

NOTICE

UNIVERSAL OFFICE AUTOMATION LTD.

REGD. OFFICE : 806, SIDDHARTH, 96, NEHRU PLACE, NEW DELHI 110 019

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Company will be held on Tuesday, the 20th September, 2011 at Air Force Auditorium, Subroto Park, Dhaula Kuan, New Delhi-110 010 at 3.30 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2011, the Profit and Loss Account for the financial year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kul Bhushan Rattan who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s. S.D. Chopra & Associates (FRN No 003789), Chartered Accountants, the retiring Auditors, being eligible offer themselves for re-appointment.

By Order of the Board
For Universal Office Automation Ltd.

New Delhi
30th May, 2011

Preeti Saxena
Company Secretary

IS ENCLOSED FOR THE USE BY MEMBERS, IF REQUIRED. THE PROXY FORM DULY FILLED IN AND SIGNED ACROSS THE REVENUE STAMP OF Re 1. SHOULD REACH THE COMPANY'S REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE TIME OF THE MEETING.

2. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, the 12th day of September 2011 to Tuesday, the 20th day of September 2011 (both days inclusive).
3. The Members are requested to notify any change in their addresses, mandates/bank details immediately to the Company's Registrar and Share Transfer Agents for shares held in physical mode. The shareholders holding shares in electronic form are requested to notify any change in their addresses, mandates/bank details to their depository participants.
4. Members/Proxy holders are requested to produce at the entrance of the auditorium the enclosed admission slip duly completed and signed.
5. Information under Clause 49 (IV)(E) and 49 (IV)(G)(i) of the Listing Agreement of the Director proposed to be re-appointed in Annual General Meeting scheduled to be held on Tuesday, 20th September, 2011:-

Mr. Kul Bhushan Rattan, aged 57 yrs was co-opted on the Board w.e.f. 3rd October, 2008. Mr. Kul Bhushan Rattan is an independent non-executive Director. He is a Commerce Graduate and has over 30 years of experience in Accounts & Finance.

The shareholding of Mr. Kul Bhushan Rattan in the Company as on 31st March, 2011 is **NIL**

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. A BLANK PROXY FORM

By Order of the Board
For Universal Office Automation Ltd.

New Delhi
30th May, 2011

Preeti Saxena
Company Secretary

DIRECTORS' REPORT

To the Members,

The Directors of your Company herewith present the Nineteenth Annual Report together with the Audited Accounts for the financial year ended 31st March, 2011.

FINANCIAL HIGHLIGHTS

	(₹ in lacs)	
	2010-11	2009-10
Sales and other income	37.05	37.89
Profit/Loss before Interest, Depreciation and Tax	14.91	13.76
Finance Charges	0.00	0.00
Depreciation	8.30	8.77
Profit/(Loss) before Tax	6.61	4.99
Provision for Taxation	1.23	0.77
Net Profit/(Loss) after tax	5.38	4.22
Balance of Profit/(Loss) carried forward to next year	(2447.38)	(2452.76)

PERFORMANCE

The other income of the Company was ₹ 37.05 Lacs as against ₹ 37.89 Lacs in the previous year. The profit for the year ended 31st March, 2011 was ₹ 5.38 Lacs as against profit of ₹ 4.22 Lacs in the previous year.

FIXED DEPOSITS

As on 31st March, 2011, there was no unclaimed deposit.

DIRECTORS

In accordance with the Articles of Association of the company, Mr. Kul Bhushan Rattan, a Director retires by rotation and being eligible offers himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards has been followed along with proper explanation relating to material departures;
- ii) appropriate accounting policies have been selected and applied consistently and that the judgements and estimates made 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 financial year and of the profit of the Company for that period;
- iii) proper and sufficient care has been taken 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; and
- iv) the annual accounts have been prepared on a going concern basis.

AUDITORS AND AUDITORS' REPORT

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

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

PERSONNEL

During the year, there were no employees covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

ADDITIONAL INFORMATION RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

During the year under review considering the nature of activities undertaken by your Company, there are no particulars to be furnished in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo.

CORPORATE GOVERNANCE

A separate report on "Corporate Governance" is annexed hereto as part of Annual Report.

ACKNOWLEDGEMENT

Your Directors wish to thank the Government authorities, financial institutions, bankers and shareholders for their co-operation and assistance extended to the Company.

On behalf of the Board of Directors

New Delhi
30th May, 2011

Kul Bhushan Rattan
DIRECTOR

P.S.Ravishankar
DIRECTOR

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company is conscious of its responsibility towards good corporate governance. The Company also believes that it is necessary to be fair, transparent and equitable treatment to all stakeholders comprising Shareholders, creditors, financiers and the like to achieve the goals of the Company. The Company is committed to maintain the highest standards of Corporate Governance.

2. BOARD OF DIRECTORS:

- (i) All the Directors of the Company are non executive and independent.
- (ii) The names and categories of the Directors on the Board, their attendance at Board meetings held during the year and the number of Directorships and Committee Chairmanship / Memberships held by them in other companies is given below. Other Directorships do not include alternate directorships, directorships of private limited companies and of companies incorporated outside India. Chairmanship/ Membership of Board Committees include only Audit and Shareholders / Investors Grievance Committees.

Names	Category	No. of Board Meetings		Whether attended last AGM held on 20 th September, 2010	No. of Directorships in other public companies		No. of Committee positions held in other public companies	
		Held	Attended		Attended	Chairman	Member	Chairman
Mr. P.S.Ravishankar	Independent & Non-Executive Director	5	4	No	-	2	-	-
Mr. Kul Bhushan Rattan	Independent & Non-Executive Director	5	5	Yes	-	NIL	-	-
Mr. Sushil Kumar Jain	Independent & Non-Executive Director	5	5	Yes	-	NIL	-	-

- (iii) Five Board Meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held are as follows:

16th April, 2010, 28th May, 2010, 10th August, 2010, 29th October, 2010 and 31st January, 2011.

- (iv) None of the Non - Executive Directors has any material pecuniary relationship or transactions with the Company.
- (v) Necessary information as mentioned in Annexure 1A to Clause 49 of the listing agreement has been placed before the Board for their consideration.

3. ACCOUNTS AND AUDIT COMMITTEE:

- (i) The Accounts and Audit Committee of the Company was constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956. The Company Secretary acts as Secretary of the Committee.
- (ii) The primary objective of the Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and ensure the integrity and quality of financial reporting and internal controls.

Report on Corporate Governance (contd...)

- (iii) The composition, powers, roles and the terms of reference of the Committee are in terms of the requirement of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. All the committee members have reasonable knowledge of finance and accounting and two members possess financial and accounting expertise.
- (iv) The Composition of the Accounts and Audit Committee and details of meetings attended by its members are given below:

Names	No of Audit Committee Meetings	
	Held	Attended
Mr.P.S.Ravishankar (Chairman)	4	3
Mr. Sushil Kumar Jain (Member)	4	4
Mr. Kul Bhushan Rattan (Member)	4	4

- (v) The Committee met 4 times during the financial year 2010-11 on the following dates :
- 28th May, 2010, 10th August, 2010, 29th October, 2010 and 31st January, 2011.
- (vi) The previous Annual General Meeting of the Company was held on 20th September, 2010 and it was not attended by Mr. P.S.Ravishankar, the Chairman of the Committee.
- (vii) Compensation policy for Non - Executive Directors (NEDs): - neither remuneration nor sitting fees is paid to the Directors.

4. REMUNERATION COMMITTEE

- (i) As no remuneration is paid to the Directors, no remuneration committee has been set up.
- (ii) None of the Directors of the Company held any share of the Company as on March 31, 2011.
- (iii) The Company has not issued any convertible instruments.

5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE:

- (i) The Board has constituted Shareholders' / Investors' Grievance Committee to oversee and review all matters connected with the transfer of Shares of the Company and redressal of Shareholders / investors' complaints.
- (ii) The composition of the Shareholders' / Investors' Grievance Committee and the details of meeting attended by its members are given below:

Names	Category	No of Meetings	
		Held	Attended
Mr. Sushil Kumar Jain (Chairman)	Independent, Non Executive	4	4
Mr.P.S.Ravishankar (Member)	Independent, Non Executive	4	3
Mr. Kul Bhushan Rattan (Member)	Independent, Non Executive	4	4

- (iii) The Committee met 4 times during the financial year 2010-11 on the following dates:
- 28th May, 2010, 10th August, 2010, 29th October, 2010 and 31st January, 2011.

Report on Corporate Governance (contd...)

(iv) Name, designation and address of Compliance Officer:

Ms.Preeti Saxena
Company Secretary
Universal Office Automation Limited
E- 4, 5, 6, Sector 11, Noida
Tel: 0120-2526490 / Fax: 0120-2525196

(v) During the year the Company did not receive any complaint from any regulation authority. There were no shares pending for transfer as on 31st March, 2011.

6. GENERAL BODY MEETINGS:

i) The last three Annual General Meetings were held as under:

Year	Date	Time	Venue
2007-08	22 nd September, 2008	3.30 P.M	Air Force Auditorium, Subroto Park, New Delhi
2008-09	12 th September, 2009	3.30 P.M	Air Force Auditorium, Subroto Park, New Delhi
2009-10	20 th September, 2010	3.30 P.M	Air Force Auditorium, Subroto Park, New Delhi

ii) Postal Ballot: During the year no resolution has been passed through postal ballot.

(iii) There are no special resolutions passed at any last 3 AGMs.

7. DISCLOSURES:

- i) There are no materially significant related party transactions of the Company, which have potential conflict with the interests of the company at large.
- ii) The Company has complied with the requirements of the stock Exchanges / SEBI / any Statutory Authority on all matters related to capital markets during the last three years. There are no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authorities relating to the above.
- iii) The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. The Company has further complied with para (4) of annexure - 1D to Clause 49 as the Statutory Financial Statements of the Company are unqualified.
- iv) A qualified Practicing Company Secretary carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- v) The company has voluntarily appointed M/s Siddiqui & Associates, Practicing Company Secretaries to conduct Secretarial Audit of the Company for the financial year ended March 31, 2011, who has submitted his report confirming the compliance with all the applicable provisions of the various corporate laws.

8. MEANS OF COMMUNICATION:

- a. At present quarterly/ half yearly reports are not being sent to each household of shareholders.
- b. The quarterly/ half yearly/ annual accounts results are published in the English and Hindi Newspapers.
 - Which newspaper normally published in Financial Express (English), Jansatta (Hindi)
 - Any website where displayed Under creation
 - Whether it also displays official news release No

Report on Corporate Governance (contd...)

- whether presentations made to institutional Investors or to analyst No

9. GENERAL SHAREHOLDERS' INFORMATION:

- (i) Annual General Meeting :

Day & Date	Time	Venue
Tuesday, September 20 th 2011	3.30 p.m.	Air Force Auditorium Subroto Park NewDelhi

- (ii) Financial Calendar (tentative) for the year 2011-12:

Adoption of Results for the quarter ending 30 th June, 2011	29 th July, 2011
Adoption of results for the quarter ending 30 th September, 2011	28 th October, 2011
Adoption of results for the quarter ending 31 st December, 2011	30 th January, 2012
Adoption of Audited Results for the financial year ended 31 st March, 2012	28 th May, 2012

- (iii) Dates of Book Closure 12th September, 2011 to
20th September, 2011
(Both days inclusive)

- (iv) Dividend Payment Date Not Applicable

- (v) Listing on Stock Exchanges Bombay Stock Exchange
Limited - Mumbai
Listing fees for the financial
year 2011-12 has been paid.

- (vi) Stock Codes/ Symbol :
The Bombay Stock Exchange Ltd. :
- Electronic form - 523519

- (vii) Market price data:

Month	Company's Share Price		BSE Index	
	High (₹)	Low (₹)	High	Low
APRIL, 2010	3.25	2.52	18047.86	17276.80
MAY, 2010	3.48	2.83	17536.86	15960.15
JUNE, 2010	3.37	2.57	17919.62	16318.39
JULY, 2010	3.26	2.84	18237.56	17395.58
AUGUST, 2010	3.20	2.71	18475.27	17819.99
SEPTEMBER, 2010	3.52	2.43	20267.98	18027.12
OCTOBER, 2010	3.70	2.54	20854.55	19768.96
NOVEMBER, 2010	3.75	2.86	21108.64	18954.82
DECEMBER, 2010	3.71	2.75	20552.03	19074.57
JANUARY, 2011	3.87	2.92	20664.80	18038.48
FEBRUARY, 2011	3.48	2.54	18690.97	17295.52
MARCH, 2011	3.64	2.29	19575.16	17792.17

Report on Corporate Governance (contd...)

(viii) Registrar and Share Transfer Agents

As per the provisions of the Listing Agreement entered with the Stock Exchange, Mumbai the Company has appointed M/s. Skyline Financial Services Private Limited as a Common Registrar and Share Transfer Agents for the shares of the Company held in both physical as well as electronic modes. All correspondence with regard to share transfers and matters related therewith may directly be addressed to the Share Registrar and Transfer Agents at the address given below:

M/s. Skyline Financial Services Private Limited
D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020
Tel: +91 11 30857575 (10 Lines), Fax: +91 11 30857562
Web: www.skylinerta.com

(ix) Share Transfer System:

Transfer of dematerialized shares is done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form, the transfer document can be lodged with M/s. Skyline Financial Services Private Limited at their address mentioned above.

The shares received in physical mode by the Company's Registrar and Share Transfer Agents are transferred within a period of 15 days from the date of receipt.

(x) (b) Distribution of Shareholding as on March 31, 2011:

No. of Equity shares	Shareholders		Total Shares	
	Number	%	Number	%
Upto 500	10736	92.27	887696	6.06
501-1000	450	3.87	389403	2.66
1001-2000	209	1.80	328364	2.24
2001-3000	56	0.48	149932	1.02
3001-4000	45	0.38	160639	1.10
4001-5000	36	0.31	173966	1.19
5001-10000	54	0.46	397490	2.71
10001 and above	50	0.43	12165196	83.02
Total	11636	100.00	14652686	100.00

(b) Shareholding pattern as on March 31, 2011

Category	No. of shares	Percentage
Promoters / Promoters Group	9,490,355	64.77
Mutual Funds/ UTI	3,432	0.02
Financial Institutions /Banks	64,160	0.44
Foreign Institutional Investors	-	-
Bodies Corporate	9,75,642	6.66
Indian Public	4,103,665	28.00
NRI / OCBs	15432	0.11
GRAND TOTAL	14,652,686	100.00

(xi) Dematerialization of shares

The shares of the Company are compulsorily traded in dematerialised form and are available for trading on both the depositories in India i.e. NSDL & CDSL. As on March 31, 2011, 32.28% equity shares of the

Report on Corporate Governance (contd...)

Company are held in dematerialised form. The Company's shares are regularly traded on the BSE in electronic form.

Under the Depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE 951CO1012

(xii) **The Company has not issued any GDRs/ADRs/Warrants or Convertible instruments.**

(xiii) **Plant locations:** The Company does not have any manufacturing unit.

(xiv) **Address for Correspondence:**

The shareholders may address their communication/ suggestions/ grievances/ queries to the Registrar and Share Transfer Agents at the address mentioned above, or to:

The Company Secretary
 Universal Office Automation Ltd.
 E - 4, 5, 6, Sector - XI, NOIDA (U.P.) - 201 301.
 Tel. No.: 0120-2526490, Fax: 0120-2525196
 Email: investoroa@hcl.com

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As the Company could not take any business activity during the year under review, there is nothing significant to be reported as Management Discussion & Analysis.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Shareholders of UNIVERSAL OFFICE AUTOMATION LIMITED

1. We have examined the compliance of conditions of corporate governance by **UNIVERSAL OFFICE AUTOMATION LIMITED** for the year ended 31st March, 2011, as stipulated in Clause 49 of the listing agreement of the Company with Stock Exchange.
2. The Compliance of conditions of corporate governance is the responsibility of the management .Our examination was limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance .It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us , we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement .
4. We state that in respect of investor grievances. the Registrar and Share Transfer Agents of the Company has maintained the relevant records and certify that as on March 31, 2011 there was no investor grievances pending against the Company for a period exceeding one month.
5. We further state such compliance neither as 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.

S.D. Chopra
 Proprietor

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

Place: New Delhi
 Date : 30th May, 2011

Auditors' Report

To

The Members of Universal Office Automation Limited

1. We have audited the attached Balance Sheet of Universal Office Automation Limited, as at 31st March, 2011, the Profit and Loss Account and also 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. Except as matters stated in paragraph 3 below, 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. We draw attention to:

- a) Note 5 on schedule - 14 regarding Deferred tax assets.
- b) Note 8 on schedule - 14 Though the company has incurred losses far in excess of paid up capital and reserves, since the director's are looking for right opportunity to explore the similar line of business of activity, the directors consider that it is appropriate to prepare, the financial statements on going concern basis.

4. As required by the Companies (Auditor's Report) order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 (together 'the Order'), 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 & 5 of the said Order.

5. Further to our comments in the Annexure referred in paragraph 4 above, we report that:

- i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. 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.
- iii. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- iv. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the

Companies Act, 1956.

v. On the basis of written representations received 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.

vi. Subject to the matters stated in paragraph 3, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Accounting Policies and notes thereon and attached thereto, 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:

- a. in the case of the Balance Sheet, of the state of affairs of the Company as on 31st March, 2011;
- b. in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c. in the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

For S.D. Chopra & Associates
Chartered Accountants

S.D. Chopra
Proprietor

Place: New Delhi
Date: 30th May, 2011

Membership No. 82537

Annexure to Auditor's Report [Referred to in paragraph 4 of the Auditor's Report of even date to the members of Universal Office Automation Limited on the financial statements for the year ended March 31, 2011]

1.
 - i. The company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets.
 - ii. The physical verification of the fixed assets has not been carried out during the year.
 - iii. None of the fixed assets have been disposed off during the year.
2. The company has no inventory at the end of the year.
3.
 - i. The company has not taken any loans secured or unsecured from the firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
 - ii. The company has not granted any loans secured or unsecured to the 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 explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to

- purchases of inventory, fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
5. i) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements that need to be entered into the register maintained under section 301 of the companies Act, 1956 have been so entered.
 - ii) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
 6. The company has not accepted fixed deposits from the public during the year and there is no balance outstanding as at 31st March, 2011.
 7. There were no internal audit systems 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 cost records by the company under Section 209(1)(d) of the Companies Act, 1956 for any of its products.
 9. i) According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sale tax, wealth tax, service tax, cess and other statutory dues applicable to it.
 - ii) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, custom duty and excise duty were outstanding, as at 31st March, 2011 for a period of more than six months from the date they become payable.
 - iii) According to the information and explanations given to us, the dues of Sales Tax, Customs Duty, Excise Duty which have not been deposited on account of any dispute and the forum where the dispute is pending are as under:

Nature of the statute	Nature of the dues	Amount [₹ in lacs]	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	0.83	Dy. Commissioner/ Commissioner of Central Excise
Customs Act, 1962	Custom Duty	49.96 241.00	Supreme Court / Collector of Custom
Sales Tax & various other Acts		37.50 172.80	Sales Tax Tribunal Dy. Commissioner/Commissioner(Appeal)

10. In our opinion, the accumulated losses of the company are more than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company do not have any borrowings from financial institutions, bank or debenture holders.
12. The company has not granted any loans and advances on the basis of security by way of pledge of share etc.
13. Provisions of any special statute applicable to chit funds are 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 the banks or financial institutions.
16. The company has not raised any term loan during the year.
17. Based on our examination and in our opinion the company has not raised any short term/long term funds during the year.
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 debentures during the year.
20. The company has not made any public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For S.D. Chopra & Associates
Chartered Accountants

S.D. Chopra
Proprietor

Place: New Delhi
Date: 30th May, 2011

Membership No. 82537

Balance Sheet as at March 31, 2011

	Schedule	As at March 31, 2011 ₹/Lacs	As at March 31, 2010 ₹/Lacs
SOURCES OF FUNDS			
Shareholders' Funds:			
Share Capital	1	1465.27	1465.27
Reserves and Surplus	2	658.40	658.40
Loan Funds:			
Unsecured Loans	3	313.89	313.89
Total		<u>2437.56</u>	<u>2437.56</u>
APPLICATION OF FUNDS			
Fixed Assets:			
Gross Block	4	262.58	262.58
Less: Depreciation		<u>250.26</u>	<u>241.96</u>
		12.32	20.62
Investments	5	1.15	1.15
Current Assets, Loans & Advances:			
Sundry Debtors	6	42.35	30.02
Cash and Bank Balances	7	112.99	111.04
Other Current Assets	8	1.41	1.41
Loans and advances	9	<u>72.47</u>	<u>69.18</u>
		229.22	211.65
Less: Current Liabilities & Provisions:	10		
Current Liabilities		251.06	247.17
Provisions		<u>1.45</u>	<u>1.45</u>
		252.51	248.62
Net Current Assets		<u>-23.29</u>	-36.97
Profit & Loss Account		<u>2447.38</u>	<u>2452.76</u>
Total		<u>2437.56</u>	<u>2437.56</u>
Accounting Policies	13		
Notes to Accounts	14		

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

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

S.D. Chopra

Proprietor

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

New Delhi
30th May, 2011

SUSHIL KUMAR JAIN
Director

KUL BHUSHAN RATTAN
Director

P.S. RAVISHANKAR
Director

PREETI SAXENA
Company Secretary

Profit and Loss Account for the year ended March 31, 2011

	Schedule	Year ended March 31, 2011 ₹/Lacs	Year ended March 31, 2010 ₹/Lacs
INCOME			
Other Income	11	37.05	37.89
		<u>37.05</u>	<u>37.89</u>
EXPENDITURE			
Administration, Selling & Distribution	12	22.14	24.13
Depreciation		8.30	8.77
		<u>30.44</u>	<u>32.90</u>
PROFIT/(LOSS) BEFORE TAXATION		6.61	4.99
Tax Expense			
Current		1.23	0.77
PROFIT/(LOSS) AFTER TAX		5.38	4.22
LOSS BROUGHT FORWARD		(2452.76)	(2456.98)
Balance carried over		(2447.38)	(2452.76)
Basic and Diluted Earning/(Loss) Per Equity Share of ₹ 10/- each (₹) (Schedule 14, Note 10)		0.037	0.029
Accounting Policies	13		
Notes to Accounts	14		

This is the Profit and Loss Account referred to in our Report of even date

The Schedules referred to above form an integral part of the Profit and Loss Account

S.D. Chopra
Proprietor

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

New Delhi
30th May, 2011

SUSHIL KUMAR JAIN
Director

KUL BHUSHAN RATTAN
Director

P.S. RAVISHANKAR
Director

PREETI SAXENA
Company Secretary

Cash flow statement for the year ended March 31, 2011

	Year ended March 31, 2011 ₹/Lacs	Year ended March 31, 2010 ₹/Lacs
(A) Cash Flow from Operating Activities		
Net Profit/ Loss (-) before tax and extra ordinary items	6.61	4.99
<u>Adjustments for:</u>		
Depreciation	8.30	8.77
Interest & other income	<u>(10.05)</u>	<u>(10.89)</u>
	<u>(1.75)</u>	<u>(2.12)</u>
Operating Profit/Loss (-) before working capital changes	4.86	2.87
<u>Adjustments for:</u>		
Trade and Other receivables	(19.80)	(12.76)
Trade payables and other liabilities	<u>3.89</u>	<u>3.91</u>
	<u>(15.91)</u>	<u>(8.85)</u>
Cash generated from/used in (-) operations	(11.05)	(5.98)
Direct tax paid	<u>2.95</u>	<u>(4.47)</u>
	<u>2.95</u>	<u>(4.47)</u>
Net Cash from/used in (-) Operating Activities(A)	<u><u>(8.10)</u></u>	<u><u>(10.45)</u></u>
(B) Cash flow from Investing Activities		
Interest and other income	10.05	10.89
Purchase of Fixed Assests	<u>10.05</u>	<u>10.89</u>
Net Cash from/ used in (-) investing activities(B)	<u><u>10.05</u></u>	<u><u>10.89</u></u>
(C) Cash flow from Financing Activities		
Net cash from/used in (-) Financing Activities(C)	<u><u>-</u></u>	<u><u>-</u></u>

Cash flow statement for the year ended March 31, 2010 (contd.)

	Year ended March 31, 2011 ₹/Lacs	Year ended March 31, 2010 ₹/Lacs
Opening balance of Cash & Cash equivalents	111.04	110.60
Closing balance of Cash & Cash equivalents	112.99	111.04
Net Increase/Decrease(-) in Cash and Cash equivalents	1.95	0.44
Total (A) + (B) + (C)	1.95	0.44

Notes:

- 1) Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard-3 notified u/s 211(3C) of Companies Act, 1956
- 2) Schedules 1 to 14 form integral part of Cash Flow Statement
- 3) Figures in the brackets indicate cash outflow.

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

For and on behalf of the Board

S.D. Chopra

Proprietor

Membership No. 82537

For and on behalf of

S.D. Chopra & Associates

Chartered Accountants

New Delhi

30th May, 2011

SUSHIL KUMAR JAIN

Director

KUL BHUSHAN RATTAN

Director

P.S. RAVISHANKAR

Director

PREETI SAXENA

Company Secretary

Schedules to the Balance Sheet

	As at March 31, 2011 ₹/Lacs	As at March 31, 2010 ₹/Lacs
	<u> </u>	<u> </u>
1. SHARE CAPITAL		
AUTHORISED		
5,00,00,000 Equity Shares of ₹ 10/- each	5000.00	5000.00
10,00,000 Preference Shares of ₹ 100/- each	<u>1000.00</u>	<u>1000.00</u>
	<u>6000.00</u>	<u>6000.00</u>
ISSUED, SUBSCRIBED & PAID UP		
1,46,52,686 (Previous Year: 1,46,52,686) Equity Shares of ₹ 10/- each fully paid up		
Out of the total above, 8667148 Equity Shares (2010-8667148) are held by HCL Corporation Ltd., the holding company.	<u>1465.27</u>	<u>1465.27</u>
	<u>1465.27</u>	<u>1465.27</u>

Of the above equity shares:

- (i) 49,64,529 (Previous Year: 49,64,529) of ₹10/- each were allotted as fully paid up pursuant to a contract without payment being received in cash.
- (ii) 47,23,614 (Previous Year: 47,23,614) of ₹ 10/- each were allotted as fully paid up pursuant to the Scheme of Amalgamation between erstwhile Sandarbh Properties Private Limited and the Company {Schedule 14, Note 2}.

2. RESERVES AND SURPLUS (Schedule-14, Note 4)

	As at March 31, 2011 ₹/Lacs	As at March 31, 2010 ₹/Lacs
	<u> </u>	<u> </u>
General Reserve	27.40	27.40
Capital Reserve	297.63	297.63
Securities Premium	<u>333.37</u>	<u>333.37</u>
	<u>658.40</u>	<u>658.40</u>

Schedules to the Balance Sheet (contd.)

	As at March 31, 2011 ₹/Lacs	As at March 31, 2010 ₹/Lacs
3. UNSECURED LOANS		
Short Term Loans from Corporates	313.89	313.89
	<u>313.89</u>	<u>313.89</u>

4. FIXED ASSETS

(Schedule-14. Note 3)

	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at April 1, 2010	Addition during the year	As at March 31, 2011	As at April 1, 2010	Addition during the year	As at March 31, 2011	As at March 31, 2011	As at March 31, 2010
Land - Freehold	1.07	-	1.07	-	-	-	1.07	1.07
Plant & Machinery and Equipments	27.04	-	27.04	27.04	-	27.04	-	-
Furniture & Fixtures and Office Equipments	216.52	-	216.52	196.97	8.30	205.27	11.25	19.55
Vehicles	17.95	-	17.95	17.95	-	17.95	-	-
	<u>262.58</u>	<u>-</u>	<u>262.58</u>	<u>241.96</u>	<u>8.30</u>	<u>250.26</u>	<u>12.32</u>	<u>20.62</u>
Previous Year	262.58	-	262.58	233.19	8.77	241.96	20.62	

Schedules to the Balance Sheet (contd.)

	As at March 31, 2011 ₹/Lacs	As at March 31, 2010 ₹/Lacs
	<hr/>	<hr/>
5. INVESTMENTS		
Long term (Non-trade)		
Government Securities :		
370 units (Previous Year : 370 units) of Rs 100/- each of Unit Trust of India under Vecaus-II scheme fully paid up*	0.37	0.37
	<hr/>	<hr/>
	0.37	0.37
	<hr/>	<hr/>
Quoted securities :		
960 (Previous Year: 960) Equity shares of ₹ 10/- each of IDBI fully paid up. (Includes 360 bonus shares)	0.78	0.78
	<hr/>	<hr/>
	0.78	0.78
	<hr/>	<hr/>
	1.15	1.15
	<hr/> <hr/>	<hr/> <hr/>

**The Company is in the process of obtaining duplicate certificate in its name as the original certificate which was sent for endorsement, was lost in transit.*

Note: Market value of quoted securities ₹ 1.37 lacs, (Previous Year : ₹ 1.10 lacs)

Schedules to the Balance Sheet (contd.)

	As at March 31, 2011 ₹/Lacs	As at March 31, 2010 ₹/Lacs
6. SUNDRY DEBTORS (Unsecured - Considered good)		
Debts exceeding six months:	28.14	15.81
Other debts	14.21	14.21
	<u>42.35</u>	<u>30.02</u>
7. CASH AND BANK BALANCES		
Cash in hand	0.05	0.11
Balances with Scheduled Banks		
- On Current Accounts	3.07	1.26
- On Margin Accounts	109.87	109.67
	<u>112.99</u>	<u>111.04</u>
8. OTHER CURRENT ASSETS		
Deposits	1.41	1.41
	<u>1.41</u>	<u>1.41</u>
9. LOANS AND ADVANCES (Unsecured - Considered Good)		
Advances recoverable in cash or in kind or for value to be received	46.17	37.11
Advance Tax (net of provision)	26.30	32.07
	<u>72.47</u>	<u>69.18</u>

Schedules to the Balance Sheet (contd.)

	As at March 31, 2011 ₹/Lacs	As at March 31, 2010 ₹/Lacs
10. CURRENT LIABILITIES AND PROVISIONS (Schedule-14, Note 6)		
Current liabilities :		
Sundry Creditors	194.97	191.08
Sundry Deposits	5.37	5.37
Advance from Customers	<u>50.72</u>	<u>50.72</u>
	<u>251.06</u>	<u>247.17</u>
Provisions :		
For Gratuity and other employee benefits	<u>1.45</u>	<u>1.45</u>
	<u>1.45</u>	<u>1.45</u>
	<u>252.51</u>	<u>248.62</u>

Schedules to the Profit & Loss Account

	Year ended March 31, 2011 ₹/Lacs	Year ended March 31, 2010 ₹/Lacs
11. OTHER INCOME		
Interest received on margin money deposits {TDS ₹ 0.99 Lacs (previous year ₹ 0.87 lacs)}	10.05	10.89
Assets hire charges {TDS ₹ 1.96 Lacs (previous year ₹ 3.60 lacs)}	27.00	27.00
	<u>37.05</u>	<u>37.89</u>
12. ADMINISTRATION, SELLING AND DISTRIBUTION		
Rates and Taxes	10.40	15.07
Legal & Professional Expenses	4.73	2.45
Bank Charges	0.61	0.39
Annual General Meeting expenses	2.85	2.78
Miscellaneous Expenses	<u>3.55</u>	<u>3.44</u>
	<u>22.14</u>	<u>24.13</u>

Significant Accounting Policies

SCHEDULE - 13

SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention on accrual basis. Duty drawbacks and insurance claims are accounted for as and when admitted by the respective authorities.

2. FIXED ASSETS

Fixed assets are stated at cost/ revalued amounts where applicable, less depreciation.

3. DEPRECIATION

Depreciation has been calculated under straight-line method on:

- (a) Assets acquired prior to 1.5.1986 at the rates computed in the respective years of acquisition of those assets as per section 205(2)(b) of the Companies Act, 1956.
- (b) Assets acquired on or after 1.5.1986 and before 16.12.1993 on a pro-rata basis at the rates specified in Schedule XIV of the

Companies (Amendment) Act, 1988.

- (c) Assets acquired on or after 16.12.1993 on a pro-rata basis at the rates specified in the notification GSR No. 756 E dated 16.12.1993 as per the Schedule XIV of the Companies Act, 1956.

4. INVESTMENTS

Investments are stated at cost of acquisition, inclusive of expenditure incidental to acquisition. Long-term (non-trade) investments not held for immediate sale, are valued at cost less permanent diminution in value, if any. Current investments are valued at lower of cost and fair/ market value in aggregate; Income from investments is recognised in the accounts in the year in which it is accrued.

5. INVENTORIES

Finished goods are valued at lower of cost and net realisable value. Excise duty on finished goods is included in cost only if paid.

6. REVENUE RECOGNITION

Sale of scrap is recognized on disposal of scrap.

Notes to Accounts

SCHEDULE -14

NOTES TO ACCOUNTS

1. Contingent Liabilities.
Claims against the company not acknowledged as debts.
 - i) For taxes and others to the extent ascertainable ₹ 210.30 lacs (previous year ₹ 252.31 lacs)
 - ii) For Excise duty and penalty to the extent quantified by the authorities and other claims to the extent ascertainable ₹ 0.83 lacs (previous year ₹ 0.83 lacs).
 - iii) For Customs Duty and penalty to the extent quantified by the authorities ₹ 290.96 lacs (previous year ₹ 290.96 lacs).
2. Pursuant to the Scheme of Amalgamation between Sandarbh Properties Private Limited (Transferor company) and the company as per the Scheme of Amalgamation approved by the Shareholders of both the companies at the Extra-ordinary General Meeting held on 2.9.95 and sanctioned by the Hon'ble High Court of Delhi by its order dated March 21, 1996, with effect from the "Appointed Date", April 1, 1995. 47,23,614 equity shares of ₹ 10/- each fully paid up of the company have been allotted on May 10, 1996 to the shareholders of the Transferor company in the ratio of 9 equity shares of ₹ 10/- each for every 1 equity share of ₹ 100/- each held in the Transferor company.
3. a) Land, Building, Plant & Machinery and Capital Work-in-Progress were revalued by a registered valuer as at 30th June, 1992 after considering depreciation upto that date on the governing principle of Current Replacement Cost and amount added on revaluation ₹ 146.12 lacs. Revaluation reserve was adjusted against goodwill created in a prior year on amalgamation and against sale/ surrender of land and building.
b) Fixed assets other than book value of land and building were technically evaluated and on the basis of useful lives and obsolescence ₹ 632.46 lacs was devalued and charged to the profit and loss account for the year ended October 31, 1997.
4. Pursuant to the approval of the shareholders in the Extra-ordinary General Meeting held on 24th June, 1998, the Customer Support Organisation (CSO) activities of the company including related product sales along with required stocks, facilities and manpower were disposed off on 30th June, 1998 and the difference between the consideration and the net assets on that date amounting to ₹ 297.63 lacs was transferred to capital reserve.
5. Deferred tax assets as per Accounting Standard 22 has not been recognized and carried forward in view of absence of reasonable certainty about the sufficient future taxable income.
6. There are no outstanding due to small-scale industrial undertakings as on 31st March 2011. There are no delayed payments to the suppliers covered under the 'Interest on delayed payments to Small scale and Ancillary Undertakings Act, 1993'.
7. Remuneration to Auditors

	Year ended 31.3.2011 ₹/ Lacs	Year ended 31.3.2010 ₹/ Lacs
As Auditors	0.60	0.60
In other capacity :		
Tax Audit Fee	0.00	0.19
Certification & Other matters	0.35	0.35
Out-of-pocket Expenses	<u>0.11</u>	<u>0.03</u>
Total	1.06	1.17

Notes to Accounts (contd.)

8. The company's accumulated losses as at 31st March, 2011 far exceed its paid up capital and reserves as at that date. The Company's business operation has also thinned down due to paucity of working capital. Since the Director's are looking for right opportunity to explore the similar line of business of activity, the Directors consider that it is appropriate to prepare the financial statements on going concern basis.
9. The company has received a legal opinion that in view of the company having discontinued its manufacturing activities, it does not fall under purview of section 3(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 although at the end of this financial year, company's accumulated losses has exceeded its entire network. Consequently no reference needs to be made to the Board for Industrial and Financial Reconstruction.
10. 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 31-3-2011	For the year ended 31-3-2010
(a) Net Profit/ (Loss) available to Equity Shareholders (₹/ Lacs)	5.38	4.22
(b) Weighted average number of Equity Share (Nos)	1,46,52,686	1,46,52,686
(c) Basic and Diluted Earning/ (Loss) per Share (₹)	0.04	0.03

11. Disclosure of related party transactions:-

- A) Holding Company : Guddu Investment (Pondi) Private Limited
- B) Other Group Companies : HCL Infosystems Ltd.
HCL Technologies Ltd. And its subsidiaries.
- C) Key management personnel : Mr. P.S. Ravishankar
Mr. Kul Bhushan Rattan
Mr. Sushil Kumar Jain
Ms. Preeti Saxena

Notes to Accounts (contd.)

D) Summary of Related party disclosures (₹/ Lacs)

a) Transactions during the year:

Nature of Transactions	Holding Company		Other Group Companies		Total	
	2011	2010	2011	2010	2011	2010
	a) Sale of services/Hire charges	-	-	27.00	27.00	27.00

b) Amount due to/from related parties:

Nature of Transactions	Holding Company		Other Group Companies		Total	
	2011	2010	2011	2010	2011	2010
	Unsecured loans	139.80	139.80	-	-	139.80
Creditors	18.98	18.98	54.59	54.59	73.57	73.57
Debtors	-	-	42.35	30.02	42.35	30.02

12. Previous year's figures have been regrouped/rearranged to conform to current year's presentation.

13. Signature to the Schedules 1 to 14 forming part of the Balance Sheet and Profit and Loss Account.

S.D. Chopra

Proprietor

Membership No. 82537

For and on behalf of

S.D. Chopra & Associates

Chartered Accountants

New Delhi

30th May, 2011

SUSHIL KUMAR JAIN

Director

KUL BHUSHAN RATTAN

Director

P.S. RAVISHANKAR

Director

PREETI SAXENA

Company Secretary

Board of Directors

P.S. Ravishankar
Kul Bhushan Rattan
Sushil Kumar Jain

Company Secretary

Preeti Saxena

Auditors

S. D. Chopra & Associates

Registered Office

806, Siddharth, 96, Nehru Place,
New Delhi - 110 019

Corporate Office

E-4, 5, 6, Sector XI, Noida
Distt. Gautam Budh Nagar (U.P.)

Registrar & Share transfer Agents

M/s. Skyline Financial Services Private Limited
D-153 A, 1st Floor, Okhla Industrial Area, Phase - I
New Delhi - 110020

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Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that services of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the appropriate column in the members feedback form (refer page 27 of the Annual Report) and register the same with. **Postage for sending the feed back form will be borne by the Company.**