

Racing Ahead
Above & Beyond



Ushdev International Ltd.

Annual Report 2010-11

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Ushdev International Ltd.

SEVENTEENTH ANNUAL REPORT 2010-2011

Board Of Directors

Ms. Suman Gupta	Chairperson
Mr. Prateek Gupta	Managaing 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
State Bank of Mysore
State Bank of Bikaner & Jaipur
State Bank of Travancore
Federal Bank Limited

Auditors

M. P. Chitale & Co.
Chartered Accountants,
Hamam House, Ambalal Doshi Marg,
Fort, Mumbai 400001.

Registrar & Transfer Agent

Sharex Dynamic(India) Private Limited,
Unit-1, Luthra Ind. Premises,
1st Flr, 44-E, M Vasanti Marg,
Andheri - Kurla Rd., Safed Pool,
Andheri (E), Mumbai 400072
Tel No. : +91 22 2851 5606 / 5644
Fax No. : +91 22 2851 2885
E-mail : sharexindia@vsnl.com
URL : www.sharexindia.com

Registered Office

New Harileela House,
6th Floor, Mint Road, Fort,
Mumbai 400001

Corporate Office

Apeejay House, 6th Floor,
130, Mumbai Samachar Marg,
Fort, Mumbai - 400 001.
Tel No. : 6194 8888, 6636 8888
Fax No. : 2282 1416, 2282 1098
E-mail : ushdev@vsnl.com
Website : www.ushdev.com

Notice

Notice is hereby given that the Seventeenth Annual General Meeting of the Shareholders of **USHDEV INTERNATIONAL LIMITED** will be held on Saturday, 3rd September, 2011 at 10.30 a.m at M. C. Ghia, Hall, Kala Ghoda, Mumbai: 400 023, to transact the following business :

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011, 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. Vinay G Kamat who retires by rotation and being eligible offers himself for re-appointment.
- 4) To re-appoint 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 in supersession of the ordinary resolution passed by the members of the Company at the Extra Ordinary General Meeting of the Company held on 5th May, 2006, the Board of Directors of the Company be and is hereby authorized in accordance with the provisions of Section 293 (1) (d) and all other applicable provisions, if any, of the Companies Act, 1956, to borrow periodically from, including without limitation, any Banks and / or public financial institutions as defined under Section 4A of the Companies Act, 1956 and / or any foreign financial institution(s) and / or any entity / entities or authority / authorities and / or through suppliers credit securities instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercial papers, short term loans or any other instruments etc. and / or through credit from official agencies and / or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding Rs. 3,000 Crores (Rupees Three Thousand Crores only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves (Reserves not set apart for any specific purpose)".

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

"RESOLVED THAT pursuant to the provisions of Section 293 (1) (a) and all other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'the Board') to create / mortgages / charges / hypothecations, in addition to the mortgages / charges / hypothecations created by the Company on the immovable / movable properties, both present and future, of the Company, in respect of all or any one or more of the undertakings of the Company, on such terms and conditions and at such times and in such form and manner, as the Board may deem fit, for an amount not exceeding Rs. 3,000 (Rupees Three Thousand Crores Only) in favour of Indian / Foreign Financial Institutions, Indian / Foreign Finance Companies, Nationalised / Indian / Foreign Banks, Indian / Foreign Corporate Bodies, Indian / Foreign Mutual Funds, Indian / Foreign Insurance Companies, Indian / Foreign Pension Funds, to secure Rupee Loan / Foreign Currency Loan / Debentures or Bonds, whether fully or partly convertible or non convertible and / or securities linked with the equity shares of the Company and / or rupee / foreign currency convertible or non convertible bonds with share warrants attached or for any other facilities granted in favour of the Company collectively referred to as 'the Loans', as Security for 'the Loans' or for any other facilities granted in favour of the Company or for the Security of any other loan / term loans raised from time to time, together with interest thereon, further interest, if any, remuneration of Trustees, costs, charges, expenses and all other moneys payable to the Trustees in terms of agreement to be entered between the Company and the Trustees.

Notice

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company be and is hereby authorized to prepare, fianlise and execute with the Trustees / lending institutions, such documents, deeds, writings and agreements, as may be necessary for creating mortgages and / or charges as aforesaid and to do all such acts, deeds matters and things as may be necessary and / or expedient for giving effect to this resolution”.

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

“RESOLVED THAT pursuant to the provisions of Section 163 of the Companies Act, 1956 (the Act) and other provisions, as applicable, of the Act the Company hereby approves that the Register of Directors, Register of Directors Shareholding, Register of Contracts, Register of Disclosure of Interest, Register of Charges and all other statutory registers and related documents / certificates / records (except the Register of Members which shall continue to be maintained at the office of the Company’s Registrar and Share Transfer Agent, M/s. Sharex Dynamic (India) Private Limited) be kept at the corporate office of the Company situated at Apeejay House, 6th Floor, Bombay Samachar Marg, Fort, Mumbai: 400 023.”

By order of the Board of Directors
For **USHDEV INTERNATIONAL LIMITED**

sd/-
Suman Gupta
Chairperson

Place : Mumbai
Date : 22nd July 2011

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 7 of the notice is annexed.
5. The Register of Members and Share Transfer Register of the Company will remain closed from Monday, 29th August, 2011 to Saturday, 3rd September, 2011 (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.

Notice

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 3rd September, 2011; 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 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 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
Final Dividend for the year 2004 - 2005	30 th September, 2005	4 th November, 2012
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

14. All the shareholders are requested to register their E-Mail id with the 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.

Notice

Annexure to the Notice

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

Item No.5

Section 293 (1) (d) of the Companies Act, 1956 read with Article 174 (vi) of the Articles of Association of the Company, provides that the Board of Directors cannot, except with the consent of the Company in General Meeting, borrow monies, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid – up capital and free reserves of the Company, that is to say reserves not set apart for any specific purpose.

At the Extra Ordinary General Meeting of the Company held on 5th May, 2006, the members under Section 293(1)(d) of the Companies Act, 1956 had authorized the Board of Directors to borrow monies for the purpose of business of the Company for an amount, not exceeding Rs. 1,500 crores (Rupees One Thousand Five Hundred Crores Only) in aggregate. The increasing business operations and future growth plan of the Company and increase in working capital requirements would require further borrowings which may exceed the limit of Rs. 1,500 crores. Hence it is proposed to increase the borrowing limits from Rs. 1,500 crores to Rs. 3,000 crores. This will enable the Board of Directors to borrow from time to time upto Rs. 3,000 crores.

It is necessary for the shareholders of the Company to grant their consent by passing a resolution at their meeting under Section 293(1)(d) of the Companies Act, 1956 authorising the Board of Directors of the Company to borrow monies in excess of the paid up capital and free reserves of the Company upto Rs. 3,000 crores.

The Board recommends the resolution for approval of the Members.

None of the Directors of the Company are concerned or interested in this resolution except to the extent of their shareholding in the Company.

Item No. 6

At the Extra Ordinary General Meeting of the Company held on 5th May, 2006, the members under Section 293(1)(a) of the Companies Act, 1956 accorded its consent to the creation by the Board of Directors of the Company of such mortgages and charges in addition of the existing mortgages and charges and hypothecations, created by the Company as the Board may direct on all immoveable properties and moveable properties of the Company, both present and future aggregating to Rs. 1,500 crores in favour of lending Financial Institutions / Corporate Body(s) / person(s) / Corporation(s) / Government / lender(s) / Bank(s) (together with interest) for monies borrowed or to be borrowed.

To meet the increasing requirements of the funds, the Board of Directors are required to borrow monies from time to time for which mortgages / charges / hypothecations are to be created on the moveable and immoveable properties of the Company and hence it is considered necessary to enhance the said limit to Rs. 3,000 crores (Rupees Three Thousand Crores Only). The resolution has accordingly been proposed for approval of the members pursuant to section 293(1)(a) of the Companies Act, 1956.

The Board recommends the resolution for approval of the Members.

None of the Directors of the Company are concerned or interested in this resolution except to the extent of their shareholding in the Company.

Item No. 7

The statutory registers and related records of the Company are maintained at the registered office of the Company (except the Register of Members which is maintained at the office of the Company's Registrar and Share Transfer Agent i.e. M/s. Sharex Dynamic (India) Private Limited. The registered office of the Company is situated at New Harileela House, 6th Floor, Mint Road, Mumbai – 400 001.

Notice

The majority staff of the Company (including the secretarial department) is operating from corporate office of the Company. The same is situated at Apeejay House, 6th Floor, Bombay Samachar Marg, Fort, Mumbai: 400 023. Hence it is convenient to shift the statutory registers and other related documents to corporate office of the Company. This will smoothen maintenance of the same and handling investor grievances. (The Register of Members shall be continued to be maintained at the office of the Company's Registrar and Share Transfer Agent i.e. M/s. Sharex Dynamic (India) Private Limited.)

Pursuant to the provisions of Section 163 of the Companies Act, 1956 (the Act) the statutory register and other related documents can be kept at any other place other than the registered office of the Company provided that the place is situated within the same city, town or village in which the Registered Office of the Company is situated and further that the act of keeping the same at a place other than the Registered Office has been approved by the shareholders of the Company at a General Meeting through special resolution.

Hence the resolution for the same is proposed at item no. 7 of the notice for the approval of the members.

None of the Directors is concerned with or interested in the said resolution.

By order of the Board of Directors
For **Ushdev International Limited**

sd/-
Suman Gupta
Chairperson

Place : Mumbai

Date : 22nd July 2011

Directors' Report

To
The Members,

Your Directors have pleasure in presenting the Seventeenth Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2011.

1. Financial Results

Your Company operates in two different business sectors – trading in steel and metals (ferrous and non ferrous) and generation of power. The Company's revenue, expenditure and results of operations are presented through consolidated financial statements and the details given below:

Particulars	(Rs. in Lakhs)	
	Year Ended 31st March, 2011	Year Ended 31st March, 2010
Gross Revenue	3,29,035	1,74,945
Gross Profit (before interest, depreciation, tax and writing off of preliminary expenses)	14,789	7,851
Interest	8,625	4,063
Depreciation	762	508
Provision for taxation	1,079	607
Net Profit / (Loss)	4,324	2,674
Deferred Tax Liability/(Assets)	51	19
Profit after Tax	4,375	2,693
Balance in Profit & Loss A/c c/f from last year	5,010	3,310
Amount available for appropriation	9,385	6,003
Appropriations		
Proposed dividend on Equity Shares	618	618
Transfer to General Reserves	414	270
Tax on Dividend	103	105
Balance carried to Balance Sheet	8,250	5,010

2. Dividend

The Board of Directors have recommend dividend of 21% (i.e. Rs. 2.10/- per equity share) for the Financial Year ended 31st March, 2011 (previous year 21% i.e. Rs. 2.10/- per share) amounting to Rs. 6,17,94,180/- (previous year Rs. 6,17,94,180/-) The Dividend tax liability borne by your Company is Rs. 1,02,63,395/- (previous year Rs. 1,05,05,011/-).

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. 173.88 crores in five states i.e. Tamil Nadu, Rajasthan, Karnataka, Gujarat and Maharashtra. We give the details of the Company projects as below :-

Date of Installation	Location	No of WEG's	Installed Capacity	Investments Rs. in Lakhs
27/03/1997	Tamil Nadu 1	11	2.53MW	1,406.35
29/03/2005	Tamil Nadu 2	2	1.60MW	807.47
29/03/2006	Rajasthan	3	2.40MW	1,178.48
29/03/2006	Karnataka	2	1.60MW	785.65
30/03/2007	Gujarat 1	2	1.60MW	740.00
10/07/2007	Gujarat 2	4	3.20MW	1,480.00
26/09/2009	Tamil Nadu3	6	9.9MW	6,090.00
27/11/2010	Maharashtra 1	4	8.0 MW	4,900.00
Total		34	30.83 MW	17,387.94

(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 presence in the this sector. This has resulted in an increase in top line income of 88%.

4. Management Discussion and Analysis

Forward Looking Statements:

This section contains forward-looking statements, which may be identified by their use of words, like 'plans', 'expects', 'wills', 'anticipates', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the company's strategy for growth, product development, market position, expenditures and financial results are forward-looking statements. Forward-Looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

a. 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.

b. Opportunities and Threats

The 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.

c. Segment-Wise or Product-Wise Performance

Segment wise analysis or performance is also given herewith as per Accounting Standard 17.

d. Outlook

Your Company is well respected in both aforesaid sectors i.e. Steel & Power generation. A detailed expansion is on an anvil especially in the Power generation sector to increase power generating capacity's year on the most competitive terms.

e. 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 changing government policies are cause of concern for the Power generation business, however your Company is taking adequate precautionary steps to safeguard its interest.

f. Internal Control Systems and their Adequacy

Your Company has established effective internal operational control systems to monitor and review its business operations. Your Company has also appointed an internal auditor who is responsible for regular internal audit. This has substantially contributed to the better management.

g. 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.

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

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

i. Material Financial and Commercial Transactions

During the financial year under review, there are no materially significant financial and commercial transactions with the related parties conflicting with the interest of the Company. The Promoters and the Directors are not dealing in the shares of the Company.

5. Directors

In accordance with the Articles of Association of the Company and provisions of the Companies Act, 1956, Mr. Vinay G. Kamat retires by rotation at the ensuing annual general meeting of the Company and being eligible to offers himself for re-appointment.

6. Subsidiary Companies

As on 31st March, 2011, the Company has following two wholly owned subsidiaries:

- i. UIL (Singapore) Pte Limited
- ii. UIL Hongkong Limited

In terms of Section 212(a) of the Companies Act, 1956, the Central Government, Ministry of Corporate Affairs vide its General Circular 2/2011 dated 8th February, 2011 has granted a general exemption to the Company from the requirement of attaching to its annual report, the Balance Sheet, Profit and Loss Account and the report of the Directors and Auditors thereon of its subsidiary. Accordingly the same is attached to the Balance Sheet of the Company. Shareholders who wish to have a copy of Annual Accounts of subsidiary company may write to the Company Secretary at the registered office of the Company.

7. Consolidation of Financial Statements

In accordance with the said above referred circular and with the Accounting Standards AS – 21 notified by Companies (Accounting Standards) Rules, 2006, the Consolidated Financial Statements covered in this report by the Company include financial information of its above referred two subsidiary companies and forms part of this Annual Report.

8. 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. The figures of foreign exchange earnings and outflow are as follows:

Foreign Exchange Earning and Outgo:

Foreign Exchange Earnings/Outgo:	Rs. in Lakhs
Foreign Exchange Earned	16,235.98
Foreign Exchange Outgo	43,013.14

9. Fixed Deposits

The Company has not accepted any deposits from the public.

10. 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. 60,00,000/- or more per year or Rs. 5,00,000/- or more per month.

11. 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;

- i) That in the preparation of the Annual Accounts for the financial year 31st March, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- 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, 2011 on a going concern basis.

12. Listing of Shares

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

13. Corporate Governance

A separate section on Corporate Governance is included in the Annual Report and the Certificate from the Practising 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.

14. Auditors

M/s. M. P. Chitale & Co, Chartered Accountants retire at the ensuing annual general meeting and being eligible to 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.

15. 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 its Bankers and concerned governmental authorities. They are thankful to the Shareholders and Customers for the co-operation and trust they have reposed in the Company.

For and on behalf of the Board
For **Ushdev International Limited**

Suman Gupta
Chairperson

Prateek Gupta
Managing Director

Place : Mumbai

Dated : 30th May, 2011

Corporate Governance Report

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 the Board Meeting	Mrs. Suman Gupta	Mr. Prateek Gupta	Mr. Narayan Hegde	Mr. Vinay Kamat	Mr. Suresh Lakhiani
28th May, 2010	Present	Present	Present	Present	Present
9th June, 2010	Absent	Present	Absent	Present	Absent
23rd June, 2010	Absent	Present	Absent	Present	Absent
28th July, 2010	Present	Present	Present	Present	Absent
23rd September, 2010	Present	Present	Absent	Present	Absent
1st October, 2010	Present	Present	Absent	Present	Absent
21st October, 2010	Present	Present	Absent	Present	Absent
29th October, 2010	Present	Present	Absent	Present	Absent
11th February, 2011	Present	Present	Absent	Present	Absent
10th March, 2011	Present	Present	Absent	Present	Absent
Total attendance out of 10 meetings	8	10	2	10	1
Attendance at the last AGM	Present	Present	Present	Absent	Absent

- iii) a. Number of other Companies where Director (of UIL) hold memberships on the Board of Directors:
- b. Number and Name of Committees in which the Directors (of UIL) hold Memberships or Chairmanships:

Name of Director	No. of Other Co.s where	Number & Name of Committee Memberships / Chairmanships			
		Director	Chairman	No.	Member
Ms. Suman Gupta	7	Nil	0	Nil	0
Mr. Prateek Gupta	10	Nil	0	AC – UIL SIGC – UIL	2
Mr. Narayan Hegde	3	Nil	0	AC – UIL SIGC – UIL	2
Mr. Vinay Kamat	1	AC – UIL SIGC – UIL	2	NA	0
Mr. Suresh Lakhiani	Nil	Nil	0	AC- UIL	1
AC – UIL		Audit Committee – Ushdev International Limited			
SIGC – UIL		Shareholders / Investors Grievance Committee Ushdev International Limited			

Note: Only Public Limited Companies (Listed and Unlisted) have been taken into consideration while calculating Committee Memberships and Chairmanships.

iv) Code of Conduct

The Board has formulated a code of conduct for the Board Members and Senior Management Personnel of the Company. All Board Members and Senior Management Personnel have affirmed their compliance with the code for the financial year ended 31st March, 2011. A declaration to this effect signed by the Chairperson of the Company is given elsewhere in the Annual Report.

III. Audit Committee

The Composition of the Audit Committee and the attendance of the members of Audit Committee at the meetings of the Audit Committee are as follows:

Date of Audit Committee	Mr. Vinay Kamat	Mr. Narayan Hegde	Mr. Suresh Lakhiani	Mr. Prateek Gupta
	Chairman & Non Executive Independent Director	Member & Non Executive and Independent Director	Member & Non Executive and Independent Director	Member & Executive Director
28th May, 2010	Present	Present	Present	Present
28th July, 2010	Present	Present	Absent	Present
29th October, 2010	Present	Absent	Absent	Present
11th February, 2011	Present	Absent	Absent	Present
Total attendance out of 4 meetings	4	2	1	4

The Board of Directors of the Company has framed a Terms of Reference for the Audit Committee. The Terms of Reference is based on Clause 49 (II) (D) of the Listing Agreement. The Audit Committee performs its functions in accordance with its terms of reference. In addition, it exercises its powers and reviews information as specified under Clause 49 (II) (C) and (E) of the Listing Agreement.

IV. Remuneration Committee

The Company has not constituted a separate remuneration committee that determines the terms of reference and remuneration package for its managerial personnel.

i) Remuneration Policy

The Board of Directors determines the remuneration payable to Managing Director. The same is within the limits approved by the shareholders of the company at the General Meetings.

ii) **Details of Remuneration paid to all Directors**

A. The Company does not have any pecuniary relationship or transactions with the non-executive directors. During the year, the Company has paid sitting fees to non-executive directors.

B. The aggregate remuneration paid to the Directors for the year ended 31st March, 2011, is as under;

Sr.	Name of Director No.	Salary & Perqs	Commission	Sitting Fees	Total
1.	Ms. Suman Gupta	NIL	NIL	NIL	NIL
2.	Mr. Prateek Gupta	NIL	NIL	NIL	NIL
3.	Mr. Narayan Hegde	NIL	NIL	40,000.00	40,000.00
4.	Mr. Vinay Kamat	NIL	NIL	60,000.00	60,000.00
5.	Mr. Suresh Lakhiani	NIL	NIL	20,000.00	20,000.00

C. The Company has not issued any stock options or paid any performance linked incentives or fixed component incentives to the Directors.

D. **Details of Service Contracts**

Name and Designation	Current tenure	From	To
Mr. Prateek Gupta Managing Director	5 years	1st May, 2009	30th April, 2014

E. Equity Shares of Ushdev International Limited held by the Non-Executive Directors are as follows :

Non Executive Directors	No. of shares held as on 31st March, 2010	No. of shares held as on 31st March, 2011
Ms. Suman Gupta	30,40,226	30,40,226
Mr. Narayan Hegde	1,097	1,097
Mr. Vinay Kamat	1,000	1,000
Mr. Suresh Lakhiani	31,403	31,403

V. **Shareholders / Investors Grievance Committee**

A. The Composition of the Shareholders/Investors Grievance Committee and their attendance at the Shareholders/Investors Grievance Committee Meetings are as follows :

Date of Audit Committee	Mr. Vinay Kamat	Mr. Narayan Hegde	Mr. Prateek Gupta
	Chairman & Non Executive Independent Director	Member & Non Executive and Independent Director	Member & Executive Director
28th May 2010	Present	Present	Present
28th July 2010	Present	Present	Present
29th October 2010	Present	Absent	Present
11th February 2011	Present	Absent	Present
Total attendance out of 4 meetings	4	2	4

B. Compliance Officer

As required by the Listing Agreement, the Company has appointed Mr. Lalit Chendvankar, Company Secretary as the Compliance Officer.

Email address of Compliance Officer is cs@ushdev.com

C. Complaint Status for the year 1st April, 2010 to 31st March, 2011 (Equity Shares)

Category	No. of Compl. Received	No. of Compl Resolved	No. of Compl Pending
Non Receipt of Credit			
Non Receipt of Dividend Warrant	0	0	0
Non Receipt of Annual Reports			
Sebi			
Stock Exchange			
Non Receipt of Share Certificate			
Non Receipt of Share Transfer			
Total	0	0	0

VI. General Body Meetings

A. Date, time and venue for the Annual General Meetings and Extra Ordinary General Meeting held during the last 3 financial years and nature of special resolutions passed thereat are given below;

Financial Year	Nature of the Meeting	Nature of the Special Resolution Passed	Date	Location	Time
31st March, 2009	14th AGM	NIL	2nd September, 2008	Registered Office	11.30 a.m
	EGM	Further Issue of Shares (Preferential Allotment)	19th February, 2009	Registered Office	11.00 a.m
31st March, 2010	15th AGM	NIL	5th September, 2009	Registered Office	10.30 a.m
	EGM	Further Issue of Shares (Preferential Allotment)	26th February, 2010	Registered Office	2.30 p.m
31st March, 2011	16th AGM	NIL	4th September, 2010	Topaz Hall YWCA, 18, Madame Cama Rd., Fort, Mum - 39.	10.00 a.m

B. Special Resolution Passed Through Postal Ballot

Special Resolutions passed through Postal Ballot : The Company has altered its object clause of Memorandum of Association, whereby some existing sub-clauses were deleted and new sub-clauses were added in order to reflect the main business activity carried on by the company. The company has complied with the provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.

Special Resolutions proposed to be passed through Postal Ballot: No special resolutions are proposed to be passed through postal ballot.

VII. Disclosures

- i. The Company has not entered into any materially significant related party transactions during the year that may have potential conflict with the interests of the Company at large.
- ii. There has been no incidence of non-compliance by the Company of any statutory regulations nor any penalty or stricture imposed by the Stock Exchange or any other Statutory Authority, on any matter relating to the capital market over the last three years.
- iii. The details of all transactions with related parties are placed before the Audit Committee on quarterly basis.
- iv. In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.
- v. The constitution of whistle blower policy is a non mandatory requirement. However the Company affirms that no employee has been denied access to the Audit Committee during the financial year 2009 – 2010.
- vi. The Company has complied with all mandatory requirements of clause 49 of Listing Agreement.

VIII. Means of Communication

- i. **Quarterly Results:** The quarterly financial results of the company (in the format prescribed by the Listing Agreement) are reviewed by Audit Committee and then, approved and taken on record by the Board within the prescribed time frame and immediately send to the Stock Exchange where the shares of the company are listed.
- ii. The quarterly results for the financial year 2010 – 11 were published in the News Papers. (Details given below):

Quarter	Results
June, 2010	The Free Press Journal and Navshakti
September, 2010	The Free Press Journal and Navshakti
December, 2010	The Free Press Journal and Navshakti
March, 2011	The Free Press Journal and Navshakti

- iii. This summarized balance sheet of the company has been displayed on company's website i.e. www.ushdev.com.
- iv. **Annual Report:** Annual Report containing inter alia Audited Annual Accounts, Directors' Report, Auditors' Report and other important, information is circulated to Members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report.

IX. General Shareholder Information

Financial Year:	1st April to 31st March
Listing on Stock Exchanges:	The Bombay Stock Exchange Limited
Stock Code & Demat Scrip Code (ISIN) Scrip Code:	Bombay Stock Exchange Stock Code: 511736 INE 981D01017
Registrar & Transfer Agents	Sharex Dynamic (India) Private Limited Address: Unit No. 1, Luthra Industrial Premises, Andheri - Kurla Road, Andheri (E), Mumbai - 400 072. Tel. : +91 22 2851 5606 / 5644 Fax : +91 22 2851 2885 Email ID : shareindia@vsnl.com

Shareholders / investors are requested to forward share transfer documents, dematerialization request, correspondence regarding change of address, non – receipt of dividend or share certificates and other related queries to the company's registrar i.e. Sharex dynamic India Private Limited at the address mentioned above.

Share Transfer System and Dematerialization of Shares

The Company has admitted its shares to the depository system of the National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of shares. International Securities Identification Number (ISIN) INE 981D01017.

As on 31st March, 2011 99.65 % of the shares of the Company are dematerialized. All these shares are electronically transferred through the demat facility. 0.34 % of shares are in physical mode. The Company has assigned the job of physical transfer of shares to its Registrar and Share Transfer Agent, Sharex Dynamic India Private Limited. The Shareholders and Investors Grievances Committee takes on record all the physical share transfers from time to time.

Distribution of Shareholding as on 31st March, 2011

Range (in Rs.)	No. of Shareholders	% to total holders	Total Amount (in Rs.)	% to capital
1 - 5000	679	80.83	6,03,490	0.21
5001 - 10000	50	5.95	4,17,940	0.14
10001 - 20000	26	3.10	3,76,180	0.11
20001 - 30000	5	0.60	1,36,830	0.05
30001 - 40000	4	0.48	1,48,270	0.05
40001 - 50000	3	0.35	1,41,700	0.05
50001 - 100000	10	1.19	6,69,530	0.23
100001 & Above	63	7.50	29,17,72,060	99.16
Total	840	100.00	29,42,58,000	100.00

Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity

There are no outstanding GDRs/ ADRs/ Warrants or any Convertible instruments. Hence there will not be any impact on the equity of the company.

Consolidation of Folios

Shareholders are requested to INVARIABLY mention their existing folio number in the column provided in the transfer deed in case they lodge further shares for transfer in the same order of names. Shareholders are also requested to send the share certificates by registered post to the transfer agents of the Company in case they have been allotted more than one folio, in the same order of names. The shares will be consolidated into one folio and the share certificates will be returned by registered post within a week of receipt.

Nomination Facility

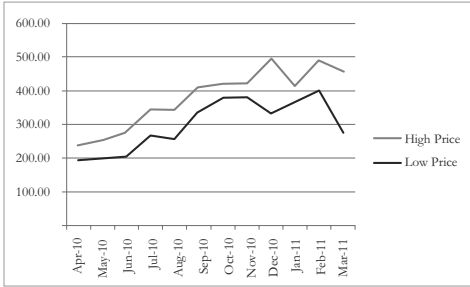
Individual shareholders of physical shares can nominate any person for the shares held by them. This will save the nominee from going through the lengthy process of getting the shares later on transmitted to his name. For further details, shareholders may write to the Registrar and Share Transfer Agent of the Company.

Practising Company Secretary Certificate on Corporate Governance

Practising Company Secretary's certificate on compliance of conditions of clause 49 of the Listing Agreement relating to Corporate Governance is published as an annexure to the Director's Report.

Performance of equity scrip of the company in comparison to BSE Sensex

*Monthly High and Low Prices of the Equity Shares of the Company for the year ended 31st March, 2011:



Month	High Price	Low Price
Apr 10	237.00	195.05
May 10	252.00	193.00
Jun10	276.25	203.00
Jul 10	343.80	265.00
Aug 10	343.75	252.00
Sep 10	408.00	338.00
Oct 10	419.60	378.05
Nov 10	420.00	380.00
Dec 10	495.00	331.55
Jan 11	412.80	361.00
Feb 11	486.75	399.00
Mar 11	455.00	274.60

*(Data as per the website of Bombay Stock Exchange Limited i.e. www.bseindia.com)

Shareholding Pattern as on 31st March, 2011:

Category	No of Shares Held	% of Share Holding
A. Promoter (S) Holding		
Promoter (s)		
- Indian Promoters	1,60,73,446	54.62
- Foreign Promoters	0	0
Sub - Total (A)	1,60,73,446	54.62
B. Non-Promoters Holding		
Institutional Investors		
i. Mutual Funds & UTI		
ii. Banks, Financial Inst, Insurance Company, Central/ State Govt Inst/ Non-Govt Inst	0	0
iii. FII's	17,55,149	5.96
Others		
i. Private Corporate Bodies	15,47,895	5.26
ii. Indian Public	99,92,844	33.96
iii. NRI/OCBS	31,737	0.11
iv. Clearing Members	24,729	0.09
Sub - Total (B)	1,15,97,205	39.42
Grand Total	2,94,25,800	100.00

Plant Location 1st Project Taluka Dharapuram, Village,Periyar District, Taluka,Tamil Nadu.	2nd Project Chinnapthur Village, Taluka Dharapuram, Tamil Nadu.	3rd Project Gundikere Halalkere Chitradurga District, Karnataka.
4th Project Bhu Village, Kita Village, Jaisalmer District, Rajasthan.	5th Project Hadmatiya Village, Taluka Kalyanpur, Jamnagar District, Gujarat.	6th Project Methan Village, Taluka Jamjodhpur, Jamnagar District Gujarat.
7th Project Andipatti Taluk, Theni District, Tamilnadu.	8th Project Village Khabalwadi, Taluka Koregaon, Dist. Satara, Maharashtra.	

Registered Office Address & Correspondence:

Ushdev International Limited

New Harileela House,
 6th Floor, Mint Road,
 Fort, Mumbai - 400 001.
 Ph. No: 022 6636 8888
 Fax: 022 2267 1931

Website: www.ushdev.com

Management Certificate on clause 49 (1D) of the Listing Agreement

To,

The Members,

Ushdev International Limited

This is to affirm that the Board of Directors of Ushdev International Limited has adopted a Code of Conduct for its Directors and Senior Management Personnel in compliance with the provisions of Clause 49 (D) of the Listing Agreement with the Stock Exchange. The Board Members and Senior Management Personnel of the Company have confirmed the compliance of provisions of the said code for the financial year ended 31st March, 2010.

Sd/-

Suman Gupta

Chairperson

Place : Mumbai

Date : 30th May, 2011

Practising Company Secretary's Certificate on Corporate Governance

To the Members of Ushdev International Limited

We have examined the compliance of conditions of corporate governance by Ushdev International Limited as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreement and that no investor grievance(s) is / are pending for a period exceeding one month against the Company.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or the effectiveness with which the management has conducted the affairs of the Company.

For **M/s. P. P. Shah & Co.,**
Practising Company Secretaries

sd/-

Pradip C. Shah

Partner

Membership No: 1483
Certificate of Practice: 436

Place : Mumbai
Date : 30th May, 2011

Auditors' Report

Auditor's Report to the Members of Ushdev International Limited on the Accounts for the year ended 31st March, 2011

1. We have audited the attached Balance Sheet of Ushdev International Limited as on 31st March, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 and as amended by Companies (Auditor's Report) (Amendment) Order, 2004 (together the "Order") issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraph 4 and 5 of the said order.

4. We report that -

- i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of such books.
- iii. The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
- iv. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- v. On the basis of written representations received by the Company from directors as regards their eligibility to assume and occupy office as directors as on 31st March, 2011, we report that none of the Directors is disqualified as on March 31, 2011 from being appointed as a Director under Section 274(1)(g) of the Companies Act, 1956.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
 - (a) in respect of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2011 and
 - (b) in respect of Profit and Loss Account, of the Profit for the year ended on that date.
 - (c) in case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

For M.P. Chitale & Co.
Chartered Accountants
ICAI FR No.101851W

Ashutosh Pednekar
Partner
ICAI M. No. 41037

Place : Mumbai
Date : 30th May, 2011

Annexure Referred to in Paragraph (4) of our Report of even date

1.
 - a. The Company has maintained proper records for fixed assets showing full particulars, including quantitative details and situation of fixed assets.
 - b. The Management has during the year conducted physical verification of the major fixed assets. We are informed that no major discrepancies were noticed on such verification
 - c. Based on our examination of the records of the company, we find that no substantial part of the fixed assets has been disposed off during the year.
2.
 - a. Inventories have been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable.
 - b. In our opinion, the procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
 - c. In our opinion, the company maintains proper records of inventory. We are informed that no material discrepancies were noticed on physical verification.
3.
 - a. The Company has taken / granted unsecured loans to companies/ firms or other parties covered in the register maintained under Section 301 of the Act. The number of parties and the amount involved in the transactions is as under.

Sr. No.	Name of the Party	Maximum amount outstanding during the year	Year-end Balance
Rs. in Lakhs			
Loan Taken			
1	Prateek Gupta	1,487.91	Nil
2	GG Trading Private Limited	722.65	Nil
3	Honest Trading Company	1,932.77	Nil
4	Ushdev Power Holdings Pvt. Ltd.	50.09	Nil
5	Ushdev Trade Limited	12.60	Nil
6	P G Mercantile Pvt. Ltd.	1,798.92	Nil
7	Enshrine Property Management Pvt. Ltd.	0.12	Nil
8	Ushdev Commercial Service (P) Ltd.	2.22	Nil
Loan Given			
1	Ushdev Mercantile Pvt. Ltd.	1,246.82	Nil
2	UIL Hong Kong Ltd.	228.01	223.50
3	UIL (Singapore) PTE Ltd.	44.25	Nil

- b&c. The interest free loans do not stipulate any terms and conditions of payment and in our opinion are prima facie not prejudicial to the interest of the Company.
 - d. In view of the above, the question of regularity of payment of principal and interest does not arise.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and sale of goods. Further on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weakness in the aforesaid internal control procedures.

5. In our opinion and according to the information and explanations given to us, there are no transactions that need to be entered into the register in pursuance of section 301 of the Companies Act, 1956. Consequently, para 4(v)(b) is not applicable.
6. As per the information and explanations given to us the Company has not accepted any deposits from public. Consequently the directives issued by Reserve Bank of India and the provisions of sections 58A and 58AA of the Act and the rules framed there under are not applicable.
7. In our opinion, the Company's Internal Audit System is commensurate with its size and nature of its business.
8. According to the information and explanations given to us by the management, the Company is not required to maintain any cost records prescribed by the Central Government under section 209 (1) (d).
9.
 - a. According to the information and explanations given to us and on the basis of books and records produced and examined by us, undisputed statutory dues have generally been regularly deposited with the appropriate authorities. There are no statutory dues that are outstanding for more than six months at the end of the year.
 - b. As at the year-end according to the records of the Company and information and explanations given to us, the disputed income tax amounts which have not been paid to the Income Tax department is mentioned below:

Assessment Year	Amount (Rs. in Lakhs)	Authority
2005-06	5.13	Commissioner of Income Tax (Appeals)

10. The Company does not have any accumulated losses as at March 31, 2011 and has not incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
11. As per books and records maintained by the Company and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund / nidhi /mutual benefit fund / society. Hence, the provisions of any special statute as specified under clause (xiii) of Paragraph 4 of the Order are not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities.
15. According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from banks or financial institutions.
16. Based on the information and explanations given to us, we find that the Company has utilized the term loans for the purpose they were obtained.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, the fund raised by the Company on short-term basis have not been used for long-term investment.

18. The Company has not made any preferential allotment of shares to parties/companies covered in the register maintained u/s 301 of the Companies Act 1956.
19. The Company has not issued any debentures.
20. The Company has not raised any money through a public issue during the year.
21. Based on information and explanations furnished by the management, which have been relied upon by us, no frauds on or by the Company were noticed or reported during the year.

For M.P. Chitale & Co.
Chartered Accountants
ICAI FR No.101851W

Ashutosh Pednekar

Place : Mumbai
Date : 30th May, 2011

Partner
ICAI M. No. 41037

Financials Statement

Balance Sheet as at 31st March, 2011

	Schedule No.	As at 31st March, 2011	in Rs. As at 31st March, 2010
Sources of Funds			
Share Holders Funds			
Share Capital	1	294,258,000	294,258,000
Reserves & Surplus	2	2,728,532,754	2,387,052,881
		3,022,790,754	2,681,310,881
Loan Funds			
Secured Loans	3	2,225,457,597	1,204,541,892
Unsecured Loans	4	1,374,821,307	367,652,888
		3,600,278,904	1,572,194,780
Deferred Tax Liability	5	36,504,363	41,568,618
Total		6,659,574,021	4,295,074,278
Application of Funds			
Fixed Assets			
Gross Block	6	1,805,834,324	1,315,422,190
Less : Depreciation		331,528,099	255,387,441
		1,474,306,225	1,060,034,749
Less : Accumulated Lease Adjustment		1,873,977	1,873,977
Net Block		1,472,432,248	1,058,160,772
Capital WIP	6	50,000,000	49,000,000
Investments	7	694,742,200	1,030,600
Current Assets, Loans & Advances			
Inventories	8	149,438,577	-
Sundry Debtors	9	11,096,851,284	5,192,150,800
Cash and Bank Balance	10	1,620,979,480	880,202,296
Loans and Advances	11	2,883,752,825	1,608,404,319
		15,751,022,167	7,680,757,414
Less : Current Liabilities & Provisions	12	11,308,622,594	4,493,874,508
Net Current Assets		4,442,399,573	3,186,882,906
Total		6,659,574,021	4,295,074,278

The Schedules referred to above form an integral part of Balance Sheet

As per our Report attached.

For and on behalf of the Board

For M. P. Chitale & Co.

Chartered Accountants

Ashutosh Pednekar

Partner

Place : Mumbai

Date : 30th May, 2011

Sd/-
Directors

Profit & Loss Account for the year ended 31st March, 2011

in Rs.

	Schedule No.	For the year ended 31st March,2011	For the year ended 31st March,2010
Income			
Income from Operations	13	25,681,511,883	17,359,817,689
Other Income	14	261,033,673	134,637,130
		25,942,545,556	17,494,454,819
Expenditure			
Cost of Goods		24,425,244,238	16,684,103,967
Personnel Cost	15	9,341,869	4,955,636
Administration & Other Charges	16	73,513,633	19,976,141
Interest & Financial Charges	17	845,346,790	406,252,302
Depreciation		76,140,658	50,788,611
		25,429,587,188	17,166,076,657
Profit Before Tax		512,958,368	328,378,162
Less : Provision for Taxation			
Current Year		102,300,000	57,400,000
Deferred Tax		(5,064,255)	(1,874,731)
Profit After Tax		415,722,623	272,852,893
Tax for Earlier Years		2,185,175	3,285,714
Net Profit for the year		413,537,448	269,567,179
Balance in Profit & Loss Account carried from last year		501,321,476	331,010,206
Amount Available for Appropriation		914,858,924	600,577,385
Appropriations			
Transfer to Capital Redemption Reserve			
Proposed Dividend :			
On Equity Shares		61,794,180	61,794,180
Corporate Distribution Tax on above		10,263,395	10,505,011
Transfer To General Reserve		41,353,745	26,956,718
		113,411,320	99,255,908
Balance carried to Balance Sheet		801,447,604	501,321,476
Earnings Per Share- Basic (Rs.)		14.05	9.72
Earnings Per Share- Diluted (Rs.)		14.05	9.72
Significant Accounting Policies and Notes on Accounts	18		

The Schedules referred to above form an integral part of BalancSheet
As per our Report attached.

For M. P. Chitale & Co.
Chartered Accountants

For and on behalf of the Board

Ashutosh Pednekar
Partner

Place : Mumbai
Date : 30th May, 2011

Sd/-
Directors

Cash Flow Statement as at 31st March, 2011

in Rs.

Particulars	For the year ended 31st March, 2011		For the year ended 31st March, 2010	
A. Cash Flow from Operating Activities				
Net Profit Before Tax & Extraordinary Items	512,958,368		328,378,162	
Adjustments for :				
Depreciation (Net of lease adjustments)	76,140,658		50,788,611	
Other Income	(261,033,673)		(134,637,130)	
Provision for Doubtful Debts	19,451,516		-	
Interest Paid	845,346,790		679,905,291	
	406,252,302		322,403,783	
Operating Profit Before Working Capital Changes	1,192,863,659		650,781,944	
Adjustments for changes in working capital :				
Increase in other Current Liabilities	6,814,989,701		2,048,456,692	
Inventories	(149,438,577)		-	
Increase in other Current Assets	(7,180,206,454)		(514,655,330)	
Cash Generated for Operations	678,208,329		(2,534,343,995)	
			(485,887,302)	
Income Tax / FBT Paid	(123,779,227)		(50,744,795)	
Net Cash from Operating Activities (A)	554,429,102		114,149,847	
B. Cash Flow form Investing Activities				
Purchase of Fixed Assets	(491,412,134)		(658,152,562)	
Interest / Dividend Received & other Income	261,033,673		134,637,130	
Investment in Subsidiaries	(693,711,600)		(524,600)	
Sale of Shares	-		602,000	
Net Cash Used in Investing Activities (B)	(924,090,061)		(523,438,032)	
C. Cash Flow from Financing Activities				
Proceeds from Borrowings	2,163,351,647		1,126,300,552	
Repayment of Borrowings	(135,267,524)		(314,731,611)	
Increase in Share Capital & Premium, application Money (Net)	-		550,800,000	
Interest paid	(845,346,790)		(406,252,302)	
Dividend & Corporate Distribution Tax Paid	(72,299,191)		(67,873,690)	
Net cash used in Financing Activities (C)	1,110,438,143		888,242,949	
Net Increase in Cash & Cash Equivalent (A+B+C)	740,777,184		478,954,766	
Cash & Cash Equivalents at the Beginning of the Year	880,202,296		401,247,530	
Cash & Cash Equivalents at the End of the Year	1,620,979,480		880,202,296	

The Schedules referred to above form an integral part of BalancSheet

As per our Report attached.

For and on behalf of the Board

For M. P. Chitale & Co.

Chartered Accountants

Ashutosh Pednekar

Partner

Place : Mumbai

Date : 30th May, 2011

Sd/-

Directors

Schedules Forming part of the Accounts

in Rs.

	As at, 31st March, 2011	As at, 31st March, 2010
Schedule 1 : Share Capital		
Authorised:		
30,000,000 (Previous year 30,000,000) Equity Shares of Rs.10/- each	300,000,000	300,000,000
	300,000,000	300,000,000
Issued, Subscribed and Paid up Capital		
2,94,25,800 (Previous year 2,94,25,800) Equity shares of Rs. 10/- each fully paid up	294,258,000	294,258,000
a) 20,000 (Previous year 20,000) equity shares issued on conversion of 19% optionally convertible redeemable preference shares in 1997-98		
b) 57,42,900 (Previous year 57,42,900) equity shares allotted as fully paid up bonus shares by capitalisation of Share Premium Account in 2007-08		
	294,258,000	294,258,000
Schedule 2 : Reserves and Surplus		
Share Premium Account:		
Balance as per last Balance Sheet	1,785,888,500	1,253,088,500
Add : Addition during the period	-	532,800,000
	1,785,888,500	1,785,888,500
General Reserve		
Balance as per last Balance Sheet	99,842,905	72,886,187
Add : Addition during the period	41,353,745	26,956,718
	141,196,650	99,842,905
Profit & Loss Account balance	801,447,604	501,321,476
	2,728,532,754	2,387,052,881
Schedule 3 : Secured Loans		
From Banks		
Term Loan for Projects (Secured against Windmills) (Installment repayable within next 12 months Rs.6,51,53,417/- Previous Year Rs.4,12,71,814/-)	809,274,368	504,541,892
Term Loan for Others (Secured by shares of Promoters and Assets of the Companies in which promoters have control) (Installment repayable within next 12 months Rs.62,50,00,000/- Previous Year Rs. NIL)	625,000,000	700,000,000
Cash Credit (Secured against Book Debts)	791,183,229	-
	2,225,457,597	1,204,541,892
Schedule 4 : Unsecured Loans		
Short Term Loans from Banks (Buyers Credit)	1,374,821,307	367,652,888
	1,374,821,307	367,652,888
Schedule 5 : Deferred Tax Liabilities		
Balance as at 31st March, 2010	41,568,618	43,443,349
Add: Deferred Tax Liability for the period	(5,064,255)	(1,874,731)
	36,504,363	41,568,618

Schedules Forming part of the Accounts

in Rs.

Schedule 6 : Fixed Assets

Particulars	Gross Block			Depreciation			Net Block			
	1st April, 2010	Additions	31st March, 2011	1st April, 2010	Additions	Deletions	31st March, 2011	Lease Adjustments	31st March, 2011	31st March, 2010
Freehold Land	5,258,972	3,700,000	8,958,972	-	-	-	-	-	8,958,972	5,258,972
Office Premises	18,786,610	-	18,786,610	4,287,112	306,222	-	4,593,333	-	14,193,277	14,499,498
Building	370,004	-	370,004	75,230	6,031	-	81,261	-	288,743	294,774
Leased Plant and Machinery	37,680,001	-	37,680,001	35,806,024	-	-	35,806,024	1,873,977	-	-
Plant and Machinery										
(Wind Farm)										
Tamilnadu 1	140,634,900	-	140,634,900	96,335,089	7,425,523	-	103,760,612	-	36,874,288	44,299,811
Tamilnadu 2	76,635,274	-	76,635,274	20,276,844	4,046,342	-	24,323,187	-	52,312,087	56,358,430
Tamilnadu 3	607,852,596	-	607,852,596	16,442,996	32,094,617	-	48,537,613	-	559,314,983	591,409,600
Rajasthan	117,847,602	-	117,847,602	24,940,554	6,222,353	-	31,162,908	-	86,684,694	92,907,048
Karnataka	78,565,068	-	78,565,068	16,627,039	4,148,236	-	20,775,274	-	57,789,794	61,938,029
Gujarat 1	74,000,000	-	74,000,000	11,738,959	3,907,200	-	15,646,159	-	58,353,841	62,261,041
Gujarat 2	148,000,000	-	148,000,000	21,254,741	7,814,400	-	29,069,141	-	118,930,859	126,745,259
Satara	-	486,300,000	486,300,000	-	9,707,880	-	9,707,880	-	476,592,120	-
Office	1,676,455	19,800	1,696,255	772,561	78,980	-	851,540	-	844,714	903,894
Computer Equipments	4,383,041	374,899	4,757,940	3,745,066	172,536	-	3,917,602	-	840,338	637,975
Furniture and Fixtures	3,587,062	17,435	3,604,497	2,972,949	201,183	-	3,174,133	-	430,364	614,113
Electrical Fittings	144,605	-	144,605	112,278	9,154	-	121,431	-	23,174	32,327
Sub Total (A)	1,315,422,190	490,412,134	1,805,834,324	255,387,441	76,140,658	-	331,528,099	1,873,977	1,472,432,248	1,058,160,772
Capital WIP	49,000,000	491,000,000	490,000,000	-	-	-	-	-	50,000,000	49,000,000
Sub Total (B)	49,000,000	491,000,000	490,000,000	-	-	-	-	-	50,000,000	49,000,000
Total (A+B)	1,364,422,190	981,412,134	1,855,834,324	255,387,441	76,140,658	-	331,528,099	1,873,977	1,522,432,248	1,107,160,772
Previous Year	706,269,630	658,152,562	1,364,422,190	204,598,831	50,788,611	-	255,387,441	1,873,977	1,107,160,772	499,796,823

Schedules Forming part of the Accounts

in Rs.

	As at 31st March, 2011	As at 31st March, 2010
Schedule 7 : Investments		
Non-Trade Investments : Unquoted, Long Term		
Jankalyan Sahakari Bank Ltd. (500 shares of Rs.10/- each)	5,000	5,000
Greater Bombay Co-op Bank Ltd. (40 Shares of Rs.25/- each)	1,000	1,000
The Shamarao Vithal Co-operative Bank Ltd. (20,000 shares of Rs.25/- each)	500,000	500,000
Investments in Subsidiaries		
UIL (Singapore) Pte. Limited- 1,20,00,000 Equity shares of USD \$ 1 each	557,241,800	465,200
UIL Hongkong Limited- 2,40,80,000 Equity shares of HKK \$ 1 each	136,994,400	59,400
	694,742,200	1,030,600
Schedule 8 : Inventories		
(As taken, valued and certified by the Management)		
Traded Goods	149,438,577	-
	149,438,577	-
Schedule 9 : Sundry Debtors *		
(unsecured, considered good)		
Outstanding for period exceeding six months	2,713,162,747	343,513,181
Others	8,403,140,054	4,848,637,618
	11,116,302,800	5,192,150,800
Less: Provision for doubtful debts	19,451,516	-
	11,096,851,284	5,192,150,800
Schedule 10 : Cash and Bank Balances		
Cash on hand	29,771	28,674
Balances with Scheduled Banks		
In Current Accounts	477,614,480	420,024,709
In Fixed Deposits	1,143,335,230	460,148,913
	1,620,979,480	880,202,296
Schedule 11 : Loans and Advances		
(Unsecured, considered good)		
Advances to Subsidiaries	22,350,027	279,935
Advances recoverable in cash or kind or for value to be received	2,798,920,497	1,564,657,051
Interest Accrued	18,819,651	21,300,048
Deposits	142,501	142,501
Income Taxes (Net of Provision of Rs. 20,95,60,957/-)	43,306,635	21,811,736
Fringe Benefit Tax (Net of Provision of Rs. 4,73,043/-)	213,514	213,048
	2,883,752,825	1,608,404,319
* Hypothicated against working capital facilities availed from various banks/financial institutions		

Schedules Forming part of the Accounts

in Rs.

	As at 31st March, 2011	As at 31st March, 2010
Schedule 12 : Current Liabilities and Provisions		
Current Liabilities		
Acceptances	5,391,893,970	2,841,152,209
Sundry Creditors		
a) Micro, Small & Medium Enterprises (Refer Note No. 5)	-	-
b) Others	5,146,401,593	1,177,683,406
Unpaid Dividend (Amount transferable to Investor Education & Protection Fund, when due)	711,630	270,306
Advance From Customers	663,663,092	391,923,311
Other Current Liabilities	33,894,733	10,546,086
	11,236,565,018	4,421,575,317
Provisions		
Proposed Dividend	61,794,180	61,794,180
Provision For Corporate Distribution Tax	10,263,395	10,505,011
	72,057,575	72,299,191
	11,308,622,594	4,493,874,508

Schedules Forming part of the Accounts

in Rs.

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
Schedule 13 : Income from Operations		
Sales	26,083,386,467	17,774,035,713
Less : VAT on above	555,054,306	498,390,850
Sales of Traded Goods	25,528,332,161	17,275,644,863
Wind Power Operations	153,179,722	84,172,826
	25,681,511,883	17,359,817,689
Schedule 14 : Other Income		
Interest (including TDS of Rs. 94,77,990/-)	101,033,612	40,416,760
Gain on Exchange Fluctuation	72,366,537	85,862,539
Discount Earned	-	3,395,472
Dividend	70,114	87,409
Sundry Balances Written Back	30,789	250,555
Commission & Compensation	84,997,500	-
Service Charges	73,756	4,624,395
Miscellaneous Income	2,461,364	-
	261,033,673	134,637,130
Schedule 15 : Personnel Costs		
Employee Emoluments	8,911,913	4,834,874
Staff Welfare Expenses	429,956	120,763
	9,341,869	4,955,636
Schedule 16 : Administrative Expenses		
Repairs and Maintenance	7,141,403	3,840,579
Insurance Premium	7,561,928	4,694,966
Legal & Professional Charges	7,843,063	1,852,182
Auditors Remuneration	1,350,000	1,168,036
Rent	131,922	417,599
Advertisement Expenses	3,844,168	807,955
Provision for Doubtful Debts	19,451,516	-
Miscellaneous Expenses	15,384,027	2,570,160
Travelling Expenses	10,805,606	4,624,664
	73,513,633	19,976,141
Schedule 17 : Interest & Finance Charges		
Interest		
- On Fixed Term Loans	148,207,832	22,805,826
- On Cash Credit	85,546,968	34,672,074
- Others	301,548	7,105,820
Discounting Charges	376,427,363	204,333,210
Other Finance Charges	234,863,078	137,335,371
	845,346,790	406,252,301

Notes Forming part of the Accounts

Schedule 18

Accounting policies and notes forming part of Accounts

A Significant Accounting Policies:

1. Method of Accounting

The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis. Financial Statements are prepared under historical cost convention, in accordance with the Generally Accepted Accounting Principles in India (GAAP) and comply in all material aspects, with mandatory accounting standards as notified by the Companies (Accounting Standards) Rules, 2006, relevant provisions of the Companies Act and statements issued by the Institute of Chartered Accountants of India. The significant accounting policies followed by the Company are set out below. Management has made certain estimates and assumptions in conformity with the GAAP in the preparation of these financial statements, which are reflected in the preparation of these financial statements. Difference between the actual results and estimates are recognised in the year in which the results are known.

2. Fixed Assets

Fixed assets are carried at cost of acquisition less accumulated depreciation. The Cost includes all expenses related to acquisition and installation of such assets.

3. Depreciation

Depreciation for the year is provided on Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956 on pro-rata basis. In case of fixed assets given on lease, the cost of fixed assets is written off over the period of lease. Lease Adjustment Account represents the difference between the cost of assets required to be written off during the particular year and the amount written off by way of depreciation thereon.

4. Investments

Investments are stated at cost less provision for diminution in the value of investment of permanent nature, if any. Unquoted investments are valued on the basis of book value as per audited balance sheet of the investee company.

Investment in shares of the Subsidiaries registered outside India, are stated at cost by converting at the rate of exchange prevailing at the time of setting up the Subsidiary and date of remittance of funds in case of additional investment.

5. Revenue Recognition

- a) Income from sale of traded goods is recognized on transfer of all significant risk and ownership of the goods on to the customers, which is generally on dispatch of goods.
- b) Income from sale of electricity is recognized as per the terms and conditions of the agreement with the Customer.

6. Retirement Benefits

Provision for gratuity is not made since no employee is eligible for the same.

7. Impairment of Fixed Assets

Wherever events or changes in circumstances indicate that the carrying value of fixed assets may be impaired, such assets are subject to a test of recoverability, based on discounted cash flows expected from use or disposal thereof. If the assets are impaired, loss is recognized

8. Borrowing Cost

Borrowing costs directly attributable to acquisition and construction of capital assets are capitalized till the asset is ready for use. All other borrowing costs are recognised as expenditure in the period when they were incurred.

Notes Forming part of the Accounts

9. Tax on Income

- a) Tax expense comprises both current and deferred tax at the applicable enacted/substantively enacted rates. Current tax represents the amount of income tax payable in respect of the taxable income for the reporting period.
- b) Deferred tax represents the effect of timing differences between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed as at each Balance Sheet date to reassess realization.

10. Provisions & Contingent Liabilities

Provisions are recognised when the company has a legal and constructive present obligation as a result of a past event, for which it is probable that outflow of resources will be required and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed when there is a possible obligation that may result in an outflow of resources. Contingent assets are neither recognised nor disclosed.

11. Foreign Exchange Transactions

Transactions in foreign currency are recorded at exchange rates prevailing on the dates of respective transactions. The difference in translation and realized gains and losses on foreign exchange transactions are recognized in the Profit and Loss Account. Premium/Discount in respect of Forward Contracts is accounted over the period of Contracts.

12. Carbon Credit Income

Carbon Credit Income is recognized as and when realised.

13. Inventories

Inventory is valued at cost or net realizable value whichever is lower.

B Notes to Accounts

1. Contingent Liabilities

Sr.	Particulars No.	Rs. in Lakhs	
		2010-2011	2009-2010
(a)	Disputed Income Tax Liability for Assessment Year 2005-2006	5.13	5.13
(b)	Capital Commitment on account of Purchase of Machineries	NIL	12,493.00
(c)	Corporate Guarantee issued by the Company in favour of Bank for Working Capital Requirement of a Subsidiary	26,754.00	NIL

2. Remuneration to Directors

The Directors are not drawing any remuneration.

3. Auditor's Remuneration

	Rs. in Lakhs	
	2010-11	2009-10
Audit Fees	11.00	8.82
Other Services	2.50	2.86
Total	13.50	11.68

Notes Forming part of the Accounts

4. Additional Information pursuant to clause 3(b) Part II of schedule VI of The Companies Act 1956

4.1 Manufacturing Activity

	2010-11	2009-10
Electricity Generation		
- Quantity : Units in Lakhs	462.51	267.41
Sale		
- Quantity : Units in Lakhs	460.18	265.33
- Value : Rs. in Lakhs	1,531.80	841.73

4.2 Trading Activity

	Unit of Measure	Qty	2010-2011 Rs. in Lakhs	Qty	2009-2010 Rs. in Lakhs
Purchase-Metal	MTs	13,58,572.637	2,44,252.44	7,28,185.769	1,66,841.04
Sale-Metal	MTs	13,23,572.637	2,55,283.32	7,28,185.769	1,72,756.45

5. Suppliers/Service providers covered under Micro, Small Medium Enterprises Development Act, 2006 have not furnished the information regarding filing of necessary memorandum with the appropriate authority. In view of this, information required to be disclosed u/s 22 of the said Act is not given.

6. Details of Segment Reporting (Accounting Standard - 17)

Particulars	Power Generation	Trading (Metal)	Rs. in Lakhs
			Total
Segment Revenue			
External Sales	1,531.80 (841.73)	255,283.32 (172,756.45)	256,815.12 (173,598.18)
Inter-segment Sales	- (-)	- (-)	- (-)
Total Revenue	1,531.80 (841.73)	255,283.32 (172,756.45)	256,815.12 (173,598.18)
Segment Result			
Segment Result	659.68 (299.70)	10,854.82 (5,864.25)	11,514.50 (6,163.95)
Unallocated Income			2,460.34 (1,346.37)
Unallocated Expense			391.78 (164.01)
Interest Expense			8,453.47 (4,062.52)
Profit Before Tax			5,129.58 (3,283.78)
Provision for Taxation			1,023.00 (574.00)
Deffered Tax Asset			50.64 (18.75)
Taxes for Earlier Years			21.85 (32.85)

Notes Forming part of the Accounts

Particulars	Power Generation	Trading (Metal)	Total
Net Profit			4,135.37 (2,695.67)
Segment Assets	15,808.40 (11,769.14)	1,38,420.02 (65,863.98)	1,54,228.42 (77,633.12)
Unallocated Assets			25,453.35 (10,256.40)
Total Assets			179,681.97 (87,889.52)
Segment Liabilities	8,092.74 (5,045.42)	131,961.71 (54,768.73)	140,054.46 (59,814.15)
Unallocated Liabilities			9,399.60 (1,262.23)
Total Liabilities			1,49,454.06 (61,076.38)
Capital Expenditure	4,900.00 (6,568.53)	14.12 (13.00)	4,914.12 (6,581.53)
Depreciation	753.67 (500.07)	7.74 (7.82)	761.41 (507.89)
Non Cash Expenditure	-	-	-
Other than Depreciation	(-)	(-)	(-)

(Figures in bracket indicate figures for the previous year)

Note:

Trading Segment comprises of Metals such as Steel, Zinc, Copper and its Raw Materials and By-products traded by the Company.

7. Related Party Transactions (Accounting Standard -18)

7.1 Name of Related Parties & Descriptions of Relationships

a) Directors having a Significant Influence/Key Management Personnel :

- I. Mr. Prateek Gupta
- II. Mrs. Suman Gupta

b) Associates:

- I. Ushdev Securities Ltd.
- II. Ushdev Commercial Services Pvt. Ltd.
- III. Ushdev Trade Ltd.
- IV. Montex Trading Pvt. Ltd.
- V. Enshrine Property Management Pvt. Ltd.
- VI. Vijay Gupta (HUF)
- VII. Ushdev Mercantile Pvt. Ltd.
- VIII. Ushdev Power Holdings Pvt. Ltd.
(Formerly Ushdev Exporters & Importers Private Limited)
- IX. P. G. Mercantile Pvt. Ltd.

Notes Forming part of the Accounts

- X. GG Trading Private Limited
- XI. Honest Trading Company
- XII. G G Corporation

c) Relative of Director

- I. Ms. Natasha Gupta
- II. Mrs. Ginni Gupta

d) Subsidiaries

- I. UIL (Singapore) Pte. Ltd.
- II. UIL Hongkong Ltd.

7.2 Transactions with Related Parties:

7.2.1 Transactions during the year:

Particulars	Associates	Relatives of Key Management Personnel / Directors	Subsidiary	Rs in Lakhs	
				Key Mgmt Personnel	
Loan taken					
Honest Trading Company	5,235.57 (576.47)	- (-)	- (-)	- (-)	- (-)
Montex Trading Pvt. Ltd.	- (401.55)	- (-)	- (-)	- (-)	- (-)
Ushdev Mercantile Pvt. Ltd.	- (1,246.50)	- (-)	- (-)	- (-)	- (-)
Vijay Gupta HUF	- (393.85)	- (-)	- (-)	- (-)	- (-)
Prateek Gupta	- (-)	- (-)	- (-)	3,466.72 (12,128.16)	- (-)
G G Corporation	- (-)	1,523.30 (100.71)	- (-)	- (-)	- (-)
Ushdev Trade Ltd.	12.60 (-)	- (-)	- (-)	- (-)	- (-)
GG Trading Private Limited	826.13 (-)	- (-)	- (-)	- (-)	- (-)
Ushdev Commercial Services Pvt. Ltd.	2.22 (-)	- (-)	- (-)	- (-)	- (-)
Ushdev Power Holdings Pvt. Ltd.	54.68 (-)	- (-)	- (-)	- (-)	- (-)
P G Mercantile Pvt. Ltd.	9,977.50 (-)	- (-)	- (-)	- (-)	- (-)
Share Application Money					
Vijay Gupta HUF	- (5,508.00)	- (-)	- (-)	- (-)	- (-)

Notes Forming part of the Accounts

Particulars	Associates	Relatives of Key Management Personnel / Directors	Subsidiary	Rs in Lakhs Key Mgmt Personnel
Loans and Advances Given				
UIL (Singapore) Pte. Ltd.	- (-)	- (-)	41.62 (2.25)	- (-)
UIL Hongkong Ltd.	- (-)	- (-)	227.50 (0.55)	- (-)
Ushdev Mercantile Pvt. Ltd.	2,891.05 (-)	- (-)	- (-)	- (-)
Investment				
UIL (Singapore) Pte. Ltd.	- (-)	- (-)	5,567.77 (4.65)	- (-)
UIL Hongkong Ltd.	- (-)	- (-)	1,369.94 (0.59)	- (-)
Outstanding payable against				
Loans taken	- (-)	- (-)	- (-)	- (-)
Others	- (-)	- (-)	- (-)	- (-)
Outstanding receivable against				
UIL Hongkong Ltd.	- (-)	- (-)	223.50 (-)	- (-)

Note: (Figures in bracket indicate figures for the previous year)

8. Leases (Accounting Standard – 19)

The company has not entered into any operating leases during the year.

9. Earning Per share : (Accounting Standard – 20)

Particulars	Year ended 31st March, 2011	Year ended 31st March, 2010
Profit attributable to Equity Shareholders (in Rs.)	41,35,37,448	26,95,67,179
No. of Weighted Average Equity Shares outstanding during the year (basic)	2,94,25,800	2,77,19,499
No. of Weighted Average Equity Shares outstanding during the year (Diluted)	2,94,25,800	2,77,27,315
Nominal Value of Equity Shares (in Rs.)	10	10
Basic Earnings per Share (in Rs.)	14.05	9.72
Diluted Earnings per Share (in Rs.)	14.05	9.72

Notes Forming part of the Accounts

10. Deferred Tax (Accounting Standard - 22)

The tax effects of significant timing (temporary) differences that resulted in Deferred Tax assets and liabilities and description of Financial Statement items that creates these differences are as follows:-

Particulars	Rs. in Lakhs	
	2010-11	2009-10
Depreciation	50.64	18.75
Deferred Tax Asset	50.64	18.75

The Company is claiming deduction u/s 80-IA of The Income Tax Act, 1961 for certain windmills. Accordingly, no provision for deferred tax assets/liabilities on timing differences reversing during tax holiday period has been made.

11. Details of Provision (Accounting Standard- 29)

Particulars	Balance at 1st April, 2010	Provisions made during the Period	Provision reversed/ adjusted during the period	Rs. in Lakhs
				Balance at 31st March, 2011
Provision for Doubtful Debts	-	194.52	-	194.52

12. Foreign Exchange Earnings and Outflow

Particulars	Rs in Lakhs	
	2010-11	2009-10
Expenditure in Foreign Currency:		
Foreign Travel Expenses	44.98	31.41
Purchase of Steel	35,761.92	18,102.08
Investment in Subsidiaries	6,937.12	5.25
Advances to Subsidiaries	269.12	2.80
Earnings in Foreign Exchange:		
Sale of Steel	16,192.49	3,005.85
Repayment of Loan by Subsidiaries	43.49	-

13. Disclosure of Derivative instruments

(i) Derivative Instruments (for hedging foreign currency exposures)

as on 31st March, 2011

Forward Contract

Purpose	Currency	2010-11	2009-10	Cross Currency
Buyers Credit	USD	41,89,114.44	81,88,260	INR
Payables	USD	1,30,86,231.54	72,87,877	INR

(ii) Un-hedged Foreign Currency Exposures as on 31st March, 2011

Purpose	Currency	2010-11	2009-10
Buyers Credit	USD	2,66,43,388.53	-
Receivables	USD	68,20,197.58	-
Payables	USD	91,86,197.61	73,89,150.28

Notes Forming part of the Accounts

14. Based on a notice received from the Sales tax department, the company has submitted books of accounts from 1st April, 2005 till 31st March, 2010 for verification by the Sales Tax authorities. Pending verification, the company has made a voluntary payment aggregating to Rs. 364.06 Lakhs towards availing input credit which prima facie could not be availed. Since the verification is in process and no demand/order has been received from the Sales tax department, amount paid has been disclosed under Current Assets.
15. Previous year's figures have been regrouped/rearranged wherever necessary, to make them comparable with current year figures.

As per our Report of even date
For **M. P. Chitale & Co.**
Chartered Accountants

For and on behalf of the Board

Ashutosh Pednekar
Partner

Directors

Place : Mumbai
Dated : 30th May, 2011

Consolidated Auditors' Report

Auditors' Report to the Board of Directors of M/s Ushdev International Limited

1. We have examined the attached Consolidated Balance Sheet of M/s Ushdev International Limited and its subsidiaries (collectively referred to as 'the Group') as at 31st March, 2011, the consolidated Profit and Loss Account and the consolidated Cash Flow Statement for the year ended from 1st April, 2010 to 31st March, 2011 all of which we have signed under reference to this report. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information. Our responsibility is to express an opinion on these financial statements.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of two subsidiaries of the Company, whose financial statement reflect assets of Rs. 31,513.40 Lakhs and revenue of Rs. 69,610.09 Lakhs. The financial statements of these subsidiaries have been audited by other auditors, whose reports have been furnished to us, and our opinion, in so far as it relates to amounts included in respect of such subsidiaries, is based solely on the report of other auditors.
4. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21- 'Consolidated Financial Statements' as notified under the Company's (Accounting Standards) Rules, 2006 and on the basis of the separate audited financial statements of the Company and its subsidiaries, included in the Consolidated Financial Statements.
5. In our opinion and to the best of our information and according to the explanations given to us and on consideration of the audit reports on the separate financial statements of the company and its associates, the attached Consolidated Financial Statements, read with the Notes thereon give a true and fair view in conformity with accounting principles generally accepted in India:-
 - in case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2011.
 - in case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date.
 - in case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For M.P. Chitale & Co.
Chartered Accountants
ICAI FR No.101851W

Ashutosh Pednekar
Partner
ICAI M. No. 41037

Place : Mumbai
Date : 30th May, 2011

Consolidated Balance Sheet as at 31st March, 2011

	Schedule No.	As at 31st March, 2011	in Rs. As at 31st March, 2010
Sources of Funds			
Share Holders Funds			
Share Capital	1	294,258,000	294,258,000
Reserves & Surplus	2	2,730,207,526	2,386,765,440
		3,024,465,526	2,681,023,440
Loan Funds			
Secured Loans	3	2,225,457,597	1,204,541,892
Unsecured Loans	4	1,374,821,307	367,652,888
		3,600,278,904	1,572,194,780
Deferred Tax Liability	5	36,504,363	41,568,618
Total		6,661,248,793	4,294,786,838
Application of Funds			
Fixed Assets			
Gross Block	6	1,806,011,686	1,315,422,190
Less : Depreciation		331,578,233	255,387,441
		1,474,433,453	1,060,034,749
Less : Accumulated Lease Adjustment		1,873,977	1,873,977
Net Block		1,472,559,476	1,058,160,772
Capital WIP	6	50,000,000	49,061,827
Investments	7	506,000	565,400
Current Assets, Loans & Advances			
Inventories	8	149,438,577	-
Sundry Debtors	9	13,710,542,113	5,192,150,800
Cash and Bank Balance	10	1,975,877,202	880,345,752
Loans and Advances	11	3,044,027,093	1,608,488,417
		18,879,884,985	7,680,984,968
Less : Current Liabilities & Provisions	12	13,741,701,667	4,493,986,129
Net Current Assets		5,138,183,318	3,186,998,839
Total		6,661,248,793	4,294,786,838

The Schedules referred to above form an integral part of Balance Sheet

As per our Report attached.

For and on behalf of the Board

For M. P. Chitale & Co.

Chartered Accountants

Ashutosh Pednekar

Partner

Place : Mumbai

Date : 30th May, 2011

Sd/-
Directors

Consolidated Profit & Loss Account for the year ended 31st March, 2011

in Rs.

	Schedule No.	For the year ended 31st March, 2011	For the year ended 31st March, 2010
Income			
Income from Operations	13	32,637,116,456	17,359,817,689
Other Income	14	266,438,465	134,637,130
		32,903,554,921	17,494,454,818
Expenditure			
Cost of Goods		31,328,709,546	16,684,103,967
Personnel Cost	15	15,394,675	4,955,636
Administration & Other Charges	16	80,468,356	20,253,603
Interest & Financial Charges	17	862,526,179	406,252,302
Depreciation		76,191,601	50,788,611
		32,363,290,355	17,166,354,120
Profit Before Tax		540,264,565	328,100,698
Less : Provision for Taxation			
Current Year		105,707,955	57,400,000
Deferred Tax		(5,064,255)	(1,874,731)
Profit After Tax		439,620,865	272,575,429
Tax for Earlier Years		2,185,175	3,285,714
Net Profit for the year		437,435,690	269,289,715
Balance in Profit & Loss Account carried from last year		501,041,813	331,010,206
Amount Available for Appropriation		938,477,503	600,299,920
Appropriations:			
Transfer to Capital Redemption Reserve			
Proposed Dividend :			
On Equity Shares		61,794,180	61,794,180
Corporate Distribution Tax on above		10,263,395	10,505,011
Transfer To General Reserve		41,353,745	26,956,718
		113,411,320	99,255,908
Balance carried to Balance Sheet		825,066,183	501,041,813
Earnings Per Share- Basic (Rs.)		14.87	9.71
Earnings Per Share- Diluted (Rs.)		14.87	9.71
Notes to Accounts	18		

The Schedules referred to above form an integral part of Balance Sheet

As per our Report attached.

For and on behalf of the Board

For M. P. Chitale & Co.

Chartered Accountants

Ashutosh Pednekar

Partner

Place : Mumbai

Date : 30th May 2011

Sd/-

Directors

Consolidated Cash Flow Statement

in Rs.

Particulars	For the year ended 31st March, 2011		For the year ended 31st March, 2010	
A. Cash Flow from Operating Activities				
Net Profit Before Tax & Extraordinary Items	540,264,565		328,098,499	
Adjustments for :				
Depreciation (Net of lease adjustments)	76,191,601		50,788,611	
Other Income	(266,438,465)		(134,634,930)	
Provision for Doubtful Debts	19,451,516		-	
Interest Paid	862,526,179		691,730,831	
	406,252,302		322,405,983	
Operating Profit Before Working Capital Changes	1,231,995,396		650,504,482	
Adjustments for :				
Increase in other Current Liabilities	9,247,957,153		2,048,568,313	
Inventories	(149,438,577)		-	
Increase in other Current Assets	(9,957,495,408)		(858,976,832)	
	(2,534,428,093)		(485,859,779)	
Cash Generated for Operations	373,018,564		164,644,702	
Income Tax / FBT Paid	(123,779,227)		(50,744,795)	
Net Cash from Operating Activities (A)	249,239,337		113,899,907	
B. Cash Flow from Investing Activities				
Purchase/Sale of Fixed Assets	(491,528,479)		(658,214,389)	
Interest / Dividend Received & other Income	266,438,465		134,634,930	
Sale of Shares	59,400		542,600	
Net Cash Used in Investing Activities (B)	(225,030,614)		(523,036,858)	
C. Cash Flow from Financing Activities				
Proceeds from Borrowings	2,163,351,648		1,126,300,552	
Repayment of Borrowings	(135,267,524)		(314,731,611)	
Increase in Share Capital & Premium, application Money (Net)	-		550,800,000	
Foreign Currency Translation Reserves	(21,936,029)		(7,778)	
Interest paid	(862,526,179)		(406,252,302)	
Dividend & Corporate Distribution Tax Paid	(72,299,191)		(67,873,690)	
Net cash used in Financing Activities (C)	1,071,322,726		888,235,172	
Net Increase in Cash & Cash Equivalent (A+B+C)	1,095,531,449		479,098,222	
Cash & Cash Equivalents at the Beginning of the Year	880,345,752		401,247,530	
Cash & Cash Equivalents at the End of the Year	1,975,877,201		880,345,752	

The Schedules referred to above form an integral part of BalancSheet

As per our Report attached.

For and on behalf of the Board

For M. P. Chitale & Co.

Chartered Accountants

Ashutosh Pednekar

Partner

Place : Mumbai

Date : 30th May, 2011

Sd/-
Directors

Schedules Forming part of the Consolidated Accounts

	As at 31st March, 2011	in Rs. As at 31st March, 2010
Schedule 1 : Share Capital		
Authorised:		
30,000,000 (Previous year 30,000,000) Equity Shares of Rs.10/- each	300,000,000	300,000,000
Issued, Subscribed and Paid up Capital		
2,94,25,800 (Previous year 2,94,25,800) Equity shares of Rs. 10/- each fully paid up	294,258,000	294,258,000
(a) 20,000 (Previous year 20,000) equity shares issued on conversion of 19% optionally convertible redeemable preference shares in 1997-98		
(b) 57,42,900 (Previous year 57,42,900) equity shares allotted as fully paid up bonus shares by capitalisation of Share Premium Account in 2007-2008		
	294,258,000	294,258,000
Schedule 2 : Reserves and Surplus		
Share Premium Account:		
Balance as per last Balance Sheet	1,785,888,500	1,253,088,500
Add : Addition during the period		- 532,800,000
	1,785,888,500	1,785,888,500
General Reserves		
Balance as per last Balance Sheet	99,842,905	72,886,187
Add : Addition during the period	41,353,745	26,956,718
	141,196,650	99,842,905
Profit & Loss Account Balance	825,066,183	501,041,813
Foreign Currency Translation Reserves	(21,943,807)	(7,778)
	2,730,207,526	2,386,765,440
Schedule 3 : Secured Loans		
From Banks		
Term Loan for Projects (Secured against Windmills) (Installment repayable within next 12 months Rs.6,51,53,417/- Previous Year Rs. 4,12,71,814/-)	809,274,368	504,541,892
Term Loan for Others (Secured by shares of Promoters and Assets of the Companies in which promoters have control) (Installment repayable within next 12 months Rs.62,50,00,000/- Previous Year Rs. NIL)	625,000,000	700,000,000
Cash Credit (Secured against Book Debts)	791,183,229	-
	2,225,457,597	1,204,541,892
Schedule 4 : Unsecured Loans		
Short Term Loans from Banks (Buyers Credit)	1,374,821,307	367,652,888
	1,374,821,307	367,652,888
Schedule 5 : Deferred Tax Liabilities		
Balance as at 31st March, 2010	41,568,618	43,443,349
Add: Deferred Tax Liability for the period	(5,064,255)	(1,874,731)
	36,504,363	41,568,618

Schedules Forming part of the Consolidated Accounts

in Rs.

Schedule 6 : Fixed Assets

Particulars	Gross Block			Depreciation			Net Block	
	1st April, 2010	Additions	31st March, 2011	1st April, 2010	Additions	Deletions	31st March, 2011	31st March, 2010
Freehold Land	5,258,972	3,700,000	8,958,972	-	-	-	-	8,958,972
Office Premises	18,786,610	-	18,786,610	4,287,112	306,222	-	4,593,333	14,193,277
Building	370,004	-	370,004	75,230	6,031	-	81,261	288,743
Leased Plant and Machinery	37,680,001	-	37,680,001	35,806,024	-	-	35,806,024	1,873,977
Plant and Machinery (Wind Farm)								
Tamilnadu 1	140,634,900	-	140,634,900	96,335,089	7,425,523	-	103,760,613	36,874,287
Tamilnadu 2	76,635,274	-	76,635,274	20,276,844	4,046,342	-	24,323,187	52,312,087
Tamilnadu 3	607,852,596	-	607,852,596	16,442,996	32,094,617	-	48,537,613	559,314,983
Rajasthan	117,847,602	-	117,847,602	24,940,554	6,222,353	-	31,162,908	86,684,694
Karnataka	78,565,068	-	78,565,068	16,627,039	4,148,236	-	20,775,274	57,789,794
Gujarat 1	74,000,000	-	74,000,000	11,738,959	3,907,200	-	15,646,159	58,353,841
Gujarat 2	148,000,000	-	148,000,000	21,254,741	7,814,400	-	29,069,141	118,930,859
Satara	-	486,300,000	486,300,000	-	9,707,880	-	9,707,880	476,592,120
Office Equipments	1,676,455	129,329	1,805,783	772,561	107,404	-	879,965	925,819
Computer Equipments	4,383,041	442,732	4,825,773	3,745,066	195,055	-	3,940,120	885,653
Furniture and Electrical Fittings	3,587,062	17,435	3,604,497	2,972,949	201,183	-	3,174,133	430,364
	144,605	-	144,605	112,278	9,154	-	121,431	23,174
Sub Total (A)	1,315,422,190	490,589,496	1,806,011,686	255,387,441	76,191,601	-	331,578,233	1,472,559,476
Capital WIP	49,061,827	491,000,000	50,000,000	-	-	-	-	50,000,000
Sub Total (B)	49,061,827	491,000,000	490,061,827	490,061,827	490,061,827	-	-	49,061,827
Total (A+B)	1,364,484,017	981,589,496	1,856,011,686	255,387,441	76,191,601	-	331,578,233	1,522,559,476
Previous Year	706,269,630	658,214,389	1,364,484,017	204,598,831	50,788,611	-	255,387,441	1,107,222,599
								499,796,823

Schedules Forming part of the Consolidated Accounts

in Rs.

	As at 31st March, 2011	As at 31st March, 2010
Schedule 7 : Investments		
Non-Trade Investments : Unquoted, Long Term		
Jankalyan Sahakari Bank Ltd. (500 shares of Rs.10/- each)	5,000	5,000
Greater Bombay Co-op Bank Ltd. (40 Shares of Rs.25/- each)	1,000	1,000
The Shamaroo Vithal Co-operative Bank Ltd. (20,000 shares of Rs.25/- each)	500,000	500,000
Investments in Subsidiaries		
UIL Hongkong Limited- 10,000 Equity shares of HKK \$ 1 each	-	59,400
	506,000	565,400
Schedule 8 : Inventories		
(As taken, valued and certified by the Management)		
Traded Goods	149,438,577	-
	149,438,577	-
Schedule 9 : Sundry Debtors *		
(unsecured, considered good)		
Debtors outstanding for a period exceeding six months	3,716,333,252	343,513,181
Others	10,013,660,377	4,848,637,618
	13,729,993,629	5,192,150,800
Less: Provision for doubtful debts	19,451,516	-
	13,710,542,113	5,192,150,800
* Hypothicated against working capital facilities availed from various banks/financial institutions		
Schedule 10 : Cash and Bank Balances		
Cash on hand 35,265	28,674	
Balances with Scheduled Banks		
In Current Accounts	542,671,707	420,168,165
In Fixed Deposits	1,433,170,230	460,148,913
	1,975,877,202	880,345,752
Schedule 11 : Loans and Advances		
(Unsecured, considered good)		
Advances to Subsidiaries	-	55,435
Advances recoverable in cash or kind or for value to be received	2,981,921,561	1,564,776,665
Interest Accrued	21,421,325	21,300,048
Deposits	548,483	331,485
Income Taxes (Net of Provision of Rs. 21,29,45,383/-)	39,922,209	21,811,736
Fringe Benefit Tax (Net of Provision of Rs. 4,73,043/-)	213,514	213,048
	3,044,027,093	1,608,488,417

Schedules Forming part of the Consolidated Accounts

in Rs.

	As at 31st March, 2011	As at 31st March, 2010
Schedule 12 : Current Liabilities and Provisions		
Current Liabilities		
Acceptances	7,815,907,856	2,841,152,209
Sundry Creditors		
a) Micro, Small & Medium Enterprises (Refer Note No. 2)	-	-
b) Others	5,154,441,660	1,177,683,406
Unpaid Dividend (Amount transferable to Investor Education & Protection Fund, when due)	711,630	270,306
Advance From Customers	663,663,092	391,923,311
Other current liabilities	34,919,854	10,657,707
	13,669,644,091	4,421,686,938
Provisions		
Proposed Dividend	61,794,180	61,794,180
Provision For Corporate Distribution Tax	10,263,395	10,505,011
	72,057,575	72,299,191
	13,741,701,667	4,493,986,129

Schedules Forming part of the Consolidated Accounts

in Rs.

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
Schedule 13 : Income from Operations		
Sales	33,038,991,040	17,774,035,713
Less : VAT on above	555,054,306	498,390,850
Sales of Traded Goods	32,483,936,734	17,275,644,863
Wind Power Operations	153,179,722	84,172,826
	32,637,116,456	17,359,817,689
Schedule 14 : Other Income		
Interest (including TDS of Rs. 94,77,990/-)	103,655,389	40,416,760
Gain on Exchange Fluctuation	72,491,255	85,862,539
Discount Earned	-	3,395,472
Dividend	70,114	87,409
Sundry Balances Written Back	30,789	250,555
Commission & Compensation	87,494,239	-
Service Charges	73,756	4,624,395
Other Income	2,622,921	-
	266,438,465	134,637,130
Schedule 15 : Personnel Costs		
Employee Emoulements	14,964,719	4,834,874
Staff Welfare expenses	429,956	120,763
	15,394,675	4,955,636
Schedule : 16 Administrative Expenses		
Repairs and Maintenance	7,141,403	3,840,579
Insurance Premiun	7,675,198	4,694,966
Legal & Professional Charges	11,037,184	1,968,042
Auditors Remuneration	1,350,000	1,168,036
Rent	2,620,075	521,399
Advertisement Expenses	3,844,168	807,955
Provision for Doubtful Debts	19,451,516	-
Miscellaneous Expenses	15,936,813	2,627,963
Travelling Expenses	11,411,999	4,624,664
	80,468,356	20,253,603
Schedule 17 : Interest & Finance Charges		
Interest		
- On Fixed Term Loans	148,207,832	22,805,826
- On Cash Credit	85,546,968	34,672,074
- Others	301,548	7,105,820
Discounting Charges	376,427,363	204,333,210
Other Finance Charges	252,042,467	137,335,371
	862,526,179	406,252,302

Notes forming part of the Consolidated Accounts

Schedule 18

Accounting Policies and Notes forming part of Consolidated Accounts

1. Principles of Consolidation

- a) The consolidated financial statements include accounts of Ushdev International Ltd. (The Company / UIL) and its subsidiaries. Subsidiary undertakings are those companies in which UIL, directly or indirectly, has an interest of more than one half of voting power or otherwise has power to exercise control over the operations. The consolidated financial statements have been prepared in accordance with historical cost convention, the applicable accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.
- b) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra-group transactions in accordance with the Accounting Standard (AS) 21 – “Consolidated Financial Statements” issued by the Institute of Chartered Accountants of India.
- c) As far as possible, the consolidated financial statement are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- d) In case of foreign subsidiaries, being Non-Integral Foreign Operations, revenue items are consolidated with average exchange rate. All assets & liabilities are converted at the rate prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the Foreign Currency Translation Reserve.

2 The list of the subsidiaries of the company that are Considered for consolidation are as under :-

Name	Relationship	Date of Incorporation	Country of Incorporation	Ownership as on 31st March 2011	Ownership as 31st March 2010	Period of Consolidation
UIL(Singapore) Pte Ltd.	Subsidiary	02-09-2009	Singapore	100%	100%	1-4-2010 to 31-3-2011
UIL Hongkong Ltd.*	Subsidiary	12-11-2009	Hongkong	100%	100%	12-11-2009 to 31-3-2011

*In accordance with the Hongkong Companies Ordinance, the Company's first set of financial statements should cover a period of not more than 18 months from its date of incorporation. Since the period of 18 months is over during the financial year 2010-2011, the financial statements of UIL Hongkong Limited have been consolidated for the first time.

3. Significant Accounting Policies

a) Method of Accounting

The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis. Financial Statements are prepared under historical cost convention, in accordance with the Generally Accepted Accounting Principles in India (GAAP) and comply in all material aspects, with mandatory accounting standards as notified by the Companies (Accounting Standards) Rules, 2006, relevant provisions of the Companies Act and statements issued by the Institute of Chartered Accountants of India. The significant accounting policies followed by the Company are set out below. Management has made certain estimates and assumptions in conformity with the GAAP in the preparation of these financial statements, which are reflected in the preparation of these financial statements. Difference between the actual results and estimates are recognised in the year in which the results are known.

Notes forming part of the Consolidated Accounts

b) Fixed Assets

Fixed assets are carried at cost of acquisition less accumulated depreciation. The Cost includes all expenses related to acquisition and installation of such assets.

c) Depreciation

Depreciation for the year is provided on Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956 on pro-rata basis. In case of fixed assets given on lease, the cost of fixed assets is written off over the period of lease. Lease Adjustment Account represents the difference between the cost of assets required to be written off during the particular year and the amount written off by way of depreciation thereon.

d) Investments

Investments are stated at cost less provision for diminution in the value of investment of permanent nature, if any. Unquoted investments are valued on the basis of book value as per audited balance sheet of the investee company. Investment in shares of the Subsidiaries registered outside India, are stated at cost by converting at the rate of exchange prevailing at the time of acquisition thereof.

e) Revenue Recognition

- i) Income from sale of traded goods is recognized on transfer of all significant risk and ownership of the goods on to the customers, which is generally on dispatch of goods.
- ii) Income from sale of electricity is recognized as per the terms and conditions of the agreement with the Customer.

f) Retirement Benefits

Provision for gratuity is not made since no employees are eligible for the same.

g) Impairment of Fixed Assets

Wherever events or changes in circumstances indicate that the carrying value of fixed assets may be impaired, such assets are subject to a test of recoverability, based on discounted cash flows expected from use or disposal thereof. If the assets are impaired, loss is recognized.

h) Borrowing Cost

Borrowing costs directly attributable to acquisition and construction of capital assets are capitalized till the asset is ready for use. All other borrowing costs are recognised as expenditure in the period when they were incurred.

i) Tax on Income

- i) Tax expense comprises both current and deferred tax at the applicable enacted/substantively enacted rates. Current tax represents the amount of income tax payable in respect of the taxable income for the reporting period.
- ii) Deferred tax represents the effect of timing differences between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed as at each Balance Sheet date to reassess realization.

j) Provisions & Contingent Liabilities

Provisions are recognised when the company has a legal and constructive present obligation as a result of a past event, for which it is probable that outflow of resources will be required and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed when there is a possible obligation that may result in an outflow of resources. Contingent assets are neither recognised nor disclosed.

Notes forming part of the Consolidated Accounts

k) Foreign Exchange Transactions

Transactions in foreign currency are recorded at exchange rates prevailing on the dates of respective transactions. The difference in translation and realized gains and losses on foreign exchange transactions are recognized in the Profit and Loss Account. Premium/Discount in respect of Forward Contracts is accounted over the period of Contracts.

l) Carbon Credit Income

Carbon Credit Income is recognized as and when realised.

m) Inventories

Inventory is valued at cost or net realizable value

A Notes to Accounts

1. The Financial Details for the Subsidiaries are as follows:

Sr. Particulars No.	UIL (Singapore) Pte. Ltd.	Rs. in Lakhs	
		UIL Hongkong Ltd.	
(a) Capital	5,350.80	1,376.17	
(b) Reserves and Surplus	93.50	138.63	
(c) Total Assets	5,444.30	1,738.31	
(d) Total Liabilities	5,444.30	1,738.31	
(e) Investments	Nil	Nil	
(f) Turnover	26,640.45	42,915.59	
(g) Profit before Taxation	105.89	167.17	
(h) Provision for Taxation	8.98	25.10	
(i) Profit after Taxation	96.91	142.07	
(j) Proposed Dividend	Nil	Nil	

2. Contingent Liabilities

Sr. Particulars No.	2010-2011	Rs. in Lakhs	
		2009-2010	
(a) Disputed Income Tax Liability for Assessment Year 2005-2006	5.13	5.13	
(b) Capital Commitment on account of Purchase of Machineries	NIL	12,493.00	

3. Suppliers/Service providers covered under Micro, Small Medium Enterprises Development Act, 2006 have not furnished the information regarding filing of necessary memorandum with the appropriate authority. In view of this, information required to be disclosed u/s 22 of the said Act is not given.

4. Details of Segment Reporting (Accounting Standard - 17)

Particulars	Rs. in Lakhs		
	Power Generation	Trading (Metal)	Total
Segment Revenue			
External Sales	1,531.80 (841.73)	324,839.37 (172,756.45)	326,371.16 (173,598.18)
Inter-segment Sales	- (-)	- (-)	- (-)
Total Revenue	1,531.80 (841.73)	324,839.37 (172,756.45)	326,371.16 (173,598.18)

Notes forming part of the Consolidated Accounts

Particulars	Power Generation	Trading (Metal)	Rs. in Lakhs Total
Segment Result			
Segment Result	659.68 (299.70)	11,374.57 (5,864.25)	12,034.25 (6,163.95)
Unallocated Income			2,514.38 (1,346.35)
Unallocated Expense			520.73 (166.79)
Interest Expense			8,625.26 (4,062.52)
Profit Before Tax			5,402.65 (3,280.98)
Provision for Taxation			1,057.08 (574.00)
Deferred Tax Asset			50.64 (18.75)
Taxes for Earlier Years			21.85 (32.85)
Net Profit			
			4,374.36 (2,692.88)
Segment Assets	15,808.40 (11,769.76)	1,66,297.21 (65,863.98)	1,82,105.61 (77,633.74)
Unallocated Assets			21,923.90 (10,253.99)
Total Assets			204,029.50 (87,887.73)
Segment Liabilities	8,092.74 (5,045.42)	156,197.40 (54,768.73)	164,290.15 (59,814.15)
Unallocated Liabilities			9,494.70 (1,263.35)
Total Liabilities			1,73,784.85 (61,077.50)
Capital Expenditure	4,900.00 (6,569.14)	5.89 (13.00)	4,905.89 (6,582.14)
Depreciation	753.67 (500.07)	8.25 (7.82)	761.92 (507.89)
Non Cash Expenditure Other than Depreciation	-	-	-

(Figures in bracket indicate figures for the previous year)

Note:

Trading Segment comprises of Metals such as Steel, Zinc, Copper and its Raw Materials and By-products traded by the Company.

Notes forming part of the Consolidated Accounts

5. Related Party Transactions (Accounting Standard -18)

5.1 Name of Related Parties & Descriptions of Relationships:

a) Directors having a Significant Influence / Key Management

Personnel:

- I. Mr. Prateek Gupta
- II. Mrs. Suman Gupta

b) Associates:

- I. Ushdev Securities Ltd.
- II. Ushdev Commercial Services Pvt. Ltd.
- III. Ushdev Trade Ltd.
- IV. Montex Trading Pvt. Ltd.
- V. Enshrine Property Management Pvt. Ltd.
- VI. Vijay Gupta (HUF)
- VII. Ushdev Mercantile Pvt. Ltd.
- VIII. Ushdev Power Holdings Pvt. Ltd. (Formerly Ushdev Exporters & Importers Private Limited)
- IX. P G Mercantile Private Limited
- X. GG Trading Private Limited
- XI. Honest Trading Company
- XII. G G Corporation

c) Relative of Director

- I. Ms. Natasha Gupta
- II. Mrs. Ginni Gupta

5.2 Transactions with Related Parties

4.2.1 Transactions during the year

Particulars	Associates	Relatives of Key Management Personnel / Directors	Rs. in Lakhs
			Key Mgmt Personnel
Loan taken			
Honest Trading Company	5,235.57 (576.47)	- (-)	- (-)
Montex Trading Pvt. Ltd.	- (401.55)	- (-)	- (-)
Ushdev Mercantile Pvt. Ltd.-	- (1,246.50)	- (-)	- (-)
Vijay Gupta HUF	- (393.85)	- (-)	- (-)
Prateek Gupta	- (-)	- (-)	3,466.72 (12,128.16)
G G Corporation	- (-)	1,523.30 (100.71)	- (-)
Ushdev Trade Ltd.	12.60 (-)	- (-)	- (-)

Notes forming part of the Consolidated Accounts

Particulars	Associates	Relatives of Key Management Personnel / Directors	Key Mgmt Personnel
GG Trading Private Limited826.13	- (-)	- (-)	(-)
Ushdev Commercial Services Pvt. Ltd.	2.22 (-)	- (-)	- (-)
Ushdev Power Holdings Pvt. Ltd.	54.68 (-)	- (-)	- (-)
P G Mercantile Pvt. Ltd.	9,977.50 (-)	- (-)	- (-)
Share Application Money			
Vijay Gupta HUF	- (5,508.00)	- (-)	- (-)
Loans and Advances Given			
Ushdev Mercantile Pvt. Ltd.	2,891.05 (-)	- (-)	- (-)
Outstanding payable against			
Loans taken	- (-)	- (-)	- (-)
Others	- (-)	- (-)	- (-)
Outstanding receivable against			
Loans Given	- (-)	- (-)	- (-)
Others	- (-)	- (-)	- (-)

Note: (Figures in bracket indicate figures for the previous year)

6. Operating Lease: (Accounting Standard – 19)

At 31st March 2011, commitments for minimum rental payment under a non-cancellable operating lease are as follows:

	2010-11	2009-10
Rent payable within one financial year	7.00	10.44
Rent payable later than one year and not later than five years	-	-
Rent payable later than five years	-	-

Rs. in Lakhs

Notes forming part of the Consolidated Accounts

7. Earning Per share: (Accounting Standard – 20)

Particulars	Year ended	
	31st March, 2011	2010
Profit attributable to Equity Shareholders(in Rs.)	43,74,35,690	26,95,87,516
No. of Weighted Average Equity Shares outstanding during the year (basic)	2,94,25,800	2,77,19,499
No. of Weighted Average Equity Shares outstanding during the year (Diluted)	2,94,25,800	2,77,27,315
Nominal Value of Equity Shares (in Rs.)	10	10
Basic Earnings per Share (in Rs.)	14.87	9.71
Diluted Earnings per Share (in Rs.)	14.87	9.71

8. Deferred Tax (Accounting Standard - 22)

The tax effects of significant timing (temporary) differences that resulted in Deferred Tax assets and liabilities and description of Financial Statement items that creates these differences are as follows:-

Rs. in Lakhs

Particulars	2010-11	2009-10
Depreciation	50.64	18.75
Deferred Tax Asset	50.64	18.75

The Company is claiming deduction u/s 80-IA of The Income Tax Act, 1961 for certain windmills. Accordingly, no provision for deferred tax assets/liabilities on timing differences reversing during tax holiday period has been made.

9. Details of Provision (Accounting Standard- 29)

Particulars	Balance at 1st April, 2010 Period	Provisions made during the period	Provision reversed/ adjusted	Rs. in Lakhs
				Balance at 31st March, 2011
Provision for Doubtful Debts	-	194.52	-	194.52

10. Disclosure of Derivative instruments

(i) Derivative Instruments (for hedging foreign currency exposures) as on 31st March, 2011

Forward Contract Purpose	Currency	Year ended		Cross Currency
		2010-11	2009-10	
Buyers Credit	USD	41,89,114.44	81,88,260	INR
Payables	USD	1,30,86,231.54	72,87,877	INR

Notes forming part of the Consolidated Accounts

11. Based on a notice received from the Sales tax department, the company has submitted books of accounts from 1st April, 2005 till 31st March, 2010 for verification by the Sales Tax authorities. Pending verification, the company has made a voluntary payment aggregating to Rs. 364.06 Lakhs towards availing input credit which prima facie could not be availed. Since the verification is in process and no demand/order has been received from the Sales tax department, amount paid has been disclosed under Current Assets.
12. Previous year's figures have been regrouped/rearranged wherever necessary, to make them comparable with current year figures.

As per our Report of even dateFor and on behalf of the Board
For **M. P. Chitale & Co.**
Chartered Accountants

Ashutosh Pednekar
Partner

Directors

Place : Mumbai
Dated : 30th May, 2011

Statement under Section 212 of the Companies Act, 1956

	UIL (Singapore) Pte. Ltd.	UIL Hongkong Ltd
Financial period ended	31st March, 2011	31st March, 2011
Holding company interest as at March 31, 2011	100 % in Equity Shares	100 % in Equity Shares
Shares held by the holding company in the subsidiary	1,20,00,000 shares of USD 1 each	2,40,80,000 shares of HKK\$ 1 each
Net aggregate profits / losses of the subsidiary for the current period so far as it concerns the members of the holding company		
A) Dealt with or provided for in the accounts of the holding company	NIL	NIL
B) Not dealt with or provided for in the accounts of the holding company	Rs. 96,90,915	Rs. 1,42,07,328
Net aggregate profits / losses for previous financial years of the subsidiary so far as it concerns the members of the holding company		
A) Dealt with or provided for in the accounts of the holding company	NIL	NIL
B) Not dealt with or provided for in the accounts of the holding company	Rs. 2,79,663	NIL

For and on behalf of the Board

Directors

Place : Mumbai

Date : 30th May, 2011

Balance Sheet Abstract Forming part of the Accounts

Companies Act (1 of 1956)

Schedule VI - Part IV

Balance Sheet Abstract and a Company's General Business Profile Registration Details

Registration No.	78468
State Code	11
Balance Sheet Date	31/03/2011

Capital raised during the year (Amount in Rs. Thousand)

Public Issue	NIL
Right Issue	NIL
Bonus Issue	NIL
Private Issue	NIL

Position of Mobilisation and Development of Funds

Total Liabilities	6,659,574	Total Assets	6,659,574
Sources of Fund		Application of Fund	
Paid-up-capital	294,258	Net Fixed Assets	1,522,432
Reserves & Surplus	2,728,533	Investments	694,742
Secured Loan	2,225,458	Net Current Assets	4,442,400
Unsecured Loan	1,374,821	Misc Exp.	-
Deferred tax liability	36,504	Accumulated Loss	-

Performance of the Company (Amount in Rs. Thousand)

Turnover	25,942,546
Total Expenditure	25,429,587
Profit/ Loss before tax	512,958
Prior Period Income	-
Profit/ Loss after tax	413,537
Earning per share in Rs. (Basic)	14.05
Dividend @ %	21.00%

Generic Names of Three Principal Products / Services of Company

Item Code No. (ITC Code)	N.A.
Product Description	N.A.

Note : For ITC Code of Products please refer to the publication Indian Trade Classification based on harmonised commodity description and coding system by Ministry of Commerce, Directorate General of Commercial Intelligence & Statistical Calcutta - 700 001.

ATTENDANCE SLIP

USHDEV INTERNATIONAL LIMITED

Registered Office: New Harileela House, 6th Floor, Mint Road, Mumbai – 400 001

Please complete this attendance slip and hand it over at the entrance of the hall

I, hereby record my attendance at the Seventeenth Annual General Meeting to be held on Saturday, 3rd September, 2011 at 10.30 a.m. at M C Ghia Hall, Kala Ghoda, Mumbai: 400 023.

*DP ID :		*CLIENT ID:	
Name and Address of Share Holder (In Block Capitals)		**FOLIO NO:	
		No. Of Shares held:	

*To be filled by Shareholders holding shares in dematerialised form

**To be filled by shareholder holding shares in physical form.

SIGNATURE OF THE SHARE HOLDER OR PROXY : _____

PROXY

USHDEV INTERNATIONAL LIMITED

Registered Office: New Harileela House, 6th Floor, Mint Road, Mumbai – 400 001.

*DP ID :	*CLIENT ID :	
**FOLIO NO:	No. Of Shares held:	

*To be filled by Shareholders holding shares in dematerialised form

**To be filled by shareholder holding shares in physical form.

I/Weof.....
being a Member / Members of **USHDEV INTERNATIONAL LIMITED** hereby appoint
.....of.....
.....(or
failing him)of.....

as my/our Proxy to attend and vote for me/us and on my/our behalf at the Seventeenth Annual General Meeting of the Company to be held on Saturday, 3rd September, 2011 at 10.30 a.m. at M C Ghia Hall, Kala Ghoda, Mumbai: 400 023 and at any adjournment thereof.

AS WITNESS my hand/our hands this _____ day of _____ 2011.

SIGNATURE OF THE SHAREHOLDER OR PROXY: _____

NOTE: The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the Meeting. The Proxy need not be a member of the Company.

Name of the Shareholder(s) : _____

Affix a
100 paise
revenue stamp



Ushdev International Ltd.

Registered Office

New Harileela House,
6th Floor, Mint Road, Fort,
Mumbai 400 001.

Corporate Office

Apeejay House, 6th Floor,
130, Mumbai Samachar Marg,
Fort, Mumbai - 400 001.

Tel No. : 6194 8888, 6636 8888

Fax No. : 2282 1416, 2282 1098

E-mail : ushdev@vsnl.com

Website : www.ushdev.com