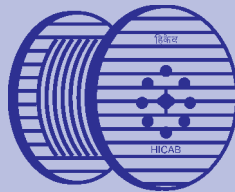


हिन्दुस्तान केबल्स लिमिटेड
HINDUSTAN CABLES LIMITED

ANNUAL REPORT 2016-17



६५ वाँ वार्षिक प्रतिवेदन एवं लेखा
65th Annual Reports & Accounts

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BOARD OF DIRECTORS



Shri R.C. Sen



Shri Nitin Jain



Shri A.M. Manichan



HINDUSTAN CABLES LIMITED

BOARD OF DIRECTORS

Shri R.C. Sen : Chairman and Managing Director
Shri A.M. Manichan : Director
Shri Nitin Jain : Director
Ms. Sanyukta Samaddar : Director

STATUTORY AUDITORS

Messers Das & Prasad
Chartered Accountants
Kolkata

BRANCH AUDITORS

Messers P.R. Krishna & Associates
Chartered Accountants
Hyderabad

BANKERS

State Bank of India
Bank of India
Indian Overseas Bank
State Bank of Saurashtra

REGISTERED OFFICE

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

हिन्दुस्तान केबल लिमिटेड

(भारत सरकार का उपक्रम)

पंजीकृत एवं नैगम कार्यालय

1/315, गडियाहाट रोड (योधपुर पार्क)

कोलकाता-700 068, भारत

HINDUSTAN CABLES LIMITED

(A Govt. of India Undertaking)

REGISTERED & CORPORATE OFFICE

1/315, GARIAHAT ROAD

(JODHPUR PARK)

KOLKATA - 700 068, INDIA

CORP/SEC/65 AGM/2017

October 26, 2017

NOTICE OF THE 65th ANNUAL GENERAL MEETING

Notice is hereby given that the 65th Annual General Meeting of Hindustan Cables Limited will be held on Friday, the 17th November, 2017 at 'Yule House', Andrew Yule & Co. Limited, 8, Rajendra Prasad Sarani, Kolkata 700 001 at 03:00 PM to transact the following business :

1. To consider and adopt the Report of the Directors for the year ended 31st March, 2017.
2. To consider and adopt the Profit and Loss Account for the year ended 31st March 2017 and Balance Sheet as on that date along with the Report of the Auditors thereon.
3. To authorise the Board of Directors to fix the remuneration of Auditors for the year 2017-18.

By Order of the Board of Directors

(A.K.Bose)

Adviser (HoC)

To
All Members
Hindustan Cables Limited

M/s Das & Prasad,
Diamond Chambers,
4, Chowringhee Lane,
Block-III, Room No.8F,
Kolkata 700016

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 24th August, 2017 to 04th September, 2017 (both days inclusive).



DIRECTORS' REPORT

Shri R.C.Sen

Chairman and Managing Director



**TO
THE SHAREHOLDERS
HINDUSTAN CABLES LIMITED**

Dear Shareholders,

On behalf of the Board of Directors, I have great pleasure in presenting you the 65th Annual Report on the working of the Company for the year ended 31st March 2017 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 for closure of the company as per the provisions of the Companies Act 1956 / 2013, Industrial Disputes Act 1947 and other relevant Acts with the stipulation that the employees of the company would be offered attractive VRS/VSS, retrenchment process would also be followed as per ID Act 1947, One Time Settlement (OTS) with secured creditors would be made to free the land assets of the company and the other liabilities of the company including statutory liabilities arising during the process of closure of the company would be taken care of as per the provisions of law and the guidelines of Department of Public Enterprises.

Pursuant to the above, the company made OTS with all the secured lenders on principal amount of Rs.305.63 crores with complete waiver of interest in settlement of all pari-passu collateral of the company held by secured lenders.

The company floated VRS and all the employees (except 125 employees of HCL, Nani Unit, who were unwilling to take VRS and taken over by NAeL, a subsidiary of HAL) applied for VRS and they were released on VRS on 31.01.2017 on acceptance of their VR applications. The Naini Unit of the company was taken over by NAeL w.e.f. 01.02.2017 along with 125 employees of Naini Unit who did not apply for VRS and immovable assets of Naini Unit against payment of Rs. 101/-.

The company applied to Ministry of Labour and Employment, Government of India for permission needed for closure of Rupnarainpur and Hyderabad Unit of the company u/s 25(O) of the ID Act 1947, which were accorded on 31.05.2017.

Disposal of movable and immovable assets of the company are being carried out through MSTC and NBCC (I) Ltd. (Land Management Agency).

Authorised capital of the company was raised from Rs. 450 crores to Rs.6000 crores in terms with approval of Union Cabinet.

OTS has been done with some unsecured creditors (including entities registered with SSI/ MSME) at a value much less than the due amount with complete waiver of interest.

HCL made a proposal on behalf of DHI to Canbank Mutual Fund for buy out of 0.4% share of the company held by Canbank Mutual Fund. The deal has been negotiated at Rs.1,00,000/- and the share certificates have been surrendered by Canbank Mutual Fund to the company for transfer in the name of President of India.

3. FINANCIAL RESULTS

During the year 2016-17 the company has made a profit of Rs.2349 crores (approx) mainly due to write back of accumulated interest on secured loan as secured lenders have waived full interest and accepted only principal amount under OTS

(interest waiver amounting to Rs.3240 crores) and settlement of some unsecured creditors at substantially lower than the principal amount claimed along with complete waiver of interest accrued thereon (sacrifice of part principal and full interest amounting to Rs.73.34 crores).

Summarised position of the Company's results for the year 2016-17 compared to 2015-16 is given below:

			(Rs. In lakhs)
		2016-17	2015-16
(a)	Gross Income	514.55	288.84
(b)	Operating Profit/(Loss)	294078.70	(15866.80)
(c)	Less/(Add):		
	(i) Finance Charges	59670.94	83155.35
	(ii) Depreciation	76.16	474.15
	(iii) Prior period adjustment, provision and tax	-	84.50
(d)	Profit/(Loss) for the year	234846.15	(99411.80)

4. STATUS IN BIFR

The company was registered with the Board for Industrial & Financial Reconstruction (BIFR) in the year 2002 vide case No.505/2002. During the last BIFR hearing held on 29.11.2016, the BIFR made the following direction:

- (i) Permitting the company to transfer Naini Unit of the company to Ministry of Defence and HAL to ensure to take care of the workers who have not taken VRS and agreed to join HAL.
- (ii) Directed Bank of Baroda to send a proposal to the company for mutual settlement of their dues.
- (iii) Directed Income Tax Department to consider exemption to the company from MAT for the FY 2017-18.
- (iv) Directed the Central Excise and Service Tax Department to serve a copy of MA to all concerned within a period of one week and the respondent were directed to submit their reply within a further period of two weeks.

Though the date of next hearing was fixed on 23.01.2017, but BIFR got dissolved w.e.f. 1st December, 2016 (appointed date), as per Gazette Notification No. S.O. 3568 (E), dated 25.11.2016.

5. SHARE CAPITAL

The Authorised Capital of the Company was raised to Rs. 6000 crores. The Subscribed and Paid-up Capital as on 31.3.2017 stood at Rs. 419,36,11,250 divided into 41,93,61,125 Equity Shares of Rs.10 each.

6. BORROWINGS

During the year, Company received Rs.258.50 Crore as non-plan loan from Government of India on 30.9.2017 for part payment of salaries/wages and statutory dues to the employees of the Company. Further an amount of Rs.141.50 crores as non-plan loan was also sanctioned by Gol on 30.9.2016 for part payment to secured lenders under OTS.

7. CONTRIBUTION TO NATIONAL EXCHEQUER

The Company's contribution to National Exchequer by way of Income Tax etc. aggregating to Rs. 44.09 crores.



8. HUMAN RESOURCE MANAGEMENT

In terms with approval of the Union Cabinet dated 28.09.2016 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 have been released on VRS on 31.01.2017 on acceptance of their VR applications except 125 employees of HCL, Naini who were unwilling to opt for VRS and were transferred to NAEI (a subsidiary of HAL).

- Voluntary Retirement Scheme

During 2016-17, pursuant to approval of Union Cabinet in meeting dated 28.9.2016 for closure of the company, VRS/ VSS notice dated 03.10.2017 (modification dated 7.11.2016) was floated seeking VR application from all the regular employees of the company, who were supposed to superannuate after 31.1.2017. Accordingly, 1021 employees were released based on acceptance of their VR applications. This excludes 125 employees of HCL, Naini who were taken over by NAEI, as they did not submit VR application forms.

9. VIGILANCE

During the year, Vigilance Department carried out its activities and also suggested issues for improving systems and procedures.

10. CORPORATE GOVERNANCE REPORT

As per clause 49 of the Listing Agreements with the stock exchanges, a Report on Corporate Governance together with a certificate from the auditors regarding compliance of conditions of corporate governance is annexed and forms part of this annual report.

11. 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, 2017 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 been prepared under historical convention as a going concern basis.

12. BOARD OF DIRECTORS

Shri Arvind Kumar, Deputy Secretary, Department of Heavy Industry was appointed as Part Time Official Director on the Board of Hindustan Cables Limited w.e.f. 01.03.2017 vice Ms Vinita Srivastava, Director, Department of Heavy Industry.

The Board of Directors place on record its appreciation for the service rendered by Ms Vinita Srivastava, Director, Department of Heavy Industry, as Part Time Official Director of the Board of Hindustan Cables Limited

Ms. Sanyukta Samaddar, Director, Department of Heavy Industry (DHI) was appointed as Part Time Official Director on the Board of Hindustan Cables Limited w.e.f. 18.07.2017 vice Shri Arvind Kumar, Deputy Secretary, Department of Heavy Industry

The Board of Directors place on record its appreciation for the service rendered by Shri Arvind Kumar, Deputy Secretary, Department of Heavy Industry, as Part Time Official Director of the Board of Hindustan Cables Limited.

Shri Nitin Jain, DDG(DS), Department of Telecommunications, Ministry of Communication & IT was appointed as Government Director on the Board of Hindustan Cables Limited w.e.f. 08.02.2017 vice Shri G.P. Srivastava, DDG (DS), Department of Telecommunications, Ministry of Communication & IT (since retired).

The Board of Directors place on record its appreciation for the service rendered by Shri G.P.Srivastava, DDG (DS), DoT, Ministry of Communications & IT, as Government Director.

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, annual operating plan and budgets and for considering statutorily required matters. During the year 2016-17, the Board met two times.

During the year 2016-17, there was no whole time director in the company.

13. AUDITORS

For the year 2016-17, M/s Das & Prasad were appointed by Comptroller & Auditor General of India (C&AG) as Statutory Auditors of the Company for auditing the accounts relating to Rupnarainpur Unit, Machine Tool Works, Fibre Optics Project, Turnkey Project Division and consolidation of Company's Accounts.

M/s P.R. Krishna & Associates were appointed by C&AG as Branch Auditors of the Company for auditing the Accounts of Hyderabad Unit and R&D Centre including Pilot Plant at Hyderabad.

14. 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.

15. LISTING OF SHARES AND OTHER INFORMATION

The disinvested Shares (0.4%) of the Company held by Canbank Mutual Fund (Canara Bank Trustee : Canbank Mutual Fund, A/c Cantriple.) were listed with the Calcutta Stock Exchange (Regional Stock Exchange), Delhi Stock Exchange and Ahmedabad Stock Exchange. The company has received approval from the Calcutta Stock Exchange Ltd. for voluntary delisting of equity shares of the company. SEBI has approved New Delhi Stock Exchange for closure. Though there is no trading taking place at Ahmedabad Stock Exchange for the last several years, but company is still listed there. During May, 2017, M/s Canara Bank Trustee - Canbank Mutual Fund A/c - Cantriple + has surrendered the 0.4% shares (16,68,800 equity shares) to the company (against a consideration of Rs.1,00,000/-) for allotment to President of India in terms with buy out effort approved by Union Cabinet in meeting dated 28.09.2016. The share transfers taking place are amongst the nominees of the President of India. The distribution of shareholding as on 31st March, 2017 was as under:

Sl.No.	Category	No. of Shares held	% age
1	President of India	417692325	99.60
2	Mutual Fund	1668800	0.40
	Total	419361125	100.00

The last 3 Annual General Meetings were held on 07-11-2014, 13-11-2015 and 27.12.2016 at Kolkata.



16. **ACKNOWLEDGEMENT**

The Directors are grateful for the support, guidance and assistance received from the Department of Heavy Industry, Ministry of Heavy Industries and Public Enterprises, Ministry of Communication, Ministry of Finance and other Ministries of Government of India and State Governments of West Bengal, Andhra Pradesh and Uttar Pradesh. The Board thankfully acknowledge the valuable support, co-operation and assistance rendered by State Bank of India, Bank of India, Indian Overseas Bank, State Bank of Saurashtra, Bank of Baroda, Unit Trust of India, Life Insurance Corporation of India and Industrial Finance Corporation of India Ltd. 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 employees of the Company in meeting various challenges during the year under review.

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

**REGISTERED OFFICE
1/315, Gariahat Road
(Jodhpur Park)
KOLKATA 700 068.
DATED : 17.11.2017**

**(R. C. SEN)
CHAIRMAN & MANAGING DIRECTOR**

'Annexure A'
(To The Secretarial Audit Report of M/S. Hindustan Cables Ltd. for the Financial Year ended 31/03/2017)

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

My secretarial Audit Report for the financial year ended 31/03/2017 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion of existence of adequate board process and compliance management system, commensurate to the size of the company, based on these secretarial records as shown to me during the said audit and also based on the information furnished to me by the officers and agents of the company during the said audit.
2. I have followed the audit practices and process as were appropriate, to the best of my understanding, to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to check as to whether correct facts are reflected in secretarial records. I believe that the process and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the board and by various committees of the Company, during the period under review. I have checked the board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the board, of the members of the company and of other authorities, as per provisions of Companies act 2013 and of various statutes as referred in the aforesaid audit report.
4. Where ever required I have obtained the management representation about the compliances of Laws, rules and regulations and happening of events and gathering of facts etc. However it is understood from the management that the company has become sick industrial company within the meaning of clause "O" of subsection (1) of section (3) of SICA, 1985 and the company has been registered with the Board for Industrial & Financial Reconstruction (BIFR) in the year 2002 vide case no. 505/2002 and at present facing a huge financial crisis the result of which the company is in default in making periodical compliances to stock exchanges where its shares have been listed. Further it is informed by the management that the Union Cabinet vide its letter dated 28/09/2016 has already given its approval for the closure/winding up of the company.
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.

For Acharya S. K. & Associates
Company Secretaries

Place: Kolkata
Date: 22/10/2017

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



SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST March, 2017
(Pursuant to section 204(1) of the Companies Act, 2013 and
rules 9 of the Companies (Appointment and Remuneration Of Managerial Personnel)
rules, 2014, read with the Guidance Note on Secretarial Audit)
(Release- 1.2) of the Institute Of Company Secretaries of India)

TO
The Members
M/S. Hindustan Cables Limited
1/315, Gariahat Road
Kolkata-700068

1. I have conducted the secretarial Audit of M/s. Hindustan Cables Limited having its Registered office at 1/315, Gariahat Road, Kolkata-700068 and having CIN L31300WB1952GOI020560 (hereinafter called 'the Company') for the financial year ended on 31st March, 2017 (" 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, 2017, complied with the statutory provisions with certain exception listed hereunder about the board process and compliance system and in my view the Company has not started maintaining adequate board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
3. I have examined the secretarial compliance based on the books, papers, minute books, forms and returns filed and other records maintained by M/s. Hindustan Cables Limited for the financial year ended on 31st march, 2017 and as shown to me during my audit, according to the provisions of the following laws:
 - (i) The Companies Act, 2013(the Act) and the rules made thereunder;
 - (ii) The Depositories Act, 1996 and the Regulation and bye Laws framed thereunder;
 - (iii) The Regulations and guidelines prescribed under the Securities And Exchange Board of India Act, 1992 (SEBI ACT) viz.:-
The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - iv) and other applicable laws generally applicable to the company.
4. To the best of my understanding, I am of the view that during the period under review the Company has not complied SEBI Act, 1992 due to the fact that the company has become Sick Industrial Undertaking and is facing huge financial crisis and does not have enough infrastructural support as well as expertise to comply with the provisions of the Listing requirements and its periodical compliances. . Further it is informed by the management that the Union Cabinet vide its letter dated 28/09/2016 has already given its approval for the closure/winding up of the company. Further it has been informed by the management that HCL has released all its employees from the company with effect from 31/01/2017.
5. I have checked the standard listing agreement entered by the Company with the Calcutta Stock Exchange Ltd, Delhi Stock Exchange Ltd and Ahmadabad Stock Exchange Ltd and to the best of my understanding; I am of the view that the Company has started complying adequately the applicable provision thereof, during the aforesaid period under review.

6. I further report to the best of my understanding that,
- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. During the period Mr. R C Sen has been appointed as the Chairman and Managing Director (Additional charge) of the company on 22/07/2016 and Mr. Nitin Jain, DDG (DG) Department of Telecommunications, Ministry of Communications & IT has been appointed as Govt. Director on 08/02/2017 vice Sri G P Srivastava, and Mr. A M Manichan Deputy Secretary, DHI has been appointed as the part time official director on 12/09/2016 and Mr. Arvind Kumar, Deputy Secretary, DHI has been appointed part time official director on 01/03/2017 vice Ms. Vinita Srivastav.
 - 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" as required to be appointed by companies listed on stock exchange in India, pursuant of section 203 (1) of the Companies act, 2013, has been appointed by the company during the period under scrutiny. Mr. R. C. Sen, The chairman and Managing Director (Additional charge) has been appointed as the KMP during the period under review.
 - ii. That I have not come across any report or minute or any other document regarding evaluation of independent directors, pursuant to section 149 read with schedule IV of the companies' act 2013. However, it has been represented to me by the management of the Company that The Ministry of Heavy Industries and Public Enterprises, Department of Heavy Industry, generally appoints all the directors of the Board however no such director in the capacity of independent director has been appointed during the period under review.
 - iii. That I have not come across any report or minute or any other document regarding appraisal of performance of Directors since the company has not constituted the Nomination and remuneration Committee during the period under review.
 - iv. That the internal Auditor has been appointed pursuant to the provisions of section 138 of the Companies Act, 2013.
 - v. As per the letter dated 26/07/2017 The Calcutta Stock Exchange Ltd has delisted the shares from its Stock Exchange with effect from 27/07/2017 and the necessary steps have been taken by the company to intimate The Registrar of Companies, Kolkata regarding the delisting of shares from the Stock Exchange.
9. This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

For Acharya S. K. & Associates
Company Secretaries

Place: Kolkata
Date: 22/10/2017

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



FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2017

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

I REGISTRATION & OTHER DETAILS:		
i	CIN	L31300WB1952GOI020560
ii	Registration Date	04-08-1952
iii	Name of the Company	HINDUSTAN CABLES LIMITED
iv	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
v	Address of the Registered office & contact details	1/315. Gariahat Road, Kolkata 700 068 Phone: (033) 2473-5021
vi	Whether listed company	DELISTED
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	NA

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Jelly Filled Cables		NA
2	Dry Core Cables	<i>No production for 14 years</i>	NA
3	Fibre Optics Cables		NA
4			NA

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

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

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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	0	0	0	0	0	0	0	0	0
a) Individual/HUF	0	0	0	0.00%	0	0	0	0.00%	0
b) Central Govt. or State Govt.	0	417692325	417692325	99.60%	0	417692325	417692325	99.60%	0
c) Bodies Corporates	0	0	0	0.00%	0	0	0	0.00%	0
d) Bank/ FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
SUB TOTAL: (A) (1)	0	417692325	417692325	99.60%	0	417692325	417692325	99.60%	0
(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0		0	0	0	0	0
d) Banks/ FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	0	417692325	417692325	99.60%	0	417692325	417692325	99.60%	0
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	1668800	1668800	0.40%	0	1668800	1668800	0.40%	0
b) Banks/ FI	0	0	0	0	0	0	0	0	0



Category of Shareholders	No. of Shares held at the beginning of the year						No. of Shares held at the end of the year						% change during the year
c) Central govt	0	0	0	0	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(1):	0	1668800	1668800	1668800	0.40%	0	1668800	1668800	0.40%	1668800	1668800	0	0
(2) Non Institutions													
a) Bodies corporates	0	0	0	0	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	0	0	0	0	0	0	0	0	0	0	0	0
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(2):	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)= (B)(1)+(B)(2)	0	1668800	1668800	1668800	0.40%	0	1668800	1668800	0.40%	1668800	1668800	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	419361125	419361125	419361125	100%	0	419361125	419361125	100%	419361125	419361125	0	0

(ii) SHARE HOLDING OF PROMOTERS (including Nominees)

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	President of India	417691825	99.60%	0				
2	Smt.Vinita Srivastava, ex-Director, DHI	100		0				
3	Shri L.C.Ram, Under Secretary, DHI	100		0				
4	Brig.B.D.Pandey, SM(Retd.),ex-CMD	200		0				
5	Shri A.K.Bose, Manager(P&A & L) and COFD	100		0				
	Total	417692325	99.60%	0				
1	President of India				417691825	99.60%	0	
2	Smt.Vinita Srivastava, ex-Director, DHI				100		0	
3	Shri L.C.Ram, Under Secretary, DHI				100		0	
4	Brig.B.D.Pandey, SM(Retd.), ex-CMD				200		0	
5	Shri A.K.Bose, Adviser (HoC)				100		0	
	Total				417692325	99.60%	0	



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

Sl. No.	Share holding at the beginning of the Year		Cumulative Share holding during the year	
	No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
At the beginning of the year	417692325	99.60%	0	0.00%
Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	NO CHANGE			
At the end of the year	417692325	99.60%	417692325	99.60%

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

SI. No.	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	NA	NA	NA	NA	NA
	At the end of the year (or on the date of separation, if separated during the year)	NA	NA	NA	NA



(v) Shareholding of Directors & KMP

Sl. No.	For Each of the Directors & KMP	Shareholding at the end of the year (31/03/2017)		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year (1.4.2016): 1. Smt. Vinita Srivastava, Director - 100 2. Brig. B.D. Pandey, Ex-CMD -200 3. Shri A.K.Bose - 100	100 200 100	0.000023 0.000047 0.000023	NA	NA
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NO CHANGE	NA	NA	NA
	At the end of the year	NA		0	0.00%

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year 2016-17				
i) Principal Amount	305.63	1324.47	0	1630.1
ii) Interest due but not paid	3232.25	1960.82	0	5193.07
iii) Interest accrued but not due	0	33.45	0	33.45
Total (i+ii+iii)	3537.88	3318.74	0	6856.62
Change in Indebtedness during the financial year 2016-17				
Additions	0	0	0	0
Reduction	3537.88	3303.95	0	6841.83
Net Change	3537.88	3303.95	0	6841.83
Indebtedness at the end of the financial year 2015-16				
i) Principal Amount	0	14.79	0	14.79
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0.00	14.79	0	14.79



VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

B. Remuneration to other directors:

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



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

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

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

R.C.Sen
 Chairman & Managing Director
 Hindustan Cables Ltd.
 (A Govt. of India Undertaking)
 1/315, Gariahat Road, Kolkata 700068



REPORT ON CORPORATE GOVERNANCE

1. **Company's philosophy** – The Company as a responsible corporate citizen believes in practicing good corporate governance in relation to ensuring the transparency, professionalism, accountability, integrity and to promote ethical conduct throughout the organization with the main object to enhance the value of all stake holders.

Union Cabinet in its meeting held on 28.09.2016 approved closure of the company as per provisions of the Companies Act 1956/2013, ID Act 1947 and other relevant Acts. In terms of the above approval, all the regular employees of the company were offered VRS /VSS and action has been initiated for disposal of movable and immovable assets in terms of the guidelines of DPE on time bound closure of sick/loss making CPSEs.

Accordingly, the company opened a VR scheme and all regular employees of the company were released on 31.01.2017 on acceptance of their VR applications. Closure application of various units of the company u/s 25(O) of ID Act 1947 have already been approved by the appropriate government. Movable assets of the company are being disposed of. Negotiations are going on for disposal of immovable assets of the company.

2. **Board of Directors** – In terms of company's corporate governance policy, all statutory and other significant and material information are placed before the Board of Directors to enable it to discharge the responsibilities of strategic supervision of the company as trustees of its shareholders.
- 2.1 **Composition** – The composition of the board of directors of the company consist of eminently qualified executive and non-executive directors. Total number of directors of the company as on 31.3.2017 were four of which one was Chairman & Managing Director (Additional Charge) and the rest three were non-executive Directors. The composition of the board of directors and their number of other directorship and membership/chairmanship held by the directors in the committees of various companies during the year 2016-17 are given below :

Name of the director	Category of directorship	No. of other directorship held as on 31.03.2017		Committee membership held in other companies
Shri R.C.Sen*	Chairman & Managing Director (additional charge)	1.	Andrew Yule & Co. Ltd.(Whole time Director)	–
		2.	The New Beerhoom Coal Co. Ltd. (Director)	
		3.	Hooghly Printing Co. Ltd. (Director)	
		4.	Yule Engineering Ltd. (Director)	
		5.	Heavy Engineering Corp. (Director)	
Smt. Vinita Srivastava*	Part time official Director		–	–
Shri Arvind Kumar	Part time official Director	1.	NEPA Limited (Director)	
		2.	National Bicycle Corpn. of India Ltd. (Director)	
		3.	Bharat Pump Co. Ltd. (Director)	
		4.	Richardson & Cruddas Ltd. (Director)	
		5.	Bridge & Roof Co. Ltd. (Director)	

Name of the director	Category of directorship	No. of other directorship held as on 31.03.2017		Committee membership held in other companies
Shri A.M. Manichan*	Part time official Director	1.	Cement Corporate of India (Director-Govt. Nominee)	–
		2.	Instrumentation Ltd. (Director - Govt. Nominee)	
		3.	/Scooters India Ltd. (Director - Govt. Nominee)	
		4.	BBJ - Director (Finance)	
Shri G.P. Srivastava*	Government Director		–	–
Shri Nitin Jain*	Government Director		–	–

*Note: Director for a period less than one year

- 2.2 **Meeting and attendance** – During the financial year ended 31.3.2017, there were 2 meetings of board of directors held on 10-10-2016 and 08-12-2016. Attendance of directors at board meetings and the annual general meeting are given below:

Name of Director	No. of board meetings attended	Attendance at the last AGM held on 27.12.2016
Shri R.C.Sen*	2	1
Ms Vinita Srivastava*	2	
Shri Arvind Kumar*	-	
Shri A.M. Manichan*	2	
Shri G.P. Srivastava*	-	-
Shri Nitin Jain*		

*Note: Director for a period less than one year.

3. **Subsidiary Companies -**

There was no listed or non-listed subsidiary company.

4. **Remuneration Committee -**

- a) The need for constitution of a remuneration committee is not felt by the company in view of the fact that company is a government company in terms of section 2(45) of the Companies Act, 2013, the remuneration of the whole time functional directors and other terms and conditions are fixed by the Govt. of India.
- b) The remuneration of the whole time functional directors include basic salary, allowances and perquisites as determined by Govt. of India and also as per the rules of the company. The details of remuneration paid to all the whole time functional directors during the year ended 31.3.2017 are given below:

Name of the Director	Salary (Rs. in lakhs)
Shri R.C. Sen	Not applicable



5. **Shareholders Committee** – The matters relating to redressal of shareholders complaints are being looked after by the Directors of the Company. No complaint was received from the shareholders during the year 2016-17 and no complaint is lying pending with the company. Shri Subrat Kumar Acharya is the compliance officer of the company.
6. **General body meetings** – The last general body meeting took place on 27.12.2016 at Kolkata. One special resolution was passed in last AGM. There was no special resolution passed in the last AGM through postal ballot.
7. **Disclosure** – There was no transaction of material nature with its promoter, directors or their relatives etc. that may have potential conflict of interest with the company at large. There was no instance of non compliance by the company, the penalties strictures imposed on the company by stock exchange or SEBI or any other statutory authority on any matter relating to the capital market during the last three years.
8. **Means of communication** – Since there is no production at our units for last ten years and the company is a sick company registered with BIFR and passing through severe financial crisis and the company is in advance stage of closure, the quarterly results are not published. Details of the company are displayed in the website www.hindcables.gov.in.
9. **General Information for Shareholders-**
- | | |
|---|---|
| (i) AGM : Date, time and venue | : Date 17.11.2017 Time :03:00 PM
Andrew Yule & Co. Ltd., ‘Yule House’,
8, Dr. Rajendra Prasad Sarani, Kolkata 700 001 |
| (ii) Financial year | : 1 st April 2016 – 31 st March 2017 |
| (iii) Date of book closure | : 24.08.2017 to 04.09.2017 (both days inclusive) |
| (iv) Dividend payment date | : Not applicable. |
| (v) Listing of stock exchanges | The Calcutta Stock Exchange Ltd.(delisted on 27.7.2017)
Ahmedabad Stock Exchange Ltd. (derecognised by SEBI
and defunct) |
| Listing fees could not be paid from the year 2007-08 to the stock exchanges owing to sickness and severe financial crisis being faced by the company. | |
| (vi) Market price data | : Not traded |
| (vii) Performance in comparison to broad based indices | : Not applicable |
| (viii) Distribution of shareholding as on 31.3.2017 | : Govt. of India : 99.6%
Canbank Mutual Fund : 0.4% |
| (ix) Dematerialization of shares and liquidity | : Our shares are not traded. Hence not applicable. |
| (x) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity | : Not applicable. |
| (xi) Plant locations as on 31.3.2017 | : Rupnarainpur Unit, P.O Hindustan Cables Rupnarainpur
713 335, Burdwan, West Bengal.Hyderabad Unit, P.O
Hindustan Cables, Hyderabad 500 051, Andhra
Pradesh.Machine Tool Works, P.O Narendrapur 743 508,
Dist: 24 Parganas (S), West Bengal. |
| (xii) Address for correspondence | : Regd. & Corporate Office, 1/315, Gariahat Road
(Jodhpur Park), Kolkata 700 068. |
10. Non-mandatory requirement relating to shareholder’s right to receive half yearly declaration of financial performance including summary of the significant events in the last six months has not been complied.

**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 2017**

The preparation of financial statements of Hindustan Cables Limited, Kolkata for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based, on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 10 October 2017.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of Hindustan Cables Limited, Kolkata for the year ended 31 March 2017. 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 audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

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

Place : Kolkata
Date : 24 OCT 2017

(Suparna Deb)
Director General of Commercial Audit
& Ex-officio Member, Audit Board-I,
Kolkata



SL No.	STATUTORY AUDITOR'S COMMENTS	MANAGEMENT'S REPLY
1	<p>Note no.37 of the financial statement relating to the fact that the company is already a sick Industrial unit having its networth fully eroded and its production units remaining completely closed for over 13 years. Further, Union Cabinet has given its approval for closure of the said company as per the provisions of the Companies Act 2013, Industrial Disputes Act, 1947 and other relevant Acts. However, the company has prepared its financials on a going concern basis which is in deviation with Accounting Standard-1 (Disclosure of Accounting Policies).</p>	<p>Since no formal instruction from DHI/BIFR for implementation of winding up of the Company has yet been received, the accounts are being prepared on a going concern basis. On winding up, selling of assets necessary adjustment will be made in the relevant year.</p>
2	<p>The company despite of all the production units remaining closed/unmaintained for more than thirteen years did not undertake the test of impairment of fixed assets in terms of AS-28 "Impairment of Assets" issued by the ICAI, other than plant & machinery which has been sold at salvage value via e-auction in the subsequent year before signing of this report, and loss on these assets has not been assessed and remains unprovided for in the accounts and hence the same is not quantifiable due to absence of such long overdue exercise.</p>	<p>At present loss incurred on account of impairment of assets as required under AS-28 is not ascertainable. However, consequent upon selling of movable and immovable assets, winding up etc. such losses can be ascertained in the near future and will be accounted for in the Financial Statements at the relevant year.</p>
3	<p>(i) Note no.24 of the financial statement relating to custom duty liability on account of import estimated at Rs.949.29 Lacs has not been provided for (ii) Note no.24 of the financial statement relating to liability of Excise Duty and interest accrued estimated at Rs.2891.48 Lacs has not been provided for. Hence financial impact on inventories/consumption is not ascertainable.</p>	<p>The Company has recognised these liabilities as contingent liabilities (Refer Note No. 24 of Notes to Financial Statements). These will be booked as liability in the relevant year once the cases are awarded against the Company.</p>
4	<p>Note no.34 of the financial statements, no provision has been made in the financial statements in respect of arrear wages and salaries amounting to Rs.55.29 Lacs arising out of pay revision for employees with effect from 01.01.1997 which has been disclosed under contingent liabilities.</p>	<p>This arrear relates to employees who took VRS or were released before implementation of the 1997 pay scale, their eligibility to receive arrear is disputed by the Company.</p>
5	<p>Reconciliation and confirmation of balances under trade payables for goods/expense, advances from customers, security deposits from contractors, trade receivables, interest on advances from BSNL/MTNL,</p>	<p>The dues to unsecured creditors are under process of OTS and will be completed shortly.</p>

SL No.	STATUTORY AUDITOR'S COMMENTS	MANAGEMENT'S REPLY
	<p>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 its consequential impact on the accounts.</p>	
6	<p>Balance due to GRSE and MTNL for different loans including interest accrued thereon are without confirmation and have been considered as book balance which are subject to reconciliation and confirmation, the financial impact of which is not ascertainable.</p>	<p>The Company requested Bank of Baroda, GRSE and MTNL for balance confirmation, the replies are still awaited. In the mean time the company has already settled the dues of BOB and GRSE under OTS.</p>
7	<p>Note no.24 of the financial statements relating to no provision has been made for Rs.74.36 Lacs payable for 3(three) arbitration cases which have gone against the company.</p>	<p>Refer to note no. 24(f) of Financial Statement. The company is under consideration for filing appeal against the arbitration award already given against it. However, in the absence of non filing of appeal it will be provided in the accounts for the year 2017-18.</p>
8	<p>Rs.76.48 Lacs included in current liability due to invocation of Bank Gurantee issued by M/s REPL in earlier years against joining kits project of Rupnarainpur Unit under Capital Work in Progress as per management, however no document to substantiate the same has provided to us. Hence consequential impact if any cannot be ascertained.</p>	<p>Dispute with REPL is sub-judice in the Mumbai City Civil Court and necessary adjustment with proper nomenclature will be done once final order from the Court is received.</p>
9	<p>Note no.38 of the financial statements regarding no adjustment has also been made in respect of inter unit balance of Rs.389.04 Lacs include in current liabilities pending reconciliation. Financial impact on the accounts in respect of the above is not ascertainable pending such reconciliation and adjustment.</p>	<p>The then Finance Head of TKP Division and Hyderabad Unit (including Hyderabad R&D Centre and Pilot Plant) was entrusted to reconcile and adjust the inter-unit balance, as it was under her jurisdiction. However, she could not complete the job and retired from service.</p>
10	<p>Long term loans and advances of Rs.322.63 Lacs remain unconfirmed and unrealised for long period with remote chance of recovery. Due to confirmation being not available and pending reconciliations adjustment if any, in the financial statements cannot be ascertained.</p>	<p>The units will make scrutiny and make necessary provision in the next financial year. However, during 2016-17, a provision of Rs.315.35 lakhs has been made.</p>



INDEPENDENT AUDITOR'S REPORT

To
The Members
"HINDUSTAN CABLES LIMITED"

Report on the Standalone Financial Statements

On the basis of audit query made by Comptroller And Auditor General of India, this revised Audit Report has been prepared in lieu of our earlier Audit Report dated 22nd August, 2017 to comply with the disclosure of Government of India Non Plan Loan amounting to Rs.141.50 crore in Emphasis of Matter paragraph.

We have audited the accompanying standalone financial statements of Hindustan Cables Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Basis of Qualified Opinion

We draw attention to:

- a) Note no. 37 of the financial statements relating to the fact that the Company is already a Sick Industrial Unit having its networth fully eroded and its production units remaining completely closed for over 13 years. Further, Union Cabinet has given its approval for closure of the said Company as per the provisions of the Companies Act 2013, Industrial Disputes Act, 1947 and other relevant Acts. However the Company has prepared its financials on a going concern basis which is in deviation with Accounting Standard -1 (Disclosure of Accounting Policies).
- b) The company despite of all the production units remaining closed/unmaintained for more than thirteen years did not undertake the test of impairment of fixed assets in term of AS-28 "Impairment of Assets" issued by the ICAI, other than plant & machinery which has been at sold at salvage value via e-auction in subsequent year before signing of this report, and loss on these assets not been assessed and remains un-provided for in the accounts and hence the is not quantifiable due to absence of such long overdue exercise.
- c) (i) Note no.24 of the financial statement relating to Custom duty liability on account of import estimated at Rs.949.29 Lacs has not been provided for (ii) Note no 24 of the financial statement relating to liability of Excise Duty and interest accrued estimated at Rs.2,891.48 Lacs has not been provided for. Hence financial impact on inventories/ consumption is not ascertainable.
- d) Note no.34 of the financial statements, no provision has been made in the financial statements in respect of arrear wages and salaries amounting to Rs.55.29 lacs arising out of pay revision for employees with effect from 01.01.1997 which has been disclosed under contingent liabilities.
- e) Reconciliation and confirmation of balances under trade payables for goods/expense, advances from customers, security deposits from contractors, trade receivables, interest on advances from BSNL/MTNL, 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.
- f) Balance due to GRSE and MTNL for different loans including interest accrued thereon are without confirmations and have been considered as book balance which are subject to reconciliation and confirmation, the financial impact of which is not ascertainable.
- g) Note no. 24 of the financial statements relating to no provision has been made for Rs.74.36 Lacs payable for 3(three) arbitration cases which have gone against the Company.
- h) Rs.76.48 lacs included in current liability due to invocation of Bank Guarantee issued by M/s REPL in earlier years against joining kits project of Rupnarainpur Unit under Capital Work in Progress as per management, however no document to substantiate the same has provided to us. Hence consequential impact if any cannot be ascertained.
- i) Note no 38 of the financial statements regarding no adjustment has also been made in respect of inter unit balance of Rs.389.04 lacs included in Current Liabilities pending reconciliation. Financial impact on the accounts in respect of the above is not ascertainable pending such reconciliation and adjustment.
- j) Long term loans and advances of Rs. 322.63 lacs remain unconfirmed and unrealised for long period with remote chance of recovery. Due to confirmation being not available and pending reconciliations adjustment if any, in the financial statements cannot be ascertained.

The effect of the above opinion in sub paragraph c, d, and g resulted in understatement of loss by Rs.3970.42 lacs and overstatement of respective provisions by the same amount. The financial impact of remaining opinion is not quantifiable in absence of necessary details.



Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis of Qualified Opinion paragraph above, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to:

- a) The fact that the Government of India vide its order dated 28th September, 2016 had directed the closure of the Company. For this the Government of India has released Rs. 305.63 crore in the form of Non Plan Equity amounting to Rs.164.13 crore and Non Plan Loan amounting to Rs.141.50 crore for payment to secured financial creditors of the Company namely, UTI, LIC, IFCI, SBI, BOI, IOB(Now ARCIL) and SBOS (merged with SBI) as One Time Settlement in lieu of Union Cabinet decision dated 28.09.2016. Taking effect of this OTS, the Company during the year has written back the interest accrued and due/not due related to said loans amounting to Rs.3,24,056.34 Lacs and booked the same under exceptional item.

Report on Other Legal and Regulatory Requirements

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

As required by Section 143 (3) of the Act, we report that:

- a. except for the effect of the matters described in the basis of qualified opinion paragraph, 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, 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 cash flow Statement dealt with by this Report are in agreement with the books of account;
- d. except for the effects of the matter described in the Basis for Qualified Opinion in the 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. the matters described in the paragraph Basis of Qualified Opinion may have an adverse effect on the functioning of the company.
- f. the provisions of Section 164(2) of the Companies Act, 2013 are not applicable to government companies in terms of notification no. GSR 463(E) dated 5th June 2015 issued by the Ministry of Company Affairs, Government of India.
- g. 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 B"; and
- h. we have complied with the directions given by the Comptroller and Auditor-General of India u/s 143(5) of the Act while conducting the audit, and on the basis of information and explanation given to us in this regard by the Company , given in "Annexure C" to this report, a statement on the matters specified in such directions/sub-directions;

- i. 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, 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 24 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 Company has provided requisite disclosures in Note no 52 in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Based on the audit procedures and relying on the management representation, we report that the disclosures in the said note, SBN aggregating to Rs.1,51,000/- have been received during the period from transactions towards electricity and other dues of township from township residents, which were not permitted and Rs.1,04,500/- have been paid to employees towards travelling expenses, telephone bills, fuel charges and other miscellaneous expenses related to township, which were not permitted.

Other Matters

- a) We did not audit the financial statements of a Hyderabad unit and Hyderabad R&D Centre being included in the financial statements of the Company whose financial statements reflect total assets of Rs 3,740.14 Lacs. Lacs as at 31st March, 2017 and total revenues of Rs. 181.56 lacs for the period ended on that date, as considered in the standalone financial statements. The financial statements of this branch have been audited by the branch auditor whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditor. Our opinion in respect of said matter is not modified.
- b) This revised report issued in compliance with the Audit Memo No.1/HCL/Finance Audit/2016-17 dated 29/09/2016 issued by the Office of the Principal Director of the Commercial Audit, Ranchi supersedes our Audit report dated 22nd August, 2017 to the members of Hindustan Cables Limited.

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

Sumit Kumar Rajgarhia
(Partner)
Membership No. 068270

Date: 10th October, 2017
Place: Kolkata



Annexure - A 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 2017, we report that:

- (i) (a) As per information and explanation given to us by the management, the Company has not maintained proper records showing full particulars, including quantitative details and situation of the fixed assets;
- (b) As explained to us, fixed assets were not physically verified during the year by the management and as such discrepancies, if any could not be worked out/reconciled with books.
- (c) As per information and explanation given to us by the management, all the title deeds of the immovable properties are held in the name of the Company.
- (ii) The Company is a Sick Industrial Unit as referred to in Note no 37 of the financial statements. As such, all inventories are non-moving and obsolete. As explained to us by the management, in such a situation, no physical verification of inventory was carried out during the year. However the Company has carried out physical verification of inventories in the subsequent year before signing of this report and have sold the entire inventories via MSTC.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Consequently, the provisions of paragraph iii(a), (b) and (c) of the Order are not applicable to the Company and hence, not commented upon.
- (iv) According to the information and explanations given to us and the records of the Company examined by us, the Company has not made any investment, advanced any loan, given any guarantee or provided any securities to others.
- (v) The Company has not accepted any deposit from the public covered under Section 73 to 76 of the Companies Act, 2013. Therefore, the provisions of paragraph 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of accounts relating to materials, labour and other items of cost maintained by the Company pursuant to rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have not been made and maintained.
- (vii) a) According to the information and explanation given to us and on the basis of our examination of the records of the company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Service Tax, Value Added Tax, Employee's State Insurance, Custom Duty, Excise Duty, cess or other material statutory dues have been generally regularly deposited during the period by the Company with appropriate authorities.

According to the information and explanation given to us no undisputed statutory dues including Provident Fund, Income Tax, Service Tax, Value Added Tax, Excise Duty, cess or other material statutory dues were in arrears as at 31st March, 2017 for a period of more than six months from the date they become payable except in following cases.

PARTICULARS	Amount Rs. In lacs
Excise Duty including interest and penalty	1,538.54
Central Sales Tax including interest	19,501.43
Custom Duty	867.89
Sales Tax/VAT	16.75
Service Tax	1.30
Provident Fund including interest	10,746.05
Tax Deducted at Source including interest and penalty	600.57
Professional Tax including interest and penalty	349.37
WB Govt. Duty Payable	622.96
Works Contract Tax	6.87
Municipal Taxes	1,525.03
Employee State Insurance	18.48
Total	35,795.23

- b) According to the information and explanation given to us, the following dues of income tax have not been deposited by the company on account of dispute as at 31st March 2017:

SI No.	Statute	Nature of Dues	Forum	Rs. In Lacs	Year
1	The Central Excise Act, 1944	Excise Duty & Interest on Excise Duty	Commissionerate of Allahabad	2,524	2001-02
2	The Central Excise Act, 1944	Excise Duty	Hon'ble Supreme Court of India Hon'ble High Court of Calcutta	114.44 132.43	1981 1991
3	The Central Excise Act, 1944	Excise Duty	Commissionerate of Bolpur	80.97	1988-89 1991-92 1992-93
4	The Central Excise Act, 1944	Excise Duty	Asst. Commissionerate of Asansol	38.32	1986-87 1990-91 2000-01 2001-02
5	The Central Excise Act, 1944	Excise Duty	Asst. Commissionerate of Durgapur	1.19	1995-96
6	Income Tax Act, 1961	Income Tax	AP High Court	93.46	1997-98
7	Income Tax Act, 1961	Income Tax	ITO	25.58	2009-10 2010-11 2012-13
8	Appellate By Deputy Comm (CT)	APGST	BIFR	0.13	1993-94
9	Appellate By Deputy Comm (CT)	APGST CST	BIFR	2.44	1995-96
10	Appellate By Deputy Comm (CT)	APGST CST	BIFR	60.17 248.42	1996-97



SI No.	Statute	Nature of Dues	Forum	Rs. In Lacs	Year
11	Appellate By Deputy Comm (CT)	APGST CST	BIFR	83.59 62.56	1997-98
12	Appellate By Deputy Comm (CT)	APGST CST	BIFR	6.12 86.62	1998-99
13	Appellate By Deputy Comm (CT)	APGST CST	BIFR	178.71 472.79	1999-00
14	Appellate By Deputy Comm (CT)	APGST CST	BIFR	13.14 99.64	2000-01
15	Appellate By Deputy Comm (CT)	APGST CST	BIFR	33.22 213.67	2001-02
16	Appellate By Deputy Comm (CT)	APGST CST	BIFR	66.16 802.27	2002-03
17	Appellate By Deputy Comm (CT)	APGST CST	BIFR	23.15 144.81	2003-04
18	Appellate By Deputy Comm (CT)	APGST	BIFR	0.72	2003-04

(viii) Based on the records examined by us and as per the information and explanations given to us, the Company has during the period defaulted in repayment of dues to the banks and financial institutions. During the year the Government of India vide its order dated 6th October, 2016 had directed the closure of the Company. For this the Government of India has released Rs. 305.63 crore in the form of Non Plan Equity for payment to secured financial creditors of the Company namely, UTI, LIC, IFCI, SBI, BOI, IOB (Now ARCIL) and SBOS (merged with SBI) as One Time Settlement in lieu of Union Cabinet decision dated 28.09.2016. Taking effect of this OTS, the Company during the year has written back the interest accrued and due/not due related to said loans amounting to Rs.3,24,056.34 Lacs and booked the same under exceptional item. Balance loans and interest on which the company has made default in repayment which existed on 31st March 2017 are as given below:

Lenders Name	Principal Amount (Rs in Lacs)	Period	Interest Amount (Rs in Lacs)	Period
HDFC Limited	99.95	More than 10 Years	667.61	More than 10 Years including current year interest accrued and due
Bank of Baroda	150.00	More than 10 Years	150.00	More than 10 Years
Mahanagar Telecom Nigam Limited	879.79	More than 10 Years	14,167.22	More than 10 Years including current year interest accrued and due
Garden Reach Shipbuilders & Engineers Limited	2.00	More than 10 Years	516.72	More than 10 Years including current year interest accrued and due

- (ix) According to the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instrument) during the year. According to the information and explanations given to us, further disbursement of Term loan received during the year were applied for the purpose they were raised.
- (x) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.
- (xi) According to information and explanation given to us, the Company has not paid or provided any managerial remuneration and hence paragraph 3(xi) is not applicable;
- (xii) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company and hence the paragraph 3(xii) is not applicable.
- (xiii) In our opinion and on the basis of information and explanation given to us by the management, all the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) According to information and explanation given to us the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly the paragraph 3(xv) is not applicable the Company.
- (xvi) In our opinion and on the basis of information and explanation given to us by the management, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the company has obtained the necessary registration.

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

Date : 10th October, 2017
Place : Kolkata

Sumit Kumar Rajgarhia
(Partner)
Membership No. 068270



Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Hindustan Cables Limited ("the Company") as of 31 March 2017 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, 2017:

- 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.
- c) No physical verification has been conducted for fixed assets and inventories that are standing in the books as at 31st March 2017.

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, 2017, 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, 2017 financial statements of the Company, and these material weaknesses do not affect our opinion on the financial statements of the Company.

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

Sumit Kumar Rajgarhia
(Partner)
Membership No. 068270

Date : 10th October, 2017
Place : Kolkata



Annexure -C to the Auditors' Report
Directions under section 143(5) of the Companies Act, 2013

SI No	Requirements	Audit Remarks
1	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of free hold land for which title/lease deeds are not available.	The Company has clear title/lease deeds for the freehold & leasehold lands respectively.
2.	Whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	<ol style="list-style-type: none">1. Accrued Interest written back on the basis of One Time Settlement with banks amounting to Rs.3,24,056.34 Lacs and same been shown under the head exceptional item.2. Trade receivables written off/provision made during the year amounting to Rs.1958.01 lacs3. Trade Payables Written back Rs. 7334.68 lacs.4. Long term loans and advances provisions made amounting to Rs. 291.18 lacs.5. Short term loans and advances provisions made amounting to Rs. 74.43 lacs.
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gifts/grant(s) from Govt. or other authorities	<p>Inventories are lying with the third parties and no assets received as gift from Government or other authorities during the year. However the Company has maintained proper records of Lands given free of cost by the State Government of West Bengal for Rupnarainpur Unit and by the Andhra Pradesh Government for Hyderabad Unit.</p> <p>The Company has not maintained proper records for Inventories (raw materials) lying with Ancillaries & Fabricators in the earlier years. The necessary provision against the full amount of stock lying with the third parties have been made in the books.</p>

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

Date : 10th October, 2017
Place : Kolkata

Sumit Kumar Rajgarhia
(Partner)
Membership No. 068270

SUMMARISED BALANCE SHEET AS AT 31st MARCH 2017

	(Rs. in crores)			
	As at 31st March 2017		As at 31st March 2016	
	Rs	Rs	Rs	Rs
Balance Sheet				
What the company owned				
Fixed Assets (including Capital W.I.P)		460.66		476.90
Less: Depreciation		429.25		441.51
		31.41		35.39
Add: Net Current Assets (Working Capital)		(-) 934.18		(-) 1157.92
Add: Deferred Revenue Expenditure not adjusted		-		-
Add: Profit & Loss Account not adjusted		6149.23		8497.70
		5246.46		7375.17
Less				
What the Company Owned:				
Borrowings				
From Banks (including interest)	-		2055.08	
From Govt. including interest	-		3128.49	
Other (including interest)	4770.36	4770.36	1715.50	6899.07
		476.10		476.10
Represented by:				
Equity		419.36		419.36
Reserve and Surplus		56.74		56.74
		476.10		476.10



FINANCIAL HIGHLIGHTS

	<u>2016-17</u>	<u>2015-16</u>
(Rs. in Lakhs)		
Profit & Loss Accounts:		
What we Earned		
Sales	-	-
Miscellaneous Income	514.55	288.84
Accretion/(Direction) to work-in-progress and finished goods/scrap		-
Total I	514.55	288.84
What we Spent		
Raw Material	-	-
Stores & Spares	-	-
Execution Expenses for Services	-	-
Employees remuneration and benefits	30976.75	9609.70
Power and Fuel	289.49	41.94
Excise Duty	-	-
Interest	59670.94	83155.36
Depreciation	76.16	474.15
Other Expenses	5850.05	6504.00
Total II	<u>96863.39</u>	<u>99785.15</u>
Profit on Operation (I-II)	(96348.84)	(99496.31)
Past Years adjustments and Provisions	331194.99	84.50
Profit/(Loss)	<u>234846.15</u>	<u>99411.81</u>

CONTRIBUTION TO NATIONAL EXCHEQUER

(Rs. in crores)

Sl. No.	Heads	2012-13	2013-14	2014-15	2015-16	2016-17
1.	Sales Tax	0.02	0.00	0.00	0.00	0.00
2.	Central Excise Duty	0.00	0.00	0.00	0.00	0.00
3.	Customs Duty	0.00	0.00	0.00	0.00	0.00
4.	Income Tax on Salaries & Wages	0.98	0.74	0.57	0.99	44.09
5.	Rates & Taxes	0.00	1.00	0.00	0.00	0.00
6.	Licence Fees	0.00	0.00	0.00	0.00	0.00
		1.00	1.74	0.57	0.99	44.09

LAST TEN YEARS AT A GLANCE

(Rs. in lakhs)

	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
TURNOVER	-	-	-	-	7	-	19	36	123	208
NET PROFIT	234846.15	(99411.81)	(93299.45)	(78188)	(88505)	(64827)	(60739)	(45932)	(44535)	(43498)
GROSS BLOCK	45742.21	47425.26	47429.81	52553	52549	52546	52545	52545	52541	52588
DEPRECIATION PROVISION	42925.09	44151.43	43676.65	16172	47645	46956	45903	44705	43478	42228
NET BLOCK	2817.12	3273.83	3753.16	4381	4895	5590	6642	7840	9063	10360
NET CURRENT ASSETS WORKING CAPITAL	(93417.65)	(115791.95)	(1054876.63)	(91302)	(89396)	(70866)	(65697)	(52845)	(40487)	(39757)
CAPITAL EMPLOYED	(90600.53)	(112518.12)	1051123.47	(86922)	(84501)	(65276)	(59055)	(45006)	(31423)	(29397)
SECURED LOAN	-	353788.27	306571.83	264285	229195	198214	171942	150081	132013	115852
UNSECURED LOAN	1478.87	328531.76	287022.72	251697	215782	182948	151226	127404	113136	86843
SHARE CAPITAL	41936.11	41936.11	41936	41936	41936	41936	41936	41936	41936	41936
RESERVE & SURPLUS	5674	5674	5674	5674	5674	5674	5674	5674	5674	5674
ACCUMULATED LOSS	(614923.37)	(849769.52)	(750372.31)	(657058)	(578870)	(490365)	(425538)	(364799)	(318867)	(274330)
NET WORTH	(91756.77)	(802159.41)	(702762.31)	(609448)	(531260)	(442755)	(377928)	(317189)	(271257)	(226270)
NO OF EMPLOYEES	0	1333	1533	1698	1832	1958	2141	2389	2909	3016

INCLUDES CENTRAL EXCISE DUTY AND SCRAP SALE BUT EXCLUDES

INTERET AND MISCELLANEOUS INCOME



STATEMENT OF ACCOUNTS

BALANCE SHEET AS AT 31ST MARCH, 2017

	Note no.	As at 31st March, 2017 (Rs)	As at 31st March, 2016 (Rs)
A. EQUITY AND LIABILITIES			
1. SHAREHOLDERS' FUNDS			
a) Share Capital	2	4,193,611,250	4,193,611,250
b) Reserves & Surplus	3	(60,924,937,430)	(84,409,552,331)
		(56,731,326,180)	(80,215,941,081)
2. SHARE APPLICATION MONEY PENDING ALLOTMENT	50	47,555,649,417	-
3. NON - CURRENT LIABILITIES			
(a) Long Term Borrowing	4	147,886,992	49,927,813,601
(c) Long Term Provisions	5	-	257,613,699
		147,886,992	50,185,427,300
4. CURRENT LIABILITIES			
(a) Trade Payables	6	372,010,054	392,057,645
(b) Current Liabilities	7	12,702,385,279	30,431,901,306
(c) Short Term Provisions	8	171,882,465	267,173,586
		13,246,277,798	31,091,132,537
TOTAL		4,218,488,027	1,060,618,756
B. ASSETS			
1. NON CURRENT ASSETS			
(a) Fixed Assets			
(i) Tangible Assets	9	281,712,270	327,382,046
(ii) Intangible Assets		-	-
(iii) Capital Work-in-Progress	10	-	26,507,483
(b) Long Term Loans & Advances	11	32,262,510	63,798,600
		313,974,780	417,688,129
2. CURRENT ASSETS			
(a) Trade Receivables	12	1,760,405	190,685,578
(b) Inventories	13	16,193,121	20,043,113
(c) Cash and Cash Equivalents	14	3,165,632,397	331,002,759
(d) Short Term Loans and Advances	15	720,927,324	101,199,177
		3,904,513,247	642,930,627
TOTAL:		4,218,488,027	1,060,618,756

Significant Accounting Policies 1
The accompanying notes are an integral part
of the financial statements
In terms of our report of even date.

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

CA SUMIT KUMAR RAJGARHIA
Partner
Membership No. - 068270

R.C.SEN
Chairman & Managing Director
DIN - 07131320

AMAL KR BOSE
Advisor(HOC)

Place : Kolkata
Dated: 22nd August, 2017



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

	Note no.	For the period 2016-17 (Rs)	For the period 2015-16 (Rs)
I INCOME			
Revenue from Operation		-	-
Other Income	16	51,454,940	28,884,197
Total Revenue		51,454,940	28,884,197
II EXPENSES			
Raw Materials Consumed	17	-	-
Changes in inventory of Finished Goods, WIP and Scrap	18	-	-
Employees Benefits Expenses	19	3,097,675,284	960,970,334
Other Expenses	20	613,954,138	654,594,473
Depreciation	21	7,615,885	47,414,709
Finance Charges	22	5,967,094,327	8,315,535,670
Total Expenses		9,686,339,634	9,978,515,186
III Profit/(Loss) before Exceptional Item and Tax		(9,634,884,694)	(9,949,630,989)
Exceptional Items	23 & 51	33,119,499,595	8,450,104
IV Profit/(Loss) for the year		23,484,614,901	(9,941,180,885)
Earning Per Share - Basic and Diluted (Rs)	58	56.00	(23.71)
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements

In terms of our report of even date.

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

CA SUMIT KUMAR RAJGARHIA
Partner
Membership No. - 068270

Place : Kolkata
Dated: 22nd August, 2017

R.C.SEN
Chairman & Managing Director
DIN - 07131320
HINDUSTAN CABLES LIMITED
Regd. & Corporate Office
1/315, Gariahat Road
Kolkata - 700 068

AMAL KR BOSE
Advisor(HOC)
HINDUSTAN CABLES LIMITED
Regd. & Corporate Office
1/315, Gariahat Road
Kolkata - 700 068

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

[Figures in rupees]

	For the period 2016-17 (Rs)	For the period 2015-16 (Rs)
A Cash flow from operating Activities		
Net profit/loss (-) before taxation and extra-ordinary items	(9,634,884,555)	(9,941,180,885)
Add/(less) Adjustments for :		
Depreciation	7,615,885	47,414,709
Less: Adjustments	(4,531) 7,611,354	63,194 47,477,903
Provision for Gratuity	-	(68,625,344)
Other Provisions	(352,904,820)	(11,273,342)
Provision for Accrued Leave liability	-	(26,701,478)
Provision for Slow /Non moving goods,Stores & R.M	13,298,443	7,500,000
Profit on sales of Fixed Assets	(10,586,964)	
Lossof sales of Fixed Assts	23,115,481	
Provison for WIP	23,986,183	
Other adjustment waiver of Creditors Liability	27,842,178	
For Unadjusted Debit Balance of Sundry Creditors	840,182	
Prior period	(2,064,096)	
Provision of Capital WIP	29,817,734	
Provision for Doubtful Debts	181,058,607	97,200,155
Provision for Doubtful Advances	28,491,997	12,361,567
Interest Income	(29,018,472)	(16,814,146)
Interest Expense (Net of adjustment)	5,288,476,692	7,527,612,376
Operating Cash flow before Working Capital Change	<u>(4,404,920,055)</u>	<u>(2,372,443,194)</u>
Adjustments for :-		
Decrease/(Increase) in Inventories	3,849,992	56,865
Decrease/(Increase) in Trade Receivables	188,925,173	(235,635)
Decrease/(Increase) in Loans & Advances	(251,415,453)	21,837,862
Increase/(Decrease) in Other Non Current Liabilities	(298,014,250)	190,261
Increase/(Decrease) in Current Liabilities (incl other adjustment)	(20,047,591)	1,140,343,443
Operating Cash flow After Working Capital Change	<u>(4,781,622,184)</u>	<u>(1,210,250,398)</u>
Less: Direct Tax paid during the year (TDS)	-	1,559,185
Net Cash from Operating Activities	A <u><u>(4,781,622,184)</u></u>	A <u><u>(1,211,809,583)</u></u>
B Cash flow from Investing Activities		
Purchase of Fixed Assets	-	-
Fixed Assets sold/discarded	10,587,601	455,650
Interest received	26,064,222	16,814,146
Net Cash from Investing Activities	B <u><u>36,651,823</u></u>	B <u><u>17,269,796</u></u>
C Cash flow from Financing Activities		
Loan Received	4,000,000,000	1,345,600,000
Share Application Money Received pending allotment of share	6,635,900,000	-
Loan Bank Repaid	(3,056,300,000)	-
Interest and Finance Charges paid	-	-
Net Cash from Financing Activities	C <u><u>7,579,600,000</u></u>	C <u><u>1,345,600,000</u></u>
Net Increase / Decrease (-) in Cash & Cash Equivalents (A+B+C)	<u>2,834,629,638</u>	<u>151,060,213</u>
Cash & Cash Equivalents (Opening)	331,002,759	179,942,546
Cash & Cash Equivalents (Closing)	<u><u>3,165,632,397</u></u>	<u><u>331,002,759</u></u>

(Represented by Cash & Cash Equivalents as item indicated in Note 14)

In terms of our report of even date.

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

CA SUMIT KUMAR RAJGARHIA
 Partner
 Membership No. - 068270

 Place : Kolkata
 Dated: 22nd August, 2017

R.C.SEN
 Chairman & Managing Director
 DIN - 07131320

AMAL KR BOSE
 Advisor(HOC)



NOTE 1 SIGNIFICANT ACCOUNTING POLICIES:

a) SYSTEM OF ACCOUNTING

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. The financial statements have been prepared in accordance with the accounting standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared under historical convention as a going concern.

b) FIXED ASSETS

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

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

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

c) DEPRECIATION:

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

d) INVENTORIES:

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

e) LIABILITY :

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

f) FOREIGN EXCHANGE:

Foreign Exchange differences are dealt with as follows:

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

g) CAPITALISATION OF REVENUE EXPENDITURE DURING CONSTRUCTION PERIOD:

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

h) SALES AND SERVICES:

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

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

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

i) RESEARCH AND DEVELOPMENT:

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

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

j) 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.

k) GRATUITY AND RETIREMENT BENEFITS:

Gratuity payable to eligible employees is administered by a separate Trust which has taken master policy under the Group Gratuity Scheme of the Life Insurance Corporation of India.

Expenditure incurred under voluntary retirement scheme will be charged in accordance with AS 15

l) 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.

m) 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, 2017

	<u>AS AT 31ST MARCH, 2017</u>	<u>AS AT 31ST MARCH, 2016</u>
	<u>(Rs.)</u>	<u>(Rs.)</u>
NOTE 2 SHARE CAPITAL		
Authorised :		
600,00,00,000 Equity Shares @ Rs 10/- each (Previous year 45,00,00,000 Equity Shares of Rs.10 each)	60,000,000,000	4,500,000,000
During the year the company has increased its authorised capital from Rs.45,000.00 lacs to Rs.600,000.00 lacs		
Issued, Subscribed and Paid-up:		
419,361,125 Equity Shares of Rs.10 each fully paid-up (Previous year 419,361,125 Equity Shares of Rs.10 each)	4,193,611,250	4,193,611,250
a) There is no change/movement in number of Shares outstanding at the beginning and at the end of the reporting period.		
b) Details of Shareholders holding more than 5% Shares in the Company :		
Equity Shares of Rs 10/- each fully paid	No. of Shares	% of Holding
President of India	417,692,325	99.60
		417,692,325
		99.60
c) No Calls are unpaid by any Director of the Company during the year.		
d) No Shares have been allotted or has been bought back by the Company during the 5 years preceeding the date at which Balance Sheet is prepared		
NOTE 3 RESERVES AND SURPLUS		
Capital Reserve	183,000	183,000
(Represents the credit for land acquired free of cost from Govt. of AP & WB).		
Debenture Redemption Reserve [Refer Note - 46]	-	167,503,620
Bond Redemption Reserve [Refer Note - 46]	-	399,712,698
A	183,000	567,399,318
GENERAL RESERVE		
Opening Balance	-	-
Add : Debenture Redemption Reserve Transferred fro Capital Reserve [Refer Note - 46]	167,503,620	-
Add : Bond Redemption Reserve Transferred fro Capital Reserve [Refer Note - 46]	399,712,698	-
Closing Balance	B	567,216,318
SURPLUS/(DEFICIT)		
Opening Balance	(84,976,951,649)	(75,035,770,764)
Add : Net loss for the year	23,484,614,901	(9,941,180,885)
Closing Balance	C	(84,976,951,649)
Net Balance	A+B+C	(84,409,552,331)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

AS AT 31ST MARCH, 2017
(Rs.) (Rs.) AS AT 31ST MARCH, 2016
(Rs.) (Rs.)

NON CURRENT LIABILITIES

NOTE 4 Long Term Borrowings

I) SECURED LOANS

(A) Debentures :

20,00,000 Secured Redeemable Non-Convertible Debentures of Rs.100/- each redeemable at par as below:

Issued to	Amount (Rs.in lacs)	Rate of interest	Date of redemption		
Unit Trust of India	666.666	14 % p.a.	01.07.2001		
Unit Trust of India	666.667	14 % p.a.	01.07.2002		
Unit Trust of India	666.667	14 % p.a.	01.07.2003		
	<u>2000.000</u>			-	200,000,000
				-	200,000,000

Secured by mortgage of immovable properties, hypothecation of all movable properties excluding book debts and second charge on the stocks and book debts of Rupnarianpur Unit

(B) Bonds :

8,00,000 Secured Redeemable Non-Convertible Bonds of Rs.1000/-each redeemable at par as below :

Issued to	Amount (Rs.in lacs)	Rate of interest	Date of redemption		
Unit Trust of India	3000.000	13% p.a.	08.08.2001		
Unit Trust of India	1000.000	13% p.a.	11.12.2001		
Unit Trust of India	3000.000	14% p.a.	14.10.2003		
	7000.000				
Life Insurance Corporation of India	1000.000	13% p.a.	10.03.2002		
	<u>8000.000</u>			-	800,000,000
				-	800,000,000

Secured by:

i) Mortgage by Deposit of Title Deeds by way of constructive delivery

a) over the company's immovable properties situated at Rupnarianpur as and by way of first charge ranking pari passu with the mortgage and/or charge already created by the company over the Rupnarianpur properties for the holders of Debentures and

b) over the company's right, title, interest whatsoever in respect of Hyderabad Unit as and by way of first charge ranking pari passu with the first charge and/or Mortgage already created

ii) Hypothecation of all movable properties subject to the charge created or to be created on the Stocks and Book Debts of the Company in favour of Company's Bankers and Debenture holders.

Carried forward 1,00,000,000



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

		<u>AS AT 31ST MARCH, 2017</u>	<u>AS AT 31ST MARCH, 2016</u>
		(Rs.)	(Rs.)
<i>Brought forward</i>		-	1,000,000,000
(C) Loan from Industrial Finance Corporation of India Ltd.			
[Refer Note-33]		-	158,250,000
		-	158,250,000
Secured by :			
i) Mortgage by deposit of Title Deeds of Company's immovable properties (particularly land and building) situated at Rupnarainpur, Hyderabad, Naini and Narendrapur, as and by way of first charge ranking pari passu with the mortgage and/or charges already created by the Company over the said properties of Rupnarainpur and Hyderabad for the holders of Debentures and Bonds, and			
ii) Hypothecation of all movable properties subject to the charge created or to be created in favour of Company's Bankers by way of security for borrowing of working capital.			
(D) Supplier's Credit Loan from Industrial Finance Corporation of India Limited - Restructured		-	266,350,018
Secured by creation of pari-passu charge on Fixed Assets of the Company.			
(E) Deferred Credit Loan from IFCI		-	3,133,366,123
Secured by creation of pari-passu charge on Fixed Assets of the Company.			
(F) Cash Credit / WCDL (incl. interest) from :			
(i) State Bank of India	-	11,555,570,076	
(ii) Bank of India	-	5,910,161,863	
(iii) Indian Overseas Bank	-	795,819,401	
(iv) State Bank of Saurashtra	-	<u>2,289,215,965</u>	20,550,767,305
Secured by :			
i) Hypothecation of Company's entire stocks of Book Debts, both present and future, ranking pari passu inter-se, with the charges created in favour of members of the Consortium of banks			
ii) Guarantee of Govt. of India for Rs. 112 crore in favour of members of the Consortium of banks.			
	I	<u>-</u>	<u>25,108,733,446</u>
II) UNSECURED LOANS :			
From Government of India	-	13,118,848,467	
		<u>-</u>	<u>13,118,848,467</u>
Government of India Guaranteed, Non- Convertible Bonds			
13.25% Redeemable on 1.09.2005	-	-	-
13.50% Redeemable on 1.12.2005	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
From Housing Development Finance Corporation	9,908,449	9,908,449	9,908,449
Other Project Loans	107,978,543	107,978,543	107,978,543
Deferred Credit Term Loan with B O B	[Refer Note-33]	30,000,000	11,582,344,696
	II	<u>147,886,992</u>	<u>24,819,080,155</u>
TOTAL	I+II	<u>147,886,992</u>	<u>49,927,813,601</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	AS AT 31ST MARCH, 2017 (Rs.)	AS AT 31ST MARCH, 2016 (Rs.)
NOTE 5 LONG TERM PROVISIONS :		
	[Refer Note-48]	
Provision for Earned Leave Salary	-	170,647,955
Provision for Sick Leave Salary	-	86,965,744
	<u>-</u>	<u>257,613,699</u>
NOTE 6 TRADE PAYABLES		
Sundry Creditors :		
For Goods	332,500,824	343,040,112
For Goods supplied by SSI units	39,509,230	49,017,533
	<u>372,010,054</u>	<u>392,057,645</u>
NOTE 7 CURRENT LIABILITIES		
Interest accrued but not due on GOI Loans	-	334,536,790
Interest Accrued and Due on MSMED	[Refer Note- 39]	327,931,943
Interest on advance from BSNL	318,578,588	305,793,588
Interest on advance from MTNL	252,272,607	236,805,902
Interest Accrued and Due	1,535,156,013	18,304,189,195
Advances from Customers [incl. Interest]	4,716,099,143	4,425,877,344
Statutory Dues	3,730,396,143	3,510,025,943
Liabilities For Expenses	1,144,833,041	1,987,111,966
Grant from GOI	32,281,697	28,226,299
Inter Unit Adjustment	[Refer Note- 38]	38,903,529
Security Deposits from Contractors	11,152,045	11,206,571
Employees Deposit Ex Gratia Adhoc	-	12,875
Unutilised GOI Loan refundable	-	85,970,484
Other Liabilities	922,712,472	835,308,877
	<u>12,702,385,279</u>	<u>30,431,901,306</u>
NOTE 8 SHORT TERM PROVISIONS :		
Provision for Employee Benefits	73,743,809	76,088,394
Provision for Gratuity	252,443	16,419,473
Provision for leave salary of VRS Employees	97,886,213	-
Provision for Sick Leave encashment	-	165,998,269
Provision for EL encashment	-	8,667,450
	<u>171,882,465</u>	<u>267,173,586</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 9 Fixed Asset

TANGIBLE ASSETS [Refer Note - 44 & 47]

	Freehold Land	Leasehold Land	Land Development	Factory & Office Building	Building Residential	Water Supply and Sanitation	Plant and Machinery	Railway Siding	Furniture, Fittings, Off. Equipments	Electrical Installation	Motor Car & Lorry	Fire Fighting Equipments	Telephone Installation	Road Roller	Computers	Total
COST																
As at 31-3-2016	3,106,801	6,234,561	27,681,219	253,717,795	138,844,610	33,869,626	4,042,436,167	1,258,907	78,873,316	138,556,471	4,708,815	78,207	2,619,279	-	10,539,523	4,742,525,297
Additions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,150	13,150
Transfer / Deductions / Adjustments	536	6,234,561	4,066,012	63,217,273	-	7,143,043	-	-	-	87,655,609	-	-	-	-	-	168,317,034
As at 31-3-2017	3,106,265	-	23,615,207	190,500,522	138,844,610	26,726,583	4,042,436,167	1,258,907	78,873,316	50,900,862	4,708,815	78,207	2,619,279	-	10,552,673	4,574,221,413
DEPRECIATION																
As at 31-3-2016	-	1,939,642	26,255,066	210,279,748	81,391,310	31,934,678	3,844,684,951	1,195,960	69,008,246	131,493,975	4,473,380	74,296	2,485,702	-	9,926,297	4,415,143,251
For the year	-	57,728	42,087	5,055,286	1,775,727	17,751	677,437	-	111,333	32,783	-	-	6,601	-	120,984	7,897,717
Impairment Loss	-	-	-	-	-	-	14,673,622	-	-	-	-	-	-	-	-	14,673,622
Transfer / Deductions / Adjustments	-	1,997,370	3,862,711	49,346,041	-	6,721,968	-	-	-	83,277,360	-	-	-	-	-	145,205,450
As at 31-3-2017	-	-	22,434,442	165,988,993	83,167,037	25,230,461	3,860,036,010	1,195,960	69,119,579	48,249,398	4,473,380	74,296	2,492,303	-	10,047,281	4,292,509,140
NET BLOCK																
As at 31-3-2016	3,106,801	4,294,919	1,426,153	43,438,047	57,453,300	1,934,948	197,751,216	62,947	9,865,070	7,062,496	235,435	3,911	133,577	-	613,226	327,382,046
As at 31-3-2017	3,106,265	-	1,180,765	24,511,529	55,677,573	1,496,122	182,400,157	62,947	9,753,737	2,651,464	235,435	3,911	126,976	-	505,392	281,712,274



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	<u>AS AT 31ST MARCH, 2017</u>		<u>AS AT 31ST MARCH, 2016</u>	
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
NON CURRENT ASSET :				
NOTE 10 CAPITAL WORK-IN-PROGRESS				
Modernisation, Expansion and Diversification Projects	170,866,133		170,866,133	
Materials and Advances against Capital works	3,310,251		3,310,251	
Expenditure during construction pending allocation	<u>359,283,517</u>	533,459,901	<u>359,283,517</u>	533,459,901
Less: Provision for Capital WIP	533,459,901		503,642,167	
Less: Provision for Advance Against Capital Works	<u>-</u>	533,459,901	<u>3,310,251</u>	506,952,418
		<u>-</u>		<u>26,507,483</u>
NOTE 11 LONG TERM LOANS AND ADVANCES				
Deposit & Advances against supplies				
incl. Advance recoverable in				
cash or kind or for value to be received :				
Secured	-		2,724,689	
Unsecured - Considered Good	34,297,680		41,207,184	
Unsecured - Considered Doubtful	<u>81,135,194</u>	115,432,874	<u>74,333,499</u>	118,265,372
Deposit with Customs, Port Authorities and				
Other Govt Department				
Considered Good	20,490,747		19,866,727	
Considered Doubtful	<u>20,050,831</u>	40,541,578	<u>21,767,100</u>	41,633,827
Less: Provision for Custom Duty	-		1,506,495	
Provision for Doubtful Loans and Advances	74,564,216		46,286,560	
Provision for FR & TR Charges Recoverable	24,088,240		24,088,240	
Provision for Foam Skin Insulated Cable M/C	4,576,410		4,576,410	
Provision for Unadjusted Dr Balance of S/Creditors	<u>20,483,076</u>	123,711,942	<u>19,642,894</u>	96,100,599
		<u>32,262,510</u>		<u>63,798,600</u>
CURRENT ASSETS				
NOTE 12 TRADE RECEIVABLES				
Debts Outstanding for more than 6 months				
Considered Good	9,706,552		190,239,026	
Considered Doubtful	<u>1,761,914,837</u>	1,771,621,389	<u>1,574,508,443</u>	1,764,747,469
Debts Outstanding for less than 6 months				
Considered Good	448,470		446,552	
Considered Doubtful	<u>-</u>	448,470	<u>-</u>	446,552
		1,772,069,859		1,765,194,021
Less: Provision for Doubtful Trade Receivables		<u>1,770,309,454</u>		<u>1,574,508,443</u>
		<u>1,760,405</u>		<u>190,685,578</u>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

		<u>AS AT 31ST MARCH, 2017</u>		<u>AS AT 31ST MARCH, 2016</u>	
		(Rs.)	(Rs.)	(Rs.)	(Rs.)
NOTE 13 INVENTORIES	[Refer Note 40]				
(i) Miscellaneous Stores (at cost)		69,337,341		69,357,729	
(ii) Small tools and spares -Others		34,552,435		34,887,850	
		<u>103,889,776</u>		<u>104,245,579</u>	
Less Loss due to natural hazards		90,840		355,803	
Less Provision for Slow/Non-Moving Stores		103,423,579		101,011,997	
		<u>375,357</u>		<u>2,877,779</u>	
(iii) Stock of Scrap Stores at cost or realisable value, whichever is lower		68,612,622		68,612,622	
Less Excise Duty		8,546,547		8,546,547	
less Provision for Scrap stores		59,617,590		59,617,590	
		<u>448,485</u>		<u>448,485</u>	
(iv) Raw Materials at cost		89,325,210		90,518,871	
(This includes inspection/in-transit)					
Less Loss due to natural hazards		2,085,050		1,193,660	
Less Provision for Stock		58,594,745		59,514,091	
Less Provision for Doubtful balanced with Fabricators		14,838,000		14,838,000	
Less Provision for Slow/Non-moving R.M		13,600,646		13,600,646	
		<u>206,769</u>		<u>1,372,474</u>	
(v) Finished Goods at cost or realisable value, whichever is lower		489,341		489,341	
Less Provision for Unusable FG		178,415		178,415	
		<u>310,926</u>		<u>310,926</u>	
(vi) Work-in-Progress at cost or realisable value, whichever is lower		166,399,014		166,462,014	
Less Loss due to natural hazards		2,654,000		63,000	
Less Provision for Unusable WIP		148,893,430		151,365,565	
		<u>14,851,584</u>		<u>15,033,449</u>	
		<u>16,193,121</u>		<u>20,043,113</u>	
NOTE 14 CASH & CASH EQUIVALENTS					
Cash on hand		11,576		731,042	
Stamps in hand		-	11,576	1,162	732,204
In Fixed Deposits with Scheduled Banks:					
Indian Overseas Bank		-		48,500,000	
BOI		682,874		2,473,869	
Allahabad Bank		2,037,872,917		126,268,867	
Canara Bank		20,349,293		-	
State Bank of India		<u>623,396</u>	2,059,528,480	<u>106,221,868</u>	283,464,604
In current Accounts with Scheduled Banks:					
Margin money with SBI		-		7,645,709	
State Bank of India (All branch)		36,408,856		3,771,676	
Bank of Baroda		100,000,000		1,000	
Bank Of India, (All branch)		53,471		7,369	
United Bank of India		22,966		75,330	
Canara Bank		15,967,838		257,714	
Allahabad Bank		953,329,570		1,568,461	
Indian Overseas Bank(All branch)		<u>309,640</u>	1,106,092,341	<u>33,448,692</u>	46,775,951
Remittance in transit		-		-	30,000
		<u>3,165,632,397</u>		<u>331,002,759</u>	

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	AS AT 31ST MARCH, 2017		AS AT 31ST MARCH, 2016	
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
NOTE 15 SHORT TERM LOANS AND ADVANCES				
Advance & Claims Recoverable		-		588,632
Surrender of Gratuity Policy(LIC)		106,456,836		-
Advance recoverable in cash or kind or for value to be received :				
Considered Good		585,712,113		69,458,261
Considered Doubtful		<u>83,706,705</u>		<u>88,384,536</u>
		775,875,654		158,431,429
Less: Provision for Doubtful Advance		<u>83,706,705</u>		<u>83,047,554</u>
		692,168,949		75,383,875
Balance with Customs/Central Excise		4,059,536		11,178
Deposit and Advances against Supplies		2,724,689		-
Less: Provision for Doubtful Advances		(6,784,225)		-
Advance Payment of Income Tax and TDS		<u>28,758,375</u>		<u>25,804,124</u>
		<u>720,927,324</u>		<u>101,199,177</u>
NOTE 16 OTHER INCOME				
Interest		29,018,472		16,814,146
Sale of Scrap		107,339		-
Miscellaneous Income		11,742,165		12,070,051
Profit on sale of Fixed Assets		<u>10,586,964</u>		<u>-</u>
		<u>51,454,940</u>		<u>28,884,197</u>
NOTE 17 COST OF MATERIAL CONSUMED				
A RAW MATERIALS CONSUMED				
Opening Stock	89,325,210		90,570,999	-
Less Materials awaiting inspection/in transit reversed/Theft	<u>785,680</u>	88,539,530	<u>785,680</u>	89,785,319
Add: Purchases / transfer - incidental Raw Material		<u>785,680</u>		<u>785,680</u>
		89,325,210		90,570,999
Less Loss due to natural hazards		2,085,050		1,193,660
Less: Closing Stock		<u>87,240,160</u>		<u>89,325,211</u>
		-		52,128
Less Transfer to Water Supply & Sanitation		-		<u>52,128</u>
		-		-
B STORES, SPARE PARTS AND SMALL TOOLS CONSUMED				
Opening Stock	103,889,777		104,250,317	
Less : Loss due to Fire	-		-	
Less : Material awaiting inspection/in-transit reversed/Theft/ damaged/ decayed	<u>4,892,568</u>	98,997,209	<u>4,892,568</u>	99,357,749
Add : Purchases (including Jointing Materials)		<u>5,500,975</u>		<u>5,390,392</u>
		104,498,184		104,748,141
Less : Loss due to natural hazards	90,840		355,803	
Less : Transferred to Power & Fuel	-		-	
Closing Stock	103,780,274		103,871,114	
Transfer - Incidental Raw Material	-		-	
Transfer to Other Repair & Maintenance	<u>627,070</u>	<u>104,498,184</u>	<u>521,224</u>	<u>104,748,141</u>
		-		-
TOTAL [A+B]		-		-
NOTE 18 CHANGES IN INVENTORY OF FINISHED GOODS, WIP & SCRAP				
<u>Opening Stock</u>				
Finished Goods	7,333,386		464,386	
Work in Progress	159,530,014		166,462,014	
Scrap	60,066,075		60,066,075	
Less: Loss due to fire	-	226,929,475	-	226,992,475
Less: <u>Closing Stock:</u>				
Finished Goods	464,386		464,386	
Work in Progress	166,399,014		166,399,014	
Loss due to natural disaster	-		63,000	
Scrap	60,066,075	<u>226,929,475</u>	60,066,075	<u>226,992,475</u>
Net (Increase)/ Decrease		-		-



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	AS AT 31ST MARCH, 2017 (Rs.)	(Rs.)	AS AT 31ST MARCH, 2016 (Rs.)	(Rs.)
NOTE 19 EMPLOYEES' REMUNERATION AND BENEFITS				
Salaries & Wages		715,018,887		681,445,752
Staff Welfare Expenses		106,056,439		75,423,853
Contribution to -				
Provident Funds & Other Funds		69,478,566		85,496,077
VRS Compensation		1,898,520,481		-
Expenditure on Earned Leave		61,460,281		1,391,147
Expenditure on Medical Leave		48,756,535		89,607
Provision for Earned Leave		928,454		27,648,066
Provision for Medical Leave		380,345		4,377,845
Provision for Leave Salary of Ex - employees		37,046,076		31,348,522
Gratuity		160,029,219		53,749,465
		3,097,675,284		960,970,334
NOTE 20 OTHER EXPENSES :				
A MANUFACTURING , ADMINISTRATION, SELLING AND DISTRIBUTION EXPENSES				
Power & Fuel		28,948,826		4,193,688
Electricity Charges		5,453,592		32,154,914
General Charges- Factory		10,630,589		12,116,483
R & D Expenses	[Refer Note - 32]	42,424,395		5,338,618
Repairs to :				
Buildings		20,691		35,487
Others		5,351,821	5,372,512	2,303,518
Insurance			338,147	318,186
Rates and Taxes			8,100,452	8,132,762
Rent			4,189,372	3,766,402
Travelling & Conveyance			4,175,049	3,417,511
Postage, Telegram & Telephone			517,788	1,106,074
Bank charges			239,050	98,837
Remuneration to Auditors :				
For Statutory Audit		200,600		133,800
For Tax Audit		29,500	230,100	133,800
Printing & Stationery			828,855	781,396
Payment to Land Displaced Persons			2,483,246	-
Interest to Others			181,367,515	-
Legal Expense			3,598,460	298,183
Minor Capital Works chargeable to revenue			-	55,300
Security Expenses			7,852,780	5,862,598
Penalty on Unpaid CED			66,725	-
Penalty on PF Contribution			55,171,344	-
Miscellaneous Expenses		23,248,859		12,518,166
		385,237,656		92,631,923
B (Profit)/Loss on sale of Fixed Asset				
Loss on Sale of Fixed Asset		23,115,481		-
		23,115,481		-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	<u>AS AT 31ST MARCH, 2017</u>	<u>AS AT 31ST MARCH, 2016</u>
	(Rs.)	(Rs.)
C PROVISIONS & WRITE OFF:		
Provision for Doubtful Debts	181,058,607	97,200,155
Provision for WIP	26,507,483	-
Provision for Slow moving Goods	-	7,500,000
For Doubtful Loans & Advances	28,481,997	12,361,567
For Doubtful Advance	10,000	-
For Unadjusted Debit Balance of Sundry Creditors	840,182	-
	<u>236,898,269</u>	<u>117,061,722</u>
D PRIOR PERIOD ADJUSTMENT:		
P.F	4,234,646	-
Other Income	(21,331,283)	(727,754)
Raw Materials, Stores and Spares	(2,064,096)	(1,471,990)
Employees Remuneration and Benefits	93,437	9,120
Other Expenses	(9,704,141)	447,151,302
Depreciation	(4,531)	-
WIP (Provision)	(2,521,300)	-
Central Excise Duty	-	(59,850)
	<u>(31,297,268)</u>	<u>444,900,828</u>
TOTAL [A+B+C+D]	<u>613,954,138</u>	<u>654,594,473</u>
NOTE 21 DEPRECIATION		
Depreciation on Tangible Assets	<u>7,615,885</u>	<u>47,414,709</u>
NOTE 22 FINANCE CHARGES :		
Interest on :		
Debtures	-	228,324,261
Bonds	-	780,411,952
Bank Borrowings	-	2,794,125,215
Govt. of India Loan	5,288,476,692	2,770,008,185
Guarantee fee to Govt. of India	-	1,921,293
Others	678,617,635	1,740,744,764
	<u>5,967,094,327</u>	<u>8,315,535,670</u>
NOTE 23 EXCEPTIONAL ITEMS [Refer Note - 51]		
Liability no longer required Written Back	33,139,101,437	5,948
Provision Written Back :		
For Earned Leave	-	8,002,629
For Sick Leave	-	2,053,990
For Doubtful Debt	-	10,056,619
Impairment Loss	(14,771,952)	-
Loss due to Natural Disaster	(4,829,890)	(1,612,463)
	<u>33,119,499,595</u>	<u>8,450,104</u>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	<u>2016-17</u> Rs. in Lacs	<u>2015-16</u> Rs. in Lacs
NOTE 24 Contingent liability not provided for :		
(a) Claims against the Company not acknowledged as debts		
Reimbursement to Govt. of Andhra Pradesh towards laying external pipelines for water supply to factory.	1.50	1.50
(b) Estimated amount of contracts remaining to be executed on Capital Account not provided for (net of advance)	8.21	8.21
(c) Other money for which the Company is contingently liable:		
i) Cases under Arbitration	807.44	899.92
ii) Other Court Cases	1743.71	1660.96
iii) Disputed Customs Duty Liability & port rent (including Custom Duty)	949.29	929.55
iv) Arrear against pay revision (including PF)	1771.00	1773.05
v) Proposal for levy of Damages u/s 14B of the EPF & MP Act, 1952	175.28	1196.53
vi) Disputed interest liability to MMTC pending negotiation	0.00	273.78
vii) Claim of a contractor under subjudice	24.25	24.25
viii) Case pertaining to Bank of Baroda vs HCL	0.00	3425.84
ix) Disputed claim of subcontractor/ Supplier/ Consultant	58.50	58.5
x) Estimated amount of Excise Duty and interest thereon , not provided for	2891.35	2333.44
xi) Balance Gratuity awarded to V.R Employees by Asst Labour Commissioner	10.92	10.92
xii) Demand Notice (Income Tax) Year wise not provided for :		
Financial Year 2009-10	0.72	Nil
Financial Year 2010-11	23.10	Nil
Financial Year 2012-13	1.76	Nil
xiii) Legal cases pending in courts (Staff/ others)	2729.62	2628.57
xiv) ESI & CC To ESI (Employees)	14.48	0
xv) ESI (Land Displaced Persons up to 31.03.2017)	10.66	0
d) In none of the cases cash outflow is envisaged at this point of time as assessed by the management.		
e) There are other court cases with Civil/High court of Allahabad not acknowledged by the Company (27 nos.) involving HCL , pending from the earlier years for which reliable estimate of the liability could not be made nor any probable cash outflow is envisaged at this point of time.		
f) Arbitration awards in 3 cases amounting to Rs 74.36 Lacs has gone against the Company for which the Company is thinking to file Court Case for redressal.		

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
NOTE 25

	Dry Core Cable (incl Aluminium Sheathed Cables)	Jelly Filled Cables	Copper Coated Steel Wires	Coil Cord & Computer Cord	Fibre Optic Cables	Systems/ Accessories jointing Materials	Special Purpose Machines	Turnkey Services	Tool, Cutter Grinder & Others
a) LICENSED CAPACITY	NA	NA	NA	NA	NA	NA	NA	NA	NA
b) INSTALLED CAPACITY (As certified by Management)	1200 KM 1LCKM (1200 KM) (1 LCKM)	75700 KM 119.57 LCKM (75700 KM) (119.57 LCKM)	NIL (NIL)	2.5 Million Sets (2.5 Million) Sets	55080 FKM (55080 FKM)	- - -	24 NO. (24 NO.)		24 NO. (24 NO.)
c) Actual Production	-	-	-	-	-	-	-	-	-
Quantity in LKM	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Quantity in LCKM/TKM/MT/FKM/ SETS	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Value (Rs. in Lacs)	-	-	-	-	-	-	-	-	-
Value (Rs. in Lacs)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
d) The Opening and Closing Stock of Goods Produced									
i) Opening Quantity in LKM	-	-	-	-	-	-	-	-	-
Quantity in LCKM/TKM/MT/FKM	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Value (Rs. in Lacs)	-	-	1.60	-	-	-	-	-	-
	(-)	(-)	(1.60)	(-)	(-)	(-)	(-)	(-)	(-)
	-	-	3.28	-	-	-	-	-	1.62
	(-)	(-)	(3.28)	(-)	(-)	(194.97)	(-)	(-)	(1.62)
ii) Closing Quantity in LKM	-	-	(-)	-	-	-	-	-	-
Quantity in LCKM/TKM/MT/FKM/ SETS	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Value (Rs. in Lacs)	-	-	1.60	-	-	-	-	-	-
	(-)	(-)	(1.60)	(-)	(-)	(-)	(-)	(-)	(-)
	-	-	3.28	-	-	-	-	-	1.62
	(-)	(-)	(3.28)	(-)	(-)	(194.97)	(-)	(-)	(1.62)
e) Turnover									
Quantity in LKM	-	-	-	-	-	-	-	-	-
Quantity in LCKM/TKM/MT/FKM	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Value (Rs. in Lacs)	-	-	-	-	-	-	-	-	-
Including C.E. Duty	(-)	(-)	(-)	(-)	(-)	(-)	(-)	-	(-)

Quantities of opening and closing balances are taken net of scrapped quantity.
Previous year figures are given in bracket ().

NOTE 26 Value of important basic Raw Materials Consumed (as per cost Records)

	Jelly Filled Cables		Coil Cord		Machine Tool Works		Previous year	
	Quantity (in MT)	Value (Rs. in Lacs)	Quantity (in MT)	Value (Rs. in Lacs)	Quantity (in MT)	Value (Rs. in Lacs)	Quantity (in MT)	Value (Rs. in Lacs)
Copper Wires/Rod	-	-					-	-
Galvanised Steel Tape	-	-					-	-
Polyester Tape	-	-					-	-
Polythene (BN, BW & Black)	-	-					-	-
Polyal Tape/Laminate	-	-					-	-
Petroleum Jelly	-	-					-	-
LDPE	-	-					-	-
MDPE	-	-					-	-
Cadmium Copper			-	-			-	-
Modular Plugs (Pairs)			-	-			-	-
PVC Sheathing			-	-			-	-
Others	-	-					-	-
Polyester Film	-	-					-	-
H.F. Tape (Roll)					-	-	-	-
TOTAL		-		-		-		



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 27

		Raw Materials	Components & Spares	Capital Goods	
(A) Value of Imports calculated on C.I.F basis during the financial year	2016-17 2015-16	- -	- -	- -	
		Royalty / Know-how	Professional/ Consultation fees	Interest & Other charges	
(B) Expenditure in Foreign Currency during the year on account of --	2016-17 2015-16	- -	- -	- -	
		Raw Materials Value	% of total Consumption	Components & Spares Value	% of total Consumption
(C) i) Consumption of imported materials during the year	2016-17	-	0.00%	-	0.00%
	2015-16	-	0.00%	-	0.00%
ii) Consumption of indigenous materials during the year including Jointing Materials	2016-17 2015-16	- -	0.00% 0.00%	0 0.00	100.00% 100.00%
		Amount (RS.)	No. of Non-resident Shareholders	No. of Shares held by them	
(D) The Amount remitted during the year in foreign currency on account of dividend	2016-17 2015-16	- -	- -	- -	
		Export of goods calculated on F.O.B basis	Royalty, Know-how & Professional Consultation Fees	Interest & Dividends	
(E) Earnings in Foreign Exchange (Accrual Basis)	2016-17 2015-16	- -	- -	- -	
5 Miscellaneous Expenditure & Salary and Wages include an aggregate amount of Rs 6.38 Lacs incurred towards Publicity & Public Relations (Previous year Rs 7.30 Lacs)			2016-17 Rs. in Lacs	2015-16 Rs. in Lacs	
6 Expenditure on employees who :					
i) If employed throughout the financial year and were in receipt of remuneration for that year which in aggregate were not less than Rs. 24 Lacs p.a.			NIL	NIL	
ii) If employed for a part of the financial year and were in receipt of remuneration of not less than Rs. 2 lac p.m.			NIL	NIL	

NOTE 28 The following expenditure were incurred during the year as social overhead which are included in the Profit and Loss Account under the relevant heads :

(a) Expenditure (Net) on township (excluding interest charges on building)	343.76	606.88
(b) Expenditure on Schools	85.53	112.32
(c) Medical expenditure	298.45	590.16
(d) Subsidies in regard to social and cultural activities	0.29	0.33

NOTE 29 Directors' Remuneration

The salary and allowances (including HRA & CCA) paid to KM Personnel under AS-18 considered as a related party transaction during the year is as under :

Pay [Basic + DA]	0.00	0.00
Allowance	0.00	0.00
Perquisites & Benefits	0.00	0.00
P.F & Others	0.00	0.00
Total	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

- NOTE 30** i) Trade Receivables include a sum of Rs 17651.94 Lacs (previous year Rs.17651.94 Lacs) which is pending for settlement with BSNL & MTNL for long period. However the Corporate Marketing Department of the Company is regularly persuing the matter. However, the provision for said amount has already been made in financial statements.
ii) Trade Receivables of FOU includes an amount of Rs 86.56 Lacs on account of liquidated damages on PIJF cable. Company has filed an appeal centrally for refund of the said amount from BSNL and provision has been made their against.
iii) Trade Receivables of Hyderabad Unit includes a sum of Rs 699 Lacs (previous year Rs 699 Lacs) being realisable pending reconciliation. The Company is regularly persuing the matter. However, the provision for said amount has already been made in financial statements.
- NOTE 31** Government. of Andhra Pradesh has sanctioned sales tax deferrment amounting to Rs.832.33 Lacs which has been availed by the Company between 1996-97 to 1999-2000 and is included in Statutory dues under Current Liabilities. The amount is repayable after 10 years.
- NOTE 32** Research & Development Expenditure of Rs.424.21 Lacs (previous year Rs 116.82 Lacs) allocated by R & D Unit includes depreciation of Rs. 2.82 Lacs (previous year Rs.2.876 Lacs) which has been charged to depreciation while consolidating.
- NOTE 33** Loan from IFCI amounting to Rs. 71960.44 Lacs including interest has been settled through OTS by an amount of Rs. 6300.00 Lacs. Loan from BOB is treated as unsecured as no debtors against which the loan was sanctioned are outstanding and no other charges has been created in favour of BoB against these dues. Outstanding amount of BoB is Rs. 1165.64 Lacs out of which we have written back of Rs. 865.64 Lacs as BoB agreed to settle the total dues at RS.300.00 Lacs vide their letter no. BOB:ARMB:HCL:H-6:2017-18/71 dated 03.08.2017.
- NOTE 34** a) In terms of the directive of the Ministry of Heavy Industries & Public Enterprises relating to revision of pay of 1997 of the employees of the FOU, the payment of arrear salary & wages shall be made only out of the generation of internal resources. As such, no provision has been made at this stage and the same estimated at Rs 55.29 Lacs (previous years it was Rs. 55.29 Lacs). except Rupnarainpur Unit.
b) In terms of the directives of DHI dated 28-09-06 and 10.01.07 recovery was effected to the extent of 25% of the arrear paid/advance given on account of pay scale revision of all the employees of the Company. Subsequently, the Hon'ble High Court of Andhra Pradesh issued an interim stay order dated 19.6.07 passed in WPMP no. 15791 of 2007 in W.P No. 12646 of 2007 directing not to implement the recovery of such arrear . As such the amount so recovered earlier of Rs 222.85 Lacs has been booked in the current liability.
- NOTE 35** Physical verification of inventory was carried out during the FY 2016-17 in all the Units by the independent agency for the purpose of ascertaining the amount of Reserve Price for the sale of Inventories.
- NOTE 36** The changes in Accounting Policy in respect of Revenue Expenditure during contributions and Research & Development have no financial impact.
- NOTE 37** The Company became a sick industrial Company within the meaning of Clause "O" of sub-section (l) of section (3) of SICA, 1985 for which reference was made to BIFR u/s 15(1) of the Act in November, 2002. Since then the Company has been incurring cash losses in all financial years including the current year. However, the accounts have been prepared on going concern basis.
- NOTE 38** Inter Unit balance of Rs 379.83 Lacs of Pilot Plant and Rs 9.21 Lacs of TKP Division were under reconciliation and suitable adjustment will be made on reconciliation.
(a) Sales and Services include Central Excise Duty and Freight Charges.
(b) The materials supplied by customers are included in Stores and Spares consumed as well as in Sales.
- NOTE 39** The Company has identified the MSMED parties as per "The Micro, Small and Medium Enterprises Development Act 2006" as already paid their dues through negotiation in the FY 2017-18 excepting few cases.
- NOTE 40** In respect of Rupnarianpur unit -
a) The Company have sold all the inventories through MSTC by bidding process in the subsequent year before signing of the financial statement and the price realised is more than the book value.
In respect of other units of the Company -
b) The Company have sold all the inventories through MSTC by bidding process the fund realising less than book value.
- NOTE 41** For Evaluation of loss incurred on account of Impairment of Assets as required under AS-28, a committee of senior executives from technical & finance wing of the Rupnarianpur unit has already been set up. The committee is yet to submit their report considering the volume and technicalities of the job. Necessary adjustment on this account will be provided on consideration of report from the committee. However, during the year all the assets whose useful life as per the provisions of Schedule II of the Companies Act, 2013 became nil as on 01.04.2016 have been fully depreciated by remaining book value after retaining 5% of its original cost as residual value.
- NOTE 42** Dues assesed under section 7A of the EPF & MP Act, 1952 by RPFC/SRO/DGP along with interest thereon upto 31.03.2017 has been considered as Statutory Liabilities though appeal is pending at EPFAT, New Delhi
- NOTE 43** Miscellaneous Expenditure & Salary and Wages include an aggregate amount of Rs. 4.92 Lacs incurred towards Publicity and Public Relations (Previous year Rs. 23.21 Lacs)
- NOTE 44** As per the provisions of Schedule II of the Companies Act, 2013, depreciation for the year ended 31.03.2017 has been provided on the basis of useful life of the assets.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 45 As per AS15 Employee Benefit, the disclosure of the employees' benefit defined in the Accountancy Standard are given below:

- As per direction of DHI, the Company had given options to the employees for VRS. The employees opted the VRS scheme and the amount of Gratuity, Leave Salary has been paid except the 125 employees who opted the scheme for absorption in Nael by order of DHI. The amount of Gratuity and Leave encashment have been transferred to NAEI.

NOTE 46 Debenture Redemption Reserve of Rs. 1675.04 Lacs and Bond Redemption Reserve of Rs. 3997.13 Lacs has been transferred to General Reserves as the Debenture and Bond amount has been settled through OTS.

NOTE 47 The amount of Gratuity liability has been paid through fund provided by the Govt. of India.

The amount of Gratuity will be received from LIC. The same is shown as amount receivable from LIC of amount Rs.6820.01 Lacs. On the basis of surrendered value of the policies as on 31.03.2017.

NOTE 48 As per the order of DHI OM 1(8)/2016-PE-II dated 14.02.2016, Naini Unit of Hindustan Cables Limited has been transferred to Naini Aerospace Limited (NAEL) w.e.f. 01.02.2017. The transfer has been made on itemised basis ie. 125 personnel, who did not applied for VR, 13 Land Displaced persons, Land 52.62 acres at Factory premises, Building constructed on Factory Premises' land, water and electricity installations for a consideration of Rs.101.00 only.

NOTE 49 As per DHI's letter no. 1(13)/2003-PE-II (Vol.X) dated 6th October, 2016 with respect to closure of HCL by relieving all the employees for implementation of approved Roadmap for closure of CPSEs under DHI. This would be achieved by offering attractive VRS/VSS package, retrenchment of the employees not opting VRS/VSS under Industrial Disputes Act, 1947 (IDA), settlement of all employee related liabilities including payment of salary and wages from April 2015 till they are separated from the Company.

NOTE 50 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. 131188.48 Lacs of principal and Rs.181660.97 Lacs of interest totalling to Rs. 312849.45 Lacs. Additional interest of Rs. 56348.04 Lacs 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.258.50 crores and Rs.141.50 crores totalling to Rs.400.00 crores. The said amount was utilised for OTS of the dues to secured lenders and payment of part of pending salary, wages and statutory dues. Further during the year the Company has received sanction of cash infusion in the form of non-plan equity amounting to Rs.164.13 crores, Rs.469.32 crores, Rs. 21.48 crores and Rs.8.66 crores. These amounts were utilised 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.

In view of above entire amount of Rs.4,75,556.49 Lacs has been shown as share application money pending allotment to GOI.

A table containing sanction order Nos., date, etc. is given below:

Particulars				Amount in INR (Lacs)
GOI Principal Loan Amount as on 1st April, 2016				131,188.48
Interest on Loan Accrued and Due as on 1st April, 2016				181,660.97
Interest on Loan Accrued and Due for 2016 -17				52,259.43
Interest on Loan Accrued but Not Due for 2016 -17				4,088.61
Total				369,197.49
Loan/Equity Amount Received during 2016 -17				
Sl No.	GOI Order	Order Date	Nature	Amount in INR (Lacs)
1	No.1(16)/2015-PEII(I)	30.09.2016	Non-plan loan	25,850.00
2	No.1(16)/2015-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(IV)	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				106,359.00
Grand Total				475,556.49

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 51 Exceptional items

- i) Loss due to natural hazards being booked amounting to Rs. 49.29 Lacs
- ii) Depreciated Plant & Machineries of Book value 391.07 Lacs and salvaged inventories of book value Rs. 6.64 Lacs have been sold through auction vide sale order MSTC/LKO/17-18/378 dated 13/07/2017 for a consideration of Rs. 250 Lacs. A provision of Rs. 0.98 Lacs has been made on account of slow/ non-moving item for salvaged inventories sold impairment loss of Rs. 146.74 Lacs has been booked for salvaged plant & machineries sold
- iii) Based on the order of Government of India, the Company has gone for OTS with banks and based on that the Company during the year has reversed Rs. 324056.34 Lacs on account interest accrued and due which has been shown as exceptional item.
- iv) Few sundry creditors' liabilities of Rs. 7334.68 Lacs have been written back at a subsequent to Balance Sheet date as agreed under OTS with such creditors.

NOTE 52 During the year, the Company had specified Bank Notes or other Denomination Notes as defined in the MCA notification. G.S.R. 308(E) dated March 30, 2017 on the details of specified Notes(SBN) held and Transacted during the period from November 08 , 2016 to December 30, 2016 . The denomination wise SBN's and other Notes as per the notification is given below :

Amount In Rs

Particulars	SBNs	Other denomination	Total
Closing cash in hand as on 08.11.2016	181,500	137,224	318,724
(+) Permitted receipts	-	622,212	622,212
(+) Non Permitted receipts	151,000	-	151,000
(-) Permitted payments	-	607,243	607,243
(-) Non Permitted payments	104,500		104,500
(-) Amount deposited in Banks	228,000	270	228,270
Closing cash in hand as on 30.12.2016	-	151,923	151,923

NOTE 53 Closing balances of Sundry Debtors, Sundry Creditors, Advance to Contractors and Suppliers etc. are net of adjustment and subject to confirmation and reconciliation.

NOTE 54 The amount involved in Other Liability includes an amount of Rs. 76.48 Lacs arising due to invocation of Bank Guarantee issued by M/s REPL in earlier year against Jointing Kits Project of Rupnarainpur Unit under Capital Work in Progress for which adjustmet has not been made in Books of Accounts.

NOTE 55 Information pursuant to AS - 18 ""Related Party Transactions""There are no transactions with the related parties during the year.

NOTE 56 In case of Hydreabad Unit, The District Collector of Ranga Reddy vide order file no. G2/7278/2015, dated 12th September, 2016 has acquired HCL, Hyderabad unit land to an extent of Ac0-12 1/2 guntas for extension of MMTS Phase-II project for consideration of Rs. 1.06 crore.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 57 The segment wise details of turnover and profitability are given below:

[Rs in Lacs]

	TELECOM CABLE		TURNKEY PROJECTS		UNALLOCATED		TOTAL	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
1 SEGMENT REVENUE								
Net Sales	-	-	-	-	-	-	-	-
Less: Inter Segment Revenue	-	-	-	-	-	-	-	-
Net Sales/ Income from Operations	-	-	-	-	-	-	-	-
2 SEGMENT RESULTS								
Profit/(Loss) before Interest & Tax	238,781.03	(16,117.69)	(4,016.79)	(218.94)	372.32	(83,155.36)	235,136.56	(99,491.99)
Less:								
(i) Interest					290.42	80.17	290.42	80.17
(ii) Other un-allocable expenditure net of un- allocable income					-	-	-	-
TOTAL PROFIT/(LOSS) BEFORE TAX	238,781.03	(16,117.69)	(4,016.79)	(218.94)	81.90	(83,075.19)	234,846.14	(99,411.82)
Provision for Taxation	-	-	-	-	-	-	-	-
TOTAL PROFIT/(LOSS) AFTER TAX	238,781.03	(16,117.69)	(4,016.79)	(218.94)	81.90	(83,075.19)	234,846.14	(99,411.82)
3 OTHER INFORMATION								
Segment Assets	9,660.39	7,772.23	377.21	1,231.73	32,147.27	1,602.23	42,184.87	10,606.19
Segment Liabilities	114,502.76	707,578.61	2,020.97	7,941.34	17,417.92	97,245.64	133,941.65	812,765.59
Capital Expenditure	-	1.16	-	-	-	0.17	-	1.33
Depreciation	73.72	471.71	-	-	5.26	2.44	78.98	474.15
Non cash expenditure other than depreciation	-	-	-	-	-	-	-	-

NOTE 58 Calculation of Earning per Share :

	2016-17	2015-16
Profit/(Loss) as per Profit & Loss A/c (in Rs)	23,484,614,901	(9,941,180,885)
No. of Shares	419,361,125	419,361,125
Earning per share	56.00	-23.71

NOTE 59 The figures for the previous year have been rearranged and regrouped wherever necessary.

In terms of our report of even date.

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

CA SUMIT KUMAR RAJGARHIA
Partner
Membership No. - 068270

Place : Kolkata
Dated: 22nd August, 2017

R.C.SEN
Chairman & Managing Director
DIN - 07131320
HINDUSTAN CABLES LIMITED
Regd. & Corporate Office
1/315, Gariahat Road
Kolkata - 700 068

AMAL KR BOSE
Advisor(HOC)
HINDUSTAN CABLES LIMITED
Regd. & Corporate Office
1/315, Gariahat Road
Kolkata - 700 068

BALANCE SHEET ABSTRACT AND COMANY'S GENERAL BUSINESS PROFILE

I. REGISTRATION DETAILS

REGISTRATION NO, State Code
 216 of 1952-53

BALANCE SHEET DATE
 Date Month Year

II. Capital raised during the period (Amount in Rs. Thousand)

Public Issue
 Bonus Issue
 Rights Issue
 Private Placement

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousand)

Total Liabilities
 Sources of funds Paid-up Capital
 Secured Loans
 Total Assets
 Reserves & Surplus
 Unsecured Loans
 Application of Funds
 Net Fixed Assets
 Investments
 Net Current Assets
 Misc. Expenditure
 Accumulated Losses

IV. Performance of Company (Amount in Rs. Thousands)

Turnover
 Total Expenditure
 Profit /Loss Before Tax
 Profit /Loss after Tax
 Please tick appropriate box+ for Profit – for Loss
 Earning per Share in Rs.
 Dividend rate %

V. Generic Names of Three Principal Products/ Services of Company (as per monetary terms)

Item Code No.
 Product Description:
 Item Code No.
 Product Description:



HINDUSTAN CABLES LIMITED

(A Govt. of India Undertaking)

(Under the Ministry of Heavy Industries & Public Enterprises)

Website : www.hindcables.gov.in

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Kolkata - 700 068

STD Code : (033)

Phone : 2473 5021

Email: cmdhckol@gmail.com

Rupnarainpur Unit

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Rupnarainpur - 713 335
Dist. Burdwan (W.B.)
Grams : HICABLES
STD Code : (0341)
Tel : 2532 784
Email: hicabrup@bsnl.in

Hyderabad Unit

P.O. Hindustan Cables
Hyderabad - 500 051
Stete : TELENGANA
Grams : HICABLES
STD Code : (040)
Tel : 2712-3534
Fax : 2712-1419
Email: hindustan_cables@yahoo.com

Machine Tool Works, Narendrapur

P. O. Narendrapur
Dist. 24 Parganas (S), West Bengal
PIN : 743 508

Research & Development Centre

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