

2022-23

HINDUSTAN CABLES LIMITED

71st Annual Report and Accounts.

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HINDUSTAN CABLES LIMITED

HINDUSTAN CABLES LIMITED

BOARD OF DIRECTORS

Shri K. Mohan	: Chairman and Managing Director
Shri Vivek Narayan	: Director
Shri Madan Pal Singh	: Director
Smt Sushma Batra	: Director

STATUTORY AUDITOR

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

BANKERS

Bank of Baroda
Allahabad Bank

HINDUSTAN CABLES LIMITED
(A Government of India Undertaking)
(under the Ministry of Heavy Industries)
Website : www.hindcables.net

हिन्दुस्तान केबल्स लिमिटेड
(भारत सरकार का उपक्रम)
नैगम कार्यालय
167/ए, अजय नगर(5वीं रोड)
कोलकाता 700075



HINDUSTAN CABLES LIMITED
(A Govt. of India Undertaking)
CORPORATE OFFICE
167/A, Ajoy Nagar (5th Road)
Kolkata 700075.

CIN – U31300WB1952GOI020560

Email: hindustancablesltd.kolkata@gmail.com

Website : www.hindcables.net

CORP/SEC/71st AGM/2022-23/

Date: 10.11.2023

NOTICE OF THE 71st ANNUAL GENERAL MEETING

Notice is hereby given that the 71st Annual General Meeting of Hindustan Cables Limited will be held on **Wednesday, the 22 nd November, 2023** at Hindustan Cables Limited, Corporate Office, 167/A, Ajoy Nagar (5 th Road) Kolkata-700075, at **04.00 PM** to transact the following business:

1. To consider and adopt the Report of the Directors for the year ended 31st March, 2023.
2. To consider and adopt the Profit and Loss Account for the year ended 31st March, 2023 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 2023-24.

The Meeting may please also be attended through Video Conference Mode .

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 07.09.2023 to 14.09.2023 (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 theAnnual 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 31st March, 2021.
2. To consider and adopt the Profit and Loss Account for the year ended 31st 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 71st Annual Report on the working of the Company for the year ended 31st March 2023 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 2022-23 the company has made a profit of Rs. 15.73 crore. Summarized position of the Company's results for the year 2022-23 compared to 2021-22 is given below:

(Rs. In lakhs)

		2022-23	2021-22
(a)	Total revenue	326.16	333.51
(b)	Less: Total expenses	766.90	1413.16
(c)	Profit (Loss) before Extra Ordinary item and Tax	(440.74)	(1079.64)
(d)	Extra Ordinary items	2014.57	9918.48
(e)	Profit (Loss) for the year	1573.83	8838.84

4. SHARE CAPITAL

The Authorised Capital of the Company is Rs. 6000 crores. The Subscribed and Paid-up Capital as on 31.3.2023 stood at Rs. 4865.88 crores divided into 4865881125 Equity Shares of Rs.10 each.

5. BORROWINGS

During the year 2022-23, 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, Capital Gain Tax on sale of Asset etc. aggregates to Rs. 12.19 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. The Company has filed a title suit before Asansol Court challenging the gift deed for 8.85 acres of land at Baramuri mouza, Rupnarainpur, in favour of two West Bengal Government educational institutions (ITC and NCP). 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 orders during July, 2018. Company obtained stay(s) from Hyderabad High Court and issues are 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, 2022 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 358th Meeting held on 21.03.2022 re-constituted the Audit Committee comprising of Shri Madanpal Singh, as Chairman, Audit Committee, Shri Sunil Kumar Singh, 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.

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 2022-23, 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, 2022 was as under:

Sn	Category	No. of shares held	% age
1	President of India	4865881125	100.00
	Total	4865881125	100.00

In terms with approval for closure of HCL accorded by the Union Cabinet in its meeting held on 28.09.2016, the Company applied for delisting of shares from Calcutta Stock exchange (CSE) as 100% shares were held by the President of India. CSE had delisted the Company. Since there was no floating share in the Market, the Company practically became an unlisted Company. Based on an application made by the Company, MCA has changed the CIN of the Company from listed to unlisted Company.

The last 3 Annual General Meetings were held on 31.12.2020, 21.12.2021 and 28.12.2022 at Kolkata.

15. ACKNOWLEDGEMENT

The Directors are grateful for the support, guidance and assistance received from the Ministry of Heavy Industries, 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 associated with 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 : 21.09.2023

Rajkishore Ram
Practicing Company Secretary

113A, A.J.C Bose Road
5* floor, Room No.5/6
Kolkata-700014, West Bengal
Mob.No.9903880503
E.mail:csrkrantFgmail.com

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st March, 2023
(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:U31300WB19S2GOI020560 (hereinafter called 'the Company') for the financial year ended on 31st March, 2023 ("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 31st march, 2023, compiled 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 31st march, 2023 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;
4. To the best of my understanding and on the basis of information and documents produced by the management the company was change his status from a listed entity to a limited company and it was 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 Keeping the above information and explanations as provided by the management of the company I am of the view that the Company is no more required to comply the necessary Listing compliances as the company change its status to a limited company.
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 Mrs. SUSHMA BATRA (DIN: 09751794) was appointed as a Government nominee Director of the company on dated 30.09.2022.
 - b) Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meetings and for meaningful participation at the meeting.
 - c) Majority decision is carried through and recorded as a part of the minutes.



7. It has been represented to me by the management of the Company that periodic reports on compliance with laws generally applicable to the company are placed before the board at periodic intervals and that there are adequate system and process in the company, commensurate with the size and operations of the company for reporting to the Board of directors of the company and to monitor and ensure compliance with applicable to the area of operation of business and other laws generally applicable to Company.
8. I further State that in respect of compliance with the provisions of Companies Act 2013, during the period under review, I have observations as follows:
- i. That to the best of our understanding, the "Key Managerial personnel" preferably the company Secretary and/or the Chief financial Officer as required to be appointed by company pursuant of section 203 (1) of the Companies act, 2013, Due to non functional and non operational stage and release of all employees/ consultants/functionaries all establishments of HCL from different locations = in terms with 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 and ceased to be an employer.
 - 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 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. The Company has changed his status from a listed entity to non-listed entity. Further as informed by the management 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

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



Rajkishore Ram
Rajkishore Ram

Practicing Company Secretary
Mem. No.:A22447, C.P. No: 16589
UDIN: A022447E001500176

Place: Kolkata

Date: 28th day of October'2023

Rajkishore Ram
Practicing Company Secretary

113A, A.J.C Bose Road
5th floor, Room No.5/6
Kolkata-700014, West Bengal
Mob.No.9903880503
e.mail:csrkr@gmail.com

'Annexure A'

(To The Secretarial Audit Report of M/S. Hindustan Cables Ltd. for the Financial Year ended 31/03/2023)

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 31/03/2023 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 was registered with the Board for Industrial & Financial Reconstruction (BIFR) in the year 2002 vide case no. 505/2002 and the Union Cabinet in its meeting held on 28.09.2016 has, inter-alia, accorded its approval for closure of the company. Further as informed by the Management the Company has become listed to unlisted entity 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: 28th day of Oct' 2023

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 2023

The preparation of financial statements of Hindustan Cables Limited for the year ended 31 March 2023 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 auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on these financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 28 August 2023.

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 2023 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.

On the basis of my supplementary audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

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

Place: Kolkata

Date:



(Bibhudutta Basantia)
Director General of Audit (Mines)
Kolkata

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

Sn	STATUTORY COMMENTS	AUDITOR'S	MANAGEMENT'S REPLY (DRAFT)
a	Financial statements are claimed to have been drawn on liquidating in departure from the going concern concept with assets held at historic cost in terms of written down value which in our opinion is self contradictory as Property, Plant & Equipment constituting major assets call for accountal on the basis of lower of realisable value and written down value so as to render presentation of financial statement genuinely under liquidating concept. Our opinion is modified in this respect. Contrary to Management reply, the assets remaining are actually held at written down value and not in realizable value.		<p>Auditor during the last year (FY 2021-22) had given a qualified opinion that since financial statement had been drawn on liquidating concept, the PPE call for accounting on the basis of the realisable value. Consequently, the Company had incorporated note no. 32 in the Accounts for the year 2021-22, wherein an undertaking was given that stating the assets at realisable value will be implemented during the next year viz. 2022-23. Consequently, the assets have been stated at realisable value in the financial statements for FY 2022-23, wherever applicable. During the period of Audit, the auditor has not expressed his modified stand for the above.</p> <p>The Company prepares the accounts as per Generally Accepted Accounting Principles in India, by which Company can value its assets at net realisable value during discontinuing operation plus the Company has implemented audit comments given by the same auditor in the last year.</p> <p>Further, there is no clarity in the Accounting Standards, to support observation of the auditor in relation to financial statements that are prepared on liquidating concept.</p> <p>99.95% of the total assets have been stated at realisable value. Value of the remaining assets (Furniture & Fixtures and Computers) is insignificant with respect to total assets.</p>
1	Besides not-withstanding activities of the Company is akin to one under liquidation, no decision has so far been taken by any quarter for winding up for the Company ipsofacto necessitating plethora of formalities like formation of C.O.C etc at the very commencement of action of liquidation.		Union Cabinet in its meeting held on 28.09.2016, accorded approval for closure of the Company and release of all employees on VRS as per guidelines issued by DPE on closure of CPSE. Necessary steps will be taken immediately upon settlement and discharge of all liabilities, in terms with clause 15 of DPE OM no. DPE/5(1)/2014-Fin (Part) dated 07.09.2016
2	Internal control system needs to be strengthened with particular reference to Expenses and Income recognition, Communication		Since the Company is closed, number of transactions are minimum and for that it has adequate internal control. However, it will be further strengthened in the next year.

	<p>bridge, transaction slippage, confirmation of balances, impact of which on income/expenses/assets and liability are not readily ascertainable.</p> <p>BRS is no guarantee against expense slippage. Deficiencies are testified by series of unexplained heads under assets and liabilities which deserved recognition year's back in revenue account.</p>	<p>Expenses and Income recognition:- Expenses are generally recognized in the same period as the revenues to which they relate. However, there was no revenue in the Company during last 20 years, arising out of obsolescence of products. Expenses used to be met with belated fund support provided by the Govt of India.</p> <p>Communication bridge:- There exists an established process in the Company for disseminating financial information to stakeholders .</p> <p>Transaction slippage:- The Company is closed since 2017. There is no operating and trading activity in the Company since 2006. BRS is done periodically. The Company has effective control over expenses and expenses were incurred with necessary authorisation as required.</p> <p>Confirmation of balances:- The Company has not done balance confirmation for the disputed liabilities as any action taken to seek balance confirmation will revive dead time barred claims. This will fasten liability on the Company, which the Company is not liable to pay due to law of limitation. For undisputed liability and for assets, wherever required confirmation of balance has been taken.</p>
3	<p>The Company has disposed of 7 flats in Prayagraj in book value aggregating to Rs13,02,000/- as per order of the Ministry of Heavy Industries, Govt. of India. In our opinion these would be tantamount to contravention of Section 43CA of the Indian Income Tax act 1961 with our apprehension of attracting fiscal liability for amount not being readily ascertainable.</p>	<p>DPE vide OM no. DPE/11(09)/2022-DD dated 23.08.2022 informed that IMG on Asset Management decided in its MoM dated 01.07.2022 that these assets of HCL may be transferred to NLMC at book value. Accordingly, MHI vide OM no. 9-01/2020-PE-II (e-21334) dated 15.02.2023, directed HCL to transfer these assets to NLMC at book value. Consequently, registration for sale these assets to NLMC at book value was done on 24.02.2023.</p>
4	<p>Old debits against TDS aggregating to Rs2,43,360/- approximately underscoring excess payment is pending adjustment against corresponding party account since long – neither of the parties to such debit has at all been identified. This amount has been written off in the profit and loss accounts without considering the above.</p>	<p>As per books of the Company, TDS aggregates to Rs 7758/- on account of Advance TDS u/s 194C & 194J being un-reconciled and lying unadjusted since long and therefore written off during the year.</p> <p>The remaining of Rs. and 2,35,602/- is lying unadjusted on account of TDS receivable for the FY 2019-20 & FY 2020-21 whereas there was no income tax refund due with the income tax department for those years and therefore the unadjusted balance of Rs.2,35,602/- written off during the year.</p>

5	<p>Issues rendering the Company contingently liable has not been methodically maintained to enable us for identification thereof at the point of emergence, cessation as well as crystallization in the form of genuine liability.</p> <p>We do not agree with the management affirmation of having submitted required information to us as given the presence of same would have facilitated the cause of our disclosure of contingent liabilities on statutory dues in terms of details called for under CARO report submitted which could not be done.</p> <p>Contingent liability of Rs21.11 crs displayed in the relevant list exemplify, inter-alia, one such case involving huge amount for which no details has been made available to us.</p>	<p>There are about 150 court cases pending before Supreme Court of India, different High Courts, district courts and other adjudicative forum. These court cases relate to the closed units of HCL. The Company is defending these court cases at the local courts under respective jurisdiction where the units are situated. Accordingly, all the litigations files are being maintained at the units from where the cases are regularly defended. Point of emergence, cessation as well as crystallization of genuine liability will be at the appropriate jurisdictional courts, where the units are situated. However, all requested information were collected from the units and submitted to the auditor during the audit.</p> <p>No requisition regarding the specific item (contingent liability on statutory dues) was made by the Auditor and consequently no action was taken by the Company.</p> <p>The case relates to dispute with M/s Goyal MG Gas Pvt. Ltd., in connection with the Arbitral award dated 07.11.2009. The appeal filed by the Company is pending before Allahabad High Court for adjudication. Consequently, relevant files are available at our Allahabad unit. However, all requested information were collected from the unit and submitted to the auditor during the audit.</p>
b	<p>Reconciliation and confirmation of balances (excluding provision/written off) under trade payable for goods/expenses, advances from customers, security deposits from contractors 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>Trade Payable : As per the Balance Sheet trade payable includes due to sundry creditor currently under litigation and current year's undisputed audit fees. Therefore, reconciliation and confirmation of balances under trade payable are not required.</p> <p>Advance from Customers : The outstanding is nil, so not applicable for this year.</p> <p>Security deposits from contractors: Balance confirmation of undisputed security deposits from contractors (security service providers) have been obtained. Balance confirmation for disputed security deposit from one contractor has not been obtained as the contractor without any authority uprooted and damaged railway lines inside HCL Rupnarainpur premises, at the time of disposal of listed movable assets from the said unit. HCL did not release the security deposit for the fault of contractor but the contractor has not accepted HCL's action.</p> <p>Other advances: The figures include deposit made to High Court, as per its direction to secure stay of operation of an adverse order against the Company, rent receivable from BSNL</p>

		<p>for use of HCL, Rupnarainpur premises, security deposits held by state electricity Boards against electricity connections and TDS on FDs interest refundable to the Company as per I Tax portal (due to carry forward business losses). Balance confirmation for rent receivable from BSNL for use of HCL, Rupnarainpur premises has been obtained. Balance confirmation from High Court and State Electricity Boards are not accessible.</p> <p><u>Trade receivable:</u> The recovery proceeding in respect of Trade Receivable cannot be pursued as the concerned employees who used to deal with the matter, were all separated through VRS on 31.01.2017 due to closure of the Company and complete records are not available to pursue the recovery proceedings.</p>
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INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF HINDUSTAN CABLES LIMITED

Report on the Audit of the Standalone Financial Statements for the financial year 2022-23.

Qualified Opinion

We have audited the accompanying standalone financial statements of **HINDUSTAN CABLES LIMITED** ("the Company"), which comprise the Balance Sheet as at **31st March, 2023**, 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, 2023**, the profit and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention to following matter:

- a) Financial Statements are claimed to have been drawn on liquidating concept in departure from going concern concept with assets held at historic cost in terms of Written Down Value which in our opinion is self-contradictory as Property, Plant & Equipment constituting major assets call for account on the basis of lower of realisable value and written down value so as to render presentation of financial statement genuinely under liquidating concept. Our opinion is modified in this respect. Contrary to management reply, the assets remaining are actually held at written down value and not in realizable value.
- 1) Besides not-withstanding activities of the company is akin to one under liquidation, no decision has so far been taken by any quarter for winding up for the company ipso facto necessitating plethora of formalities like formation of C.O.C. etc. at the very commencement of actions of liquidation.
- 2) Internal Control System needs to be strengthened with particular reference to Expenses and Income recognition, Communication bridge, transaction slippage, confirmation of balances, impact of which on Income/Expenses/Assets & Liabilities are not readily ascertainable. BRS is no guarantee against expense slippage. Deficiencies are testified by series of unexplained heads under assets and liabilities which deserved recognition year's back in revenue account.
- 3) The company has disposed of 7 flats in Prayagraj in book value aggregating Rs. 13,02,000/- as per order of Ministry of Heavy Engineering Industries, Govt. of India. In our opinion these would be tantamount to contravention of Section 43 CA of Indian Income Tax Act, 1961 with our apprehension of attracting fiscal liability for amount not being readily ascertainable.

Statutory Audit Report for the year ended 31st March, 2023 of HINDUSTAN CABLES LIMITED

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- 4) Old debits against TDS aggregating to Rs. 2,43,360/- apparently underscoring excess payment is pending adjustment against corresponding party account since long-neither of the parties to such debit has at all been identified. This amount has been written off in the profit & loss without considering the above.
- 5) Issues rendering the company contingently liable has not been methodically maintained to enable us for identification thereof at the point of its emergence, cessation as well as crystallization in the form of genuine liability.

We do not agree with management affirmation of having submitted required information to us as given the presence of same would have facilitated the cause of our disclosure of contingent liabilities on statutory dues in terms of details called for under CARO report submitted which could not be done.

Contingent Liability of Rs. 21.11 crore displayed in the relevant list exemplify, inter-alia, one such case involving huge amount for which no details have been made available to us.

- b) *Reconciliation and confirmation of balances (excluding provision/written off) under trade payables for goods/expense, advances from customers, security deposits from contractors 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

Statutory Audit Report for the year ended 31st March, 2023 of HINDUSTAN CABLES LIMITED

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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 scepticism 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. – Details in Annexure - 'A'
- 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

Statutory Audit Report for the year ended 31st March, 2023 of HINDUSTAN CABLES LIMITED

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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.

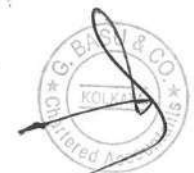
Report on Other Legal and Regulatory Requirements

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 26.07.2023 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

Statutory Audit Report for the year ended 31st March, 2023 of HINDUSTAN CABLES LIMITED

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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. 17 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:
 - iv) The management has represented that to the best of its knowledge and belief, no funds have been advanced or loaned or invested by the company to or in any other entity or person including foreign entities or provide any guarantee or security as undertaken by the management.
 - v. No fund has been received by the company from any person or entity including foreign entity or provide any guarantee or security as undertaken by the management.
 - vi. Nothing has come to our notice that has caused us to believe that the representation under clause (iv) and (v) above contain any material misstatement.
 - vii. No dividend or part was declared by company during the year as per Section 123 of Companies Act, 2013.
 - viii. The Company has been using such accounting software to maintain its books of accounts which does not have feature of recording audit trail facility and the same has not been operated throughout the year for all transactions recorded in the software.
2. As required by the Companies (Auditor's Report) Order, 2020 ("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.

UDIN : 23051524BGXJRG7462

Place : Kolkata

Date : 28.08.2023

For G. BASU & CO.
Chartered Accountants
R. No.-201174E


(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 2023** 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, 2023**:

- 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.
- b) 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.



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G. BASU & CO.
CHARTERED ACCOUNTANTS

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KOLKATA-700 072

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, 2023**, 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, 2023** financial statements of the Company and these material weaknesses do not affect our opinion on the financial statements of the Company.

UDIN : 23051524BGXJRG7462

Place : Kolkata

Date : 28.08.2023

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 2023**, 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 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.
 - (c) As per information there is no benami property and all the properties Plant & Equipment are in the name of the Company and no proceedings in this regard are in existence.
- (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),(c) and (d) 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 and as such section 185 and 186 of the Company Act is not applicable.
- (v) The company had no deposits as at 31st March, 2023 attracting the provisions of sections 73 to 76 of the Companies Act, 2013. As such paragraph 3(v) of the order is not applicable for the year.
- (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.

Statutory Audit Report for the year ended 31st March, 2023 of HINDUSTAN CABLES LIMITED

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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 31st March, 2023 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	--
TDS Under GST	--
Property Tax (including Interest)	28.37
Tax Collected at Source	--
Tax Deducted at Source	--
Interest on Provident Fund	--
Pension	--
Total	28.37

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 31st 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
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

The above table is not expected to be exhaustive considering our limitation expressed in para 5 of our Audit Report.

(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) The company has not deputed any Internal Auditor for the financial year as stated and accordingly no internal audit has been conducted.
- (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) (a) 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.
(b) The Company has not conducted nonbanking financial or housing activities.
(c) Since the Company is not a core investment company, the provision mentioned in this regard is not applicable.
(d) This is not applicable to the Company.
- (xvii) The Company has incurred cash losses from the operating activities in the year of Audit in 2022-23 as well as 2021-22. Such cash losses are as follow:
- | | |
|-----------|------------------|
| 2021-22: | Rs. 2,54,88,170 |
| 2022-23 : | Rs. 21,50,72,931 |



- (xviii) There is no such case in the current year.
- (xix) Central Government has decided closure of the company vide their letter dated 28.09.2016 by relieving all the employees for implementation of approved road map for closure as mentioned. All manufacturing activities of the company had been ceased since 2005.
- (xx) This Company does not come presently under the purview of Section 135(5).
- (xxi) Hindustan Cable Ltd., is a Standalone Company and as per information there is no subsidiary Company under H.C.L.

UDIN : 23051524BGXJRG7462

Place : Kolkata

Date : 28.08.2023

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 2022-23.

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 take 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.

There has not been restructuring of any loan and interest thereon during the current financial year with consequent waiver of write back involved therein.

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.

Subject to our comment in Para (a) & (b) of Basis for qualified opinion the Company had not received any funds from Central/State agencies during the current financial year as explained to us and on the basis of information available.

UDIN : 23051524BGXJRG7462

Place : Kolkata

Date : 28.08.2023

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


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

(Rs. in lakhs)

LAST TEN YEARS AT A GLANCE

S. no.	Particulars	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
1	Turnover	0	0	0	0	0	0	0	0	0	0
2	Net Profit	1573.83	8838.84	26956.07	1388.60	5185.59	70616.45	234846.15	(99411.81)	(93299.45)	(78188)
3	Gross Block	2563.71	2563.71	2563.71	2563.71	2596.95	5321.38	45742.21	47425.26	47429.81	52553
4	Depreciation Provision	1977.55	1948.02	1917.47	1886.47	1883.87	4362.36	42925.09	44151.43	43676.65	16172
5	Net Block	*28740.94	615.68	646.23	677.24	712.08	959.02	2817.12	3273.83	3753.16	4381
6	Net Current Assets - working capital	6745.22	5141.00	(1311.57)	(33042.20)	(32179.21)	(37611.74)	(93417.65)	(115791.95)	(105487.63)	(91302)
7	Capital Employed	35486.16	5756.69	(665.33)	(30078.52)	(31467.13)	(36652.72)	(90600.53)	(112518.12)	(100724)	(86922)
8	Secured Loan	0	0	0	0	0	0	0	353788.27	306571.83	264285
9	Unsecured Loan	0	0	0	0	0	0	1487.87	328531.76	287022.72	251697
10	Share Capital	486588.11	486588.11	486588.11	486588.11	486588.11	486588.11	41936.11	41936.11	41936.11	41936.11
11	Reserve and Surplus	**33869.92	5674	5674	5674	5674	5674	5674	5674	5674	5674
12	Accumulated Loss	(500363.96)	(501937.79)	(510776.63)	(537732.71)	(539121.32)	(544306.91)	(614923.37)	(849769.52)	(750372.31)	(657058)
13	Net Worth	(8101.85)	(9675.68)	(18514.52)	(45470.60)	(46859.21)	(52044.81)	(91756.77)	(802159.41)	(702762.31)	(609448)
14	No. of employees	0	0	0	0	0	0	0	1333	1533	1698

*Note : Value of net block of assets (2022-23) adjusted due to revaluation and sale of assets

**Note : Reserve and Surplus (2022-23) includes revaluation reserve.

CONTRIBUTION TO NATIONAL EXCHEQUER					
S. no.	Heads	(Rs in crores)			
		2022-23	2021-22	2020-21	2018-19
1	Sales Tax	0.00	0.00	0.00	0.00
2	Central Excise Duty	0.00	0.00	0.00	0.00
3	Customs Duty	0.00	0.00	0.00	0.00
4	Income Tax on Salary & Wages (including TDS on contractors and consultancy services and Capital Gain Tax on sale of Assets)	11.92	0.11	0.10	1.53
5	Rates and Taxes	0.00	0.37	0.38	0.00
6	Licence Fees	0.00	0.00	0.00	0.00
7	GST including GST TDS	0.27	0.07	0.07	4.18
	Total	12.19	0.55	0.55	5.71

Corporate Office :
Flat no. J0, Golf Link Apartment
50, Chanditala Lane
Kolkata 700040
CIN No. U31300WB1952GOI020560



HINDUSTAN CABLES LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2023

	Note no.	As at 31st March, 2023	As at 31st March, 2022
		(Rs in Hundreds)	(Rs in Hundreds)
A. EQUITY AND LIABILITIES			
1. SHAREHOLDERS' FUNDS			
a) Share Capital	2	48,65,88,112.50	48,65,88,112.50
b) Reserve & Surplus	3	(46,64,94,035.86)	(49,62,63,801.52)
		2,00,94,076.64	(96,75,689.02)
2. SHARE APPLICATION MONEY PENDING ALLOTMENT	23	1,53,92,086.24	1,53,92,086.24
3. NON-CURRENT LIABILITIES			
(a) Long-Term Borrowings	4	-	40,296.85
4. CURRENT LIABILITIES			
(a) Short-Term Borrowings		-	-
(b) Trade Payables	5		
(i) Total Outstanding Dues Of Micro Enterprises And Small Enterprises (MSME)		22,748.98	22,748.98
(ii) Total Outstanding Dues Of Creditors Other Than MSME		1,500.00	1,375.00
(c) Other Current Liabilities	7	2,27,598.99	22,59,353.86
(d) Short Term Provisions	8	12,87,237.23	9,87,695.33
		15,39,085.20	32,71,173.17
TOTAL		3,70,25,248.08	90,27,867.24
B. ASSETS			
1. NON CURRENT ASSETS			
(a) Property Plant and Equipment	6	2,87,40,943.65	6,15,687.95
		2,87,40,943.65	6,15,687.95
2. CURRENT ASSETS			
(a) Trade Receivables	9	-	-
(b) Cash and Cash Equivalents	10	62,29,390.42	80,42,499.18
(c) Short Term Loans and Advances	11	19,09,737.46	1,11,167.60
(d) Other Current Assets	12	1,45,176.54	2,58,512.50
		82,84,304.42	84,12,179.28
TOTAL:		3,70,25,248.08	90,27,867.23
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. 0301174E

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

K. Mohan
K. Mohan
Chairman and Managing Director
DIN - 08385809

K. MOHAN
CHAIRMAN AND MANAGING DIRECTOR
HINDUSTAN CABLES LIMITED

Amal Kumar Bose
Amal Kumar Bose
Advisor



Place : Kolkata
Dated:

28.08.2023

Corporate Office :
Flat no. J0, Golf Link Apartment
50, Chanditala Lane
Kolkata 700040
CIN No. U31300WB1952GOI020560




HINDUSTAN CABLES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

	Note no.	For the year ended	For the year ended
		31st March, 2023	31st March, 2022
		(Rs in Hundreds)	(Rs in Hundreds)
I INCOME			
Other Income	13	3,26,160.97	3,33,519.83
Total Revenue		3,26,160.97	3,33,519.83
II EXPENSES			
Employees Benefits Expense	14	-	-
Other Expenses	15	7,37,372.81	13,82,613.68
Depreciation	6	29,528.94	30,549.34
Total Expenses		7,66,901.75	14,13,163.02
III Profit/(Loss) before Extra-Ordinary Item and Tax		(4,40,740.79)	(10,79,642.20)
Extra-Ordinary Items	16 & 24	20,14,574.96	99,18,483.57
IV Profit/(Loss) for the year		15,73,834.18	88,38,840.38
Earning Per Share - Basic and Diluted (Rs)	30	0.03	0.18
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)

28.08.2023



K. Mohan
Chairman and Managing Director
DIN - 08385809

K. MOHAN
CHAIRMAN AND MANAGING DIRECTOR
HINDUSTAN CABLES LIMITED



Amal Kumar Bose
Advisor



Place : Kolkata
Dated:

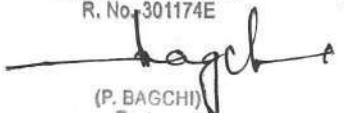


HINDUSTAN CABLES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

	For the year ended	For the year ended
	31st March, 2023	31st March, 2022
	(Rs in Hundreds)	(Rs in Hundreds)
A Cash flow from operating Activities		
Net profit/loss (-) before taxation and extra-ordinary items	15,73,834.18	88,38,840.38
Add/(less) Adjustments for :		
Depreciation	29,528.94	30,549.34
Liabilities written back	(36,796.85)	(99,23,718.02)
Assets Written Off	3,095.06	5,234.44
Interest Income	(3,24,600.52)	(3,32,360.85)
Profit Sale of Fixed Assets	(19,80,873.17)	-
Operating Cash flow before Working Capital Change	(7,35,812.37)	(13,81,454.71)
<u>Adjustments for :-</u>		
Decrease/(Increase) in Trade Receivables	-	-
Decrease/(Increase) in Loans & Advances	(18,01,664.92)	1,77,357.67
Decrease/(Increase) in Other Current Assets	1,13,335.96	40,849.93
Increase/(Decrease) in Short-Term Borrowings	(40,296.85)	-
Increase/(Decrease) in Trade payables	125.00	(31.25)
Increase/(Decrease) in Other Current Liabilities	14,041.98	5,250.59
Increase/(Decrease) in Provisions	2,99,541.90	9,03,146.07
Operating Cash flow After Working Capital Change	(21,50,729.31)	(2,54,881.70)
Less: Direct Tax paid during the year	-	-
Net Cash from Operating Activities	A (21,50,729.31)	A (2,54,881.70)
B Cash flow from Investing Activities		
Interest received	3,24,600.52	3,32,360.85
Sale of Fixed Assets	13,020.00	-
Net Cash from Investing Activities	B 3,37,620.52	B 3,32,360.85
C Cash flow from Financing Activities		
Net Cash from Financing Activities	C -	C -
Net Increase / Decrease (-) in Cash & Cash Equivalents (A+B+C)	(18,13,108.78)	77,479.15
Cash & Cash Equivalents (Opening)	80,42,499.18	79,65,020.03
Cash & Cash Equivalents (Closing)	62,29,390.42	80,42,499.18
(Represented by Cash & Cash Equivalents as item indicated in Note 10)		

In terms of our report of even date.

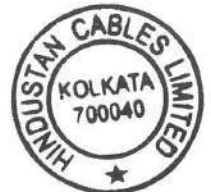
For G. BASU & CO.
Chartered Accountants
R. No. 301174E

(P. BAGCHI)
Partner
(M. No. 051524)
28.08.2023

Place : Kolkata
Dated:


K. Mohan
Chairman and Managing Director
DIN - 08385809


Amal Kumar Bose
Advisor

K. MOHAN
CHAIRMAN AND MANAGING DIRECTOR
HINDUSTAN CABLES LIMITED



NOTE 1 SIGNIFICANT ACCOUNTING POLICIES:

a) SYSTEM OF ACCOUNTING

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India under the historical cost convention on accrual basis. The Company has not compiled its accounts on the basis of going concern concept. The Company has adopted liquidation basis of accounting for preparation of its financial statements. 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 available for 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.1,530.00(Rs. in Hundreds). Similarly, land given by Andhra Pradesh Government free of cost for construction of factory at Hyderabad is valued at a nominal price of Rs.300.00(Rs. in Hundreds). 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) REVALUATION OF FIXED ASSETS

For implementation of liquidation basis of accounting, assets are required to be stated at realizable value. Accordingly, assets are revalued at realizable value, where ever applicable. Consequently, 'Revaluation Reserve' will be created to give effect of revaluation under the broad head 'Reserve and Surplus'.

d) 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 charged on factory office building and admn. building @ 3.17% , building residential and non- residential buildings @ 1.58% and on furnitue and fittings @ 6.33%. Depreciation is provided on pro-rata basis for Addition/Deletion of assets during the year.

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) 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.

g) 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.

h) 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, 2023			
		Rs. In Hundreds	
		As at 31st March, 2023	As at 31st March, 2022
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)	<u>60,00,00,000.00</u>	<u>60,00,00,000.00</u>
	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)	<u>48,65,88,112.50</u>	<u>48,65,88,112.50</u>
	a) Equity Shares		
	Balance at the beginning of the year	48,65,88,112.50	48,65,88,112.50
	Add: Alloted during the year		
	Balance at the end of the year	<u>48,65,88,112.50</u>	<u>48,65,88,112.50</u>
	b) Details of Shareholders holding of Promoters in the Shares held by promoters at the end of the year		
	<u>Equity Shares of Rs 10/- each fully paid</u>		
		<u>% Change during the year</u>	
	Name of the Promoter	No. of Shares	% of Holding
	President of India	48,65,88,113	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).	1,830.00	1,830.00
	A	<u>1,830.00</u>	<u>1,830.00</u>
	GENERAL RESERVE		
	Opening Balance	56,72,163.18	56,72,163.18
	Add : Debenture Redemption Reserve	-	-
	Transferred from Capital Reserve	-	-
	Add : Bond Redemption Reserve Transferred from Capital Reserve	-	-
	Closing Balance	<u>56,72,163.18</u>	<u>56,72,163.18</u>
	B		
	REVALUATION RESERVE	<u>2,81,95,931.47</u>	<u>-</u>
	C		
	SURPLUS/(DEFICIT)		
	Opening Balance	(50,19,37,794.70)	(51,07,76,635.07)
	Add : Net Profit for the year	15,73,834.18	88,38,840.38
	Closing Balance	<u>(50,03,63,960.51)</u>	<u>(50,19,37,794.70)</u>
	D		
	Net Balance	<u>(46,64,94,035.86)</u>	<u>(49,62,63,801.52)</u>
	A+B+C+D		



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023												
Rs. In Hundreds						Rs. In Hundreds						
As at 31st March, 2023						As at 31st March, 2022						
4	NON-CURRENT LIABILITIES											
	Long-term Borrowings :											
	Unsecured Loans :											
	-Advance from Customers					-	40,296.85					
						-	40,296.85					
	CURRENT LIABILITIES											
5	TRADE PAYABLES											
	(i) Total Outstanding Dues Of Micro Enterprises And Small Enterprises (MSME)(Note 19)											
	22,748.98					22,748.98						
	(ii) Total Outstanding Dues Of Creditors Other Than MSME											
	1,500.00					1,375.00						
						24,248.98						
						24,123.98						
	TRADE PAYABLE AGEING SCHEDULE											
	2022-2023					2021-2022						
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total		
(i) MSME	-	-	-	-	-	-	-	-	-	-		
(ii) OTHERS	1,500.00	-	-	-	1,500.00	1,375.00	-	-	-	1,375.00		
(w)DISPUTED DUES -MSME	-	-	-	22,748.98	22,748.98	-	-	-	22,748.98	22,748.98		
(w)DISPUTED DUES -OTHERS	-	-	-	-	-	-	-	-	-	-		
7	Other Current Liabilities											
	Liabilities against Capital Advance					-	20,09,000.00					
	Other Payables-											
	Liabilities for Expenses					26,403.65	34,624.75					
	For Expenses					21,411.63	18,537.93					
	For Statutory Dues					30,341.54	30,646.90					
	Employee related payable					76,811.89	93,914.00					
	Security Deposits					72,630.28	72,630.28					
						2,27,598.99	22,59,353.86					
						2,27,598.99	22,59,353.86					
8	SHORT TERM PROVISIONS :											
	For Employee Benefits					82,998.28	82,998.28					
	For Wages of Contract Labour					1,550.98	1,550.98					
	For TDS					6,696.63	6,696.63					
	For GST					899.93	28,557.45					
	For Income Tax					8,71,954.23	8,67,891.99					
	For Hyderabad Fixed Assets					3,23,137.18						
						12,87,237.23	9,87,695.33					
9	CURRENT ASSETS											
	TRADE RECEIVABLES											
	Debt Outstanding for less than 6 months					-	-					
	Debts Outstanding for more than 6 months					-	1,77,13,676.49					
	Considered Doubtful					-	-					
	Less: Provision for Doubtful Trade Receivables					-	-					
						-	1,77,13,676.49					
						-	1,77,13,676.49					
	TRADE RECEIVABLES AGEING SCHEDULE											
	2022-23					2021-22						
	Less than 6 months	6 months- 1 year	1-2 Years	2-3 years	More Than 3 Years	Total	Less than 6 months	6 months- 1 year	1-2 Years	2-3 years	More Than 3 Years	Total
(i) UNDISPUTED TRADE RECEIVABLES-CONSIDERED GOOD	-	-	-	-	-	-	-	-	-	-	-	-
(ii) UNDISPUTED TRADE RECEIVABLES-CONSIDERED DOUBTFUL	-	-	-	-	-	-	-	-	-	-	-	-
(iii)DISPUTED TRADE RECEIVABLES-CONSIDERED GOOD	-	-	-	-	-	-	-	-	-	-	-	-
(iv)DISPUTED TRADE RECEIVABLES-CONSIDERED DOUBTFUL	-	-	-	-	-	-	-	-	-	-	1,77,13,676.49	1,77,13,676.49



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE 6 : 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
COST												
As at 01-04-2022	31,062.65	2,375.95	2,33,776.12	2,03,857.53	38,056.57	14,07,558.80	3,18,773.06	105.07	12,589.07	2,13,097.25	1,02,464.92	25,63,716.99
Additions during the year	-	-	-	-	-	-	-	-	-	-	-	-
Transfer/ Deductions/ Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
As at 31-03-2023	31,062.65	2,375.95	2,33,776.12	2,03,857.53	38,056.57	14,07,558.80	3,18,773.06	105.07	12,589.07	2,13,097.25	1,02,464.92	25,63,716.99
DEPRECIATION												
As at 01-04-2022	-	2,257.15	2,22,087.27	1,76,056.40	23,957.86	9,35,055.55	2,77,374.58	99.82	11,959.59	2,01,839.16	97,341.65	19,48,029.03
For the year	-	-	-	1,093.76	1,078.71	22,239.43	5,036.61	-	-	80.43	-	29,528.94
Transfer/ Deductions/ Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
As at 31-03-2023	-	2,257.15	2,22,087.27	1,77,150.16	25,036.57	9,57,294.98	2,82,411.19	99.82	11,959.59	2,01,919.59	97,341.65	19,77,557.98
Revalue/Sale Adjustment	2,79,30,923.66	-	(180.22)	1,40,933.10	(13,020.00)	96,379.68	-	(5.25)	-	(208.78)	(37.55)	2,81,54,784.64
NET BLOCK												
As at 01-04-2022	31,062.65	118.80	11,688.85	27,801.13	14,098.71	4,72,503.25	41,386.48	5.25	629.48	11,258.09	5,123.27	6,15,687.95
As at 31-03-2023	2,79,61,986.31	118.80	11,508.63	1,67,640.47	0.00	5,46,643.50	36,361.87	(0.00)	629.48	10,968.88	5,085.72	2,87,40,943.65

*Since there is no item wise fixed assets register has been maintained, resulting corresponding purchase of the same in different Financial Years not available for computation of correct depreciation, depreciation for furniture and fittings has been taken into consideration on last year basis (FY 2021 - 2022), i.e, 8043



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

		Rs. In Hundreds	Rs. In Hundreds
		As at 31st March, 2023	As at 31st March, 2022
10	<u>CASH & CASH EQUIVALENTS</u>		
	Cash in hand	-	35.56
	In Fixed Deposits with Scheduled Banks:		
	Indian Overseas Bank	-	-
	BOB	56,50,202.69	71,17,939.45
	Indian Bank	2,74,152.10	2,62,328.99
	State Bank of India	-	-
		59,24,354.79	73,80,268.44
	In current Accounts with Scheduled Banks:		
	State Bank of India (All branch)	-	872.53
	Bank of Baroda	3,04,233.06	6,12,418.60
	Indian Bank	802.57	48,904.05
	Indian Overseas Bank	-	-
		3,05,035.64	6,62,195.18
		62,29,390.42	80,42,499.18
11	<u>SHORT TERM LOANS AND ADVANCES</u>		
	Advance recoverable in cash or kind or for value to be received :		
	Considered Good	6,65,993.78	48,383.78
	Considered Doubtful	4,557.29	1,99,775.42
		6,70,551.07	2,48,159.20
	Less: Provision for Doubtful Advance	4,560.77	1,99,778.90
		6,65,990.30	48,380.30
	Others amounts Receivable	1,463.44	1,463.44
	Advance Payment of Income Tax and TDS	62,884.64	1,92,090.13
	Less : Provision against Advance Payment of Income Tax and TDS	-	1,30,766.27
		62,884.64	61,323.86
	Advance Capital Gain Tax.	11,79,399.08	
		19,09,737.46	1,11,167.60
12	<u>OTHER CURRENT ASSETS</u>		
	Balances with Revenue Authorities	1,22,193.32	1,08,137.26
	Accrued Interest	22,983.22	1,50,375.24
		1,45,176.54	2,58,512.50



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

		Rs. In Hundreds	Rs. In Hundreds
		For the year ended 31st March,2023	For the year ended 31st March,2022
13	<u>OTHER INCOME</u>		
	Interest	3,24,600.52	3,32,360.85
	Interest on IT refund	1,560.45	1,119.03
	Miscellaneous Income	-	39.95
		<u>3,26,160.97</u>	<u>3,33,519.83</u>
14	<u>EMPLOYEES' REMUNERATION AND BENEFITS</u>		
	Salaries & Wages	-	-
		-	-
15	<u>OTHER EXPENSE :</u>		
A	Power & Fuel	-	-
	Electricity Charges	2,815.27	2,288.82
	Repairs to :		
	Others	2,496.12	2,795.12
	Rates and Taxes	1,096.14	36,587.40
	Retainership fees (consultants)	41,435.50	42,384.14
	Consultancy Fees	22,480.00	8,159.44
	Travelling & Conveyance	8,652.83	6,852.76
	Postage, Telegram & Telephone	1,439.49	1,088.29
	Interest on Others	-	4.65
	Bank charges	452.24	466.61
	Audit Fees:-		
	Statutory Audit	1,250.00	1,250.00
	Tax Audit	250.00	250.00
	Management services	3,950.00	6,000.00
	Printing & Stationery	1,116.78	932.66
	Legal Expense	45,722.04	27,303.88
	Security Expenses	71,388.26	71,546.64
	Professional fees	7,451.20	4,264.60
	Miscellaneous Expenses	407.65	514.51
	Other Expenses	1,907.28	284.08
		<u>2,14,310.80</u>	<u>2,12,973.60</u>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

		For the year ended 31st March, 2023	For The year ended 31st March, 2022
		(Rs)	(Rs)
B	<u>PROVISIONS :</u>		
	Provision against Doubtful Assets	3,23,137.18	1,88,984.87
	Provision for GST Payable	-	28,557.45
	Provision for Income Tax	4,062.24	8,67,891.99
	Provision for TDS Payable	-	6,696.63
		3,27,199.42	10,92,130.94
C	<u>PRIOR PERIOD ADJUSTMENT:</u>		
	Other Expenses	1,95,862.59	77,509.14
		1,95,862.59	77,509.14
	TOTAL [A+B+C]	7,37,372.81	13,82,613.68
16	<u>EXTRA-ORDINARY ITEMS</u> [Refer Note - 24]		
	Liability Written Back	36,796.85	99,23,718.02
	Assets Written off	(3,095.06)	(5,234.44)
	Profit on Sale of Fixed Assets	19,80,873.17	-
		20,14,574.96	99,18,483.57



NOTE:17

a) Contingent liability not provided for :	As on 31.03.2023	As on 31.03.2022
	Rs. in Hundreds	Rs. in Hundreds
i) Cases under Arbitration	87,000.00	81,000.00
Other Court Cases:		
ii) Goyal Gas	21,11,000.00	5,85,000.00
iii) Avi Polymer	6,30,000.00	7,85,000.00
iv) Joy Maa Sontoshi Saw Mill	1,77,160.00	2,60,000.00
v) Vidyawati Construction	98,300.00	2,00,000.00
vi) DARCL	92,460.00	-
vii) J P Mahata	61,000.00	-
viii) Krishna Traders	2,200.00	-
ix) Other Misc. Commercial Cases	2,46,000.00	-
x) Claim of a Contractor under subjudice	-	64,160.00
xi) INCOME TAX Demand AY 2014-15	12,000.00	-
xii) INCOME TAX Demand AY 2018-19	1,61,49,000.00	1,60,79,220.21
xiii) INCOME TAX DEMAND AY 2021-22	99,33,000.00	-
xiv) Estimated amount of Excise Duty and interest thereon, not provided for	3,52,000.00	3,67,350.00
xv) Levy of Damages u/s 14B and Interest u/s 7Q of the EPF & Mp Act, 1952	96,000.00	2,90,730.00
xvi) Contractor'S Labour	31,000.00	9,50,000.00
xvii) Recalculation Of Vrs	1,00,000.00	4,18,000.00
xviii) Claim of VRS by the ex-employees superannuated prior to closure	1,12,000.00	6,45,000.00
xix) Outsiders demanded wages from HCL but they never engaged or terminated by HCL	-	90,000.00
xx) Service terminated due to disciplinary proceedings & demand for higher wage	60,000.00	60,000.00
xxi) Claim of salary for unauthorised leave and claim on consultancy by ex-employees	32,000.00	30,000.00
xxii) Casual workers terminated but case pending for employment	9,69,000.00	20,000.00
xxiii) Dy Labour Commissioner/ALC	15,000.00	13,300.00
xxiv) Labour Court	18,000.00	1,28,160.00
xxv) C. G. Industrial Tribunal	2,45,000.00	4,75,000.00
xxvi) Industrial Tribunal	3,000.00	3,760.00
xxvii) Arrear against pay revision pending before Supreme Court, High Courts, Tribunal	41,72,000.00	29,39,685.48
xxviii) Balance Gratuity awarded to Casual workers by Asst. Labour Commissioner	2,55,000.00	1,73,120.00
xxix) Balance Gratuity awarded to V. R. Employees by Asst. Labour Commissioner	26,000.00	62,460.00
xxx) Claim of Salary and Wages for 58-60 including PF but excluding interest on PF pending adjudication	50,33,200.00	27,74,330.00
xxxi) Miscellaneous service case	7,000.00	2,62,850.00
xxxii) Demand for enhanced Compensation for the land acquired by TSIIC for the purpose of HCL in Mallur, Hyderabad	40,000.00	72,910.00
xxxiii) Miscellaneous cases	20,000.00	-

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

NOTE 18 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 22748.98(Rs. in Hundreds) ((previous year Rs. 22748.98 (Rs. in Hundreds)) of MSME relating to the period prior to 2003, which are either time barred or under litigation. Hence no interest on the principle amount has been provided as per the MSME Act.

NOTE 19 Two assessment orders u/s 7A and 14 B of EPF and MP Act 1952 by EPFO, Durgapur along with interest thereon u/s 7Q up to 31.03.2018 has been paid by the Company as statutory liability. However, appeals against the above two orders were filed by the Company before EPFAT, New Delhi and these are now pending before CGIT, Asansol.

NOTE 20 Interest assessed u/s 7Q of EPF and MP Act 1952 by EPFO, Allahabad has been challenged by the Company before Allahabad, High Court and stay has been obtained on the assessment order. The amount has been included in the contingent liability

NOTE 21 As per the provisions of Schedule II of the Companies Act, 2013, depreciation for the year ended 31.03.2023 has been provided on the basis of useful life of the assets.

NOTE 22 As per DHI's letter no. 1(13)/2003-PE-II (Vol.X) dated 6th October, 2016, closure of HCL would be done 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. Accordingly all employees were released on 31.01.2017.



NOTE 23 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. 312849.45 Lakhs. Additional interest of Rs. 56348.04 Lakhs has been accrued during the period from 1.4.2016 to 30.9.2016. DHI vide their letter No.1(13)/2003-PE-II (VOL X), dated 6.10.2016 has conveyed approval of Union Cabinet for "conversion into equity of the existing Govt. of India's loan of Rs. 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 lakhs is given below:

Particulars				Amount in INR (Lakhs)
GOI Principal Loan Amount as on 1st April, 2016				1,31,188.48
Interest on Loan Accrued and Due as on 1st April, 2016				1,81,660.97
Interest on Loan Accrued and Due for 2016 -17				52,259.43
Interest on Loan Accrued but Not Due as on 30.09.2016				4,088.61
Total				3,69,197.49
Loan/Equity Amount Received during 2016 -17				
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
Total				1,06,359.00
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)				4,44,652.00
Share Application Money Pending Allotment				15,392.08

NOTE 24 Extra-Ordinary items

There is an item for advance received against reprocessing / sale of scrap worth Rs. 36,796.85 (in hundreds) , which will be written back. Also, there is a GST cash ledger balance of Rs. 661.46 (in hundreds) and advance TDS of income tax of Rs. 2433.60 (in hundreds), which will be written off. For FY 2022-23 , there is the sale of fixed assets at Narendrapur & Jodhpur park Kol having profit of Rs 19,80,873.17 (in hundreds)(refer note 16).

Heads	Amount Rs. In Hundreds
Profit on Sale of Fixed Assets	19,80,873.17
Less : Assets written off	(3,095.06)
Add : Liabilities Written Back-	36,796.85
Total	20,14,574.96

NOTE 25 Short Terms Loans and Advances includes an amount of Rs. 48000.00(Rs. in Hundreds) deposited with the Registrar as per the direction of Honorable High Court at Calcutta as per order sheet no EC 285 of 2017 dated 20th Day of June'2019 in a case which is pending against DARCL Logistics Limited & CJ DARCL Logistics Limited.

NOTE 26 As per the order of Honorable High Court of Calcutta vide IA No : GA/1/2020 dated 15th day of November,2021 a Bank Guarantee dated 14.12.2021. issued of Bank of Baroda Jodhpur Park Branch of an amount of Rs.50000.00 (Rs. in Hundreds) against Fixed Deposit maintained with Bank of Baroda Jodhpur Park Branch has been furnished to the Registrar, Calcutta High Court in a case which is pending against M/s Joy Maa Santoshi Saw Mill. The same was renewed on 11.11.2022 upto 14.12.2023

NOTE 26A Short term loan and advance includes an amount of Rs. 2,17,58,000/- (Rupees two crores seventeen lakhs fifty eight thousands only) deposited with Registrar Delhi High Court as per the orders dated 21.11.2022 passed by Delhi High Court in case no. OMP(ENF)(COMM) 263 of 2018 (M/s Goyal MG Gas Pvt Ltd -vs- HCL) and also as per the order dated 21.09.2022 passed by Allahabad High Court in appeal u/s 37 of Arbitration and Conciliation Act 1996 No. 65 of 2022.

NOTE 26B Short term loan and advance includes an amount of Rs 4,00,03,000/- (Rupees four crores three thousands only) deposited with Principal District Judge Gandhi Nagar, Gujarat as per the order dated 12.01.2023 passed by Additional District Judge, Gandhinagar, Gujarat in case no. CMA 76 of 2022 (HCL -vs- M/s AVI Polymer Pvt Limited).



NOTE 27 Land and building situated at Narendrapur (West Bengal) and Jodhpur Park (West Bengal), which were a part of fixed assets of the Company as on 01.04.2022, have been sold to Intelligence Bureau vide deed of conveyance registered on 24.05.2022.

The Company, vide Office Memorandum No. 1(34)/2016-PE-II, Government of India, Ministry of Heavy Industries and Public Enterprise, Department of heavy industry Dated 24th June 2019 was directed for sale of property to Intelligence Bureau, Government of India (IB) against consideration of Rs 15.82 Cores for assets at Narendrapur and Rs. 4.27 Cores for Guest House at Gariahat Road, Kolkata

Accordingly, on 14/08/2019 the Company has received a sum of Rs20.09 Cores on account of sale of the above property to I.B as per Govt. directions.

Further in compliance of the above the aforesaid properties at Narendrapur and Guest House Building at Gariahat Road, Kolkata have been physically handed over by the Company to IB on 14th of September 2020 and further deed of conveyance in the name of IB was registered on 24.05.2022. Consequently, the sale of assets is booked in accounts during the financial year 2022-23.

In terms of the aforesaid transaction the fixed assets at Narendrapur and Jodhpur park, Kolkata are now not in existence with the company. The company has already regularized the said sale under Income Tax Act by filing updated return (ITR- U) for the AY 2020-21 u/s 139(8A) of the Income Tax Act, 1961 on 29.03.2023 and after discharging the tax liability including interest thereon by depositing Rs. 11,75,33,684/- during the financial year 2022-23 which is included in the accounts for the FY 2022-23 under the head advance Capital Gain Tax (refer note 11).

NOTE 27A Fixed assets being building forming part of block of residential building as on 01.04.2022 located at Prayagraj was transferred during the year to National Land Monetization Commission (NLMC) at Book Value as on 21.02.2023 in accordance with the office order of Government of India, Ministry of Heavy Industries, vide OM no. 9-01(1)/2020-PE-II (e-21334) dated 15.02.2023.

In compliance of this order conveyance deed for 7 flats at Prayagraj was registered in the name of NLMC on 24.02.2023 and an amount of Rs. 13,02,000/- has been received (as book value 21.02.2023) by the Company on 22.02.2023 as a consideration. Consequently, the sale of 7 flats at Prayagraj is booked in accounts during the financial year 2022-23. The Company has made provision and deposited an amount of Rs. 4,06,224/- (on 28.02.2023) towards Capital Gain Tax during the financial year 2022-23 which is included in the accounts for the FY 2022-23 under the head advance Capital Gain tax (refer note 11) on sale of 7 flats at Prayagraj.

NOTE 28 Information pursuant to AS - 18 "Related Party Transactions There are no transactions with the related parties during the year.

NOTE 29 As the companys 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 30	Calculation of Earning per Share :	2022-23	2021-22
	Profit/(Loss) as per Profit & Loss A/c (Rs.)	15,73,83,418	88,38,84,038
	Weighted Average No. of Shares	4,86,58,81,125	4,86,58,81,125
	Earning per share	0.03	0.18

NOTE 31 Ratios

The ratios for the year ended March 31,2022 and March 31,2021 are as follows:

Particulars	As at March 31,2023	As at March 31,2022	Variance (In %)
Current Ratio	5.38	2.57	280.84
Debt-Equity Ratio	0.00	0.00	0.00
Debt Service Coverage Ratio	NA	NA	NA
Return on Equity Ratio	-0.08	0.08	(0.16)
Inventory Turnover Ratio	NA	NA	NA
Trade Receivable Turnover Ratio	NA	NA	NA
Trade payables turnover ratio	NA	NA	NA
Net Capital Turnover Ratio	NA	NA	NA
Net Profit Ratio	-1.35	-3.24	188.71
Return on Capital Employed	-0.01	-0.19	17.75
Return on Investments	NA	NA	NA

1.Net profit has been considered before extraordinary Items

2.The variance more that 25% is due to Liabilities written back,Asset written off,Provisions and Prior Period items

NOTE 32 The Company has adopted liquidation basis of accounting for preparation of financial statements. Under liquidation basis of accounting, assets are required to be stated at net realizable value. Accordingly, assets have now been stated at realizable value, wherever applicable. Consequently, 'Revaluation Reserve' has been created.

NOTE 33 No provision for Income Tax and MAT relating to current financial year has been computed as the Company is a sick Company and it has unabsorbed carry forward losses as per last years return. However, appropriate provision has been made for income tax on Capital Gain for previous financial year as well as for current financial year.

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

In terms of our report of even date.


K. Mohan

Chairman and Managing Director
DIN - 08385809

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


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



Amal Kumar Bose
Advisor

Place : Kolkata

Dated:

K. MOHAN
CHAIRMAN AND MANAGING DIRECTOR
HINDUSTAN CABLES LIMITED

28.08.2023



Rupnarainpur Unit

P.O. Hindustan Cables

Rupnarainpur – 713335

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