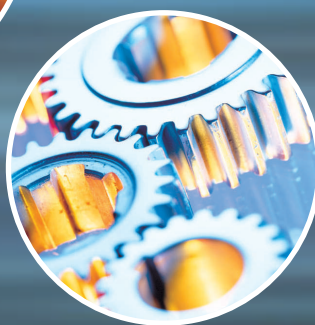




USHDEV INTERNATIONAL LTD



ANNUAL REPORT 2009-10

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USHDEV INTERNATIONAL LTD

SIXTEENTH ANNUAL REPORT 2009-2010

Board of Directors

Ms. Suman Gupta, Chairperson
Mr. Prateek Gupta, Managing Director
Mr. Narayan Hegde, Non Executive Independent Director
Mr. Vinay Kamat, Non Executive Independent Director
Mr. Suresh Lakhiani, Non Executive Independent Director

Bankers

ICICI Bank Ltd
IDBI Bank Ltd
Indian Overseas Bank
Oriental Bank of Commerce
State Bank of India
Union Bank of India

Auditors

M. P. Chitale & Co.,
Chartered Accountants,
Hamam House, Ambalal Doshi Marg,
Fort, Mumbai 400 001.

Demat Registrars

Sharex Dynamic (India) Private Limited,
17/B, Dena Bank Building, 2nd Floor,
Horniman Circle, Fort Mumbai – 400 001.
Tel. No. 2270 2485, 2264 1376
Fax No. 22 64 13 49
E-mail : sharexindia@vsnl.com

Registered Office

New Harileela House,
6th Floor, Mint Road, Fort,
Mumbai - 400 001
Tel : 22672450/60, 66368888
Fax : 22671931
Email : ushdev@vsnl.com
Website: www.ushdev.com

Notice

Notice is hereby given that the Sixteenth Annual General Meeting of the Shareholders of **USHDEV INTERNATIONAL LIMITED** will be held on 4th September 2010 at 10.00 a.m at Topas Hall, 18 Madame Cama Road, Fort, Mumbai-400 039, to transact the following business:

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010, Audited Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
- 2) To Declare Dividend on equity shares.
- 3) To appoint a Director in place of Mrs. Suman Gupta, who retires by rotation and being eligible offers herself for re-appointment.
- 4) To re-appoint Statutory Auditors of the Company and to fix their remuneration.

By order of the Board of Directors
For USHDEV INTERNATIONAL LIMITED

Place: Mumbai
Date : June 9, 2010

Sd/-
Suman Gupta
Chairperson

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the company. Proxy form is enclosed along with this notice.
2. The Proxy Form, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. For the convenience of the shareholders, Attendance Slip is annexed to this notice. Shareholders/Proxy Holders are requested to fill in and affix their signatures at the space provided therein and surrender the same at the venue.
4. The Register of Members and Share Transfer Register of the Company will remain closed from 27th August 2010 to 3rd September 2010 (both the days inclusive).
5. Corporate Members intending to send their authorized representatives at the Meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Dividend on equity shares, if declared at the Meeting, will be paid to those shareholders whose names shall appear on the Company's Register of Members as on 27th August 2010; in respect of shares held in dematerialized form, the dividend will be paid to those shareholders whose names are furnished by Central Depository Services (India) Limited and National Securities Depository

Limited as beneficial owners as on that date.

8. Members who hold shares in dematerialized form may kindly note that their Bank Account details, as furnished by their depositories to the company, will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for deletion of or change in such Bank Account details. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in electronic form. Members who wish to change such Bank Account details are therefore requested to advise their Depository Participants about such change with complete details of Bank Account.
9. To avoid loss of dividend warrants in transit and undue delay in respect of receipt of dividend warrants, the Company has provided a facility to the Members for remittance of dividend through the Electronic Clearing System (ECS). The ECS facility is available at locations identified by Reserve Bank of India from time to time and covers most of the cities and towns. Members holding shares in physical form and desirous of availing this facility are requested to contact the Company's Registrar and Share Transfer Agent i.e. M/s. Sharex Dynamic (India) Private Limited.
10. Members are requested to immediately notify any change of address to their Depository Participants (DPs) in respect of their holdings in electronic form and to the Secretarial department at the Registered Office of the company or to the Registrar and Transfer Agents in respect of their holding in physical form.
11. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report.
12. Pursuant to provisions of Section 205A and Section 205C of the Companies Act, 1956, dividend for the financial year March 31, 1999 and dividend declared thereafter, which remain unclaimed for a period of seven years, will be transferred by the Company to the Investor Education and Protection Fund pursuant to Section 205C of the Companies Act, 1956.

Financial Year	Date of Declaration of Dividend	Last date of claiming Unpaid Dividend
Financial Dividend for the year 2005 - 2005	30th September, 2005	4th November, 2012
Financial Dividend for the year 2005 - 2006	30th December, 2006	3rd February, 2014
Financial Dividend for the year 2006 - 2007	25th September, 2007	30th October, 2014
Financial Dividend for the year 2007 - 2008	2nd September, 2008	7th October, 2015
Financial Dividend for the year 2008 - 2009	5th September, 2009	10th October, 2016

By order of the Board of Directors
For USHDEV INTERNATIONAL LIMITED

Place: Mumbai
Date : June 9, 2010

Sd/-
Suman Gupta
Chairperson

DIRECTOR'S REPORT

To
The Members,

Your Directors present herewith the Sixteenth Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2010.

	(Rs. in Lacs)	
	Year Ended 31/03/2010	Year Ended 31/03/2009
1.FINANCIAL RESULTS		
Gross Revenue	1,74,945	1,38,579
Gross Profit (before interest, depreciation, tax and writing off of preliminary expenses)	7,855	6,522
Interest	4,063	3,675
Depreciation	508	345
Provision For Taxation	607	286
Net Profit/ (loss)	2,677	2,218
Deferred Tax Assets / (Liability)	19	(64)
Profit after Tax	2,696	2,152
Balance in Profit & Loss A/c c/f from last year	3,310	2,052
Amount available for appropriation	6,006	4,204
Appropriations		
Proposed dividend on Equity Shares	618	580
Tax on Dividend	270	215
Transfer to General Reserves	105	99
Balance carried to Balance Sheet	5,013	3,310

2. DIVIDEND

In view of the strong growth, your Director's have recommended dividend of 21%.

3. PERFORMANCE DURING THE YEAR

i) POWER SECTOR :

The company has carried out its expansion plan in the relevant year also and has invested an amount of Rs. 126.70 Crores in four states namely. We give the details of the company projects as below:-

Date of installation	Location	No of WEG's	Installed Capacity	Investment Rs In Crores
27/03/1997	Tamil Nadu 1	11	2.53 MW	14.00
29/03/2005	Tamil Nadu 2	2	1.60 MW	7.80
29/03/2006	Rajasthan	3	2.40 MW	12.00
29/03/2006	Karnataka	2	1.60 MW	8.00
30/03/2007	Gujarat 1	2	1.60 MW	8.00
10/07/2007	Gujarat 2	4	3.20 MW	16.00
26/09/2009	Tamil Nadu 3	6	9.9 MW	60.90
TOTAL		30	22.83 MW	126.70

ii) STEEL SECTOR:

Your Company's emphasis on core competencies has paid off multifold's. Your company has been successful in increasing its market share in the steel sector, thus in turn has been successful in increasing its presences in the steel sector. Thus has resulted in an increase in top line income of 31%.

Your company plans to concentrate hold heartedly on this sector.

4. MANAGEMENT DISCUSSION AND ANALYSIS

i. Industry Structure and Development

The Industry is on a growth path in terms of capacities and global consumption with global demand and supply growing in tandem.

ii. Opportunities and Threats

Opportunities will exist with the increase in higher value added steel consumption on a steady growth path in the country and the expectation of strengthening of the Indian economy.

As far as the power sector is concerned, the deficit between the demand and supply is so large that the Government of India requires the private sector participation and offers excellent infrastructure for completion of the same. Your Company benefits from the same and is thus able to consolidate and increase its presence in this sector due to the same.

iii. Segment

Segment wise analysis or performance is also given herewith in notes to accounts as per Accounting Standard 17.

iv. Outlook

Your Company is well respected in both the Steel & Power Sectors. A detailed expansion is on an anvil specially in the Power sector to increase power generating capacity's year on the most competitive terms.

v. Risk and Concerns

Ever changing scenario in international and domestic markets could be the only risk which may be faced by the Steel Industry.

The back trading by Govt. agencies & Dept. is a cause of concern for your Power Biz but your Company is taking adequate precautionary steps for the same.

vi. Internal Control Systems and their Adequacy

Effective Internal operational control systems and regular internal audit mechanism, to monitor and review the same under the overall control and supervision of the Internal Auditor has substantially contributed to the better manage-ment. Efforts for continued improvements are being made in this regard.

vii. Discussions on financial Performance with respect to Operational Performance

The financial performance with respect to the operational performance during the year under review

was reasonably good. The Company is on expansion path & the Company has taken a proactive financing strategy to pursue this growth.

viii. Material Development in Human Resources / Industrial Relations Front, including Number of People Employed

The induction of professionally qualified and skilled manpower including internal and external training programmes are the constant features of your Company.

ix. Material Financial and Commercial Transactions

There are no materially significant financial and commercial transactions with the related parties conflicting with the interest of the Company during the financial year under review. The Promoters and the Directors are not dealing in the Equity Shares of the Company.

5. DIRECTORS

In accordance with the Company's Articles of Association, Mrs. Suman Gupta retires by rotation at the forthcoming Annual General meeting and being eligible offers herself for re-appointment in terms of the Articles of Association of the Company.

6. CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In terms of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, your Directors wish to state that as the company is not carrying on any manufacturing activity and does not consume power the question of conservation of energy and absorption of technology does not arise. However the figures of f o r e i g n exchange are given below:

Foreign Exchange Earnings/Outgo	:	Rs. in Lacs
Foreign Exchange Earned	:	3,005.85
Foreign Exchange Outgo	:	18,139.29

7. FIXED DEPOSITS

The Company has not accepted any deposits from the public.

8. PARTICULARS OF EMPLOYEES

Particulars of Employees are required in terms of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, are not applicable as none of the employees were paid a remuneration of Rs. 24,00,000/- or more per year or Rs. 2,00,000/- or more per month.

9. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement Under Section 217 (2AA) of the Companies Act, 1956 with respect to the Directors Responsibilities Statement, it is hereby confirmed;

l) That in the preparation of the Annual Accounts for the financial year 31st March, 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures.

- ii) That the Directors had selected such accounting policies and applied them consistently and made judgment 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 or loss of the Company for the year under review.
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the Directors have prepared the Annual Accounts for the financial year ended 31st March, 2010 on a going concern basis.

10. LISTING OF SHARES

The Company's shares are listed on Bombay Stock Exchange Limited and the Company has paid the listing fees for the same.

11 CORPORATE GOVERNANCE

A separate section on Corporate Governance is included in the Annual Report and the Certificate from the Practicing Company Secretary confirming the compliance of conditions on Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges is annexed hereto.

12. AUDITORS

M/s. M. P. Chitale & Co, Chartered Accountants retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received a certificate from them to the effect that their re-appointment, if made would be within the prescribed limits specified under Section 224(1B) of the Companies Act, 1956.

13. ACKNOWLEDGMENT

Your Directors take this opportunity to place on record their warm appreciation for the valuable contribution, untiring efforts and spirit of dedication demonstrated by the employees and officers at all levels, in the sure and steady progress of the Company.

Your Directors also express their deep gratitude to the Bankers and Authorities of the State of Maharashtra. They are thankful to the Shareholders and Customers for the co-operation and trust they have reposed in the Company.

Place : Mumbai
Dated : May 28, 2010

PRATEEK GUPTA
Managing Director

CORPORATE GOVERNANCE REPORT

(under Clause 49 (VI) (i) of Listing Agreement)

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance is to strive for attaining the optimum level of transparency and accountability in all facets of its operations and all dealings with shareholders, employees, lenders, creditors, customers and the government. The Board of Directors by considering itself the trustee of its Shareholders aims at maximizing shareholders value and protecting interests of other stakeholders

II. BOARD OF DIRECTORS;

i) Composition and Category of Directors:

The Board consists of 5 Directors, out of which 3 are Independent Directors. Composition of the Board and category of Directors are as follows:

Name	Executive/ Non Executive	Promoter/ Independent	Relationship with Directors
Ms. Suman Gupta	Non - Executive Chairperson	Promoter	Mother of Mr. Prateek Gupta
Mr. Prateek Gupta	Managing Director	Promoter	Son of Ms. Suman Gupta
Mr. Narayan Hegde	Non - Executive	Independent	Not Related to any Director
Mr. Vinay Kamat	Non - Executive	Independent	Not Related to any Director
Mr. Suresh Lakhiani	Non - Executive	Independent	Not Related to any Director

ii) Attendance of each Director at the Board Meeting and Last Annual General Meeting:

Date of Board Meetings	Suman Gupta	Prateek Gupta	Narayan Hegde	Vinay Kamat	Suresh Lakhiani
25th Apr, 2009	Present	Present	Absent	Present	Present
27th Jul, 2009	Present	Present	Present	Present	Absent
8th Oct, 2009	Present	Present	Absent	Present	Absent
27th Oct, 2009	Absent	Present	Present	Present	Absent
17th Dec, 2009	Present	Present	Absent	Present	Present
27th Jan, 2010	Present	Present	Present	Present	Present
13th Mar, 2010	Present	Present	Present	Present	Present
Total Attendance out of 7 board Meetings.	6	7	4	7	4
Attendance at Last AGM	Absent	Present	Absent	Present	Absent