Time-Director

Shri Vinay Kumar Gupta

Company Secretary

Mrs. Chaitee Baral

Chief Financial Officer

Shri.Indrajit Bandyopadhyay

Bankers

IDBI Bank Ltd.

IndusInd Bank Ltd.

Axis Bank Ltd.

Registered Office

CIN : L31300WB1997PLC085210

Godrej Waterside, 5th Floor, Block - DP

Sector-V, Salt Lake City, Kolkata - 700 091

Tel.: +91 33 3322 3700, Fax: +91 33 3322 3800

Website : www.umesl.co.in

E-mail : chaitee.baral@umesl.co.in

Registrar and Transfer Agent

MCS Share Transfer Agents Limited

12/1/5,Manoharpukur Road, Ground Floor

Kolkata - 700 026

Tel : 033 - 4072 4051/4052/4053

Fax : 033 - 4072 4050

Email : mcssta@rediffmail.com

Website : www.mcsdel.com

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NOTICE TO THE MEMBERS

NOTICE is hereby given that the 21st Annual General Meeting of the members of Usha Martin Education & Solutions Limited will be held on Wednesday, the 12th Day of September, 2018 at 11:30 A.M. at "Sujata Sadan Auditorium", 7, Bakul Bagan, Bhowanipore, Hazra Road, Kolkata - 700026, to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2018, Statement of Profit & Loss for the year ended on that date and the Report of the Directors' and Auditors' thereon.
2. To appoint a director in place of Smt. Gangotri Guha (DIN 01666863), who retires by rotation and being eligible offers herself for reappointment
3. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rule, 2014 (the rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) the members of the company do hereby ratify the appointment of M/s. G Basu & Co., Chartered Accountants (Registration No. 301174E), who were appointed in the 20th Annual General Meeting (held on 22nd September 2017) to hold office for a period of 3 years until the conclusion of the 23rd Annual General Meeting, on a remuneration plus reimbursement of out-of-pocket expenses, as may be mutually agreed to between the Board of Directors and the Auditors."

Special Business

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

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

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

Registered Office:

Godrej Waterside, 5th Floor, Block DP

Sector V, Salt Lake, Kolkata - 700091

Dated: 30th May, 2018

By Order of the Board of Directors

Sd/-

Chaitee Baral

Company Secretary

Notes:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Proxy form in order to be effective, must be duly stamped, executed and reach the Registered Office of the Company not later than 48 hours before the time of commencement of the Meeting.
3. Corporate Members are requested to send to the Registered Office of the Company a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Meeting.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. Members / proxy holders are requested to bring their attendance slip duly signed so as to avoid inconvenience.
6. The Register of Members and the Share Transfer Book of the Company will remain closed from 6th September, 2018 to 12th September, 2018 (both days inclusive).
7. Members are requested to intimate to the Company queries, if any, on the Accounts at least 10 days before the meeting to enable the management to keep the required

8. Members holding shares in physical form are requested to advise any change in their registered address, transfer of equity shares and allied matters to the Company's Registrar and Transfer Agent, MCS Share Transfer Agents Limited, quoting their folio number. Members holding shares in electronic form must send the advice about change in their registered address or bank particulars, transfer of equity shares and allied matters to their respective Depository Participant and not to the Company.
9. In all correspondence with the Company or with its Share Transfer Agent, members are requested to quote their folio number and in case the shares are held in the dematerialised form, they must quote their Client ID Number and their DPID Number.
10. As per the Circular no. 17/2011 dated 21st April, 2011 issued by Ministry of Corporate Affairs, Members are requested to register their email address either with the Registrar and Transfer Agents of the Company, i.e., MCS Share Transfer Agents Limited or with their Depositories for electronic communication.
11. **EQUITY SHARES OF THE COMPANY ARE UNDER COMPULSORY DEMAT TRADING BY ALL INVESTORS. THOSE MEMBERS, WHO HAVE NOT DEMATERIALIZED THEIR SHARES, ARE ADVISED TO DEMATERIALIZED THEIR SHAREHOLDING, TO AVOID INCONVENIENCE IN FUTURE.**
12. Members who are holding equity shares in identical order of names in more than one folio are requested to write to the Company's Registrar and Transfer Agent, MCS Share Transfer Agents Limited, to enable the Company to consolidate their shareholding in one folio.
13. All documents referred to in the Notice are open for inspection at the Registered Office of the Company from 10 AM to 12 Noon on all working days until the date of Meeting or any adjournment(s) thereof.
14. Members are requested to bring their copy of Annual Report to the Meeting.
15. Electronic copy of the Annual Report for 2018 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes. For members who have not registered their email address, physical copies of the Annual Report for 2018 is being sent in the permitted mode.
16. Electronic copy of the Notice of the 21st Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 21st Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

I Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 21st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
 - (i) Open email and open PDF file viz; "UMESL" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
 - (vii) Select "EVEN" of Usha Martin Education & Solutions Limited.
 - (viii) Now you are ready for e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to mukhopadhyay_k@yahoo.co.in.
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

Initial Password as provided below:

EVEN(E VOTING EVENT NUMBER)	USER ID	PASSWORD/PIN
.....	PIN MAILER ENCLOSED	PIN MAILER ENCLOSED

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on Sunday, the 9th September, 2018 (9:00 am) and ends on Tuesday, the 11th September, 2018 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 5th September, 2018, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date 5th September, 2018.
- VII. Mr. K Mukhopadhyay (Membership No. FCS 4176), Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company.
- IX. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.umesl.co.in and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited and NSE Limited.

ANNEXURE TO NOTICE

Explanatory Statements in respect of Special Business pursuant to Section 102 & 152 of the Companies Act, 2013

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

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

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

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

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

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

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

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

DIRECTORS' REPORT TO THE MEMBERS

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

Financial Results

(₹ in Lakh)

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

Financial Review

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

Dividend

Your Directors do not recommend any dividend for the current financial year.

Reserve and Surplus

The balance of Reserves and Surplus, as at 31st March, 2018 stands at ₹. 1088.99 Lakhs after making the appropriations indicated above.

Subsidiary

The Company has obtained exemption from annexing accounts and other documents pertaining to subsidiary, through the general approval from Ministry of Corporate Affairs, Government of India, vide their letter no. 47/07/2011-CL-III dated 20th January 2011. However, the financial statements of the subsidiary company (i.e., Usha Martin Education Private Limited) and other detailed information will be made available to the members seeking such information at any point of time. The annual accounts of the subsidiary company will also be available for inspection at the Registered Office of the Company as well as at the Registered Office of the subsidiary.

Consolidated Financial Statements

The Audited Consolidated Financial Statements based on the Financial Statements received from subsidiary company, as approved by its Board of Directors, have been prepared in accordance with the Accounting Standard 21 (AS-21) – Consolidated Financial Statements as notified under Section 129 (3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 as applicable. Further, the Consolidated Financial Statements are also presented in accordance with Regulation 33 of the SEBI (Listing Obligation and Disclosures Requirement) Regulations, 2015 entered into with the stock exchanges where the shares of the company are listed.

Public Deposit

The Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

Particulars of Loans, Guarantees or Investments:

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the investments made by company are given in the notes to the financial statements.

Internal Control Systems and their adequacy:

Company is equipped with a proper and adequate system of internal controls for maintaining proper accounting cost control and efficiency in operation. Company has developed documented procedures and various methods as follows:-

- Proper Delegation of power to de-centralize the whole operation for making it more dynamic.
- Preparation of annual budget for targets for business growth which is continuously monitored throughout the year.
- Financial control & approval based on budget allocation.

The Company also has adequate system to ensure that all of its assets are safeguarded and protected against loss from unauthorized use or disposition, and transactions are authorized, recorded, and reported correctly. The internal control system is supplemented by internal audits, review by management, documented policies and procedures.

Corporate Social Responsibility initiatives

Your Company does not fulfill the criteria for making contribution towards corporate social responsibility as directed by The Companies (Corporate Social Responsibility Policy) Rule, 2014. However, as a responsible entity of the country we respect society value and make endeavor to contribute for the social cause as far as possible.

Directors

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

None of the Directors are disqualified under Section 149 of Companies Act, 2013. As required by law, this position is also reflected in the Auditors' Report.

- **Declaration of Independence**

The Independent Directors have submitted their declaration of Independence, as per the Companies Act, 2013 and Regulation 25 of the SEBI (LODR) Regulations, 2015 to the Board at the first Board Meeting of this current Financial Year.

- **Board Evaluation:**

You are aware that, in compliance with the Companies Act, 2013, your Board on its Meeting held on 29th January 2015, has adopted a Policy for evaluation of itself along with all its committees and all the Directors individually.

According to the policy, a comprehensive evaluation was done to assess the Board's performance as well as working of all its committees in its first Board Meeting held after the end of Financial Year 2017-18. The evaluation also included personal evaluation of individual Directors. The Directors provided their opinion and feedback on the questionnaire on secret ballot.

The Board noted the outcome of the evaluation and expects better governance in the Board's working for the coming period.

- **Remuneration Policy**

The earlier Remuneration Committee of the Company was renamed as The Nomination and Remuneration Committee. The Committee has been re-constituted in line with the provisions of Regulation 19 of the SEBI (Listing Obligation and Disclosures Requirement) Regulations, 2015 and also meets the requirement of Section 178 of the Companies Act, 2013.

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel and their remuneration.

- **Meetings:**

Details of the various meetings held during the financial year 2017-18 have been given in the Corporate Governance Report.

Corporate Governance

Your Company recognizes the importance of good Corporate Governance in building stakeholders' confidence, improving investor protection and enhancing long-term enterprise value. A report on Corporate Governance is annexed.

CEO / CFO Certification

The Whole-time Director and CFO of the Company have submitted a certificate to the Board as required under Regulation 17 (8) of the Listing Agreement for the year ended 31st March 2018.

Directors' Responsibility Statement

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013, the Directors confirm:

- That in preparation of the accounts for the financial year ended 31st March 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- That the Directors have prepared the accounts for the financial year ended 31st March 2018 on a 'going concern' basis.
- The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

Auditors

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

Here Auditor means Statutory Auditor.

M/s G Basu & Co., Chartered Accountant were appointed as the statutory auditors of the Company for a term upto the 23rd Annual General Meeting of the Company i.e upto the financial year 2020-21.

A resolution to ratify their appointment has been made a part of the Notice of the Meeting, for your consideration and adoption.

Human Resources

At your Company, the management believes and affirms the importance of development of human resources, which is most

valuable and key element in bringing all round improvement and achieving growth of the business. We are proud to have a successful relationship philosophy at all level, which focuses on finding solutions through dialogue in a spirit of open work culture and constructive team work. This has enabled us to maintain a cordial and peaceful work environment throughout.

The ratio of remuneration of Median Employee to that of the Whole time Director is 1:2 as at 31st March 2018. No other Directors get any remuneration from the Company except the Board sitting fees, which is ₹. 2,000 per meeting.

There was no increase in the salary of the Whole time Director, Company Secretary or other employees of the Company.

Related Party Transactions:

The Board has adopted a Related Party Transaction Policy for the Company at its meeting held on 29th January 2015.

However, during the financial year 2017-18, there is no materially significant related party transaction made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

Energy, Technology and Foreign Exchange Earning and Outgo

The nature of the Company's business does not require involving any type of energy consumption or adaptation of any technology.

The particulars required to be furnished under Rule 8 of the Companies (Accounts) Rules, 2014:

- (i) Part A and B pertaining to conservation of energy and technology absorption are not applicable to the Company.
- (ii) Foreign Exchange earnings and outgo are as under:

Earnings :	₹. 75.25 Lakhs
Outgo :	₹. 1.99 Lakhs

Vigil Mechanism / Whistle Blower Policy:

The Board has adopted a Whistle Blower Policy for the Company at its meeting held on 29th January 2015.

This policy is formulated to provide opportunity to all the employees to access in good faith, to the Audit Committee of the Company in case they observe any unethical and improper practice or behaviour or wrongful conduct in the Company and to prohibit managerial personnel from taking adverse personnel action against such employee.

Environment

Though the Company's operations are not inherently polluting in nature, the Company continues to take adequate precautions to comply with all regulatory measures in this regard at all the educational premises and sites, so that no harm would cause to the society and the nature at a large.

Declaration on compliance with code of conducts

The Board has formulated a Code of Conducts for the Board Members and Senior Management of the Company, which has been posted on the website of the Company.

It is hereby affirmed that all the Directors and Senior Management Personnel have complied with the Code and a confirmation to that effect has been obtained from the Directors and the Senior Management.

Prevention of Insider Trading:

The Company already had a structured Code of Conduct for Prevention of Insider Trading Policy since long back, with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code has been further streamlined to keep parity with the new Companies Act, 2013.

The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Directors and the designated employees, who hold any shares in the Company, have confirmed compliance with the Code.

Secretarial Audit:

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Mr. Prateek Kohli, Partner of M/s Prateek Kohli & Associates., Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as "Annexure B".

Extract of Annual Return:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure A".

Business Risk Management:

Pursuant to section 134 (3) (n) of the Companies Act, 2013, the company has adopted a Risk Management Policy. The Board identified some risks that may affect the business of your Company and segregated them in various categories. Based upon such categorization Board has directed the Management to adopt and follow certain preventive steps.

Board reviews the risks periodically.

Compliance Certificate

A Certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Schedule (V) (E) of the SEBI (Listing Obligation and Disclosures Requirement) Regulations, 2015 is attached to this Report.

Acknowledgements

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from shareholders, customers, vendors, bankers, and other business constituents for their support during the year under review. Your Directors also wish to place on records their deep sense of appreciation for the commitment displayed by all employees during the year.

On Behalf of the Board of Directors

Place: Kolkata

Debjit Bhattacharya

Vinay Kumar Gupta

Date: 30th May, 2018

Director (DIN: 02560547)

Whole-time Director (DIN: 00574665)

Auditors' Certificate on compliance of conditions of Corporate Governance.

To

The Members

Usha Martin Education & Solutions Limited

We have examined the compliance of conditions of Corporate Governance by Usha Martin Education & Solutions Limited ("the Company"), for the year ended on 31 March 2018, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations)

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

We conducted our examination in accordance with the guidance note on Reports or Certificates for Special Purposes (Revised 2016) issued by Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality control for firms that perform audits and Reviews of Historical Financial Statements, and Other Assurance and Related Services Engagements.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Obligations and Disclosure Requirements, as applicable.

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

Place: Kolkata

Date: 30th May, 2018

For G.Basu & Company

Firm Registration Number:301174E

Chartered Accountants

P.K.Chaudhuri Partner

Membership No. 003814

CEO & CFO Certification[Regulation 17(8)]

CEO/CFO Certification specified in Part –B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To

The Board of Directors

Usha Martin Education & Solutions Limited

In pursuance to Part –B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with various Stock Exchanges, we hereby certify as under with regard to the Annual Audited Accounts of the Company for the financial year ended 31st March, 2018, including the Schedules and notes forming part thereof, as well as the Cash Flow Statement for the financial year ended as on that date:

- a. That the financial statements and the cash flow statement for the year have been reviewed and that to the best of our knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. That there are, to the best of our knowledge and belief, no transactions entered into by the company during the year which is fraudulent, illegal or violative of the company's code of conduct.
- c. That we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware of and the steps we have taken or propose to take to rectify these deficiencies.
- d. That we have indicated to the auditors and the Audit committee :
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in notes to the financial statements; and
 - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Date: 30th May, 2018

Place: Kolkata

Vinay Kumar Gupta

Whole-time Director

Indrajit Bandyopadhyay

Chief Financial Officer

ANNEXURE - A

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

I. REGISTRATION AND OTHER DETAILS

i)	CIN:	L31300WB1997PLC085210
ii)	Registration Date	18/08/1997
iii)	Name of the Company	Usha Martin Education & Solutions Limited
iv)	Category/Sub Category of the Company	Company Limited by shares/ Indian Non-Government Company
v)	Address of the Registered Office and Contact Details	Godrej Waterside, 5 th Floor, Block - DP, Sector V, Salt Lake City, Kolkata-700091 Telephone: 033 3322 3700 FAX: 033 3322 3800 E-mail: chaitee.baral@umesl.co.in
vi)	Whether listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agents Limited 12/1/5, Monaharpukur Road, Ground Floor, Kolkata - 700026 Telephone: 033 4072-4051/52/53, FAX: 033 4072-4050 E-mail: mcssta@rediffmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No	Name and Description of main products / services	NIC Code of the Product /service	% to total turnover of the company	% of Shares	Applicable Section
1	Educational Support Services	855	100%	100%	2 (87)

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	% Of Shares	Applicable Section	Holding/Subsidiary/Associate
1	Usha Martin Education Private Limited Godrej Waterside, 5 th Floor Block-DP, Sector-V, Salt Lake City, Kolkata - 700 091	U80221WB2009PTC140112	100%	2 (87)	Subsidiary

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	429241	0	429241	1.625	414623	0	414623	1.602	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	8510364	0	8510364	32.217	8510364	0	8510364	32.217	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1):-	8939605	0	8939605	34.00	8924987	0	8924987	33.84	0
(2) Foreign									
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp	2388291	0	2388291	9.041	2388291	0	2388291	9.041	0

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(2):-	2388291	0	2388291	9.041	2388291	0	2388291	9.041	0
Total Shareholding of Promoter(A)=A(1) + A(2)	11327896	0	11327896	43.041	11313278	0	11313278	42.881	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1101	533	1634	0.006	1101	533	1634	0.006	0
b) Banks / FI	2921	3052	5973	0.023	2921	3052	5973	0.023	0
c) Central Govt	0	727	727	0.003	0	727	727	0.003	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	929862	0	929862	3.520	929862	0	929862	3.520	0
g) FIs	1277291	699	1277990	4.838	1277291	699	1277990	4.838	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	2211175	5011	2216186	8.390	2211175	5011	2216186	8.390	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1757387	15048	1772435	6.710	2038996	15048	2054044	7.776	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹.2Lakh	7233962	575117	7809079	29.562	8134743	571588	8706331	32.989	0
ii) Individual shareholders holding nominal share capital in excess of ₹.2 lakh	1151533	0	1151533	4.359	1234581	0	1234581	4.674	0
iii) NBFC Registered with RBI	0	250	250	0.00	0	0	0	0	0
c) Others (specify)									
i. Trust & Foundation	98	0	98	0.000	132	0	132	0.000	0
ii. NRI with REPAT	310237	9479	319716	1.210	324187	9479	333666	1.263	0
ii. NRI without REPAT	18163	0	18163	0.688	18741	0	18741	0.0701	0
iii. Cooperative Societies	1000	0	1000	0.004	1000	0	1000	0.004	0
iv. OCB	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	10472380	599644	11072024	42.529	11752380	596115	12348363	46.776	0
Total Shareholding of Promotor (B)=B(1) + B(2)	12683555	604655	13288210	50.077	13963555	601126	14564549	55.166	0
C. Shares held by Custodian for GDRs & ADRs	1799455	0	1799455	6.812	537852	0	537852	2.077	0
Grand Total (A+B+C)	25810906	604905	26415811	100	25814685	601126	26415811	100	0

ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total Shares	
1	Usha Breco Limited	0	0	0	3377627	12.79	0	12.79
2	UMIL Share & Stock Broking Services Ltd	3075127	11.64	0	3075127	11.64	0	0
3	Peterhouse Investments India Limited	2968718	11.24	0	0	0	0	11.24
4	Peterhouse Investments Ltd	2388291	9.04	0	2388291	9.23	0	0
5	Prajeev Investments Limited	2057610	7.79	0	2057610	7.79	0	0
6	Usha Martin Ventures Ltd	408909	1.55	0	0	0	0	1.55
7	Basant Kumar Jhawar	158462	0.60	0	158462	0.60	0	0
8	Prashant Jhawar	134220	0.51	0	134220	0.51	0	0
9	Rajeev Jhawar	36957	0.14	0	36957	0.14	0	0
10	Anupama Jhawar	36466	0.14	0	36466	0.14	0	0
11	Shanti Devi Jhawar	35065	0.13	0	35065	0.13	0	0
12	Akshay Goenka	4878	0.02	0	4878	0.02	0	0
13	Susmita Jhawar	4736	0.02	0	4736	0.02	0	0
14	Brij Kishore Jhawar	2973	0.11	0	2973	0.11	0	0
15	Stuti Raghav Agarwalla	666	0.00	0	666	0.00	0	0
16	Apurv Jhawar	399	0.00	0	399	0.00	0	0
17	Biharilal Santhalia	200	0.00	0	200	0.00	0	0
18	Anupriya Jhawar	661	0.00	0	661	0.00	0	0

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

SN	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Peterhouse Investments India Limited				
	At the beginning of the year	2968718	11.24	0	0.00
	Sale of Shares to Usha Breco Limited	2968718	11.24	0	0.00
	At the end of the year	0	0.00	0	0.00
2.	Usha Martin Ventures Limited				
	At the beginning of the year	408909	1.55	0	0.00
	Sale of Shares to Usha Breco Limited	408909	1.55	0	0.00
	At the end of the year	0	0.00	0	0.00
3.	Usha Breco Limited				
	At the beginning of the year	0	0	0	0.00
	Purchase of Shares	3377627	12.79	3377627	12.79
	At the end of the year	3377627	12.79	3377627	12.79

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

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ELARA INDIA OPPORTUNITIES FUND LIMITED	1277291	4.8353	1277291	4.8353
2	FOLLOWEL ENGINEERING LIMITED	468000	1.7717	468000	1.7717
3	RAJYA BARDHAN KANORIA	450055	1.7037	450055	1.7037

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	GENERAL INSURANCE CORPORATION OF INDIA	369295	1.398	369295	1.398
5	AJAY MEENA	319160	1.208	319160	1.208
6	EDELWEISS BROKING LIMITED	288899	1.208	288899	1.208
7	FALGUNI NILESH DEDHIA	247500	0.9369	247500	0.9369
8	NATIONAL INSURANCE COMPANY LTD.	227035	0.8595	227035	0.8595
9	ANJU TANTIA	217866	0.8248	217866	0.8248
10	GOLDVIEW FINANCIAL SERVICES LTD	198974	0.7532	198974	0.7532

v) Shareholding of Directors and Key Managerial Personnel

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Prashant Jhawar				
	At the beginning of the year	134220	0.51	134220	0.51
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year	134220	0.51	134220	0.51
2.	Rajeev Jhawar				
	At the beginning of the year	36957	0.14	36957	0.14
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year	36957	0.14	36957	0.14
3.	Debjit Bhattacharya				
	At the beginning of the year	48183	0.18	48183	0.18
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year	48183	0.18	48183	0.18

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in ₹.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4940777.34	23,700,000.00	—	28,640,777.34
ii) Interest due but not paid	43,497.00	4,328,985.00	—	4,372,482.00

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-
A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(Amount in ₹.)

SN.	Particulars of Remuneration		Name of Whole-time Director	Total Amount
			Vinay Kumar Gupta	
1	Gross salary		412500	412500
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		NIL	NIL
2	Stock Option		NIL	NIL
3	Sweat Equity		NIL	NIL
4	Commission- as % of profit- others, specify ...		NIL	NIL
5	Others, (Allowances, Reimbursements & Retrials)		837500	837500
	Total (A)		1250000	1250000
	Ceiling as per the Act			

B. Remuneration to other Directors

(Amount in ₹.)

SN.	Particulars of Remuneration	Name of Directors					Total Amt.
1	Independent Directors	Rahul Choudhary	Trivikram Khaitan	Arun Kumar Ladha	Manoj Kumar Vijay	Nitin Sharma	
	Fee for attending board committee meetings	20000	12000	2000	8000	2000	
	Commission	0	0	0	0	0	
	Others, please specify						
	Total (1)	20000	12000	2000	8000	2000	
2	Other Non-Executive Directors	P.Jhawar	R.Jhawar	Gangotri Guha	Debjit Bhattacharya		
	Fee for attending board committee meetings	2000	0	16000	12000		
	Commission	0	0	0	NIL		
	Others, please specify	0	0	0	NIL		
	Total (2)	2000	0	16000	12000		
	Total (B)=(1+2)	22000	12000	18000	20000		
	Total Managerial Remuneration						74000
	Overall Ceiling as per the Act						

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

(Amount in ₹.)

SN	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	132000	218129	350129
	(b) Value of perquisites u/s 17(2) income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL
	others, specify...	NIL	NIL	NIL
5	Others, (Allowances, Reimbursements & Retrials)	268000	559115	827115
	Total	400000	777244	1177244

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details Penalty of / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
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A. COMPANY

Penalty					
Punishment					
Compounding					

B. DIRECTORS

Penalty					
Punishment			NIL		
Compounding					

C. OTHER OFFICERS IN DEFAULT

Penalty					
Punishment					
Compounding					

ANNEXURE -B
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st Day of March, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2015 as amended from time to time]

To,
The Members,
Usha Martin Education & Solutions Limited
L31300WB1997PLC085210

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Usha Martin Education & Solutions Limited (hereinafter called "the Company"). The Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion the Company has, during the audit period covering the financial year ended 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2018 according to the provisions of:

- I. The Companies Act, 2013 ("the Act") and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- III. Secretarial Audit
The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. The following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993;
- V. No Specific Laws were applicable to the Company during the period under review.
We have also examined the compliance by the company of the following statutory provisions/standards/regulations:
 - a. The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - b. The Secretarial Standards (SS - 1 and SS - 2) issued by the Institute of Company Secretaries of India. Draft Minutes of all the Meetings are sent to the Directors of the Company along with the Agenda of the next meeting for finalization thereon.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director whereas the members of the company had given their consent for regularization of Gangotri Guha filing of which is still pending with the Registrar of Companies. Further Mr. Rajeev Jhavar has not attended any meetings of the Board for a period of one year neither he has prayed for any leave of absence as apparent from the records of the company. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and SEBI (LODR) Regulations, 2015.

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

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines as also represented by the management.

We further report that during the period under review there were no special events which occurred.

Place : Kolkata
Date : 30.05.2018

For Prateek Kohli & Associates
Company Secretaries

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

Industry Overview:

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

The rapid increase in Internet connectivity in the last few years has been an important catalyst for the growth of e-learning in India and floating with the dream to be a "Digital India" in near future. A robust Internet ecosystem, with a multitude of local and global players, will help online learning make further inroads.

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

With the number of Indian Internet users expected to reach 250 million this year, rivalling the US and second only to China, India's potential as a huge market for e-learning is enormous. Additionally, a large number of new users are accessing the Internet for the first time from their smartphones, which is an ideal, personalised and commerce-enabled platform for e-learning adoption.

Fuelling this growth will be India's education system, already one of the largest in the world with a network of more than one million schools and 18,000 higher education institutions. More than half of the country's 1.2 billion population falls in the target market for education and related services.

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

E-learning brings unique advantages, the most prominent being the ability for online instructors to provide personalised attention to all students. This is especially critical for those students who cannot afford private face-to-face tutoring sessions or who live in rural areas where such help is not available. In a conventional set up, this is only possible when a highly skilled tutor offers one-to-one tutorials to a student. However, considering that most of the institutions have a classroom-based setup, such individualised attention becomes very difficult.

Another important advantage is that people living in smaller towns and cities can get access to the best possible learning resources from across the world, at a very affordable price. This helps create a level-playing field.

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

(Source: Organization's internal research data, <http://www.intechopen.com>, <http://www.hughes.com>, <http://www.ijitmas.com>)

Company Outlook & Strategy:

Your Company is engaged in imparting training to the fresher and experienced professionals in different modules (technical and functional) of ERP. After providing the training, your company is also taking the initiative to assist the participants to get a suitable placement. Some of our students are well placed in companies like Wipro, Cap Gemini, Deloitte, TCS etc.

Since your company is operating from Kolkata, we are suffering from the problem of enrolment of the desired number. The reasons are of the low payment capability of the inhabitants and less job opportunity in the local industries followed by low level of interest and awareness.

Your Company also has started imparting training to the employees of various corporates including some of the Companies within the same Group.

Business Review:
Learning Business Segment:

- Understanding the gradual increase of the importance of e-learning and IT-enabled courses your company is continuing to impart quality training of ERP modules in a state-of-art infrastructure and to provide the placement assistance to the successful consultants.
- Your company is also providing training on ERP, e-Commerce, BigData Analytics and other allied areas to the employees of its sister concerns.
- Your company has also initiated to impart training on customised ERP modules and assist the neighbouring countries to get trained and to enhance the employability skill.

Opportunities and Threats:

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

However we are enthusiastic to produce skilled workers and the administrators are willing to create a congenial environment but in terms of creating employment opportunities we are still looking for in bound projects and struggling to become self-reliant. Our industries should be directed in such a fashion that our equipped professionals should no longer to look outwards for implementing their hard earned skills and expertise.

Adequacy of Internal Controls:

As a practice the company continues with the process of having internal control system which is adequate and in commensuration with the span and quality of operations of the organization. Benchmarks related to cost, quality, purchase etc. are strictly monitored to ensure a smooth and standardized operations. The synopsis of the procedures is: * Proper Delegation of power to de-centralise the whole operation for making it more dynamic.

- Preparation of annual budget for targets for business growth which is continuously monitored throughout the year. Any deviation is properly evaluated.
- Financial control & approval based on budget allocation.

The Company also has adequate system to ensure that all of its assets are safeguarded and protected against loss from unauthorized use or disposition, and transactions are authorized, recorded, and reported correctly. The internal control system is supplemented by internal audits, review by management, documented policies and procedures.

Human Resources:

Human capital is treated as an integrated part of organization's development. Right skills and attitudes are required for achieving the objectives of the organization. Keeping those in mind your company searches the right talent as and when required and right skills are always encouraged. The company maintains the appropriate HR policies and practices as per the industry standards and creates a congenial working environment within the organization.

The Board of Directors expresses its deep appreciation for sincere efforts made by the employees of your Company at all levels for the development of its business during the year and their co-operation in maintaining cordial relations.

Cautionary Statements

This document includes certain forward-looking statements. These statements are based on management's current expectations or beliefs, and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive, technological and/or regulatory factors. The Company is under no obligation to, and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates. This Report should be read in conjunction with the financial statements included herein and the notes thereto.

On Behalf of the Board of Directors

Place: Kolkata

Date: 30th May, 2018

Debjit Bhattacharya

Director (DIN: 02560547)

Vinay Kumar Gupta

Whole-time Director (DIN: 00574665)

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance ensures a mechanism of observance which in turn ensures that the Management empowered with the ultimate decision making abilities, is using utmost care and is responsible enough to safeguard the stakeholders' aspirations and expectations. Good governance can be achieved only if it is embedded as part of the corporate culture in the Organisation. Good corporate governance is a continuing exercise and it or the lack of it can have an impact on the entire organization and its business activities as a whole. Hence the Company's activities are carried out in accordance with good corporate practices and are constantly striving to improve upon the same. The Company is always in compliance with all the procedures and stipulations as directed by Companies Act and other statutory legislations and the SEBI (LODR) Regulations, 2015.

II. BOARD OF DIRECTORS

➤ Composition

The Company's policy is to maintain optimum combination of Executive Directors, Non-Executive Directors and Independent Directors.

The total strength of your Board of Directors as on 31st March, 2018 was Ten members consisting of one Non-Executive Chairman, Three Non-Executive Directors, including one Women Director, Five Independent Director and One Executive Director.

None of the Directors on the Board is a Member of more than ten Committees or a Chairman of more than five Committees [as specified under Regulation 26 of SEBI (Listing Obligation and Disclosure Requirement) Regulation] across all the companies in which he is a Director. All the Directors have furnished a notice of disclosure of interest as specified under Section 184(1) of the Companies Act, 2013. The Company maintains Register of Contracts and details of companies and firms in which Directors are interested as provided under Section 189 of the said Act.

All the Independent Directors of the Company at the first meeting of the Board in every financial year give a declaration that they meet with the criteria of independence as provided under Companies Act, 2013 and Reg. 16 & 25 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

Composition of the Board of Directors and their shareholding as on 31st March, 2018

Name	Designation	No. of Outside Directorship held **	No. of outside Committee position held #		No. of Equity Shares held
			Member	Chairman	
Shri. Prashant Jhawar	Chairman/Non-Executive	7	—	—	134,220
Shri. Rajeev Jhawar	Vice-Chairman /Non-Executive	4	2	—	36,957
Shri. Trivikram Khaitan	Non-Executive/ Independent	—	—	—	—
Shri. Rahul Choudhary	Non-Executive / Independent	—	—	—	—
Shri. Debjit Bhattacharya	Non-Executive	4	1	—	48,183
Smt. Gangotri Guha	Woman Director/ Non-Executive	2	—	—	—
Shri. Vinay Kumar Gupta	Whole-Time Director/ Executive	—	—	—	—
Mr. Manoj Kumar Vijay	Non-Executive/ Independent	2	2	—	—
Mr. Nitin Sharma	Non-Executive/ Independent	—	—	—	—
Mr. Arun Kumar Ladha	Non-Executive/ Independent	—	—	—	—

** Excluding foreign companies, private companies and companies under Section 8 of the Companies Act, 2013

Chairmanship and membership of Audit Committee and Stakeholders' Relationship Committee is only considered.

➤ Meeting of the Board of Directors

The dates of the Board Meetings are schedule in advance and accordingly intimation being sent to the Board Members. Senior officials are also invited to attend the meetings to provide clarification as and when required. During the year under review, 4(Four) Board meetings were held.

The dates on which the Board Meetings were held are as follows: 26th May, 2017, 17th August, 2017, 14th November, 2017 and 9th February, 2018. All relevant information as required under Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 was placed before the Board from time to time.

Attendance of the Directors at the Meeting of the Board and at the last AGM

Director	Board Meetings Attended	Presence in AGM
Shri Prashant Jhawar	1	Not Present
Shri Rajeev Jhawar	Nil	Not Present
Shri Arun Kumar Ladha	1	Present
Shri Trivikram Khaitan	2	Not Present
Shri Debjit Bhattacharya	4	Present
Shri Rahul Choudhary	4	Present
Smt. Gangotri Guha	4	Present
Shri Nitin Sharma	1	Not Present
Shri Manoj Kumar Vijay	2	Present
Shri Vinay Kumar Gupta	4	Present

➤ Functioning and responsibilities of Board of Directors

The Board of directors plays the primary role in ensuring good corporate governance and functioning of the Company. All statutory and other significant and material information including information mentioned in the Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, is placed before the Board to enable it to discharge its responsibilities of strategic supervision of the Company as trustees of the members. The Company has an effective post-meeting follow-up mechanism in place. Action Taken Report on decisions taken at previous meetings of the Board is reviewed at the subsequent meeting of the Board.

➤ Compliance with Laws

Pursuant to Regulation 17(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, the Board periodically reviews compliance report on all laws applicable to the Company, as prepared by the Company. There has been no non-compliance in this respect.

➤ Code of Conduct

The Company maintains a well-defined Code of Conduct for Board Members and Senior Executive of the Management, and the same has been circulated to all concerned and is also hosted on the website of the Company. As per Regulation 17(5) SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, the Board Members and Senior Executives of the Management have given their declarations confirming compliance of the provisions of the above Code of Conduct.

➤ Board Evaluation

As per Companies Act, 2013, the Board has a formal mechanism for evaluating its performance and has adopted a Policy for evaluation of itself along with all its committees and all the Directors individually.

Based on such policy, the Board in its first Board Meeting held after the end of Financial Year 2017-18, performed an Evaluation, on a comprehensive basis, of its own working, as well as working of all its committees. The evaluation also included personal evaluation of individual Directors.

As a result of such evaluation some advises generated, which the entire Board noted and adopted to follow in its future performance.

III. AUDIT COMMITTEE
➤ Constitution of Audit Committee

The Audit Committee has been constituted in the year 2000 and it meets all the requirements of the provisions of Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and also meets the requirement of Section 177 of the Companies Act, 2013. The members of the Committee are financial experts. The Chairman of the committee is an independent director, elected by the Members of the Committee.

The members of Audit Committee as on 31st March 2018 are as follows:

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

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

The Company Secretary acts as the Secretary to the committee.

➤ **Terms of Reference for Audit Committee**

The terms of reference of Audit Committee cover the areas mentioned under Part C of Schedule II of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 as well as Section 177 of the Companies Act, 2013.

Apart from the Annual Accounts, the Audit Committee had also reviewed the Un-audited quarterly financial results and internal audit report of the Company during the year.

➤ **Meeting of the Audit Committee**

The dates of the Audit Committee Meeting are fixed in advance and accordingly intimation being sent to the Audit Committee Members. During the year under review, 4 (four) Audit Committee Meetings were held on 26th May, 2017, 17th August, 2017, 14th November, 2017 and 9th February, 2018 and the attendance are as follows:

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

IV. NOMINATION AND REMUNERATION COMMITTEE

➤ **Constitution of Nomination and Remuneration Committee**

The Nomination and Remuneration has been constituted in line with the provisions of Regulation 19 of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 and also meets the requirement of Section 178 of the Companies Act, 2013. As on 31st March 2018, the Committee comprises of following members:

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

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

The Company Secretary acts as Secretary of the Committee.

➤ **Terms of Reference of Nomination and Remuneration Committee**

The terms of the reference of Nomination and Remuneration Committee covers the areas mentioned under Part D of Schedule II of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 as well as section 178 of the Companies Act, 2013.

➤ **Meeting of the Nomination and Remuneration Committee**

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

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

Details of Remuneration paid to all Directors

- Executive Directors**

The remuneration of Whole-time Director is recommended by the Nomination and Remuneration Committee to the Board of Directors for its necessary consideration and approval. The remuneration of the Executive Director is to be approved by the members at the General Meeting of the Company.

Executive Director	Relationship with other Directors	Business relationship with the Company	All elements of remuneration package	Fixed components and performance linked incentives	Service contracts, notice period	Stock options details, if any	Date of Appointment
Shri. Vinay Kumar Gupta	None	Whole-time Director	Pl. see note below	Pl. see note below	Pl. see note below	Pl. see note below	Re-Appointed as Executive Director w.e.f: 4 th July, 2018

Notes:

- Details as per Note to the Notes on Accounts;
- The appointment is subject to termination by 3 months' notice in writing from either side;
- The Company does not have any scheme for grant of stock options to its Directors and Employees.

- Non-Executive Directors**

Directors	Sitting Fees Paid (₹)		
	Board Meeting	Audit Committee Meeting	Nomination and Remuneration Committee
Shri Prashant Jhavar	2000	NA	NA
Shri Rajeev Jhavar	NA	NA	—
Shri Arun Kumar Ladha	2000	NA	NA
Shri Trivikram Khaitan	4000	4000	4000
Shri Debjit Bhattacharya	8000	4000	NA
Shri Rahul Choudhary	8000	8000	4000
Smt. Gangotri Guha	8000	8000	—
Shri Nitin Sharma	2000	NA	NA
Shri Manoj Kumar Vijay	4000	4000	—

The Non-Executive Directors of the Company are also eligible for commission for any financial year as per the Articles of Association of the Company, if approved by the Board. The Non-Executive Directors were not paid any commission or any other remuneration during the financial year under review.

V. STAKEHOLDERS RELATIONSHIP COMMITTEE

➤ **Constitution of Stakeholders Relationship Committee**

The Stakeholders Relationship Committee comprises of following members as on 31st March 2018:

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

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

➤ **Terms of Reference of the Committee**

The Terms of Reference of the Stakeholders Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and also include the roles as stipulated in Regulation 20 of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015.

Status of complaints for the period from 01-04-2017 to 31-03-2018:

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

➤ Meeting of the Stakeholders Relationship Committee

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

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

VI. GENERAL BODY MEETINGS

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

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

VII. DISCLOSURES
➤ Materially significant related party transactions

The Board of Directors have adopted Related Party Disclosure Policy as per the newly enacted Companies Act, 2013 and Regulation 23(3) of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 the same has been uploaded in the website of the Company.

There were no materially significant related party transactions (i.e. transactions of the Company of material nature) made by the Company with its Promoters, Directors or Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.

Transactions with the related parties are disclosed in the Notes to the Accounts.

➤ Details of Non-compliance during the last three year

During the last three years, there were no strictures or penalties imposed on the Company by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter relating to Capital Market.

➤ Whistle Blower Policy

The Whistle Blower Policy made in accordance with Companies Act, 2013 and Regulation 46 (2)(e) of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 of the Listing Agreement has been adopted by the Board of Directors and the same has been uploaded in the website of the Company. It is also affirmed that no personnel has been

➤ Subsidiaries

The Company has a subsidiary under the name and style of "Usha Martin Education Private Limited". An Independent Director of the Company is appointed as one of the Director of subsidiary company. The minutes of proceedings of meetings of the Board of Directors of subsidiary companies are placed before the Board of Directors of the Company and attention of the directors is drawn to significant transactions and arrangements entered into by the subsidiary company.

➤ Disclosure of Accounting treatment

The financial statements are prepared on accrual basis of accounting and in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India from time to time, Indian GAAP, provisions of the Companies Act, 2013 and comply in material aspects with the accounting standards notified under Section 211 (3C) of the Companies Act, 2013 read with the Companies (Accounting Standard) Rules, 2006.

➤ **CEO/CFO Certification**

As required by Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, the management has given a declaration to the Board that they have no personal interest in any material, commercial and financial transactions that may have potential conflict with the interest of the Company at large.

➤ **Reconciliation of Share Capital Audit**

A qualified practicing Company Secretary carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Ltd (NSDL) and Central Depository Services Ltd (CDSL) with the total issued paid-up and listed capital. The Reconciliation of Share Capital Audit Report confirms the total issued/paid-up capital is in agreement with the total number of share in physical and dematerialized form.

➤ **Compliance with Non Mandatory requirements**

- **The Board**

The Board decided to maintain the office of Chairman and Vice-Chairman. Shri Prashant Jhavar and Shri Rajeev Jhavar were appointed/ elected to be the Chairman and Vice-Chairman of the Company, respectively, until otherwise decided.

- **Audit Qualification**

There is no audit qualification.

- **Report of Internal Auditor**

Internal Audit Report as issued by the Internal Auditor of the Company is reviewed quarterly by the Audit Committee of the Company.

The rest of the Non Mandatory Requirements such as Shareholders' Right, will be implemented by the Company as and when required and / or deemed necessary by the Board.

VIII. MEANS OF COMMUNICATION

➤ **Financial Results**

The quarterly unaudited financial results of the Company are announced within 45 days of the end of respective quarter and the audited financial results are announced within 60 days of the end of financial year. The results are published in one English Newspaper and a vernacular (Bengali) Newspaper. The results are also promptly forwarded to stock exchanges in which the shares of the Company are listed.

➤ **Website**

The Company's website www.umesl.co.in provides a separate section for the investors where relevant shareholders information is available. The Annual Report of the Company is also available on the website in a user-friendly and downloadable form.

➤ **Annual Report**

Annual Report is circulated to members and others entitled thereto. Corporate Governance Report form a part of the Annual Report.

➤ **Chairman's speech at General Meeting**

Chairman's speech is distributed to the members at the Annual General Meeting. The same is also sent to the stock exchanges for information of members.

IX. GENERAL SHAREHOLDERS INFORMATION

➤ Date of Incorporation	18 th August, 1997
➤ Corporate Identity Number (CIN)	L31300WB1997PLC085210
➤ Registered Office	Godrej Waterside, 5 th Floor, Block - DP, Sector - V, Salt Lake Kolkata 700 091
➤ Date, time and Venue of Annual General Meeting	12 th September, 2018 at 11.30 A.M. at "Sujata Sadan Auditorium", 7, Bakul Bagan, Bhowanipur, Hazra Road, Kolkata - 700 026
➤ Financial Calendar (tentative and subject to change)	
• Financial reporting for the first quarter ending June 30, 2018	On or before 15 th August, 2018
• Financial reporting for the second quarter ending September 30, 2018	On or before 15 th November, 2018
• Financial reporting for the third quarter ending December 31, 2018	On or before 15 th February, 2019
• Audited Results for the year ended March 31, 2019	On or before 31 st May, 2019
• Annual General Meeting for the year ended March 31, 2019	On or before 30 th September, 2019
➤ Date of Book Closure	6 th September, 2018 - 12 th September, 2018 (both days inclusive)
➤ Dividend Payment Date	Not Applicable

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

➤ Market Price Data

Share price for financial year 2017 - 18

Prices in ₹

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

Distribution of Shareholding as on 31st March, 2018

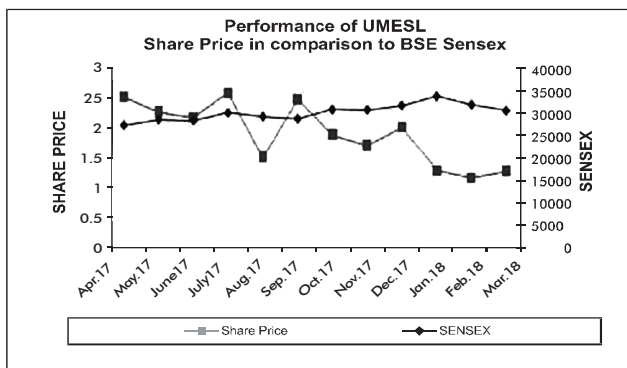
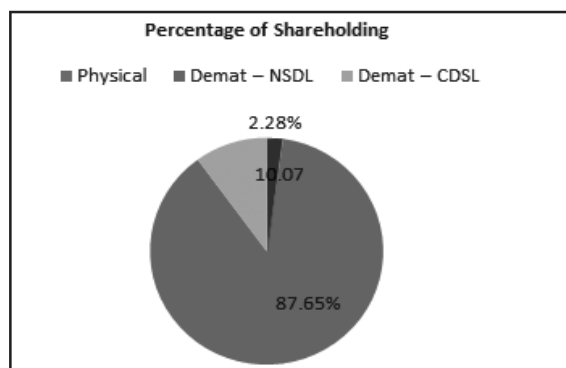
Range	No. of Shareholders	Number of Shares
1 - 500	28823	1999621
501 - 1000	1055	899460
1001 - 5000	906	2192747
5001 - 10000	250	4284384
10001 & above	26	17039599
Total	31199	26415811

➤ **Performance of Company's Shares vis-à-vis BSE Sensex**

Comparison of monthly closing price of the Company with monthly closing BSE Sensex during the period April 2017 to March, 2018 is given below:

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

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



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

The shares of the Company are compulsorily traded in dematerialized form. In order to facilitate the members to dematerialize the shares, the Company has an agreement with NSDL and CDSL. The summarized position of members in physical and Demat segment as on 31st March, 2018 is as under:

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

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

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

➤ **Share Transfer System**

The Company at its Registered Office or at M/s. MCS Share Transfer Agent Ltd, Registrar and Transfer Agents, Kolkata receives the application for transfers, transmission, sub division and consolidation. As the Company's shares are currently traded in dematerialized form, the transfers are processed and approved in the electronic form by NSDL/CDSL through their depository participants. The Company on a regular basis processes the physical transfers and the certificates are dispatched by the Registrar directly to the transferees. A committee of the members of the Board is also formed to approve the share transfer.

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

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

INDEPENDENT AUDITOR'S REPORT

To the Members of USHA MARTIN EDUCATION & SOLUTIONS LIMITED

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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

P.K.Chaudhuri Partner
Membership No. 003814

Place : Kolkata

Dated : 30th May 2018

ANNEXURE "1" TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Usha Martin Education & Solutions Limited, ("the Company") as of 31st March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Kolkata

Dated : 30th May 2018

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

P.K.Chaudhuri Partner
Membership No. 003814

ANNEXURE "2" TO THE AUDITORS' REPORT

THIS IS REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE

- i) The body corporate has fixed assets during the year.
 - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. Physical Verification has not been conducted during the year under audit.
- ii) The company is a service company. Accordingly it does not hold any physical inventories. Thus paragraph 3(ii) of the Order is not applicable.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of paragraph 3(iii)(a) to (c) of the Order are not applicable to the Company.
- iv) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable. Hence, paragraph 3(v) of the Order is not applicable.
- v) The clause relating to maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the company. Hence, paragraph 3(vi) of the Order is not applicable.
- vi)
 - (a) Accordingly to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. Accordingly to the information and explanation given to us, no undisputed amounts payable in respect of the above were in arrears as at 31st March, 2018 for a period of more than six months from the date on when they become payable.
 - (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- vii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institution, bank, government or dues to debenture holders (there is no debenture holders).
- viii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, paragraph 3(xi) of the order is not applicable to the Company.
- ix) According to the information and explanations given to us, no fraud by the Company or on the company by its offers or employees has been noticed or reported during the year.
- x) Accordingly to the information and explanations given to us and on the basis of our examination of the records of the company, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies.
- xi) In our Opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xii) According to the information and explanations given to us and on the basis of our examination of the records where of the company, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiii) Accordingly to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- xiv) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable to the company.
- xv) Other clauses of the Order are not applicable to the Company.

Place : Kolkata

Dated : 30th May 2018

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

P.K.Chaudhuri Partner
Membership No. 003814

Balance Sheet as at 31st March, 2018

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

Notes on Account and Significant Accounting Policies

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The accompanying notes are integral part of the Balance Sheet.
This is the Balance Sheet referred to in our report of even date.

For G.Basu & Company

Firm Registration Number: 301174E

Chartered Accountants

P.K.Chaudhuri

Partner

Membership No. 003814

Place: Kolkata

Date : 30th May, 2018

For and on behalf of the Board of Directors
Debjit Bhattacharya

Director (DIN: 02560547)

Vinay Kumar Gupta

Whole-Time Director (DIN: 00574665)

Chaittee Baral

Company Secretary

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

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

Notes on Account and Significant
Accounting Policies 22
The accompanying notes are integral part of the Profit
and Loss.

This is the Statement of Profit & Loss referred
to in our report of even date

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

Place: Kolkata
Date : 30th May, 2018

For and on behalf of the Board of Directors

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

Statement of Changes in Equity for the year ended March 31, 2018

A. Equity Share Capital

(Amount in ₹)

Balance at the April 01, 2017	26,415,811
Changes in the Equity Share Capital during the year on account of shares issued	–
Balance at the March 31, 2018	26,415,811

B. Other Equity

(Amount in ₹)

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

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

A. Equity Share Capital

(Amount in ₹)

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

B. Other Equity

(Amount in ₹)

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

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

Place: Kolkata
Date : 30th May, 2018

For and on behalf of the Board of Directors

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

Notes Annexed to and forming part of the Financial Statements**1) PROPERTY, PLANT AND EQUIPMENT**

Assets	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount	
	As at April 01, 2017	Additions During the year	Disposal/ Adjustments During the year	As at March 31, 2018	As at April 01, 2017	Additions During the year	As at March 31, 2018	As at April 01, 2017
Buildings	13,472,826	-	-	13,472,826	1,296,073	-	1,296,073	12,176,753
Plant and Equipment	3,169,752	-	597,721	2,572,031	2,729,194	98,847	2,230,330	341,701
Vehicles	1,933,657	-	396,932	1,536,725	1,503,618	208,336	1,315,022	430,039
Furniture and Fixture	2,464,493	-	50,970	2,413,523	1,605,484	403,718	1,977,007	859,009
Office Equipment	2,067,837	-	1,432,169	635,668	1,588,053	132,150	456,700	479,784
Total [A]	23,108,565	-	2,477,792	20,630,773	8,722,422	843,051	7,275,132	14,386,143
Assets	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount	
	As at April 01, 2016	Additions During the year	Disposal/ Adjustments During the year	As at March 31, 2017	As at April 01, 2016	Additions During the year	As at March 31, 2017	As at April 01, 2016
Buildings	13,472,826	-	-	13,472,826	1,083,086	212,987	1,296,073	12,389,740
Plant and Equipment	8,848,428	-	5,678,676	3,169,752	7,976,537	225,659	2,729,194	440,558
Vehicles	1,961,064	-	27,407	1,933,657	1,322,653	209,876	1,503,618	638,411
Furniture and Fixture	9,259,220	-	6,794,727	2,464,493	3,719,207	891,698	1,605,484	859,009
Office Equipment	3,554,530	-	1,486,693	2,067,837	2,012,592	265,280	1,588,053	1,541,938
Total [A]	37,096,068	-	13,987,503	23,108,565	16,114,075	1,805,500	8,722,422	20,981,993

Notes Annexed to and forming part of the Financial Statements**2) INTANGIBLE ASSETS**

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

Notes annexed to and forming part of the Financial Statements

	As at March 31,2018 (Amount in ₹.)	As at March 31,2017 (Amount in ₹.)	As at March 31,2016 (Amount in ₹.)
3 Financial Assets			
i) Investment : Non-Current			
Long-Term Trade and Unquoted Investments in Equity Instruments (Valued at Cost)	160,500,000	160,500,000	160,500,000
	<u>160,500,000</u>	<u>160,500,000</u>	<u>160,500,000</u>
(ii) Other			
Other : Non-Current			
Security Deposits	1,351,410	1,372,910	2,997,295
	<u>1,351,410</u>	<u>1,372,910</u>	<u>2,997,295</u>
4 Other Non-Current Assets			
Prepaid Expenses			250,000
Gratuity (Funded with LIC of India)	604,321	853,796	1,196,179
	<u>604,321</u>	<u>853,796</u>	<u>1,446,179</u>
5 Trade Receivables			
Unsecured, Considered Good			
Outstanding for a period exceeding six months	1,915,656	2,070,298	5,390,154
Less: Provision for Doubtful Debts	1,110,885	—	—
(a)	<u>804,771</u>	<u>2,070,298</u>	<u>5,390,154</u>
Considered Good			
Outstanding for a period less than six months			
From Related Parties	655,200	—	—
Others	—	—	270,400
(b)	<u>655,200</u>	<u>—</u>	<u>270,400</u>
Total (a) + (b)	<u>1,459,971</u>	<u>2,070,298</u>	<u>5,660,554</u>
Details of Trade Receivable Outstanding	Percentage of Total Outstanding		
Name of Customer			
Punjab Technical University	35.34%	24.92%	58.02%
Mars Solutions Ltd	0.00%	53.58%	0.00%
Highgate Developers Pvt. Ltd.	7.40%	0.00%	0.00%
Peterhouse Investments India Ltd.	37.48%	0.00%	0.00%
Others	19.78%	21.50%	41.98%
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
6 Cash and Cash Equivalents			
Cash on hand	324	3,769	12,831
Balances with Banks			
- In current accounts	142,376	169,688	1,405,544
- Remittance in Transit	—	—	273,737
	<u>142,700</u>	<u>173,457</u>	<u>1,692,112</u>

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

Notes annexed to and forming part of the Financial Statements

	As at March 31, 2018 (Amount in ₹.)	As at March 31, 2017 (Amount in ₹.)	As at March 31, 2016 (Amount in ₹.)
7 Bank Balances other than Cash and Cash Equivalents			
Fixed Deposits with more than 12 months maturity	1,251,541	1,177,030	763,821
	<u>1,251,541</u>	<u>1,177,030</u>	<u>763,821</u>
8 Other Current Assets			
Advances to Suppliers	50,000	50,000	406,819
Prepaid Expenses	67,729	64,876	862,769
Balances with Government Authorities	92,736	-	-
Advance Payment of Taxes (Net of Provisions)	9,054,050	10,417,628	11,096,550
Advance/Loans to Employees	1,000	2,000	93,921
	<u>9,265,515</u>	<u>10,534,504</u>	<u>12,460,059</u>
9 Equity Share Capital			
a) Authorized Share Capital			
200,000,000 (As at March 31, 2017 : 200,000,000; As at April 01, 2016: 200,000,000) equity shares of ₹. 1 each	200,000,000	200,000,000	200,000,000
1,000,000 10.75% Cumulative Redeemable Preference Shares of ₹.50/- each (As at March 31, 2017 : 1,000,000; As at April 01, 2016: 1,000,000) 10.75% Cumulative Preference Shares of ₹.. 50/- each	50,000,000	50,000,000	50,000,000
	<u>250,000,000</u>	<u>250,000,000</u>	<u>250,000,000</u>
b) Issued, Subscribed and Paid up Share Capital			
26,415,811 Equity Shares of ₹. 1/- each (As at March 31, 2017: 26,415,811; As at April 01, 2016: 26,425,811) equity shares of ₹. 1 each	26,415,811	26,415,811	26,415,811
	<u>26,415,811</u>	<u>26,415,811</u>	<u>26,415,811</u>

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

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016	
	Nos.	₹.	Nos.	₹.	Nos.	₹.
At the beginning of the year	26,415,811	26,415,811	26,415,811	26,415,811	26,415,811	26,415,811
Issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	26,415,811	26,415,811	26,415,811	26,415,811	26,415,811	26,415,811

Note:

Paid up capital includes 26,414,411 Equity Shares issued as fully paid-up in terms of the Scheme of Demerger approved by the Hon'ble Calcutta High Court.

d) There has been no movement in number of shares outstanding at the beginning and at the end of reporting period.

e) The Company has only one class of issued shares i.e. ordinary equity shares having par value of ₹. 1 per share. Each holder of ordinary shares is entitled to one vote per share and equal right for dividend. No preference and/or restrictions on distribution of dividend and repayment of capital is attached to the above shares.

Notes annexed to and forming part of the Financial Statements

f) Shares in the Company held by each shareholder holding more than 5% as on balance sheet date

Name of the Shareholders	No. of Equity Shares as on 31.03.2018	% of Equity Shares as on 31.03.2018	No. of Equity Shares as on 31.03.2017	% of Equity Shares as on 31.03.2017	No. of Equity Shares as on 31.03.2016	% of Equity Shares as on 31.03.2016
UMIL Shares & Stock Broking Services Ltd	3,075,127	11.88	3,075,127	11.64	3,075,127	11.64
Peterhouse Investments India Limited	-	-	2,968,718	11.24	2,968,718	11.24
Peterhouse Investments Limited	2,388,291	9.23	2,388,291	9.04	2,388,291	9.04
Usha Breco Ltd	3,377,627	13.05	-	-	-	-
Prajeev Investments Limited	2,057,610	7.95	2,057,610	7.79	2,057,610	7.79
Deutsche Bank Trust Company Americas	-	-	1,799,455	6.81	1,799,455	6.81

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

Notes annexed to and forming part of the Financial Statements

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

Notes annexed to and forming part of the Financial Statements

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

Notes annexed to and forming part of the Financial Statements

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

Note 22 : Significant Accounting Policies and Notes on Accounts for the year ended 31st March, 2018**1 SIGNIFICANT ACCOUNTING POLICIES****a) Basis of Preparation of Financial Statements**

The Company generally follows mercantile system of accounting unless otherwise stated and recognizes income and expenditure on accrual basis except those with significant uncertainties. The accounts have been prepared in accordance with historical cost convention method.

b) Fixed Assets and Depreciation

Fixed assets comprising both tangible and intangible items are stated at cost less depreciation. The Company capitalizes all costs relating to acquisition of fixed assets. Cost of Software expected to be used on long-term basis is capitalized.

Depreciation (including amortization) on fixed assets has been provided on the basis of the useful life of assets as provided in schedule II to the Companies Act, 2013 (the "Act")

Depreciation on additions and deletions to fixed assets is provided on a pro-rata basis.

c) Investments

Long-term investments are valued at their acquisition cost. Any decline in the value of the said investment, other than a temporary decline, is recognized and charged to the Statement of Profit and Loss.

Current Investments are stated at lower of cost or fair value.

d) Revenue Recognition

Revenue from training is recognized over the period of the course program.

Revenue from operations is accounted for net of Service Tax.

e) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Note 22 : Significant Accounting Policies and Notes on Accounts for the year ended 31st March, 2018
f) Current and Non-Current assets and liabilities

An asset or liability is classified as current when it satisfies any of the following criteria

- (i) It is expected to be realized / settled, or is intended for sale or consumption, in the Company's normal operating cycle:
- (ii) It is held primarily for the purpose of being traded:
- (iii) It is expected to be realized / due to be settled within twelve months after the reporting date: or
- (iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date or
- (v) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date

g) Foreign Currency Transactions

Transactions in foreign currency are accounted for at the rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies at the year-end are restated at the exchange rates prevailing on that date. Gain/loss arising out of exchange fluctuation on settlement or such restatement are accounted for in the Statement of Profit and Loss, except to the extent these relate to acquisition of fixed assets, in which case these are adjusted to the carrying value of the related fixed assets.

h) Leases

Operating Leases- Rentals are expensed with reference to lease terms and other considerations.

i) Employee Benefits

- (i) Contribution to employee provident fund is charged to revenue on a monthly basis
- (ii) Liability for retiral, gratuity and un-availed earned leave is provided for based on an independent actuarial valuation report as per the requirements of Accounting Standard - 15 (revised) on "Employee Benefits".
- (iii) Employee benefits of short-term nature are recognized as expense as and when it accrues. Long term employee benefits (e.g. long-service leave) and post employments benefits (e.g. gratuity), both funded and unfunded, are recognized as expense based on actuarial valuation.

j) Taxation

Current Tax in respect of taxable income of the year is provided for based on applicable tax rates and laws. Deferred tax is recognized subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets / liabilities are reviewed at each Balance Sheet date.

k) Borrowing Cost

Borrowing cost attributable to the acquisition and contribution of qualifying assets are added to the cost up to date when such assets are ready for their intended use. Other borrowing costs are recognized as expense in the period in which these are incurred.

l) Contingencies

Contingencies, which can be reasonably ascertained, are provided for if, in the opinion of the Company, there is a probability that the future outcome may be materially adverse to the Company.

m) Prior Period and Extra Ordinary Items and Changes in Accounting Policies

Prior Period and Extra Ordinary Items and Changes in Accounting Policies having material impact on the financial affairs of the Company are disclosed.

- 2) During the year, the Company has utilized its working capital facility (Overdraft) of Rs 50 lacs from IDBI Bank Ltd., secured by first charge by way of hypothecation of all the current assets, both present and future, of the Company. The above loan is also collaterally secured by first charge by way of hypothecation of movable fixed assets of the Company.

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

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

b) Earnings in foreign currency:

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

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

- 4) Related Party Disclosures Pursuant to Accounting Standard 18 issued by The Institute of Chartered Accountants of India.

i) **Related Parties**

Name	Relationship
Usha Martin Education Private Limited	Subsidiary
Usha Martin Limited	Substantial interest in voting power of the entity
Usha Breco Education Infrastructure One Limited	- do -
Redtech Network India Private Limited	- do -
Highgate Developers Private Limited	- do -
Jhawar Impact Ventures Private Limited	- do -
Jhawar Venture Management Private Limited	- do -
Usha Martin Ventures Limited	- do -
Peterhouse Investments India Limited	- do -
Vinay Kumar Gupta (Whole Time Director)	Key Managerial Personnel
Indrajit Bandyopadhyay (Chief Financial Officer)	Key Managerial Personnel
Chaittee Baral (Company Secretary)	Key Managerial Personnel

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

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

Remuneration to key Managerial person's include remuneration of Chief Financial Officer, Company Secretary and Whole-Time Director
Figures are inclusive of Service Tax, wherever applicable and figures in normal font relate to previous year

5) Computation of Earning Per Equity Share (Basic and Diluted)	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(I) Basic		
(a) (i) Number of Equity Shares at the beginning of the year	26,415,811	26,415,811
(ii) Number of Equity Shares at the end of the year	26,415,811	26,415,811
(iii) Weighted average number of Equity Shares outstanding during the year	26,415,811	26,415,811
(iv) Face Value of each Equity Share-		
(b) Profit/(Loss) after tax attributable to Equity Shareholders-(₹.)	1	1
Net Profit/(Loss) after Taxation	(1,794,221)	(28,065,373)
Basic Earnings per Share [(b)/(a)(iii)]- (₹.)	(0.07)	(1.06)
(II) Diluted		
(a) Diluted Potential Equity Shares		
(b) Diluted Earnings per Share [(b)/I(a)(iii)]- Re.	(0.07)	(1.06)

Note 22 : Significant Accounting Policies and Notes on Accounts for the year ended 31st March, 2018
6) Managerial Remuneration paid/payable

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

7) The Company has unabsorbed depreciation and carried forward losses available for set off under the Income-tax Act, 1961. However, in view of inability to assess future taxable income, the extent of net deferred tax assets which may be adjusted in the subsequent years, is not ascertainable with virtual certainty at this stage and accordingly the same has not been recognized in the accounts on prudent basis.

8) The Company has no amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) as at 31.03.2018. The disclosure as required under the said Act as under:

a) Principal amount due to suppliers under MSMED Act	Nil
b) Interest due to suppliers as above	Nil
c) Any payment made to suppliers beyond appointed date (under Section 16 of the Act)	Nil
d) Interest due and payable to suppliers under MSMED Act	Nil
e) Interest accrued and remaining unpaid as at 31.03.2018	Nil
f) Interest remaining due and payable as per Section 23 of the Act	Nil

9) Defined Benefit Plans / Long Term Compensated Absences – as per Actuarial Valuations as on March 31, 2018 and recognized in the financial statements in respect of Employee Benefit Schemes.

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

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

IV Change in Defined Benefit Obligations (DBO) during the year ended March 31, 2018		Gratuity Funded	Leave Encashment Unfunded
1	Present Value of DBO at the Beginning of Period	291,431	119,583
		786,860	338,199
2	Current Service Cost	30,199	13,878
		46,113	19,652
3	Interest Cost	21,420	8,789
		61,769	26,549
4	Curtailment Cost / (Credit)	—	—
5	Settlement Cost / (Credit)	—	—
6	Plan Amendments	—	—
7	Acquisitions	—	—
		137,137	48,211
8	Actuarial (Gains)/Losses	(202,590)	(55,974)
		(281,705)	(105,085)
9	Benefits Paid	(400,721)	(208,843)
		198,482	85,376
10	Present Value of DBO at the End of Period	291,431	119,583
V Change in Fair Value of Assets during the year ended March 31, 2018			
1	Plan Assets at the Beginning of Period	853,795	—
		1,196,179	—
2	Investment Income	62,754	—
3	Return on Plan Assets	1,708	—
		95,694	—
4	Actuarial Gains/(Losses)	(37,357)	—
5	Actual Company Contribution	—	105,085
		—	208,843
6	Benefits Paid	(281,705)	(105,085)
		(400,721)	(208,843)
7	Present Value of DBO at the End of Period	636,552	—
		853,795	—
VI Actuarial Assumptions			
1	Discount Rate (%)	7.35%	7.70%
2	Expected Return on Plan Assets (%)	7.55%	—
	The estimates of future salary increases, considered in actuarial valuations take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.		

Figures in normal font relate to previous year

- 10) The capital expenditures incurred on leasehold land till 31-03-2017 at the carrying amount i.e., written down value (WDV) at ₹. 1,21,76,753/- has been provided by way of impairment of tangible asset being building. The said decision has been ratified by the Board of Directors by passing a resolution to this effect in its meeting held on 26th May, 2017.
- 11) Balances of Sundry Debtors, Sundry Creditors and Loans and Advances (Dr. & Cr.) are subject to confirmation from the respective parties.
- 12) Previous year figures have been regrouped / rearranged wherever necessary.
- 13) The investments in Usha Martin Education Private Limited (subsidiary company) , Redtech Network India Private Limited (associate company) and Usha Communication Technology Limited, British Virgin Island (other company) have been evaluated by the management and no provision for impairment is considered necessary in respect of these investments .

For G.Basu & Company

Firm Registration Number: 301174E

Chartered Accountants

P.K.Chaudhuri

Partner

Membership No. 003814

Place: Kolkata

Date : 30th May, 2018

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

Director (DIN: 02560547)

Vinay Kumar Gupta

Whole-Time Director (DIN: 00574665)

Chaittee Baral

Company Secretary

Cash Flow Statement for the year ended March 31, 2018

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

The accompanying notes are integral part of the Cash Flow Statements.

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

Place: Kolkata
Date : 30th May, 2018

For and on behalf of the Board of Directors

Debjit Bhattacharya

Vinay Kumar Gupta

Chaitee Baral

Director (DIN: 02560547)

Whole-Time Director (DIN: 00574665)

Company Secretary

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF USHA MARTIN EDUCATION & SOLUTIONS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of USHA MARTIN EDUCATION & SOLUTIONS LIMITED and its subsidiary, which comprises the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31st March, 2018 and its Loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that :
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintain for preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the holding company as on 31st March, 2018 taken on record by the Board of Directors of the holding company and the report of the statutory auditors of its subsidiary company incorporated in India, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and its subsidiary incorporated in India and the operating effectiveness of such control, refer to our separate report in Annexure.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audits and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us
 - i) The Company and its subsidiary incorporated in India does not have any pending litigations which would impact its financial position.
 - ii) The Company and its subsidiary incorporated in India did not have any long-term contracts including derivative contracts for which there were any material for reasonable losses.

Place: Kolkata
Date : 30th May, 2018

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

ANNEXURE TO THE AUDITORS' REPORT

(This is the Annexure referred to in our Report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls over financial reporting of USHA MARTIN EDUCATION & SOLUTIONS LIMITED ("the Company") as on 31st March, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operation effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Kolkata

Date : 30th May, 2018

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

P.K.Chaudhuri Partner
Membership No. 003814

Consolidated Statement of Changes in Equity for the year ended March 31, 2018**A. Equity Share Capital**

(Amount in ₹)

Balance at the April 01, 2017	26,415,811
Changes in the Equity Share Capital during the year on account of shares issued	-
Balance at the March 31, 2018	26,415,811

B. Other Equity

(Amount in ₹)

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

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

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

B. Other Equity

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

For G.Basu & Company

Firm Registration Number: 301174E

Chartered Accountants

P.K.Chaudhuri

Partner

Membership No. 003814

Place: Kolkata

Date : 30th May, 2018

For and on behalf of the Board of Directors

Debjit Bhattacharya

Vinay Kumar Gupta

Chaitee Baral

Director (DIN: 02560547)

Whole-Time Director (DIN: 00574665)

Company Secretary

Consolidated Balance Sheet as at 31st March, 2018

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

Notes on Account and Significant Accounting Policies 22

The accompanying notes are integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

For G.Basu & Company

Firm Registration Number: 301174E

Chartered Accountants

P.K.Chaudhuri

Partner

Membership No. 003814

Place: Kolkata

Date : 30th May, 2018

For and on behalf of the Board of Directors
Debjit Bhattacharya

Director (DIN: 02560547)

Vinay Kumar Gupta

Whole-Time Director (DIN: 00574665)

Chaitee Baral

Company Secretary

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

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

Notes on Account and Significant Accounting Policies 22

The accompanying notes are integral part of the Profit and Loss.

This is the Statement of Profit and Loss referred to in our report of even date.

For G.Basu & Company

Firm Registration Number: 301174E

Chartered Accountants

P.K.Chaudhuri

Partner

Membership No. 003814

Place: Kolkata

Date : 30th May, 2018

For and on behalf of the Board of Directors

Debjit Bhattacharya

Vinay Kumar Gupta

Chaitee Baral

Director (DIN: 02560547)

Whole-Time Director (DIN: 00574665)

Company Secretary

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

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

The accompanying notes are integral part of the Cash Flow Statements.

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

Place: Kolkata
Date : 30th May, 2018

For and on behalf of the Board of Directors

Debjit Bhattacharya

Director (DIN: 02560547)

Vinay Kumar Gupta

Whole-Time Director (DIN: 00574665)

Chaittee Baral

Company Secretary

Notes annexed to and forming part of the Consolidated Financial Statements

1) Property, Plant and Equipment

Assets	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount	
	As at April 01, 2017	Additions During the year	Disposal/ Adjustments During the year	As at March 31, 2018	As at April 01, 2017	Additions During the year	As at March 31, 2018	As at April 01, 2017
Buildings	13,472,826	—	—	13,472,826	1,296,073	—	12,176,753	12,176,753
Plant and Equipment	3,169,752	—	597,721	2,572,031	2,729,194	98,847	341,701	440,558
Vehicles	1,933,657	—	396,932	1,536,725	1,503,618	208,336	221,703	430,039
Furniture and Fixture	2,464,493	—	50,970	2,413,523	1,605,484	403,718	436,516	859,009
Office Equipment	2,067,837	—	1,432,169	635,668	1,588,053	132,150	178,968	479,784
Total [A]	23,108,565	—	2,477,792	20,630,773	8,722,422	843,051	13,355,641	14,386,143
Assets	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount	
	As at April 01, 2016	Additions During the year	Disposal/ Adjustments During the year	As at March 31, 2017	As at April 01, 2016	Additions During the year	As at March 31, 2017	As at April 01, 2016
Buildings	13,472,826	—	—	13,472,826	1,083,086	212,987	12,176,753	12,389,740
Plant and Equipment	8,848,428	—	5,678,676	3,169,752	7,976,537	225,659	440,558	871,891
Vehicles	1,961,064	—	27,407	1,933,657	1,322,653	209,876	430,039	638,411
Furniture and Fixture	9,259,220	—	6,794,727	2,464,493	3,719,207	891,698	859,009	5,540,013
Office Equipment	3,554,530	—	1,486,693	2,067,837	2,012,592	265,280	479,784	1,541,938
Total [A]	37,096,068	—	13,987,503	23,108,565	16,114,075	1,805,500	14,386,143	20,981,993

Notes annexed to and forming part of the Consolidated Financial Statements

2) INTANGIBLE ASSETS

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

Notes annexed to and forming part of the Consolidated Financial Statements

	As at March 31,2018 (Amount in ₹.)	As at March 31,2017 (Amount in ₹.)	As at March 31,2016 (Amount in ₹.)
3) Financial Assets			
(i) Investment : Non-Current			
Long-Term Trade and Unquoted Investments in Equity Instruments (Valued at Cost)	155,000,000	155,000,000	155,000,000
	<u>155,000,000</u>	<u>155,000,000</u>	<u>155,000,000</u>
(ii) Others			
Other Non-Current			
Security Deposits	1,351,410	1,372,910	2,997,295
	<u>1,351,410</u>	<u>1,372,910</u>	<u>2,997,295</u>
4) Other Non-Current Assets			
Prepaid Expenses			250,000
Gratuity (Funded with LIC of India)	604,321	853,796	1,196,179
MAT Credit Entitlement	5,536	67,536	86,081
	<u>609,857</u>	<u>921,332</u>	<u>1,532,260</u>
5) Trade Receivables			
Unsecured, Considered Good			
Outstanding for a period exceeding than six months	1,915,656	2,070,298	5,390,154
Less: Provision for Doubtful Debts	1,110,885	—	—
(a)	<u>804,771</u>	<u>2,070,298</u>	<u>5,390,154</u>
Considered Good			
Outstanding for a period less than six months			
From Related Parties	655,200	—	—
Others	—	—	270,400
(b)	<u>655,200</u>	<u>—</u>	<u>270,400</u>
Total (a) + (b)	<u>1,459,971</u>	<u>2,070,298</u>	<u>5,660,554</u>
Details of Trade Receivable Outstanding	Percentage of Total Outstanding		
Name of Customer			
Punjab Technical University	35.34%	24.92%	58.02%
Mars Solution Ltd.	0.00%	53.58%	0.00%
Highgate Developers Pvt. Ltd.	7.40%	0.00%	0.00%
Peterhouse Investments India Ltd.	37.48%	0.00%	0.00%
Others	19.78%	21.50%	41.98%
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
6) Cash and Cash Equivalents			
Cash on hand	1,121	4,896	16,482
Balances with Banks			
- In current accounts	161,819	174,301	2,528,355
- Remittance in Transit	—	—	273,737
	<u>162,940</u>	<u>179,197</u>	<u>2,818,574</u>

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

Notes annexed to and forming part of the Consolidated Financial Statements

	As at March 31, 2018 (Amount in ₹.)	As at March 31, 2017 (Amount in ₹.)	As at March 31, 2016 (Amount in ₹.)
7) Bank Balances other than Cash and Cash Equivalents			
Fixed Deposits with more than 12 months maturity	1,251,541	1,177,030	763,821
	1,251,541	1,177,030	763,821
8) Other Current Assets			
Intercompany Deposits (Unsecured)	7,500,000	7,500,000	7,500,000
Advances to Suppliers	50,000	50,000	406,819
Prepaid Expenses	67,729	64,876	862,769
Balance with Excise, Customs and Sales Tax Authorities	436,464	251,410	162,319
Advance Payment of Taxes (Net of Provisions)	10,141,269	11,533,142	12,282,880
Advance/Loans to Employees	1,000	2,000	93,921
Interest Receivable	547,212	839,507	29,507
	18,743,674	20,240,935	21,338,215
9) Equity Share Capital			
a) Authorized Share Capital			
200,000,000 (As at March 31, 2017 : 200,000,000; As at April 01, 2016:	200,000,000	200,000,000	200,000,000
1,000,000 10.75% Cumulative Redeemable Preference Shares of ₹.50/- each (As at March 31, 2017 : 1,000,000; As at April 01, 2016: 1,000,000) 10.75% Cumulative Preference Shares of ₹.50/- each	50,000,000	50,000,000	50,000,000
	250,000,000	250,000,000	250,000,000
b) Issued, Subscribed and Paid up Share Capital			
26,415,811 Equity Shares of ₹. 1/- each (As at March 31, 2017: 26,415,811; As at April 01, 2016: 26,425,811) equity shares of ₹.1 each	26,415,811	26,415,811	26,415,811
	26,415,811	26,415,811	26,415,811

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

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016	
	Nos.	₹.	Nos.	₹.	Nos.	₹.
At the beginning of the year	26,415,811	26,415,811	26,415,811	26,415,811	26,415,811	26,415,811
Issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	26,415,811	26,415,811	26,415,811	26,415,811	26,415,811	26,415,811

Note:

Paid up capital includes 26,414,411 Equity Shares issued as fully paid-up in terms of the Scheme of Demerger approved by the Hon'ble Calcutta High Court.

d) There has been no movement in number of shares outstanding at the beginning and at the end of reporting period.

e) The Company has only one class of issued shares i.e. ordinary equity shares having par value of ₹. 1 per share. Each holder of ordinary shares is entitled to one vote per share and equal right for dividend. No preference and/or restrictions on distribution of dividend and repayment of capital is attached to the above shares.

Notes annexed to and forming part of the Consolidated Financial Statements

f) Shares in the Company held by each shareholder holding more than 5% as on balance sheet date

Name of the Shareholders	No. of Equity Shares as on 31.03.2018	% of Equity Shares as on 31.03.2018	No. of Equity Shares as on 31.03.2017	% of Equity Shares as on 31.03.2017	No. of Equity Shares as on 31.03.2016	% of Equity Shares as on 31.03.2016
UMIL Shares & Stock Broking Services Ltd	3,075,127	11.88	3,075,127	11.64	3,075,127	11.64
Peterhouse Investments India Limited	-	-	2,968,718	11.24	2,968,718	11.24
Peterhouse Investments Limited	2,388,291	9.23	2,388,291	9.04	2,388,291	9.04
Usha Breco Ltd	3,377,627	13.05	-	-	-	-
Prajeev Investments Limited	2,057,610	7.95	2,057,610	7.79	2,057,610	7.79
Deutsche Bank Trust Company Americas	-	-	1,799,455	6.81	1,799,455	6.81

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

Notes annexed to and forming part of the Consolidated Financial Statements

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

Notes annexed to and forming part of the Consolidated Financial Statements

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

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

1 SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

- a) The consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS-21) - Consolidated Financial Statements'. These financial statements comprise Usha Martin Education & Solutions Limited and its wholly owned subsidiary Usha Martin Education Private Limited. The financial statements of each of these companies are prepared using uniform accounting policies in accordance with the generally accepted accounting principles in India.
- b) The Company has one subsidiary Company named Usha Martin Education Private Limited which has been considered in the preparation of these consolidated financial statements.

2 The financial statements of the Company are prepared on accrual basis and under historical cost convention.

The significant accounting policies adopted by the Company are detailed below:

a) Consolidation

Consolidated Financial Statements relate to Usha Martin Education & Solutions Limited, Parent Company and its subsidiary. The Consolidated Financial Statements are in conformity with the Accounting Standard (AS)-21 on Consolidated Financial Statements, prescribed under the Companies Act, 2013 (the 'Act') and are prepared as set out below:

The financial statements of the Parent Company and its subsidiary have been combined on a line by line basis by adding together book values of like items of assets, liabilities, income and expenses after adjustments/elimination of inter-company balances and transactions.

The paid up share capital of the subsidiary company comprises of ₹.5,500,010/- divided into 550,001 equity shares of ₹.10/- each out of which 550,000 shares are held by the parent company and one share is held by a nominee beneficial interest of which vests in the parent company.

The consolidated financial statements relate to Usha Martin Education & Solutions Limited, Parent Company and its subsidiary, Usha Martin Education Private Limited, which is incorporated in India, and in which the company owns 100% of Equity Shares. The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances in all material respect and are presented to the extent possible, in the same manner as the Parent Company's separate financial statements.

b) Fixed Assets and Depreciation

Fixed assets comprising both tangible and intangible items are stated at cost less depreciation. The Company capitalizes all costs relating to acquisition of fixed assets. Cost of Software expected to be used on long-term basis is capitalized.

Depreciation (including amortization) on fixed assets has been provided on the basis of the useful life of assets as provided in schedule II to the Companies Act, 2013 (the "Act")

Depreciation on additions and deletions to fixed assets is provided on a pro-rata basis.

c) Investments

Long-term investments are valued at their acquisition cost. Any decline in the value of the said investment, other than a temporary decline, is recognized and charged to the Statement of Profit and Loss.

Current Investments are stated at lower of cost or fair value.

d) Revenue Recognition

Revenue from training is recognized over the period of the course program.

Revenue from operations is accounted for net of Service Tax.

e) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

f) Current and Non-Current assets and liabilities

An asset or liability is classified as current when it satisfies any of the following criteria

- (i) It is expected to be realized / settled, or is intended for sale or consumption, in the Company's normal operating cycle:
- (ii) It is held primarily for the purpose of being traded:
- (iii) It is expected to be realized / due to be settled within twelve months after the reporting date: or
- (iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date or
- (v) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

g) Foreign Currency Transactions

Transactions in foreign currency are accounted for at the rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies at the year-end are restated at the exchange rates prevailing on that date. Gain/loss arising out of exchange fluctuation on settlement or such restatement is accounted for in the Statement of Profit and Loss account, except to the extent these relate to acquisition of fixed assets, in which case these are adjusted to the carrying value of the related fixed assets.

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

- h) **Leases**
Operating Leases- Rentals are expensed with reference to lease terms and other considerations.
- i) **Employee Benefits**
(i) Contribution to employee provident fund is charged to revenue on a monthly basis
(ii) Liability for retiral, gratuity and un-availed earned leave is provided for based on an independent actuarial valuation report as per the requirements of Accounting Standard - 15 (revised) on "Employee Benefits".
(iii) Employee benefits of short-term nature are recognized as expense as and when it accrues. Long term Employee benefits (e.g. long-service leave) and post employments benefits (e.g. gratuity), both funded and unfunded, are recognized as expense based on actuarial valuation.
- j) **Taxation**
Current Tax in respect of taxable income of the year is provided for based on applicable tax rates and laws.
Deferred tax is recognized subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets / liabilities are reviewed at each Balance Sheet date.
- k) **Borrowing Cost**
Borrowing cost attributable to the acquisition and contribution of qualifying assets are added to the cost up to date when such assets are ready for their intended use. Other borrowing costs are recognized as expense in the period in which these are incurred.
- l) **Contingencies**
Contingencies, which can be reasonably ascertained, are provided for if, in the opinion of the Company, there is a probability that the future outcome may be materially adverse to the Company.
- m) **Prior Period and Extra Ordinary Items and Changes in Accounting Policies**
Prior Period and Extra Ordinary Items and Changes in Accounting Policies having material impact on the financial affairs of the Company are disclosed.
- 3) During the year, the Company has utilized its working capital facility (Overdraft) of Rs 50 lacs from IDBI Bank Ltd, secured by first charge by way of hypothecation of all the current assets, both present and future, of the Company. The above loan is also collaterally secured by first charge by way of hypothecation of movable fixed assets of the Company.

4) **Foreign Currency Earnings & Outgo:**

a) **Expenditure in foreign currency:**

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

b) **Earning in foreign currency**

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

- 5) Related Party Disclosures Pursuant to Accounting Standard 18 issued by The Institute of Chartered Accountants of India.

i) **Related Parties**

Name	Relationship
Usha Martin Education Private Limited.	Subsidiary
Usha Martin Limited.	Substantial interest in voting power of the entity
Usha Breco Education Infrastructure One Limited	- do -
Redtech Network India Private Limited.	- do -
Highgate Developers Private Limited	- do -
Jhawar Impact Ventures Private Limited	- do -
Jhawar Venture Management Private Limited	- do -
Usha Martin Ventures Limited	- do -
Peterhouse Investments India Limited	- do -
Rahul Chaudhary	Key Managerial Personnel
Debjit Bhattacharya	Key Managerial Personnel
Ravindra Kumar Goenka	Key Managerial Personnel
Vinay Kumar Gupta (Whole - Time Director)	Key Managerial Personnel
Indrajit Bandyopadhyay (Chief Financial Officer)	Key Managerial Personnel
Chaitee Baral (Company Secretary)	Key Managerial Personnel

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

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

Particulars	Subsidiaries and Associates	Key Management Personnel
	(₹.)	(₹.)
Rent Paid (including lease Rent)	48,000 48,000	— —
Key Managerial Personnel's Remuneration	= —	2,427,644 2,856,370
Training Fees	840,000 1,618,112	
Sale of Fixed Assets	400,000 493,980	
Interest Paid	2,893,893 1,524,651	
Reimbursement of Expenses received	325,536 1,651,225	
Unsecured Loans: Taken during the year Repaid during the year	1,000,000 1,275,000 — —	
Balances outstanding at the year end	24,337,516	50,778
Investment in Equity and Preference Shares	Refer Note No. 3 to Accounts -do-	

Remuneration to Key Managerial Personnel's' include remuneration of Chief Financial Officer, Company Secretary and Whole-Time Director

Figures are inclusive of Service Tax, wherever applicable and figures in normal font relate to previous year

6) **Computation of Earning Per Equity Share (Basic and Diluted)****(I) Basic**

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(a) (i) Number of Equity Shares at the beginning of the year	26,415,811	26,415,811
(ii) Number of Equity Shares at the end of the year	26,415,811	26,415,811
(iii) Weighted average number of Equity Shares outstanding during the year	26,415,811	26,415,811
(iv) Face Value of each Equity Share- ₹.	1	1
(b) Profit/(Loss) after tax attributable to Equity Shareholders- ₹.		
Net Profit/(Loss) after Taxation	(1,613,473)	(28,065,373)
Basic Earnings per Share [(b)/(a)(iii)]- ₹.	(0.06)	(1.06)

(II) Diluted

(a) Diluted Potential Equity Shares	—	—
(b) Diluted Earnings per Share [(b)/(a)(iii)]- ₹.	(0.06)	(1.06)

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

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

8) The Company has unabsorbed depreciation and carried forward losses available for set off under the Income-tax Act, 1961. However, in view of inability to assess future taxable income, the extent of net deferred tax assets which may be adjusted in the subsequent years, is not ascertainable with virtual certainty at this stage and accordingly the same has not been recognized in the accounts on prudent basis.

9) The Company has no amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) as at 31.03.2018. The disclosure as required under the said Act as under:

a)	Principal amount due to suppliers under MSMED Act	Nil
b)	Interest due to suppliers as above	Nil
c)	Any payment made to suppliers beyond appointed date (under Section 16 of the Act)	Nil
d)	Interest due and payable to suppliers under MSMED Act	Nil
e)	Interest accrued and remaining unpaid as at 31.03.2018	Nil
f)	Interest remaining due and payable as per Section 23 of the Act	Nil

10) Defined Benefit Plans / Long Term Compensated Absences – as per Actuarial Valuations as on March 31, 2018 and recognized in the financial statements in respect of Employee Benefit Schemes.

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

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

IV	Change in Defined Benefit Obligations (DBO) during the year ending 31, 2018	Gratuity Funded	Leave Encashment Unfunded
1	Present Value of DBO at the Beginning of Period	291,431	119,583
		786,860	338,199
2	Current Service Cost	30,199	13,878
		46,113	19,652
3	Interest Cost	21,420	8,789
		61,769	26,549
4	Curtailment Cost / (Credit)	—	—
		—	—
5	Settlement Cost / (Credit)	—	—
		—	—
6	Plan Amendments	—	—
		—	—
7	Acquisitions	—	—
		137,137	48,211
8	Actuarial (Gains)/Losses	(202,590)	(55,974)
		(281,705)	(105,085)
9	Benefits Paid	(400,721)	(208,843)
		198,482	85,376
10	Present Value of DBO at the End of Period	291,431	119,583
V	Change in Fair Value of Assets during the year ended March 31, 2018		
1	Plan Assets at the Beginning of Period	853,795	—
		1,196,179	—
		62,754	—
2	Investment Income	—	—
		1,708	—
3	Return on Plan Assets	95,694	—
		—	—
4	Actuarial Gains/(Losses)	(37,357)	—
		—	105,085
5	Actual Company Contribution	—	208,843
		(281,705)	(105,085)
6	Benefits Paid	(400,721)	(208,843)
		636,552	—
7	Present Value of DBO at the End of Period	853,795	—
VI	Actuarial Assumption		
1	Discount Rate (%)	7.35%	7.70%
2	Expected Return on Plan Assets(%)	7.55%	—
	The estimates of future salary increases, considered in actuarial valuations take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.		

Figures in normal font relate to previous year

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

- 11) The capital expenditures incurred on leasehold land till 31-03-2017 at the carrying amount i.e., written down value (WDV) at ₹. 1,21,76,753/- has been provided by way of impairment of tangible asset being building. The said decision has been ratified by the Board of Directors by passing a resolution to this effect in its meeting held on 26th May, 2017.
- 12) Balances of Sundry Debtors, Sundry Creditors and Loans and Advances (Dr. & Cr.) are subject to confirmation from the respective parties.
- 13) Previous year figures have been regrouped / rearranged wherever necessary.
- 14) The investments in Usha Martin Education Private Limited (subsidiary company) , Redtech Network India Private Limited (associate company) and Usha Communication Technology Limited, British Virgin Island (other company) have been evaluated by the management and no provision for impairment is considered necessary in respect of these investments .

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

Place: Kolkata
Date : 30th May, 2018

For and on behalf of the Board of Directors

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

USHA MARTIN EDUCATION & SOLUTIONS LIMITED

L31300WB1997PLC085210

Regd. Office : Godrej Waterside, Tower-1, 5th Floor, Block DP, Sector V, Salt Lake, Kolkata - 700091

Phone : +91 33 3322 3700, Fax: +91 33 3322 3800

E-mail: chaitee.baral@umesl.co.in, Website: umesl.co.in

PROXY FORM

I/We.....of.....being a member/members of Usha Martin Education & Solutions Limited, hereby appoint of or failing him.....of.....or failing him.....of.....as my / our Proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at "Sujata Sadan Auditorium", 7, Bakul Bagan, Bhowanipur, Hazra Road, Kolkata 700 026 on Wednesday, 12th day of September, 2018 at 11:30 A.M. and at any adjournment thereof.

Signed thisday ofTwo Thousand Ten.

Signature(s) of the Shareholder(s).....

DP ID No.....

Folio No. / Client ID No.....

No. of Shares.....

Affix
Revenue
Stamp

Note : This form must be deposited at the Registered Office of the Company not later than 48 hours before the time for holding the meeting.



USHA MARTIN EDUCATION & SOLUTIONS LIMITED

L31300WB1997PLC085210

Regd. Office : Godrej Waterside, Tower-1, 5th Floor, Block DP, Sector V, Salt Lake, Kolkata - 700091

Phone : +91 33 3322 3700, Fax: +91 33 3322 3800

E-mail: chaitee.baral@umesl.co.in, Website: umesl.co.in

ADMISSION SLIP

DP ID No.....

Folio No./ Client ID No.....

No. of Shares.....

I certify that I am the registered Shareholder/Proxy for the registered shareholder of the Company, I hereby record my presence at the 21st Annual General Meeting of the Company to be held at "Sujata Sadan Auditorium", 7, Bakul Bagan, Bhowanipur, Hazra Road, Kolkata 700 026, on Wednesday at 12th day of September, 2018 at 11:30 A.M. and at any adjournment thereof.

Name of the Shareholder/Proxy
In BLOCK LETTERS

Signature of the Shareholder/Proxy

Note : Please fill this admission slip and hand it over at the entrance of the hall.

If Undelivered please return to :-

Usha Martin Education & Solutions Limited

Godrej Waterside, Tower-1, 5th Floor, Block DP

Sector V, Salt Lake, Kolkata - 700 091