

J. D. PROJECTS PRIVATE LIMITED

## J. D. PROJECTS PRIVATE LIMITED

## DIRECTORS' REPORT

## To our Members,

The Directors take pleasure in presenting the Seventh Annual Report and Audited Statement of Accounts for the financial year ending March 31, 2002.

## FINANCIAL HIGHLIGHTS

Particulars	Year 2001-02 Rupees	Year 2000-01 Rupees
Total Income	4,200,145	2,864,516
Profit before interest, depreciation & Taxes	4,052,393	2,204,540
Less: Interest	69,742	339,984
: Depreciation	604,975	299,642
Profit before taxes	3,377,676	1,564,914
Provision for taxation	1,418,000	59,000
Profit after taxes	2,161,535	1,505,914

## MAJOR EVENT

During the year under review, there has been change in the Management control of the Company. Your Company has become a 100 % subsidiary of Bharti Telesonic Limited.

## ACTIVITY

There has been no activity except leasing out its property at 234, Okhla Industrial Estate, New Delhi.

## DIRECTORS

Due to the Management changeover, Mr. Jai Dhar Gupta, Mrs. Usha Gupta and Mr. Sanjay Khanna ceased to be the Directors during the year, as they had resigned from the Board. We, on behalf of the Company place on record our appreciation for the valuable contribution made by them during their tenure as Directors of the Company.

Mr. K. L. Jain, Mr. Viresh Dayal and Mr. N. Arjun were appointed as Additional Directors on the Board of the Company. Pursuant to the provisions of Section 260 of the Companies Act, 1956, Mr. K. L. Jain, Mr. Viresh Dayal and Mr. N. Arjun holds office up to the date of Annual General Meeting.

In view of rich and vast experience of Mr. K. L. Jain, Mr. Viresh Dayal and Mr. N. Arjun, it is felt that their presence on the Board would be an asset for the Company's future growth, hence it is recommended that they may be appointed as Directors of the Company.

## FIXED DEPOSITS

The Company had not accepted any deposits from the public and is therefore not required to furnish information in respect of outstanding deposits under the Non Banking Financial Companies (Reserve Bank) Directions, 1966, and Companies (Acceptance of Deposits) Rules, 1975.

## ACCOUNTS &amp; AUDIT

The Statutory Auditors, M/s. J. C. Bhalla and Co., Chartered Accountants, will retire at the conclusion of the forthcoming Annual General Meeting. A certificate has been furnished, to the effect that the appointment, if made, would be within the limits as prescribed under section 224(IB) of the Companies Act, 1956.

## STATUTORY STATEMENTS

The Company does not carry on any manufacturing activity and accordingly the provision to furnish information as per Section 217(1)(e) of the Companies Act, 1956, relating to Conservation of Energy, Research and Development and Technology Absorption is not applicable. During the period under review, total Foreign Exchange Earnings were Rs. Nil. The Foreign Exchange outgo was equivalent to Rs. Nil.

There are no employees, during the year under review, whose particulars are to be provided in terms of Section 217(2A) of the Companies Act, 1956, read with Companies (Particular of Employees) Rules, 1975.

The secretarial compliance report in terms of section 383A(1) is annexed.

## DIRECTORS' RESPONSIBILITY STATEMENT

## The Directors Confirm:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2002 and of the profit and loss account of the Company for that period;
- that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Directors had prepared the annual accounts on a going concern basis.

## ACKNOWLEDGEMENT

Your Directors, on behalf of the Company, express their gratitude for the assistance, co-operation and support received from the Group Company's bankers.

On behalf of the Board

Place: New Delhi  
Date: June 29, 2002

**K. L. JAIN**  
Director

**N. ARJUN**  
Director

## SECRETARIAL COMPLIANCE CERTIFICATE

The Members  
J.D. PROJECTS (PVT.) LTD.  
'Qutab Ambience'  
H-5/12, Mehruali Road  
New Delhi - 110 030

I have examined the register, records, books and papers of J.D. Projects Private Limited as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31st March 2002. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers, agents and audited Balance Sheet, Profit & Loss A/c and Auditors' Report, I certify that in respect of the aforesaid financial year:

- The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
- The company has filed the forms and return as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the act and the rules made thereunder
- The Company is a Private Limited Company. There was change in the Management control of the Company during the financial year. Bharti Telesonic Limited acquired 100% equity stake in the Company and made it as its wholly owned subscriber.  
The Company has the minimum prescribed paid-up capital and its maximum number of members during the said financial year was Five (5) excluding its present and past employees and the Company during the year under scrutiny:
  - has not invited public to subscribe for its shares or debentures; and
  - has not invited or accepted any deposits from persons other than its members, directors or their relatives.
- The Board of Directors duly met 6(Six) times on 04-04-2001,01-06-2001, 02.06.2001, 30-08-2001, 27-12-2001 and 20-02-2002 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
- The company was not required to close its register of members during the financial year.
- The annual general meeting for the financial year ended on 31-03-2001 was held on 15-05-2001 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
- No extraordinary meeting was held during the financial year ending 31-03-2002.
- The company has not given any advance and loan to its directors and/or persons or firms or companies referred in the section 295 of the Companies Act.
- The company has not entered into any contracts falling within the purview of section 297 of the Act.
- The Company was not required to make the necessary entries in the register maintained under section 301 of the Act.
- There are no instances falling within the purview of section 314 of the Act. Hence the Company has not obtained any approvals from the Board of Directors, Members or the Central Government as the case may be.
- The Company has not issued any duplicate share certificates during the financial year.
- (i) There were no fresh allotment of securities during the financial year. Further the company has delivered all the certificates on transfer of securities during the financial year .  
(ii) As no dividend was declared (including interim dividend) during the financial year the Company has not deposited any amount in separate bank account.  
(iii) The Company has not posted warrants for dividends to any member of the Company as no dividend was declared during the financial year.  
(iv) The Company has no unpaid dividend lying unclaimed/ unpaid for a period of seven years.  
(v) The company has duly complied with the requirements of section 217 of the Act.
- The Board of Directors of the Company is duly constituted. The appointment of additional directors during the financial year were duly made in compliance of the Companies Act, 1956 and the Articles of Association of the company.
- Since there is no Managing Director hence the provisions of section 269 read with Schedule XIII to the Act are not applicable to that extent.
- No sole-selling agents have been appointed.
- The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and / or such authorities prescribed under the various provisions of the Act.
- The Directors have disclosed their interest in other companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.

19. The Company has not issued any shares/debentures/ other securities during the financial year.
20. The company has not bought back any share during the financial year ending 31-03-2002.
21. The company has not redeemed any preference shares/debentures during the year.
22. The company has not kept in abeyance rights to dividend. There are no rights shares and bonus shares pending registration of transfer.
23. The company has not accepted any deposits including unsecured loans falling within the purview of Section 58 A during the financial year.
24. The Company has not made any borrowings during the financial year ending 31.03.01.
25. The Company has not made any loans and investments, or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one State to another during the year.
27. The company has not altered the provisions of the memorandum with respect to the Objects of the company during the year.
28. The company has not altered the provisions of the memorandum with respect to the name of the company during the year.
29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the year.
30. The company has not altered its articles of association.
31. No prosecution is initiated or pending against the company.
32. The company has not received any security from its employees during the Year.
33. According to the records of the company, the company has not deducted any contribution towards Provident Fund and employees state Insurance during the year.

Place : New Delhi  
Date : June 29, 2002

**For KIRAN SHARMA & CO.**  
Company Secretaries

**(Kiran Sharma)**  
A.C.S.  
Proprietor  
C. P.No.3116

#### ANNEXURE - A

Following registers are maintained by the company :

- 1 Register of Members u/s 150.
- 2 Register of Share Transfer and transmission u/s 108
- 3 Minutes Book of Board Meetings u/s 193
- 4 Minutes of General Meetings u/s 198.
- 5 Proper books of accounts u/s 209
- 6 Register u/s 301 for contracts and arrangements in which Directors are interested or concerned
- 7 Register of Directors u/s 303
- 8 Register of Directors' Shareholdings u/s 307
- 9 Register of charges u/s 143
- 10 Register of Fixed Assets
- 11 Register of Directors attendance
- 12 Register of Share application and allotment book.
- 13 Register of common seal.
- 14 Register of renewed and duplicate certificates u/s 7 of the Companies Act (Issue of share Certificates) rules, 1960.

#### ANNEXURE - B

Returns and Forms as filed by the company with the Registrar of Companies during the financial year ending 31st March, 2002 :

- Annual Return u/s 160 for the year ending on 31-03-2001 filed on 12.10.2001
- Annual report u/s 220 for the year ending on 31-03-2001 filed on 29.06.2001
- Form 32 for Resignation & Appointment of Additional Directors in the Board Meeting held on 01.06.2001 filed on 29.06.2001
- Form 32 for Appointment of Company Secretary w.e.f. on 20.02.2002 on 05.06.2002
- Form 32 for Appointment of Additional Director in the Board Meeting on 09.04.2001 filed on date 29.06.2001.
- Form 32 for Resignation of Director w.e.f. 02.06.2001 filed on date 29.06.2001
- Form 18 for shifting Registered Office w.e.f. 01.06.2001 filed on date 30.07.2001 (within same city)
- Form III alongwith form I & II doc. Date 19-03-02 - filed 26-03-02.

### AUDITORS' REPORT

#### **The Members, J. D. Projects Private Limited**

We have audited the attached Balance Sheet of J. D. Projects Private Limited as at March 31, 2002, and also the Profit and Loss Account 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.

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.

As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988, 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.

Further to our comments in the Annexure referred to 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 examinations of those books;

- (iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet and Profit and Loss Account 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 March 31, 2002, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2002, from being appointed as a director in terms of clause (g) of sub-section(1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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 affairs of the Company as at March 31, 2002; and
  - (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date.

Place: New Delhi  
Dated: June 29, 2002

**For J. C. BHALLA & CO.**  
Chartered Accountants,

**ANIL BHALLA**  
Partner

#### **ANNEXURE TO THE AUDITORS' REPORT ON THE ACCOUNTS OF J. D. PROJECTS PRIVATE LIMITED, FOR THE YEAR ENDED MARCH 31, 2002, AS REFERRED TO IN PARAGRAPH (1) OF OUR REPORT OF EVEN DATE.**

1. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets. The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed during such physical verification in comparison to book records.
2. None of the fixed assets have been revalued during the year.
3. The Company has taken interest free loan from its holding company, to be listed in the register to be maintained under section 301 of the Companies Act, 1956. In terms of sub-section (6) of section 370 of Companies Act, 1956, provisions of the Section are not applicable to a company on or after October 31, 1998.
4. The Company has not granted any loan to companies, firms or other parties to be listed in the register to be maintained under section 301 of the Companies Act, 1956. In terms of sub-section 6 of Section 370 of the Companies Act, 1956, provisions of the section are not application to a company on or after October 31, 1998.
5. The Company has not granted any loans or advances in the nature of loans during the year.
6. The Company has not accepted any deposits from the public.
7. According to the information and explanations given to us, there are no undisputed amount payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom duty and Excise duty which have remained outstanding as at March 31, 2002, for a period of more than six months from the date they become payable.
8. During the course of our examination of the books of accounts carried out in accordance with the generally accepted auditing practices, we have not come across any personal expenses which have been charged to Profit & Loss Account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
9. The Company is not a Sick Industrial Company within the meaning of clause (O) of sub section (1) of section (3) of the Sick Industrial Companies (Special Provisions) Act, 1985.
10. Other clauses of the MAOCARO are not applicable to the company.

Place: New Delhi  
Dated: June 29, 2002

**For J. C. BHALLA & CO.**  
Chartered Accountants,

**ANIL BHALLA**  
Partner

**BALANCE SHEET AS AT MARCH 31, 2002**

	Schedule	As at March 31, 2002 (Rs.)	As at March 31, 2001 (Rs.)
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDER'S FUND</b>			
Share Capital	1	10,000,300	10,000,300
Reserves & Surplus	2	<u>3,622,006</u>	<u>13,622,306</u>
			<u>1,460,471</u>
			11,460,771
<b>LOAN FUNDS</b>			
Secured	3	–	336,440
Unsecured	4	<u>22,931,876</u>	<u>22,931,876</u>
			<u>14,389,719</u>
			14,726,159
<b>TOTAL</b>		<u><u>36,554,182</u></u>	<u><u>26,186,930</u></u>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross Block	5	44,604,449	44,604,449
Less: Depreciation		<u>702,658</u>	<u>299,642</u>
		43,901,791	44,304,807
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Cash & Bank Balances	6	146,789	2,331,945
Loans & Advances		<u>1,498,452</u>	<u>641,652</u>
		<u>1,645,241</u>	<u>2,973,597</u>
<b>LESS: CURRENT LIABILITIES &amp; PROVISIONS</b>			
Current Liabilities	7	7,515,750	21,098,876
Provisions		<u>1,477,100</u>	<u>59,000</u>
		8,992,850	21,157,876
<b>NET CURRENT ASSETS</b>		<b>(7,347,609)</b>	<b>(18,184,279)</b>
<b>Miscellaneous Expenditure</b> (To the extent not written off or adjusted)			
Preliminary Expenses		–	66,402
<b>TOTAL</b>		<u><u>36,554,182</u></u>	<u><u>26,186,930</u></u>
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES ON ACCOUNT</b>			
	12		

As per our report of even date attached.

**J. C. BHALLA & CO.**  
Chartered Accountants  
**ANIL BHALLA**  
Partner

Place: New Delhi  
Date: June 29, 2002

**K. L. JAIN**  
Director

On behalf of the Board

**N. ARJUN**  
Director

**VINOD MEHRA**  
Company Secretary

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2002**

	Schedule	For the year ended March 31, 2002 (Rs.)	For the year ended March 31, 2001 (Rs.)
<b>INCOME</b>	8	<u>4,200,145</u>	<u>2,864,516</u>
<b>EXPENDITURE</b>			
Personnel Expenses	9	–	19,297
Administrative and Others	10	147,752	640,679
Financial expenses	11	69,742	339,984
Depreciation		<u>604,975</u>	<u>299,642</u>
<b>PROFIT BEFORE TAXATION</b>		3,377,676	1,564,914
Excess Depreciation written back		(201,959)	–
Provision for taxation		<u>1,418,100</u>	<u>59,000</u>
<b>PROFIT AFTER TAX</b>		2,161,535	1,505,914
Balance of profit as per last Balance Sheet brought forward		1,460,471	(45,443)
<b>PROFIT AVAILABLE FOR APPROPRIATION</b>		<u>3,622,006</u>	<u>1,460,471</u>
<b>APPROPRIATIONS</b>			
Balance carried to balance sheet		<u>3,622,006</u>	<u>1,460,471</u>
		<u>3,622,006</u>	<u>1,460,471</u>
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES ON ACCOUNT</b>			
	12		

As per our report of even date attached.

**J. C. BHALLA & CO.**  
Chartered Accountants  
**ANIL BHALLA**  
Partner

Place: New Delhi  
Date: June 29, 2002

**K. L. JAIN**  
Director

On behalf of the Board

**N. ARJUN**  
Director

**VINOD MEHRA**  
Company Secretary

## SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS

Particulars	Schedule	As at March 31, 2002 (Rs.)	As at March 31, 2001 (Rs.)
<b>SHARE CAPITAL</b>	<b>1</b>		
<b>Authorised</b>			
2000000 Equity shares of Rs.10/- each		20,000,000	20,000,000
<b>Issued Subscribed and paid up</b>			
1000030 Equity shares of Rs.10/- each fully paid up		10,000,300	10,000,300
All shares are held by the Holding company Bharti Telesonic Ltd.		10,000,300	10,000,300
<b>RESERVES AND SURPLUS</b>	<b>2</b>		
<b>Balance in Profit &amp; Loss Account</b>			
As per last balance sheet		1,460,471	1,460,471
Add: Transferred from Profit & Loss A/c		2,161,535	(45,443)
		3,622,006	1,505,914
		3,622,006	1,460,471
<b>SECURED LOANS</b>	<b>3</b>		
Other Loans & Advances		-	336,440
Term loan from DFC*		-	336,440
<b>UNSECURED LOANS</b>	<b>4</b>		
Bhart Telesonic Limited (the Holding company)		22,931,876	-
From Others		-	14,389,719
		22,931,876	14,389,719

\* secured against 1st registered/equitable mortgage of all existing and future assets.

## SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS

## FIXED ASSETS - 5

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as on 01.04.01	Additions during the year (Rs.)	Sale, Disposal & Adjustment	Total cost as on 31.03.2002 (Rs.)	As at 01.04.01 (Rs.)	Sale, Disposal & Adjustment	For the year (Rs.)	Total up to 31.03.2002 (Rs.)	As on 31.03.2002 (Rs.)	As on 31.03.2001 (Rs.)
Land	7,489,421	-	-	7,489,421	-	-	-	-	7,489,421	7,489,421
Building	37,115,028	-	-	37,115,028	299,642	201,959	604,975	702,658	36,412,370	36,815,386
TOTAL	44,604,449	-	-	44,604,449	299,642	201,959	604,975	702,658	43,901,791	44,304,807
Previous Year	18,240,958	26,363,490	-	44,604,449	-	-	299,642	299,642	44,304,807	-

## SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS

Particulars	Schedule	As at March 31, 2002 (Rs.)	As at March 31, 2001 (Rs.)
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>	<b>6</b>		
<b>CASH &amp; BANK BALANCES</b>			
Cash in hand		526	2,305,526
Balances with scheduled banks			
– In current accounts		<u>146,263</u>	<u>26,419</u>
<b>LOANS &amp; ADVANCES</b> (Unsecured considered good unless otherwise stated)			
Advance tax/TDS Recoverable)		<u>1,498,452</u>	<u>641,652</u>
		<u>1,645,241</u>	<u>2,973,597</u>
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>	<b>7</b>		
<b>CURRENT LIABILITIES</b>			
Sundry creditors:			
– Due to SSI Units		–	–
– Others		<u>14,985</u>	<u>13,524,940</u>
Security Deposit		<u>7,500,000</u>	<u>7,500,000</u>
Other liabilities		<u>765</u>	<u>73,936</u>
		<u>7,515,750</u>	<u>21,098,876</u>
<b>PROVISIONS</b>			
– For Income Tax		<u>1,477,100</u>	<u>59,000</u>
		<u>8,992,850</u>	<u>21,157,876</u>
<b>Particulars</b>	<b>Schedule</b>	<b>For the year ended March 31, 2002 (Rs.)</b>	<b>For the year ended March 31, 2001 (Rs.)</b>
<b>INCOME</b>	<b>8</b>		
Lease Rent		4,200,000	2,864,516
Miscellaneous Income		<u>145</u>	<u>–</u>
		<u>4,200,145</u>	<u>2,864,516</u>
<b>PERSONNEL EXPENSES</b>	<b>9</b>		
Salaries, Wages & Bonus		–	19,297
		–	<u>19,297</u>
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>	<b>10</b>		
Repair & Maintenance (Building)		–	612,255
Auditors Remuneration		15,750	15,750
Legal & Professional Charges		60,500	–
Rates, Fees & Taxes		5,000	3,431
Bank Charges		100	1,865
Preliminary Expenses amortised		<u>66,402</u>	<u>7,378</u>
		<u>147,752</u>	<u>640,679</u>
<b>FINANCIAL EXPENSES</b>	<b>11</b>		
Interest on Term loans		<u>69,742</u>	<u>339,984</u>
		<u>69,742</u>	<u>339,984</u>

## SCHEDULE-12

## SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES TO ACCOUNTS FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2002, AND PROFIT &amp; LOSS ACCOUNT FOR THE YEAR ENDING ON THAT DATE

## A. SIGNIFICANT ACCOUNTING POLICIES

## 1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and the provisions of the companies Act,1956, as adopted consistently by the Company.

## 2. FIXED ASSETS &amp; DEPRECIATION

Fixed Assets are stated at cost of acquisition including incidental expenses related to acquisition and installation. Depreciation on fixed assets has been provided on Straight line method in accordance with and at the rates prescribed in Schedule XIV to the Companies Act,1956.

## B. NOTES TO ACCOUNTS

- The company has become a wholly-owned subsidiary of M/s Bharti Telesonic Limited. w.e.f. 1-6-2001.
- During the year, the company has changed the method of providing depreciation from written down value method to straight-line method resulting in lower depreciation charge amounting to Rs. 12,35,794/-. Consequently, profit for the period is overstated to this extent. The excess depreciation of Rs. 201959/- relating to the previous year consequent to the change has been written back.
- During the year, the Company has written off balance amount of preliminary expenditure. Previously, there was an accounting policy to write it off over a period of 10 years. Due to this change, profit for the current year is lower by Rs. 59024/-.
- Provision for tax for the current year includes Rs. 5,16,000/- towards provision made for earlier years.
- Previous year's figures have been given regrouped/rearranged wherever necessary.

## Details of transactions with related party

Nature of Relationship	Bharti Telesonic Ltd. (Holding Company)
Opening Balance as on 01-04-01	
<b>Nature of Transaction</b>	
Lease Rent Received	4,200,000
Unsecured Loan received (a)	22,931,876
Security Deposit received (b)	7,500,000
Total amount due as on 31-03-2002 (a+b)	<u>30,431,876</u>

On behalf of the Board

K. L. JAIN  
DirectorN. ARJUN  
DirectorPlace: New Delhi  
Date: June 29, 2002VINOD MEHRA  
Company Secretary

J. D. PROJECTS PRIVATE LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.

State Code

Balance Sheet Date          
Date Month Year

II. Capital raised during the year (Amount in thousands)

Public Issue

Rights Issue

Bonus Issue

Private Placement

III. Position of mobilisation and deployment of funds (Rs. in thousands)

Total Liabilities

Total Assets

Sources of funds Paid-Up Capital

Reserves & Surplus

Secured Loans

Unsecured Loans

Application of funds Net Fixed Assets

Investments

Net Current Assets

Misc. Expenditure

IV. Performance of the Company (Amount in thousands)

Turnover\*

Total Expenditure

Profit / (Loss) Before Tax

Profit / (Loss) After Tax

Earnings Per Share in Rs.

Dividend Rate %

V. Generic Names of three principal products / services of the Company (as per monetary terms)

Item Code No. (ITC Code)

Product Description

As per our report of even date attached.

J. C. BHALLA & CO.  
Chartered Accountants  
ANIL BHALLA  
Partner

K. L. JAIN  
Director

On behalf of the Board

N. ARJUN  
Director

Place: New Delhi  
Date: June 29, 2002

VINOD MEHRA  
Company Secretary