

Over 5 decades of making
Life
comfortable.



Usha International Ltd., an enterprise of the Shriram Group, has been at the forefront of India's economic and corporate growth for over 50 years. Reaching out to people in the remotest corners of the country and the world.

A multi-product, multi-technology company, Usha International leads the market in various fields, with technologically advanced products, business insight, shrewd financial applications and sophisticated marketing skills that conform to ISO 9001 Quality System Standard.

But we believe that because we're in the business of customer satisfaction, the secret of our success lies elsewhere. In understanding and caring for our consumers.

And over the years this belief has motivated us, and led us to innovate products that recognise the needs of people everywhere.

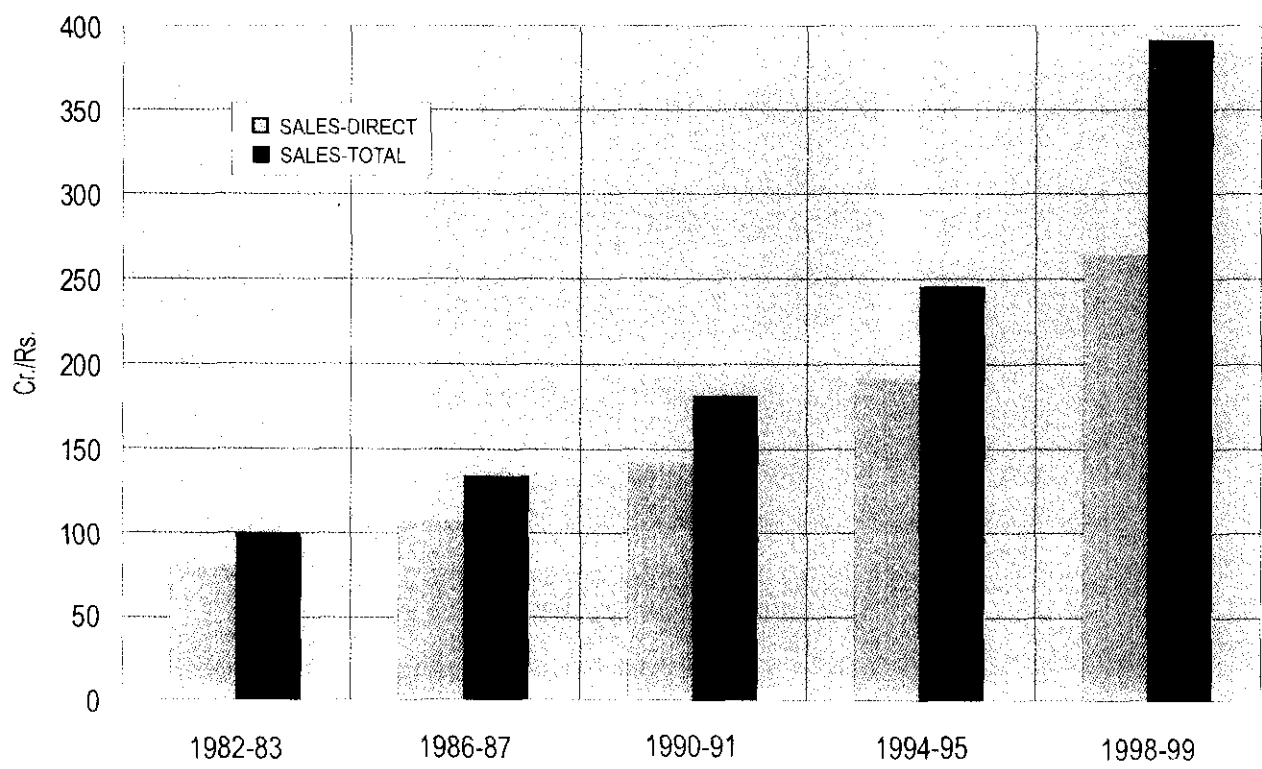
At Usha, improving and modernising our products is an ongoing process.

From our sewing machines to our fans, home appliances, air conditioners and water purifiers, each one talks of the latest innovations that go a long way in making life more fulfilling, more enjoyable.

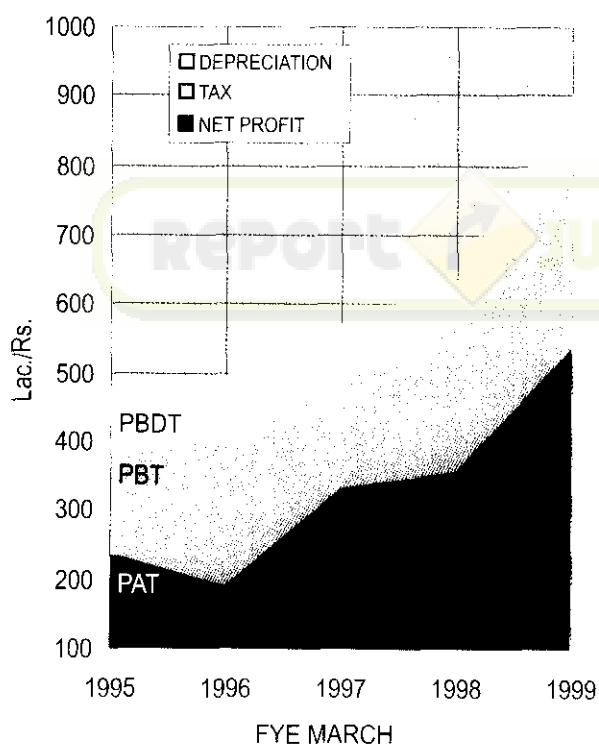
Very soon, for the new generation both at home and overseas, we'll be introducing a whole range of new ideas designed to keep pace with changing lifestyles and global technologies.

However, our motivation remains the same: making life better for our consumers. And our new corporate statement reflects that: Usha International Ltd. It's a better life.

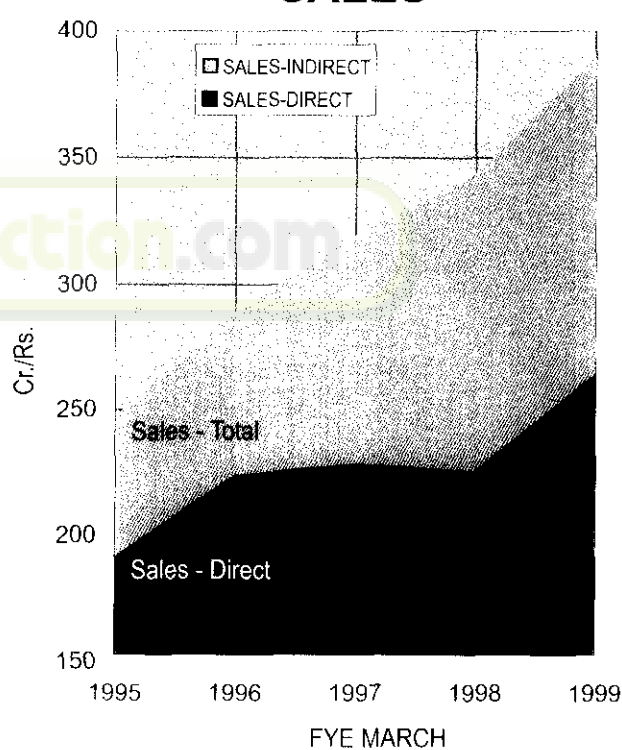
SALES

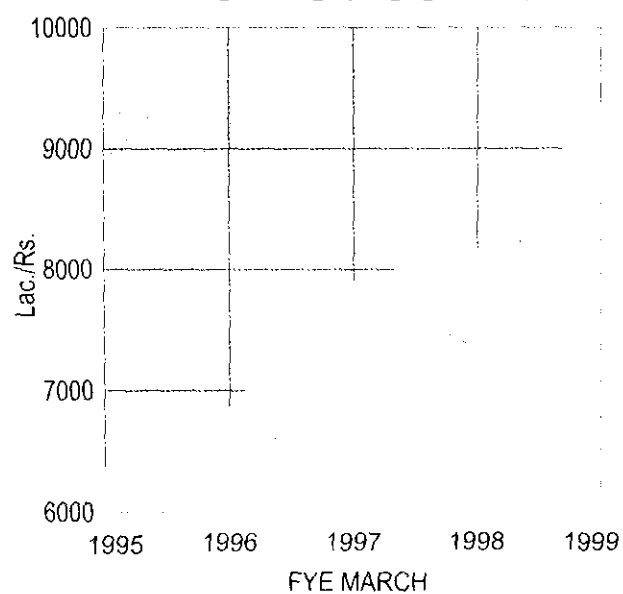
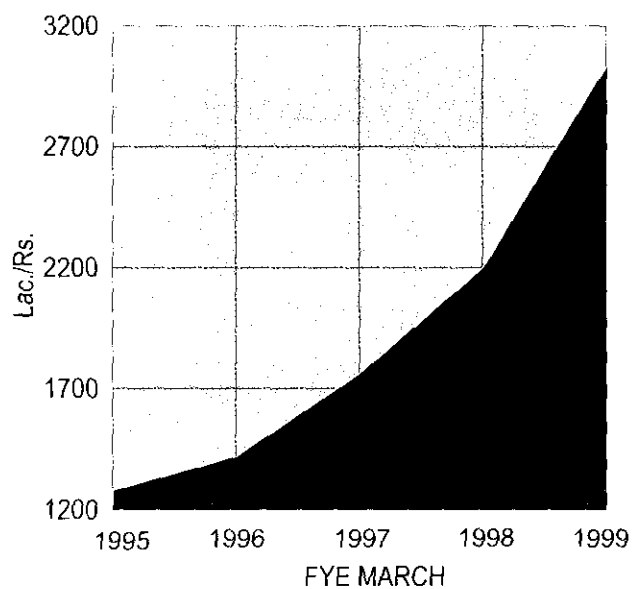


PROFITS



SALES



TOTAL ASSETS**NET WORTH**

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TEN YEAR FINANCIAL SUMMARY

FYE MARCH

PARTICULARS	UNIT	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
SALES (INCLUDING ORDERS BOOKED ON PRINCIPALS)	Cr./Rs.	390.06	344.05	320.00	289.36	247.54	215.67	190.84	184.67	182.36	159.43
SALES-DIRECT	Cr./Rs.	265.06	226.05	229.00	224.36	191.74	162.97	145.76	149.27	142.06	131.13
PROFIT BEFORE DEP. & TAX	Cr./Rs.	9.04	6.34	5.71	4.95	4.61	4.04	3.08	4.10	2.82	2.61
NET PROFIT	Cr./Rs.	5.39	3.59	3.32	1.90	2.39	1.36	1.47	1.46	1.75	1.16
SHARE CAPITAL	Cr./Rs.	2.28	1.98	1.88	1.88	1.88	0.94	0.94	0.94	0.94	0.94
NET WORTH	Cr./Rs.	30.36	22.02	17.64	14.21	12.82	9.04	8.01	6.86	5.78	4.29
TOTAL ASSETS	Cr./Rs.	93.77	81.68	79.06	68.59	63.63	54.72	51.23	41.89	49.20	43.57
BOOK VALUE PER EQUITY SHARE	Rs.	133.40	111.44	94.02	75.76	68.35	96.33	85.38	73.17	61.59	45.76
EARNING PER EQUITY SHARE	Rs.	23.69	18.15	17.68	10.14	12.76	14.45	15.71	15.57	18.66	12.32

Directors

Mr. Siddharth Shriram-Chairman
Mr. A.K. Jain
Mr. Siddhartha Sen
Mr. Deepak Shriram
Mr. Sunil Wadhwa-Managing Director

Principal Executive

Mr. S.S. Singhal

Asstt. Company Secretary

Ms. Vinita Chaudhry

Bankers

Bank of Baroda

Auditors

Thakur, Vaidyanath Aiyar & Co.,
Chartered Accountants

Equity Shares Listed At

Delhi Stock Exchange
(Annual Listing fee paid for the year 1999-2000)

Regd. Office

19, Kasturba Gandhi Marg,
New Delhi-110 001.



PARTICULARS OF EMPLOYEES
IN TERMS OF SECTION 217 (2A) OF COMPANIES ACT, 1956 AND FORMING PART OF THE DIRECTORS' REPORT

Name	Designation/ Duties	Remuneration (Rs.)	Net Take Home Pay (Rs.)	Qualification	Experience (Yrs)	Commencement of Employment	Age (Yrs.)	Last Employment Held Employer/Designation
Bhandari P.C.	Sr. General Manager - Exports	1019104	455294	B.Com., MBA	22	1987, Feb.	44	Almana International Trading Co.Ltd. - Dy. General Manager
Garg R.L.	Sr. General Manager - Internal Audit	600188	183875	B.Com(Hons), LLB, MBA, FICWA, ICS (Inter)	41	1968, May	62	Delhi Transport Undertaking-Accountant
Mohindru S.	Jt. General Manager - Marketing	604648	175771	B.E. (Mech.)	28	1991, July	54	Sterling Machine Tools - General Manager Mktg.
Munjai Anju	General Manager - Advt & PR	1119311	654580	B.A., PGD (PR. & Advt.)	21	1987, Aug.	40	Ravissant - Manager - Publicity
Narang D.S.	Sr. General Manager - Marketing	960238	384928	B.Sc. (Engg.)	34	1978, July	56	American Universal Elect (I) Ltd. - Branch Manager
Narayan P.	Sr. General Manager - Marketing	1059252	316594	B.A. (Hons)	23	1975, Nov.	43	First Employment
Sengupta S.	General Manager - Service	606156	229500	B.E., M.Tech, DPM	29	1996, Mar.	54	National Panasonic India Pvt.Ltd. - Dy. General Manager
Singh M.R.	General Manager - Personnel	937908	341664	M.A., MBA	25	1995, Oct.	47	Bhartia Cutler Hammer Ltd - General Manager - HR
Singhal S.S.	Executive Director	1177987	403423	B.Com., LLB, DBM, MBA	42	1975, Sept.	62	Century Metals Ltd. - Commercial Manager
Singhal Tarun*	Sr. General Manager - Marketing	348052	121198	B. Tech.	20	1992, Dec.	41	Re-Employed after a short break
Wadhwa Sunil	Managing Director	3225117**	1543943	B.Sc.(Hons), MBA, PMD (Harvard)	27	1972, May	47	First Employment

- No employee is a relative of any Director.
- Net take-home pay is given as additional information and comprises salary and commission reduced by tax deducted at source and Provident Fund.
- * Shows employment for part of the year.
- ** Includes remuneration as Sr. Executive Director.

By Order of the Board

SIDDHARTH SHRIRAM
CHAIRMAN



DIRECTORS' REPORT

The Directors present their 46th Annual Report alongwith audited accounts of the Company for the year ended March 31, 1999.

The gross profit for the year after provision of interest but before depreciation and taxes, amounted to Rs. 9.04 Crores against Rs. 6.34 Crores last year.

The Directors recommend that dividend be paid to the Equity Shareholders @ 50 % for the year 1998-99.

A sum of Rs. 54 lacs is being transferred to General Reserve, making it Rs. 13.8 Crores against Rs. 13.2 Crores last year.

During the year, 4,00,000 Equity Shares of Rs. 10 each, which were allotted to promoter companies at a premium of Rs. 131/- per share, have been fully paid up and have also been listed on the Delhi Stock Exchange.

The performance of your Company has been good considering the overall economic situation in the Country. Your Company has managed its affairs profitably and its total turnover during the year including indirect turnover of Rs. 125 Crores (Rs. 118 Crores during previous year) increased from Rs. 344 Crores to Rs. 390 Crores.

Exports including orders booked on manufacturers were also higher at Rs. 46.0 Crores during the year as against Rs. 39.4 Crores of last year. The above increasing trend is likely to continue at an accelerated rate during the current year in all the products.

The Company has got marketing rights for Electric Fans and Sewing Machines for West Bengal from January 1999. Company is hopeful of taking higher market share in West Bengal in the coming years.

During the year, Mr. Siddhartha Sen, a well known marketing consultant has been taken on the Board of Directors and Mr. Sunil Wadhwa, who has been the principal executive of the Company, was appointed as Managing Director. These additions to the Board of Directors would go a long way in improving the marketing strengths of the Company.

Fixed Deposits amounting to Rs. 8.49 lacs pertaining to 60 depositors remained unclaimed at the close of the year; of these, deposits amounting to Rs. 4.64 lacs, have since been paid/renewed during the current year.

The Company's computer systems have been internally tested to be fully Y2K compliant.

Statement regarding subsidiary companies, pursuant to Section 212 of the Companies Act, 1956 is attached with the Accounts. The reports and accounts of the subsidiary companies are also attached.

The provisions for energy conservation and technology absorption are not applicable to the Company.

The observations of auditors are self explanatory and/or suitably explained in various notes to the Accounts.

Information relating to particulars of personnel u/s 217 (2A) of Companies Act 1956 is annexed and the amount of foreign exchange earned/utilised during the year has been given in the schedules which form an integral part of the report.

The Directors wish to place on record their sincere thanks to the Company's principals, its bankers, dealers and all its business associates for their continued support and record their appreciation of devoted services rendered by all ranks of Company personnel during the year.

On behalf of the Board

New Delhi

May 28, 1999

SIDDHARTH SHRIRAM

CHAIRMAN



AUDITORS' REPORT

To the members of Usha International Limited

We have audited the attached Balance Sheet of Usha International Limited as at 31st March, 1999 and the Profit and Loss Account for the year ended on that date annexed thereto and report that :-

1. As required by the Manufacturing and other Companies (Auditors' Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent they are applicable to the Company.
2. Further to our comments in the Annexure referred to in paragraph 1 above :
 - (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 the books.
 - (c) Reports of branch auditors have been received and the same have been considered.
 - (d) The Company's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and returns and in our opinion comply with the applicable mandatory accounting standards.
 - (e) In our opinion the Company's computer systems are Y2K compliant.
 - (f) In our opinion and to the best of our knowledge and according to the informations and explanations given to us, the said accounts read together with Accounting Policies and Notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view :
 - (i) In case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 1999 and
 - (ii) In case of the Profit and Loss Account, of the Profit for the year ended on that date.

Report



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For THAKUR, VAIDYANATH AIYAR & CO.
CHARTERED ACCOUNTANTS

New Delhi
May 28, 1999

R. BALACHANDER
PARTNER



ANNEXURE REFERRED TO IN PARA 1 OF OUR REPORT OF EVEN DATE ON THE ACCOUNTS OF USHA INTERNATIONAL LTD. FOR THE YEAR ENDED 31ST MARCH, 1999

1. The Company has maintained proper records showing full particulars including quantitative details and situations of its fixed assets. The fixed assets were physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable.
2. None of the Assets have been revalued during the year.
3. The stock in trade has been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable.
4. The procedures of physical verification of stock followed by the Management as evidenced by the written procedures and instructions, are reasonable and adequate in relation to the size of the Company and the nature of its business.
5. The discrepancies noticed on physical verification between physical stocks and book records were not material.
6. In our opinion, based on the examination of stock records, the valuation of stocks is fair and proper in accordance with normally accepted accounting principles and is on the same basis as in the preceding year.
7. The Company has not taken any loans, secured or unsecured, from the companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
8. The Company has not granted any loans, secured or unsecured, except in the nature of trade advances, to the companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
9. The parties, to whom loans and advances in the nature of loans have been given by the Company, are repaying the principal amounts as stipulated and are regular in payment of interest, where applicable.
10. In our opinion and according to 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 with regard to the purchase of traded goods and fixed assets, and the sale of traded goods.
11. The Company sells products mostly bearing the brand/patented name of the suppliers. We have been informed that these products are, in general, distinct, different in technical features and specifications and conform to the quality/reliability standards of the Company. Therefore, the comparison of prices paid by the Company for the products purchased by it in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956, with the prices of other similar products available in the market does not arise.
12. According to information and explanations given to us, the Company has complied with the directions issued by the Reserve Bank of India for acceptance of deposits by non-banking and non-financial companies and the provisions of Section 58A of the Companies Act, 1956, and the rules framed thereunder.
13. The Company has an internal audit system commensurate with the size and nature of business of the Company.
14. According to the records of the Company, Provident Fund and Employees State Insurance Fund dues have been regularly deposited during the year with the appropriate authorities.
15. According to the records of the Company and information and explanations given to us, no undisputed amount payable in respect of Income Tax, Wealth Tax and Sales Tax (which taxes alone are applicable to the Company) is outstanding as at 31st March, 1999 for a period of more than six months from the date they became payable.
16. On the basis of test checks carried out during the course of audit and according to information and explanations given to us, no personal expenses (other than those payable under contractual obligations or in accordance with generally accepted business practice) appear to have been charged to revenue account.
17. This being a trading Company, the Sick Industrial Companies (Special Provisions) Act, 1985 is not applicable to it. However, the Company is not "sick" as per the definition given in the said Act.
18. The damaged goods have been determined by the Management and necessary provision has been made for the loss in the books of account of the Company.

For THAKUR, VAIDYANATH AIYAR & CO.
CHARTERED ACCOUNTANTS

New Delhi
May 28, 1999

R. BALACHANDER
PARTNER

**BALANCE SHEET**

As at 31st March, 1999

	Schedule	As at 31.3.1999 Lac/Rs.	As at 31.3.1998 Lac/Rs.
LIABILITIES			
Share Capital	1	227.60	197.60
Reserves and Surplus	2	2808.62	2004.36
Loans	3	2246.39	2061.63
Current Liabilities and Provisions	4	4094.49	3904.85
		9377.10	8168.44
ASSETS			
Fixed Assets	5	568.87	478.79
Investments	6	122.12	159.62
Current Assets, Loans and Advances	7	8686.11	7530.03
		9377.10	8168.44
Accounting Policies and Notes to the Accounts	11		

As per our report of even date attached.

For THAKUR, VAIDYANATH AIYAR & CO.
Chartered AccountantsR.BALACHANDER
PARTNERSIDDHARTHA SEN
DEEPAK SHRIRAM
DirectorsSIDDHARTH SHRIRAM
ChairmanNew Delhi
May 28, 1999VINITA CHAUDHRY
Asst.Co.SecretaryS.S.SINGHAL
Executive DirectorSUNIL WADHWA
Managing Director