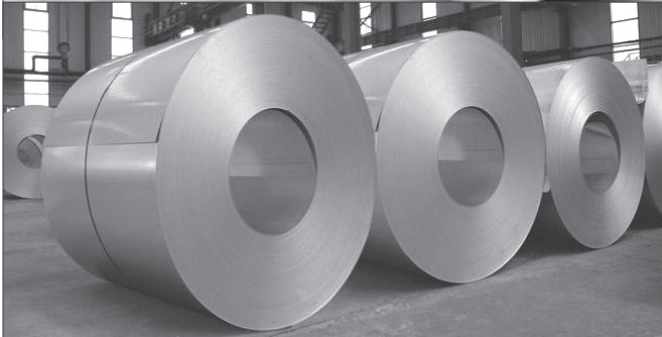




USHDEV INTERNATIONAL LIMITED



24th  
Annual Report  
2017-18

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# Corporate Information

## Resolution Professional

Shri Subodh Kumar Agrawal  
Reg. No. IBBI/PA-001/IP-P00087/2017-18/10183

## Bankers

State Bank of India  
Bank of Baroda  
Bank of Maharashtra  
UCO Bank  
Andhra Bank  
Dena Bank  
Oriental Bank of Commerce  
Indian Overseas Bank  
ICICI Bank Ltd.  
IDBI Bank  
Central Bank of India  
Canara Bank

## Auditors

Khandelwal Jain & Co.  
Chartered Accountants  
Firm Registration No.: 105049W  
Mumbai

## Board of Directors

Mrs. Suman Gupta: Chairperson  
Shri Prateek Gupta: Vice Chairman  
Shri Arvind Prasad: Managing Director & CEO

## Chief Financial Officer

Ms. Sucheta Jadhav

## Registered Office

6th Floor, New Harileela House,  
Mint Road, Fort,  
Mumbai- 400 001.  
Tel : +91 22 6194 8888 / 6636 8888  
E-mail : [info@ushdev.com](mailto:info@ushdev.com)  
Website : [www.ushdev.com](http://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 : [info@ushdev.com](mailto:info@ushdev.com)  
Website : [www.ushdev.com](http://www.ushdev.com)

## Registrar and Transfer Agent

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](mailto:sharexindia@vsnl.com)

# Notice

Notice is hereby given that the 24th Annual General Meeting of the members of Ushdev International Limited will be held on Friday, November 30, 2018 at 10.30 A.M. at Basement No. 8, Apeejay House, 130, Mumbai Samachar Marg, Fort, Mumbai - 400 023, to transact the following business:

## Ordinary Business:

1. To consider and adopt:
  - a. the audited Financial Statement of the Company for the Financial Year ended March 31, 2018 and the Reports of the Board of Directors and Auditors' thereon, and;
  - b. the audited consolidated Financial Statement of the Company for the Financial Year ended March 31, 2018 and the Reports of the Auditors thereon.
2. To confirm holding of office by Auditor for remaining term and in this regard, to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and

other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and read with Rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the appointment of M/s. Khandelwal Jain & Co., Chartered Accountants, (Firm Registration No. 105049W) as the Statutory Auditors of the Company which was approved by the Members at the 23rd Annual General Meeting, to hold office from the conclusion of the 23rd Annual General Meeting for a term of 5 (five) consecutive years till the conclusion of the 28th Annual General Meeting, be and is hereby confirmed to hold office for the said period."

For Ushdev International Limited

**Subodh Kumar Agrawal**

Resolution Professional

Reg. No. IBB/IPA-001/IP-P00087/2017-18/10183

Date: November 05, 2018

Place: Mumbai

# Notes

## 1. Corporate Insolvency Resolution Process:

Ushdev International Limited is under the Corporate Insolvency Resolution Process (CIRP) vide order passed by the Hon'ble National Company Law Tribunal, Mumbai Bench dated May 14, 2018 as per the provisions of the Insolvency and Bankruptcy Code, 2016 (Code) and Rules and Regulations made there under. Its affairs, business, and assets are being managed by the Resolution Professional, Shri Subodh Kumar Agrawal, appointed as Interim Resolution Professional by the National Company Law Tribunal by order dated May 14, 2018 and continued as Resolution Professional by the Committee of Creditors (CoC) in its meeting held on June 14, 2018 under provisions of the code.

Pursuant to the NCLT order, the powers of the Board of Directors stand suspended and are exercisable by Shri Subodh Kumar Agrawal, Resolution Professional. In view thereof, the ensuing Annual General Meeting is being convened by the Resolution Professional.

The Board's Report, Corporate Governance Report and Management Discussion and Analysis Report forming part of this Annual Report are prepared by the Management of the Company. As the powers of the Board of Directors have been suspended, this Annual Report have not been approved by the Board of Directors, however, the same have been signed by Shri Arvind Prasad, Managing Director and CEO and Shri Prateek Gupta, Director of the Company, confirming accuracy and completeness of the Annual Report.

The Annual Report thereafter has been taken on record by the Resolution Professional on November 05, 2018 for issuing the same to the persons specified under Section 101 of the Companies Act, 2013 (the Act) and onward submission to the Stock Exchange and the Registrar of Companies, Mumbai upon approval by members in ensuing Annual General Meeting.

The Resolution Professional has relied on the assistance provided by the management and certifications, representations and statements made by the Managing Director and CEO of the Company in relation to this Annual Report. The Resolution Professional has approved this Annual Report only to the limited extent of discharging the power of Board of Directors of the Company which has been conferred upon him in terms of provisions of Section 17 of the Code.

Under the CIRP, the Resolution Professional has invited prospective lenders, investors, and any other persons to put forward resolution plans. A resolution plan needs to be presented to and approved by the CoC and thereafter will need to be approved by NCLT to keep the Company as going concern. The resolution plan to be received pursuant to invitation are subject to examination as to whether they meet the mandatory requirements of the Code and the Regulations and additional requirements as may be stipulated by CoC. Accordingly, any change in the management of the corporate debtor in the financial year 2017-18 which is during the CIRP will be subject to the approval of the Committee of Creditors in terms of Section 28 of the Code.

2. **A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll, instead of herself / himself, and the proxy need not be a Member of the Company. The instrument appointing the proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before commencement of the Meeting.**
3. **A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. However, a Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a**

**single person as proxy and such person shall not act as a proxy for any other Shareholder. The holder of proxy shall prove his identity at the time of attending the meeting.**

4. Corporate Members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company, a certified true copy of their board resolution authorising their representative(s) together with their specimen signatures(s) to attend and vote on their behalf at the Meeting.
5. Attendance slip, proxy form and the route map of the venue of the meeting are annexed to the report.
6. Members / Proxies are requested to bring their duly filled attendance slip sent herewith along with their copy of the annual report to 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 at the meeting.
8. Members who hold share(s) in electronic form are requested to write their DP ID and Client ID numbers and those who hold share(s) in physical form are requested to write their folio number in the attendance slip for attending the Meeting to facilitate identification of membership at the Meeting.
9. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays between 11.00 A.M. and 1.00 P.M. up to the date of the Meeting. The aforesaid documents will also be available for inspection by members at the Meeting.
10. The Company's Register of Members and Transfer Books will remain closed from Saturday, November 24, 2018 to Friday, November 30, 2018 (both days inclusive) for the purpose of Annual General Meeting.
11. Non-Resident Indian Members are requested to inform M/s. Sharex Dynamic (India) Private Limited (Sharex), Company's Registrar and Transfer Agent immediately on:
  - a. the change in the residential status on return to India for permanent settlement; and
  - b. the particulars of the bank account(s) maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
12. Re-appointment of Director: As the powers of the Board of Directors have been suspended, at the ensuing Annual General Meeting, no Directors of the Company is liable to retirement by rotation under the provisions of the Act.

Accordingly, the information pertaining to re-appointment of Director pursuant to the requirements of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (the Listing Regulations) is not applicable.

13. In terms of Notification No. S.O. 1883 (E) dated May 07, 2018, issued by the Ministry of Corporate Affairs, Government of India, the requirement to place the matter relating to appointment of Auditors for ratification by members at every AGM has since been done away. Members at the 23rd AGM held on August 28, 2017 had approved the appointment of M/s. Khandelwal Jain & Co., Chartered Accountants, (Firm Registration No. 105049W), as the Statutory Auditors of the Company for a term of five consecutive years. Keeping in view that

appointment of above Statutory Auditors was subject to ratification at every AGM, resolution set out at item No. 2 of AGM Notice is proposed as an abundant caution, seeking confirmation of the Members for the above Statutory Auditors to continue to hold office for their remaining term. The Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

14. Members are advised to refer to the section titled 'Investor Information' provided in this Annual Report.
15. SEBI has decided that securities of listed companies can be transferred only in dematerialised form with effect from December 05, 2018. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise shares held by them in physical form.
16. Members holding shares in physical mode:
  - a. are required to submit their Permanent Account Number (PAN) and bank account details to the Company / Sharex, if not registered with the Company as mandated by SEBI.
  - b. are advised to register the nomination in respect of their shareholding in the Company.
  - c. are requested to register / update their e-mail address with the Company / Sharex for receiving all communications from the Company electronically.
17. Members holding shares in electronic mode:
  - a. are requested to submit their PAN and Bank Account details to their respective DPs with whom they are maintaining their demat accounts.
  - b. are advised to contact their respective DPs for registering the nomination.
  - c. are requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.
18. The Securities and Exchange Board of India vide its circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, with a view to protect the interest of the shareholders, has mandated to all the members who hold securities of the company in physical form, to furnish to the Company / its registrar and transfer agent, the details of their valid Permanent Account Number (PAN) and Bank Account. To support the SEBI's initiative, the Members are requested to furnish the details of PAN and Bank Account to the Company or Sharex, the Company's Registrar and Transfer Agent. Form for updating PAN / Bank details are provided as a part of this Annual Report. Members are requested to send duly filled form along with (a) self-attested copy of PAN card of all the holders; and (b) original cancelled cheque leaf with names of shareholders or bank passbook showing names of members, duly attested by an authorised bank official.
19. Members who hold shares in physical form, in multiple folios, in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar and Transfer Agent for consolidation into a single folio.
20. Voting through electronic means:
 

The instructions for shareholders voting electronically are as under:

  - a) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and

Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 24th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

- b) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- c) The members who have cast their vote by remote e-voting prior to the (AGM) may also attend the (AGM) but shall not be entitled to cast their vote again.
- d) The remote e-voting period commences on Monday, November 26, 2018 at 9:00 A.M. (IST) to Thursday, November 29, 2018 at 5:00 P.M. (IST). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, November 23, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- e) The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)] :
    - i. Open email and open PDF file viz; "remote e-voting. pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - iii. Click on Shareholder - Login
    - iv. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
    - v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
    - vii. Select "EVEN" of "Ushdev International Limited".
    - viii. Now you are ready for remote e-voting as Cast Vote page opens.
    - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

- x. Upon confirmation, the message "Vote cast successfully" will be displayed.
  - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
  - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [csmamtapahalak@gmail.com](mailto:csmamtapahalak@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- a. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM: EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN
  - b. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- f) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
  - g) If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
  - h) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - i) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of i.e. Friday, November 23, 2018.
  - j) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Friday, November 23, 2018, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
  - k) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
  - l) Ms. Mamta Phalak, Practicing Company Secretary (Membership No. A47989) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
  - m) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of 'Ballot Paper' or 'Polling Paper' for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
  - n) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  - o) Subject to receipt of requisite number of votes, the resolutions proposed in the Notice shall be deemed to be passed on the date of the Meeting. The result of the voting will be submitted to the Stock Exchange, where the shares of the Company are listed and posted on the website of the Company at [www.usshdev.com](http://www.usshdev.com) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com)



# Director's Report

Dear Shareholders,

Your Directors present the 24th Annual Report and the audited financial statements for the financial year ended March 31, 2018.

## Financial Results

The financial performance of the Company, on standalone basis, for the financial year ended March 31, 2018 is summarised below:

(Rs. In lakhs)		
Particulars	Financial year ended March 31, 2018	Financial year ended March 31, 2017
Total Income	14,323.59	2,62,809.08
Profit / (Loss) before taxation	(2,98,430.21)	(28,405.96)
Tax expenses (Net) (including deferred tax and tax for earlier years)	5,554.14	(5,505.48)
Profit / (Loss) after taxation	(3,03,984.35)	(22,900.49)
Other Comprehensive Income	656.46	0
Total Comprehensive Income for the year	(3,03,327.89)	(22,900.49)
Add: Balance of profit/(loss) brought forward	36,127.70	59,028.19
Add: Prior Period adjustments (refer *Note below)		233.23
Securities Premium on issue of shares	0	0
Balance carried to Balance Sheet	(2,67,200.19)	36,127.70

**\*Note:** Addition/ Deletion to Retained Earnings on account of Prior period income of Rs. 257.40 Lacs and prior period expenses of Rs. 24.17 Lacs has been made as same were identified in the current year.

## Financial Performance

During the financial year under review, your Company earned an income of Rs. 14,323.59 lakhs against Rs. 2,62,809.08 lakhs in the previous year. The Company incurred a loss after tax of Rs. 3,03,984.35 lakhs for the year as compared to loss of Rs. 22,900.49 lakhs in the previous year.

The performance and financial position of the subsidiary company are included in the consolidated financial statement of the Company and presented in the Management Discussion and Analysis forming part of this Annual Report.

## Dividend

During the year under review, the Board of Directors has not recommended dividend on the equity shares of the Company.

## Business Operations

The Company is primarily engaged in the business of metal trading and wind power generation.

## Wind Power Generation:

The Company is having a total capacity of 28.3 MW wind power generation with 23 wind generators spread across 5 States i.e. Tamil Nadu, Rajasthan, Karnataka, Gujarat and Maharashtra. The details of the wind power projects are as below:-

Sr. No.	Location	Date of Installation	No. of WEG's	Installed Capacity	Investments (Rs. in Lakh)
1.	Tamil Nadu 2	29.03.2005	2	1.60 MW	807.47
2.	Rajasthan	29.03.2006	3	2.40 MW	1,178.48
3.	Karnataka	29.03.2006	2	1.60 MW	785.65
4.	Gujarat 1	30.03.2007	2	1.60 MW	740.00
5.	Gujarat 2	10.07.2007	4	3.20 MW	1,480.00
6.	Tamil Nadu 3	26.09.2009	6	9.90 MW	6,090.00
7.	Maharashtra	27.11.2010	4	8.00 MW	4,900.00
Total			23	28.30 MW	15,981.60

## Metal Trading:

The Company primarily engaged in metals trading with presence in ferrous- flat and long products, nonferrous- copper, aluminum, zinc, brass, nickel, etc. and raw materials - coal/ coke, iron ore, pellets, sponge iron, scrap, etc. However, the Company does not have any trading operations second quarter onwards during year under review.

In spite of the impressive past growth of the Company, during the past two years, the commodity markets in general and metal markets in particular across the world have faced a downturn with prices crashing drastically. As a result of the global melt down, domestic companies, including the Respondent, were also adversely affected. However, due to the largely de-risked business model adopted by the Company and on account of the healthy cash reserves, the Company managed to continue its business for about one year and managed to meet all its commitments to the lenders despite the metal markets having collapsed. Unfortunately, owing to the protracted depression, the Company eventually suffered collateral damage of the domestic and export markets, coupled with delayed payments from its customers, who were also in turn affected due to the global price meltdowns.

## Corporate Insolvency Resolution Process

The Company is under the Corporate Insolvency Resolution Process (CIRP) vide order passed by the Hon'ble National Company Law Tribunal, Mumbai Bench dated May 14, 2018 as per the provisions of the Insolvency and Bankruptcy Code, 2016 (Code) and Rules and Regulations made there under. Its affairs, business, and assets are being managed by the Resolution Professional, Shri Subodh Kumar Agrawal, appointed as Interim Resolution Professional by the National Company Law Tribunal by order dated May 14, 2018 and continued as Resolution Professional by the Committee of Creditors (CoC) in its meeting held on June 14, 2018 under provisions of the code. Pursuant to the NCLT order, the powers of the Board of Directors stand suspended and are exercisable by Shri Subodh Kumar Agrawal, Resolution Professional.

Under the CIRP, the Resolution Professional has invited prospective lenders, investors, and any other persons to put forward resolution plans. A resolution plan needs to be presented to and approved by the CoC and thereafter will need to be approved by NCLT to keep the Company as going concern. The resolution plan to be received pursuant to invitation are subject to examination as to whether they meet the mandatory requirements of the Code and the Regulations and additional requirements as may be stipulated by CoC. Accordingly, any change in the management of the corporate debtor in the financial year 2017-18 which is during the CIRP will be subject to the approval of the Committee of Creditors in terms of Section 28 of the Code.

As per the Code, Resolution Professional has to receive, collate and admit all the claims submitted by the creditors of the Company. Such claim can



be submitted during the CIRP, till the approval of resolution plan by the CoC. The Resolution Professional is in process of collating and verifying such claims, as and when they are received, and subsequently admitting such verified claim against the Company as per the Code.

## Management Discussion and Analysis

Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is presented in a separate section forming part of this Annual Report.

## Deposit

During the year the Company has neither accepted nor renewed any deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 ('the Act') and the Companies (Acceptance of Deposits) Rules, 2014. There are no unclaimed deposits, unclaimed / unpaid interest, refunds due to the deposit holders or to be deposited to the Investor Education and Protection Fund as on March 31, 2018.

## Particulars of Loans, Guarantees or Investments

Pursuant to Section 186 of the Companies Act, 2013 ('the Act'), details of the Investments made by the Company are provided in the standalone financial statement.

## Subsidiary Companies, Associate and Joint Venture

As on March 31, 2018, the Company is having 2 subsidiaries under its fold.

The financial performance of each of the subsidiaries and associate companies as per the Act is provided in the consolidated financial statement.

During the year, the Company has decided to strike off Hobli Property Management Private Limited, its subsidiary company under provisions of Section 248(2) of the Act.

The Company's Policy for determining material subsidiaries, as approved by the Board, may be accessed on the Company's website at the [www.ushdev.com](http://www.ushdev.com).

Financial Statement- Application of Indian Accounting Standards (Ind AS) Rules, 2015

The Ministry of Corporate Affairs (MCA) vide its Notification No. G.S.R. 111(E) dated February 16, 2015, has made the application of the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS Rules).

The audited financial statement of the Company are drawn up, both on standalone and consolidated basis, for the financial year ended March 31, 2018, are in accordance with the requirements of the Ind AS Rules.

## Consolidated Financial Statement

The Audited Consolidated Financial Statement for the financial year ended March 31, 2018, based on the financial statement received from subsidiaries Companies, as approved by their respective Board of Directors, have been prepared in accordance with Indian Accounting Standard (Ind AS) 110 on 'Consolidated Financial Statements' and Ind AS 28 on 'Accounting for Investments in Associates and Joint Ventures' notified under the Act, read with the Accounting Standards Rules as applicable.

## Directors

During the financial year, Shri Vijay Kumar Gupta has resigned as Director of the Company w.e.f. December 30, 2017. Further, Shri Narayan Ganapa Hegde and Shri Vinay Gajanan Kamat have resigned as Directors of the Company w.e.f. January 02, 2018. The Board places on record its appreciation for valuable contribution made by them during their tenure as Directors of the Company.

The details of programme for familiarization of Independent Directors with the Company, nature of the industry in which the Company operates and related matters are uploaded on the website of the Company at [www.ushdev.com](http://www.ushdev.com).

As the powers of the Board of Directors have been suspended, at the ensuing Annual General Meeting, no Directors of the Company is liable to retirement by rotation under the provisions of the Act.

## Key Managerial Personnel

During the financial year, Shri Avinash Godse has been appointed as Company Secretary w.e.f. November 14, 2017 in place of Ms. Ruchika Shah, who has resigned as Company Secretary of the Company from the closure of business hours on October 12, 2017.

Further, Shri Avinash Godse has resigned as Company Secretary of the Company w.e.f. closure of business hours on August 08, 2018.

The Board places on record its appreciation for valuable contribution made by Ms. Ruchika Shah and Shri Avinash Godse during their tenure as KMP's of the Company.

## Evaluation of Directors, Board and Committees

The Company has devised a policy for performance evaluation of the individual Directors, Board and its Committees, which includes criteria for performance evaluation.

Pursuant to the provisions of the Act and Regulation 17(10) of the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the Committees of the Board. The Board performance was evaluated based on inputs received from all the Directors after considering criteria such as Board composition and structure, effectiveness of Board / Committee processes, and information provided to the Board, etc. A separate meeting of the Independent Directors was also held during the financial year for the evaluation of the performance of non-independent Directors, performance of the Board as a whole and that of the Chairman.

The Nomination and Remuneration Committee has also reviewed the performance of the individual directors based on their knowledge, level of preparation and effective participation in meetings, understanding of their roles as directors, etc.

Policy on appointment and remuneration for Directors, Key Managerial Personnel and Senior Management Employees

The Nomination and Remuneration Committee of the Board has devised a policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Employees. The Committee has formulated the criteria for determining qualifications, positive attributes and independence of a Director, which has been put up on the Company's website [www.ushdev.com](http://www.ushdev.com) and also is attached as Annexure - A.

## Directors' Responsibility Statement

Pursuant to the requirements under Section 134(5) of the Act with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- In the preparation of the annual financial statements for the financial year ended March 31, 2018, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the loss of the Company

# Director's Report

for the year ended on that date;

- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual financial statements for the financial year ended March 31, 2018, on a 'going concern' basis;
- e) The Directors had laid down proper internal financial controls to be followed by the Company and such financial controls are adequate and are operating effectively; and
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## Contracts and Arrangements with Related Parties

All contracts / arrangements / transactions entered into/by the Company during the financial year under review with related parties were on an arm's length basis and in the ordinary course of business.

There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the interest of the Company at large.

During the year, the Company had not entered in to any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of Company on materiality of related party transactions.

All Related Party Transactions were placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee was obtained for the transactions which were of a repetitive nature. The transactions entered into pursuant to the omnibus approval so granted were reviewed and statements giving details of all related party transactions were placed before the Audit Committee and the Board of Directors on a quarterly basis. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at [www.ushdev.com](http://www.ushdev.com). Your Directors draw attention of the members to Note to the Standalone Financial Statements which sets out Related Party Disclosures pursuant to Ind AS.

Material Changes and Commitments, if any, affecting the financial position of the Company

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of their report.

## Meetings of the Board

A calendar of Meetings is prepared and circulated in advance to the Directors. During the financial year, five Board Meetings were held, details of which are given in the Corporate Governance Report, forming part of this Annual Report.

## Auditors and Auditor's Report

M/s. Khandelwal Jain & Co., Chartered Accountants, (Firm Registration No. 105049W) were appointed as Auditors of the Company for a term of 5 (five) consecutive years, at the Annual General Meeting of the Company held on August 28, 2017. The Company has received confirmation from M/s. Khandelwal Jain & Co., Chartered Accountants, that they are not disqualified from continuing as Auditors of the Company.

Below are the explanations/ comments of the Board on the qualifications/ adverse remarks given by the Auditors in their report read with the notes

on financial statement:

- a) Auditors Qualifications/ Adverse Remarks: During the year, the Company has incurred a Net Loss of Rs. 303,327.89 lakhs resulting into accumulated losses of Rs. 229,116.18 lakhs and erosion of its Net Worth as at March 31, 2018, further we refer to Note 1 and 2 to the financial statements regarding a Corporate Insolvency Resolution Process (CIRP) initiated against the Company vide an order of the Mumbai Bench of National Company Law Tribunal (NCLT) dated May 14, 2018 under the provisions of Insolvency and Bankruptcy Code, 2016 ("Code"). Under the CIRP, a resolution plan needs to be presented to and approved by CoC and thereafter will need to be approved by the NCLT to keep the Company as a going concern. In view of the above, we are unable to comment on the ability of the Company to continue as a going concern for the foreseeable future. The Ind AS financial statements, however, do not include any adjustment relating to the recoverability and classification of recorded asset amounts and classification of liabilities that may be necessary should the Company be unable to continue as a going concern.

Board/ Management's explanations/ Comments: In the opinion of the management, resolution and revival of the company is possible in foreseeable future, accordingly, in view of ongoing CIRP, the financial results have been prepared on the basis that the Company is a Going Concern.

- b) Auditors Qualifications/ Adverse Remarks: Interest payable for the period April to March, 2018 aggregating to Rs. 29,353.23 lacs on various credit facilities has not been provided for in the financial statements.

Board/ Management's explanations/ Comments: The Company's accounts have been declared as NPAs by banks and financial institutions since 2016. Since the pendency of claims to be admitted by CIRP, the Company has disclosed the interest liability as contingent liabilities.

- c) Auditors Qualifications/ Adverse Remarks: We refer to Note 7, to the financial statements of the company regarding balances in respect of trade receivables, advance for purchase of steel given, trade payables, various claims submitted to Resolution Professional pursuant to the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Person), borrowings, loans & advances, advance from customers, book overdraft, bank balances and fixed deposits with banks being subject to confirmations and / or reconciliations and in the absence of alternative corroborative evidences, we are unable to comment on the extent to which such balances are recoverable / payable.

Board/ Management's explanations/ Comments: The management believes that no material adjustments would be required in the books of accounts upon receipt of these confirmations. The claims received from all the parties are under further validation / verification by the RP.

- d) Auditors Qualifications/ Adverse Remarks: Considering the para c) above in respect of non-confirmed / unreconciled trade receivables and Loans & advances, we are unable to comment on the provision made in respect of above as per Expected Credit Loss Model.

Board/ Management's explanations/ Comments: The management believes that no material adjustments would be required in the books of receipt of these confirmations and company has made adequate provision based on the expert's opinion.

## Secretarial Standards

During the year under review, the Company has complied with the applicable Secretarial Standards issued by The Institute of Companies Secretaries of