

TWENTY EIGHTH ANNUAL REPORT

FOR THE YEAR ENDED

31ST MARCH 2013



BOARD OF DIRECTORS

SRI. R RAMAKRISHNAN

SRI. S E S MANI

SRI. S RAMAKRISHNAN

SECRETARY

SRI. R KRISHNAN

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

**III Floor
Auras Corporate Center
98-A, Dr. Radhakrishnan Salai,
Mylapore, Chennai - 600 004
Tel : 044 - 2847 8605
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.

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the **TWENTY EIGHTH ANNUAL GENERAL MEETING** of the Shareholders of the Company will be held at the Narada Gana Sabha Trust (MINI HALL) New No. 314 (Old No. 254) T T K Road, Alwarpet, Chennai 600 018 on Thursday the 12th September 2013 at 10.00 A M to transact the following business:

Ordinary Business

1. To consider and, if thought fit, to pass, with or without modification the following Resolution as an Ordinary Resolution:
"RESOLVED that the Audited Balance Sheet as at 31st March 2013, the Statement of Profit and Loss for the year ended 31st March 2013 and the Reports of the Directors and the Auditors of the Company, be and are hereby approved and adopted."
2. To consider and, if thought fit, to pass, with or without modification the following Resolution as an Ordinary Resolution:
"RESOLVED that Sri S Ramakrishnan, who retires by rotation and being eligible for re-appointment, be and is hereby appointed as a Director of the Company."
3. To consider and, if thought fit, to pass, with or without modification the following Resolution as an Ordinary Resolution:
"RESOLVED that M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai, Auditors of the Company, (Registration No.004207S with the Institute of Chartered Accountants of India) be, and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company 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."

Chennai
30th April, 2013

By Order of the Board
R KRISHNAN
Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/ HERSELF AND SUCH PROXY NEED NOT BE A MEMBER.
2. The instrument appointing proxy should be deposited at the Office of the Company's Share Transfer Agents viz. Integrated Enterprises (India) Limited, Kences Tower , 2nd Floor, No.1 Ramakrishna Street, T Nagar, North Usman Road, Chennai 600 017 at least 48 hours before the commencement of the meeting.
3. SEBI vide its circular no. CIR/MRD/DP/10/2013 dated 21.03.2013 has mandated that in order to enable usage of electronic payment instruments, companies whose securities are listed on the stock exchanges (or their RTI & STA) shall maintain requisite bank details of their investors. The circular further mandates the Companies or their Registrar & Share Transfer Agents (R&STA) shall take necessary steps to maintain updated bank details of the investors at its end. The circular 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 warrant) to investors. However, even while making such payments by cash, 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:-

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 your records with us.

Investors holdings shares in demat mode are requested to intimate / update the bank account details with the details as may be required by their concerned Depository Participant.
4. Members desiring any information as regards accounts are requested to write to the Company at least seven days before the meeting so as to enable the Management to keep the information ready.
5. 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) Nomination in Form 2B, in duplicate as provided under Section 109A of the Companies Act, 1956, in case they have not been sent earlier.
 - c) 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.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from 2nd September 2013 to 12th September 2013 (both days inclusive.)
7. 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.
8. At this Annual General Meeting Sri S Ramakrishnan, Director, retires by rotation and being eligible, offers himself for re-appointment. The particulars of Sri S Ramakrishnan, Director as required to be furnished under the Listing Agreement are provided hereunder.

Sri S Ramakrishnan, aged 68 years is an Automobile Engineering Graduate from Madras Institute of Technology, Madras and a Post-Graduate Diploma from Indian Institute of Management, Ahmedabad (IIMA). He has 41 years experience in various capacities in the field of Engineering, Treasury and Finance.

Sri S Ramakrishnan is a Director in Lakshminarayana Ancillaries Limited, Chennai, UFL Properties Private Limited, Chennai, GAEA Technologies India Private Limited, Chennai and GAEA Technologies Consulting India Private Limited, Chennai. He is not a member of any committee in the above Companies.

As on date, he holds 200 equity shares jointly with his wife.

DIRECTORS' REPORT TO THE SHARE HOLDERS

The Directors present you with the Twenty Eighth Annual Report together with the Audited Accounts for the year ended 31st March 2013.

1. FINANCIAL RESULTS :	2012-2013	Rs.in lakhs	2011-2012
Income from Operations	98.76		376.54
Other Income	39.14		18.86
Profit/(Loss) before Interest & Depreciation	83.58		339.86
Less: Interest	-		-
Less: Depreciation	-		-
Profit before Tax	83.58		339.86
Less : Provision for Tax	14.30		104.20
Profit after Tax	69.29		235.66
Add: Balance brought forward	(328.69)		(517.21)
Amount available for appropriation	(259.40)		(281.56)
Less: Appropriations			
Transfer to Statutory Reserve	13.86		47.13
Balance Carried Over	(273.26)		(328.69)

2. DIVIDEND:

In view of the accumulated losses, the Directors are unable to recommend any dividend on equity shares for the year ended 31st March 2013.

3. MANAGEMENT DISCUSSION AND ANALYSIS**Classification by RBI**

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

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. During the year, the Company has collected an amount of Rs. 26.78 lakhs.

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. DEPOSITS

There are no unclaimed deposits. There are no matured deposits claimed by the depositors, but not paid by the company.

5. DIRECTORS

Sri S Ramakrishnan, Director, retires from the Board by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

6. AUDITORS

M/s Sundaram and Srinivasan, Chartered Accountants, Chennai, retire at the ensuing Twenty Eighth Annual General Meeting and are eligible for re-appointment.

7. CORPORATE GOVERNANCE

Pursuant to Clause 49 of the listing agreement with the stock exchanges, a separate report on Corporate Governance together with a certificate from the Company's Auditors confirming the compliance of conditions of Corporate Governance is attached to this report.

8. INFORMATION AS PER SECTION 217 (1) (e) OF THE COMPANIES ACT 1956

The Company is a Non-Banking Finance Company and is not engaged in manufacturing activity of any kind. The disclosure of information regarding conservation of energy is therefore not applicable to the company. There was no foreign exchange earning or outgo for the company during the year. The Company has nothing to report with regard to technology absorption.

9. DIRECTORS' RESPONSIBILITY STATEMENT**The Directors confirm that:**

- In the preparation of annual accounts, the applicable accounting standards have been followed with proper explanation relating to material departures.
- Appropriate accounting policies have been selected and applied consistently, and judgments and estimates that have been made 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 financial year and of the profit of the company for that year.
- Proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- The annual accounts have been prepared on a going concern basis.

10. PERSONNEL

None of the employees of the Company is in receipt of remuneration in excess of limits prescribed under Section 217(2A) of the Companies Act, 1956.

11. GENERAL

Your Directors wish to place on record their appreciation for the continued support from all those assisting the recovery of over dues. The Directors also wish to thank the employees for their co-operation.

CHENNAI
30th April 2013

R RAMAKRISHNAN
DIRECTOR

S RAMAKRISHNAN
DIRECTOR

SUNDARAM & SRINIVASAN
Chartered Accountants

23, C.P. Ramaswamy Road,
Alwarpet, Chennai - 600 018.

CERTIFICATE

To the members of Upasana Finance Limited, Chennai 600 004

We have examined the Compliance of the conditions of Corporate Governance by **Upasana Finance Limited**, Chennai ("The Company") for the year ended 31st March 2013, as stipulated in Clause 49 of the Listing Agreements of the said Company with Stock Exchanges in India.

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

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 Agreements.

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.

For SUNDARAM & SRINIVASAN
Regn. No. 004207S
CHARTERED ACCOUNTANTS

Chennai
Date : 30th April 2013

P. MENAKSHISUNDARAM
PARTNER
Membership No.F217914

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31 - 03 - 2013

(As required by Clause 49 of the Listing Agreement with the Stock Exchanges)

MANDATORY REQUIREMENTS

1. Company's Philosophy on Code of Governance

The company believes in abiding by the Laws of the Land.

2. Board of Directors

a. Composition and Category of Directors

The Board comprises of 3 Non-Executive Directors, all of are independent All information as required under Annexure 1A to Clause 49 is being made available to the Board.

There is no pecuniary relationship / transaction with any of the Directors other than reported elsewhere.

b. Attendance of each Director at the Meetings of the Board of Directors and the last Annual General Meeting.

During the financial year 2012-2013 the Board met 5 times on 27th April 2012, 18th May 2012, 10th August 2012, 8th November 2012 and 11th February 2013. The following table gives details pertaining to attendance of Directors at the board meetings and at the last annual general meeting and number of companies and committees where they are Director/Member:

Name of the Director	Attendance		No. Of Directorships in Public Limited Companies (including this Company)	Committee memberships (including this Company)	
	Board	AGM		Chairman	Member
Sri R Ramakrishnan	5	Yes	2	3	1
Sri S Ramakrishnan	5	Yes	2	Nil	2
Sri S E S Mani	5	Yes	1	Nil	2

c. Code of Conduct

The Board of Directors of the Company have laid down a Code of Conduct applicable for all Board Members and the Senior Management of the Company. This Code of Conduct is displayed in the website of the Company www.upasanafinance.com. Further, all Board Members and the Senior Management of the Company have affirmed their adherence to the Code. A declaration signed by Sri S Ramakrishnan, Director to this effect is enclosed at the end of this report.

3. Audit Committee

The Audit Committee of the Board comprises of three Directors with all of them being independent viz. Sri R Ramakrishnan, Sri S E S Mani and Sri S Ramakrishnan with Sri R Ramakrishnan as its Chairman.

Meetings and attendance during the year.

Four Meetings of the Audit Committee were held during the year on 18th May 2012, 10th August 2012, 8th November 2012 and 11th February 2013.

Name of the Director	No. of meetings attended
R Ramakrishnan	4
S Ramakrishnan	4
S E S Mani	4

The Chairman of the Audit Committee was present at the Annual General Meeting held on 17th September 2012. Sri R Krishnan, Secretary, acts as Secretary of the Audit Committee.

The Statutory Auditors are invited to attend and participate at the meetings of the Committee.

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31 - 03 - 2013 (Contd.)**Brief Description and terms of reference:**

The Terms of Reference of Audit Committee cover the matters specified for Audit Committees under clause 49 of the Listing Agreements as well as in Section 292 of the Companies Act, 1956. The role of Audit Committee is as prescribed under clause 49(II)(D) of the Listing Agreement.

4. Remuneration / Compensation Committee

The Company has not set up a Remuneration Committee. The Directors have waived even the sitting fees and do not receive any remuneration

5. Investor/ Shareholder Grievance Committee

The Share Transfer and Investor/Shareholder Grievance Committee of the Board comprises of Sri R Ramakrishnan, Chairman, Sri S E S Mani and Sri S Ramakrishnan, as members. The Committee deals inter alia with redressal of Investors/ shareholders complaints. Sri R Krishnan, Secretary of the Company is the Compliance Officer of the Company. During the year, 36 queries/complaints were received from shareholders/ investors and other agencies, all of which have been resolved. The Company has no transfer application pending for registration as on 31st March 2013.

6. General Meetings

Details of the location, date and time of the last three Annual General Meetings (AGM) and the details of the resolutions passed or to be passed by Postal Ballot:

Year	Location	Date	Time
2011-2012	Narada Gana Sabha (Mini Hall), Chennai	17/09/2012	10.00 A.M.
2010-2011	Narada Gana Sabha (Mini Hall), Chennai	15/09/2011	10.00 A.M.
2009-2010	The Music Academy (Mini Hall), Chennai	28/09/2010	02.00 P.M.

All the resolutions set out in the respective notices were passed by the shareholders. No Postal Ballots were required to be used for voting at these meetings. No Special Resolution is proposed to be passed by Postal Ballot at the ensuing Annual General Meeting.

Brief background, functional experience of the Director seeking re-appointment.

The detail of Director seeking appointment/re-appointment is provided in the Notice calling for the Annual General Meeting.

7. Disclosure

Transactions where Directors may have pecuniary interest

All details relating to financial and commercial transactions where Directors may have pecuniary interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matter. In matters other than those involving pecuniary interest, the Directors are considered to be interested to the extent of their shareholding in the Company and the following is the status of their shareholding as on 31st March 2013.

Name of the Director	Number of Equity Shares	% of Holding
R Ramakrishnan	-	-
S Ramakrishnan	200	0.0046
S E S Mani	1000	0.0281

Materially significant related party transactions during the year ended 31st March 2013

There are no materially significant related party transactions made by the company with its Promoters, Directors, their subsidiaries, relatives etc. that may have potential conflict with the interests of the Company at large. The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly and approval obtained.

Accounting Treatment

The Company follows Accounting Standards prescribed, by the Central Government in consultation with National Advisory Committee on Accounting Standards, under the Companies (Accounting Standards) Rules, 2006 and in the preparation of financial statements, the Company has not adopted a treatment different from that prescribed in any Accounting Standard.

Details of non-compliance by the Company, penalties, and strictures imposed on the Company by the Stock Exchange or SEBI or any authority on any matter related to capital markets during the last three years.

The Company has fully complied with all matters relating to Capital market and Listing Agreements with the Stock exchanges.

CEO / CFO Certification

The Secretary of the Company has certified to the Board on financial and other matters in accordance with Clause 49 (V) of the listing agreement pertaining to CEO / CFO Certification for the year ended 31st March 2013

8. Means of Communication

The Company mails the Annual Report every year individually to all the shareholders. The Management Discussion and Analysis Report forms a part of this Annual Report.

The quarterly, half yearly and annual results are published in Trinity Mirror (English) and Makkal Kural (Tamil). These are not sent individually to the Shareholders.

The Financial Results are displayed on the website of the Company, www.upasanafinance.com

The Management Discussion and Analysis Report forms part of this Annual Report.

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31 - 03 - 2013 (Contd.)**9. General Shareholder Information**

1	Annual General Meeting, Date and Time and Venue	12th September 2013, 10.00 A M, Narada Gana Sabha Mini Hall, New No. 254 (Old No. 314) T T K Road, Alwarpet, Chennai - 600 018.
2	Financial Calendar 2013-2014 First Quarter Results Half-Yearly Results Third Quarter Results Annual Results for the year ending 31st March 2014	On or before 14.08.2013 On or before 14.11.2013 On or before 14.02.2014 On or before 30.05.2014
3	Book Closure date	02/09/2013 to 12/09/2013
4	Listing of Equity Shares on Stock Exchanges	The equity shares of the Company are listed with Bombay Stock Exchange Limited (BSE) and Madras Stock Exchange Limited (MSE). The Company has paid the annual listing fees to the Stock Exchanges for the year 2013-2014.
5	Registrar and Transfer Agents	Integrated Enterprises (India) Limited, are acting as common agency for all investor servicing activities relating to both electronic and physical segments. Their contact details is given below. Integrated Enterprises (India) Limited, Kences Towers, II Floor No.1 Ramakrishna Street, North Usman Road, T Nagar, Chennai 600 017 Telephone 044 – 28140801 – 803 / Fax : 044-28142479, 2814 3378 E-mail : corpseiv@integratedindia.in
6	Stock Code ISIN No. for Company's Equity shares in Demat Form Depository Connectivity	Madras Stock Exchange - UPASANFIN Bombay Stock Exchange - 511764 INE819K01014 National Securities Depository Limited (NSDL) Central Depository Services (India) Limited (CDSL)
7	Share Transfer System	All the transfer of shares in physical form are processed and approved by the Share Transfer and Shareholder/Investor Grievance Committee Share Transfers/Remat requests are processed within the timelines stipulated by SEBI. Demat requests are processed within a period of 10 days from the date of receipt. In compliance with the Listing / SEBI Guidelines, ➤ A Practising Company Secretary carried out Secretarial Audit on "Dematerialised Equity Shares and Equity Shares in physical form" every quarter and the necessary Reports are filed with the Stock Exchanges. The Equity Shares in Dematerialised form and Physical form tally with the issued/paid-up and listed capital of the Company. ➤ A Practising Company Secretary carries out a Due Diligence survey, pertaining to share transfers every six months and necessary certificates to that effect are issued and the same are filed with the Stock Exchanges.
8	Pattern of Shareholding as on 31.03.2013	Data in statement form – Enclosed
9	Distribution of Shareholding as on 31.03.2013	Data in statement form – Enclosed
10	Share Performance/ Share Price Data – High/Low	Data in statement form - Enclosed
11	Dematerialisation of Shares Details of public funding obtained in the last three years Outstanding GDRs / ADRs / Warrants or any convertible instruments	Shares of the Company can be held and traded in electronic form. 3440295 Nos. of equity shares is held in dematerialized form with NSDL and CDSL as on 31st March 2013. 80.42% of total equity capital (including holding of promoters) is held in dematerialized form with NSDL and CDSL as on 31st March 2013. No capital has been raised in the last three years. Not issued
12	Address for communication	III Floor, Auras Corporate Centre, No.98 A, Dr Radhakrishnan Salai, Mylapore, Chennai 600 004. Phone : 044- 28478605
13	Compliance Officer	Sri R Krishnan, Secretary III Floor, Auras Corporate Centre, No.98 A, Dr Radhakrishnan Salai, Mylapore, Chennai 600 004. Phone: 044-28478605 E.mail : rkn1967@gmail.com
14	Exclusive E-mail id for redressal of investor complaints	In terms of Clause 47(f) of the Listing Agreement, investors may use the E-mail id: upasana_shares@yahoo.com for redressal of complaints.
15	Website	www.upasanafinance.com

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31 - 03 - 2013 (Contd.)**10. NON - MANDATORY REQUIREMENTS****1) The Board**

All the Independent Directors contribute effectively to the business carried on by the Company. In the opinion of the Board, it is not necessary to limit the aggregate tenure of each of the Directors.

2) Remuneration Committee

No Director receives any remuneration from the Company. The Directors have waived even the sitting fees.

3) Shareholder Rights

The quarterly/half-yearly/annual results, after they are taken on record by the Board of Directors, are forthwith sent to the Stock Exchanges with whom the Company has listing arrangements. The results, in prescribed format are published in The Trinity Mirror (English) and Makkal Kural (Tamil) Newspapers.

4) Audit Qualification

There is no Audit Qualification by the Statutory Auditors.

5) Training of Board Members/Mechanism for evaluating non-executive Board Members

All the Non-Executive Directors are having rich experience and expertise in functional areas like finance and banking. All of them actively take part in the deliberations at the Board Meetings and contribute effectively to the business. In the opinion of the Board neither training of Board Members nor any evaluation is required.

6) Whistle Blower Policy

The Company has a mechanism for employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of business conduct and ethics. However, a policy framework will be established at the appropriate time.

11. Auditor's Certificate on Corporate Governance

As required by Clause 49 of the listing agreement, the Auditor's Certificate is given as an annexure to the Director's Report.

Distribution of Shareholding as on 31.03.2013

Number of Shares	Shareholders		Shareholders	
	Nos.	%	Nos.	%
Up to	4,638	83.85	4,58,207	10.71
101 250	380	6.87	75,817	1.77
251 500	314	5.68	1,16,167	2.72
501 1000	136	2.46	1,04,772	2.45
1001 5000	48	0.87	97,737	2.28
5001 10000	6	0.11	44,400	1.04
10001 and above	9	0.16	33,80,900	79.03
Total	5,531	100.00	42,78,000	100.00

Categories/Pattern of Shareholding as on 31.03.2013

Category	Shares	% Holding
Promoters	30,00,200	70.13
Directors	1200	0.03
Banks	3,07,200	7.18
Private Corporates	33,258	0.78
Non - Resident Indians	64,200	1.50
Resident Individuals	8,71,942	20.38
Total	42,78,000	100.00

Share Price Data Bombay Stock Exchange Limited

Month	Price - Rs.		Index - Sensex	
	High	Low	High	Low
Apr - 2012	No Trading		17,664.10	17,010.16
May - 2012	35.80	35.80	17,432.33	15,809.71
Jun - 2012	34.05	26.45	17,448.48	15,748.98
Jul - 2012	25.15	20.60	17,631.19	16,598.48
Aug - 2012	21.55	15.55	17,972.54	17,026.97
Sep - 2012	15.50	13.00	18,869.94	17,250.80
Oct - 2012	13.00	10.98	19,137.29	18,393.42
Nov - 2012	18.63	10.00	19,372.70	18,255.69
Dec - 2012	20.40	17.70	19,612.18	19,149.03
Jan - 2013	21.80	17.00	20,203.66	19,508.93
Feb - 2013	18.50	16.20	19,966.69	18,793.97
Mar - 2013	18.30	17.50	19,754.66	18,568.43

April 30, 2013

To

The members of Upasana Finance Limited**DECLARATION TO THE MEMBERS PURSUANT TO CLAUSE 49 (I) (D) (ii) OF THE LISTING AGREEMENT**

I, S Ramakrishnan, Director, hereby declare that all Board members and senior management personnel have affirmed with the Code of Business Conduct and Ethics formulated by the Company for the financial year ended 31st March 2013.

S Ramakrishnan

Director

Independent Auditors' Report to the Members of Upasana Finance Limited, Chennai for the year ended 31st March 2013

To the Members of Upasana Finance Limited, Chennai

Report on the Financial Statements

We have audited the accompanying financial statements of Upasana Finance Limited, Chennai ("the Company"), which comprise the Balance Sheet as at 31st March 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date and Notes to Financial Statements.

Management's Responsibility for the Financial Statements

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the balance sheet, of the state of affairs of the Company as at 31st March 2013;
- b) in the case of the statement of profit and loss, of the profit for the year ended on that date; and
- c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on 31st March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For SUNDARAM & SRINIVASAN
Regn. No. 004207S
CHARTERED ACCOUNTANTS**

**P. MENAKSHISUNDARAM
PARTNER
Membership No.F217914**

**Chennai
Date : 30th April 2013**

ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE

We report that :

1. The Company has no fixed Assets.
2. Being a Non-banking Finance Company the matters in connection with verification, reporting and other related matters on inventory are not applicable.
3. (a) During the year the company has not availed loans from any company, firm, body corporate or individual mentioned in the Register maintained under Section 301 of the Act.
(b) The Company has not granted any secured or unsecured loan, to companies, firms or other parties listed in the Register maintained under Section 301 of the Act.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business. During the course of our audit no major weakness has been noticed in the internal control procedures.
5. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the Management, we are of the opinion that the contracts or arrangements that need to be entered in the Register maintained under Section 301 of the Act have been properly entered in the said register.
(b) In our opinion and according to the information and explanations given to us the transactions entered in the Register maintained under Section 301 of the Act and exceeding Rupees Five lakhs or more during the year in respect of each party have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposit from the public during the year.
7. The Company has no internal audit system. However, we are of the opinion that the existing internal control procedures and internal checks are sufficient considering the nature of business and size of the Company.
8. Being a Non-banking Finance Company the requirement as to maintenance of cost records as prescribed by the Central Government under Section. 209(1) (d) of the Act is not applicable to the Company.
9. (a) According to the records provided to us, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Investor Education and Protection Fund, Income Tax, Sales Tax and other applicable statutory dues with the appropriate authorities.
(b) According to information and explanations given to us, no undisputed amount payable in respect of Income tax, Service Tax and Sales tax were in arrears, as at 31st March 2013 for a period of more than six months from the date they became payable.
(c) According to the information and explanations given to us, following are the details of the disputed dues in respect of income-tax, wealth tax, sales tax, customs duty, excise duty, services tax and cess that was not paid to the concerned authorities.

Nature of Demand	Amount (Rs. Lakhs)	Forum where the dispute is pending
Income Tax Assessment Year 2009-2010	7.48	Commissioner of Income Tax (Appeals)

10. The Company's accumulated losses are less than fifty percent of the net worth of the Company at the end of financial year. The Company has not incurred any cash loss during the year and in the immediately preceding year.
11. Based on our verification and according to the information and explanations furnished by the management, the Company has not taken any loans from financial institutions, bank or issued any debentures. Hence the question of default on repayment of dues does not arise.
12. Based on our examination and according to the information and explanations furnished to us the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund/nidhi/mutual benefit fund/society. Therefore the provisions of clause 4(xiii) of the Companies (Auditor's Report) order, 2003 are not applicable to the Company.
14. The Company is not dealing or trading in shares, securities, debentures and other investments other than investments in mutual funds in respect of which, the Company is maintaining adequate and proper records.
15. According to the information and explanations furnished to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The Company has not raised any term loans during the year under review.
17. According to the information and explanations furnished to us and on overall examination of the balance sheet of the company we report that the Company has not availed any long-term or short-term loan.
18. The Company has not allotted any shares on preferential basis to parties and Companies covered in the register maintained under section 301 of the Act.
19. During the year, the Company has not issued any secured debentures.
20. The Company has not raised any money through public issue during the year.
21. During the course of examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us we have neither come across any instance of fraud on or by the Company noticed or reported during the year nor have we been informed of such case by the management.

For SUNDARAM & SRINIVASAN
Regn. No. 004207S
CHARTERED ACCOUNTANTS

P. MENAKSHISUNDARAM
PARTNER
Membership No.217914

Chennai
Date : 30th April 2013

BALANCE SHEET AS AT 31ST MARCH 2013

₹

Particulars	Note No.	As at	
		31.03.2013	31.03.2012
I EQUITY AND LIABILITIES :			
1) Shareholders' Funds			
a) Share Capital	1	4,27,80,000	4,27,80,000
b) Reserves and Surplus	2	5,04,69,110	4,35,40,256
		9,32,49,110	8,63,20,256
2) Non - Current Liabilities			
(a) Long Term Provisions	4	1,121,261	8,99,979
		1,121,261	8,99,979
3) Current Liabilities			
(a) Other Current Liabilities	3	3,24,456	3,35,141
(b) Short Term Provisions	4	19,363	17,015
		3,43,819	3,52,156
TOTAL		9,47,14,190	8,75,72,391
II ASSETS :			
1) Non - Current Assets			
(a) Non-current investments	5		1,57,03,232
(b) Long-term loans and advances	6	18,77,416	18,77,416
(c) Other non-current assets	7	-	-
		18,77,416	1,75,80,648
2) Current Assets			
(a) Current investments	5	5,28,83,429	3,93,64,309
(b) Cash and cash equivalents	8	2,50,62,842	1,65,66,430
(c) Short-term loans and advances	6	1,22,02,146	1,18,26,852
(d) Other Current Assets	7	26,88,357	22,34,152
		9,28,36,774	6,99,91,743
TOTAL		9,47,14,190	8,75,72,391

R RAMAKRISHNAN
Director

S E S MANI
Director

S RAMAKRISHNAN
Director

As per our report annexed
for **SUNDARAM & SRINIVASAN**
Regn. No. 004207S
Chartered Accountants

Chennai
30th April, 2013

R KRISHNAN
Secretary

P MENAKSHISUNDARAM
Partner
Membership No. 217914

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2013

₹

Sl.No.	Particulars	Note No.	Year Ended 31.03.2013	Year Ended 31.03.2012
I	Revenue From Operations	9	98,75,812	3,76,54,035
II	Other Income	10	39,13,963	18,85,816
III	Total Revenue		1,37,89,775	3,95,39,851
IV	Expenses			
	Employee benefit expense	11	44,90,961	42,39,973
	Depreciation and amortization expenses	12	-	-
	Finance Costs	12	-	-
	Other Expenses	13	9,40,217	13,14,162
	Total Expenses		54,31,178	55,54,135
V	Profit before exceptional and extraordinary items and tax (III-IV)		83,58,597	3,39,85,716
VI	Exceptional items		-	-
VII	Profit before extraordinary items and tax (V - VI)		83,58,597	3,39,85,716
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII- VIII)		83,58,597	3,39,85,716
X	Tax expense :			
	(1) Current tax		14,29,743	1,04,19,199
	(2) Deferred tax		-	-
	(3) Earlier years		-	979
XI	Profit (Loss) for the period from continuing operations (IX-X)		69,28,854	2,35,65,538
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV	Profit (Loss) for the period (XI + XIV)		69,28,854	2,35,65,538
XVI	Earnings per equity share :			
	(1) Basic		1.62	5.51
	(2) Diluted		1.62	5.51
	No of Equity Shares of Rs.10 each		42,78,000	42,78,000

R RAMAKRISHNAN
Director

S E S MANI
Director

S RAMAKRISHNAN
Director

As per our report annexed
for **SUNDARAM & SRINIVASAN**
Regn. No. 004207S
Chartered Accountants

Chennai
30th April, 2013

R KRISHNAN
Secretary

P MENAKSHISUNDARAM
Partner
Membership No. 217914

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

₹

Particulars	Year Ended 31.03.2013		Year Ended 31.03.2012	
(A) CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit / (Loss) before Tax		83,58,597		3,39,85,716
Adjustments For :				
Tax relating to earlier years	-		(979)	
Profit on sale of Mutual Funds	(28,78,073)		(6,62,618)	
		(28,78,073)		6,63,597
Operating Profit before Extra ordinary items & Working Capital changes :		54,80,524		3,33,22,119
Adjustments For Changes in Working Capital :				
Loans and Advances and other current assets	(12,20,242)		(2,59,416)	
Other Current Liabilities and provisions	2,12,945	(10,07,297)	1,69,592	(89,824)
Cash Generated From Operations		44,73,227		3,32,32,295
Less: Direct Taxes Paid (Net)		10,39,000		1,02,25,100
NET CASH FROM OPERATING ACTIVITIES	(a)	34,34,227		2,30,07,195
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Sale of Investments		2,46,85,028		77,02,490
Purchase of Investments		(2,25,00,916)		(2,71,32,782)
Profit on sale of mutual funds		28,78,073		6,62,618
Sale value of Asset		-		-
NET CASH USED IN INVESTING ACTIVITIES	(b)	50,62,185		(1,87,67,674)
C. CASH FLOW FROM FINANCING ACTIVITIES :				
NET CASH USED IN FINANCING ACTIVITIES	(c)	-		-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(a+b+c)	84,96,412		42,39,521
CASH AND CASH EQUIVALENTS - Opening Balance		1,65,66,430		1,23,26,909
CASH AND CASH EQUIVALENTS - Closing Balance		2,50,62,842		1,65,66,430
CASH AND CASH EQUIVALENTS include :				
With Scheduled Banks :				
i) Cash on hand		12,311		8,163
ii) Current Accounts		3,50,531		4,58,267
iii) Deposit Accounts		2,47,00,000		1,61,00,000
		2,50,62,842		1,65,66,430

R RAMAKRISHNAN
Director

S E S MANI
Director

S RAMAKRISHNAN
Director

As per our report annexed
for **SUNDARAM & SRINIVASAN**
Regn. No. 004207S
Chartered Accountants

Chennai
30th April, 2013

R KRISHNAN
Secretary

P MENAKSHISUNDARAM
Partner
Membership No. 217914

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**1. SHARE CAPITAL**

₹

Sl. No.	Particulars	As at 31.03.2012	As at 31.03.2011
a	Authorised		
	5,00,000 Cumulative Redemable Preference Shares of Rs.100 each	5,00,00,000	5,00,00,000
	50,00,000 Equity Shares of Rs.10 each	5,00,00,000	5,00,00,000
		10,00,00,000	10,00,00,000
b	Issued		
	42,78,000 Equity Shares of Re 10 each	4,27,80,000	4,27,80,000
c	Subscribed and Paid-up		
	42,78,000 Equity Shares of Re 10 each fully paid up	4,27,80,000	4,27,80,000

d Reconciliation of number of shares

Sl. No.	Equity Shares	As at 31.03.2013		As at 31.03.2012	
		No of Shares	Value in Rs.	No of Shares	Value in Rs.
1	Balance at the beginning of the year	42,78,000	4,27,80,000	42,78,000	4,27,80,000
2	Add: Shares issued during the year	-	-	-	-
3	Bonus Shares issued during the year	-	-	-	-
4	Balance as at the end of the year	42,78,000	4,27,80,000	42,78,000	4,27,80,000

e Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Sl. No.	Name of the Share Holder	No of Shares	Shares as % of Total No of Shares	No of Shares	Shares as % of Total No of Shares
1	Suresh Krishna, Chennai	6,87,650	16.08	6,87,650	16.08
2	Usha Krishna, Chennai	9,37,650	21.92	9,37,650	21.92
3	Preethi Krishna, Chennai	4,58,300	10.71	4,58,300	10.71
4	Arathi Krishna, Chennai	4,58,300	10.71	4,58,300	10.71
5	Arundathi Krishna, Chennai	4,58,300	10.71	4,58,300	10.71
6	Oriental Bank of Commerce, New Delhi	3,07,200	7.18	3,07,200	7.18
	Sub Total	33,07,400	77.31	33,07,400	77.31
7	Total No of shares of the Company	42,78,000	100.00	42,78,000	100.00

f Shares allotted as fully paid up by way of Bonus shares during 5 years immediately preceding March 31, 2012 Equity shares allotted as fully paid up bonus shares by capitalization of reserve : NIL

g Terms/rights attached to shares :

The Company has two class of shares viz., Redeemable Preference shares having a face value of Rs. 100/- each and Equity shares having a face value of Rs. 10/- each. Each holder of equity share is entitled to one vote per share. As and when, the company declares dividend it will be paid in Indian Rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The terms and conditions of redeemable preference shares will be determined at the time of issue of such shares.

h Shares held by holding company and subsidiary of holding company

Sl.No	Particulars	As at 31-03-2013	As at 31-03-2012
1.	Nil	—	—

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)**2. RESERVES & SURPLUS**

₹

Sl. No.	Particulars	As at 31.03.2013	As at 31.03.2012
a. Share Preimum			
1	Balance as at the beginning of the year	2,98,00,948	2,98,00,948
2	Add: Transfer from Statement of Profit and Loss	-	-
	Sub Total	2,98,00,948	2,98,00,948
3	Less: Amount utilized	-	-
4	Balance as at the end of the year	2,98,00,948	2,98,00,948
b. Capital Reserve			
1	Balance as at the beginning of the year	3,95,998	3,95,998
2	Add: Transfer from Statement of Profit and Loss	-	-
	Sub Total	3,95,998	3,95,998
3	Less: Amount utilized	-	-
4	Balance as at the end of the year	3,95,998	3,95,998
c. Special Reserve			
1	Balance as at the beginning of the year	3,62,12,142	3,14,99,034
2	Add: Transfer from Statement of Profit and Loss	13,85,771	47,13,108
	Sub Total	3,75,97,913	3,62,12,142
3	Less: Amount utilized	-	-
4	Balance as at the end of the year	3,75,97,913	3,62,12,142
d. Capital Redemption Reserve			
1	Balance as at the beginning of the year	1,00,00,000	1,00,00,000
2	Add: Transfer from Statement of Profit and Loss	-	-
	Sub Total	1,00,00,000	1,00,00,000
3	Less: Amount utilized	-	-
4	Balance as at the end of the year	1,00,00,000	1,00,00,000
e. Surplus in Statement of Profit and Loss			
1	Balance as at the beginning of the year	(3,28,68,832)	(5,17,21,262)
2	Profit/(Loss) for the Year	69,28,854	2,35,65,538
3	Balance available for appropriation (1+2)	(2,59,39,978)	(2,81,55,724)
Appropriations :			
4	Transfer to Special Reserve	13,85,771	47,13,108
5	Amount appropriated during the year	13,85,771	47,13,108
6	Balance as the end of the year (3-5)	(2,73,25,749)	(3,28,68,832)
Reserves and Surplus (a+b+c+d+e)		5,04,69,110	4,35,40,256

3. Other liabilities

Sl. No.	Particulars	Long Term / Non-current		Short Term / Current	
		As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
1	Statutory Dues	-	-	82,893	77,862
2	Outstanding Liabilities	-	-	2,41,562	2,57,278
3	Non Statutory dues	-	-	1	1
	Total	-	-	3,24,456	3,35,141

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

₹

4. Provisions

Sl. No.	Particulars	Long Term / Non-current		Short Term / Current	
		As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
1	Provision for Leave Salary	1,18,085	1,09,913	1,193	1,111
2	Provision for Gratuity	10,03,176	7,90,066	18,170	15,904
	Total	11,21,261	8,99,979	19,363	17,015

5. Investments

Sl. No.	Particulars	Long Term / Non-current		Short Term / Current	
		As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
1	Non-Trade (Valued at Cost unless otherwise stated) Investments in Mutual Funds-Unquoted				
a	14,62,437.258 (Last year 14,99,817.085) units of Rs.10 each in Sundaram Ultra Short Term Fund	—	—	1,46,79,281	1,50,44,425
b	NIL (Last year 8,65,885.700) units of Rs.10 each in Reliance FMP Series VII	—	—	—	86,58,857
c	9,70,017.155 (Last year NIL) units of Rs.10 each in Reliance FMP Series	—	—	97,00,171	—
d	2,00,000 (Last year NIL) units of Rs.10/- each in IDBI FMP Series II (May 2012) I	—	—	20,00,000	—
e	NIL (Last year 5,06,102.697) units of Rs.10/- each Reliance FMP Series XIX	—	—	—	50,61,027
f	NIL (Last year 2,00,000) units of Rs.10/- each in Sundaram FTP Series AT 18 Months	—	—	—	20,00,000
g	NIL (Last year 2,00,000) units of Rs.10/- each in DWS Fixed Term Fund Series 87	—	—	—	20,00,000
h	NIL (Last year 2,00,000) units of Rs.10/- each in Sundaram FTP Series BB 366 Days	—	—	—	20,00,000
i	NIL (Last year 2,10,000) units of Rs.10/- each in Tata Mutual Fund	—	—	—	21,00,000
j	4,00,000 (Last year 4,00,000) units of Rs.10/- each in Sundaram FTP Series BQ	—	40,00,000	40,00,000	—
k	NIL (Last year 2,50,000) units of Rs.10/- each in Religare FMP Series X Plan A	—	—	—	25,00,000
l	2,00,000 (Last year 2,00,000) units of Rs.10/- each in DWS Fixed Term Fund Series 93	—	20,00,000	20,00,000	—
m	1,70,000 (Last year 1,70,000) units of Rs.10/- each in Religare FMP Series - IX Plan F	—	17,00,000	17,00,000	—
n	2,00,000 (Last year 2,00,000) units of Rs.10/- each in Religare FMP XII	—	20,00,000	20,00,000	—
o	2,50,000 (Last year 2,50,000) units of Rs.10/- each in Sundaram FTP Series CK 18 months	—	25,00,000	25,00,000	—
p	3,50,323 (Last year 3,50,323) units of Rs.10/- each in Sundaram FTP Series CP 370 days	—	35,03,232	35,03,232	—
q	62,551.24 (Last year Nil) units of Rs.10/- each in Kotak Bond Fund	—	—	20,00,000	—
r	46,022.152 (Last year Nil) units of Rs.10/- each in Sundaram Bond Fund	—	—	35,00,000	—
s	2,89,005.225 (Last year Nil) units of Rs.10/- each in Sundaram Ultra Short Term Fund Regular Daily Dividend	—	—	29,00,745	—
t	2,40,000.000 (Last year Nil) units of Rs.10/- each in DSP Black Rock Mutual Fund	—	—	24,00,000	—
	Total	—	1,57,03,232	5,28,83,429	3,93,64,309

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

₹

SI. No.	Particulars	As at 31.03.2013	As at 31.03.2012
a	Aggregate Value of Quoted Investments	—	—
b	Aggregate Value of Unquoted Investments	5,28,83,429	5,50,67,541
	Total (a+b)	5,28,83,429	5,50,67,541
c	Aggregate provision for diminution in value of investments	—	—
d	Net Asset Value of Mutual Fund Units	5,60,08,885	5,75,69,718

6. Loans and advances (Unsecured, Considered good unless stated otherwise)

SI. No.	Particulars	Non-current		Current	
		As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
a	Loans and Advances to Related Parties (refer note on related party)	—	—	1,15,00,000	1,15,00,000
	(A)	—	—	1,15,00,000	1,15,00,000
b	Other loans and advances				
	Advance Income-tax (net of provision for taxation)	—	—	7,02,146	3,26,852
	Balance with statutory / government authorities	18,77,416	18,77,416	—	—
	Advances recoverable in Cash or in kind	—	—	—	—
	(B)	18,77,416	18,77,416	7,02,146	3,26,852
	Total (A+B)	18,77,416	18,77,416	1,22,02,146	1,18,26,852

7. Other Assets (Unsecured, considered good unless stated otherwise)

a	Non-Current Bank Balance (refer note 8)	—	—	—	—
	(A)	—	—	—	—
b	Unamortized expenditure	—	—	—	—
c	Interest accrued on Deposits	—	—	26,88,357	22,34,152
	(B)	—	—	26,88,357	22,34,152
	Total (A+B)	—	—	26,88,357	22,34,152

8. Cash and Cash Equivalents

a	Balances with Bank				
	i) Current Account	—	—	3,50,531	4,58,267
	ii) Deposit Accounts-maturity less than 3 months	—	—	—	—
	iii) Dividend Warrant Accounts	—	—	—	—
	Cheque drafts on hand	—	—	—	—
	Cash on hand	—	—	12,311	8,163
	Sub-total	—	—	3,62,842	4,66,430
b	Other Bank Balances				
	Deposits with original maturity for more than 12 months	—	—	—	53,00,000
	Deposits with original maturity for more than 3 months but less than 12 months	—	—	2,47,00,000	1,08,00,000
	Margin Money Deposit	—	—	—	—
	Less: shown under Other Assets (Note 7)	—	—	—	—
	Sub-total	—	—	2,47,00,000	1,61,00,000
	Total	—	—	2,50,62,842	1,65,66,430

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2013 (Contd.)

₹

SI No.	Particulars	Year Ended 31.03.2013	Year Ended 31.03.2012
9	Revenue from Operations		
a)	i) Interest Income	34,55,201	27,65,176
	ii) Bad Debts recovered	26,78,326	3,13,45,000
	Sub Total	61,33,527	3,41,10,176
b)	Other financial services		
	Service Charges	37,42,285	35,43,859
	Sub Total	37,42,285	35,43,859
	Total	98,75,812	3,76,54,035
10	Other Income		
	Dividend Income	10,35,601	12,22,912
	Net gain/(loss) on sale of investments	28,78,073	6,62,618
	Profit on sale of Assets	—	-
	Brokerage	289	286
	Sub Total	39,13,963	18,85,816
11	Employee Benefit Expenses		
	Salaries, Wages, Bonus and Allowances	37,47,943	36,88,524
	Employees Provident and Other Funds	6,75,014	4,86,097
	Staff & Labour welfare expenses	68,004	65,352
	Sub Total	44,90,961	42,39,973
12	Finance Cost		
a)	Interest expense	—	-
	Sub Total	—	-
13	Other Expenses		
a)	Rent	1,10,005	2,54,200
b)	Rates & Taxes	18,717	37,077
c)	Advertisement	97,735	75,118
d)	Insurance	47,066	57,732
e)	Misc Expenses (refer note no.14)	6,66,694	8,90,035
	Sub Total	9,40,217	13,14,162
14	Misc Expenses		
a)	Remuneration to Auditors	21,000	50,000
b)	Travelling and Conveyance	1,89,056	1,98,472
c)	Printing and Stationery	39,365	37,672
d)	Bank Charges	1,116	942
e)	Postage and Telephone	80,302	69,800
f)	Legal Expenses	96,250	2,87,400
g)	Demat Expenses	1,15,430	1,04,639
h)	Misc Exp-Others	1,24,175	1,41,110
	Sub Total	6,66,694	8,90,035

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

₹

Note No.	Particulars	Year Ended 31.03.2013	Year Ended 31.03.2012
15	Remuneration to Auditors consist of :		
a)	Auditor	10,000	10,000
b)	For Taxation Matters	-	35,000
c)	For Company Law Matters	-	-
d)	For Management Services	-	-
e)	For Other Services	-	-
f)	For Reimbursement of expenses	11,000	5,000
	Sub Total	21,000	50,000
16	Information furnished in terms of Paragraph 9BB of Non-Banking Financial Companies Oprudnetial Norms (Reserve bank) Directors, 1998		
	Break-up of Loans availed	-	-
	Loand and Advances availed	-	-
	Unclaimed other Public Depsoits	-	-
	Break-up of Loans and advances made		
	Unsecured	1,15,00,000	1,15,00,000
	Break-up of Investments		
	Current Investments- other than related parties - Mutual Fund units	5,28,83,429	3,93,64,309
	Long Term other than related parties - Mutual Fund Units	-	1,57,03,232
	Gross Non-performing Assets		
	Net Non-performing Assets	-	-
17	Details as required by AS 15		
	PROVIDENT FUND		
	Contribution to Provident Fund is made to the Provident Fund Organisation. Employer's Contribution to Provident Fund recognised as Expense	1,82,267	1,71,998
	SUPERANNUATION		
	Contribution to the Superannuation Fund is made to the scheme maintained by Life Insurance Corporation of India.		
	Employer's Contribution to Superannuation Fund recognised as Expense	2,39,310	2,26,806
	GRATUITY		
	Provision for gratuity is made on the basis of actuarial valuation made at the end of financial year. The following tables summarise the components of the net benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for Gratuity		
	Statement of Profit and Loss		
	Net employee benefit expense (recognised in Employee Cost)		
	Current Service cost	55,358	46,068
	Interest cost on benefit obligation	64,478	60,463
	Expected return on plan assets	-	-
	Benefits paid	-	-
	Net actuarial (gain)/Loss recognised in the year	95,540	(56,351)
	Past service cost	-	-
	Liability not accounted as on 31.03.13	-	-
	Net benefit expense	2,15,376	50,180
	Actual return on plan assets	-	-
	Balance Sheet		
	Details of Provision for Gratuity		
	Present value of Defined benefit obligation	10,21,346	8,05,970
	Fair value of plan assets	-	-
	Difference	10,21,346	8,05,970
	Unrecognised past service cost	-	-
	Plan Liability (recognised in Balance Sheet)	10,21,346	8,05,970
	Changes in present value of the defined benefit obligation are as follows :		
	Present value of Defined benefit obligation as at April 1,2012	8,05,970	7,55,790
	Interest Cost	64,478	60,463
	Current Service Cost	55,358	46,068
	Past Service Cost	-	-
	Benefits paid	-	-
	Acturial loss/(gain) on obligation	95,540	(56,351)
	Defined benefit obligation as at March 31,2013	10,21,346	8,05,970

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

₹

Note No.	Particulars	Year Ended 31.03.2013	Year Ended 31.03.2012
	Changes in the fair value of plan assets are as follows:		
	Fair value of plan assets as at April 1, 2012	—	—
	Expected return	—	—
	Contribution by employer	—	—
	Benefits paid	—	—
	Actuarial gain	—	—
	Fair value of plan assets as at March 31, 2013	—	—
	The gratuity scheme is unfunded and the actuarial liability is shown in the Balance Sheet		
	Leave Salary - Compensated Absences		
	The Company also extends defined benefit plans in the form of Compensated absences to employees.		
	The employee Benefits towards Compensated absences are provided based on actuarial valuation made at the end of the year.		
	Employee benefits towards Compensated absences recognised in the Profit and Loss Account as follows:		
	a) Current service cost		
	b) Interest Cost	19,084	17,764
	c) Actuarial loss/(gain) on obligation	5,330	4,568
	d) Total	72,628	73,403
	Actuarial Assumptions :	97,042	95,735
	The Principal assumptions used in determining gratuity benefit obligation and determining company's liability towards employee benefits under compensated absences are furnished below:		
	Discount rate	8%	8%
	The estimates of future salary increases, considered in actuarial valuation take account of inflation, seniority, promotion, attrition and relevant factors, such as supply and demand in the employment market.		
18	Related Party Transactions		
	i) Where Control exists		
	ii) Other related parties with whom transactions have been entered into during the year	—	—
	a) Individuals owning directly/indirectly an Interest in Voting Power		
	i) Suresh Krishna ii) Usha Krishna iii) Preethi Krishna iv) Arathi Krishna v) Arundathi Krishna		
	Enterprises over which above person (s) exercise significant influence	—	—
	i) Sundram Fasteners Limited, Chennai		
	a) Services rendered	37,42,285	35,43,859
	ii) Upasana Engineering Limited, Chennai		
	a) ICD Outstanding	1,15,00,000	1,15,00,000
	b) Interest Received/receivable	11,50,000	11,50,000
	iii) TVS Infotech Limited, Chennai		
	a) Services availed	14,500	32,675
19	Significant Accounting Policies / compliance of Accounting Standards issued by the Institute of Chartered Accountants of India.	Annexure	

R RAMAKRISHNAN
Director

Chennai
30th April, 2013

S E S MANI
Director

S RAMAKRISHNAN
Director

R KRISHNAN
Secretary

As per our report annexed
for **SUNDARAM & SRINIVASAN**
Regn. No. 004207S
Chartered Accountants

P MENAKSHISUNDARAM
Partner
Membership No. 217914

ANNEXURE TO NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

Notes on Accounting Policies / Compliance of Accounting Standards prescribed by the Institute of Chartered Accountants of India

AS 1 Disclosure of accounting policies

The Company is following accrual basis of accounting for both income and expenses.

AS 2 Valuation of Inventories

The Company has no Inventory. Hence this standard is not applicable.

AS 3 Cash flow statements

The Cash Flow Statement is attached

AS 4 Contingencies and Events occurring after the balance sheet date

There are no events occurring after the Balance Sheet Date that require adjustment or disclosure.

AS 5 Net Profit or loss for the period, prior period items and changes in accounting policies

There are no prior period items. There are no changes in the accounting policies of the Company from the previous year.

AS 6 Depreciation Accounting

The Company has no fixed assets.

AS 7 Accounting for Construction Contracts

The above standard is not applicable to the Company, as it is not engaged in the business of construction.

AS 8 Accounting for Research and Development

This standard has been withdrawn with effect from 1-4-2003.

AS 9 Revenue Recognition

Interest income is recognized using the time proportion method based on the rates implicit in the transaction.

AS10 Accounting for Fixed Assets

The Company has no fixed assets.

AS11 Accounting for effects of changes in foreign exchange rates

The Company has no foreign exchange transactions.

AS12 Accounting for Government Grants

The Company has not received any grant from the Government

AS13 Accounting of Investments

Investments are accounted at the cost of acquisition which includes stamp fee etc.

As14 Accounting for Amalgamation

No Amalgamation was made during the year.

AS15 Accounting for Employee Benefits

Please refer to Note No.17 of Notes to Financial statements

AS16 Borrowing Cost

There is no borrowing cost attributable to qualifying assets.

AS17 Segment Reporting

The Company is engaged in the business of financing and accordingly there are no separate reportable segments.

AS18 Related party disclosures

Please refer to Note No 18 of Notes to Financial Statements.

AS19 Account for Leases

The Company has not given any assets on lease during the year.

The Company has taken vehicles on lease basis for the period upto five years, which are in the nature of operating leases as defined in the Accounting Standard AS-19 in respect of leases prescribed by the Institute of Chartered Accountants of India.

ANNEXURE TO NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013 (Contd.)**Notes on Accounting Policies / Compliance of Accounting Standards prescribed by the Institute of Chartered Accountants of India (Contd.)**

- a) Future Minimum leases payments under non cancelable operating leases in respect of lease agreements entered into on or after 1.4.2001

	2012-2013	2011-2012
	₹	₹
Upto One year	Nil	96,105
One to Five years	Nil	Nil
Total	Nil	96,105
b) Lease payments recognized in Statement of Profit and Loss	96,105	2,40,300

- c) Significant Leasing arrangements:

i. Basis of determining contingent rent :

Contingent rents are payable for excessive, improper or unauthorized use of the asset, beyond the terms of the lease agreement, prejudicially affecting the resale value of the asset, either by way of increase in lease rentals or by way of lump-sum amount, as agreed between the parties.

ii. Renewal/purchase options and escalation clauses :

Lease agreements are renewable for further period or periods on terms and conditions mutually agreed between the parties. Variations in lease rentals are made in the event of a change in the basis of computation of lease rentals by the lessor.

- iii. There are no restrictions imposed by the lease agreements, concerning dividends, additional debt and further leasing

AS20 Earnings per share (EPS)

Please refer to Statement of Profit and Loss account. There is no diluted earnings per share as there are no dilutive potential equity shares.

AS21 Consolidated financial statements

This Standard is not applicable to the Company.

AS22 Accounting for taxes on Income

Provision for Income Tax is made as per the provisions of Income Tax Act, 1961. The Company has Deferred Tax Asset. However as a measure of Prudence no Deferred Tax asset has been recognised during the year

AS23 Accounting for Investments in associates

This Standard is not applicable to the Company as the Company has no Associate.

AS24 Discontinuing Operations

The company has not discontinued any operations during the year.

AS25 Interim financial Reporting

Quarterly financial results are published in accordance with the guidelines issued by SEBI. The recognition and measurement principles as laid down in the Standard are followed with respect to such results. Quarterly financial results are also subjected to a limited review by the Auditors as required by SEBI.

AS26 Accounting for Intangible Assets

The Company has no intangible assets.

AS27 Financial Reporting of Interests in Joint Ventures

The Company has no Joint Ventures.

AS28 Impairment of Assets

The Company has no impaired assets.

As29 Provision, Contingent Liabilities and Contingent Assets

Liabilities Disputed and Not provided for

	As at ₹	As at ₹
	31/03/2013	31//03/2012
(i) Income Tax	7,54,891	7,54,891
(ii) Employees State Insurnace	73,226	73,226



UPASANA FINANCE LIMITED

III Floor, 98-A, Dr. Radhakrishnan Salai,
Mylapore, Chennai 600 004

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE ENTRANCE OF THE MEETING HALL

Name of the attending Member/

Proxy*

Folio No / DP Id & Client Id.....

No. of shares.....

Venue : Narada Gana Sabha Trust (Mini Hall),
New No.314, (Old No.254), T.T.K. Road,
Alwarpet, Chennai - 600 018

Date : Thursday 12th September 2013

Time : 10.00 am

*Signature of Member/Proxy**

REQUEST TO MEMBERS

1. Member and their proxies/bodies corporate should bring the attendance slip duly filled in for attending the meeting.
2. Members are requested to avoid being accompanied by non-members and/or children
3. Members are requested to bring copies of annual report to the Meeting as the Company is unable to provide another copy in view of the increased cost of paper.
4. Members are requested to be in their seats at the meeting Hall before the scheduled time for commencement of the annual general meeting to avoid interruption in the Proceedings.
5. Members intending to appoint proxies are requested to complete the proxy form sent herewith and deposit the same with either at the Registered Office of the Company or with the RTA at least 48 hours before the time fixed for holding the meeting.
6. If you and/or your family members are receiving more than one copy of the annual report and other communications and would like to avoid duplication, kindly advise us to enable us to mail only one copy. This will help us avoid wastage.
7. Members are advised to bring photo identity proof for easy identification.

* strike out whichever is not applicable

Members / Proxy holders are requested to bring copies of annual report and the attendance slip to the Annual General Meeting. No attendance slip will be issued at AGM venue.

.....Tear here.....



UPASANA FINANCE LIMITED

III Floor, 98-A, Dr. Radhakrishnan Salai,
Mylapore, Chennai 600 004

PROXY FORM

Folio No. / DP Id & Client Id*

I We.....being a member / members
of UPASANA FINANCE LIMITED hereby appoint.....
ofin the district ofof failing him.....
ofin the district 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 on 12.09.2013 and at any adjournment
thereof Signed thisday of2013

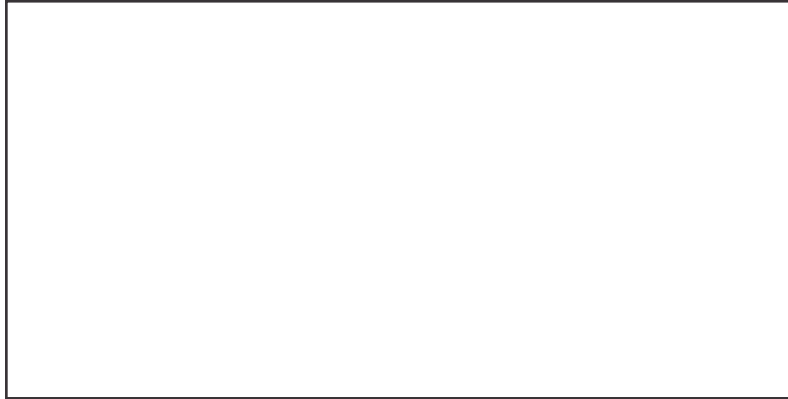
For Office Use	
Proxy No.	
Date of receipt	
No. Of shares	

Affix
Re. 1
Revenue
Stamp

N.B: The instrument appointing proxy be deposited with the RTA at least 48 hours before the commencement of the meeting. The Proxy need not be a Member of the Company
*Please fill in the particulars as given in the address slip.

BOOK POST

To



If undelivered please return to :
Integrated Enterprises (India) Limited
Kences Towers, II Floor No. 1 Ramakrishna Street,
North Usman Road, T Nagar, Chennai 600 017
Unit : Upasana Finance Limited