

**THIRTY SECOND ANNUAL REPORT
FOR THE YEAR ENDED
31ST MARCH 2017**



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BOARD OF DIRECTORS**SRI. R. RAMAKRISHNAN** (Upto 4th October 2017)**SRI. S E S MANI** (Upto 4th October 2017)**SRI. S RAMAKRISHNAN** (Upto 4th October 2017)**SMT. NALINI RAJESH** (Upto 4th October 2017)**SMT. BHAVIKA JAIN** (From 4th October 2017)**SMT. KUSHBU JAIN** (From 4th October 2017)**SMT. REKHA JAIN** (From 4th October 2017)**SRI. BHARAT KUMAR DUGHAR** (From 21st November 2017)**SRI. VELU** (From 21st November 2017)**CHIEF EXECUTIVE OFFICER****SRI. R SOMASUNDARAM** (Upto 4th October 2017)**CHIEF FINANCIAL OFFICER &
COMPANY SECRETARY****SRI. R KRISHNAN** (Upto 4th October 2017)**BANKERS****The Karur Vysya Bank Ltd.
United Bank of India
State Bank of Mysore****AUDITORS****M/S. SUNDARAM & SRINIVASAN
Chartered Accountants
23, C P Ramaswamy Road,
Chennai - 600 018.****REGISTERED OFFICE****No. 51, Hunters Road, Choolai,
Chennai - 600112.
Email : upasana_shares@yahoo.com****Green Initiative in the Corporate Governance**

The Ministry of Corporate Affairs has taken a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holding with the Depository through their Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses with RTA of the Company.

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Upasana Finance Limited

CIN: L65191TN1985PLC011503

Registered Office: 51 Hunters Road, Choolai, Chennai 600 112

Phone: +91-44-43801111

E-mail: upasana_shares@yahoo.com: Website: www.upasanafinance.com

Notice to the Shareholders

NOTICE is hereby given that the Thirty Second Annual General Meeting of the Shareholders of the Company will be held at YMCA Madras Youth Centre, No. 6/74, Ritherdon Road, Vepery, Chennai 600 007 on Saturday 23rd December 2017 at 11.00 am to transact the following business:

ORDINARY BUSINESS

1. To adopt the Audited Financial Statement for the year ended 31st March, 2017 together with Report of the Board of Directors and Auditors thereon.
"RESOLVED that the Audited financial statement for the year ended 31st March, 2017 together with the Auditors Report thereon and the Report of the Board of Directors for the financial year ended on that date be and are hereby approved and adopted."

2. To appoint M/s. KALYANASUNDARAM & CO Chartered Accountants, Chennai (FRN: 0001676S) as Statutory Auditors of the Company.

"RESOLVED THAT M/s. KALYANASUNDARAM & CO, Chartered Accountants, Chennai (FRN: 0001676S), be and are hereby appointed as Statutory Auditors of the Company under Section 139 of the Companies Act, 2013, in the place of M/s Sundaram & Srinivasan, Chartered Accountants, Chennai (Registration No. 004207S) whose tenure expires at the conclusion of the ensuing 32nd Annual General Meeting.

RESOLVED FURTHER THAT pursuant to Section 139 and other applicable provisions of the Companies Act, 2013, M/s. KALYANASUNDARAM & CO, Chartered Accountants, Chennai, will hold office as the Statutory Auditors of the Company, for a term of five consecutive years, till the conclusion of the Annual General Meeting of the Company for the financial year 2021-2022, subject to ratification at every Annual General Meeting, on such remuneration as may be determined by the Board of Directors of the Company, in addition to reimbursement of travelling and other out-of-pocket expenses actually incurred by them in connection with the audit."

SPECIAL BUSINESS

3. Appointment of Ms. Rekha Jain as Non-Executive Non Independent Director

To consider and if thought fit, to pass the following business, as an Ordinary Resolutions:

"RESOLVED that pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and in pursuance of Articles of Association of the Company, Ms Rekha Jain (holding DIN: 07704034) appointed as an Additional Director effective 4th October 2017 and holding such office upto the date of the ensuing Annual General Meeting, be and is hereby appointed as a Non-Executive Non-Independent Director of the Company, whose period of office shall be liable to determination by retirement of Directors by rotation.

RESOLVED FURTHER that the Directors of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be deemed necessary in this regard on behalf of the Company."

4. Appointment of Ms Bhavika Jain as Non-Executive Non Independent Director

To consider and if thought fit, to pass the following business, as an Ordinary Resolutions:

"RESOLVED that pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and in pursuance of Articles of Association of the Company, Ms Bhavika Jain (holding DIN: 07704015) appointed as an Additional Director effective 4th October 2017 and holding such office upto the date of the ensuing Annual General Meeting, be and is hereby appointed as a Non-Executive Non-Independent Director of the Company, whose period of office shall be liable to determination by retirement of Directors by rotation.

RESOLVED FURTHER that the Directors of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be deemed necessary in this regard on behalf of the Company."

5. Appointment of Ms Khushbu Jain as Non-Executive Non Independent Director

To consider and if thought fit, to pass the following business, as an Ordinary Resolutions:

"RESOLVED that pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and in pursuance of Articles of Association of the Company, Ms Khushbu Jain (holding DIN: 07704023) appointed as an Additional Director effective 4th October 2017 and holding such office upto the date of the ensuing Annual General Meeting, be and is hereby appointed as a Non-Executive Non-Independent Director of the Company, whose period of office shall be liable to determination by retirement of Directors by rotation.

RESOLVED FURTHER that the Directors of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be deemed necessary in this regard on behalf of the Company."

6. Appointment of Mr. Bharat Kumar Dughar as Non-Executive Independent Director

To consider and if thought fit, to pass the following business, as an Ordinary Resolutions:

"RESOLVED that pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and in pursuance of Articles of Association of the Company, Mr. Bharath Kumar Dughar (holding DIN: 07996160) appointed as an Additional Director effective 21st November 2017 and holding such office upto the date of the ensuing Annual General Meeting and in respect of whom the company has received a notice in writing from member under Section 160 of the Companies Act, 2013 signifying his candidature as an independent director, be and is hereby appointed as an Independent Director of the company for a period of five years from 21st November 2017, not liable to retire by rotation.

RESOLVED FURTHER that the Directors of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be deemed necessary in this regard on behalf of the Company."

7. Appointment of Mr. Velu as Non-Executive Independent Director

To consider and if thought fit, to pass the following business, as an Ordinary Resolutions:

"RESOLVED that pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and in pursuance of Articles of Association of the Company, Mr. Velu (holding DIN: 05267689) appointed as an Additional Director effective 21st November 2017 and holding such office upto the date of the ensuing Annual General Meeting and in respect of whom the company has received a notice in writing from member under Section 160 of the Companies Act, 2013 signifying his candidature as an independent director, be and is hereby appointed as an Independent Director of the company for a period of five years from 21st November 2017, not liable to retire by rotation.

RESOLVED FURTHER that the Directors of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be deemed necessary in this regard on behalf of the Company."

By Order of the Board
For UPASANA FINANCE LIMITED

Chennai
November 21, 2017

-Sd-
BHAVIKA JAIN
Director
DIN: 07704015

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER. 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 voting share capital of the Company. A member holding more than ten percent of the total voting share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The instrument appointing proxy should be deposited either at the Registered Office of the Company or at the office of the Company's Share Transfer Agents viz. Integrated Registry Management Services Private Limited, Kences Towers, 2nd Floor, No.1, Ramakrishna Street, North Usman Road, T Nagar, Chennai - 600 017 at least 48 hours before the commencement of the meeting. Proxy form enclosed.

3. Regulation 12 and Schedule I of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 among other things, mandates the usage of electronic payment instruments, companies whose securities are listed on the stock exchanges shall maintain requisite bank details of their investors. Schedule I of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 also provides that only in cases where MICR, IFSC Code required for making electronic payment are not available or the electronic payments instructions have failed or have been rejected by the Bank, companies / R&STA can make cash payments (i.e. dividend warrants) to investors. However, even while making such payments, companies shall mandatorily print the bank account details of the investors on such electronic payments. In view of the above circular, investors may note the following advice -

A) Investors holding shares in physical mode are requested to intimate / update the bank account details viz, Bank Name, Bank Branch, Account Number, MICR No., IFSC Code along with a copy of the cancelled cheque to the company / R&STA for updating the records.

B) Investors holding shares in demat mode are requested to intimate / update the bank account details along with other details as may be required by their concerned Depository Participant.

4. Register of Members and the Share Transfer Books of the Company will remain closed from 16th December, 2017, to 23rd December, 2017 (both days inclusive).

5. Members desiring any information as regards accounts are requested to write to the Company at least 7 days before the meeting so as to enable the Management to keep the information ready.

6. In the case of joint holders, the vote of the senior member who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

7. Members, holding shares in physical form, are requested to notify / send the following to the Registrar and Share Transfer Agent of the Company :

- a) any change in their address/mandate/bank details
- b) particulars of their bank account, in case they have not been sent earlier
- c) nomination in Form SH-13, in duplicate, as provided under Section 72 of the Companies Act, 2013, in case they have not been sent earlier
- d) share certificate(s) held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholdings into one account

Members holding physical form, in their own interest, are requested to dematerialize the shares to avail the benefits of electronic holding / trading.

8. Members, holding shares in electronic form, may please note that, as per the applicable regulations of the Depositories, the bank details as furnished by the respective Depositories to the Company will be printed on the dividend warrants issued from time to time. The Company will not entertain any direct request from such members for deletion of / change in such bank details. Further, instructions if any, already given by members in respect of shares in physical form will not be automatically applicable to the dividend payable on shares in electronic form. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend, directly to their Depository Participants.

Members holding shares in electronic form are requested to advise change of their address and nomination to their Depository participants.

9. Electronic copy of the Annual Report and the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with the attendance slip and proxy form are being sent to all the members whose email address are registered with the company / Depository Participant(s) for communication purposes. Physical copy of the Annual Report and Notice of the Annual General Meeting are being sent in the permitted modes of dispatch to all the shareholders.

10. Members are requested to affix their signatures at the space provided on the Attendance slip and handover the slip at the entrance of the meeting hall. Corporate members are requested to send a duly certified copy of the board resolution / power of attorney authorizing their representatives to attend and vote at the annual general meeting. As a measure of economy, copies of Annual Report will not be distributed at the venue of the Annual general meeting. Members are, therefore, requested to bring their copies of the Annual Report to the meeting.

11. Members may also note that the Notice of the Annual General Meeting and the Annual Report will also be available on the Company's website www.upasanafinance.com for download. The physical copies of such documents will also be available at the company's registered office in Chennai for inspection during normal business hours on working days. Members desiring to receive the reports in physical form, even after registering for electronic mode, may request for the same, upon which report will be dispatched free of cost. For any communication in this regard, members may send their requests to upasana_shares@yahoo.com.

12. Voting through electronic means and at the AGM:

(i) In compliance with provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members the facility to exercise their right to vote on resolutions proposed to be considered at the 32nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the annual general meeting ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

(ii) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

(iii) A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.

(iv) the remote e-voting period commences on 19th December, 2017 (9.00 a.m. Indian Standard Time) and ends on 22nd December, 2017 (5.00 p.m. Indian Standard Time). During this period, shareholders' of the Company, holding shares whether in physical form or in dematerialized form, as on the cut-off date i.e. 16th December, 2017 may cast their votes by remote e-voting. The remote 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.

(v) The process and manner of remote e-voting are as follows:-

(A) In case a Member receives an email from NSDL, whose email IDs is registered with the Company/ Depository Participant(s).

1) Open email and open PDF file named – "Upasana Finance Limited remote e-voting pdf" with the Client ID or Folio No. as password. The said PDF file contains the user ID and password / PIN for e-voting. Please note that the password is an initial password, which the member may change. You will not receive this PDF file if you are already registered with NSDL for e-voting

2) Launch internet browser by typing the URL: <http://www.evoting.nsdl.com/>

3) Click on Shareholder – Login

4) Type the USER ID and PASSWORD as initial password / PIN noted in Step (i) above. Thereafter, Click Login

5) Password change menu will appear now. Change the password / PIN with new password with minimum 8 digits / characters or combination thereof. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. You make a note of the new password. It is strongly recommended not to share the password with any other person and take utmost care to keep the password confidential.

6) Home page of e-voting opens. Click on e-voting and select Active voting cycles.

7) Select "EVEN" of Upasana Finance Limited.

8) Now, the members may cast the vote as the page opens.

9) Members may cast their vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

10) Upon confirmation, the message "Vote cast successfully" will be displayed.

11) Once a member has voted on the resolution, the member will not be allowed to modify the vote.

12) Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (pdf / jpeg format) of the relevant Board Resolution together with attested specimen signature of the duly authorised signatory(ies) vote to Scrutiniser through email to evoting@akjainassociates.com with a copy marked to evoting@nsdl.co.in

(B) In case of a member whose email IDs are not registered with the Depository Participant(s) (physical copy of the Annual Report is being sent)

a. Initial password is provided on the Attendance Slip for the AGM:

b. The Member may follow all steps from serial no. (2) to (12) in (A) above to cast the vote.

(vi) In case of any queries, the member may refer the frequently asked questions (FAQs) for shareholders and e-voting user manual for shareholders available at the download section of www.evoting.nsdl.com or contact NSDL at the toll free no 1800-222-990.

(vii) If the member is already registered with NSDL for e-voting then the member can use the existing USER ID and PASSWORD / PIN for casting the vote.

(viii) Members can also update their mobile number and email id in the user profile details of the folio, which may be used for sending future communications.

(ix) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the company as on the cut-off date of 16th December, 2017.

(x) Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 16th December, 2017 may obtain the login ID and password by sending an email to yuvraj@integratedindia.in or evoting@nsdl.co.in by mentioning their Folio No./DP ID and Client ID No. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote.

(xi) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the meeting through ballot papers. A person who is not a member as on the cutoff date should treat this Notice for information purpose only

(xii) The Company has appointed Mr. Balu Sridhar, Partner A. K. Jain & Associates, Company Secretaries in Practice, as Scrutiniser for conducting the remote e-voting process and voting through ballot papers at the AGM in a fair and transparent manner.

(xiii) The Scrutiniser shall, immediately after the conclusion of voting at general meeting, count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. Scrutiniser shall within 3 days of conclusion of the meeting submit a consolidated scrutiniser report of the total votes cast in favour or against, if any, to the Chairman of the meeting or any other Director authorised by him in writing who shall countersign the same and declare the result of the voting forthwith.

(xiv) Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting, i.e., 23rd December 2017. The results along with the Scrutinisers Report shall be placed on the website of the Company www.upasanafinance.com and on the website of NSDL immediately after the declaration of result by the Chairman of the meeting or any other director authorized by him in writing. The results shall also be communicated to the Stock Exchange viz. BSE Limited, Mumbai.

13. Particulars of directors seeking appointment in this Annual General Meeting as required to be furnished under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

By Order of the Board
For UPASANA FINANCE LIMITED

-Sd-
BHAVIKA JAIN
Director
DIN: 07704015

Chennai
November 21, 2017

| NAME OF THE DIRECTOR | Ms. REKHA JAIN | Ms. BHAVIKA JAIN | Ms. KHUSHBU JAIN |
|--|----------------|------------------|------------------|
| Date of Birth | 28/10/1961 | 05/07/1982 | 01/03/1984 |
| Date of Appointment on the Board as a Director | 04/10/2017 | 04/10/2017 | 04/10/2017 |
| Qualification | Under Graduate | Graduate | Graduate |
| List of Outside Directorships held | Nil | Nil | Nil |
| Chairman / Member of the committees of the Board of Directors of the company | Nil | Nil / 3 | Nil |
| No of shares held in company | 10,00,200 | 11,77,512 | 10,00,000 |

| NAME OF THE DIRECTOR | Mr. BHARAT KUMAR DUGHAR | Mr. VELU |
|--|-------------------------|------------|
| Date of Birth | 12/10/1975 | 25/08/1970 |
| Date of Appointment on the Board as a Director | 21/11/2017 | 21/11/2017 |
| Qualification | Graduate | Graduate |
| List of Outside Directorships held | Nil | 2 |
| Chairman / Member of the committees of the Board of Directors of the company | 3 / Nil | Nil / 3 |
| No of shares held in company | 0 | 0 |

STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 3

Pursuant to the recommendation by the Nomination and Remuneration Committee under Section 178(2) of the Companies Act, 2013 (The 'Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have, on October 4, 2017, appointed Ms Rekha Jain as an Additional Director of the Company, pursuant to Section 161 and other applicable provisions of the Act. As an Additional Director Ms Rekha Jain, will hold such office up to the date of Annual General Meeting scheduled on 23.12.2017. The Company has received consent from Ms Rekha Jain to act as a director and also a declaration under Section 164 of the Act that she is not disqualified from being appointed as a Director. The proposed resolution seeks the approval of members for the appointment of Ms Rekha Jain as a Non-Executive Non-Independent Directors of the Company pursuant to Section 152 and other applicable provisions of the Companies Act, 2013. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, along with requisite deposit amount, from a member proposing the candidature of Ms Rekha Jain for the office of Non-Executive Non-Independent Director, to be appointed as such under the provisions of Section 152 of the Companies Act, 2013. The Board recommends the appointment of Ms Rekha Jain as Non-Executive Non-Independent Director liable to retire by rotation.

Concern or interest, financial or otherwise of Directors and Key Managerial Personnel and their relatives :

Ms Rekha Jain, Director may be deemed to be interested in this item of business since it relates to her appointment.

Ms Bhavika Jain and Ms Khushbu Jain may also be deemed to be interested, being relatives of Ms Rekha Jain.

No other Director or key managerial personnel or their relative is concerned or interested in this item of business.

Other details as required under Secretarial Standards on General Meetings (SS-2) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are furnished separately, which form part of this statement.

ITEM NO. 4

Pursuant to the recommendation by the Nomination and Remuneration Committee under Section 178(2) of the Companies Act, 2013 (The 'Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have on October 4, 2017, appointed Ms Bhavika Jain as Additional Director of the Company, pursuant to Section 161 and other applicable provisions of the Act. As an Additional Director, Ms Bhavika Jain will hold such office up to the date of Annual General Meeting scheduled on 23.12.2017. The Company has received consent from Ms Bhavika Jain to act as a director and also a declaration under Section 164 of the Act that she is not disqualified from being appointed as a Director. The proposed resolution seeks the approval of members for the appointment of Ms Bhavika Jain as a Non-Executive Non-Independent Director of the Company pursuant to Section 152 and other applicable provisions of the Companies Act, 2013. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, along with requisite deposit amount, from a member proposing the candidature of Ms Bhavika Jain for the office of Non-Executive Non-Independent Director, to be appointed as such under the provisions of Section 152 of the Companies Act, 2013. The Board recommends the appointment of Ms Bhavika Jain as Non-Executive Non-Independent Director liable to retire by rotation.

Concern or interest, financial or otherwise of Directors and Key Managerial Personnel and their relatives :

Ms Bhavika Jain, Director, may be deemed to be interested in this item of business since it relates to her appointment.

Ms Rekha Jain, and Ms Khushbu Jain may also be deemed to be interested, being relatives of Ms Bhavika Jain.

No other Director or key managerial personnel or their relative is concerned or interested in this item of business.

Other details as required under Secretarial Standards on General Meetings (SS-2) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are furnished separately, which form part of this statement

ITEM NO. 5

Pursuant to the recommendation by the Nomination and Remuneration Committee under Section 178(2) of the Companies Act, 2013 (The 'Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have on October 4, 2017, appointed Ms Khushbu Jain as Additional Director of the Company, pursuant to Section 161 and other applicable provisions of the Act. As an Additional Director, Ms Khushbu Jain will hold such office up to the date of Annual General Meeting scheduled on 23.12.2017. The Company has received consent from Ms Khushbu Jain to act as a director and also a declaration under Section 164 of the Act that she is not disqualified from being appointed as a Director. The proposed resolution seeks the approval of members for the appointment of Ms Khushbu Jain as a Non-Executive Non-Independent Director of the Company pursuant to Section 152 and other applicable provisions of the Companies Act, 2013. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, along with requisite deposit amount, from a member proposing the candidature of Ms Khushbu Jain for the office of Non-Executive Non-Independent Director, to be appointed as such under the provisions of Section 152 of the Companies Act, 2013. The Board recommends the appointment of Ms Khushbu Jain as Non-Executive Non-Independent Director liable to retire by rotation.

Concern or interest, financial or otherwise of Directors and Key Managerial Personnel and their relatives :

Ms Khushbu Jain Director may be deemed to be interested in this item of business since it relates to her appointment.

Ms Rekha Jain, and Ms Bhavika Jain may also be deemed to be interested, being relatives of Ms Khushbu Jain.

No other Director or key managerial personnel or their relative is concerned or interested in this item of business.

Other details as required under Secretarial Standards on General Meetings (SS-2) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are furnished separately, which form part of this statement

ITEM NO. 6

Pursuant to the recommendation by the Nomination and Remuneration Committee under Section 178(2) of the Companies Act, 2013 (The 'Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have on November 21, 2017, appointed Mr. Bharat Kumar Dughar as Additional Director of the Company, pursuant to Section 161 and other applicable provisions of the Act. In terms of Section 149 of the Act, Mr. Bharat Kumar Dughar is designated as Independent Director of the Company for a term of five years effective from November 21, 2017. As an additional director he holds office upto the date of ensuing Annual General Meeting scheduled to be held on 23.12.2017. The Company has received consent from Mr. Bharat Kumar Dughar to act as a director, declaration under section 164 that he is not disqualified from being appointed as Director and a declaration to the effect that he meets the criteria of Independence as provided under Section 149 of the Act. The proposed resolution seeks the approval of members for the appointment of Mr. Bharat Kumar Dughar as a Non-Executive Independent Director of the Company for a term of five years effective from November 21, 2017 and shall not be liable to retire by rotation.

Concern or interest, financial or otherwise of Directors and Key Managerial Personnel and their relatives :

Mr. Bharat Kumar Dughar, Director, may be deemed to be interested in this item of business since it relates to his appointment.

ITEM NO. 7

Pursuant to the recommendation by the Nomination and Remuneration Committee under Section 178(2) of the Companies Act, 2013 (The 'Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have on November 21, 2017, appointed Mr. Velu as Additional Director of the Company, pursuant to Section 161 and other applicable provisions of the Act. In terms of Section 149 of the Act, Mr. Velu is designated as Independent Director of the Company for a term of five years effective from November 21, 2017. As an additional director he holds office upto the date of ensuing Annual General Meeting scheduled to be held on 23.12.2017. The Company has received consent from Mr. Velu to act as a director, declaration under section 164 that he is not disqualified from being appointed as Director and a declaration to the effect that he meets the criteria of Independence as provided under Section 149 of the Act. The proposed resolution seeks the approval of members for the appointment of Mr. Velu as a Non-Executive Independent Director of the Company for a term of five years effective from November 21, 2017 and shall not be liable to retire by rotation.

Concern or interest, financial or otherwise of Directors and Key Managerial Personnel and their relatives :

Mr. Velu, Director, may be deemed to be interested in this item of business since it relates to his appointment.

BOARD'S REPORT TO THE SHAREHOLDERS

The Directors have pleasure in presenting the Thirty Second Annual Report, together with the audited accounts for the year ended 31st March 2017.

1. FINANCIAL HIGHLIGHTS

Rs./Lakhs

| Income from Operations | 2016-17 | 2015-16 |
|---|---------|---------|
| Income from Operations | 133.70 | 127.47 |
| Less: Expenditure | 67.61 | 74.73 |
| Profit Before Tax and Extraordinary Items | 66.09 | 52.74 |
| Less: Extraordinary items | - | - |
| Less: Current Tax | 7.50 | 7.25 |
| Less: Earlier Tax | (0.25) | 0.17 |
| Profit after Tax | 58.84 | 45.32 |

2. OPERATIONS**a) Income**

The income from operations of the company for the year under review was at Rs.133.70 lakhs as against Rs. 127.47 lakhs during the previous year.

b) Profit after tax

The profit after tax of the company for the year under review was Rs. 58.84 lakhs as against Rs. 45.32 lakhs during the previous year.

3. MANAGEMENT DISCUSSION AND ANALYSIS**a) Classification by Reserve Bank of India (RBI)**

The company is registered with RBI as Non Deposit taking Non-Banking Financial Company (NBFC-ND) and has a valid certificate of Registration.

b) Business Review

The Company continues to concentrate upon recovery of overdue receivables. Even while pursuing the legal route, the company attempts negotiations with customers for early recovery of debts.

(c) Future Outlook

The Company is not entering into fresh contracts for business and is continuing to concentrate upon recovery of overdue receivables and is hopeful that the impact of this approach on the net worth will be more beneficial to the Company.

4. DIVIDEND

In view of inadequate accumulated profit, the Directors do not recommend any dividend for the year under review.

5. TRANSFER TO RESERVES

An amount of Rs.11,76,807/- (Last year Rs.9,06,498/-) has been transferred to Special Reserve as per the requirement under Section 45 IC of the Reserve Bank of India Act, 1934. The company has not transferred any amount to the general reserves.

6. EXTRACT OF ANNUAL RETURN

An extract of the annual return in Form MGT-9 is appended as Annexure I to this Report.

7. CORPORATE GOVERNANCE

Pursuant to regulation 15(2)(a) of SEBI (Listing Obligations and Disclosure Requirements) (LODR) Regulations 2015 prescribes that, regulation 27 of LODR Regulations is not applicable for Companies having paid up equity share capital not exceeding Rs.10 Crores and Net worth not exceeding Rs.25 Crores as on the last day of the previous year. As the Equity Share Capital of Upasana Finance Limited is Rs. 4.28 Crores and Networth is Rs. 12.16 Crores as on 31st March 2016, regulation 27 is not applicable to the Company.

8. DIRECTORS

The existing composition of the company's board is fully in conformity with the applicable provisions of the Companies Act, 2013 with regard to Independent Directors and women directors during the year ended 31st March 2017.

Sri R Ramakrishnan (Din No.00236673), Sri S Ramakrishnan (Din No.00270433), Sri S E S Mani (Din No 00686011) and Smt.Nalini Rajesh (Din No. 07140228), the directors of the company have resigned with effect from October 4, 2017. The Board has co-opted Ms. Rekha Jain (Din No.07704034), Ms. Bhavika Jain (Din No. 07704015) and Ms. Khushbu Jain (Din No. 07704023) as additional directors with effect from October 4, 2017 based on the recommendations made by the Nomination and Remuneration Committee.

Mr. Bharat Kumar Dughar (Din No. 07996160) and Mr. Velu (Din No.05267689) have been appointed as Additional / Independent director of the Company with effect from November 21, 2017 based on the recommendations made by the Nomination and remuneration committee.

Necessary resolution for their appointment / confirmation is being placed for approval of the members at the AGM. The board recommends their appointment as directors of the Company. A brief resume of theirs and other relevant information will be furnished in the notice convening the AGM.

9. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that:-

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the directors have selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year.
- c) 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.
- d) the directors have prepared the annual accounts on a going concern basis.
- e) the directors have laid down internal financial controls which are adequate and are operating effectively.
- f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. DECLARATION BY INDEPENDENT DIRECTORS

All the independent directors have submitted the declaration of independence, as required pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as laid down section 149(6) of the Companies Act, 2013.