

20th
ANNUAL REPORT
2010-2011

USHA HOUSING DEVELOPMENT COMPANY LIMITED

BOARD OF DIRECTORS

Mr. Deepak Jalan	<i>Director</i>
Mr. Amar Singh	<i>Director</i>
Mr. Piyush Prakash	<i>Director</i>
Mr. Sapan Mohan Garg	<i>Director</i>
Mr. Manoj Gupta	<i>Director</i>
Mr. Sanjeev Saxena	<i>Director</i>
Mr. Dalip Singh Dasila	<i>Managing Director</i>

AUDITORS

M/s. Srivastava Kumar & Co.
21 - A, Nangali Rajapur,
Near Sarai Kale Khan (I.S.B.T),
Nizamuddin East,
New Delhi - 110 013
Tel:- +91 - 11 - 2435 4215, 2435 3216
Fax: - +91 - 11 - 2435 3216
Email: skc123ca@gmail.com

BANKERS

Kotak Mahindra Bank, New Delhi

SHARE TRANSFER AGENT

M/s. Skyline Financial Services Private Limited
D-153A, 1st Floor Okhla Industrial Area, Phase-I,
New Delhi - 110 020
Tel:- +91 - 11 - 3085 7575 (10 lines)
Fax: - +91 - 11 - 3085 7562
Email: admin@skylinerta.com,
Web: www.skylinerta.com

REGISTERED OFFICE

36, Insaf Nagar, Sector 10, Indira Nagar,
Lucknow, Uttar Pradesh - 226 016

CORPORATE OFFICE

B-210, Ansal Chamber-I, 3,
Bhikaji Cama Place, New Delhi - 110 066

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NOTICE

To,
The Members
Usha Housing Development Company Limited

Notice is hereby given that the 20th Annual General Meeting of the Company will be held on Friday, the 30th September, 2011 at 11: 00 AM at the registered office at 36, Insaf Nagar, Sector 10, Indira Nagar, Lucknow, Uttar Pradesh - 226 016 to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March 2011 and Profit & Loss Account for the financial year ended on that date and the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Deepak Jalan who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Manoj Gupta who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s Srivastava Kumar & Co., Chartered Accountants as Auditors of the Company to hold office from the conclusion of this meeting to the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 Mr. Dalip Singh Dasila, be and is hereby appointed as a Director of the Company, liable to retire by rotation."
6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:
"RESOLVED THAT pursuant to Sections 198, 269, 309, 310 and other applicable provisions, if any, read with Schedule XIII to the Companies Act, 1956 and Article 118 and 120 of Articles of Association of the Company, and subject to the approval of Central Government, approval of shareholders be and is hereby granted to the appointment of Mr. Dalip Singh Dasila as Managing Director of the Company for a period of 05 (five) years with effect from 05th day of September, 2011 on terms and conditions including remuneration as given below with liberty to the Board of Directors to alter or vary the same so as not to exceed the limits set out in Sections 198, 309, 310 and other applicable provisions, if any, read with Schedule XIII to the Companies Act, 1956 or any amendments thereto, as may be agreed to between the Board of Directors and Mr. Dalip Singh Dasila:
 - a) Basic Salary (w.e.f) 05th Day of September, 2011 : Rs. 12,000/- (Rupees twelve thousand only) per month.
 - b) He shall also be entitled to following Allowances/ Reimbursements:
 - i) House Rent Allowance : Rs. 6000/- (Rupees six thousand only) per month.
 - ii) Special allowance : Rs. 9760/- (Rupees nine thousand seven hundred sixty only) per month.
 - iii) Travelling Allowance : Rs.800/- (Rupees eight hundred only) per month.
 - c) He shall also be entitled to following perquisites:
 - i) Employer's Contribution to Provident Fund as per Company's Policy.
 - ii) Gratuity in accordance with Company's Policy.
 - iii) Mediciam Insurance coverage for self, spouse and dependent children as per Company Rules.
 - iv) Mobile phone and telephone facility as per Company's Policy.
 - v) Leave encashment in accordance with Company's Policy

RESOLVED FURTHER THAT Mr. Dalip Singh Dasila in the capacity of Managing Director will be entrusted with the powers, authorities, functions, duties, responsibilities etc. by the Board of Directors of the Company from time to time.

RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of Mr. Dalip Singh Dasila as Managing Director of the Company, the remuneration payable to him shall be in accordance with the limits prescribed in Section II of Part II of Schedule XIII of the Companies Act, as amended from time to time."

USHA HOUSING DEVELOPMENT COMPANY LTD

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:
"RESOLVED THAT pursuant to Section 21 and other applicable provisions of the Companies Act, 1956, if any, and subject to the approval of the Central Government the name of the Company be and is hereby changed to Wellesley Corporation Limited and accordingly the new name be substituted in place of the existing name wherever the same occurs in the Memorandum and Articles of Association of the Company upon receiving the approval of the Central Government."
8. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:
"RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, Article 88 of the Articles of Association of the Company be and is hereby altered by deleting the same and substituting in its place following new clause which shall read as under:
 88. Each Director shall be entitled to receive out of the funds of the Company for his services in attending meeting of the Board or Committee thereof, from time to time, be determined by the Board of Directors of the Company, subject to the provisions of the Act and Rules thereunder. The Director shall be entitled to the paid their reasonable travelling, hotel and other expenses incurred in consequence of their attending Board or Committee meeting otherwise incurred in the execution of their duties as Directors.

**For and on behalf of the Board of Directors
Usha Housing Development Company Ltd**

Date : 05.09.2011

Place : New Delhi

Dalip Singh Dasila
Managing Director

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY, PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING**
2. The Register of Members and share Transfer Books of the company shall remain closed from 29.09.2011 to 30.09.2011 (Both days inclusive).
3. A blank proxy form is sent herewith.
4. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
5. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company between 10.00 A.M. to 1.00 P.M. on all working days except Sundays and other holidays upto the date of the Annual General Meeting.
6. The Register of Contract/arrangement and Register of Directors Shareholding shall be open for inspection by the members during the continuation of meeting.
7. Members desirous of any information concerning the accounts and operation of the Company are requested to send their queries to the Company at least one week before the meeting, so as, to enable the management to keep information ready. Replies will be provided only at the meeting.

ITEM No. 5 & 6

Mr. Dalip Singh Dasila was appointed as Additional Director by the Board of Directors of the Company in its meeting held on 05th day of September, 2011 and as per the provision of Section 260 of the Companies Act, 1956, he holds his office as Additional Director upto the date of forthcoming Annual General Meeting. He has offered his candidature for appointment as Director of the Company. The Company has received a notice from Mr. Dalip Singh Dasila along with prescribed deposit under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director. The Board considered the matter in its meeting held on 05.09.2011 and recommends the resolution for your approval.

Further Mr. Dalip Singh Dasila was appointed as Managing Director by the Board of Directors of the Company in its meeting held on 05th day of September, 2011 on the terms & conditions as set out in the resolution in terms of Section 198, 269, 309, 310 read with Schedule XIII of the Companies Act, 1956, subject to the approval of shareholders and Central Government. On receiving shareholders approval application will be submitted to the Central Government for their approval.

The information/ disclosures as required under Schedule XIII of the Companies Act, 1956 is detailed as below:

Usha Housing Development Company Limited (UHDCL) is in the business of real estate development, construction and facility management Service. The Company is running a strong business model and focus on revenue and profit. It has recorded a total revenue, during the current financial year of Rupees 95,00,723/- and over previous year total revenue of Rupees 7,66,864/- . The Company has no earning from foreign exchange nor has it made any foreign investments

Mr. Dalip Singh Dasila holds a Diploma in Draftsman (Civil). He has rich experience of more than 18 years in the field of architectural drawing, cost estimating and construction. It is felt that he is suitable for the proposed job. The detail of the remuneration proposed to the Managing Director is given in the resolution no. 6 hereinabove. The remuneration proposed for the Managing Director is far less than remuneration prevalent for similar position in the industry. Apart from this remuneration Mr. Dalip Singh Dasila does not have any pecuniary relationship with the Company.

The Company is earning profit but the profit is inadequate for the payment of remuneration as prescribed under Schedule XIII of the Companies Act, 1956. The Company has already initiated steps for expansion programs and is hopeful of doing far better in the near future. Construction is an important part of the industrial sector and one of the core sectors of India's economy. According to HIS Global Insight, US\$175 billion was spent on construction in India. Construction spending is expected to increase to US \$370 billion by the end of 2013.

This may be also be treated as an abstract of the terms and conditions governing the appointment and remuneration of Mr. Dalip Singh Dasila, Managing Director pursuant to Section 302 of the Companies Act, 1956.

Mr. Dalip Singh Dasila is interested in the Resolution. No other Directors is concerned or interested in the Resolution.

The Board of Directors commends the Resolution for approval of the Shareholders.

ITEM No. 7

The Board of Directors in its meeting held on 05.09.2011 decided to change the name of the Company to 'Wellesley Corporation Limited' and for this purpose to seek approval of Shareholders and Central Government in terms of Section 21 of the Companies Act, 1956. The Registrar of Companies has communicated the availability of the proposed name "Wellesley Corporation Limited". On receiving shareholders approval application will be submitted to the Central Government for seeking their approval.

The Board therefore, commends this resolution for your approval by way of special resolution.

None of the Directors is, in any way, concerned or interested in this resolution.

ITEM No. 8

Article 88 of the Articles of Association in its present form provides for payment of sitting fee for attending the meeting of the Board or Committee(s) thereof which is Rs. 250/- per meeting which is felt too less for the present times. The Board of Directors had, in its meeting held on 05.09.2011 decided to amend the Article 88 of the Articles of Association of the Company and seeks approval of shareholders by way of special resolution in term of Section 31 of the Companies Act, 1956.

The Board therefore, commends this resolution for your approval by way of special resolution.

None of the Directors, in any way, concerned or interested in this resolution.

**For and on behalf of the Board of Directors
Usha Housing Development Company Ltd**

Date : 05.09.2011
Place : New Delhi

Dalip Singh Dasila
Managing Director

USHA HOUSING DEVELOPMENT COMPANY LTD

DIRECTOR'S REPORT

To

The Members,

Usha Housing Development Company Limited

Your Directors have pleasure in presenting the 20th Annual Report together with Audited Balance Sheet of the Company as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date and Auditor's Report thereon.

FINANCIALS HIGHLIGHTS

(Amount in Rupees)

Particular	Financial Year ended 31.3.2011	Financial Year ended 31.3.2010
Income	95,00,723	7,66,864
Expenditure	93,60,893	7,27,715
Profit before tax	1,39,830	39,149
Provision for tax (including deferred tax)	37,847	(85, 94,754)
Profit after tax	1,01,983	86,33,903
Balance carried forward to Balance Sheet	(9,57,10,745)	(9,58,12,728)

DIVIDEND

In view of accumulated losses, the Directors do not recommend any dividend during the year.

OPERATION AND FUTURE OUTLOOK

The Year 2010-11 was the beginning of a new phase in a long term journey of Usha Housing Development Company Limited. The year is marked as a shift in the Company's strategy for its business portfolio as the Company has executed Construction Contracts for its reputed clients. This shift in Company's strategy has yielded positive results.

The Performance of the Company during the financial year was satisfying, there is a lot more to do to make Usha Housing Development Company Limited a major player in construction Industry. The Indian market certainly offers enough opportunities in this field.

There are several challenges before the Company in continuing to successfully implement its business strategy. The Company is also planning to focus on the Service Industry which is more promising in the present Indian economical market .

The Company has accumulated losses of more than fifty percent of its net worth as at the end of financial year 31st March, 2011. However the Company has not incurred cash losses during the financial year.

DIRECTORS

Dr. Mam Chand Gupta, Director resigned from the Directorship of the Company with effect from 05.08.2010. Mr. Govind Sharan Verma has resigned from Managing Directorship of the Company with effect from 16.05.2011 and as a Director of the Company w.e.f. 30.06.2011. The Board places its appreciation on record for the services rendered by the outgoing Directors.

Mr. Dalip Singh Dasila, has joined the Board as Additional Director/ Managing Director on 05.09.2011.

Mr. Deepak Jalan and Mr. Manoj Gupta retire by rotation and being eligible offer themselves for re-appointment.

DEPOSITS

The Company has not invited or accepted any deposits from the public.

PARTICULARS OF EMPLOYEES

None of the employees of the company is in receipt of remuneration exceeding the limit as prescribed under Section 217 (2A) of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 217(2AA) of the Companies Act, 1956 with respect to the Directors' Responsibility

Statement, it is hereby confirmed:

1. that in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
2. that 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 at the end of the financial year and of the profit of the company for that period.
3. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the Directors have prepared the annual accounts for the financial year ended 31st March, 2011 on a going concern basis.

AUDITORS

Srivastava Kumar & Co., Chartered Accountants, (Firm Registration No. 011204N), Statutory Auditors of the Company hold office up to the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received communication from them to the effect that their appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. They are proposed to be appointed as Auditors of the Company for the financial year 2011-12.

AUDITOR REPORT

The observation of the Auditors in their Report to the members on the Annual Accounts for the period ended on 31.03.2011 have been explained in Schedule-8 in the notes to accounts attached to the Annual Accounts which is self-explanatory.

CORPORATE GOVERNANCE

The principles of Corporate Governance are followed by the Company. As required under clause 49 of the Listing Agreement, Corporate Governance Report alongwith the necessary certificates and Management Discussion and Analysis Report are annexed as Annexure I & II and form an integral part of this Annual Report.

LISTING ARRANGEMENTS

The Company is listed at Bombay and Delhi Stock Exchanges. The Bombay Stock Exchange Limited has also revoked the suspension of the securities of the Company with effect from 14.03.2011 whereas the Delhi Stock Exchange Limited had revoked the Suspension of the Securities of the Company with effect from 12.10.2009. The Company has paid listing fee to the Bombay and Delhi Stock Exchanges for the financial year 2010-11.

DEMATERIALIZATION OF SHARES

As on date the company's shares are in Physical Form. The Company had made application to the Central Depository Services Limited for dematerialization of its securities. The application was rejected by the Depository on the ground that the networth of the Company has been eroded by more than 50%.

CONSERVATION OF ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE EARNING ETC

In absence of any manufacturing activities, no details have been given as required under Section 217(1) (e) of the Companies Act, 1956 and the rules framed there under. Foreign Exchange earnings / outgo: NIL.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their deep appreciation for the continued support received from the business associates of the Company.

For and on behalf of the Board of Directors
Usha Housing Development Company Limited

Dated : 05.09.2011
Place : New Delhi

Dalip Singh Dasila
Managing Director

Deepak Jalan
Director

USHA HOUSING DEVELOPMENT COMPANY LTD

Annexure-I

CORPORATE GOVERNANCE

A. BOARD OF DIRECTORS:

Composition of the Board

The composition of Board during the year ended 31st March, 2011 has been tabled below.

Structure of Board of Directors as on 31st March, 2011 and attendance at Board Meetings held during the financial year 2010-11 and Annual General Meeting (AGM) are given below:

Name	Category	Designation	Appointed on	Board Meeting	Annual General Meeting
Dr. M.C. Gupta*	NE***	Director	Since Incorporation	2	No
Mr. Govind Sharan Verma**	ED****	Managing Director	29.07.2010	4	Yes
Mr. Sapan Mohan Garg	NE***	Director	29.07.2009	5	Yes
Mr. Sanjeev Saxena	NE***	Director	29.07.2009	5	Yes
Mr. Manoj Gupta	NE***	Director	29.07.2009	5	Yes
Mr. Deepak Jalan	NE & ID*****	Director	25.06.2007	5	Yes
Mr. Amar Singh	NE & ID*****	Director	20.08.2005	4	Yes
Mr. Piyush Prakash	NE & ID*****	Director	29.07.2010	3	No

* Dr. M.C. Gupta resigned from the Board with effect from 05.08.2010.

** Mr. Govind Sharan Verma resigned as Managing Director with effect from 16.05.2011 however he resigned from the Directorship with effect from 30.06.2011

*** Non Executive Director

**** Executive Director

***** Non Executive & Independent Director

No. of Board Meetings

During the year under review five Board Meetings were held on 29.04.2010, 29.07.2010, 09.08.2010, 28.10.2010 and 09.02.2011. The time gap between the two meetings did not exceed the maximum prescribed time gap of four months.

None of the directors is a member of more than ten Board level committees or acts as a chairman of more than five such committees, as required under clause 49 of the Listing Agreement.

- Profile of Appointed Director:

Name of Directors & Designation	Age	Professional Qualifications	Shareholding in the Company as on 31.03.2011	Other Directorship
Mr. Dalip Singh Dasila - Additional/ Managing Director	47	Diploma in Draftsman (Civil)	NIL	NIL

Mr. Dalip Singh Dasila holds a Diploma in Draftsman (Civil). He has rich experience of more than 18 years in the field of architectural drawing, cost estimating and construction.

B. AUDIT COMMITTEE

The Company has an Audit Committee in accordance with the requirements of Section 292A of the Companies Act, 1956 & Clause 49 of the Listing Agreement. Mr. Deepak Jalan, Independent & Non Executive Director, is the Chairman of the Committee. The Audit Committee met four times during the year on 29.04.2010, 29.07.2010, 28.10.2010 and 09.02.2011

Attendance record of Audit Committee members

Name of Director	Meetings Attended
Mr. Deepak Jalan	4
Mr. Amar Singh	4
Dr. M. C. Gupta	2
Mr. Govind Sharan Verma	1

C. REMUNERATION COMMITTEE:

The Company has a Remuneration Committee in accordance with the requirements of Clause 49 of the Listing Agreement. Mr. Deepak Jalan, Independent & Non Executive Director, is the Chairman of the Committee. The Remuneration Committee met one times during the year on 29.07.2010.

During the year under reference the Company has paid remuneration to the Executive Director viz Managing Director amounting to Rs. 3,04,320/- (Rupees three lac four thousand three hundred twenty only) and an amount of Rs. 8,000/- (Rupees eight thousand only) as sitting fee to the Independent Director for attending the meetings of the Board.

During 2010-11, the company did not advance any loan to any of its Directors except advance for travel or other purposes to discharge their official duties in the normal course of business.

D. SHAREHOLDER'S/INVESTOR GRIEVANCE COMMITTEE

The Company has a Shareholders/Investors Grievance Committee in accordance with the requirements of Clause 49 of the Listing Agreement. Mr. Deepak Jalan, Independent & Non Executive Director, is the Chairman of the Committee. The Shareholders/Investors Grievance Committee met four times during the year on 29.04.2010, 29.07.2010, 28.10.2010 and 09.02.2011

Attendance record of Shareholders/Investors Grievance Committee members

Name of Director	Meetings Attended
Mr. Deepak Jalan	4
Mr. Amar Singh	4
Dr. M. C. Gupta	2
Mr. Govind Sharan Verma	1

E. GENERAL BODY MEETINGS

Location and time, where last three Annual General Meetings were held:-

Financial Year (ended)	Venue	Date	Time
31 st March, 2008	B-704, Sterling Apartment, 9, University Road, Lucknow (U.P.)	30. 09 .2008	11.00 A.M
31 st March, 2009	B-704, Sterling Apartment, 9, University Road, Lucknow (U.P.)	30. 09 .2009	11.00 A.M
31 st March, 2010	B-704, Sterling Apartment, 9, University Road, Lucknow (U.P.)	30. 09 .2010	11.00 A.M