

19th
ANNUAL REPORT
2009-2010

USHA HOUSING DEVELOPMENT COMPANY LIMITED

BOARD OF DIRECTORS

MR. GOVIND SHARAN VERMA

DR. M.C. GUPTA

MR. DEEPAK JALAN

MR. AMAR SINGH

MR. SAPAN MOHAN GARG

MR. MANOJ GUPTA

MR. SANJEEV SAXENA

MR. PIYUSH PRAKASH

AUDITORS

M/S. SRIVASTAVA KUMAR & CO.

21-A, NANGALI RAJAPUR,

NEAR SARAI KALE KHAN (I.S.B.T),

NIZAMUDDIN EAST, NEW DELHI-110013

BANKERS

KOTAK MAHINDRA BANK, NEW DELHI

SHARE TRANSFER AGENT

SKYLINE FINANCIAL SERVICES PRIVATE LIMITED

D-153A, OKHLA INDUSTRIAL AREA,

PHASE-I, NEW DELHI-110 020

Ph:-91-11-26292682, 91-11-26292683

Fax: - 91-11-26292681

REGISTERED OFFICE

B-704, STERLING APARTMENT,

9, UNIVERSITY ROAD, LUCKNOW,

UTTAR PRADESH-261001

CORPORATE OFFICE

B-210, ANSAL CHAMBER,

3, BHIKAJI CAMA PLACE,

NEW DELHI-110066

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NOTICE

To,
The Members
Usha Housing Development Company Limited

Notice is hereby given that the 19th Annual General Meeting of the Company will be held on Thursday, the 30th September, 2010 at 11.00 AM at the registered office at B-704, Sterling Apartments, 9, University Road, Lucknow Uttar Pradesh-261001 to transact the following business:-

ORDINARY BUSINESS

1. To receive and adopt the Balance sheet as on 31st March, 2010 and Profit and Loss Account for the year ended 31st March, 2010 and the Directors' and Auditor's Report thereon.
2. To appoint a Director in place of Dr. M. C. Gupta who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Amar Singh who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT in accordance of the provisions of section 257 and all other applicable provisions, if any of the Companies Act, 1956, Mr. Piyush Prakash be and is hereby appointed as a Director of the Company."
6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT in accordance of the provisions of section 257 and all other applicable provisions, if any of the Companies Act, 1956, Mr. Govind Sharan Verma, be and is hereby appointed as a Director of the Company."
7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to section 198,269,309,310 and all other applicable provisions, if any, read with Schedule-XIII of the Companies Act, 1956 and Article 118 of the Articles of Association of the Company, Mr. Govind Sharan Verma, Director, be and is hereby appointed as Managing Director for a period of five years with effect from 01.08.2010 on the following terms and conditions:

REMUNERATION

(A) Basic Salary: Rs. 17,000/- (Rupees Seventeen Thousand Only) per month.

(B) Perquisites and allowances:

In addition to the basic salary, Mr. Govind Sharan Verma, Managing Director, shall also be entitled to:

- i) House Rent Allowance : Rs. 8,000/- (Rupees Eighteen Thousand Only) per month,
- ii) Special Allowance : Rs. 8,000/- (Rupees Eighteen Thousand Only) per month,
- iii) Conveyance Allowance: Rs. 3,000/- (Rupees Three Thousand Only) per month,
- iv) Company provided Mobile phone for business and personal use,
- v) Mediclaim Insurance coverage for self, spouse and dependent children as per Company Rules,
- vi) Contribution to Provident Fund, Gratuity Fund, as per Rules of the Company from time to time.

RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of Mr. Govind Sharan Verma as Managing Director of the Company, the remuneration payable to him shall be in accordance with the limits prescribed in section II of Part II of Schedule-XIII of the Companies Act, 1956 as amended from time to time."

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

Date : 29.07.2010
Place : New Delhi

Dr. M. C. Gupta
Director

USHA HOUSING DEVELOPMENT COMPANY LTD

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY, PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. The Register of Members and share Transfer Books of the company shall remain closed from 29.09.2010 to 30.09.2010 (Both days inclusive).
3. A blank proxy form is sent herewith.
4. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
5. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company between 10.00 A.M. to 1.00 P.M. on all working days except Sundays and other holidays upto the date of the Annual General Meeting.
6. The Register of Contract/arrangement and Register of Directors Shareholding shall be open for inspection by the members during the continuation of meeting.
7. Members desirous of any information concerning the accounts and operation of the Company are requested to send their queries to the Company at least one week before the meeting, so as, to enable the management to keep information ready. Replies will be provided only at the meeting.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM No. 5

The Board of Directors at their meeting held on 29.07.2010 co-opted Mr. Piyush Prakash as Additional Director of the company. As per Section 260 of the Companies Act, 1956 his term of office expires at the ensuing Annual General Meeting. The company has received a notice from Mr. Piyush Prakash, under section 257 of the Companies Act, 1956 proposing his candidature for the office of Director.

The Board recommends the resolution for your approval.

The aforesaid Director may be deemed to be interested in the resolution relating to his appointment.

ITEM No. 6 & 7

The Board of Directors at their meeting held on 29.07.2010 co-opted Mr. Govind Sharan Verma as Additional Director of the company. As per Section 260 of the Companies Act, 1956 his term of office expires at the ensuing Annual General Meeting. The company has received a notice from Mr. Govind Sharan Verma under section 257 of the Companies Act, 1956 proposing his candidature for the office of Director.

The Board further appointed Mr. Govind Sharan Verma as Managing Director of the Company w.e.f. 01.08.2010 on the terms & conditions as set out in the resolution subject to the approval of shareholders in the General Meeting. Mr. Govind Sharan Verma has two decades of experience in the real estate sector. He has graduated in science stream from Agra University and also holds a diploma in Civil Engineering. He has worked with renowned construction companies for around two decades where he handled various types of real estate projects including housing projects, commercial complexes, residential colonies etc. He has also a rich experience in the field of road construction.

In terms of Schedule-XIII to the Companies Act, 1956, approval of the shareholders is required for appointment and remuneration of the Managing Director.

The Board recommends the resolution for the approval of the shareholders.

The aforesaid Director may be deemed to be interested in the resolution relating to their appointment.

DIRECTOR'S REPORT

To

The Members,
Usha Housing Development Company Limited

Your Directors have pleasure in presenting the Annual Report together with Audited Balance Sheet of the Company as at 31st March, 2010 and the Profit and Loss Account for the year ended on that date and Auditor's Report thereon.

FINANCIALS HIGHLIGHTS

(Amount in Rupees)

Particular	Financial Year ended 31.3.2010	Financial Year ended 31.3.2009
Income	7,66,864	4,64,040
Expenditure	7,27,715	2,14,2111
Profit before tax	39,149	(16,78,071)
Provision for tax (including deferred tax)	(85, 94,754)	—
Profit after tax	86,33,903	(16,78,071)
Balance carried forward to Balance Sheet	(9,58,12,728)	(10,44,46,631)

DIVIDEND

In order to conserve funds for taking up execution of projects and expansion programme, the Directors do not recommend any dividend during the year.

OPERATION AND FUTURE OUTLOOK

Usha Housing Development Company Limited is in the business of real estate development, construction and facility management service. The Company has not executed any major projects during the year and the turnover mostly consists of receipts on account of rent and property maintenance fees. In view of the revival sign in the real estate market, management of the Company is planning to raise funds through out of court settlement of its disputed assets and then utilizing the funds to execute new projects.

The Company has accumulated losses of more than fifty percent of its net worth as at the end of financial year 31st March, 2010. However the Company has not incurred cash losses during the financial year.

DIRECTORS

Dr. M. C. Gupta and Mr Amar Singh retire by rotation and being eligible offers himself for re-appointment.

DEPOSITS

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

PARTICULARS OF EMPLOYEES

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

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 217(2AA) of the Companies Act, 1956 with respect to the Directors' Responsibility Statement, it is hereby confirmed:

1. that in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
2. that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
3. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

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4. that the Directors have prepared the annual accounts for the financial year ended 31st March, 2010 on a going concern basis.

AUDITORS

Srivastava Kumar & Co., Chartered Accountants, Statutory Auditors of the Company, hold office up to the conclusion to the ensuing Annual General Meeting. The company has received communication from them to the effect that their appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

The SEBI has issued a Circular directing the Stock Exchanges for various amendments to the Listing Agreement(s), which inter-alia, make it incumbent for the Listed Companies to appoint only those auditors who have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and who hold a valid certificate issued by the "Peer Review Board" of the said Institute. The aforesaid auditors have assured us that they will soon be taking up the issue of peer review process of their firm with the Institute to obtain the requisite Certificate to fall in line with the SEBI Circular. Your Directors agree with the proposal of the Auditors and accordingly propose their appointment as Auditors of the Company for the financial year 2010-11.

AUDITOR REPORT

The observation of the Auditors in their Report to the members on the Annual Accounts for the period ended on 31.03.2010 have been explained in Schedule-8 in the notes to accounts attached to the Annual Accounts which is self-explanatory.

CORPORATE GOVERNANCE

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

LISTING ARRANGEMENTS

The Company is listed at Bombay and Delhi Stock Exchanges. The Delhi Stock Exchange Limited has already revoked the suspension of the securities of the Company w.e.f. 12.10.2009. The Company has paid listing fee to the Delhi Stock Exchange up to March, 2010. The Company has also approached the Bombay Stock Exchange Limited for revocation of suspension in the trading of securities of the Company and submitted the papers/documents pertaining to earlier non-Compliances to the Exchange.

The case of the Company for revocation of suspension of its securities is under active consideration of the Bombay Stock Exchange Limited and that the Company will pay the listing fee alongwith the arrears soon on receipt of the in-principle approval of the Exchange..

DEMATERIALIZATION OF SHARES

As on date the company's shares are in Physical Form. As the Delhi Stock Exchange Limited has revoked the suspension of the securities of the Company and also submitted the papers/documents pertaining to the earlier compliances to the Bombay Stock Exchange Limited for revocation of the suspension of the securities, the Company has also initiated active steps for dematerialization its securities and is in the process of making requisite applications to the Depositories for the same.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING ETC

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

Foreign Exchange earnings / outgo: NIL.

ACKNOWLEDGEMENTS

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

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

Dated : 29.04.2010
Place : New Delhi

Dr. M. C. Gupta
Director

Deepak Jalan
Director

Annexure-I**CORPORATE GOVERNANCE****A. BOARD OF DIRECTORS:****Composition of the Board**

The composition of Board during the year ended 31st March, 2010 has been tabled below.

As on 31.03.2010 the Board of Directors comprised of following 6 directors all being Non-Executive Directors with 2 Independent Non-Executive Directors. Dr. M. C. Gupta, Mr. Sapan Mohan Garg, Mr. Manoj Gupta and Mr. Sanjeev Saxena being Non-Executive Director and Mr. Amar Singh and Mr. Deepak Jalan being Independent Non-Executive directors. The details of Board are given in **Table – 1**.

No. of Board Meetings

During the year under review (Four) Board Meetings were held on 15.04.2009, 29.07.2009, 30.10.2009 and 28.01.2010. The time gap between the two meetings did not exceed the maximum prescribed time gap of four months. The attendance record of all the Directors are as under:-

TABLE – 1:

Structure of Board of Directors as on 31st March, 2010 and attendance at Board Meetings held during the financial year 2009-10 and Annual General Meeting (AGM) are given below:

Name	Category	Designation	Board Meeting Attended	AGM
Dr. M. C. Gupta	NE *	Director	4	Yes
Mr. Sapan Mohan Garg	NE *	Director	2	Yes
Mr. Manoj Gupta	NE *	Director	2	Yes
Mr. Sanjeev Saxena	NE *	Director	2	Yes
Mr. Deepak Jalan	NE & ID**	Director	4	Yes
Mr. Amar Singh	NE & ID**	Director	4	Yes

Notes:-

Mr. Sapan Mohan Garg, Mr. Manoj Gupta and Mr. Sanjeev Saxena appointed as a Directors of the company w.e.f. 29.07.2009

* - Non Executive

** - Non-Executive & Independent

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

B. AUDIT COMMITTEE

The Company has set up an Audit Committee on 30.01.2001, which was reconstituted on 25th June, 2007, in accordance with the requirements of Section 292A of the Companies Act, 1956 & Clause 49 of the Listing Agreement.

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Mr. Amar Singh, Mr. Deepak Jalan being Independent Non Executive Directors and Dr. M. C. Gupta being Non Executive Director. Mr. Deepak Jalan is the Chairman of the committee.

The Audit committee met four times during the year on 15.04.2009, 29.07.2009, 30.10.2009 and 28.01.2010

Attendance record of Audit Committee members

Name of Director	Meetings Attended
Mr. Amar Singh	4
Mr. Deepak Jalan	4
Dr. M. C. Gupta	4

C. REMUNERATION COMMITTEE:

The Company is not paying any remuneration to the Non-Executive Directors. Therefore, no remuneration committee has been constituted.

D. SHAREHOLDER'S / INVESTOR GRIEVANCE COMMITTEE

Presently Mr. Amar Singh, Mr. Deepak Jalan being Independent Non Executive Directors and Dr. M. C. Gupta being Non Executive Director. Mr. Deepak Jalan is the Chairman of the committee.

The Shareholders/Investors Grievance committee met four times during the year on 15.04.2009, 29.07.2009, 30.10.2009 and 28.01.2010

Attendance record of Shareholders/Investors Grievance committee members

Name of Director	Meetings Attended
Mr. Amar Singh	4
Dr. M. C. Gupta	4
Mr. Deepak Jalan	4

E. GENERAL BODY MEETINGS

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

Financial Year (ended)	Venue	Date	Time
31 st March, 2007	B-704, Sterling Apartment, 9, University Road, Lucknow (U.P.)	29. 09 .2007	11.00 A.M
31 st March, 2008	B-704, Sterling Apartment, 9, University Road, Lucknow (U.P.)	30. 09 .2008	11.00 A.M
31 st March, 2009	B-704, Sterling Apartment, 9, University Road, Lucknow (U.P.)	30. 09 .2009	11.00 A.M

F. DISCLOSURE

(i) Materially Significant Related Party Transaction

During the year there was no transaction with Related Parties as per requirements of Accounting Standard-18.

(ii) Details of Non-Compliance by the Company, penalties etc imposed by Stock Exchange/ SEBI/ Any Statutory Authority on any matter related to Capital Market during the last three years.

- (a) No penalties etc were imposed on the Company by Stock Exchanges or SEBI or any other Statutory Authority on any matter related to Capital Market during the last three years.
- (b) The Company has paid listing fee to Mumbai Stock Exchange up to 1999-2000 and Delhi Stock Exchange up to March, 2010.

G MEANS OF COMMUNICATION

Information like quarterly/half yearly/annual financial results and press releases has been submitted to the stock exchanges. The quarterly/half yearly/annual financial results are published in English and Hindi Newspapers.

H. GENERAL SHAREHOLDER INFORMATION

(i)	19th Annual General Meeting:	
	Date & Time of ensuing Annual General Meeting	: 30.09.2010 at 11.A.M.
	Venue of Annual General Meeting	: B-704, Sterling Apartment, 9, University Road, Lucknow (U.P.)- 261001
(ii)	Book Closure	: 29 th September, 2010 to 30 th September, 2010 (both days inclusive)
(iii)	Financial Calendar	: The next financial year of the company is 1 st April, 2010 to 31 st March, 2011.

iv) STOCK MARKET DATA

The Shares of the company are not quoted on stock exchanges at present and hence no stock trade data for the shares of the company for the last financial year is available.

v) DEMATERIALIZATION OF SHARES

As on date the company's shares are in Physical Form. As the Delhi Stock Exchange Association Limited has revoked the suspension of the securities of the Company and also submitted the papers/documents pertaining to the earlier compliances to the Bombay Stock Exchange Limited for revocation of the suspension of the securities, the Company has also initiated active steps for dematerialization its securities and is in the process of making requisite applications to the Depositories for the same.

vi) LISTING ARRANGEMENTS

The Company is listed at Bombay Stock Exchange Limited bearing stock code 532016 and Delhi Stock Exchange Limited bearing stock code 8916. The Delhi Stock Exchange Limited has already revoked the suspension of the securities of the Company w.e.f. 12.10.2009 and the Company has paid listing fee to the Exchange up to March, 2010. The Company has also approached the Bombay Stock Exchange Limited for revocation of suspension in the trading of securities of the Company and submitted the papers/documents pertaining to earlier non-Compliances to the Exchange.

The case of the Company for revocation of suspension of its securities is under active consideration of the Bombay Stock Exchange Limited and that the Company will pay the listing fee alongwith the arrears soon on receipt of the in-principle approval of the Exchange.

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vii) DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2010

Category	No. of Shares Held	Percentage of Holding
Promoter's Holding	10001100	74.08
Institutional Investors,Banks etc	Nil	Nil
Domestic Companies	3095200	22.93
Indian Public	404100	2.99
Total	13500400	100.00

viii) INVESTOR'S ASSISTANCE

- a. **Registered Office:** : B-704, Sterling Apartment, University Road, Lucknow, Uttar Pradesh
- b. **Corporate Office:** : B- 210, Ansal Chamber – I, 3, Bhikaji Cama Place, New Delhi 110066.
- c. **Registrar & Share Transfer Agents:** : Skyline Financial Services Pvt Ltd, 246, Sant Nagar, First Floor, Iskon Temple Road, East of Kailash, New Delhi-110065 Ph:-91-11-26292682, 91-11-26292683 Fax: 91-11-26292681 Email:- admin@skylinerta.com
for shares held in Physical Mode

All queries pertaining to share transfer / transmission, change of address, bank mandate, nomination forms, loss of shares, issue of duplicate shares, Annual Report be forwarded directly to them at the above mentioned address.

ix) NON MANDATORY REQUIREMENTS

The Company has not adopted non mandatory requirements of Corporate Governance during the year under report.

x) AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

The auditor's certificate on compliance of clause 49 of the Listing agreement relating to corporate governance is annexed to this report.

In case of any specific query / complaint, the member may contact at the Corporate Office of the Company at above address.

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

Dr. M. C. Gupta
Director

Deepak Jalan
Director

Dated : 29.04.2010
Place : New Delhi

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
Usha Housing Development Company Limited

We have reviewed the compliance of conditions of Corporate Governance by Usha Housing Development Company Limited having its registered office at B-704, Sterling Apartments 9, University Road, Lucknow (U.P.) for the year ended on 31st March, 2010 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange in India.

We have conducted our review on the basis of the relevant records and documents maintained by the company for the year 31st March, 2010 and furnished to us for the purpose of review and the information and explanations given to us by the company during the course of such review.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the company for ensuring the conditions of the 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,

The Company's shares are listed at the Bombay and Delhi Stock Exchanges. The Delhi Stock Exchange Limited has already revoked the suspension of the securities of the Company w.e.f. 12.10.2009. The Company has also approached the Bombay Stock Exchange Limited for revocation of suspension in the trading of securities of the Company and submitted the papers/documents pertaining to earlier non-compliances to the Exchange. We are told that the case of the Company for revocation of suspension of its securities is under active consideration of the Bombay Stock Exchange Limited and that the Company will pay the listing fee alongwith the arrears soon on receipt of the in-principle approval of the Exchange. The Company has paid listing fee to the Delhi Stock Exchange up to March, 2010.

There have been no transfers in the securities of the Company for the current year also and no Investor Grievances are reported pending by the Registrar and Transfer Agent.

The Company is managed by Board of Directors, all of whom are non-executive.

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

For **Srivastava Kumar & Co.**
Chartered Accountants

Place: New Delhi
Date: 29.04.2010

M. K. Jain
Partner
M No.88223

Annexure-II

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management of Usha Housing Development Company Ltd. is pleased to present its analysis report on its performance and future outlook.

Industry Outlook

Your Company is engaged in the business of real estate, construction and development of Housing Sector. This sector has a multiplier effect on overall development of the economic growth and development of the country. This is more evident from the policy initiatives taken by the Government for the sustained growth of this sector and to ensure the consistent inflow of investment.

Opportunities and Threats

India has been recognized as one of the fastest developing economy in the world and this is expected to provide a boost to the industrial growth and to open the new avenue for Real estate and construction sector.

The intense competition for the new projects, which resulted in aggressive bidding, high interest rate and the cost overruns due to unintentional delays in implementation are likely to result in continued pressure on margins.

Risk & Returns

As Real Estate and construction is a highly capital intensive activity, with long gestation periods, this sector assumes considerable importance as it consumes a big chunk of national plan outlays, generates vast business activities, and provides employment opportunities.

Further, adverse financial position of the company, which has resulted in erosion of more than 50% of the Net Worth of the company coupled with the pending litigation of material nature, may further act as an impediment in the future growth of the company.

Operational and Financial Performance

The Financial Statement for the financial year ended on 31st March, 2010 have been prepared in compliance of provisions of the Companies Act, 1956 and applicable Accounting Standards issued by Institute of Chartered Accountants of India. The Board of Directors accepts the integrity and objectives of these financial statements.

During the year company's turnover has increased to Rs. 7,66,864/- from the previous year's figure of Rs. 4,64,040/-. The company earned a profit of Rs. 86,33,903/- during the financial year after accounting for the deferred tax asset of Rs. 86,00,803/-.

Adequacy of Internal Control Systems

The company has proper and adequate system of internal control commensurate with the nature of business and its scale of operations. The Audit Committee reviews the internal control systems periodically. The Statutory Auditors of the Company have also, in their report to members for the financial year ended on 31st March 2010 confirmed the adequacy of internal control system of the company.

Segment Wise Performance

As per AS- 17, the Company has no reportable segment other than property development that requires disclosures.

Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the current industry structure, outlook and opportunities reflects the company's assessment and perception of the situation that may differ materially with the change in the Government regulations, policies and other related factors.

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

Dr. M. C. Gupta
Director

Deepak Jalan
Director

Dated : 29.04.2010
Place : New Delhi

AUDITORS' REPORT

TO THE MEMBERS

USHA HOUSING DEVELOPMENT COMPANY LIMITED

1. We have audited the attached Balance Sheet of **Usha Housing Development Company Limited** as at 31st March, 2010 and the related 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 have 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report in the Annexure of this report, on the matters specified in paragraphs 4 and 5 of the said Order, to the extent applicable to the Company.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law, have been kept by the company so far as appears from our examination of such books.
 - (c) The Balance Sheet and the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet and the Profit and Loss Account and the Cash Flow Statement comply with the mandatory Accounting Standards referred to in section 211(3C) of the Companies Act, 1956 to the extent applicable;
 - (e) On the basis of written representation received from the Directors as on 31st March 2010 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March 2010 from being appointed as Directors Under Section 274(1)(g) of the Companies Act 1956.
 - (f) In our opinion and to the best of our information and according to explanations given to us, the said accounts read together with notes thereon as per schedule 6 gives the information required by the Companies Act 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - (i) In the case of Balance Sheet, of the state of affairs of the company as at 31st March, 2010:
 - (ii) In the case of Profit and Loss Account, of the profit of the company for the year ended on that date.
 - (iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For & on behalf of
Srivastava Kumar & Company
 Chartered Accountants

(M.K.Jain)
 Partner

Membership No.88223

Place : New Delhi
 Date: 29th April 2010

USHA HOUSING DEVELOPMENT COMPANY LTD

ANNEXURE TO THE AUDITORS' REPORT

REFERRED TO IN PARAGRAPH 3 OF AUDITORS' REPORT OF

EVEN DATE TO THE MEMBERS OF USHA HOUSING DEVELOPMENT COMPANY LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2010

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The physical verification of fixed assets has been carried out by the management during the year and no material discrepancy was found during such verification.
- (c) The company has not disposed off any of its fixed assets during the year.
- (ii) (a) The stocks of work in progress of the company have been physically verified by the management as at the year end. There is no stock of finished goods with the company.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) According to the information and explanations given to us, the company has maintained proper records of inventory and no material discrepancies were noticed on physical verification of inventory as compared to book records.
- (iii) The company has not granted or taken any loan secured or unsecured to / from companies, firms and parties covered in the register maintained under Section 301 of the Companies Act, 1956 and as such the provisions of clause (iii) (b),(c),(d) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchases of inventory and fixed assets and for sale of goods.
- (v) (a) The transactions need to be entered in to the register maintained in pursuance of Section 301 of the Companies Act, 1956 have been so entered.
- (b) The company has not entered in any transactions with the parties mentioned in the register maintained in pursuance of the provisions of Section 301 of Companies Act, 1956.
- (vi) The Company has not accepted any deposit from public within the meaning of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 and directives issued by the Reserve Bank of India.
- (vii) The company has an internal audit system commensurate with its size and nature of its business.
- (viii) Maintenance of cost records has not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956.
- (ix) According to the records of the company, the company is generally been regular in depositing undisputed statutory dues including income tax, provident fund and other statutory dues. According to the information and explanations given to us, no undisputed amount is payable in respect of above was outstanding, as at 31st March, 2010 for a period of more than six months from the date it became payable. As explained to us, Investor education and protection fund, employees state insurance, custom duty, excise duty, cess and wealth tax is not applicable to the company.

- (x) ***The company has accumulated losses of more than fifty percent of its net worth as at the end of the financial year 31st March, 2010 and the company has not incurred any cash losses during such financial year but incurred cash losses in the financial year immediately preceding such financial year.***
- (xi) The company has not taken any loans from banks and no loan has been taken from the financial institution and debentures holders, hence this clause is not applicable.
- (xii) According to information and explanations given, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the company.
- (xiv) In our opinion, the company is not dealing or trading in shares, securities, debenture and other investment.
- (xv) According to information and explanations given, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The company has not obtained any term loan during the year.
- (xvii) In our opinion and according to the information and explanations given to us, there are no funds raised on short-term basis which have been used for long-term investment and vice-versa.
- (xviii) The company has not made any preferential allotment of shares during the year.
- (xix) The company has not issued any debentures.
- (xx) The company has not raised any money by public issue during the year.
- (xxi) During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

For & on behalf of
Srivastava Kumar & Company
Chartered Accountants

(M.K.Jain)

Partner

Membership No.88223

Place : New Delhi

Date: 29th April 2010

USHA HOUSING DEVELOPMENT COMPANY LTD

BALANCE SHEET AS AT 31ST MARCH 2010

PARTICULARS	Schedule		As at 31.03.2010 (Rs)	As at 31.03.2009 (Rs)
I. SOURCES OF FUNDS				
Shareholders' Funds				
Capital	1		135,004,000	135,004,000
TOTAL			135,004,000	135,004,000
II. APPLICATION OF FUNDS				
Fixed Assets:	2			
Gross Block		1,277,993	1,277,993	
Less : Depreciation		1,270,062	1,266,079	
Net Block			7,931	11,914
Deferred Tax				
Deferred Tax Asset	3		8,600,803	-
Current Assets, Loans and Advances	4			
a) Inventories		3,886,239	3,886,239	
b) Sundry Debtors		234,501	311,481	
c) Cash and Bank Balances		566,611	272,522	
d) Loans and Advances		26,776,717	26,919,941	
		31,464,068	31,390,183	
Less : Current Liabilities and Provisions	5			
		881,530	844,728	
Net Current Assets			30,582,538	30,545,455
Profit and Loss Account			95,812,728	104,446,631
TOTAL			135,004,000	135,004,000

Notes to Accounts forming part of accounts 8

As per our report of even date attached

FOR SRIVASTAVA KUMAR & CO.
CHARTERED ACCOUNTANTS

(M K JAIN)
PARTNER
M NO 88223

Place : New Delhi
Date : 29th April 2010

For USHA HOUSING DEVELOPMENT COMPANY LIMITED

Dr. M C GUPTA
DIRECTOR

DEEPAK JALAN
DIRECTOR

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2010

PARTICULARS	Schedule	For the year ended 31.03.2010 (Rs)	For the year ended 31.03.2009 (Rs)
INCOME			
Rent Received		391,864	385,440
Property Maintenance Fees		375,000	78,600
TOTAL		766,864	464,040
EXPENDITURE			
Staff Cost	6	92,864	-
Administrative and Other Expenses	7	630,868	103,698
Loss on project		-	2,000,000
TOTAL		723,732	2,103,698
Profit/(Loss) Before Depreciation		43,132	(1,639,658)
Less: Depreciation		3,983	38,413
Profit/(Loss) before tax		39,149	(1,678,071)
Less: Tax Expenses			
Current Tax		6,049	-
Deferred Tax		(8,600,803)	-
Fringe Benefit Tax		-	-
Profit/loss after Tax		8,633,903	(1,678,071)
Profit/(Loss) as per the last year Balance Sheet		(104,446,631)	(102,768,560)
Balance carried forward to Balance Sheet		(95,812,728)	(104,446,631)

**Notes to Accounts forming
part of accounts****8**

As per our report of even date attached

**FOR SRIVASTAVA KUMAR & CO.
CHARTERED ACCOUNTANTS****For USHA HOUSING DEVELOPMENT COMPANY LIMITED****(M K JAIN)
PARTNER
M NO 88223**Place : New Delhi
Date : 29th April 2010Dr. M C GUPTA
DIRECTORDEEPAK JALAN
DIRECTOR

USHA HOUSING DEVELOPMENT COMPANY LTD

SCHEDULES FORMING PART OF THE ACCOUNTS

PARTICULARS	Schedule	As at 31.03.2010 (Rs)	As at 31.03.2009 (Rs)
SCHEDULE - 1			
SHARE CAPITAL			
AUTHORISED:			
15000000 Equity share of Rs 10 each ISSUED, SUBSCRIBED AND PAID UP		150,000,000	150,000,000
13500400 Equity shares of Rs 10 each fully paid up		135,004,000	135,004,000
TOTAL		135,004,000	135,004,000

SCHEDULE-2

FIXED ASSETS

PARTICULARS	RATE	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS AT 01.04.2009	ADDITION DURING	SOLD DURING	AS AT 31.03.2010	UP TO 31.03.2009	DURING THE YEAR	DEP ON SOLD ASSETS	AS AT 31.03.2010	AS AT 31.03.2010	AS AT 31.03.2009
COMPUTERS	16.21%	190,800	-	-	190,800	190,800	-	-	190,800	-	-
FURNITURE & FIXTURE	6.33%	16,378	-	-	16,378	16,378	-	-	16,378	-	-
OFFICE EQUIPMENTS	7.07%	56,340	-	-	56,340	44,426	3,983	-	48,409	7,931	11,914
VEHICLE	9.50%	1,014,475	-	-	1,014,475	1,014,475	-	-	1,014,475	-	-
Total		1,277,993	-	-	1,277,993	1,266,079	3,983	-	1,270,062	7,931	11,914
Previous year		1,277,993	-	-	1,277,993	1,227,666	38,413	-	1,266,079	11,914	

PARTICULARS	Schedule	As at 31.03.2010 (Rs)	As at 31.03.2009 (Rs)
SCHEDULE - 3			
DEFERRED TAX			
Deferred Tax Asset		8,600,803	-
Deferred Tax Liability		-	-
Net Deferred Tax Asset/(Liability)		8,600,803	-

SCHEDULES FORMING PART OF THE ACCOUNTS

PARTICULARS	Schedule	As at 31.03.2010 (Rs)	As at 31.03.2009 (Rs)
SCHEDULE - 4			
CURRENT ASSETS, LOANS & ADVANCES			
(a) Inventories			
Work In Progress (at cost)		3,886,239	3,886,239
		3,886,239	3,886,239
(b) Sundry Debtors			
(Unsecured, considered good)			
- Outstanding for six months		234,501	234,501
- Others		-	76,980
		234,501	311,481
(c) Cash and Bank Balances			
Cash in Hand		2,887	6,003
Balances with schedule bank in current account		563,724	266,519
		566,611	272,522
(d) Loans and Advances:-			
(Unsecured considered good)			
Deposits			
Considered Good		6,587,628	6,687,628
Considered doubtful		-	-
		6,587,628	6,687,628
Less:-Provision for doubtful advance		-	-
	(I)	6,587,628	6,687,628
Advance recoverable in cash or in kind or for value to be received			
Considered Good		20,189,089	20,232,313
Considered doubtful		2,585,927	2,585,927
		22,775,016	22,818,240
Less:-Provision for doubtful advance		2,585,927	2,585,927
	(ii)	20,189,089	20,232,313
	(I + II)	26,776,717	26,919,941
TOTAL (a+b+c+d)		31,464,068	31,390,183

USHA HOUSING DEVELOPMENT COMPANY LTD

SCHEDULES FORMING PART OF THE ACCOUNTS

PARTICULARS	Schedule	As at 31.03.2010 (Rs)	As at 31.03.2009 (Rs)
SCHEDULE - 5			
CURRENT LIABILITIES AND PROVISIONS			
CURRENT LIABILITIES			
Sundry Creditors		9,927	-
Statutory Liabilities		1,895	-
Other Liabilities		24,446	5,515
	(A)	36,268	5,515
PROVISIONS			
Provision for Income Tax		6,049	-
Doubtful Recovery of Project Expenses		839,213	839,213
	(B)	845,262	839,213
Total (A+B)		881,530	844,728
SCHEDULE - 6			
STAFF COST			
Salary & Wages		88,151	-
Provident Fund & Family Pension Fund		4,122	-
PF Admn. Expenses		591	-
TOTAL		92,864	-
SCHEDULE - 7			
ADMINISTRATIVE & OTHER EXPENSES			
Legal & Professional		264,730	39,843
Audit Fee & Expenses		17,030	5,515
Travelling - Director		74,296	49,998
Listing Fee (DSE)		238,305	-
Other Expenses		36,507	8,342
TOTAL		630,868	103,698

SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE- 8

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

A. Significant Accounting Policies

a) The accounts have been prepared on accrual basis & at historical cost except where stated otherwise and also on the basis of applicable mandatory accounting standards.

b) FIXED ASSETS

Fixed assets are stated at historical cost less depreciation and at revalued amount, if any.

DEPRECIATION

Depreciation has been provided on straight-line method as per the rates and manner prescribed in schedule XIV to the companies Act, 1956.

c) INVESTMENTS

Long-term investments are stated at cost and provision for permanent diminution is made, if there is a decline in the value other than temporary in nature.

d) INVENTORIES

Inventories are valued at lower of cost and Net realizable value in case of finished goods and at cost in case of work in progress.

e) PRIOR PERIOD ITEMS

Income and Expenses pertaining to the earlier year, if any, which have a material impact on the financial statements are disclosed separately,.

f) RETIREMENT BENEFITS

i) Contribution to Provident fund is made monthly, at a predetermined rate to the P. F. Department and debited to the Profit and Loss Account on accrual basis.

ii) The provision for gratuity and leave encashment has been made as per the actuarial valuation.

g) REVENUE RECOGNITION

Sales have been recognized on the basis of agreement to sales with the buyer.

h) CONTINGENT LIABILITIES

Contingent Liabilities are provided on the basis of prudence.

i) INCOME TAX

Provision for Income Tax is determined on the basis of Taxable Income for the Year as per Income Tax Act, 1961.

j) DEFERRED TAX

Deferred tax is recognised, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods.

B. Notes To Accounts:

1. Contingent Liabilities:-

(a) (i) The Income Tax Appellate Tribunal in the matter of block assessment for the block period from 1.4.1990 to 14.2.2001 involving addition of Rs 2,28,55,113/- has set aside the order of Assessing Officer based on

USHA HOUSING DEVELOPMENT COMPANY LTD

corresponding appeals filed by the company for Rs 8,35,313/- and by the income tax department for Rs 2,20,19,800/- and referred back the matter to the Assessing Officer to decide the same afresh after the settlement commission order is available in the case of promoters and other group concerns making the tax demand zero.

- (ii) Assessing officer has filed an appeal before the Income Tax Appellate Tribunal, New Delhi against the order of Commissioner of Income Tax (Appeals) allowing the appeal for deleting the demand of Rs 6,51,050/- towards the penalty imposed by the Assessing Officer U/s 271(1) (C) relating to the assessment year 2003-04.
- (b) LG Electronics India Pvt. Ltd (LG) had filed a suit against Usha India Ltd., Usha Housing Development Co. Ltd. and Others for the recovery of Rs. 4,65,02,400/- given by it as security deposit for the premises A-41, Mohan Co-operative Industrial Estate, New Delhi –110044 taken by it on lease from Usha India Ltd. and against the maintenance service agreement for the same premises entered into with Usha Housing Development Co. Ltd. The company has denied its liability on the ground that it has already assigned the agreement to Lord Mahadev Trust on 6th August, 1997 and transferred the security deposit to the said Trust. LG was also intimated about this assignment. However, Honorable Court has passed a part joint decree of Rs. 2,31,25,803/- in favour of LG and the LG filed an execution petition and subsequently the Court directed the ICICI Bank, New friends Colony, New Delhi to transfer a sum of RS.4,50,000/- to LG. The liability on account of above decree has not been ascertained by the court among the parties to the suit. Company is contesting the execution petition filed by LG electronics India Pvt.Ltd.

2. a) C- SCHEME, JAIPUR PROJECT :

The company had entered into an agreement dated 28th September 1993 with R. L. Baiswala & Sons HUF for purchase of a Plot No.D-71, Satya Villa, Jamuna Lal Bajaj Marg, C-Scheme, Jaipur . But due to objection raised by the other members of HUF for selling the plot to the company, the vendor of the land could not transfer the land and hand-over its possession to the company.

District Trial Court in Jaipur has decreed the suit to the extent of refund of the money of Rs 17 lacs to company plus interest @18% plus cost of the suit but dismissed the prayer for specific performance and thereafter company filed an appeal with the Rajasthan High Court for specific performance. Meanwhile the company also filed another appeal with High Court of Rajasthan praying for injunction order against the defendants restraining them from sale of the property. The amount of 8,39,214/- including the litigation expenses of Rs 755000/- have been included in work in progress. The High Court has issued a injunction order dated 08.10.2001 in favour of the Company. There has been no change in the status of the project during the year.

b) AIRPORT ROAD, BANGALORE PROJECT:

The company had signed a Memorandum of Understanding (MOU) on 28.03.1995 with Mrs. P. Jayamma, Mrs. J. Savithamma, and Mrs. P. Nagarathna for the purpose of putting up residential and commercial complex on the property bearing S.No.170 and 172 of Kodihalli Village, Varthur, Hobli, Bangalore, South Taluk. On completion of the said project each party was to share 50% of the built-up area including terrace right.

Company had been forced to keep the project suspended because of the defect in title deeds of the property and acquisition of some part of property by the Bangalore Development Authority (BDA).Company had filed a legal suit against the party in the City Civil Judge at Bangalore, for the specific performance of the agreement and in the alternative for recovery of entire amount paid together with interest of 21% per annum. The company has Paid Rs 30 Lacs against the J V agreement and as per the agreement the possession of the aforesaid land is with the company. The amount of Rs.13,72,878/- including litigation expenses of Rs 3,70,000/- has been shown under the head work in progress There has been no change in the status of the project during the year .

c) BROOKEFIELD PROJECT, BANGALORE :

The Company entered into an MOU for joint development of residential and/or commercial complexes at Hoodi Village, K.R.Puram, Bangalore, South Taluk on 26th August,1999 with Mr.Y.Rajendra and others.

However the project has not yet been sanctioned by the Bangalore Development Authority due to some defect in the title of the property, which is to be complied by the owners. As per agreement, the possession of aforesaid land is already with the company. The company served legal notice to the Second Party to go ahead as per the terms and conditions of MOU. In spite of this legal notice, Second Party failed to perform his obligations under the MOU and the company filed a legal suit against them for specific performance of the agreement. The amount of Rs.12,48,721/-including litigation expenses of Rs 6,19,000/- has been shown under the head work in progress. There has been no change in the status of project during the year.

d) USHA NIKETAN, D-76, GHIA MARG, BENIPARK,JAIPUR:

As per collaboration agreement dated 7th Jan, 1994, the Company has completed the project and accordingly, as per terms and conditions of the agreement, requested the owner of the land Mr Anil Parashar to refund of Rs 12 lacs paid to him as refundable security. On his failure to pay the amount, the company filled a legal suit for recovery of the above said amount in the District court Delhi. The amount of Rs 1200000/-has been shown as deposits.

e) BASANT KUNJ , BHOPAL:

The company was to recover the amount of Rs 8,50,000/- along with interest and litigation expenses arising out of our agreement dated 9th September, 2003 from Mr. Rakesh Sharma and therefore the company decided to invoke the arbitration clause of the agreement and the arbitration proceedings started on 26th May, 2007. The arbitrator vide its order dated 12th March, 2009 has given an award in favor of the company and accordingly the execution proceedings has been initiated to recover the amount. Rs 4,25,426/- has been shown under the head Work in progress being the cost of the property

3. Projects amounting to Rs 38,86,239/- is shown under the head work in progress against which litigations are pending in different courts as explained in note no 3.
4. Balances of Loans and Advances are subject to reconciliation and confirmation.
5. Balance of the following bank accounts are not confirmed. However there were no transactions in these accounts during the year.

Bank Name	Account No	Amount
Canara Bank, Sarita Vihar	075	43879
ICICI Bank , New Friends Colony	004605001097	25000
Indian Bank Main Branch, ND	17042	5533
Syndicate Bank , Mumbai	50001010007890	1737

6. As per AS 17 on segment Reporting there is no reportable segment other than the business of real estate. Hence no separate disclosure has been made.
7. During the year there is no transactions with Related Parties as per the requirements of AS-18 '**Related Party Disclosures**' issued by the Institute of Chartered Accountants of India.
8. Earning per share

	31.03.2010	31.03.2009
A) No. of Shares at the beginning and at the end of the year	13500400	13500400
B) Net Profits after Tax available for Equity Shareholders	86,33,903	(16,78,071)
C) Basic & Diluted Earning per share (Annualised)	0.64	(0.12)

9. In accordance with the provisions of the Accounting Standard – 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the company has recognised deferred tax assets of Rs 86,00,803/- and

USHA HOUSING DEVELOPMENT COMPANY LTD

deferred tax liabilities of Rs Nil as at 31st March 2010. The details of deferred tax are as follows :

	As at 01.04.2009	As at 31.03.2010	For the Year
	(a)	(b)	(b-a)
Deferred tax Assets	0	8600803	8600803
Deferred tax Liabilities	0	0	0
Net Deferred Tax Asset/(Liability)	0	8600803	8600803

The net deferred tax asset amounting to Rs 86,00,803/- for the year has been adjusted in Profit & Loss Account.

10. No Remuneration was paid to directors during the year.

11. Auditor's Remuneration

	2009-10	2008-09
Audit Fee	11,030	5,515
Out of Pocket Exp	6,000	-

12. Net realizable value is determined project wise and is based upon the available information with the company, considering the market value of the flatted area.

13. Additional information pursuant to the provisions under paragraph 3,4C and 4D Part –II of Schedule VI to the Companies Act'1956.

a) The company is engaged in the business of real estate development. In view of the nature of business it is not practicable to give the quantitative details regarding the work in progress.

b) The Quantitative information in respect of finished space is not given as there is no stock of finished space.

14. ASSUMPTION OF THE COMPANY AS GOING CONCERN

Management of the company is of the opinion that company is a going concern as the management is trying its best to recover some of the pending dues and is taking suitable steps for revival of the company. During the year Delhi Stock Exchange has revoked the suspension of trading in the shares of the company. Accordingly, the securities of the company are re-admitted to dealings w.e.f. 12.10.2009 subject to due compliance of Regulations 8 of SEBI (SAST) Regulations, 1997.

15. There is no Small Scale Industrial undertaking to which the company owes sum, which is outstanding for more than 30 days as on 31.03.2010 as per information available with the company.

16. Provision for gratuity and leave encashment has not been provided in the books as none of the employees of the company are eligible for these benefits as on 31.03.2010.

17. Previous year's figures have been regrouped / rearranged wherever necessary. Figure in brackets indicate previous year figure. Figures have been rounded off to the nearest rupee.

18. From Schedule-1 to Schedule-8 form an integral part of the accounts and duly authenticated.

FOR SRIVASTAVA KUMAR & CO.
CHARTERED ACCOUNTANTS

(M K JAIN)
PARTNER
M NO 88223

Place : New Delhi
Date : 29th April 2010

For USHA HOUSING DEVELOPMENT COMPANY LIMITED

Dr. M C GUPTA
DIRECTOR

DEEPAK JALAN
DIRECTOR

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

PARTICULARS	Schedule	For the year ended 31.03.2010	For the year ended 31.03.2009
A. CASH FLOW FROM OPERATING ACTIVITIES BEFORE INTEREST			
Net Profit before Tax and Extra-ordinary Items		39,149	(1,678,071)
Adjustment for :			
Depreciation		3,983	38,413
Miscellaneous Expenditure		-	-
Loss on sale of investment		-	-
Operating Profit before working Capital changes		43,132	(1,639,658)
Decrease/(Increase) in Trade and Other Receivables		220,204	1,846,505
Decrease in Inventories		-	-
Increase/(Decrease) in Current Liabilities		30,753	(122,816)
Cash Generated from operations		294,089	84,031
NET CASH FROM OPERATING ACTIVITIES	(A)	294,089	84,031
B. CASH FROM INVESTING ACTIVITIES			
Net of Purchase of Investment		-	-
Proceed from Sale of Investment		-	-
NET CASH IN FROM INVESTING ACTIVITIES	(B)	-	-
C. CASH FLOW FROM FROM FINANCING ACTIVITIES			
NET CASH USED IN FINANCING ACTIVITIES	(C)	-	-
Net Inc/(Dec) in Cash and Cash Equivalents(A+B+C)		294,089	84,031
Cash & Cash Equivalents as at the beginning of the year		272,522	188,491
Cash & Cash Equivalents as at the end of the year		566,611	272,522
		(294,089)	(84,031)

As per our report of even date attached

FOR SRIVASTAVA KUMAR & CO.
CHARTERED ACCOUNTANTS

(M K JAIN)
PARTNER
M NO 88223

Place : New Delhi
Date : 29th April 2010

For USHA HOUSING DEVELOPMENT COMPANY LIMITED

Dr. M C GUPTA
DIRECTOR

DEEPAK JALAN
DIRECTOR

USHA HOUSING DEVELOPMENT COMPANY LTD

PART IV

(Figures in Rs)

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I	REGISTRATION DETAILS		STATE CODE	20
	Registration No.			20 - 23147
	Balance Sheet Date			31.03.2010
II	CAPITAL RAISED DURING THE YEAR			
	Public Issue	NIL	Right Issue	NIL
	Bonus Issue	NIL	Private Placement	NIL
III	POSITION OF MOBILISATION & DEPLOYMENT OF FUNDS			
	Total Liabilities	135,004,000	Total Assets	135,004,000
	SOURCE OF FUNDS			
	Paid Up Capital	135,004,000	Reserve & Surplus	-
	Secured Loan	-	Unsecured Loan	-
	Other Liabilities	-		
	APPLICATION OF FUNDS			
	Net Fixed Assets	7,931	Investment	-
	Net Deferred Tax Asset	8,600,803	Misc. Expenditure	-
	Net Current Assets	30,582,538		
	Accumulated Losses	95,812,728		
IV	PERFORMANCE OF COMPANY			
	Turnover	766,864	Total expenditure	723,732
	Profit/ (Loss) before Tax	39,149	Profit/ (Loss) after Tax	8,633,903
	Earning Per Share	0.64	Dividend Rate %	NIL
V	GENERIC NAME OF THREE PRINCIPAL PRODUCT / SERVICES OF COMPANY (AS PER MONETARY TERMS)			
	ITEM CODE NO.		PRODUCT DESCRIPTION	
	N.A		N.A	

FOR AND ON BEHALF OF THE BOARD

Dr. M C Gupta
Director

Deepak Jalan
Director

USHA HOUSING DEVELOPMENT COMPANY LTD

NINETEENTH ANNUAL GENERAL MEETING ATTENDANCE SLIP

LF. No.	
No. of Share held	

I/We hereby record my/our presence at the 19th Annual General Meeting of the Company held on Thursday, the 30th September, 2010 at 11 A.M. at B-704, Sterling Apartment, 9, University Road, Lucknow, Uttar Pradesh-261001.

NAME OF THE SHAREHOLDER (IN BLOCK LETTERS)	
SIGNATURE OF THE SHAREHOLDER	
NAME OF THE PROXY (IN BLOCK LETTERS)	
SIGNATURE OF THE PROXY	

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

- Note :**
1. Please bring Annual report and duly filled in Attendance Slip when attending the meeting.
 2. Please do not bring with you any person who is not a member of the Company.

USHA HOUSING DEVELOPMENT COMPANY LTD

NINETEENTH ANNUAL GENERAL MEETING PROXY FORM

LF. No.	
No. of Share held	

I/We.....of.....in the district of thebeing a member/members of Usha Housing Development Company Ltd., hereby appoint Mr./Miss/Mrs.....ofof falling him/her, Mr./Miss/Mrs.....in the district of.....as my/our proxy to vote for me/us on my/our behalf at the Nineteenth Annual General Meeting of the Company to be held on Thursday, the 30th September, 2010 and at any adjournment thereof.

Signed thisday of2010

Affix
1Rupee
Revenue
Stamp

Note : The Proxy must reach the Registered Office and /or Corporate Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.

UNDER CERTIFICATE OF POSTING

TO

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If Undelivered, Please return to:
USHA HOUSING DEVELOPMENT COMPANY LIMITED
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