

**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 31<sup>st</sup> March, 2010 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 31<sup>st</sup> March 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2010 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 31<sup>st</sup> March, 2010,
- 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.

Place: New Delhi

Date: 25/08/2010



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



ANNEXURE TO THE AUDITOR'S REPORT OF RMA SOFTWARE PARK PRIVATE LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2010.

(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 31<sup>st</sup> March, 2010 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 more than 50% of its net worth . The Company has incurred cash losses during the Financial Year covered by our Audit.

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.

Place: New Delhi

Date: 25/08/2010



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



RMA Software Park Pvt. Ltd.  
Balance Sheet As At March 31, 2010

	Schedule	As at March 31, 2010 (Rupees)	As at March 31, 2009 (Rupees)
<b>Sources of Funds</b>			
<b>Share Capital</b>			
10000 Equity shares of Rs.10/- each fully paid up	1	100,000	100,000
<b>Reserve and Surplus</b>			
	2	416,082,288	-
<b>Secured Loans</b>			
Deferred Credit from GNIDA	3	118,475,000	142,170,000
<b>Unsecured Loans</b>			
From Shareholders/Director/Relatives/Corporates		-	61,685,000
From HCL Infosystems Ltd - Holding Company	4	137,101,387	-
<b>Total</b>		<b>671,758,675</b>	<b>203,955,000</b>
<b>Application of Funds</b>			
<b>Fixed Assets</b>			
Gross Block	5	647,197,300	203,283,440
Less: Accumulated Amortisation		985,080	-
Net Block		<b>646,212,220</b>	<b>203,283,440</b>
<b>Current Assets, Loans and Advances</b>			
<b>Current Assets</b>			
Cash and Bank Balances		567,789	5,587
Loans and Advances		4,384,483	491,116
Total		4,952,272	496,703
<b>Current Liabilities and Provisions</b>			
	7	4,788,635	22,478
<b>Net Current Assets</b>		<b>163,637</b>	<b>474,225</b>
<b>Miscellaneous Expenditure</b> (To the extent not written off or adjusted)			
	8	25,382,818	197,335
<b>Total</b>		<b>671,758,675</b>	<b>203,955,000</b>

Significant Accounting Policies and Notes to Accounts 10

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

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

S D Chopra  
Proprietor  
M. No. 82537

Place : New Delhi  
Date : 25.08.2010

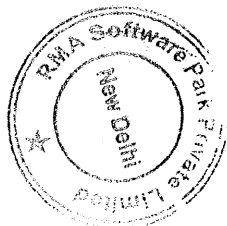
For and on Behalf of Board of Directors

SD/-

SD/-

Sandeep Kanwar  
Director

J V Ramamurthy  
Director



**RMA Software Park Private Limited**  
**Profit and Loss Account for the year ended March 31, 2010**

	<b>For the year ended March 31, 2010 (Rupees)</b>	<b>For the year ended March 31, 2009 (Rupees)</b>
<b>Income</b>	-	-
<b>Expenditure</b>		
Interest on deferred payment	22,554,070	-
Legal and Professional Charges	9 618,977	-
Lease Rent	695,950	-
Bank Charges and Interest	965,628	-
Misc Exp	50	-
Preliminary and pre-operative expenses	197,335	-
Amortisation of Leasehold Land	985,080	-
Less: transfer from Revaluation Reserve	<u>634,272</u>	-
<b>Total</b>	<u><b>25,382,818</b></u>	-
<b>Profit/(loss) before tax</b>	<b>(25,382,818)</b>	-
Tax Expenses	-	-
<b>Profit/(Loss) after tax</b>	<u><b>(25,382,818)</b></u>	-
<b>Profit/(Loss) carried to Balance Sheet</b>	<b>(25,382,818)</b>	-
<b>Basic and diluted earning/(loss) per equity share of Rs. 10/- each.</b>	<b>(2,538.28)</b>	-

Significant Accounting Policies and Notes to Accounts 10

The schedules referred to above form an integral part of Profit & Loss Account

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

For and on Behalf of Board of Directors

SD/-

SD/-

S D Chopra  
Proprietor  
M. No. 82537

Sandeep Kanwar  
Director

J V Ramamurthy  
Director

Place : New Delhi  
Date : 25.08.2010



**RMA Software Park Private Limited**

**Cash Flow Statement for the year ended March 31, 2010.**

Year ended  
2010  
**(Rupees)**

**A. Cash Flow from Operating Activities:**

<b>Net Profit / (Loss) before Tax</b>	<b>(25,382,818)</b>
Adjustments for :	
Depreciation	350,808
Interest paid	22,554,070
Preliminary and Preoperative Expenses	197,335
<b>Operating Profit/(Loss) before working capital changes</b>	<b>(2,280,605)</b>
Adjustments for :	
Loans & Advances	(3,893,367)
Current Liabilities & Provisions	4,766,157
<b>Cash used in operations</b>	<b>(1,407,815)</b>
FBT Paid	-
Income Tax Paid	-
<b>Net Cash used in operating activities</b>	<b>(1,407,815)</b>

**B. Cash Flow from Investing Activities :**

Sale/(Purchase) of Fixed Assets	(27,197,300)
Sale/(Purchase) of Shares/Securities (net)	-
Interest received	-
<b>Net Cash generated from (used in) Investing Activities</b>	<b>(27,197,300)</b>

**C. Cash Flow from Financing Activities :**

<b>Interest Paid</b>	<b>(22,554,070)</b>
Increase/(Decrease) in unsecured loan	75,416,387
Secured Loan	(23,695,000)
<b>Net cash generated from (used in) financing activities</b>	<b>29,167,317</b>

**Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)** **562,202**

Cash & Cash Equivalents, beginning of the year	5,587
Cash & Cash Equivalents, end of the year	567,789
<b>Net Increase/ (Decrease) as disclosed above</b>	<b>562,202</b>

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

**For and on behalf of Board of Directors**

For **S. D. Chopra & Associates**  
Chartered Accountants

SD/-

SD/-

**Sandeep Kanwar**  
Director

**J V Ramamurthy**  
Director

**S. D. Chopra**  
Proprietor  
M. No. 82537

Place : New Delhi  
Date : 25.08.2010



**RMA SOFTWARE PARK PRIVATE LIMITED**Schedule to the Balance Sheet

	As at 31st March, 2010 [Rupees]	As at 31st March, 2009 [Rupees]												
<b>1. Share Capital</b>														
Authorised:														
100,000 (Previous year 100,000) Equity shares of Rs 10/- each	1,000,000	1,000,000												
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												
<b>2. Reserve &amp; Surplus</b>														
	<table border="1"> <thead> <tr> <th>As at 01.04.2009 (Rupees)</th> <th>Additions/ Adjustments (Rupees)</th> <th>Deduction/ Adjustments (Rupees)</th> <th>As at 31.03.2010 (Rupees)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">-</td> <td style="text-align: right;">416,716,560</td> <td style="text-align: right;">634,272</td> <td style="text-align: right;">416,082,288</td> </tr> <tr> <td style="text-align: center;">-</td> <td style="text-align: right;">416,716,560</td> <td style="text-align: right;">634,272</td> <td style="text-align: right;">416,082,288</td> </tr> </tbody> </table>	As at 01.04.2009 (Rupees)	Additions/ Adjustments (Rupees)	Deduction/ Adjustments (Rupees)	As at 31.03.2010 (Rupees)	-	416,716,560	634,272	416,082,288	-	416,716,560	634,272	416,082,288	
As at 01.04.2009 (Rupees)	Additions/ Adjustments (Rupees)	Deduction/ Adjustments (Rupees)	As at 31.03.2010 (Rupees)											
-	416,716,560	634,272	416,082,288											
-	416,716,560	634,272	416,082,288											
Revaluation Reserve (Refer note no. 1 of schedule 10(B))														
<b>3. Secured Loans</b>														
Deferred Credit from GNIDA	118,475,000	142,170,000												
	118,475,000	142,170,000												
Amount payable within one year is Rs.23,695,000 (2009-Rs.Nil)														
<b>4. Unsecured Loans</b>														
From Shareholders/Director/Relatives/Corporates	-	61,685,000												
From HCL Infosystems Ltd - Holding Company	137,101,387	-												
	137,101,387	61,685,000												
<b>6. Current Assets, Loans and Advances</b>														
<b>Current Assets</b>														
Cash in hand	-	4,026												
Balance with a scheduled Bank in current account	567,789	1,561												
<b>Loans and Advances</b>														
Advances recoverable in cash or in kind or for value to be received	4,384,483	491,116												
	4,952,272	496,703												
<b>7. Current Liabilities and Provisions</b>														
Interest Payable	4,739,000	-												
Creditor for Expenses	44,670	22,478												
TDS Payable	4,965	-												
	4,788,635	22,478												
<b>8. Miscellaneous Expenditure</b> (To the extent not written off or adjusted)														
Profit and Loss Account	25,382,818	38,600												
Preliminary Expenses	-	158,735												
Pre-operative Expenditure	25,382,818	197,335												
<b>9. Legal and Professional Charges</b>														
Professional charges	571,354	-												
Audit Fee	45,223	-												
Filing Fee	2,400	-												
	618,977	-												





**RMA SOFTWARE PARK PRIVATE LIMITED**

## Schedule to the Balance Sheet

	As at 31st March, 2010 [Rupees]	As at 31st March, 2009 [Rupees]
<b>1. Share Capital</b>		
Authorised:		
100,000 (Previous year 100,000) Equity shares of Rs 10/- each	1,000,000	1,000,000
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
<b>2. Reserve &amp; Surplus</b>		
Revaluation Reserve (Refer note no. 1 of schedule 10(B))		
	416,716,560	416,082,288
	634,272	634,272
	416,716,560	416,082,288
<b>3. Secured Loans</b>		
Deferred Credit from GNIDA	118,475,000	142,170,000
	118,475,000	142,170,000
Amount payable within one year is Rs.23,695,000 (2009-Rs.Nil)		
<b>4. Unsecured Loans</b>		
From Shareholders/Director/Relatives/Corporates	-	61,685,000
From HCL Infosystems Ltd - Holding Company	137,101,387	-
	137,101,387	61,685,000
<b>6. Current Assets, Loans and Advances</b>		
<b>Current Assets</b>		
Cash in hand	-	4,026
Balance with a scheduled Bank in current account	567,789	1,561
<b>Loans and Advances</b>		
Advances recoverable in cash or in kind or for value to be received	4,384,483	491,116
	4,952,272	496,703
<b>7. Current Liabilities and Provisions</b>		
Interest Payable	4,739,000	-
Creditor for Expenses	44,670	22,478
TDS Payable	4,965	-
	4,788,635	22,478
<b>8. Miscellaneous Expenditure</b>		
(To the extent not written off or adjusted)		
Profit and Loss Account	25,382,818	-
Preliminary Expenses	-	38,600
Pre-operative Expenditure	-	158,735
	25,382,818	197,335
<b>9. Legal and Professional Charges</b>		
Professional charges	571,354	-
Audit Fee	45,223	-
Filing Fee	2,400	-
	618,977	-



**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 amortisation.

**3. DEPRECIATION**

- (i) Leasehold assets viz land are amortised over the period of lease.
- (ii) Depreciation charge for the year is net of additional depreciation, on incremental values arising out of revaluation, net out of 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 capitalised 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 amortisation upto 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. As the company has not started any activity till 31<sup>st</sup> March 2009, certain expenditure incurred by the company has been shown under the head Pre-operative expenditure. Details of these expenditure are as follows:

	Rupees
Audit Fee	55946
Bank Charges and Interest	37723
Processing Fee	60500
Filing Fee	3000
Miscellaneous Expenses	1560
<b>Total</b>	<b>158735</b>

Expenses incurred till 31.03.2009 and shown as Preliminary and Pre-operative expenses amounting to Rs. 38,600/- and 1,58,735/- respectively have been charged to respective expenses in Profit and Loss Account for the year ended March,2010 as per accounting standard -26.

3. Deferred Tax Assets as per AS-22 has not been recognized and carried forward in the Balance Sheet in view of absence of virtual 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 Deed dated 10<sup>th</sup> February 2010.



5. Fixed Assets  
(Schedule-10(B), Notes 1)

	Gross block				Depreciation			Net Block	
	As at 01.04.2009	Additions/Adjustments During the year	Deductions/Adjustments Retired During the Year	As at 31.03.2010	As at 01.04.2009	Additions/Adjustments During the year	Deductio./Adjustments During the Year	As at 31.03.2010	As at 31.03.2009
Land -Leasehold	203,283,440	443,913,860	-	647,197,300	-	985,080	-	985,080	646,212,220
	203,283,440	443,913,860	-	647,197,300	-	985,080	-	985,080	646,212,220



6. Related Party Disclosures:

a) Holding Company : HCL Infosystems Ltd.

b) Key Management Person

Sandeep Karwar

J V Ramamurthy

Suman Ghosh Hazra

c) Unsecured loan taken during the Year :

HCL Infosystems Ltd - Rs.137,101,387/-

d) Unsecured Loan taken as at 31.03.2010

HCL Infosystems Ltd - Rs.137,101,387/-

7. Auditors' Remuneration

**Year Ending  
31.03.2010**

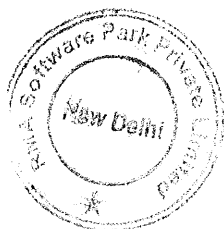
(Rupees)

For Audit Fees	30,000/-
For Certification	15,000/-
Reimbursement of expenses	<u>4,635/-</u>
<b>TOTAL</b>	<b>49,635/-</b>

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

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

	Particulars	For the year ended 31.03.2010 (Amount in Rupees)
a)	Net Profit/(Loss) available for Equity Shareholders	<b>(25,382,818)</b>
b)	Total number of equity shares (Nos.)	<b>10,000</b>
c)	Basic and Diluted Earning/(Loss) per Share (Rs.)	<b>(2538.28)</b>



9. As no profit and loss account and cash flow statement was prepared for the year upto 31<sup>st</sup> March, 2009, previous year's figures to that extent have not been given. 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**

**SD/-**

**SD/-**

**S D Chopra  
Proprietor**

**Sandeep Kanwar  
Director**

**J V Ramamurthy  
Director**

**Place : New Delhi  
Date : 25.08.2010**

