



USG TECH SOLUTIONS LIMITED
24TH ANNUAL REPORT 2022-2023



CORPORATE INFORMATION

DIRECTORS

Mr. Servesh Gupta, Managing Director and Chairman

Ms. Ashima Gupta, Executive Director

Mr. Deepak Kumar Bansal, Independent Director

Ms. Nirmal Garg, Independent Director

CHIEF FINANCIAL OFFICER

Mr. Manish Kumar

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Aditi Jindal (Appointed on March 25, 2023)

Mrs. Jagpreet Kaur (Cease to be CS w.e.f October 15, 2022)

REGISTERED OFFICE

H.NO:9/HIG-A&10/HIG, Vasista Bhavan,
4th Floor, APHB Colony, Indira Nagar,
Gachibowli, Hyderabad, Telangana 500032

CORPORATE OFFICE

10 C, Under Hills Road,
Civil Lines, Delhi 110054

STATUTORY AUDITORS

M/s MJRA & Associates
(Chartered Accountants)
Firm Registration. No.:013850N

SECRETARIAL AUDITOR

Ms. Preeti
P D U & Co.
(Practicing Company Secretary)
C.P. No.: 19984

INTERNAL AUDITOR

R.K Shah & Co.
(Chartered Accountants)

REGISTRAR & TRANSFER AGENT

M/s Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Maro Maroshi Road, Andheri East,
Mumbai 400059

BANKER

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

CONTENT OF ANNUAL REPORT

S.NO.	PARTICULARS	Annexures	Page
1.	Notice of Annual General Meeting		5-18
2.	Board of Directors' Report		19-34
3.	Secretarial Audit Report	I	35-38
4.	Form AOC-2	II	40
5.	Extract of Annual Return	III	41-47
6.	Secretarial Auditor Certificate regarding compliance of conditions of corporate governance	IV	48
7.	Management Discussion and Analysis Report	V	49-52
8.	Remuneration ratio of Directors/Key Managerial Personnel (KMP)/Employees	VI	53
9.	Nomination And Remuneration Policy	VII	54-55
10.	Certificate of Non-Disqualification of directors	VIII	56
11.	CEO/CFO Certification	IX	57
12.	CFO Certificate regarding declaration under Regulation 33(3)(D) read with regulation 34(2)(A) of SEBI (Listing Obligations and disclosures requirements) Regulations, 2015	X	58
13.	Auditor Report	XI	59-71
14.	Financial Statement (Standalone and Consolidated) including notes to accounts.		72-92
15.	Attendance Slip		93
16.	Proxy Form		94-95

USG TECH SOLUTIONS LIMITED

CIN: L72200TG1999PLC032129

Registered Office: H.NO:9/HIG-A&10/HIG, Vasista Bhavan, 4th Floor,
APHB Colony, Indira Nagar, Gachibowli Hyderabad, Telangana 500 032

Tell- 011-41315203, Website: www.usgtechsolutions.com

NOTICE OF AGM

Notice is hereby given that the 24th Annual General Meeting of members of M/s USG Tech Solutions Limited will be held on Friday, 29th September, 2023 at 9:30 A.M. at Hotel SM Rainbow International Plot No. 29 & 30, Behind Arkan Hospital NH-44 Airport Road Opposite, Shamshabad, Hyderabad, Telangana 501218. To transact the following business: -

ORDINARY BUSINESS

1. To Consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2023, the Reports of the Directors and Auditors thereon:

"RESOLVED THAT the audited standalone financial statement of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and the Auditors thereon as laid before this meeting be and are hereby received, considered and adopted;

RESOLVED FURTHER THAT the audited consolidated financial statement of the Company for the financial year ended March 31, 2023 and the report of the Auditors thereon as laid before this meeting be and are hereby received, considered and adopted."

SPECIAL BUSINESS

2. To re-appoint Mr. Servesh Gupta (DIN: 01451093) as a Managing Director and in this regard, to consider and to pass, the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 152, 178, 196, 197, 198 and 203 of the Companies Act, 2013 (hereinafter the Act') read with Schedule V and all other applicable provisions, if any, of the Act read with Rules framed thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, and on recommendations of the Nomination and Remuneration Committee, the Audit Committee and the Board, consent of members be and is hereby accorded to the re-appointment of Mr. Servesh Gupta (DIN: 01451093) as Managing Director of the Company for a period for five (5) years w.e.f 30th May 2023 to 29th May 2028, his directorship shall be liable to retire by rotation, and on the following terms & conditions:

(a) POWERS & RESPONSIBILITIES:

1. He is expected to perform such functions, exercise such powers and perform such duties as the Board shall from time to time in its absolute discretion determine and entrust to him, subject, nevertheless to the provisions of the Companies Act, 2013 or any statutory modifications or re-enactment thereof for the time being in force

2. He shall have the general control of the business of the Company and be vested with the management and day to day affairs of the Company. He shall have the authority to enter into contracts on behalf of the Company in the ordinary course and shall have the authority to do and perform all other acts and things which in the ordinary course of such business he may consider necessary or proper in the best interest of company.
3. He shall at all times act in the best interests of the Company and all its stakeholders and keep the Board of Directors informed of any developments or matters that have materially impaired, or are reasonably likely to materially impair, the interests of the Company and /or any of its stakeholders He shall devote his time, attention and abilities to manage the business of the company.
4. The Board of Directors of the Company may from time to time nominate him on the various Committees constituted by it He is expected to perform duties in Committee(s) with necessary diligence and prudence.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to alter, amend or vary the terms and conditions of appointment including remuneration structure as may be agreed to between the Board of Directors and Mr. Servesh Gupta within limits sanctioned by the members, and/or within such guidelines or amendments as may be made to the Companies Act, 2013 and Schedule V or such other authority as may be prescribed;

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matter and things to give effect to the foregoing resolution.”

3. APPROVAL OF RELATED PARTY TRANSACTION

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

“RESOLVED THAT, pursuant to the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 (including any amendment or modification thereof) and applicable provisions of the Companies Act, 2013 read with relevant Rules thereto [including any statutory modification(s) or re-enactment thereof, for the time being in force] and subject to such other approvals, sanctions as may be required from other authorities under any laws or regulations or guidelines and after such alterations and modifications as may be specified by such other authorities while according the approval or sanction, wherever applicable, approval of the members of the Company be and is hereby accorded to the Board of into ongoing related party contract/arrangements/transactions with M/s Retail Information Systems Pty Ltd a Foreign Wholly Owned subsidiary of the Company, relating to sale, purchase or supply of products, goods or materials or availing or rendering of services and leasing of property of any kind (movable or immovable) up to an amount 15 Crores (Fifteen crores only) for the financial year 2023-24 on such terms and conditions as may be decided by the Board;

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

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

4. APPROVAL OF RELATED PARTY TRANSACTION

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

“RESOLVED THAT pursuant to the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 (including any amendment or modification thereof) and applicable provisions of the Companies Act, 2013 read with relevant Rules thereto [including any statutory modification(s) or re-enactment thereof, for the time being in force] and subject to such other approvals, sanctions as may be required from other authorities under any laws or regulations or guidelines and after such alterations and modifications as may be specified by such other authorities while according the approval or sanction, wherever applicable, approval of the members of the Company be and is hereby accorded to the Board of into ongoing related party contract/arrangements/transactions with M/s Niskarsh Properties Private Limited, a Wholly Owned subsidiary of the Company, relating to sale, purchase or supply of products, goods or materials or availing or rendering of services and leasing of property of any kind (movable or immovable) up to an amount 15 Crores (Fifteen Crore only) for the financial year 2023-24 on such terms and conditions as may be decided by the Board;

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

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

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

**SD/-
Mr. Serveshe Gupta
(Managing Director)
DIN: 01451093
Date: 08.08.2023
Place: Delhi**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the commencement of the AGM. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") with respect of Special Business set out in the Notice, is annexed hereto.
5. The Register of Members and Share Transfer Books of the Company will be closed on Members, Proxies and Authorized Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.
6. The Notice of the AGM along with the Annual Report for is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
7. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents (RTA), M/s Big share Services Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to RTA.
8. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or RTA for assistance in this regard.
9. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
10. Members / Proxies should bring the Attendance slip duly filled in for attending the meeting along with their copy of the Annual Report.
11. In accordance with section 20 of the Companies Act, 2013 service of documents on members by a company is allowed through electronic mode. Accordingly, as a part of Green Initiative, soft copy of the Annual Report for the year ended March 31, 2023 has been sent to all the members whose email address (es) are registered with the Company/Depository Participant(s) unless any member has requested for a hard copy of the same. Further, in terms of SEBI Circular No. CIR/CFD/DIL/7/2011 dated 5th October, 2011 the hard copies of Annual Report have been sent to all other members who have not registered their email address (es). Members, who have not yet registered their email

address with the Company/RTA/Depository Participant, are requested to do the same at the earliest. Members holding shares in dematerialized form are requested to register their email address with their Depository Participant only. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon receipt of request for the same, free of cost. The Notice of the Annual General Meeting and the Annual Report for will also be available on the Company's website www.usgtechsolutions.com for download by the members. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during business hours.

12. The route map showing directions to reach the venue of is given on Back Over.
13. All documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection at the corporate office of the Company.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the Securities Market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding the shares in physical form can submit their PAN details to the Company/RTA, M/s Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Maro Maroshi Road, Andheri East, Mumbai 400059
15. Non-Resident Indian members are requested to inform RTA/respective DP's, immediately of:
 - a) Change in their residential status on return to India for permanent settlement.
 - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number, IFSC Code and address of the bank with pin code number, if not furnished earlier.
16. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.
17. Members are eligible to cast vote only if they are holding shares as on record date i.e. 22/09/2023 and a person who is not a member as on the cut-off date should treat this notice for information purposes only.
18. Members of the Company who acquires shares after sending of Notice by the Company and hold shares as on the cut-off date i.e. 22/09/2023, shall follow the same procedure for e-Voting as mentioned further herewith.
19. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories and Company's RTA as on the cut-off date only shall be entitled to avail the facility remote e-voting or voting at the AGM.
20. ***AN ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ELECTRONIC ANNUAL REPORT:***
 - i. In accordance with, the Circular No. 14 dated April 8, 2020 read with Circular No. 17 dated April 13, 2020, Circular No. 20 dated May 5, 2020 and General Circular No.02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 08, 2021, General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 02/2022 dated May 05, 2022 issued by MCA and Circular dated SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13 May, 2022 and on 15th January, 2021 reference no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 extended relaxations granted under circular dated 12th May, 2020 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

- ii. Members are requested to register their email ID and Bank Account details:
 In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered email address.
 In case the shareholder has not registered his/her/their email addresses with the Company/its RTA/Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:
- ✓ **In the case of Shares held in physical mode:** The shareholder may please email to RTA at mukesh@bigshareonline.com
 - ✓ **In the case of Shares held in Demat mode:** The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

21. The Notice of AGM along with Annual Report for the financial year 2022-23, is available on the website of the Company at www.usgtechsolutions.com, on the website of Stock Exchanges where shares of the Company are listed i.e. BSE Limited at www.bseindia.com

22. VOTING THROUGH ELECTRONIC MEANS FOR ANNUAL GENERAL MEETING

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

- A. The Board of Directors has appointed Practicing Company Secretary Ms. Preeti, M/s PDU & Company, Scrutinizer.
- B. The Scrutinizer shall within a period of 48 hours from the conclusion of e-voting period, unblock the votes in presence of at least two witnesses not in employment of the company and make a report of votes cast in favor or against, if any, forthwith to the chairman of the company.
- C. Members are requested to carefully read the instructions for e-voting before casting their vote.
- D. The e-voting facility will be available during the following voting period after which the portal will be blocked and shall be available for e-voting.

Commencement of e-voting	26/09/2023 at 09.00 a.m.
End of e-voting	28/09/2023 at 5.00 p.m.

- E. The book closure date (i.e. the record date) for the purpose of e-voting is 22/09/2023, in compliance of Section 108 of the Companies Act, 2013.
- F. The Result shall be declared within 48 hours from the conclusion of AGM. The result declared along with Scrutinizer Report shall be placed on the company's website and on CDSL Website.

G. THE INSTRUCTIONS FOR SHAREHOLDERS CDSL e-Voting System – For Remote e-voting

- Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.