



19th Annual Report
2012 - 13



Ushdev International Limited

Contents

01	Corporate Information
02	Notice
04	Notes
10	Directors' Report
17	Corporate Governance Report
30	Auditors' Report
35	Financial Statement
61	Consolidated Auditors' Report
62	Consolidated Financial Statement
86	Statement under Section 212

Corporate Information



Ushdev International Limited

Board of Directors

Suman Gupta	Chairperson & Non Executive Director
Prateek Gupta	Vice Chairman & Non Executive Director
Arvind Prasad	Managing Director
Ashwin Rathi	Managing Director & Group CFO
Narayan Hegde	Independent & Non Executive Director
Vinay Kamat	Independent & Non Executive Director
Suresh Lakhiani	Independent & Non Executive Director
Vijay Kumar Gupta	Independent & Non Executive Director

Bankers

Canara Bank
Central Bank of India
Dena Bank
ICICI Bank Ltd
IDBI Bank Ltd
Indian Overseas Bank
Oriental Bank of Commerce
Shamrao Vithal Co-operative Bank Limited
State Bank of Bikaner & Jaipur
State Bank of India
State Bank of Mysore
State Bank of Travancore
UCO Bank

Auditors

M. P. Chitale & Co.
Chartered Accountants
Hamam House, Ambalal Doshi Marg,
Fort, Mumbai - 400 001
Tel : +91 22 265 1186
Fax : +91 22 265 5334
E-mail : office@mpchitale.com

Solicitors

Desai & Diwanji
Lentin Chambers, Dalal Street,
Fort, Mumbai - 400 001.
Tel : +91 22 2265 1682 / 3984 1000
Fax : +91 22 2265 8245
E-mail : vydesai@desaidiwanji.com

Demat Registrars

Sharex Dynamic (India) Private Limited

Unit-1, Luthra Industrial Premises,
Andheri Kurla Road, Andheri (East),
Mumbai - 400 072
Tel : +91 22 2851 5606 / 5644
Fax : +91 22 2851 2885
E-mail : sharexindia@vsnl.com

Registered Office

6th Floor, New Harileela House,
Mint Road, Fort,
Mumbai- 400 001.
E-mail : ushdev@vsnl.net
Website : www.ushdev.com

Corporate Office

Apeejay House, 6th Floor,
130, Mumbai Samachar Marg,
Fort, Mumbai - 400 023.
Tel : +91 22 6194 8888
Fax : +91 22 2282 1416
E-mail : ushdev@vsnl.net
Website : www.ushdev.com

Notice

Notice is hereby given that the Nineteenth Annual General Meeting of the Shareholders of **USHDEV INTERNATIONAL LIMITED** will be held on Saturday, 31st August, 2013 at 11.00 a.m, at M. C. Ghia, Hall, Kala Ghoda, Mumbai - 400023 to transact the following business:

Ordinary Business

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013, 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 Mr. Narayan Hegde who retires by rotation and being eligible offers himself for re-appointment.
- 4) To re-appoint M/s. M P Chitale & Co., Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.

Special Business

- 5) To consider, and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Arvind Prasad, who was appointed as an Additional Director under Article 135 of the Articles of Association of the Company and who by virtue of Section 260 of the Companies Act, 1956 (the Act) holds office upto the date of this Annual General Meeting, being eligible, offers himself for re-appointment and in respect of whom the Company has received Notice in writing under Section 257 of the Act, from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

- 6) To consider, and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Ashwin Rathi, who was appointed as an Additional Director under Article 135 of the Articles of Association of the Company and who by virtue of Section 260 of the Companies Act, 1956 (the Act) holds office upto the date of this Annual General Meeting, being eligible, offers himself for re-appointment and in respect of whom the Company has received Notice in writing under Section 257 of the Act, from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

- 7) To consider, and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, including Schedule XIII of the said Act as amended up-to-date, consent and approval be and is hereby accorded to the appointment of and the remuneration and perquisites being paid or provided to Mr. Arvind Prasad as the Managing Director of the Company for a period of three years with effect from 1st December, 2012 on the terms and conditions set out in draft Letter of Appointment a copy whereof initialed by Mr. Prateek Gupta, Director of the Company, for the purpose of identification has been placed before this Meeting, which draft Letter of Appointment is hereby specifically approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration and perquisites including the monetary value thereof as specified in the Letter of Appointment to the extent the Board of Directors may consider appropriate and as

may be permitted or authorised in accordance with any provision under the Act for the time being in force provided, however, that the remuneration payable to Mr. Arvind Prasad shall be within the limits set out in the said Act including the said Schedule XIII to the Act or any amendments thereto or any modification(s) or statutory re-enactment(s) thereof and / or any rules or regulations framed thereunder and the terms of the aforesaid Letter of Appointment of Mr. Arvind Prasad shall be suitably modified to give effect to such variation or increase as the case may be.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year of the Company during the term of office of Mr. Arvind Prasad as Managing Director of the Company, the remuneration and perquisites set out in the aforesaid draft Letter of Appointment be paid or granted to Mr. Arvind Prasad as minimum remuneration provided that the total remuneration by way of salary, perquisites and other allowances shall not exceed the ceiling provided in Part II Section II of Schedule XIII to the said Act based on the effective capital for the respective financial year or such other amount and perquisites as may be provided in the said Schedule XIII as may be amended from time to time or any equivalent statutory re-enactment(s) thereof”.

- 8) To consider, and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, including Schedule XIII of the said Act as amended up-to-date, consent and approval be and is hereby accorded to the appointment of and the remuneration and perquisites being paid or provided to Mr. Ashwin Rathi as the Managing Director of the Company for a period of three years with effect from 29th January, 2013 on the terms and conditions set out in draft Letter of Appointment a copy whereof initialed by Mr. Prateek Gupta, Director of the Company, for the purpose of identification has been placed before this Meeting, which draft Letter of Appointment is hereby specifically approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration and perquisites including the monetary value thereof as specified in the Letter of Appointment to the extent the Board of Directors may consider appropriate and as may be permitted or authorised in accordance with any provision under the Act for the time being in force provided, however, that the remuneration payable to Mr. Ashwin Rathi shall be within the limits set out in the said Act including the said Schedule XIII to the Act or any amendments thereto or any modification(s) or statutory re-enactment(s) thereof and / or any rules or regulations framed thereunder and the terms of the aforesaid Letter of Appointment of Mr. Ashwin Rathi shall be suitably modified to give effect to such variation or increase as the case may be.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year of the Company during the term of office of Mr. Ashwin Rathi as Managing Director of the Company, the remuneration and perquisites set out in the aforesaid draft Letter of Appointment be paid or granted to Mr. Ashwin Rathi as minimum remuneration provided that the total remuneration by way of salary, perquisites and other allowances shall not exceed the ceiling provided in Part II Section II of Schedule XIII to the said Act based on the effective capital for the respective financial year or such other amount and perquisites as may be provided in the said Schedule XIII as may be amended from time to time or any equivalent statutory re-enactment(s) thereof”.

By order of the Board of Directors
For USHDEV INTERNATIONAL LIMITED
sd/-

Lalit Chendvankar
Company Secretary

Place : Mumbai
Date : 24th April, 2013

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. Explanatory Statement pursuant to the provisions of Section 173 of the Companies Act, 1956 in respect of item no. 5 to 8 of the notice is annexed.
5. The Register of Members and Share Transfer Register of the Company will remain closed from Saturday, 24th August, 2013 to Saturday, 31st August, 2013 (both the days inclusive).
6. 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.
7. 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.
8. 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 23rd August, 2013; 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.
9. 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.
10. 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.
11. 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 Share Transfer Agents in respect of their holding in physical form.
12. 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.



13. Pursuant the provisions of Section 205A and Section 205C of the Companies Act, 1956, dividend for the financial year March 31st, 2006 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
Final Dividend for the year 2005 - 2006	30 th December, 2006	3 rd February, 2014
Final Dividend for the year 2006 - 2007	25 th September, 2007	30 th October, 2014
Final Dividend for the year 2007 - 2008	2 nd September, 2008	7 th October, 2015
Final Dividend for the year 2008 - 2009	5 th September, 2009	10 th October, 2016
Final Dividend for the year 2009 - 2010	4 th September, 2010	9 th October, 2017
Final Dividend for the year 2010 - 2011	3 rd September, 2011	8 th October, 2018
Final Dividend for the year 2011 – 2012	30 th August, 2012	4 th October, 2019

14. All the shareholders are requested to register their E-Mail id with Sharex Dynamic (India) Private Limited for the purpose of service of documents under Section 53 of the Companies Act, 1956 by E-mode instead of under posting certificate (UPC) in view of Circular No. 17/95/2011 CL-V.

Explanatory Statement

Pursuant to Section 173 (2)
of the Companies Act, 1956

ITEM NO. 5

Mr. Arvind Prasad was appointed as an Additional Director, under Article 135 of the Articles of Association of the Company with effect from 1st December, 2012 pursuant to Section 260 of the Companies Act, 1956 and he holds the office up to the date of this Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956, along with deposit from the member signifying his intention to propose the appointment of Mr. Arvind Prasad as Director of the Company, liable to retire by rotation. The Board of Directors recommends the resolution as set out in item no 5 of the Notice for approval of the shareholders at the ensuing Annual General Meeting.

Mr. Arvind Prasad is interested in the resolution since it relates to his own appointment.

None of the other Directors are concerned or interested in the said resolution.

ITEM NO. 6

Mr. Ashwin Rathi was appointed as an Additional Director, under Article 135 of the Articles of Association of the Company with effect from 29th January, 2013 pursuant to Section 260 of the Companies Act, 1956 and he holds the office up to the date of this Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956, along with deposit from the member signifying his intention to propose the appointment of Mr. Ashwin Rathi as Director of the Company, liable to retire by rotation. The Board of Directors recommends the resolution as set out in item no 6 of the Notice for approval of the shareholders at the ensuing Annual General Meeting.

Mr. Ashwin Rathi is interested in the resolution since it relates to his own appointment.

None of the other Directors are concerned or interested in the said resolution.

ITEM NO. 7

Mr. Arvind Prasad was appointed as an Additional Director & Managing Director of the Company for a term of 3 years w.e.f. 1st December, 2012 on the following terms and conditions:

a)	Salary	Rs. 1,25,000/- per month
b)	Perquisites / Amenities	
i)	Dearness Allowance	Rs. 37,500/- per month
ii)	House Rent Allowance	Rs. 87,500/- per month
iii)	Conveyance	Rs. 800/- per month
iv)	Medical	Reimbursement of actual medical expenses in India and / or abroad and including hospitalization, nursing home and surgical expenses for himself and family not exceeding Rs. 1,250/- per month
v)	Other Taxable Allowances	Rs. 60,450/- per month.

The aggregate of the salary and perquisites in any financial year shall not exceed the limits prescribed from time to time under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII, Part II Section I of the Act.

In the event of absence or inadequacy of profits during the period Mr. Arvind Prasad shall be paid the above remuneration subject to the limit prescribed under Section II, Part II of Schedule XIII to the Companies Act, 1956.

Mr. Arvind Prasad, aged 54 years is qualified B. Tech Electric Engineer (Power) from the prestigious IIT

Madras having over 28 years of experience in different domains and multiple functionalities. He worked for about six years as deputy manager with HVOK in Delhi and Kanpur. For the next 13 years he climbed the corporate ladder at Thermax Limited from Service Manager to Area Manager to Senior Manager of sales and marketing in four different locations across the country. Later he served as General Manager for Master Handlers Pvt. Ltd., Pune where he handed key accounts like Ashok Leyland, Tata Motors, Honda Motors etc. With Vestas India in Chennai he served as a Director of Sales and Marketing for six years where he achieved a turnover of Rs. 18 billion for 2008-09 while maintaining a year on year above industry business growth rate. The IIT-ian thus brings not only years to the Company, but also his invaluable experience across different sectors of the Power Industry. The remuneration proposed to be paid to Mr. Arvind Prasad is justified having regard to the nature of service required from him and responsibility which he is called upon to bear as a Managing Director of the Company.

The appointment and remuneration payable to Mr. Arvind Prasad is subject to the approval of the Shareholders of the Company and any other regulatory authorities, as may be required.

Accordingly, the board recommends the resolution as set out in Item No. 7 of the Notice for approval of the Shareholders.

None of the Directors of the Company, except Mr. Arvind Prasad, is in any way concerned or interested in this resolution.

The above may be regarded as an abstract for the term of appointment and memorandum of interest under Section 302 of the Companies Act, 1956.

ITEM NO. 8

Mr. Ashwin Rathi was appointed as an Additional Director, Managing Director & Group CFO of the Company for a term of 3 years w.e.f. 29th January, 2013 on the following terms and conditions:

a)	Salary	Rs. 2,00,000/- per month
b)	Perquisites / Amenities	
i)	Dearness Allowance	Rs. 60,000/- per month
ii)	House Rent Allowance	Rs. 140,000/- per month
iii)	Conveyance	Rs. 800/- per month
iv)	Medical	Reimbursement of actual medical expenses in India and / or abroad and including hospitalization, nursing home and surgical expenses for himself and family not exceeding Rs. 1,250/- per month
v)	Other Taxable Allowances	Rs. 97,950/- per month

The aggregate of the salary and perquisites in any financial year shall not exceed the limits prescribed from time to time under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII, Part II Section I of the Act.

In the event of absence or inadequacy of profits during the period Mr. Ashwin Rathi shall be paid the above remuneration subject to the limit prescribed under Section II, Part II of Schedule XIII to the Companies Act, 1956.

Mr. Ashwin Rathi, aged 46 years is a qualified MBA Finance from M S University, Vadodara having more than 20 years of experience in the field of Corporate Finance and Management. Mr. Rathi has had a successful career characterized by front-line positions that began with Gujarat Lease Financing Ltd., in Ahmedabad in 1989. After three years in retail finance he was sent to the company's investment

banking division where he successfully handled IPOs of many companies including Sardar Sarovar Nigam Ltd. and Zee Telefilms Ltd. In Vadilal Financial Services Ltd., as Head of Fund based Business Mr. Rathī successfully created products for funding in stock markets. In Gujarat Pipavav Port Ltd. – India's first private sector port – he was instrumental in preparing the backup infrastructure plan and raising debt for the same. In the year 2001, Mr. Rathī joined Deloitte Touche Tohmatsu India as Asst. Director in Corporate Finance. In April 2006, he was transferred to Mumbai where he closed some marquee transactions and raised equity and debt for a Slum Rehabilitation Project. Beginning as a manager to growing from strength to strength in the Director's chair, Mr. Rathī has proven his mettle in Corporate Finance, Investment Banking and Strategic Business Planning among others. A better choice for the dual leadership positions of Managing Director and Group CFO for Ushdev International Ltd. could not have been found. At Ushdev Mr. Ashwin J. Rathī will lead the entire group's finance functions and M&A activities.

The appointment and remuneration payable to Mr. Ashwin Rathī is subject to the approval of the Shareholders of the Company and any other regulatory authorities, as may be required.

Accordingly, the board recommends the resolution as set out in Item No. 8 of the Notice for approval of the Shareholders.

None of the Directors of the Company, except Mr. Ashwin Rathī, is in any way concerned or interested in this resolution.

The above may be regarded as an abstract for the term of appointment and memorandum of interest under Section 302 of the Companies Act, 1956.

By order of the Board of Directors
For USHDEV INTERNATIONAL LIMITED
sd/-

Lalit Chendvankar
Company Secretary

Place : Mumbai
Date : 24th April, 2013