

Directors' Report

To the Members,
RMA Software Park Private Limited

Your Directors have pleasure in presenting their Seventh Annual Report together with the Audited Accounts for the financial year ended 31st March, 2011.

Financial Highlights

The financial details are as under:

Particulars	(Rs. in Lacs)	
	Year ended 31 st March, 2011	Year ended 31 st March, 2010
Net Sales and other income	Nil	Nil
Profit / (Loss) before Interest, Depreciation and Tax	(81.81)	(47.59)
Finance Charges (Interest on deferred payment)	117.29	261.08
Depreciation	Nil	Nil
(Loss) before Tax	(199.10)	(308.67)
Provision for Taxation: Current	Nil	Nil
: Fringe Benefit	Nil	Nil
: Deferred	Nil	Nil
Net (Loss) after Tax	(199.10)	(308.67)

Business Outlook

The Company has engaged consultants to advise for the development of the Plot. However, in view of the ongoing disputes between the Farmers and Greater Noida industrial Development Authority, the construction/development work has been put on hold.

Public Deposit

Your Company has not accepted any deposits from the public.

Directors

In accordance with the Articles of Association of the Company, Mr. Ajai Chowdhry, Director, is retiring by rotation and being eligible, has offered himself for re-appointment.

Directors' Responsibility Statement

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956, and based on the representations received from the operating management, the Directors hereby confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure;
- b. appropriate accounting policies have been selected and applied consistently, and that the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the loss of the Company for the said period;

- c. proper and sufficient care has been taken 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;
- d. the annual accounts have been prepared on a going concern basis.

Personnel

There is no employee in the Company whose particulars are required to be furnished under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

Additional Information in Relation to Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo

During the year under review, there are no particulars to be furnished in respect of conservation of energy and technology absorption, foreign exchange earnings and outgo and export initiatives.

Auditors and Auditors' Report

M/s S.D. Chopra and Associates, Chartered Accountants, the auditors of the Company, retire at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment. Your Directors recommend their reappointment.

The Notes to Accounts are self explanatory and therefore does not call for any further comments.

Acknowledgement

The Directors wish to place on record their appreciation for the continued co-operation the Company received from various departments of the Central and State Government and Bankers.

The Board also wishes to place on record its gratitude to the valued Customers, Members and business associates for their continued support and confidence reposed in the Company.

For and on Behalf of Board

Place : Noida
Date : 9th August, 2011


Aja Chowdhry
Chairman

S. D. CHOPRA & ASSOCIATES
CHARTERED ACCOUNTANTS

512-B, MODI (HEMKUNT) TOWER, 98, NEHRU PLACE, NEW DELHI-110019 Ph. 26425422, 26425622

Auditor's Report

To
The Member of
RMA Software Park Private Limited

1. We have audited the attached Balance Sheet of RMA Software Park Pvt. Ltd. as at 31st March, 2011 and also the profit and Loss account and Cash Flow 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 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement 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 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 purpose 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 those books.
 - c) The Balance Sheet, Profit and Loss Account and cash flow statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Profit and Loss Account and cash flow statement dealt with by this report comply with the mandatory Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.



- e) On the basis of written representations received from the directors, as on 31st March, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) In our opinion, and to the best of our information and according to the explanations given to us and said account read together with notes thereon, give 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 the Balance Sheet, of the state of affairs of the company as at 31st March, 2011,
- ii) In the case of the Profit and Loss Account, of the Loss for the year ended on that date, and
- iii) In the case of the Cash Flow statement, of the Cash Flow for the year ended on that date.



S. D. Chopra
Proprietor
Membership No. 82537
For and on behalf of
S. D. Chopra & Associates
Chartered Accountants

Place: New Delhi
Date:09/08/2011

ANNEXURE TO THE AUDITOR'S REPORT OF RMA SOFTWARE PARK PRIVATE LIMITED FOR THE YEAR ENDED 31st March, 2011.

(Referred to in paragraph 3 of our report even date)

1. In respect of its fixed assets:

- a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.

2. The Company do not have any inventory at the end of the year.

3.

a) The Company has not taken any loan secured or unsecured from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.

b) The Company has not granted any loan secured or unsecured from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.

4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business. During the course of our audit, we have not observed any major weaknesses in internal controls

5. As explained to us there has not been any transaction during the year that need to be entered in the register maintained under section 301 of the companies Act, 1956

6. The company has not accepted fixed deposits from public.

7. There was no internal audit system in operation during the year. However, The company has internal control system which, in our opinion, is adequate in relation to the size of the company .

8. The Central Government has not prescribed the maintenance of the cost records of the company under section 209(1) (d) of the companies Act, 1956.

9. In respect of statutory dues:

a) According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Investor education and protection fund, employees state insurance, Income tax , Sale tax, Wealth tax, Service tax, custom duty, Excise duty, Cess and other material statutory dues applicable to it.

b) According to the information and explanation given to us, no undisputed amounts payable in respect of Income tax, Sale tax, Wealth tax, Service tax, Custom duty, Excise duty, and Cess were outstanding, as at 31st March, 2011 for the period of more than six months from the date they become payable.



- c) According to the information and explanation given to us, there are no dues of Sale tax, Income tax, Custom duty, Excise duty and Cess which have not been deposited on account of any dispute.
10. In our opinion, the accumulated losses of the company are not more than 50% of its net worth and it has incurred cash losses in the financial year ended on that date and in the immediately preceding financial year.
11. Based on the examination of the Books of accounts and related records and according to the information and explanation given to us, the company has not defaulted in repayment of dues to the Banks.
12. The company has not granted loans and advances on the basis of securities by way of pledge of shares, debentures and other securities.
13. The company is not a chit fund, Nidhi or Mutual benefit society. Hence the requirement of items (xiii) of paragraph 4 of the order is not applicable to the company.
14. The company is not dealing or trading in shares, securities, debentures and other Investments.
15. The company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The company has not raised any term loan during the year.
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, there are no fund raised on a short term basis which has been used for long term investment and vice-versa.
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
19. The company has not issued any debenture during the year.
20. The company has not made any public issue during the year.
21. According to the information and explanations provided to us, no fraud on or by the company has been noticed or reported during the course the year.



S. D. Chopra
Proprietor
Membership No. 82537
For and on behalf of
S. D. Chopra & Associates
Chartered Accountants

Place: New Delhi
Date:09/08/2011

RMA Software Park Pvt. Ltd.
Balance Sheet As At March 31, 2011

<u>Sources of Funds</u>	<u>Schedule</u>	As at March 31, 2011 (Rupees)	As at March 31, 2010 (Rupees)
Share Capital			
10000 Equity shares of Rs.10/- each fully paid up	1	100,000	100,000
Reserve & Surplus	2	411,388,678	416,082,288
Secured Loans			
Deferred Credit from GNIDA	3	94,780,000	118,475,000
Unsecured Loans			
From HCL Infosystems Ltd - Holding Company	4	199,324,912	137,101,387
Total		705,593,590	671,758,675
Application of Funds			
Fixed Assets			
Gross Block	5	640,427,300	647,197,300
Less: Accumulated Amortisation		8,207,071	985,080
Net Block		632,220,229	646,212,220
Current Assets, Loans and Advances			
Current Assets			
Cash and Bank Balance	6		
Loans and Advances		3,032,986	567,789
Total		28,286,957	4,384,483
		31,319,943	4,952,272
Current Liabilities and Provisions			
	7	3,871,004	4,788,635
Net Current Assets		27,448,939	163,637
Miscellaneous Expenditure	8	45,924,422	25,382,818
Total		705,593,590	671,758,675
Significant Accounting Policies and Notes to Accounts	10		

This is the Balance Sheet referred to in our report of even date

For S D Chopra & Associates
Chartered Accountants



S D Chopra
Proprietor
M. No. 82537

For and on Behalf of Board of Directors



Sandeep Kanwar
Director



Suman Ghose Hazra
Director

Place : New Delhi
Date : 09 August, 2011

RMA Software Park Private Limited
 Profit and Loss account for the year ended March 31, 2011

<u>Schedule</u>	For the year ended 31st Mar, 2011 (Rupees)	For the year ended 31st Mar, 2010 (Rupees)
Income	-	-
Expenditure		
Interest on deferred payment		
Legal and Professional Charges	12,558,350	22,554,070
Lease Rent	62,967	618,977
Bank Charges and Interest	5,080,432	695,950
Misc Exp.	765	965,628
Watch & Ward Expenses	-	50
Preliminary and pre-operative expenses	310,710	-
Amortisation of leasehold land	-	197,335
Less: transfer from Revaluation Reserve	7,271,040	985,080
Less: Adjustment in amortisation due to refund of Lease amount.	4,693,610	(634,272)
	49,049	350,808
Total	20,541,605	25,382,818
Profit/(loss) before tax		
Tax Expenses	(20,541,605)	(25,382,818)
Profit/(Loss) after tax	-	-
Loss Brought forward from previous year	(20,541,605)	(25,382,818)
Profit/(Loss) carried to Balance Sheet	(25,382,818)	-
	(45,924,422)	(25,382,818)
Basic and diluted earning/(loss) per equity share of Rs. 10/- each.	(2,054)	(2,538)

Significant Accounting Policies and Notes to Accounts 10

This is the Profit and Loss Statement referred to in our report of even date

For S D Chopra & Associates
 Chartered Accountants



S D Chopra
 Proprietor
 M. No. 82537

For and on Behalf of Board of Directors



Sandeep Kanwar
 Director



Suman Ghose Hazra
 Director

Place : New Delhi
 Date : 09 August, 2011

RMA Software Park Private Limited

Cash Flow Statement for the year ended March 31, 2011

	2010-2011 (Rupees)	2009-2010 (Rupees)
A. Cash Flow from Operating Activities:		
Net Profit / (Loss) before Tax	-20,541,605	-25,382,818
Adjustments for :		
Depreciation	2,528,381	350,808
Interest paid	12,558,350	22,554,070
Preliminary and pre-operative expenses	-	197,335
Operating Profit/(Loss) before working capital changes	-5,454,874	-2,280,605
Adjustments for :		
Loans & Advances	-23,902,474	-3,893,367
Current Liabilities & Provisions	-917,630	4,766,157
Cash used in operations	-30,274,978	-1,407,815
FBT Paid	-	-
Income Tax Paid	-	-
Net Cash used in operating activities	-30,274,978	-1,407,815
B. Cash Flow from Investing Activities :		
Sale/(Purchase) of Fixed Assets	6,770,000	-27,197,300
Sale/(Purchase) of Shares/Securities (net)	-	-
Interest received	-	-
Net Cash generated from (used in) Investing Activities	6,770,000	-27,197,300
C. Cash Flow from Financing Activities :		
Interest Paid	-12,558,350	-22,554,070
Increase/(Decrease) in unsecured loan	62,223,525	75,416,387
Secured Loan	-23,695,000	-23,695,000
Net cash generated from (used in) financing activities	25,970,175	29,167,317
Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	2,465,197	562,202
Cash & Cash Equivalents, beginning of the year	567,789	5,587
Cash & Cash Equivalents, end of the year	3,032,986	567,789
Net Increase/ (Decrease) as disclosed above	2,465,197	562,202

This is the Cash Flow Statement referred to in our report of even date

For S. D. Chopra & Associates
Chartered Accountants



S. D. Chopra
Proprietor
M. No. 82537

For and on behalf of Board of Directors



Sandeep Kanwar
Director



Suman Ghose Hazra
Director

Place : New Delhi
Date : 09 August, 2011

RMA SOFTWARE PARK PRIVATE LIMITED
Schedule to the Balance Sheet

As at
31st March, 2011
(Rupees)

As at
31st March, 2010
(Rupees)

1. Share Capital

Authorised:

10,000 (Previous year 10,000) Equity shares of Rs 10/- each

100,000

100,000

Issued, Subscribed & Paid up: 10,000
(Previous year 10,000) Equity shares of
Rs. 10/- each Fully paid up

100,000

100,000

100,000

100,000

2. Reserve & Surplus

Revaluation Reserve(Refer note no. 1
of schedule 10(B)

As at 01.04.2010	Additions/ Adjustments	Deductions/ Adjustments	As at 31.03.2011
(Rupees)	(Rupees)	(Rupees)	(Rupees)
416,082,288	-	4,693,610	411,388,678
<u>416,082,288</u>	<u>-</u>	<u>4,693,610</u>	<u>411,388,678</u>

3. Secured Loans

Deferred Credit from GNIDA

94,780,000

118,475,000

94,780,000

118,475,000

4. Unsecured Loans

From HCL Infosystems Ltd - Holding

199,324,912

137,101,387

199,324,912

137,101,387

6. Current Assets, loans and

Current Assets

Cash in hand

-

-

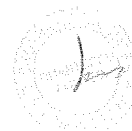
Balance with Scheduled Bank in current
account

3,032,986

567,789

3,032,986

567,789



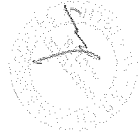
Loans and AdvancesAdvances recoverable in cash or in kind
or of value
to be received28,286,957
28,286,9574,384,483
4,384,483**7. Current Liabilities and Provisions**Interest Payable
Creditor for Expenses
TDS Payable3,791,200
49,635
30,169
3,871,0044,739,000
44,670
4,965
4,788,635**8. Miscellaneous Expenditure**(To the extent not written off or
adjusted)

Profit and Loss account

45,924,422
45,924,42225,382,818
25,382,818**9. Legal and Professional Charges**Professional Charges
Filing Fee61,437
1,530
62,967616,577
2,400
618,977

5 Fixed assets
(Schedule-10(B), Note 1)

		Gross Block				Depreciation				Net Block	
		As at 01.04.2010	Additions/ Adjustment During the year	Deduction/ Adjustment During the year	As at 31.03.2011	As at 01.04.2010	Additions/ Adjustment During the year	Deduction/ Adjustment During the year	As at 31.03.2011	As at 31.03.2011	As at 31.03.2010
Land- leasehold		647,197,300	-	6,770,000	640,427,300	985,080	7,271,040	49,049	8,207,071	632,220,229	646,212,220
Total		647,197,300	-	6,770,000	640,427,300	985,080	7,271,040	49,049	8,207,071	632,220,229	646,212,220
Previous Year		203,283,440	443,913,860	-	647,197,300	-	985,080	-	985,080	646,212,220	203,283,440



RMA SOFTWARE PARK PRIVATE LIMITED

SCHEDULE-10

A) SIGNIFICANT ACCOUNTING POLICIES

1. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Company have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India and comply with the mandatory Accounting Standards notified under section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

2. FIXED ASSETS

Fixed assets are stated at cost of acquisition, unless otherwise stated, including incidental cost relating to acquisition less accumulated amortization.

3. DEPRECIATION

- (i) Leasehold assets viz land are amortized over the period of lease.
- (ii) Depreciation charge for the year is net of additional depreciation on incremental values arising out of revaluation, which has been reduced from revaluation reserve.

4. BORROWING COSTS

Borrowing costs to the extent related /attributable to the acquisition/construction of assets that necessarily take substantial period of time to get ready for their intended use are capitalized along with the respective fixed asset up to the date such asset is ready for use. Other borrowing costs are charged to the Profit and Loss Account.

5. USE OF ESTIMATES

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period.



B) NOTES TO ACCOUNTS

1. Leasehold Land measuring 25 Acres at Greater Noida was revalued by registered valuer after considering amortization up to that date on the governing principle of current replacement cost/value and difference of Rs. 416,716,560/- arising out of this revaluation has been credited to Revaluation Reserve Account.
2. Estimated value of contracts on capital account, excluding capital advances, remaining to be executed and not provided for amount to Rs. 47,897,775/-
3. Deferred Tax Assets as per AS-22 has not been recognized and carried forward in the Balance Sheet in view of absence of reasonable certainty about the sufficient future taxable Income
4. In the opinion of the Board, Current Assets, Loans and Advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated.
5. Contingent Liabilities:

The Company has availed an exemption from Greater Noida Industrial Development Authority for payment of stamp duty amounting to Rs. 5,20,49,500/- for registration of lease deed for GNIDA plot , on the basis of a bank guarantee issued by its holding company HCL Infosystems Ltd. , on the terms and condition as detailed in the lease dated 10th February 2010.

6. Disclosure of related parties and related party transactions.
 - a. Holding Company
HCL Infosystems Limited (Holds 100% equity share capital of the Company)
 - b. Company having substantial interest
Guddu Investments (Pondi) Private Limited due to substantial interest in voting power.
 - c. Key Management Person
 - Sandeep Kanwar
 - J V Ramamurthy
 - Suman Ghosh Hazra
 - d. Fellow Subsidiaries
 - HCL Infinet Limited
 - HCL Security Limited
 - HCL Infocom Limited
 - HCL Insys Pte. Limited, Singapore
 - Pimpri Chinchwad eServices Limited
 - HCL Infosystems MEA FZCO, Dubai
 - Techmart Telecom Distribution FZCO, Dubai
 - HCL Investments Pte. Ltd., Singapore
 - HCL Infosystems South Africa (Pty) Limited
 - e. Others
Koura & Co



f. Unsecured loan taken during the Year :

HCL Infosystems Ltd - Rs. 62,223,525/- (Previous year Rs. 137,101,387/-)

g. Unsecured Loan taken as at 31.03.2011

HCL Infosystems Ltd - Rs. 199,324,912/- (Previous year Rs. 137,101,387/-)

7. Auditors' Remuneration	Year Ending <u>31.03.2011</u>	Year Ending <u>31.03.2010</u>
For Audit Fees	45,000	30000
For Certification		15000
Reimbursement of expenses	<u>4635</u>	<u>4635</u>
TOTAL	<u>49635</u>	<u>49635</u>

8. Basic and Diluted Earnings/(loss) Per Share

For the purpose of calculation of Basic and Diluted Earnings/ (Loss) Per Share the following amounts are considered:

(Amount in Rupees)

	Particulars	For the year ended 31st March 2011	For the year ended 31st March 2010
a)	Net Profit/(Loss) available for Equity Shareholders	(20,541,605)	(25,382,818)
b)	Total number of equity shares (Nos.)	10,000	10,000
c)	Basic and Diluted Earnings/(Loss) per Share (Rs.)	(2054)	(2538)



9. Previous year's figures have been regrouped/Rearranged wherever necessary to conform to current year's presentation.

10. This schedule forms an integral part of the Accounts and has been duly authenticated.

As per our report on even date attached
For S D Chopra & Associates
Chartered Accountants

For and on Behalf of Board of Directors




S D Chopra
Proprietor


Sandeep Kanwar
Director


Suman Ghose Hazra
Director

Place : New Delhi
Date : 09 August, 2011