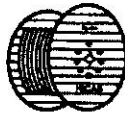


2018-19

हिन्दुस्तान केवल्स लिमिटेड

**HINDUSTAN CABLES LIMITED**



**67<sup>th</sup> Annual Reports & Accounts**

**67 वाँ वार्षिक प्रतिवेदन एवं लेखा**

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## HINDUSTAN CABLES LIMITED

### BOARD OF DIRECTORS

Shri Partha Dasgupta	:	Chairman and Managing Director
Shri A.K.Panda	:	Director
Shri A.M. Manichan	:	Director
Shri Nitin Jain	:	Director

### STATUTORY AUDITORS

Messers Das & Prasad  
Chartered Accountants  
Kolkata

### BANKERS

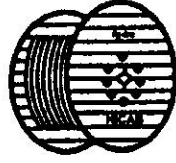
State Bank of India  
Bank of Baroda  
Allahabad Bank

### REGISTERED OFFICE

1/315, Gariahat Road (Jodhpur Park)  
Kolkata 700 068

**हिन्दुस्तान केबल्स लिमिटेड**

(भारत सरकार का उपक्रम)  
पंजीकृत एवं नैगम कार्यालय  
1/315, गडियाहाट रोड (जोधपुर पार्क)  
कोलकाता - 700068, भारत



**HINDUSTAN CABLES LIMITED**  
(A Govt. of India Undertaking)  
**REGISTERED & CORPORATE OFFICE**  
1/315, GARIAHAT ROAD  
(JODHPUR PARK)  
KOLKATA - 700 068, INDIA

**CIN-L31300WB1952GOI020560**

**Phone : (033) 4604-5572**

**Email : cmdhclkol@gmail.com | Website : www.hindcables.net**

CORP/SEC/67 AGM/2019-20/104

Date: 16.12.2019

**NOTICE OF THE 67<sup>TH</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the 67<sup>th</sup> Annual General Meeting of Hindustan Cables Limited will be held on Tuesday, the 24<sup>th</sup> December, 2019 at Hindustan Cables Limited, 1/315, Gariahat Road, Kolkata 700 068 at 3:00 PM to transact the following business :

1. To consider and adopt the Report of the Directors for the year ended 31<sup>st</sup> March, 2019.
2. To consider and adopt the Profit and Loss Account for the year ended 31<sup>st</sup> March, 2019 and Balance Sheet as on that date along with the Reports of the Auditors thereon.
3. To authorise the Board of Directors to fix the remuneration of Auditors for the year 2019-20.

For Hindustan Cables Limited

(P. Dasgupta)

Chairman and Managing Director  
(Addl. Charge)

To  
All Members  
**Hindustan Cables Limited**

**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 of the company. A blank form of proxy is enclosed, which, if used, should be returned to the Registered Office of the Company duly completed, not later than 48 hours before the commencement of the Meeting.
2. The Register of Members and the Share Transfer Books of the Company has been closed from 12.09.2019 to 23.09.2019 (both days inclusive).

**Form No. MGT-11**

**Proxy form**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L31300WB1952GOI020560

Name of the Company: HINDUSTAN CABLES LIMITED

Registered office: 1/315, Gariahat Road, Kolkata 700 068

Name of the Member(s):
Registered address:
E-mail Id:
Folio No/ Clint Id:

I/ We being the member(s) of ..... shares of the above names company, hereby appoint

1. Name: .....

Address:

E-mail Id:

Signature: ..... or failing him

2. Name: .....

Address:

E-mail Id:

Signature: ....., or failing him

3. Name: .....

Address:

E-mail Id:

Signature: .....,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 67<sup>th</sup> Annual General Meeting of the Company, to be held on .....day, the ..... 2019 at ..... at Hindustan Cables Limited, 1/315, Gariahat Road, Kolkata 700 068 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No. **(Ordinary Resolution)**

1. To consider and adopt the Report of the Directors for the year ended 31<sup>st</sup> March, 2019.
2. To consider and adopt the Profit and Loss Account for the year ended 31<sup>st</sup> March, 2019 and Balance Sheet as on that date along with the Report of the Auditors thereon.
3. To authorise the Board of Directors to fix the remuneration of Auditors for the year 2019-20.

Signed this ..... day of..... 2019

Affix Revenue  
Stamp

Signature of Shareholder

Signature of Proxy holder(s)

Note: The form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

## DIRECTORS' REPORT

**TO**  
**THE SHAREHOLDERS**  
**HINDUSTAN CABLES LIMITED**

Dear Shareholders,

On behalf of the Board of Directors, I have great pleasure in presenting you the 67<sup>th</sup> Annual Report on the working of the Company for the year ended 31<sup>st</sup> March 2019 along with the Audited Statement of Accounts, Auditors' Report and the Review of the Accounts by the Comptroller & Auditor General of India.

### **2. PERFORMANCE**

The Union Cabinet has given its approval on 28.09.2016, inter alia, for closure of the company as per the provisions of the Companies Act 1956 / 2013, Industrial Disputes Act 1947 etc., offering VRS/VSS to its employees. Accordingly, all the employees were released on 31.01.2017 on payment of compensation sanctioned by the Union Cabinet.

As things stands today, there is no permanent employee on the roll of the company. The appropriate government authority has granted permission for closure of the company u/s. 25(O) of Industrial Disputes Act, 1947.

Currently the company - with no employee and no business activity - continues to exist only on paper while it complies with the formalities of closure (i.e. liquidation/ winding up) as per direction of Union Cabinet. These closure related activities are handled by a few persons engaged on short term contract.

To sum up, the company has already been effectively closed; the application for formal closure is expected to be filed shortly.

### **3. FINANCIAL RESULTS**

During the year 2018-19 the company has made a profit of Rs. 51.86 crores.

Summarised position of the Company's results for the year 2018-19 compared to 2017-18 is given below:

		(Rs. In lakhs)	
		<b>2018-19</b>	<b>2017-18</b>
(a)	Gross Income	6072.19	75844.05
(b)	Operating Profit/(Loss)	5216.87	70660.42
(c)	Less/(Add):		
	(i) Finance Charges	-	-
	(ii) Depreciation	31.28	43.97
	(iii) Prior period adjustment, provision and tax	-	-
(d)	Profit/(Loss) for the year	5185.59	70616.45

#### **4. SHARE CAPITAL**

The Authorised Capital of the Company is Rs. 6000 crores. The Subscribed and Paid-up Capital as on 31.3.2019 stood at Rs. 4865.88 crores divided into 4865881125 Equity Shares of Rs.10 each.

#### **5. BORROWINGS**

During the year 2018-19, the company has not made any borrowing.

#### **6. CONTRIBUTION TO NATIONAL EXCHEQUER**

The Company's contribution to National Exchequer by way of Income Tax on VRS, payments to casual workers, TDS on contractors and consultancy services, TCS on sale of scrap and GST etc. aggregates to Rs. 5.71 crores.

#### **7. HUMAN RESOURCE MANAGEMENT**

In terms with approval of the Union Cabinet dated 28.09.2016, inter alia, for closure of the company as per the provisions of the Companies Act 1956 / 2013, Industrial Disputes Act 1947 and other relevant Acts, all the regular employees of the company were released on 31.01.2017 on acceptance of their VR applications except 125 ex-employees of HCL, Naini. The closure related activities continue to be handled by a few persons engaged on short term contract.

#### **8. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors of the Company confirm:

- i. That in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure.
- ii. That the selected accounting policies were applied consistently and the directors made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2019 and of the profit of the Company for the year ended on that date.
- iii. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the annual accounts have not been prepared under historical convention as a going concern, in view of the decision of Union Cabinet to close the company.

#### **9. AUDIT COMMITTEE**

The Board of Directors in its 347<sup>th</sup> Meeting held on 01.11.2018 constituted an Audit Committee comprising of Shri A.M. Manichan, as Chairman, Audit Committee, Shri Nitin Jain, as Member, Audit Committee and Shri R.K. Mitra, as Member, Audit Committee. The terms of reference of the Audit Committee are to review and discuss with the Auditors periodically about internal controls, the scope of audit and the observations of the auditors, review of financial statements before submission to the Board and any matter referred by the Board.



## 10. BOARD OF DIRECTORS

Shri R.K.Mitra, Director (Finance), Braithwaite, Burn & Jessop Construction Co. Ltd. (BBJ) has been entrusted additional charge of the post of Chairman & Managing Director of the company w.e.f. 01.07.2018 in terms of Order No. 1(15)/2016-PE-II, dated 27.06.2018 issued by Department of Heavy Industry, Government of India.

The Board of Directors place on record its appreciation for the service rendered by Shri R.C.Sen as Chairman and Managing Director (Additional Charge) of the company.

Shri A.K. Panda, Economic Adviser, Department of Heavy Industry (DHI) was appointed as a Nominee Director on the Board of Hindustan Cables Limited with immediate effect vice Smt. Ritu Pande, Director, Department of Heavy Industry vide DHI order No.1(15)/2001-PE.II, dated 14.11.2018.

The Board of Directors place on record its appreciation for the service rendered by Smt. Ritu Pande, Director, Department of Heavy Industry, as Government Nominee Director on the Board of Hindustan Cables Limited.

The Board meets with prior notice and circulation of the agenda papers in advance. The meetings focus on strategy formulation, policy and control, review of the performance and for considering statutorily required matters. During the year 2018-19, the Board met five times.

## 11. AUDITORS

For the year 2018-19, M/s Das & Prasad, Chartered Accountant was appointed by Comptroller & Auditor General of India (C&AG) as Statutory Auditor for all units of the Company and for consolidation of Company's Accounts.

## 12. AUDIT REVIEW

The comments of the Comptroller and Auditor General of India, Statutory Auditors' Report to the members and replies of the Management to the observations are *annexed*.

## 13. LISTING OF SHARES AND OTHER INFORMATION

The share transfers taking place are amongst the nominees of the President of India. The distribution of shareholding as on 31st March, 2019 was as under:

Sl.No.	Category	No. Of Shares held	% age
1	President of India	4865881125	100.00
	Total	4865881125	100.00

The last 3 Annual General Meetings were held on 27.12.2016, 17.11.2017 and 08.12.2018 at Kolkata.

## 14. ACKNOWLEDGEMENT

The Directors are grateful for the support, guidance and assistance received from the Department of Heavy Industry, Ministry of Heavy Industries and Public Enterprises, Ministry of

Communication, Ministry of Finance and other Ministries of Government of India and State Governments of West Bengal, Andhra Pradesh and Uttar Pradesh. The Directors also convey their thanks for the co-operation and support received from the office of Comptroller and Auditor General of India and the Principal Director of Commercial Audit.

The Directors take this opportunity to express their appreciation for the support, co-operation and contribution from the contractual functionaries of the Company in meeting various challenges during the year under review.

**REGISTERED OFFICE**  
**1/315, Gariahat Road**  
**(Jodhpur Park)**  
**KOLKATA 700 068.**  
**DATED :30.09.2019**

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

**(R.K.MITRA)**  
**CHAIRMAN & MANAGING DIRECTOR**

# **ACHARYA S. K. & ASSOCIATES**

## **COMPANY SECRETARIES**

Shree Sati Business Centre, 7/1 A, Grant Lane, 1st Floor, Room No. 17 & 18, Kolkata -700 012  
Ph. : 2225-7760/61/63, Extn. : 252, Mob. : 98307 19480, Fax : 2225-7765, (033) 4008 4631 (Direct)  
E-mail: subrat\_1232001@yahoo.com/subrat\_1232001 @rediffmail.com

### **SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> March, 2019**

**(Pursuant to section 204(1) of the Companies Act, 2013 and rules 9 of the Companies (Appointment and Remuneration Of Managerial Personnel) rules, 2014, read with the Guidance Note on Secretarial Audit)**

**(Release- 1.2) of the Institute Of Company Secretaries of India)**

**TO**

**The Members**

**M/S. Hindustan Cables Limited**

**1/315, Gariahat Road**

**Kolkata-700068**

1. I have conducted the secretarial Audit of M/s. Hindustan Cables Limited having its Registered office at 1/315, Gariahat Road, Kolkata-700068 and having CIN L31300WB1952GOI020560 (hereinafter called 'the Company') for the financial year ended on 31<sup>st</sup> March, 2019 (" the period under review " herein after). The Aforesaid Secretarial audit has been conducted, pursuant to the provision of section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Read with the Guidance Note on Secretarial Audit) (release 1.2) of Institute of Company Secretaries of India, in a manner that provided me a reasonable basis for evaluating the corporate conduct and the process of statutory compliances under various statutes, rules, regulations, guidelines, as indicated here in below in the instant report as such expressing my opinion thereon.
2. On the Basis of verification of the secretarial compliance and on the basis of aforesaid secretarial audit of Company's books, papers minute books, forms and returns filed and other records maintained by the company, as shown to me , during the said audit and based on the information provided by the Company, its officers, agents and authorized representative during the conduct of the aforesaid secretarial audit, I hereby report that in my opinion and to the best of my understanding, the Company has, during the audit, period covering the financial year ended on 31<sup>st</sup> march, 2019, complied with the statutory provisions with certain exception listed hereunder about the board process and compliance system and in my view the Company has not started maintaining adequate board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
3. I have examined the secretarial compliance based on the books, papers, minute books, forms and returns filed and other records maintained by M/s. Hindustan Cables Limited for the financial year ended on 31<sup>st</sup> march, 2019 and as shown to me during my audit, according to the provisions of the following laws:
  - (i) The Companies Act, 2013( the Act) and the rules made thereunder;
  - (ii) The Depositories Act, 1996 and the Regulation and bye Laws framed Thereunder;

- (iii) The Regulations and guidelines prescribed under the Securities And Exchange Board of India Act, 1992 (SEBI ACT) viz.:-

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- iv) and other applicable laws generally applicable to the company.

4. To the best of my understanding and on the basis of information and documents produced by the management such as Calcutta Stock Exchanges Letter dated 26/07/2017 addressed to the company as regards the delisting of shares I am of the view that during the period under review the Company is not required to comply with SEBI Act, 1992 and the Listing Requirements. Further It is informed by the management that the Union Cabinet vide its letter dated 28/09/2016 has already given its approval for the closure/winding up of the company. Further it has been informed by the management that HCL has released all its employees from the company with effect from 31/01/2017 and further the company is in process of Closure.
5. Hindustan Cables Limited is in process of Closure as per the directive of Ministry of Heavy Industries, Department of Heavy Industries, New Delhi and the respective Stock Exchanges, i.e Calcutta Stock Exchange Limited has delisted the shares of the company as per their letter dated 26/07/2017. The Delhi Stock Exchange Limited has become non-functional and the Delisting letter from The Ahmadabad Stock Exchange Limited is awaited as informed by the Management Keeping the above information and explanations as provided by the management of the company I am of the view that the Company is not required to comply the necessary Listing compliances for the period under review.
6. I further report to the best of my understanding that,
- a) The Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non-Executive Directors and independent Directors. During the period under review Ritendra Kumar Mitra (DIN: 02616837) has been appointed on 01/07/2018 as the Chairman and managing Director of the company and Akshya Kumar Panda (DIN: 08316351) has been appointed as the Nominee Director on 14/11/2018 in place of Ms. Ritu Pande.
- b) Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meetings and for meaningful participation at the meeting.
- c) Majority decision is carried through and recorded as a part of the minutes.
7. It has been represented to me by the management of the Company that periodic reports on compliance with laws generally applicable to the company are placed before the board at periodic intervals and that there are adequate system and process in the company, commensurate with the size and operations of the company for reporting to the Board of

directors of the company and to monitor and ensure compliance with applicable to the area of operation of business and other laws generally applicable to Company.

8. I further State that in respect of compliance with the provisions of Companies Act 2013, during the period under review, I have observations as follows:

i. That to the best of our understanding, the "Key Managerial personnel" preferably the company Secretary and/or the Chief financial Officer as required to be appointed by company pursuant of section 203 (1) of the Companies act, 2013, has not been appointed by the company during the period under scrutiny under the provisions of Rule 8 of The Companies "Appointment and Remuneration of Managerial Personnel" Chapter XIII under Section 203 of the Companies Act, 2013.

ii. That I have not come across any report or minute or any other document regarding evaluation of independent directors, pursuant to section 149 read with schedule IV of the companies' act 2013. However, it has been represented to me by the management of the Company that The Ministry of Heavy Industries and Public Enterprises, Department of Heavy Industry, generally appoints all the directors of the Board however no such director in the capacity of independent director has been appointed during the period under review.

iii. That I have not come across any report or minute or any other document regarding appraisal of performance of Directors since the company has not constituted the Nomination and remuneration Committee during the period under review.

IV. That since the company is in the verge of Closure the internal Auditor has not been appointed pursuant to the provisions of section 138 of the Companies Act, 2013.

V. As per the letter dated 26/07/2017 The Calcutta Stock Exchange Ltd has delisted the shares from its Stock Exchange with effect from 27/07/2017 and The Delhi Stock Exchange has become Non-functional and the management has explained me that the company has already approached to the Ahmadabad Stock Exchange for delisting of the shares of the company and their letter for delisting is awaited.

8. This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

Place: Kolkata

Date: 18/09/2019

For Acharya S K & Associates  
Company Secretaries

Subrat Kumar Acharya  
(Proprietor)  
FCS No. 6013  
C P No. 5903

# OS Acharya S. K. & Associates

COMPANY SECRETARIES

Shree Sati Business Centre, 7/1 A, Grant Lane, 1st Floor, Room No. 17 & 18, Kolkata -700 012  
Ph. : 2225-7760/61/63, Extn. : 252, Mob. : 98307 19480, Fax : 2225-7765, (033) 4008 4631 (Direct)  
E-mail: subrat\_1232001@yahoo.com/subrat\_1232001 @rediffmail.com

## 'Annexure A'

(To The Secretarial Audit Report of M/S. Hindustan Cables Ltd. for the Financial Year ended 31/03/2019)

To  
The Members  
M/s. HINDUSTAN CABLES LIMITED  
1/315, Gariahat Road  
Kolkata-700068

My secretarial Audit Report for the financial year ended 31/03/2019 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion of existence of adequate board process and compliance management system, commensurate to the size of the company, based on these secretarial records as shown to me during the said audit and also based on the information furnished to me by the officers and agents of the company during the said audit.
2. I have followed the audit practices and process as were appropriate, to the best of my understanding, to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to check as to whether correct facts are reflected in secretarial records. I believe that the process and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the board and by various committees of the Company, during the period under review. I have checked the board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the board, of the members of the company and of other authorities, as per provisions of Companies act 2013 and of various statutes as referred in the aforesaid audit report.
4. Where ever required I have obtained the management representation about the compliances of Laws, rules and regulations and happening of events and gathering of facts etc. However it is understood from the management that the company has become sick industrial company within the meaning of clause "O" of subsection (1) of section (3) of SICA, 1985 and the company has been registered with the Board for Industrial & Financial Reconstruction (BIFR) in the year 2002 vide case no. 505/2002 and the Cabinet meeting of the concerned Ministry, Ministry of Heavy Industries and Public Enterprises, Department of Heavy Industries, New Delhi has accorded its approval for closure of the company on 28/09/2016. Further as informed by the Management the shares of the company have already been delisted by the respective stock exchanges and hence the periodical compliances with the Stock exchanges are not required for the period ending 31/03/2019.
5. The compliance of the provisions of corporate and other applicable laws, rules regulations, standard, is the responsibility of management. My examination was limited to the verification of compliance procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness or accuracy with which the management has conducted the affairs of the Company.

Place: Kolkata  
Date: 18/09/2019

For Acharya S. K. & Associates  
Company Secretaries

Subrat Kumar Acharya  
Proprietor  
FCS No. 6013  
CP.No. 5903

<b>FORM NO. MGT 9</b>
<b>EXTRACT OF ANNUAL RETURN</b>
<b>as on financial year ended on 31.03.2019</b>
<b>Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration ) Rules, 2014.</b>

**I REGISTRATION & OTHER DETAILS:**

i	CIN	L31300WB1952GOI020560
ii	Registration Date	04-08-1952
iii	Name of the Company	HINDUSTAN CABLES LIMITED
iv	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
v	Address of the Registered office & contact details	1/315. Gariahat Road, Kolkata 700 068  Phone: (033) 4604-5572
vi	Whether listed company	DELISTED FROM CALCUTTA STOCK EXCHANGE AND LISTED WITH AHMEDABAD STOCK EXCHANGE YET TO BE DELISTED
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	NA

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Jelly Filled Cables	No production for 15 years	NA
2	Dry Core Cables		NA
3	Fibre Optics Cables		NA
4			NA

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	NA	NA	NA	NA	NA
2	NA	NA	NA	NA	NA
3	NA	NA	NA	NA	NA



## IV

## SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical		Total
<b>A. Promoters</b>								
(1) Indian	0	0	0	0	0	0	0	0
a) Individual/HUF	0	0	0	0.00%	0	0	0	0.00%
b) Central Govt.or State Govt.	0	4865881125	4865881125	100.00%	0	4865881125	4865881125	100.00%
c) Bodies Corporates	0	0	0	0.00%	0	0	0	0.00%
d) Bank/FI	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0
<b>SUB TOTAL:(A) (1)</b>	0	4865881125	4865881125	99.60%	0	4865881125	4865881125	100%
(2) Foreign								
a) NRI- Individuals	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (2)</b>	0	0	0	0	0	0	0	0
<b>Total Shareholding of Promoter</b>								
<b>(A)= (A)(1)+(A)(2)</b>	0	4865881125	4865881125	100%	0	4865881125	4865881125	100%
<b>B. PUBLIC SHAREHOLDING</b>								
(1) Institutions								
a) Mutual Funds	0	0	0	0.00%	0	0	0	0.00%
b) Banks/FI	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% change during the year
C) Central govt	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0
g) FII/IS	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(1):</b>	0	0	0	0	0	0	0.00%
<b>{2} Non Institutions</b>							
a) Bodies corporates	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	0	0	0	0	0	0
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(2):</b>	0	0	0	0	0	0	0
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	0	0	0	0	0	0	0.00%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	0	4865881125	4865881125	0	4865881125	4865881125	100%

## (ii) SHARE HOLDING OF PROMOTERS (including Nominees)

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the	% of shares pledged encumbered to	
1	President of India	4865880625	99.99%	0				
2	Shri R C Sen, CMD, HCL	100		0				
3	Shri Akshya Kumar Panda-Economic Adviser, DHI	100		0				
4	Shri A M Manichan, Dy. Secretary, DHI	100						
5	Shri L C Ram, Under Secretary, DHI	100		0				
6	Shri Bhaswar Gangopadhyay, Dy. Secretary, DHI	100		0				
	Total	4865881125	100.00%	0				
1	President of India				4865880625	99.99%	0	
2	Shri R. K. MITRA, CMD, HCL				100			
3	Shri Akshya Kumar Panda-Economic Adviser, DHI				100		0	
4	Shri A M Manichan, Dy. Secretary, DHI				50		0	
5	Shri L C Ram, Under Secretary, DHI				100		0	
6	Shri Bhaswar Gangopadhyay, Dy. Secretary, DHI				100		0	
7	MS. RITU PANDE				50		0	
	Total				4865881125	100%	0	

(iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)

Sl. No.	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the
	At the beginning of the year	4865881125	100.00%	4865881125	100.00%
	At the end of the year	4865881125	100.00%	4865881125	100.00%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

	NA	NA	NA	NA	NA
	At the end of the year (or on the date of separation, if separated during the year)	NA	NA	NA	NA

## (v) Shareholding of Directors &amp; KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the beginning of the year (01/04/2018)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year (1.4.2018): 1. Shri R C Sen, CMD, HCL 2. Shri Akshya Kumar Panda-Economic Adviser, DHI 3. Shri A M Manichan, Dy. Secretary, DHI	100 100 100	0.000023 0.000023 0.000023	NA	NA
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e-g. allotment/transfer/bonus/sweat equity etc)	During the year there was transfer as under:	NA	NA	NA
	At the end of the year (31/03/2019) 1. Shri R. K. MITRA, CMD, HCL 2. Shri Akshya Kumar Panda-Economic Adviser, DHI 3. Shri A M Manichan, Dy. Secretary, DHI	100 100 100	0.000023 0.000023 0.000023	NA	0.00%

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year 2017-18</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0
<b>Change in Indebtedness during the financial year 2017-18</b>				
Additions		0	0	0
Reduction		0	0	0
<b>Net Change</b>		0		0
<b>Indebtedness at the end of the financial year 2017-18</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	NA
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	NA
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	NA
2	Stock option	NA
3	Sweat Equity	NA
4	Commission	NA
	as % of profit	NA
	others (specify)	NA
5	Others, please specify	NA
	Total (A)	NA
	Ceiling as per the Act	NA

**B. Remuneration to other directors:**

Sl.No	Particulars of Remuneration		Name of the Directors		
	Independent Directors		NA	NA	NA
1	(a) Fee for attending board committee meetings		NA	NA	NA
	(b) Commission		NA	NA	NA
	(c) Others, please specify		NA	NA	NA
	<b>Total (1)</b>		NA	NA	NA
2	Other Non Executive Directors		NA	NA	NA
	(a) Fee for attending board committee meetings		NA	NA	NA
	(b) Commission		NA	NA	NA
	(c) Others, please specify.		NA	NA	NA
	<b>Total (2)</b>		NA	NA	NA
	<b>Total (B)=(1+2)</b>		NA	NA	NA
	<b>Total Managerial Remuneration</b>		NA	NA	NA
	<b>Overall Ceiling as per the Act.</b>				



**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. No.	Particulars of Remuneration		Key Managerial Personnel		
	Gross Salary		CEO	Company Secretary	CFO
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	NA	NA	NA	NA
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	NA	NA	NA	NA
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				
2	Stock Option	NA	NA	NA	NA
3	Sweat Equity	NA	NA	NA	NA
4	Commission	NA	NA	NA	NA
	as % of profit	NA	NA	NA	NA
	others, specify	NA	NA	NA	NA
5	Others, please specify	NA	NA	NA	NA
		NA	NA	NA	NA
	<b>Total</b>	NA	NA	NA	NA

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
<b>B. DIRECTORS</b>					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA



Ritendra Kumar Mitra  
 Chairman & Managing Director  
 Hindustan Cables Ltd.  
 (A Govt. of India Undertaking)  
 1/315, Gariahat Road, Kolkata 700 068

**COMMENTS OF THE COMPTROLLER AND AUDITOR  
GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE  
COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS  
OF HINDUSTAN CABLES LIMITED FOR THE YEAR ENDED  
31 MARCH 2019**

The preparation of financial statements of Hindustan Cables Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on these financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 04 November 2019 which supersedes their earlier Audit Report dated 31 August 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Hindustan Cables Limited for the year ended 31 March 2019 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

In view of the revision made in their statutory auditor's report, to give effect to some of my audit observation raised during supplementary audit. I have no further comments to offer upon or supplement to the statutory auditors' report under section 143(6)(b) of the Act.

Place: Kolkata  
Date: 4 NOV 2019

For and on behalf of the  
Comptroller & Auditor General of India

  
(Suparna Deb)

Director General of Commercial Audit  
& Ex-officio Member, Audit Board-I,  
Kolkata

SL. NO.	STATUTORY AUDITOR'S COMMENTS	MANAGEMENT'S REPLY
1.	The company despite of all the production units remaining closed/unmaintained for more than thirteen years did not undertake the test of impairment of fixed assets in term of AS-28 "Impairment of Assets" issued by the ICAI, other than plant & machinery which has been sold at salvage value via e-auction in subsequent year before signing of this report, and loss on these assets not been assessed and remains un-provided for in the accounts and hence the same is not quantifiable due to absence of such long overdue exercise.	The impairment of assets as required under AS-28 is not applicable as all the assets except Land & Building, have been sold during the year.
2.	Note no. 19 of the financial statement relating to liability of Excise Duty and interest accrued estimated at Rs. 367.35 Lakhs has not been provided for. Hence financial impact on inventories/consumption is not ascertainable.	The company has disclosed these liabilities as contingent liability.
3.	Note no. 21(a) of the financial statements, no provision has been made in the financial statements in respect of arrear wages and salaries amounting to Rs.55.29 Lakhs arising out of pay revision for employees with effect from 01.01.1997 which has been disclosed under contingent liabilities.	The amount relates to arrear for the employees who took VRS or were separated before implementation of 1997 pay scale; as per Government directives, the same is not payable.
4.	Reconciliation and confirmation of balances under trade payables for goods/expense, advances from customers, security deposits from contractors, trade receivables, and other advances have not been carried out and obtained. In our opinion the consequential impact on the financial statement is not ascertainable pending such reconciliation and confirmation. Moreover lack of details has come in the way to quantify time barred liabilities and is consequential impact on the accounts.	The party-wise liability balances have remained stagnant for very long period - minimum being for 16 years. Moreover, as the company is under process of closure, reconciliation & confirmation is not required at this stage.
5.	As per information and explanation given to us, the Company in financial year 2017-18 had written back entire interest payable to MSME parties amounting to Rs. 3279.31 Lakhs as per terms of one time settlement entered with most of the parties. However	Given the specific circumstances of these cases, no interest is payable to these parties.

	<p>few parties did not participated/agreed to OTS scheme. But the Company did not made the provision for interest for such parties in FY 2016-17, 2017-18 and 2018-19 as per the provision of MSME Act. Hence any impact on the financial statement cannot be ascertained (Refer note no. 23 of the financial statements).</p>	
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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF HINDUSTAN CABLES LIMITED  
Report on the Audit of the Standalone Financial Statements**

This revised report is issued in compliance with the Audit Memo No. 4/Finance Audit/HCL/2018-19 dated 22/10/2019 issued by the Office of the Director General of the Commercial Audit and Ex- officio Member, Audit Board- I, Kolkata supersedes our Audit report dated August 31, 2019 to the members of Hindustan Cables Limited.

**Qualified Opinion**

We have audited the accompanying standalone financial statements of HINDUSTAN CABLES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of matter described in the *Basis for Qualified Opinion* section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

*We draw attention to following matter:*

- a) *The company despite of all the production units remaining closed/unmaintained for more than thirteen years did not undertake the test of impairment of fixed assets in term of AS-28 "Impairment of Assets" issued by the ICAI, other than plant & machinery which has been sold at salvage value via e-auction in subsequent year before signing of this report, and loss on these assets not been assessed and remains un-provided for in the accounts and hence the same is not quantifiable due to absence of such long overdue exercise.*
- b) *Note no 19 of the financial statement relating to liability of Excise Duty and interest accrued estimated at Rs.367.35 Lakhs has not been provided for. Hence financial impact on inventories/consumption is not ascertainable.*
- c) *Note no.21(a) of the financial statements, no provision has been made in the financial statements in respect of arrear wages and salaries amounting to Rs.55.29 Lakhs arising out of pay revision for employees with effect from 01.01.1997 which has been disclosed under contingent liabilities.*
- d) *Reconciliation and confirmation of balances under trade payables for goods/expense, advances from customers, security deposits from contractors, trade receivables, and other advances have not been carried out and obtained. In our opinion the consequential impact on the financial statement is not ascertainable pending such reconciliation and confirmation. Moreover lack of details has come in the way to quantify time barred liabilities and is consequential impact on the accounts.*
- e) *As per information and explanation given to us, the Company in financial year 2017-18 had written*

*back entire interest payable to MSME parties amounting to Rs. 3279.31 Lakhs as per terms of one time settlement entered with most of the parties. However few parties did not participated/agreed to OTS scheme. But the Company did not made the provision for interest for such parties in FY 2016-17, 2017-18 and 2018-19 as per the provision of MSME Act. Hence any impact on the financial statement cannot be ascertained (Refer note no 23 of the financial statements).*

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

#### **Emphasis of Matter**

- a) We draw attention to the fact that the share application money received is standing at Rs. 153.92 Crores which is pending allotment to Government of India. Hence financial impact due to non allotment of such shares cannot be ascertained at present.
- b) During the year the Company has written back wages and provident fund amounting to Rs. 3692.43 Lakhs relating to earlier years, which has now been shown under contingent liability. As per information and explanation given to us, the said matter is sub-judice, and as per management carrying it as liability does not arise, hence been classified as contingent liability. Hence any material effect due this cannot be ascertained presently.

Our opinion is not modified on account of above matters.

#### **Material Uncertainty Related to Going Concern.**

Note no.28 of the financial statements relating to the fact that the Company became Sick Industrial Unit in earlier years and its production units remaining completely closed for over 14 years. Further, Union Cabinet has given its approval for closure of the said Company as per the provisions of the Companies Act 2013, Industrial Disputes Act, 1947 and other relevant Acts. Hence the Company has prepared its financials on 'not going concern basis'. Our Opinion is not modified in respect of this matter

#### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Management's Responsibility for the Standalone Financial Statement**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the Accounting Standards and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern/not going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. We have concluded that a material uncertainty exists, and we have drawn attention in our auditors report to the related disclosures in the financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.



- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) Except for the effects of the matter described in the *Basis for Qualified Opinion* in the paragraph above read with Emphasis of Matter paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) Except for the effects of the matter described in the *Basis for Qualified Opinion* in the paragraph above read with Emphasis of Matter paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) we have complied with the directions given by the Comptroller and Auditor-General of India u/s 143(5) of the Act while conducting the audit, and on the basis of information and explanation given to us in this regard by the Company, given in "Annexure C" to this report, a statement on the matters specified in such directions;

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as stated in Note no 19 to the financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There are no amounts to be transferred to the Investor Education and Protection Fund by the Company:

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Das & Prasad**  
Chartered Accountants  
(Firm's Registration No. 303054E)

**Sumit Kumar Rajgarhia**  
Partner  
(Membership No.068270)

Place: Kolkata

Date: November 04, 2019

## **Annexure - A to the Auditors' Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Hindustan Cables Limited** ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Qualified Opinion on adequacy (and therefore operating effectiveness) of Internal Financial Controls over Financial Reporting**

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2019:

- a) The Company did not have an appropriate internal control system for obtaining periodic balance confirmations of trade receivables, trade payables and advances to suppliers and advances from customers' which could potentially impact the financial position and operating statement.
- a) The Company's operation being suspended for over fourteen years and Company being a sick industrial Company, therefore no adequate internal controls have been formulated by the management of the Company.
- b) No physical verification has been conducted for fixed assets and inventories that are standing in the books as at 31st March 2019.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2019 financial statements of the Company and these material weaknesses do not affect our opinion on the financial statements of the Company.

For Das & Prasad  
Chartered Accountants  
(Firm's Registration No.303054E)

Sumit Kr Rajgarhia  
(Partner)  
Membership No. 068270

Place: Kolkata  
Date: November 04, 2019

## Annexure - B to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report that:

- (i) (a) As per information and explanation given to us by the management, the Company has not maintained proper records showing full particulars, including quantitative details and situation of the fixed assets;
- (b) As explained to us, fixed assets were not physically verified during the year by the management and as such discrepancies, if any could not be worked out/reconciled with books.
- (c) As per information and explanation given to us by the management, all the title deeds of the immovable properties are held in the name of the Company.
- (ii) The Company has no inventories during the year under audit, hence paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Consequently, the provisions of paragraph iii(a), (b) and (c) of the Order are not applicable to the Company and hence, not commented upon.
- (iv) According to the information and explanations given to us and the records of the Company examined by us, the Company has not made any investment, advanced any loan, given any guarantee or provided any securities to others.
- (v) The Company has not accepted any deposit from the public covered under Section 73 to 76 of the Companies Act, 2013. Therefore, the provisions of paragraph 3(v) of the Order is not applicable to the Company.
- (vi) The Company's manufacturing activity is stopped since long and the Government of India has given its consent for the closure of the Company, hence no cost records are being maintained.
- (vii) a) According to the information and explanation given to us and on the basis of our examination of the records of the company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Service Tax, Value Added Tax, Employee's State Insurance, Custom Duty, Excise Duty, cess or other material statutory dues have been generally regularly deposited during the period by the Company with appropriate authorities.
- According to the information and explanation given to us no undisputed statutory dues including Provident Fund, Income Tax, Value Added Tax, GST, cess or other material statutory dues were in arrears as at 31<sup>st</sup> March, 2019 for a period of more than six months from the date they become payable except in following cases:

Particulars	Amount Rs. In Lakhs
Sales Tax/VAT	0.07
<b>Total</b>	<b>0.07</b>

b) According to the information and explanation given to us, the following dues have not been deposited by the company on account of dispute as at 31<sup>st</sup> March 2019:

Sl No.	Statue	Nature of Dues	Forum	Rs. In Lakhs	Year
1	The Central Excise Act,1944	Excise Duty	Hon'ble Supreme Court Of India	114.44	1981
			Hon'ble High Court of Calcutta	132.43	1991
2	The Central Excise Act,1944	Excise Duty	Commissionerate of Bolpur	80.97	1988-89 1991-92 1992-93
3	The Central Excise Act,1944	Excise Duty	Asst. Commissionerate of Asansol	38.32	1986-87 1990-91 2000-01 2001-02
4	The Central Excise Act,1944	Excise Duty	Asst. Commissionerate of Durgapur	1.19	1995-96

- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) According to the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instrument) during the year. According to the information and explanations given to us, further disbursement of Term loan received during the year were applied for the purpose they were raised.
- (x) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.
- (xi) According to information and explanation given to us, the Company has not paid or provided any managerial remuneration and hence paragraph 3(xi) is not applicable;
- (xii) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company and hence the paragraph 3(xii) is not applicable.
- (xiii) In our opinion and on the basis of information and explanation given to us by the management, all the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) According to information and explanation given to us the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly the paragraph 3(xv) is not applicable the Company.

- (xvi) In our opinion and on the basis of information and explanation given to us by the management, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Das & Prasad  
Chartered Accountants  
(Firm's Registration No.303054E)

Sumit Kr Rajgarhia  
(Partner)  
Membership No. 068270

Place: Kolkata

Date: November 04, 2019



**ANNEXURE 'C' TO THE AUDITOR'S REPORT**

**Report on the Directions by the Comptroller & Auditor General of India (C&AG) under section 143(5) of the Companies Act, 2013 for the Financial Year 2019-20**

- 1. Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implication of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any may be stated.**

Yes, all the accounting transactions are accounted for through IT System. However, as explained to us, there are operations/transactions which takes place outside the system but have a bearing on the accounts of the Company.

As per past practice, all transactions are manually entered in the software which maintains regular books of account.

As per existing practice, there are chances of some transactions being missed to be accounted as the flow of accounting transactions are not automated at the point of generation of transaction. The financial implications of transactions outside the IT system are unascertainable.

- 2. Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.**

As explained to us and on the basis of information available, there is no instance of waiver/write off of debts/interest of loan during the current financial year.

- 3. Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.**

As explained to us and on the basis of information available, the Company have not received any funds from Central/State agencies during the current financial year.

**For Das & Prasad**  
Chartered Accountants  
(Firm's Registration No.303054E)

**Sumit Kr Rajgarhia**  
(Partner)  
Membership No. 068270

Place: New Delhi

Date: November 04, 2019

**LAST TEN YEARS AT A GLANCE**

	(Rs. in lakhs)									
	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
TURNOVER										
NET PROFIT	5185.59	70616.45	234846.15	(99411.81)	(93299.45)	(78188)	(88505)	(64827)	(60739)	36
GROSS BLOCK	2596.95	5321.38	45742.21	47425.26	47429.81	52553	52549	52546	52545	(45932)
DEPRECIATION PROVISION	1883.87	4362.36	42925.09	44151.43	43676.65	16172	47645	46956	45903	52545
NET BLOCK	712.08	959.02	2817.12	3273.83	3753.16	4381	4895	5590	6642	7840
NET CURRENT ASSETS WORKING CAPITAL	(32179.21)	(37611.74)	(93417.65)	(115791.95)	(105487.63)	(91302)	(89396)	(70866)	(65697)	(52845)
CAPITAL EMPLOYED	(31467.13)	(36652.72)	(90600.53)	(112518.12)	(100724)	(86922)	(84501)	(65276)	(59055)	(45006)
SECURED LOAN	-	-	-	353788.27	306571.83	264285	229195	198214	171942	150081
UNSECURED LOAN	-	-	1478.87	328531.76	287022.72	251697	215782	182948	151226	127404
SHARE CAPITAL	486588.11	486588.11	41936.11	41936.11	41936	41936	41936	41936	41936	41936
RESERVE & SURPLUS	5673.99	5673.99	5674	5674	5674	5674	5674	5674	5674	5674
ACCUMULATED LOSS	(539121.32)	(544306.91)	(614923.37)	(849769.52)	(750372.31)	(657058)	(578870)	(490365)	(425538)	(364799)
NET WORTH	(46859.21)	(52044.81)	(91756.77)	(802159.41)	(702762.31)	(609448)	(531260)	(442755)	(377928)	(317189)
NO OF EMPLOYEES	0	0	0	1333	1533	1698	1832	1958	2141	2389

INCLUDES CENTRAL EXCISE DUTY AND SCRAP SALE BUT EXCLUDES INTERET AND MISCELLANEOUS INCOME

**CONTRIBUTION TO NATIONAL EXCHEQUER**

Sl. No. Heads	(Rs. in crores)			
	2014-15	2015-16	2016-17	2017-18
1. Sales Tax	0.00	0.00	0.00	36.72
2. Central Excise Duty	0.00	0.00	0.00	10.18
3. Customs Duty	0.00	0.00	0.00	0.00
4. Income Tax on Salaries & Wages (including TDS on contractors and consultancy services)	0.57	0.99	44.09	11.41
5. Rates & Taxes	0.00	0.00	0.00	0.00
6. Licence Fees	0.00	0.00	0.00	0.00
7. GST	0.57	0.99	44.09	58.31
				4.18
				5.71

Registered & Corporate Office :  
1/315, Gariahat Road, (Jodhpur Park)  
Kolkata 700068  
CIN No. L31300WB1952GOI020580

HINDUSTAN CABLES LIMITED  
BALANCE SHEET AS AT 31ST MARCH, 2019



	Note no.	As at 31st March, 2019	As at 31st March, 2018
		(Rs)	(Rs)
<b>A. EQUITY AND LIABILITIES</b>			
<b>1. SHAREHOLDERS' FUNDS</b>			
a) Share Capital	2	48,658,811,250	48,658,811,250
b) Reserve & Surplus	3	(53,344,732,725)	(53,883,292,124)
		<u>(4,685,921,475)</u>	<u>(5,204,480,874)</u>
<b>2. SHARE APPLICATION MONEY PENDING ALLOTMENT</b>	28	<u>1,539,208,824</u>	<u>1,539,208,824</u>
<b>3. CURRENT LIABILITIES</b>			
(a) Trade Payables	4	180,789,918	201,488,547
(b) Current Liabilities	5	3,696,773,658	4,075,669,650
(c) Short Term Provisions	6	8,299,828	8,299,828
		<u>3,885,873,402</u>	<u>4,285,458,025</u>
<b>TOTAL</b>		<u>739,160,551</u>	<u>620,185,775</u>
<b>B. ASSETS</b>			
<b>1. NON CURRENT ASSETS</b>			
(a) Property Plant and Equipment	7	71,207,886	95,901,522
Capital Work in Progress	8	-	-
(b) Long Term Loans & Advances	9	-	-
		<u>71,207,886</u>	<u>95,901,522</u>
<b>2. CURRENT ASSETS</b>			
(a) Trade Receivables	10	1,748,587	1,748,587
(b) Cash and Cash Equivalents	11	606,387,854	482,368,283
(c) Short Term Loans and Advances	12	59,816,724	60,189,403
		<u>667,952,655</u>	<u>824,284,254</u>
<b>TOTAL:</b>		<u>739,160,551</u>	<u>620,185,775</u>
Significant Accounting Policies	1		
The accompanying notes are an integral part of the financial statements			

In terms of our report of even date.

Per DAS & PRASAD  
Chartered Accountants  
Firm Registration No. 303054E

CA SUMIT KUMAR RAJGARHIA  
Partner  
Membership No. - 088270

R.K.MITRA  
Chairman & Managing Director  
DIN - 02616837

AMAL KR BOSE  
Advisor(HOC)

Place : Kolkata  
Dated: 31st August 2019

**HINDUSTAN CABLES LIMITED****STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019**

	Note no.	For the period 2018-19	For the period 2017-18
		(Rs)	(Rs)
<b>I INCOME</b>			
Revenue from Operation	13	223,100,278	429,077,629
Other Income			
<b>Total Revenue</b>		<b>223,100,278</b>	<b>429,077,629</b>
<b>II EXPENSES</b>			
Raw Materials Consumed	14	-	119,097,340
Changes in Inventory of Finished Goods, WIP and Scrap	15	-	70,413,070.45
Employees Benefits Expense	16	21,075,090	93,493,243
Other Expenses	17	64,456,584	235,358,701
Depreciation	7	3,128,433	4,397,079
<b>Total Expenses</b>		<b>88,660,107</b>	<b>822,768,433</b>
<b>III Profit(Loss) before Exceptional Item and Tax</b>		<b>134,440,171</b>	<b>(93,681,803)</b>
Exceptional Items	18 & 29	384,119,227	7,155,327,109
<b>IV Profit(Loss) for the year</b>		<b>518,559,398</b>	<b>7,061,645,306</b>
Earning Per Share - Basic and Diluted (Rs)	34	0.11	1.25
Significant Accounting Policies	1		
The accompanying notes are an integral part of the financial statements			

In terms of our report of even date.

For DAS & PRASAD  
Chartered Accountants  
Firm Registration No. 303054E

CA SUMIT KUMAR RAJGARHIA  
Partner  
Membership No. - 068270

R.K.MITRA  
Chairman & Managing Director  
DIN - 02616837

AMAL KR BOSE  
Advisor(HOC)

Place : Kolkata  
Dated: 31 st August 2019



HINDUSTAN CABLES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

	[Figures in rupees]	
	For the period 2018-19 (Rs)	For the period 2017-18 (Rs)
<b>A Cash flow from operating Activities</b>		
Net profit/loss (-) before taxation and extra-ordinary items	518,558,398	7,061,845,308
Add/(less) Adjustments for:		
Depreciation	3,128,433	4,399,078
Liabilities written back	(384,119,227)	(136,123,696)
Profit on sales of Fixed Assets	(192,896,375)	(71,813,474)
Unrecoverable advances/deposits	-	25,636,046
Prior period	(25,812,450)	(90,044,322)
Interest income	(81,140,221)	(101,298,541)
Operating Cash flow before Working Capital Change	-	6,692,398,396
Adjustments for:-		
Decrease/(Increase) in Inventories	-	16,193,121
Decrease/(Increase) in Trade Receivables	-	11,817
Decrease/(Increase) in Loans & Advances	353,180	680,757,921
Increase/(Decrease) in Trade payables	363,430,596	(225,285,066)
Increase/(Decrease) in Current Liabilities	(378,895,992)	(8,533,048,541)
Increase/(Decrease) in Provisions	(0)	(163,582,637)
Operating Cash flow After Working Capital Change	(96,252,438)	(1,532,554,989)
Less: Direct Tax paid during the year (TDS)	-	-
Net Cash from Operating Activities	A (96,252,438)	A (1,632,664,989)
<b>B Cash flow from Investing Activities</b>		
Purchase of Fixed Assets	(2,038,421)	(352,611)
Fixed Assets sold/discarded	216,499,999	253,579,753
Interest received	25,812,450	101,298,541
Net Cash from Investing Activities	B 240,274,028	B 354,525,663
<b>C Cash flow from Financing Activities</b>		
Advance Received	-	6,628,464
Share Application Money Refunded	-	(1,500,100,000)
Loan Bank Repaid	-	(11,763,294)
Net Cash from Financing Activities	C -	C (1,605,236,830)
Net Increase / Decrease (-) in Cash & Cash Equivalents (A+B+C)	144,021,591	(2,703,266,135)
Cash & Cash Equivalents (Opening)	482,366,263	3,165,632,397
Cash & Cash Equivalents (Closing)	606,387,854	462,366,263
(Represented by Cash & Cash Equivalents as item indicated in Note 11)		

In terms of our report of even date.

For Des & Prasad  
Chartered Accountants  
Firm Registration No. 303054E

CA Sumit Kumar Rajgarhia  
Partner  
Membership No. - 068270

R.K.MITRA  
Chairman & Managing Director  
DIN - 02616837

AMAL KR BOSE  
Advisor(HOC)

Place : Kolkata  
Dated: 31st August 2019

## NOTE 1 SIGNIFICANT ACCOUNTING POLICIES:

### a) SYSTEM OF ACCOUNTING

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. The financial statements have been prepared in accordance with the accounting standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have not been prepared under historical convention as a going concern.

### b) FIXED ASSETS

Cost of Fixed Assets, with the exception of land given by the State Government of West Bengal and Andhra Pradesh free of cost, comprises its purchase price, cost of bringing the asset in its working condition for its intended use and financing cost relating to deferred credit/borrowed fund attributable to construction/acquisition for the period till it is put to use.

Land given to the Company free of cost by West Bengal Government for erection of the factory at Rupnarainpur in 1952-53 is valued at a nominal price of Rs.1,53,000/- Similarly, land given by Andhra Pradesh Government free of cost for construction of factory at Hyderabad is valued at a nominal price of Rs.30,000/-. The valuation of these lands have been accounted for with the appropriate credit in Capital Reserve Account.

The gain or loss arising out of restatement of foreign currency loan at a rate prevailing as on the date of Balance Sheet is treated as adjustment of cost of fixed asset and is included in the carrying amount of the appropriate fixed asset.

### c) DEPRECIATION:

Depreciation on fixed assets has been provided on straight line method based on useful life specified in Schedule II of the Companies Act, 2013 after retaining residual value of 5% of the Original Cost of the assets. Depreciation is provided on pro-rata basis for Addition/Deletion of assets during the year. Leasehold land is amortised over the lease period.

### d) INVENTORIES:

The inventories comprising of finished goods including despatches in transit, work in progress, raw materials, miscellaneous stores and spares and scrap stores are valued at the lower of cost and net realisable value.

### e) LIABILITY :

All known and ascertained liabilities, except of immaterial in nature, as on the date of Balance Sheet are taken into Account on accrual basis.

### f) FOREIGN EXCHANGE:

Foreign Exchange differences are dealt with as follows:

(i) All exchange differences in the nature of gain or loss are dealt with in the Profit & Loss Account of the current period.

(ii) All exchange differences in the nature of gain or loss pertaining to Foreign Currency Loan are restated at the rates ruling as on the date of Balance Sheet and any material exchange difference in the nature of gain or loss arising on such restatement are dealt with in the Profit & Loss Account of the current period.

### f) CAPITALISATION OF REVENUE EXPENDITURE DURING CONSTRUCTION PERIOD:

The revenue expenditure incurred during the construction period of a project including normal revenue expenses, materials consumed, depreciation on construction equipments and interest on borrowed fund and any advance paid to the contractors/suppliers of machinery was capitalised.

### g) SALES AND SERVICES:

Sales revenue is recognised on the transfer of title in the property of goods despatched for a price provided no significant uncertainty exists regarding the amount of consideration receivable for which estimated provision is made in the Accounts against Sales Revenue.

Revenue from services is recognised on the basis of proportionate completion method provided there exists no significant uncertainty regarding the amount of consideration and ultimate collection thereof.

The materials supplied by customers are included in Stores and Spares consumed as well as in Sales.

### h) RESEARCH AND DEVELOPMENT:

The net revenue expenditure of Research and Development activities is charged to the Profit & Loss Account in the year in which it is incurred.

Fixed Assets installed at Research and Development Centres are capitalised and depreciated in the like manner that of other Fixed Assets.

### i) PRIOR PERIOD ITEMS:

Prior period items are income or expenses which arise in the current period as a result of errors or omissions in the preparation of the financial statements of one or more prior periods and accounted for accordingly.

**j) GRATUITY AND RETIREMENT BENEFITS:**

Gratuity payable to eligible employees is administered by a separate Trust which has taken master policy under the Group Gratuity Scheme of the Life Insurance Corporation of India.  
Expenditure incurred under voluntary retirement scheme will be charged in accordance with AS 15

**k) BASIS OF PREPARATION**

All assets & liabilities have been classified as Current or Non-Current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash & cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of Current - non current classification of assets and liabilities.

**l) USES OF ESTIMATES**

The presentation of financial statement in conformity with the Indian GAAP requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

		AS AT 31ST MARCH, 2019	AS AT 31ST MARCH, 2018	
<b>NOTE 2</b>	<b>SHARE CAPITAL</b>			
	Authorized :			
	6,00,00,00,000 Equity Shares @ Rs 10/- each			
	(Previous year 6,00,00,00,000 Equity Shares of Rs.10 each)	60,000,000,000	60,000,000,000	
	Issued, Subscribed and Paid-up:			
	4,865,881,125 Equity Shares of Rs.10 each fully paid-up (Previous year 4,865,881,125 Equity Shares of Rs.10 each)	48,658,811,250	48,658,811,250	
	a) Equity Shares			
	Balance at the beginning of the year	48,658,811,250	4,193,811,250	
	Add: Allotted during the year		44,465,200,000	
	Balance at the end of the year	48,658,811,250	48,658,811,250	
	b) Details of Shareholders holding more than 5% Shares in the Company :			
	<u>Equity Shares of Rs 10/- each fully paid</u>	<u>No. of Shares</u>	<u>% of Holding</u>	<u>No. of Shares</u>
President of India	4,865,881,125	100.00%	4,865,881,125	100.00%
No Calls are unpaid by any Director of the Company during the year.				
<b>NOTE 3</b>	<b>RESERVE &amp; SURPLUS</b>			
	Capital Reserve	183,000	183,000	
	(Represents the credit for land acquired free of cost from Govt. of AP & WB)			
		A	183,000	183,000
	<b>GENERAL RESERVE</b>			
	Opening Balance	567,216,318	-	
	Add : Debenture Redemption Reserve Transferred fro Capital Reserve		167,503,620	
	Add : Bond Redemption Reserve Transferred fro Capital Reserve		399,712,698	
	Closing Balance	B	567,216,318	567,216,318
	<b>SURPLUS/(DEFICIT)</b>			
	Opening Balance	(54,430,691,442)	(61,492,336,748)	
	Add : Net Profit for the year	518,559,398	7,061,645,306	
Closing Balance	C	(53,912,132,044)	(54,430,691,442)	
Net Balance	A+B+C	(53,344,732,726)	(53,863,292,124)	



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

		AS AT 31ST MARCH, 2019		AS AT 31ST MARCH, 2018	
		(Rs)	(Rs)	(Rs)	(Rs)
<b>NOTE 4</b>	<b>TRADE PAYABLES</b>				
	Sundry Creditors :				
	For Goods	180,799,915		201,488,546	
			<u>180,799,915</u>		<u>201,488,546</u>
<b>NOTE 5</b>	<b>CURRENT LIABILITIES</b>				
	Interest on advance from BSNL	285,130,943		285,130,943	
	Interest on advance from MTNL	598,749,759		598,749,758	
	Other Payables-				
	Liabilities for Expenses	59,474,345		343,905,842	
	For Expenses	38,397,022		82,864,235	
	For Statutory Dues*	7,745,361		78,900,088	
	Advances from Customers	2,642,879,279		2,642,879,279	
	Security Deposits from Contractors	5,468,883		5,468,883	
	Other Payables	58,928,066		39,770,621	
			<u>3,696,773,858</u>		<u>4,076,669,650</u>
	* Statutory Dues for FY 2017-18 has been regrouped & rearranged				
<b>NOTE 6</b>	<b>SHORT TERM PROVISIONS :</b>				
	For Employee Benefits	8,299,828		8,299,828	
			<u>8,299,828</u>		<u>8,299,828</u>
<b>NOTE 8</b>	<b>CAPITAL WORK-IN-PROGRESS</b>				
	Modernisation, Expansion and Diversification Projects	170,866,133		170,866,133	
	Materials and Advances against Capital works	3,310,251		3,310,251	
	Expenditure during construction pending allocation	<u>359,283,517</u>	533,459,901	<u>359,283,517</u>	533,459,901
	Less: Provision for Capital WIP	533,459,901		533,459,901	
	Less: Provision for Advance Against Capital Works		533,459,901		533,459,901
<b>NOTE 9</b>	<b>LONG TERM LOANS AND ADVANCES</b>				
	Advance & Claims Recoverable				
	Deposit & Advances against supplies: .				
	incl. Advance recoverable in				
	cash or kind or for value to be received :				
	Secured				
	Unsecured - Considered Good	22,895,267		22,535,478	
	Unsecured - Considered Doubtful	<u>50,124,166</u>	73,019,433	<u>50,483,955</u>	73,019,433
	Less Provision for Advance Recoverable	22,530,484		22,530,484	
	Provision for Doubtful Loans and Advances	1,341,222		1,341,222	
	Provision for FR & TR Charges Recoverable	24,088,240		24,088,240	
	Provision for Foam Skin Insulated Cable M/C	4,578,410		4,578,410	
	Provision for Unadjusted Dr Balance of S/Creditors	<u>20,483,076</u>	73,019,433	<u>20,483,076</u>	73,019,433
<b>NOTE 10</b>	<b>CURRENT ASSETS</b>				
	<b>TRADE RECEIVABLES</b>				
	Debts Outstanding for more than 6 months				
	Considered Good	1,748,586		1,300,116	
	Considered Doubtful	<u>1,770,309,453</u>	1,772,058,039	<u>1,770,309,453</u>	1,771,609,569
	Debts Outstanding for less than 6 months				
	Considered Good				448,470
	Considered Doubtful				
	Less: Provision for Doubtful Trade Receivables		1,772,058,039		1,772,058,039
			<u>1,770,309,452</u>		<u>1,770,309,452</u>
			<u>1,748,587</u>		<u>1,748,587</u>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

		AS AT 31ST MARCH, 2019		AS AT 31ST MARCH, 2018	
		(Rs)	(Rs)	(Rs)	(Rs)
<b>NOTE 11</b>	<b>CASH &amp; CASH EQUIVALENTS</b>				
	In Fixed Deposits with Scheduled Banks:				
	BOI	-	-	738,821	-
	Indian Overseas Bank	1,993,510	-	2,901,795	-
	BOB	292,249,352	-	169,612,406	-
	Allahabad Bank	37,957,739	-	187,933,371	-
	Canara Bank	-	-	-	-
	State Bank of India	266,162,774	598,383,375	88,005,475	449,189,867
	In current Accounts with Scheduled Banks:				
	Margin money with SBI	-	-	-	-
	State Bank of India (All branch)	1,412,565	-	244,091	-
	Bank of Baroda	4,953,144	-	205,273	-
	Bank Of India, (All branch)	-	-	53,607	-
	United Bank of India	5,334	-	5,334	-
	Kotak Mahindra Bank	-	-	-	-
	Allahabad Bank	370,402	-	12,666,884	-
	Indian Overseas Bank (All branch)	1,283,035	8,024,478	1,505	13,176,395
	Remittance in transit	-	-	-	-
			<u>606,387,854</u>	<u>482,366,282</u>	
<b>NOTE 12</b>	<b>SHORT TERM LOANS AND ADVANCES</b>				
	Advance recoverable in cash or kind or for value to be received :				
	Considered Good		13,408,731		8,556,426
	Considered Doubtful		9,837,531		84,689,104
			<u>23,246,262</u>		<u>93,245,529</u>
	Less: Provision for Doubtful Advance		<u>9,837,879</u>		<u>9,837,879</u>
			13,408,383		83,407,651
	Less:- Written off during the year		-		74,851,573
	Deposits against supplies		-		2,724,689
	Balance with Customs/Central Excise		-		4,070,714
	Advance Payment of Income Tax and TDS		42,144,691		44,325,660
	Less:- Written off during the year		-		6,795,403
	Other current assets		-		-
	Township amounts receivable		7,928		30,000
	Others amounts Receivable*		141,719		4,500,000
	Duties & Taxes Receivable		4,113,503		2,757,666
			<u>59,916,224</u>		<u>80,169,403</u>
	* Figures has been regrouped & rearranged in FY 2017-18				

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

	For the period 2018-19		For the period 2017-18	
	(Rs)	(Rs)	(Rs)	(Rs)
<b>NOTE 13 OTHER INCOME</b>				
Interest		25,812,450		101,298,541
Interest on it refund		232,618		-
Miscellaneous Income		3,758,958		140,417,817
Profit on sale of Fixed Assets		192,896,375		71,813,474
Rental income		399,877		-
Excess received from Gratuity / PF / MBF		-		11,832,757
Excess Provision on inventory written back		-		11,540,223
EMD forfeited		-		2,668,140
Prior Period Adjustment		-		89,506,678
		<b>223,100,278</b>		<b>429,077,829</b>
<b>NOTE 14 COST OF MATERIAL CONSUMED</b>				
<b>A RAW MATERIALS CONSUMED</b>				
Opening Stock		-	87,240,160	
Less Materials awaiting inspection/in transit reversed/Theft		-	-	87,240,160
Provision on inventory write back		-	-	30,066,270
Less Transfer to Water Supply & Sanitation		-	-	57,173,890
		-	-	<b>57,173,890</b>
<b>B STORES, SPARE PARTS AND SMALL TOOLS CONSUMED</b>				
Opening Stock		-	103,798,938	
Less: Material awaiting inspection/in-transit reversed/Theft/		-	-	103,798,938
Closing Stock		-	-	
Provision on Inventory write back		-	41,875,486	
Transfer to Other Repair & Maintenance		-	-	41,875,486
		-	-	<b>61,923,450</b>
<b>TOTAL (A+B)</b>		-	-	<b>119,097,340</b>
<b>NOTE 15 CHANGES IN INVENTORY OF FINISHED GOODS, WIP &amp; SCRAP</b>				
Opening Stock				
Finished Goods		-	464,386	
Work in Progress		-	163,745,014	
Scrap		-	60,066,075	
Less: Loss due to fire		-	-	224,275,475
less :- Sale of obsolete stock		-	(11,540,223)	
Excess Provision of inventory transfer to other income		-	11,540,223	
Provision on Inventory write back		-	153,862,405	
Scrap		-	-	153,862,405
Net (Increase)/ Decrease		-	-	<b>70,413,070</b>
<b>NOTE 16 EMPLOYEES' REMUNERATION AND BENEFITS</b>				
Salaries & Wages		5,288,562		42,889,870
Staff Welfare Expenses		-		9,368,759
VRS Compensation		-		12,366,740
Contribution to -				
Expenditure on Earned Leave		378,691		-
Ex - Gratia		-		14,718,351
Gratuity		15,407,837		14,149,523
		<b>21,075,090</b>		<b>93,493,243</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

NOTE		For the period 2018-19		For the period 2017-18	
		(Rs)	(Rs)	(Rs)	(Rs)
<b>NOTE 17</b>	<b>OTHER EXPENSE:</b>				
	Power & Fuel				598,362
	Electricity Charges		1,389,441		3,733,191
	Repairs to:				
	Others	328,750	328,750	2,001,575	2,001,575
	Interest on PF		2,216,215		496,816
	Interest on Professional Tax		32,175		59,279
	Rates and Taxes		8,730,768		20,267,777
	Rent				679,347
	Retainership fees (consultants)		16,311,916		39,058,955
	Consultancy Fees		306,602		8,269,260
	Travelling & Conveyance		4,905,521		10,568,115
	Postage, Telegram & Telephone		282,452		237,921
	School Expenses		17,380		-
	Penalty on PF Contribution		636,347		67,190,917
	Interest on Others		887,567		13,907,524
	Bank charges		50,799		373,713
	Audit Fees:-				
	Statutory Audit	170,000		170,000	
	Tax Audit	25,000	195,000	25,000	195,000
	Reimbursement of Expenses				
	As Advisor, or in any other capacity, in respect of -				
	i) management services		875,000		250,000
	ii) in any other manner		50,000		50,000
	Printing & Stationery		383,383		569,901
	Payment to Land Displaced Persons				75,803
	Advertisement		3,175,832		13,624,888
	Legal Expense		6,590,466		7,593,442
	Brokerage & Commission		2,185,000		1,840,000
	Freight & Transport Charges		817,418		431,010
	Security Expenses		8,143,500		12,812,538
	Penalty on Unpaid CED				
	Unrecoverable advances/deposits				25,636,046
	contractual expenses		522,612		
	Professional fees		2,143,570		
	Miscellaneous Expenses		2,447,387		3,649,316
			<u>63,606,102</u>		<u>234,170,695</u>
<b>C</b>	<b>PROVISIONS &amp; WRITE OFF:</b>				
	For Doubtful Loans & Advances				364,782
<b>D</b>	<b>PRIOR PERIOD ADJUSTMENT:</b>				
	Other Expenses		851,482		823,224
			<u>851,482</u>		<u>823,224</u>
	<b>TOTAL [A+B+C+D]</b>		<u>64,456,584</u>		<u>235,358,701</u>
<b>NOTE 7</b>	<b>DEPRECIATION</b>				
	Depreciation on Property plant and equipment		3,128,433		4,397,079
<b>NOTE 18</b>	<b>EXCEPTIONAL ITEMS</b>				
	Liability no longer required Written Back		384,119,227		6,982,009,820
	Provision Written Back:				
	For Stock				173,317,289
			<u>384,119,227</u>		<u>7,155,327,109</u>

NOTE 7 : PROPERTY, PLANT AND EQUIPMENT

YES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH

	Freehold Land	Approach Road	Land Development	Factory & office Building	Admin Building	Building Residential	Non Residential Building	Water supply and sanitation	Vehicles	Railway Sidings	Furniture Fitting Office equipments	Electrical Installation	Motor Car & Lorry	Fire Fighting Equipments	Telephones Installation	Computers	Total
<b>COBT</b>																	
As at 31-3-2018	3,106,265	237,595	23,377,612	96,432,805	3,605,657	138,844,610	120,262,060	28,726,683	3,270,581	1,259,907	79,469,336	51,077,062	1,436,234	78,207	2,591,164	10,161,179	532,137,857
Additions during the year	-	-	-	-	-	1,911,270	-	-	-	-	72,430	7,450	-	-	-	47,270	2,038,421
Transfer/ Deductions/ Adjustments	-	-	-	46,047,052	-	-	86,384,754	26,718,076	3,270,581	-	59,316,705	48,468,129	299,829	30,989	2,046,917	-	274,561,032
<b>As at 31-3-2019</b>	<b>3,106,265</b>	<b>237,595</b>	<b>23,377,612</b>	<b>20,385,753</b>	<b>3,605,657</b>	<b>140,755,880</b>	<b>31,877,306</b>	<b>10,587</b>	<b>-</b>	<b>1,259,907</b>	<b>21,225,061</b>	<b>1,615,383</b>	<b>1,139,405</b>	<b>47,218</b>	<b>544,247</b>	<b>10,208,448</b>	<b>259,695,245</b>
<b>DEPRECIATION</b>																	
As at 31-3-2018	-	225,715	22,208,727	56,695,690	1,831,848	84,918,822	109,286,726	25,249,851	3,107,056	1,195,959	89,715,279	48,290,991	1,368,324	74,298	2,465,684	9,569,651	436,238,337
For the year	-	-	-	591,616	138,908	2,075,311	161,283	5,612	-	-	31,732	44,652	-	-	-	56,312	3,128,433
Transfer/ Deductions/ Adjustments	-	-	-	40,490,257	-	-	68,252,608	20,240,281	3,107,056	-	48,684,569	46,964,721	283,869	29,439	1,844,570	-	250,977,407
<b>As at 31-3-2019</b>	<b>-</b>	<b>225,715</b>	<b>22,208,727</b>	<b>16,707,052</b>	<b>1,970,757</b>	<b>86,994,232</b>	<b>26,225,412</b>	<b>9,982</b>	<b>-</b>	<b>1,195,959</b>	<b>20,082,422</b>	<b>1,310,922</b>	<b>1,652,193</b>	<b>44,657</b>	<b>521,024</b>	<b>9,625,963</b>	<b>198,367,362</b>
<b>NET BLOCK</b>																	
As at 31-3-2018	3,106,265	11,880	1,168,885	9,737,115	1,773,809	59,925,688	10,585,275	1,492,832	163,525	62,948	8,754,057	2,786,071	71,910	9,911	125,570	551,628	95,901,622
As at 31-3-2019	3,106,265	11,880	1,168,885	3,258,701	1,804,900	93,761,549	5,651,894	525	163,525	62,948	1,142,639	244,451	56,970	2,361	23,223	550,398	71,207,886

**NOTE:18****Contingent liability not provided for :**

(a) Claims against the Company not acknowledged as debts  
 (aa) Estimated amount of contracts remaining to be executed on Capital Account not provided for (net of advance)

	<u>As on 31.03.2019</u> Rs. in Lacs	<u>As on 31.03.2018</u> Rs. in Lacs
		3.00
		8.21
i) Cases under Arbitration	512.13	901.89
ii) Other Court Cases	3,167.33	4,146.22
iii) Dy Labour Commissioner	13.30	
iv) Labour Court	128.16	
v) C.G.Industrial Tribunal	475.00	
vi) Industrial Tribunal	3.76	
vii) Disputed Customs Duty Liability & port rent (including Custom Duty)	-	836.43
viii) Arrear against pay revision (including PF)	1,727.58	1,788.05
ix) Proposal for levy of Damages u/s 14B of the EPF & MP Act, 1952	290.73	175.28
x) Claim of a contractor under subjudice	84.16	180.70
xi) Balance Gratuity awarded to Casual Employees by Asst. Labour Commissioner	173.12	325.00
xii) Disputed claim of subcontractor/ Supplier/ Consultant	-	58.60
xiii) Estimated amount of Excise Duty and interest thereon , not provided for	367.35	2,891.48
xiv) Balance Gratuity awarded to V.R Employees by Asst Labour Commissioner	62.46	62.12
xv) Terminated/Suspended employees revised wages	83.71	86.98
xvi) ESI & CC To ESI (Employees)	16.48	16.48
xvii) ESI (Land Displaced Pensioners up to 31.03.2017)	10.66	10.66
xviii) Amount received on closure of trust	19.00	29.00
xix) Demand for enhanced Compensation for the land acquired by TSIC for the purpose of HCL in Mallur, Hyderabad	72.91	72.91
xx) Members of HCE Cooperative Credit Society have claimed interest on due amount:	133.00	133.00
xxi) Claim of 1997 Wage revision pending Adjudication	1,146.56	
xxii) Claim of salary and wages for 58-60 including PF but excluding interest on PF pending adjudication	2,774.33	

b) In none of the cases cash outflow is envisaged at this point of time as assessed by the management.

**NOTE 20** i) Trade Receivables include a sum of Rs 17,651.94 Lakhs (previous year Rs.17,651.94 Lakhs) which is pending for settlement with BSNL & MTNL for long period. However the Company is regularly pursuing the matter. However, the provision for said amount has already been made in financial statements.

ii) Above amount includes Trade Receivables of FOU of Rs 88.56 Lakhs on account of liquidated damages on PIJF cable. Company has filed an appeal centrally for refund of the said amount from BSNL and provision has been made there against.

**NOTE 21** a) In terms of the directive of the Ministry of Heavy Industries & Public Enterprises relating to revision of pay of 1997 of the employees of the FOU, the payment of arrear salary & wages shall be made only out of the generation of internal resources. As such, no provision has been made at this stage and the same estimated at Rs.55.29 Lakhs (previous years it was Rs. 55.29 Lakhs), except Rupnarayanpur Unit.

b) In terms of the directives of DHI dated 28-09-06 and 10.01.07 recovery was effected to the extent of 25% of the arrear paid/advance given on account of pay scale revision of all the employees of the Company. Subsequently, the Hon'ble High Court of Andhra Pradesh issued an interim stay order dated 19.8.07 passed in WPMP no. 15791 of 2007 In.W.P No. 12846 of 2007 directing not to implement the recovery of such arrear. As such the amount so recovered earlier of Rs 222.85 Lakhs has been booked in the current liability.

**NOTE 22** Since then the Company has been incurring cash losses in all financial years the Government of India has directed for its closure. Hence the accounts have not been prepared on going concern basis.

**NOTE 23** As company's manufacturing activities have been ceased since 2005, the company has not been making any procurement since then, including from MSME. There is old outstanding balance of Rs 58.87 Lacs (previous year Rs.58.87 Lacs) of MSME relating to the period prior to 2005, which are either time barred or under litigation. Hence no interest on the principle amount has been provided as per the MSME Act.

**NOTE 24** In respect of Rupnarayanpur and Hyderabad unit -

a) The Company have sold Fixed Assets through MSTC by bidding process during the year and the price realized is more than the book value.

Unit	Sale Price	WDV as on sale date	Profit on sale of Fixed assets
Rupnarayanpur	121,500,000	8,220,096	113,279,904
Hyderabad	95,000,000	15,383,528	79,616,471
Total			192,896,375

**NOTE 25** Dues assessed under section 7A of the EPF & MP Act, 1952 by RPF/SRO/DGP along with interest thereon upto 31.03.2018 has been paid as statutory dues, however appeal is pending at EPFAT.

**NOTE 26** As per the provisions of Schedule II of the Companies Act, 2013, depreciation for the year ended 31.03.2018 has been provided on the basis of useful life of the assets.

**NOTE 27** As per DHI's letter no. 1(13)/2003-PE-II (Vol.X) dated 6th October, 2016 with respect to closure of HCL by relieving all the employees for implementation of approved Roadmap for closure of CPSEs under DHI. This would be achieved by offering attractive VRS/VSS package, retrenchment of the employees not opting VRS/VSS under Industrial Disputes Act, 1947 (IDA), settlement of all employee related liabilities including payment of salary and wages from April 2015 till they are separated from the Company.

**NOTE 28** Since the year 2003, the Company has availed various loans from time to time from Government of India for payment of salary, wages and other statutory dues. Aggregate of such loan as on 31.3.2016 is Rs. 1,31,188.48 Lakhs of principal and Rs.1,81,860.97 Lakhs of interest totalling to Rs. 312849.45 Lakhs. Additional interest of Rs. 56348.04 Lakhs has been accrued during the period from 1.4.2016 to 30.9.2016. DHI vide their letter No.1(13)/2003-PE-II (VOL X), dated 6.10.2016 has conveyed approval of Union Cabinet for "conversion into equity of the existing Govt. of India's loan of Rs. 3487.15 crore (projected) (Principal of Rs.1311.88 crore and interest of Rs.2155.27 crore), as on 30.9.2016 (freezing the interest thereafter)."

In terms of the approval of the Union Cabinet in meeting held on 28.9.2016 for closure of Hindustan Cables Limited, during the financial year 2016-17 the Company has received cash infusion in the form of non-plan loan for Rs.25,850.00 Lakhs and Rs.14,150.00 Lakhs totaling to Rs.40,000.00 Lakhs. The said amount was utilized for OTS of the dues to secured lenders and payment of part of pending salary, wages and statutory dues. Further during financial year 2016-17, the Company has received sanction of cash infusion in the form of non-plan equity amounting to Rs.16,413.00 Lakhs, Rs.46,932.00 Lakhs, Rs. 2148.00 Lakhs and Rs.866.00 Lakhs. These amounts were utilized for payment of balance salary, wages and statutory dues, payment of VRS compensation inclusive of gratuity and terminal leave encashment, payment to casual workers and payment against court orders in the case of O.Munniswamy Reddy and others. A table containing sanction order Nos., date, etc. and reconciliation of share application money pending allotment amounting to Rs 15392.08 is given below:

Particulars				Amount in INR (Lakhs)
GOI Principal Loan Amount as on 1st April, 2016				131,188.48
Interest on Loan Accrued and Due as on 1st April, 2016				181,860.97
Interest on Loan Accrued and Due for 2016-17				52,259.43
Interest on Loan Accrued but Not Due as on 30.09.2016				4,088.61
<b>Total</b>				<b>369,197.49</b>
Loan/Equity Amount Received during 2016-17				Amount in INR (Lakhs)
Sl No.	GOI Order	Order Date	Nature	
1	No.1(16)/2015-PEII(I)	30.09.2016	Non-plan loan	25,850.00
2	No.1(16)/2016-PEII(II)	30.09.2016	Non-plan loan	14,150.00
3	No.1(3)/2013-PEII(I)	17.01.2017	Non-plan equity	16,413.00
4	No.1(3)/2013-PEII(V)	17.01.2017	Non-plan equity	46,932.00
5	No.1(3)/2013-PEII(II)	17.01.2017	Non-plan equity	2,148.00
6	No.1(3)/2013-PEII(III)	17.01.2017	Non-plan equity	866.00
<b>Total</b>				<b>106,359.00</b>
Less : Amount transferred to GOI during FY 2017-18				15,000.00
Less : Reversal of excess interest booked in earlier years				511.41
Less : Amount paid on behalf of GOI for purchase of shares of HCL from Canara Robeco Mutual fund				1.00
Less : Shares Allotted to Government of India (4,44,85,20,000 no of shares of Rs. 10 each)				444,652.00
<b>Share Application Money Pending Allotment</b>				<b>15,392.08</b>

**NOTE 29** Exceptional Items  
1. Exceptional Item includes Rs.3841.19 Lakhs On account of liabilities written back, for which the liabilities are no longer required. Details is as per as given below:

Heads	Amount in Rs. in Lakhs
Trade Payables and others	148.76
Claim of arrear wages plus PF and its interest pending adjudication now considered as contingent liability	3,692.43

**NOTE 30** Closing balances of Sundry Debtors, Sundry Creditors, Advance to Contractors and Suppliers etc. are net of adjustment and subject to confirmation and reconciliation.

**NOTE 31** The amount involved in Other Payable includes an amount of Rs. 76.48 Lakhs ( previous year 76.48 lakhs) arising due to invocation of Bank Guarantee issued by M/s REPL in earlier year against Jointing Kits Project of Rupnarianpur Unit under Capital Work in Progress for which adjustment has not been made in Books of Accounts.

**NOTE 32** Information pursuant to AS - 18 "Related Party Transactions  
There are no transactions with the related parties during the year.



NOTE 33 As the company's manufacturing activity is stopped since long, and Government of India has decided for the closure of the Company, hence no statement results has been prepared.

NOTE 34 Calculation of Earning per Share :	2018-19	2017-18
Profit/(Loss) as per Profit & Loss A/c (In Rs)	518,559,398	7,081,845,308
Weighted Average No. of Shares	4,865,881,125	5,655,480,839
Earning per share	0.11	1.25

NOTE 35 No provision for income tax and MAT has been computed as the company is a sick company and it has unabsorbed carry forward losses as per last years return.

NOTE 36 The figures for the previous year have been rearranged and regrouped wherever necessary.

In terms of our report of even date.

For DAS & PRASAD  
Chartered Accountants  
Firm Registration No. 303084E

CA SUMIT KUMAR RAJGARHIA  
Partner  
Membership No. - 066270

Place : Kolkata  
Dated: 31st August 2018

R.K.MITRA  
Chairman & Managing Director  
DIN - 02616837

AMAL KR BOSE  
Advisor(HOC)

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

<b>I. REGISTRATION DETAILS</b>							
REGISTRATION NO,	<table border="0" style="width: 100%;"> <tr> <td style="border: 1px solid black; padding: 2px;">2 0 5 6 0</td> <td style="padding-left: 20px;">State Code</td> <td style="border: 1px solid black; padding: 2px;">2 1</td> </tr> <tr> <td colspan="3" style="padding-left: 20px;">216 of 1952-53</td> </tr> </table>	2 0 5 6 0	State Code	2 1	216 of 1952-53		
2 0 5 6 0	State Code	2 1					
216 of 1952-53							
BALANCE SHEET DATE	<table border="0" style="width: 100%;"> <tr> <td style="border: 1px solid black; padding: 2px;">31/03/2019</td> <td style="padding-left: 20px;">Date/Month/Year</td> </tr> </table>	31/03/2019	Date/Month/Year				
31/03/2019	Date/Month/Year						
<b>II. Capital raised during the period (Amount in Rs. Thousand)</b>							
Public Issue	Rights Issue						
NIL	NIL						
Bonus Issue	Private Placement						
NIL	NIL						
<b>III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousand)</b>							
Total Liabilities	Total Assets						
7 3 9 1 6 1	7 3 9 1 6 1						
Sources of funds	Reserves & Surplus						
Paid-up Capital	(-) 5 3 3 4 4 7 3 3						
4 8 6 5 8 8 1 1							
Secured Loans	Unsecured Loans						
0	0						
Application of Funds	Investments						
Net Fixed Assets	NIL						
7 1 2 0 7	Misc. Expenditure						
Net Current Assets	2 4 4 7						
(-) 3 2 1 7 9 2 1							
Accumulated Losses							
5 3 9 1 2 1 3 2							
<b>IV. Performance of Company (Amount in Rs. Thousands)</b>							
Turnover	Total Expenditure						
0	8 8 6 6 0						
Profit /Loss Before Tax	Profit /Loss after Tax						
5 1 8 5 5 9	5 1 8 5 5 9						
Please tick appropriate box+ for Profit – for Loss							
Earning per Share in Rs.	Dividend rate %						
0.11	NIL						
<b>V. Generic Names of Three Principal Products/ Services of Company (as per monetary terms)</b>							
Item Code No.	8 5 4 4 0 0						
Product Description:	J E L L Y  F I L L E D  C A B L E S						
Item Code No.	8 5 4 4 0 0						
Product Description:	F I B R E  O P T I C  C A B L E						

**HINDUSTAN CABLES LIMITED**  
(A Govt. of India Undertaking)  
(under the Ministry of Heavy Industries & Public Enterprises)  
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P.O. Hindustan Cables  
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**Allahabad Unit**

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