

2020-21

# HINDUSTAN CABLES LIMITED



**69<sup>th</sup> Annual Report and Accounts.**

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# HINDUSTAN CABLES LIMITED

## BOARD OF DIRECTORS

Shri K. Mohan	: Chairman and Managing Director
Shri Atul Kumar Chaudhary	: Director
Shri Sunil Kumar Singh	: Director
Shri Madan Pal Singh	: Director

## STATUTORY AUDITOR

M/s G. Basu & Company (CA 003)  
Chartered Accountants  
Kolkata

## BANKERS

State Bank of India  
Bank of Baroda  
Allahabad Bank

## REGISTERED OFFICE

1/315, Gariahat Road (Jodhpur Park)  
Kolkata – 700068

हिन्दुस्थान केबल्स लिमिटेड  
(भारत सरकार का उपक्रम)  
नैगम कार्यालय  
फ्लाट नं J-0, गल्फ लिन्क एपार्टमेन्ट  
50, चन्डितला लेन, कोलकाता 700040



**HINDUSTAN CABLES LIMITED**  
(A Govt. of India Undertaking)  
**CORPORATE OFFICE**  
Flat No. J-0, Golf Link Apartment  
50, Chanditala Lane,  
Kolkata 700040.

CIN – L31300WB1952GOI020560

Email: [hindustancablesltd.kolkata@gmail.com](mailto:hindustancablesltd.kolkata@gmail.com),

Website : [www.hindcables.net](http://www.hindcables.net)

CORP/SEC/69<sup>TH</sup> AGM/2021-22/

Date: 10.12.2021

### NOTICE OF THE 69<sup>TH</sup> ANNUAL GENERAL MEETING

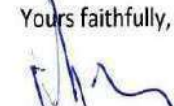
Notice is hereby given that the 69<sup>th</sup> Annual General Meeting of Hindustan Cables Limited will be held on **Tuesday, the 21st December, 2021** at Hindustan Cables Limited, Corporate Office, Flat no. J-0, Golf Link Apartments, 50, Chanditala Lane, Kolkata – 700040, at **04.00 PM** to transact the following business:

1. To consider and adopt the Report of the Directors for the year ended 31<sup>st</sup> March, 2021.
2. To consider and adopt the Profit and Loss Account for the year ended 31<sup>st</sup> March, 2021 and Balance Sheet as on that date along with the Reports of the Auditors thereon.
3. To authorize the Board of Directors to fix remuneration of Auditors for the year 2021-22.

The Meeting may please also be attended through Video Conference Mode due to COVID19 pandemic.

For Hindustan Cables Limited

Yours faithfully,

  
(K. Mohan)  
Chairman and Managing Director  
(Additional Charge)

To  
All Members, Directors and Auditors  
Hindustan Cables Limited (as per list enclosed)

#### 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 04.10.2021 to 15.10.2021 (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:

Name of the company:

Registered office:

Name of the member (s):
Registered address:
E-mail Id:
Folio No/ Client Id:
DP ID:

I/We, being the member (s) of ..... shares of the above named 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 .....Annual general meeting/ Extraordinary general meeting of the company, to be held on the ..... day of..... At ..... a.m. / p.m. at.....(place) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To consider and adopt the Report of the Directors for the year ended 31<sup>st</sup> March, 2021.
2. To consider and adopt the Profit and Loss Account for the year ended 31<sup>st</sup> March, 2021 and Balance Sheet as on that date along with the Reports of the Auditors thereon.
3. To authorize the Board of Directors to fix remuneration of Auditors for the year 2021-22.

Signed this..... day of..... 20....

Signature of shareholder

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp

**Note: This 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 69<sup>th</sup> Annual Report on the working of the Company for the year ended 31<sup>st</sup> March 2021 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 there is no business activity and HCL is trying to complete the formalities for liquidation / winding up as directed. Hindustan Cables Limited is now closed and in a non-operating stage with no plant, machinery, employee or outsourced functionary.

#### **3. FINANCIAL RESULTS**

During the year 2020-21 the company has made a profit of Rs. 269.56 crore. Summarized position of the Company's results for the year 2020-21 compared to 2019-20 is given below:

(Rs. In lakhs)

		<b>2020-21</b>	<b>2019-20</b>
(a)	Total revenue	390.16	455.12
(b)	Less: Total expenses	386.98	425.37
(c)	Profit (Loss) before Extra Ordinary item and Tax	3.18	29.75
(d)	Extra Ordinary items	26952.89	1358.85
(e)	Profit (Loss) for the year	26956.07	1388.60

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

The Authorised Capital of the Company is Rs. 6000 crores. The Subscribed and Paid-up Capital as on 31.3.2021 stood at Rs. 4865.88 crores divided into 4865881125 Equity Shares of Rs.10 each.

## **5. BORROWINGS**

During the year 2020-21, the company has not made any borrowing.

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

The Company's contribution to National Exchequer by way of Income Tax, TDS on contractors and consultancy services, GST etc. aggregates to Rs. 0.55 crore.

## **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 (who were transferred to NAeL, a subsidiary of HAL).

## **8. STATUS OF LAND HELD**

Company holds 947.23 acres of land at Rupnarainpur, District Paschim Bardhamaan, West Bengal. During 2021-22, the Company under instruction from MHI, approached the revenue authority, Government of West Bengal and obtained record of land held by it. No such application was earlier made by the Company or issued to the Company. Revenue authority, Government of West Bengal has informed that 935.70 acres of land are recorded in favour of the Company. There is a shortfall of 11.53 acres of land held by Company at Baramuri mouza. Company has requested revenue authority, Government of West Bengal for recording additional 11.53 acres of land at Baramuri mouza in it's name.

Company's prayer for rectification of RoR in it's favour for 8.85 acres of land at Baramuri mouza, Rupnarainpur, as against two West Bengal Government educational institutions (ITC and NCP) is pending since 2019 with Land Reforms and Tenancy Tribunal (LRTT), Kolkata. For a small parcel of 0.39 acres at Baramuri mouza, mutation is under hold by local land revenue office for identification based on verification of ownership records.

In respect of 324 acres 35 guntas of land held by the Company at Hyderabad, Telangana Government claimed title to property and served resumption order during July, 2018. Company obtained stay from Hyderabad High Court and it is now sub judice.

## **9. 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, 2021 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.

## **10. AUDIT COMMITTEE**

The Board of Directors in its 353rd Meeting held on 03.12.2020 re-constituted the Audit Committee comprising of Ms. Sujata Sharma, as Chairman, Audit Committee, Shri Atul Kumar Chaudhary, as Member, Audit Committee and Shri K. Mohan, 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.

## **11. BOARD OF DIRECTORS**

Shri K. Mohan, Director (Personnel), Andrew Yule and Co. Limited. (AYCL) has been entrusted additional charge of the post of Chairman & Managing Director of the company w.e.f. 01.07.2020 in terms of Order No. 1(15)/2016-PE-II, dated 29.06.2020 issued by Department of Heavy Industry, Government of India.

Shri Sunil Kumar Singh, Director, Ministry of Heavy Industries (MHI) was appointed as a Government Nominee Director on the Board of Hindustan Cables Limited with immediate effect vice Smt. Sujata Sharma, Senior Economic Adviser (Retired) vide MHI order No.1(15)/2001-PE.II / CPSE-II (e-4246) dated 02.11.2021.

The Board of Directors place on record its appreciation for the service rendered by vice Smt. Sujata Sharma, Senior Economic Adviser (Retired) Ministry of Heavy Industries, as Government Nominee Director on the Board of Hindustan Cables Limited.

Shri Madan Pal Singh, Joint Director, Ministry of Heavy Industries (MHI) was appointed as a Government Nominee Director on the Board of Hindustan Cables Limited with immediate effect vice Shri A. M. Manichan, Deputy Secretary (Retired) vide MHI order F No.1(15)/2001-PE.II dated 19.11.2020.

The Board of Directors place on record its appreciation for the service rendered by Shri A.M. Manichan, Deputy Secretary (Retired), Ministry of Heavy Industries, 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.

## 12. AUDITORS

For the year 2020-21, M/s G. Basu & Company (CA 0003), Chartered Accountants, was appointed by Comptroller & Auditor General of India (C&AG) as Statutory Auditor of the Company .

## 13. 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.

## 14. INFORMATION ON SHARES

The share transfers taking place are amongst the nominees of the President of India. The distribution of shareholding as on 31st March, 2021 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 08.12.2018, 24.12.2019 and 31.12.2020 at Kolkata.

## 15. 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 and Andhra 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.

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

**(K. Mohan)**  
**CHAIRMAN & MANAGING DIRECTOR**

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

**DATED : 03. 11 .2021**

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> March, 2021

(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, West Bengal

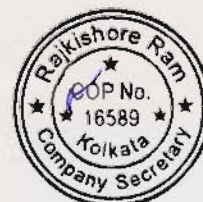
1. I have conducted the secretarial Audit of M/s. Hindustan Cables Limited having its Registered office at 1/315, Gariahat Road, Kolkata-700068, West Bengal and having CIN L31300WB1952GOI020560 (hereinafter called 'the Company') for the financial year ended on 31<sup>st</sup> March, 2021 (" the period 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, 2021, 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, 2021 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 there under;
  - (ii) The Depositories Act, 1996 and the Regulation and bye Laws framed There under;
  - (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;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 trying to complete the formalities for liquidation/winding up as directed by the Union Cabinet.
5. Hindustan Cables Limited is trying to complete the formalities for liquidation/winding up as directed by the Union Cabinet 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 and Ahmedabad Stock Exchange have become Non-functional as on date. 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 Mr. KOTHENATH MOHAN (DIN: 08385809) was appointed as the Chairman cum Managing Director of the company on dated 01/07/2020. Mr. MADAN PAL SINGH (DIN: 08414417) was appointed as nominee director of the company on dated 19/11/2020. As per DHI Order Mr. AKSHYA KUMAR PANDA (DIN: 08316351) was retired from the post of nominee director on dated 01.07.2020.



- 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. Further during the year under review the process of Board meeting was badly affected towards the end of the financial year due to COVID-19 Pandemic.
- 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, Due to non functional and no operational stage and release of all employees/consultant/functionaries from different location and establishments in terms with the approval for closure accorded by the Union Cabinet on 28/09/2016, key managerial person(KMP) 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. Further as informed by the management the said Key Managerial Personnel has not been appointed since the company has become Non-functional and Non-operational.
  - 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 trying to complete the formalities for liquidation/winding up as directed by the Union Cabinet 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 and The Ahmedabad Stock Exchange have become Non-functional as on date. Further as informed by the management there is no floating shares available in the market and the President of India representing Government of India is holding 100% stake in the company as on date.

VI. As on date the company is still Active Non-Compliant

9. 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.



*Rajkishore Ram*  
Rajkishore Ram

Practicing Company Secretary  
Mem. No.: A22447, C.P. No: 16589  
UDIN: A022447C001649732

Place: Kolkata

Date: 03.12.2021

**'Annexure A'**

**(To The Secretarial Audit Report of M/S. Hindustan Cables Ltd. for the Financial Year ended 31/03/2021)**

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

My secretarial Audit Report for the financial year ended 31/03/2021 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 Union Cabinet in it's meeting of held on 28/09/2016 has, interalia accorded its approval for closure of the company. Further as informed by the Management there was no floating shares of the company available in the market in Kolkata Stock Exchange Limited vide their letter dated 26/07/2017 and Delhi Stock Exchange and Ahmedabad Stock Exchange have become Non-functional and hence the periodical compliances with the Stock exchanges are not required for the period ending 31/03/2021. Further as informed by the Management there is no floating shares available in the market and the President of India representing Government of India is holding 100% stake in the company as on date..
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.



*Rajkishore Ram*  
**Rajkishore Ram**

Practicing Company Secretary  
ACS No. 22447, CP.No.16589

Place: Kolkata  
Date: 03.12.2021



**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2021**

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

<b>I. REGISTRATION &amp; OTHER DETAILS:</b>		
1	CIN	L31300WB1952GOI020560
2	Registration Date	04-08-1952
3	Name of the Company	<b>HINDUSTAN CABLES LIMITED</b>
4	Category/Sub-category of the Company	Company limited by Shares
5	Address of the Registered office & contact details	1/315,GARIAHAT ROAD, KOLKATA-700068,WEST BENGAL Email : hindustancablesltd.kolkata@gmail.com
6	Whether listed company	DELISTED FROM CALCUTTA STOCK EXCHANGE LIMITED, LISTED WITH AHMEDBAD STOCK EXCHANGE LIMITED YET TO BE DELISTED
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NA

<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Union Cabinet in it's meeting held on 28.09.2016, inter-alia, approved closure of the Company, release of all employees on VRS/VSS/retrenchment etc. Accordingly all employees were released on 31.01.2017 and the Company is closed since then.	<b>NO PRODUCTION</b>	<b>NA</b>
2		<b>FOR LAST 16 YEARS</b>	<b>NA</b>

<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>					
SN	Name and 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. SHARE HOLDING PATTERN**

(Equity share capital breakup as percentage of total equity)

**(i) Category-wise Share Holding**

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	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF			-	0.00%			-	0.00%	0.00%
b) Central Govt/State govt		4,86,58,81,125	4,86,58,81,125	100.00%		4,86,58,81,125	4,86,58,81,125	100.00%	0.00%
c) Bodies Corp.			-	0.00%			-	0.00%	0.00%
d) Banks / FI			-	0.00%			-	0.00%	0.00%
e) Any other			-	0.00%			-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	-	4,86,58,81,125	4,86,58,81,125	100.00%	-	4,86,58,81,125	4,86,58,81,125	100.00%	0.00%
<b>(2) Foreign</b>									
a) NRI Individuals			-	0.00%			-	0.00%	0.00%
b) Other Individuals			-	0.00%			-	0.00%	0.00%
c) Bodies Corp.			-	0.00%			-	0.00%	0.00%
d) Banks/FI			-	0.00%			-	0.00%	0.00%
e) Any other			-	0.00%			-	0.00%	0.00%
<b>Sub Total (A) (2)</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>TOTAL (A)</b>	-	4,86,58,81,125	4,86,58,81,125	100.00%	-	4,86,58,81,125	4,86,58,81,125	100.00%	0.00%
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds			-	0.00%			-	0.00%	0.00%
b) Banks / FI			-	0.00%			-	0.00%	0.00%
c) Central Govt			-	0.00%			-	0.00%	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance Companies			-	0.00%			-	0.00%	0.00%
g) FIs			-	0.00%			-	0.00%	0.00%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%
i) Others (specify)			-	0.00%			-	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian			-	0.00%			-	0.00%	0.00%
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh			-	0.00%			-	0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh			-	0.00%			-	0.00%	0.00%
c) Others (specify)									
Non Resident Indians			-	0.00%			-	0.00%	0.00%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members			-	0.00%			-	0.00%	0.00%
Trusts			-	0.00%			-	0.00%	0.00%
Foreign Bodies - D R			-	0.00%			-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Total Public (B)</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>			-	0.00%			-	0.00%	0.00%
<b>Grand Total (A+B+C)</b>	-	4,86,58,81,125	4,86,58,81,125	100.00%	-	4,86,58,81,125	4,86,58,81,125	100.00%	0.00%

**(ii) Shareholding of Promoter**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	President of India	4,86,58,80,625	99.99%	0		0.00%	0	-100.00%
2	Shri R.K Mitra,CMD,HCL	100					0	0.00%
3	Shri Akshay Kumar Panda,Economic Adviser,DH	100					0	0.00%
4	Shri AM Manichan,Dy Secretary of DHI	50					0	0.00%
5	Shri L C Ram,under secretary ,DHI	100					0	0.00%
6	Shri Bhaswar Gangopadhyay,Dy,DHI	100					0	0.00%
7	Ms. Ritu Pande	50					0	0.00%
	<b>TOTAL</b>	<b>4,86,58,81,125</b>	<b>100.00%</b>				<b>0</b>	<b>0.00%</b>
1	President of India				4,86,58,80,625	99.99%	0	0.00%
2	Shri K Mohan,CMD,HCL				100		0	0.00%
3	Ms.Sujata Sharma,Sr.Economic Advisor				100		0	0.00%
4	Shri Madan Pal Singh,JT. Director,DHI				50		0	0.00%
5	Shri Kamol Deo Prasad,,US,DHI				100		0	0.00%
6	Shri Sunil Kumar Singh,Director				100		0	0.00%
7	Smt Parveen Gupta				50		0	0.00%
	<b>TOTAL</b>				<b>4,86,58,81,125</b>	<b>100.00%</b>		

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year			4,86,58,81,125	100.00%	4,86,58,81,125	100.00%
	During the year there was transferred of share on dated 11-09-2020 under review				0.00%		0.00%
					0.00%		0.00%
	At the end of the year			4,86,58,81,125	100.00%	4,86,58,81,125	100.00%

**(iv) Shareholding Pattern of top ten Shareholders***(Other than Directors, Promoters and Holders of GDRs and ADRs):*

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
	At the beginning of the year			NA	0.00%	NA	0.00%
	Changes during the year			NA	0.00%	NA	0.00%
	At the end of the year			NA	0.00%	NA	0.00%
2	Name						
	At the beginning of the year			NA	0.00%	NA	0.00%
	Changes during the year			NA	0.00%	NA	0.00%
	At the end of the year			NA	0.00%	NA	0.00%

**(v) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	<b>Shri R.K Mitra,CMD,HCL</b>						
	At the beginning of the year			100	0.00%	-	0.00%
	Changes during the year	19-11-2020	Transfer	-	0.00%	-	0.00%
	At the end of the year			NIL	0.00%	-	0.00%
2	<b>Shri Akshay Kumar</b>					-	
	At the beginning of the year			100			0.00%
	Changes during the year	19-11-2020	Transfer				0.00%
	At the end of the year			NIL			0.00%
3	<b>Shri AM Manichan,Dy</b>						
	At the beginning of the year			100			0.00%
	Changes during the year	19-11-2020	Transfer	-			0.00%
	At the end of the year			NIL			0.00%
1	<b>Shri K Mohan,CMD,HCL</b>						
	At the beginning of the year			100		-	0.00%
	Changes during the year			-		-	0.00%
	At the end of the year			NIL		-	0.00%
2	<b>Shri Madan Pal Singh,JT.</b>					-	
	At the beginning of the year			100			
	Changes during the year			-			
	At the end of the year						
3	<b>Shri Sunil Kumar</b>						
	At the beginning of the year			100			0.00%
	Changes during the year			-			0.00%
	At the end of the year			NIL			0.00%

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL
<b>Change in Indebtedness during the financial year</b>				
* Addition	NIL	NIL	NIL	NIL
* Reduction	NIL	NIL	NIL	NIL
<b>Net Change</b>	NIL	NIL	NIL	NIL
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (Rs/Lac)
		Name	Designation		
		<b>KOTHENATH MOHAN</b>	Managing director		NIL
1	Gross salary				NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				NIL
2	Stock Option				NIL
3	Sweat Equity				NIL
4	Commission				NIL
	- as % of profit				NIL
	- others, specify				NIL
5	Others, please specify				NIL
	Total (A)		-		NIL
	Ceiling as per the Act				NIL

**B. Remuneration to other Directors**

SN.	Particulars of Remuneration	Name of Directors			Total Amount (Rs/Lac)
1	Independent Directors	NIL	NIL	NIL	NIL
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL
2	Other Non-Executive Directors	NIL	NIL	NIL	NIL
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	NIL	NIL	NIL	NIL

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs/Lac)
		Name	Designation		
			CEO	CFO	CS
1	Gross salary				NA
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				NA
	(b) Value of perquisites u/s 17(2) Income-tax				NA
	(c) Profits in lieu of salary under section 17(3) 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				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
Punishment		NA	NA	NA	NA
Compounding		NA	NA	NA	NA
<b>B. DIRECTORS</b>					
Penalty		NA	NA	NA	NA
Punishment		NA	NA	NA	NA
Compounding		NA	NA	NA	NA
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty		NA	NA	NA	NA
Punishment		NA	NA	NA	NA
Compounding		NA	NA	NA	NA

**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 2021**

The preparation of financial statements of Hindustan Cables Limited for the year ended 31 March 2021 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 the 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 Audit Report dated 11 October 2021.

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 2021 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 auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report.

**1. Balance Sheet:**

**Assets:**

**Current Assets:**

Short Term Loans and Advances (Note No. 12) - Rs.2,93,88,060/-

**Liabilities:**

**Current Liabilities:**

Short Term Provision (Note No. 9) Rs.84,54,926/-

**Statement of Profit & Loss:**

Profit before Extra-ordinary Item and Tax: Rs.3,18,189/-

Profit before Extra-ordinary Item & Tax has been overstated by Rs.58.22 lakh due to non-provisioning of Short Term Loans and Advances consisting of un-recovered arrear salary which could not be recovered from the officers due to stay order from High Court of Andhra Pradesh.

The said officers were already released (January 2017) from the Company as a part of approved (September 2016) roadmap of Government of India for closure of the CPSE.

## 2. Balance Sheet:

### Liabilities:

#### Current Liabilities:

Other Current Liability (Note No. 8)

**Rs.97,61,12,586/-**

#### Statement of Profit & Loss:

Profit before Extra-ordinary Item and Tax:

**Rs.3,18,189/-**

Profit before Extra-ordinary Item & Tax has been overstated by Rs.65.48 lakh towards non-provisioning of outstanding dues of M/s. Lalji Singh, a labor supply contractor of Rupnarainpur unit, which was paid in April 2021 though the same was approved by the Board of Directors in March 2021.

Place: Kolkata

Date: 10 DEC 2021

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

(Suparna Deb) 10/12/21

Director General Audit (Mines)  
Kolkata



**EXPLANATION OF THE COMPANY TO THE COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA U/S 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF HINDUSTAN CABLES LIMITED FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH 2021.**

Explanation of the Company to the two comments of C & AG u/s 143(6)(b) of the Companies Act 2013 made vide their letter dated 10.12.2021, is given below:-.

1. The first comment of C & AG is for not providing liability for unrecovered arrear salary for Rs 58.22 lakhs that arose out of a courts order. There is direction dated 19.06.2007 from the Hon'ble High Court of Hyderabad not to effect recovery of arrears. The case is still pending as on date. After release of all employees on 31.01.2017 on VRS, the issue was not noticed by the Company and the Auditors during last four years of closing of accounts viz. 2016-17, 2017-18, 2018-19 and 2019-20. Consequently, the Company missed the issue during 2020-21 also due to oversight as they started with past audited balances. However, the Company will make provision of liability of Rs 58.22 lakhs in accounts for f/y 2021-22 after discussion with it's dealing advocate.

2. The second comment of C & AG is for not providing liability for Rs 65.48 lakhs to M/s Lalji Singh which was approved by the Board in it's 354 th meeting held on 30.03.2021 for which payment was made by HCL on 22.04.2021. The approval of Board for one time settlement (OTS) with M/s Lalji Singh for principal amount was conditional on complete waiver of interest. OTS with M/s Lalji Singh, with payment of principal in exclusion of interest could be reached by the Company only on 20.04.2021. Prior to that date, M/s Lalji Singh was pursuing for extra payment of interest and was not accepting to OTS proposal and the Company continued to dispute even the principal due before the Court to make him agree to the out of court settlement. The liability to M/s Lalji Singh was shown as contingent liability. Payment was made to M/s Lalji Singh on 22.04.2021, after the arbitral award empowering him to recover both principal and interest was set aside by the Calcutta High Court on 22.04.2021. Accordingly, no liability was provided in the accounts for the year ended on 31.03.2021 towards settlement with M/s Lalji Singh. However, the Company will book the liability of Rs 65.48 lakhs in the accounts for f/y 2021-22, as payment has been done during 2021-22 viz. on 22.04.2021.

**HINDUSTAN CABLES LIMITED (HCL)**  
**COMPANY'S EXPLANATION TO THE OBSERVATION OF STATUTORY AUDITOR**

S n	STATUTORY AUDITOR'S COMMENTS	MANAGEMENT'S REPLY
1	<p>In our opinion, financial statements drawn are not in departure from going concern concept as is needed under existing status of the Company poised for permanent closure.</p> <p>Departure from going concern concept for compilation of accounts warranted valuation of assets and liabilities in terms of realisable cost which has not been done.</p>	<p>As per Statutory Auditor financial statements are drawn by the Company on going concern basis, as the Company has not yet been permanently closed. Winding up proceeding has not yet been initiated by/against the Company under The Insolvency and Bankruptcy Code 2016/ Company's Act 2013.</p> <p>As per Statutory Auditor departure from going concern concept needed valuation of assets and liability on realisable cost basis.</p>
2	<p>Company had written back liabilities to the extent of Rs 271,45,19,323/- including MSME creditors. This includes advance from Bharat Sanchar Nigam Ltd. to the extent of Rs268,22,98,903/- based on one sided action without any settlement with creditor concerned. Liability for MSME creditor is to the extent by Rs22,74,898/-.</p>	<p>The Company has received legal opinion from M/s Fox and Mandal, Solicitor &amp; Advocate, Kolkata which in brief stated that validity of creditors' claim will not be there after 3 years of dissolving of BIFR (if, any Court case is not there for same).</p> <p>The Company did balance confirmation to BSNL vide it's letter dated 05.03.2018 and there was no subsequent exchange of correspondence between the parties. The claim validity period of BSNL dues has expired on 05.03.2021, three years from the last debt acknowledgement date i.e. 05.03.2018, as per Limitation Act 1963. Further, the Company did not make any fresh acknowledgement before expiration of claim validity period i.e. 05.03.2021. There is no pending court case with BSNL too. Therefore, entire BSNL liability has become stale and time barred by 05.03.2021 i.e. three years from the date of the last debt acknowledgement. Given the specific circumstances, it has been considered appropriate by the Company not to acknowledge dues to BSNL in it's Balance Sheet as on 31.03.2021 and hence it has been considered appropriate to write back the same.</p> <p>Liability towards MSME creditor (M/s AVI Polymer) for Rs 22.74lakh is still there in it's books under trade payable, as there is a pending court case with M/s AVI Polymer.</p>
3	<p>Assets written off include balance with UBI which should be recoverable and advance tax Rs203.40 lakhs for recovery of which no correspondence have been produced</p>	<p>The Company had a Current Account with UBI, New Delhi with balance of Rs. 5334/- which was last operated in the year 2000. Signatories of the said Bank Account were all released from the service of</p>

	<p>before us. Forgoing of such a material claim in our opinion proves prejudicial to the interest of stakeholders under liquidations.</p>	<p>the Company long before it's closure in the year 2017. The expenditure involved to realise the money by sending people from Kolkata will be more than it's realisable value. CAG made an observation on this issue during CAG audit 2020.</p> <p>The Company made continuous losses from the year 1995-96 and was referred to BIFR in the year 2002 due to it's acute financial crisis. There was total stoppage of production and no internal generation of fund in the company since 2004 due to complete obsolescence of its products arising out of advent of wireless technology. It was not required to pay any Income Tax on losses arising from business or operation since 1995-96. There is no reflection of Rs 203.40 lakhs receivable by the Company in the Income Tax web portal. The Company does not have any record in support of advance payment of Income Tax for Rs 203.40 lakhs as appeared in it's books.</p> <p>Given the specific circumstances of these cases, it has been considered appropriate to write off.</p>
4	<p>Reconciliation and confirmation of balances under trade payable for goods/expenses, 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 liability and is consequential impact on the accounts.</p>	<p>As per the Balance Sheet trade receivable is nil and trade payable includes due to M/s AVI Polymer, MSME for Rs 22.74 lakhs (under litigation) and current year's undisputed audit fees. Therefore, reconciliation and confirmation of balances under trade payable and trade receivable are not required.</p> <p>Remaining items of observation are liabilities which are barred by limitation of time. Any action by the Company taken to seek balance confirmation will revive dead time barred claim. This will fasten liability on the Company, which the Company was not liable to pay due to law of limitation. Therefore, balance confirmation was not done for time barred liabilities.</p>

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF HINDUSTAN CABLES LIMITED  
Report on the Audit of the Standalone Financial Statements**

**Qualified Opinion**

We have audited the accompanying standalone financial statements of HINDUSTAN CABLES LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2021, 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, 2021, the profit and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

*We draw attention to following matter:*

- a) *In our opinion, financial statements drawn are not in departure from going concern concept as is needed under existing status of the company poised for permanent closure. Departure from going concern concept for compilation of accounts warranted valuation of assets and liabilities in terms of realisable cost which has not been done.*
- b) *Company had written back liabilities to the extent of Rs.271,45,19,323 including MSME creditors. This includes advance from Bharat Sanchar Nigam Ltd. to the extent of Rs.268,22,98,903.00 based on one sided action without any settlement with creditor concerned. Liability for MSME creditor is to the extent by Rs.22.74,898.00*
- c) *Assets written off include balance with U.B.I. which should be recoverable and advance tax Rs.203.40 lakhs for recovery of which no correspondence have been produced before us. Forgoing of such a material claim in our opinion proves prejudicial to the interest of stakeholders under liquidations.*
- 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.*



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**

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.

#### **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

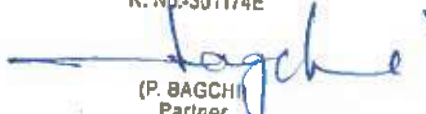


statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 21 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.

Place : Kolkata  
Date : October 11, 2021  
UDIN : 21051524AAAABJ9860

For G. BASU & CO.  
Chartered Accountants  
R. No.-301174E

  
(P. BAGCHI)  
Partner  
(M. No. 051524)



**Annexure - A The Auditors' 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 2021 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, 2021:

- 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 2021.

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, 2021, 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, 2021 financial statements of the Company and these material weaknesses do not affect our opinion on the financial statements of the Company.

Place : Kolkata  
Date : October 11, 2021  
UDIN : 21051524AAAABJ9860

For G. BASU & CO.  
Chartered Accountants  
R. No. 301174E  
  
(P. BAGCHI)  
Partner  
(M. No. 051524)

### 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 2021, 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 deposits for excess of its eligibility in respect of which provision of section 73 to 76 of the Companies Act, 2013, RBI directives have not been complied with.

Relevant deposits are attributable to advance from customers assuming the role of depositor in application of Rule 2(xii)(a) of Companies (ACCEPTANCE OF DEPOSITS) - Rule, 2014.

- (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, or other material statutory dues were in arrears as at 31<sup>st</sup> March, 2021 for a period of more than six months from the date they become payable except in following cases:

Particulars	Amount Rs. In Lakhs
Work Contract Tax	6.87
TDS Under GST	2.10
Property Tax (including Interest)	28.37
Tax Collected at Source	0.71
Tax Deducted at Source	8.75
Interest on Provident Fund	0.16
Pension	0.94
<b>Total</b>	<b>47.90</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 2021:

Sl No.	Statute	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. No term loan has been obtained by the company from bank or elsewhere.
- (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) There was no transaction with any party within the meaning of section 177 & 188 of the Companies Act, 2013.
- (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.

Place : Kolkata  
Date : October 11, 2021  
UDIN : 21051524AAAABJ9860

For G. BASU & CO.  
Chartered Accountants  
R. No.-301174E

  
(P. BAGCHI)  
Partner  
(M. No. 051524)



**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 2020-21**

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.

**Place : Kolkata**  
**Date : October 11, 2021**  
**UDIN : 21051524AAAABJ9860**

For G. BASU & CO.  
Chartered Accountants  
R. No.-3/1174E

(P. BAGCHI)  
Partner  
(M. No. 051524)

**LAST TEN YEARS AT A GLANCE**

(Rs. in lakhs)

S. no.	Particulars	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
1	* Turnover	0	0	0	0	0	0	0	0	7	0
2	Net Profit	26956.07	1388.60	5185.59	70616.45	234846.15	(99411.81)	(93299.45)	(78188)	(88505)	(64827)
3	Gross Block	2563.71	2563.71	2596.95	5321.38	45742.21	47425.26	47429.81	52553	52549	52546
4	Depreciation Provision	1917.47	1886.47	1883.87	4362.36	42925.09	44151.43	43676.65	16172	47645	46956
5	Net Block	646.23	677.24	712.08	959.02	2817.12	3273.83	3753.16	4381	4895	5590
6	Net Current Assets - working capital	(1311.57)	(33042.20)	(32179.21)	(37611.74)	(93417.65)	(115791.95)	(105487.63)	(91302)	(89396)	(70866)
7	Capital Employed	(665.33)	(30078.52)	(31467.13)	(36652.72)	(90600.53)	(112518.12)	(100724)	(86922)	(84501)	(65276)
8	Secured Loan	0	0	0	0	0	353788.27	306571.83	264285	229195	198214
9	Unsecured Loan	0	0	0	0	1487.87	328531.76	287022.72	251697	215782	182948
10	Share Capital	486588.11	486588.11	486588.11	486588.11	41936.11	41936.11	41936.11	41936.11	41936.11	41936.11
11	Reserve and Surplus	5674	5674	5674	5674	5674	5674	5674	5674	5674	5674
12	Accumulated Loss	(510776.63)	(537732.71)	(539121.32)	(544306.91)	(614923.37)	(849769.52)	(750372.31)	(657058)	(578870)	(490365)
13	Net Worth	(18514.52)	(45470.60)	(46859.21)	(52044.81)	(91756.77)	(802159.41)	(702762.31)	(609448)	(531260)	(442755)
14	No. of employees	0	0	0	0	0	1333	1533	1698	1832	1958

Note : \* Includes Scrap sale, Central excise duty but excludes interest and miscellaneous income.

**CONTRIBUTION TO NATIONAL EXCHEQUER**

(Rs in crores)

S. no.	Heads	2020-21	2019-20	2018-19	2017-18	2016-17
1	Sales Tax	0.00	0.00	0.00	36.72	0.00
2	Central Excise Duty	0.00	0.00	0.00	10.18	0.00
3	Customs Duty	0.00	0.00	0.00	0.00	0.00
4	Income Tax on Salary & Wages (including TDS on contractors and consultancy services)	0.10	0.25	1.53	11.41	44.09
5	Rates and Taxes	0.38	0.38	0.00	0.00	0.00
6	Licence Fees	0.00	0.00	0.00	0.00	0.00
7	GST including GST TDS	0.07	0.21	4.18	0.00	0.00
	<b>Total</b>	<b>0.55</b>	<b>0.84</b>	<b>5.71</b>	<b>58.31</b>	<b>44.09</b>



HINDUSTAN CABLES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2021



A.	EQUITY AND LIABILITIES	Note no.	As at 31st March, 2021	As at 31st March, 2020
			(Rs)	(Rs)
	<b>1. SHAREHOLDERS' FUNDS</b>			
	a) Share Capital	2	48,658,811,250	48,658,811,250
	b) Reserve & Surplus	3	(50,510,264,192)	(53,205,871,821)
			(1,851,452,942)	(4,547,060,571)
	<b>2. SHARE APPLICATION MONEY PENDING ALLOTMENT</b>	26	1,539,208,624	1,539,208,624
	<b>3. NON-CURRENT LIABILITIES</b>			
	(a) Long-Term Borrowings	4	245,711,319	2,642,879,279
	<b>4. CURRENT LIABILITIES</b>			
	(a) Short-Term Borrowings	5	412,198	(468,560)
	(b) Trade Payables	6		
	(i) Total Outstanding Dues Of Micro Enterprises And Small Enterprises (MSME)		2,274,898	18,825,999
	(ii) Total Outstanding Dues Of Creditors Other Than MSME		140,625	28,498,845
	(c) Other Current Liabilities	8	976,112,583	1,258,450,141
	(d) Short Term Provisions	9	8,454,926	8,299,828
			987,395,230	1,313,408,054
	<b>TOTAL</b>		<b>920,862,231</b>	<b>948,435,385</b>
<b>B.</b>	<b>ASSETS</b>			
	<b>1. NON CURRENT ASSETS</b>			
	(a) Property Plant and Equipment	7	64,623,729	67,724,408
			64,623,729	67,724,408
	<b>2. CURRENT ASSETS</b>			
	(a) Trade Receivables	10	-	1,300,117
	(b) Cash and Cash Equivalents	11	796,914,200	784,069,449
	(c) Short Term Loans and Advances	12	29,388,060	61,190,742
	(d) Other Current Assets	13	29,936,243	34,150,670
			856,238,502	880,710,978
	<b>TOTAL:</b>		<b>920,862,231</b>	<b>948,435,386</b>
	Significant Accounting Policies	1		
	The accompanying notes are an integral part of the financial statements			

In terms of our report of even date.

For G. BASU & CO.  
Chartered Accountants  
R. No.-301174E

(P. BAGCHI)  
Partner  
(M. No. 051524)

K. Mohan

Chairman and Managing Director  
DIN - 08385809

**K. MOHAN**

CHAIRMAN AND MANAGING DIRECTOR  
HINDUSTAN CABLES LIMITED

Amal Kumar Bose  
Advisor



11 OCT 2021



HINDUSTAN CABLES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

	Note no.	For the period 2020-	For the period 2019-20
		(Rs)	(Rs)
<b>I INCOME</b>			
Other Income	14	39,016,417	45,512,924
<b>Total Revenue</b>		<b>39,016,417</b>	<b>45,512,924</b>
<b>II EXPENSES</b>			
Employees Benefits Expense	15	-	200,000
Other Expenses	16	35,597,547	39,058,456
Depreciation	7	3,100,680	3,279,168
<b>Total Expenses</b>		<b>38,698,227</b>	<b>42,537,624</b>
<b>III Profit/(Loss) before Extra-Ordinary Item and Tax</b>		<b>318,189</b>	<b>2,975,300</b>
Extra-Ordinary Items	17 & 27	2,695,289,439	135,885,605
<b>IV Profit/(Loss) for the year</b>		<b>2,695,607,628</b>	<b>138,860,905</b>
Earning Per Share - Basic and Diluted (Rs)	32	0.55	0.03
Significant Accounting Policies	1		
The accompanying notes are an integral part of the financial statements			

In terms of our report of even date.

For G. BASU & CO.  
Chartered Accountants  
R. No.-301174E

*(Signature)*  
(P. BAGCHI)  
Partner  
(M. No. 051524)

*(Signature)*

K. Mohan  
Chairman and Managing Director  
DIN - 08385809

*(Signature)*

Amal Kumar Bose  
Advisor

Place : Kolkata  
Dated:

K. MOHAN  
CHAIRMAN AND MANAGING DIRECTOR  
HINDUSTAN CABLES LIMITED



11 OCT 2021



HINDUSTAN CABLES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

[Figures in rupees]

	For the period 2020-21	For the period 2019-20
	(Rs)	(Rs)
<b>A Cash flow from operating Activities</b>		
Net profit/loss (-) before taxation and extra-ordinary items	2,695,607,628	138,860,905
Add/(less) Adjustments for :		
Depreciation	3,100,680	3,279,168
Liabilities written back	(2,715,635,487)	(136,212,620)
Assets Written Off	20,346,048	327,015
Interest Income	(38,753,226)	(43,133,741)
<b>Operating Cash flow before Working Capital Change</b>	<b>(35,334,357)</b>	<b>(36,879,273)</b>
<b>Adjustments for :-</b>		
Decrease/(Increase) in Trade Receivables	1,300,117	-
Decrease/(Increase) in Loans & Advances	11,456,634	(3,211,049)
Decrease/(Increase) in Other Current Assets	4,214,427	-
Increase/(Decrease) in Short-Term Borrowings	878,758	-
Increase/(Decrease) in Trade payables	(12,500,700)	2,384,349
Increase/(Decrease) in Other Current Liabilities	3,921,549	198,832,321
Increase/(Decrease) in Provisions	155,098	-
<b>Operating Cash flow After Working Capital Change</b>	<b>(25,908,475)</b>	<b>161,126,349</b>
Less: Direct Tax paid during the year	-	-
<b>Net Cash from Operating Activities</b>	<b>A (25,908,475)</b>	<b>A 161,126,349</b>
<b>B Cash flow from Investing Activities</b>		
Purchase of Fixed Assets	-	(122,706)
Fixed Deposit	-	(199,111,292)
Interest received	38,753,226	43,133,741
<b>Net Cash from Investing Activities</b>	<b>B 38,753,226</b>	<b>B (156,100,257)</b>
<b>C Cash flow from Financing Activities</b>		
<b>Net Cash from Financing Activities</b>	<b>C -</b>	<b>C -</b>
<b>Net Increase / Decrease (-) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>12,844,752</b>	<b>5,026,092</b>
Cash & Cash Equivalents (Opening)	784,069,449	231,411,247
Cash & Cash Equivalents (Closing)	796,914,200	236,437,338
(Represented by Cash & Cash Equivalents as item indicated in Note 11)		

In terms of our report of even date.

For  
Chartered Accountants  
Firm Registration No.

For G. BASU & CO.  
Chartered Accountants  
R. No.-301174E

Partner  
Membership No. -

(P. BAGCHI)  
Partner  
No. 051524

Place : Kolkata  
Dated: 11 OCT 2021

K. Mohan  
Chairman and Managing Director  
DIN - 00385809

**K. MOHAN**  
CHAIRMAN AND MANAGING DIRECTOR  
HINDUSTAN CABLES LIMITED

Amal Kumar Bose  
Auditor



## 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 and on the principles of going concern. 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.

### 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, 2021**

As at 31st March, 2021

As at 31st March, 2020

**2 SHARE CAPITAL**

**Authorised :**

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

48,658,811,250

Add: Allotted during the year

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 :**

**Equity Shares of Rs 10/- each fully paid**

**No. of Shares**

**% of Holding**

**No. of Shares**

**% of Holding**

**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.

**3 RESERVE & SURPLUS**

**Capital Reserve**

(Represents the credit for land acquired free of cost from Govt. of AP & WB )

183,000

183,000

**A**

183,000

183,000

**GENERAL RESERVE**

Opening Balance

567,216,318

567,216,318

Add : Debenture Redemption Reserve Transferred fro Capital Reserve

Add : Bond Redemption Reserve Transferred fro Capital Reserve

Closing Balance

**B**

567,216,318

567,216,318

**SURPLUS/(DEFICIT)**

Opening Balance

(53,773,271,139)

(53,912,132,044)

Add : Net Profit for the year

2,895,807,628

138,880,905

Closing Balance

**C**

(51,077,663,510)

(53,773,271,139)

Net Balance

**A+B+C**

(50,510,264,192)

(53,205,871,821)



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**

	As at 31st March, 2021		As at 31st March, 2020	
	(Rs)	(Rs)	(Rs)	(Rs)
<b>4 NON-CURRENT LIABILITIES</b>				
Long-term Borrowings :				
Unsecured Loans :				
Deposits				
-Advance from Customers		245,711,319		2,642,879,279
		<u>245,711,319</u>		<u>2,642,879,279</u>
<b>5 CURRENT LIABILITIES</b>				
Short-term Borrowings				
1) Secured Loans :				
Bank of Baroda-Bank Balance temporarily overdrawn (Secured against Fixed Deposit maintained with Bank of Baroda)		412,198		(466,560)
		<u>412,198</u>		<u>(466,560)</u>
<b>6 TRADE PAYABLES</b>				
(i) Total Outstanding Dues Of Micro Enterprises And Small Enterprises (MSME)	2,274,898		18,625,999	
(ii) Total Outstanding Dues Of Creditors Other Than MSME (Note 20)	<u>140,825</u>	2,415,523	<u>28,498,645</u>	47,124,644
		<u>2,415,523</u>		<u>47,124,644</u>
<b>8 Other Current Liabilities</b>				
Interest on advance from BSNL	-		285,130,943	
Interest on advance from MTNL	598,749,758		598,749,758	
Liabilities against Capital Advance	<u>200,900,000</u>		<u>200,900,000</u>	
Other Payables-				
Liabilities for Expenses	36,313,152		38,324,778	
For Expenses	29,546,567		31,276,249	
For Statutory Dues	3,944,667		4,093,293	
Employee related payable	37,822,078		37,822,078	
Security Deposits	18,548,493		12,358,193	
Other Payables	<u>50,287,868</u>	976,112,583	<u>51,794,850</u>	1,258,450,141
		<u>976,112,583</u>		<u>1,258,450,141</u>
<b>9 SHORT TERM PROVISIONS :</b>				
For Employee Benefits		8,299,828		8,299,828
For Wages of Contract Labour		155,098		
		<u>8,454,926</u>		<u>8,299,828</u>
<b>10 CURRENT ASSETS</b>				
<b>TRADE RECEIVABLES</b>				
Debits Outstanding for more than 6 months				
Considered Good			1,300,115	
Considered Doubtful	<u>1,771,367,649</u>	1,771,367,649	<u>1,770,309,453</u>	1,771,609,569
Debits Outstanding for less than 6 months				
Considered Good				
Considered Doubtful				
Less: Provision for Doubtful Trade Receivables		1,771,367,649		1,771,609,569
		<u>1,771,367,649</u>		<u>1,770,309,453</u>
				<u>1,300,117</u>





**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**

**NOTE 7 : PROPERTY PLANT AND EQUIPMENT**

	Freehold Land	Approach Road	Land Development	Factory & office Building	Admin Building	Building Residential	Non Residential Building	Water supply and sanitation	Railway Sidings	Furniture, Fittings, Office equipments	Computers	Total
<b>COST</b>												
As at 01-04-2020	3,106,265	237,595	23,377,612	20,385,753	3,805,657	140,755,880	31,877,306	10,507	1,258,907	21,309,725	10,246,492	256,371,699
Additions during the year	-	-	-	-	-	-	-	-	-	-	-	-
Transfer/ Deductions/ Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
As at 31-3-2021	3,106,265	237,595	23,377,612	20,385,753	3,805,657	140,755,880	31,877,306	10,507	1,258,907	21,309,725	10,246,492	256,371,699
<b>DEPRECIATION</b>												
As at 01-04-2020	-	225,715	22,208,727	17,208,344	2,154,508	89,057,669	26,730,136	9,982	1,195,959	20,130,516	9,725,733	188,647,290
For the year	-	-	-	198,648	120,639	2,223,943	503,661	-	-	45,357	8,432	3,100,680
Transfer/ Deductions/ Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
As at 31-3-2021	-	225,715	22,208,727	17,406,992	2,275,147	91,281,612	27,233,797	9,982	1,195,959	20,175,873	9,734,165	191,747,970
<b>NET BLOCK</b>												
As at 01-04-2020	3,106,265	11,880	1,168,885	3,177,409	1,651,149	51,698,211	5,147,170	525	62,948	1,179,209	520,758	67,724,408
As at 31-3-2021	3,106,265	11,880	1,168,885	2,978,761	1,530,510	49,474,268	4,643,509	525	62,948	1,133,852	512,327	64,623,729





**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**

		As at 31st March, 2021		As at 31st March, 2020	
		(Rs)	(Rs)	(Rs)	(Rs)
<b>11</b>	<b>CASH &amp; CASH EQUIVALENTS</b>				
	Cash in hand	190	190	3,777	3,777
	<b>In Fixed Deposits with Scheduled Banks:</b>				
	Indian Overseas Bank	2,098,587		1,993,329	
	BOB	502,367,075		494,731,824	
	Allahabad Bank	26,108,920		37,175,339	
	State Bank of India	262,767,916	793,342,498	248,911,220	782,811,713
	<b>In current Accounts with Scheduled Banks:</b>				
	State Bank of India (All branch)	665,211		422,073	
	United Bank of India	-		5,334	
	Allahabad Bank	2,793,125		707,895	
	Indian Overseas Bank	113,178	3,571,512	118,658	1,253,960
			<b>796,914,200</b>		<b>784,069,449</b>
<b>12</b>	<b>SHORT TERM LOANS AND ADVANCES</b>				
	Advance recoverable in cash or kind or for value to be received :				
	Considered Good		5,299,032		13,870,378
	Considered Doubtful		19,977,542		9,837,531
			25,276,574		23,707,909
	Less: Provision for Doubtful Advance		19,977,890		9,837,879
			5,298,684		13,870,030
	Others amounts Receivable		111,875		111,875
	Advance Payment of Income Tax and TDS		18,101,059		41,332,395
	Other Advances		5,876,442		5,876,442
			<b>29,388,060</b>		<b>61,190,742</b>
<b>13</b>	<b>OTHER CURRENT ASSETS</b>				
	Balances with Revenue Authorities		8,768,409		8,181,443
	Accrued Interest		21,167,834		25,989,227
			<b>29,936,243</b>		<b>34,150,670</b>



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**

		As at 31st March, 2021		As at 31st March, 2020	
		(Rs)	(Rs)	(Rs)	(Rs)
<b>14</b>	<b><u>OTHER INCOME</u></b>				
	Interest		38,753,226		43,133,741
	interest on IT refund		262,868		492,520
	Miscellaneous Income		323		1,751,395
	Rental income		-		135,268
			<u>39,016,417</u>		<u>46,512,924</u>
<b>15</b>	<b><u>EMPLOYEES' REMUNERATION AND BENEFITS</u></b>				
	Salaries & Wages		-		200,000
			-		<u>200,000</u>
<b>16</b>	<b><u>OTHER EXPENSE :</u></b>				
<b>A</b>	Power & Fuel		26,261		-
	Electricity Charges		618,684		753,248
	Repairs to :				
	Others	<u>282,927</u>	282,927	<u>517,055</u>	517,055
	Interest on PF		-		396,316
	Rates and Taxes		3,579,110		3,754,112
	Retainership fees ( consultants)		6,316,396		14,350,540
	Consultancy Fees		1,676,000		200,000
	Travelling & Conveyance		824,072		2,789,869
	Postage, Telegram & Telephone		126,180		256,710
	Interest on Others		208,849		667,951
	Bank charges		4,324		12,112
	Audit Fees:-				
	Statutory Audit	125,000		170,000	
	Tax Audit	<u>25,000</u>	150,000	<u>25,000</u>	195,000
	Management services		553,000		612,000
	Printing & Stationery		84,502		257,643
	Legal Expense		790,092		3,622,153
	Wages for Contract Labour		155,098		-
	Freight & Transport Charges		-		55,000
	Security Expenses		7,553,758		7,778,469
	Contractual expenses		-		504,878
	Professional fees		1,305,900		605,290
	Miscellaneous Expenses		93,696		100,000
	Other Expenses		50,490		1,089,496
			<u>24,399,339</u>		<u>38,517,842</u>



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**

	As at 31st March, 2021		As at 31st March, 2020	
	(Rs)	(Rs)	(Rs)	(Rs)
<b>B</b>	<b><u>PROVISIONS :</u></b>			
	Provision for Doubtful Debts	1,058,197	-	
	Provision for Doubtful Advances	10,140,011	-	
		<u>11,198,208</u>	<u>-</u>	
<b>C</b>	<b><u>PRIOR PERIOD ADJUSTMENT:</u></b>			
	Other Expenses	-	540,614	
		<u>-</u>	<u>540,614</u>	
	<b>TOTAL [A+B+C]</b>	<u><b>35,597,547</b></u>	<u><b>39,058,456</b></u>	
<b>17</b>	<b><u>EXTRA-ORDINARY ITEMS</u>      Refer Note - 27</b>			
	Liability Written Back	2,715,635,487	136,212,620	
	Assets Written off	(20,346,048)	(327,015)	
		<u><b>2,695,289,439</b></u>	<u><b>135,885,605</b></u>	



**NOTE:18**

**Contingent liability not provided for :**

	<b>As on 31.03.2021</b>	<b>As on 31.03.2020</b>
	<b>Rs. in Lacs</b>	<b>Rs. in Lacs</b>
i) Cases under Arbitration	81.00	81.00
ii) Other Court Cases	3,599.47	3,598.47
iii) Dy Labour Commissioner	13.30	13.30
iv) Labour Court	128.16	128.16
v) C.G Industrial Tribunal	475.00	475.00
vi) Industrial Tribunal	3.76	3.76
vii) Arrear against pay revision (including PF)	1,727.58	1,727.58
viii) Proposal for levy of Damages u/s 14B of the EPF & MP Act, 1952	290.73	290.73
ix) Claim of a contractor under subjudice	64.16	64.16
x) Balance Gratuity awarded to Casual Employees by Asst. Labour Commissioner	173.12	173.12
xi) Disputed claim of subcontractor/ Supplier/ Consultant	-	-
xii) Estimated amount of Excise Duty and interest thereon, not provided for	367.35	367.35
xiii) Balance Gratuity awarded to V.R Employees by Asst Labour Commissioner	62.46	62.46
xiv) Terminated/Suspended employees revised wages	83.71	83.71
xv) ESI & CC To ESI (Employees)	16.48	16.48
xvi) ESI (Land Displaced Persons up to 31.03.2017)	10.66	10.66
xvii) Amount received on closure of trust	19.00	19.00
xviii) Demand for enhanced Compensation for the land acquired by TSIC for the purpose of HCL in Mallur, Hyderabad	72.91	72.91
xix) Members of HCE Cooperative Credit Society have claimed interest on due amount	133.00	133.00
xx) Claim of 1997 Wage revision pending Adjudication	1,146.56	1,146.56
xxi) Claim of salary and wages for 58-60-including PF but excluding interest on PF pending adjudication	2,774.33	2,774.33

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



- NOTE 19** 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 86.56 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.
- iii) The balance of Trade Receivable after adjustment of Provision against it appearing as on 31st March'2020 was Rs. 13,00,117/- Out of Rs. 13,00,117/-, Rs. 2,41,920/- was recovered during the financial year 2020-21. The balance amount of Rs. 10,58,197/- considered doubtful of recovery has been duly provided for.
- NOTE 20** 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 Rupnarainpur 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 19.6.07 passed in WPMP no. 15791 of 2007 in W.P No. 12646 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 21** 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 22** 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 22.75 Lacs ( previous year Rs. 186.26 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 23** 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 24** As per the provisions of Schedule II of the Companies Act, 2013, depreciation for the year ended 31.03.2021 has been provided on the basis of useful life of the assets.
- NOTE 25** 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 26** 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. 1,81,660.97 Lakhs of interest totaling to Rs. 3,12,849.45 Lakhs. Additional interest of Rs. 56,348.04 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. 3467.15 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				181,660.97
Interest on Loan Accrued and Due for 2016 -17				52,269.43
Interest on Loan Accrued but Not Due as on 30.09.2016				4,088.61
<b>Total</b>				<b>369,197.49</b>
<b>Loan/Equity Amount Received during 2016 -17</b>				
Sl No.	GOI Order	Order Date	Nature	Amount in INR (Lakhs)
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 (4,44,65,20,000 no of shares of Rs. 10 each)				444,652.00
<b>Share Application Money Pending Allotment</b>				<b>15,392.08</b>

**NOTE 27** Extra-Ordinary items  
Extra-Ordinary Item Rs. 27156.35 Lakhs on account of liabilities written back includes due to BSNL Rs. 26,822.99 Lakhs and Other liabilities Rs. 322.08 Lakhs for which being barred by time limitation has been adjusted on the basis of unilateral decision of the company and Rs. 203.46 lakhs on account of Assets Written Off for which assets not identifiable. Details is as per as given below:

Heads	Amount in Rs. In Lakhs
Liabilities Written Back	27,156.35
Assets Written Off	(203.46)
<b>Total</b>	<b>26,952.89</b>

**NOTE 28** Closing balances of Sundry Debtors, Sundry Creditors, Advance to Contractors and Suppliers etc. are net of adjustment and subject to confirmation and reconciliation.

**NOTE 29** 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 30** Information pursuant to AS - 18 "Related Party Transactions  
There are no transactions with the related parties during the year.





NOTE 31 As the company's manufacturing activity is stopped since long, and Government of India has decided for the closure of the Company, hence no segment results has been prepared.

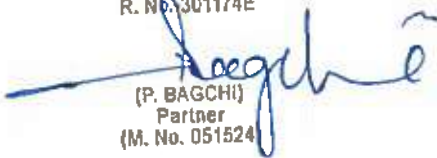
NOTE 32 Calculation of Earning per Share :	2020-21	2019-20
Profit/(Loss) as per Profit & Loss A/c (in Rs)	2,695,607,628	138,960,905
Weighted Average No. of Shares	4,885,881,125	4,885,881,125
Earning per share	0.55	0.03

NOTE 33 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 34 The figures for the previous year have been rearranged and regrouped wherever necessary.

In terms of our report of even date.

For G. BASU & CO.  
Chartered Accountants  
R. No. 301174E

  
(P. BAGCHI)  
Partner  
(M. No. 051524)

Place : Kolkata  
Dated:

11 OCT 2021

  
K. Mohan  
Chairman and Managing Director  
DIN - 08286509

  
Anil Kumar Bose  
Advisor

K. MOHANI  
CHAIRMAN AND MANAGING DIRECTOR  
HINDUSTAN CABLES LIMITED



**HINDUSTAN CABLES LIMITED**  
(A Government of India Undertaking)  
( under the Ministry of Heavy Industries)  
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