

32nd
Annual Report
2014-15

HSCC (India) Ltd.

(A Govt. of India Enterprise)
(A Mini Ratna Company)

DIVIDEND PAYING CEREMONY 2014-15



Shri Gyanesh Pandey, CMD , HSCC presented a dividend cheque amounting to Rs. 4.92 crores (being 205% of the paid up capital) to the Hon'ble Minister of Health and Family Welfare , Shri Jagat Prakash Nadda in the presence of Shri Bhanu Pratap Sharma, Secretary (Health and Family Welfare) on 4th Nov., 2015. Dr. (Prof.) Jagdish Prasad, DGHS; Shri Arun Panda, Additional Secretary, Smt. Vijaya Srivastava, Additional Secretary & FA, Dr. Rakesh Kumar, Joint Secretary, Shri Anshu Prakash, Joint Secretary, Shri K. C. Samria, Joint Secretary along with Shri S. K. Jain, Director (Engg.), Shri S. C. Garg, CGM, Projects were present on this occasion.



Shri Jagat Prakash Nadda

Hon'ble Union Minister
for
Health & Family Welfare



Shri Shripad Yesso Naik

Hon'ble Minister of State
for
Health & Family Welfare



Shri Bhanu Pratap Sharma
Hon'ble Secretary
for
Health & Family Welfare

BOARD OF DIRECTORS



Shri Gyanesh Pandey
Chairman & Managing Director



Smt. Vijaya Srivastava
Additional Secretary & Financial Advisor
Ministry of Health & Family Welfare



Shri K.C. Samria
Joint Secretary
Ministry of Health & Family Welfare



Shri S. K. Jain
Director (Engineering)



Shri Debidas Datta
Part-Time Non-Official Director



CA Anil A. Masand
Part-Time Non-Official Director



Prof. Sushil
Part-Time Non-Official Director

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FROM CMD

To Esteemed Shareholders,

On behalf of the Board of Directors of HSCC, it gives me immense pleasure to welcome all of you at this 32nd Annual General Meeting of your Company. I take this opportunity to extend sincere thanks to you for joining us today and your unstinted support, provided to the Company during the year.

The Director's Report and the Annual Audited Accounts for the year 2014-15 are already with you, and with your permission I take them as read.

Review of Performance

As you would have seen in the Annual Report, during Financial Year 2014-15 we set new records with strong top line and bottom line growth and high quality earnings, reflecting the robustness of its Corporate Strategy of creating fast growth drivers. This performance is particularly remarkable when viewed against the backdrop of the extremely challenging business context in which it was achieved, namely, a slowdown in the economy and high levels of inflation.

I am glad to report that your Company has posted impressive performance for the year ended on 31st March 2015.

The Company recorded the highest ever Total Income, Consultancy Fees, Profit Before Tax, Profit After Tax and Reserve & Surplus.

I am pleased to place before the shareholders that during Financial Year 2014-15, the Total Income has achieved at Rs. 63.85 Crore as compared to Rs. 60.45 Crore in the previous year posting 5.62% growth. The Company earned Consultancy Fees of Rs. 42.28 Crore as compared to 39.19 Crore for previous year resulting 7.88% growth, which is higher than average industrial growth in India.

The Company posted pre-tax profit of Rs.37.95 Crore as against Rs.37.14 Crore during previous year. Thus company achieved 2.18% growth in pre-tax profits for the year 2014-15. The Company earned Net Profit of Rs.24.54 Crore as compared to 23.98 Crore earned in previous year posting 2.34% growth.

I am pleased to inform you that Company has recommended 205% dividend on paid up capital amounting to Rs. 4.92 Crore out of Current year's profit for the year 2014-15. This is the 31th consecutive year the company declared the dividend. Upon paying this year's dividend, cumulative dividend paid to Government of India would be Rs.40.42 Crore around 17 times of current paid up equity capital of the Company.

On-going Projects

The Company was awarded with highest ever work for providing consultancy services for Design & Engineering, Project and Procurement Management for various prestigious & challenging projects during the reported year from the MOH&FW, its Institutes, State Governments and some of them on against open bidding.

Mini Ratna Status

HSCC has earned the distinction of maintaining its Mini Ratna-II status from September 2002 onwards and now qualified for Mini Ratna-I status and applied accordingly. The same is under persuasion.

MOU

Top Management is striving to achieve sustained growth in turnover as well as in pre-tax profits continually through strategic interventions like cost-control, optimum utilization of resources and system improvements. The Company has achieved "Excellent" Rating under the Memorandum of Understanding (MOU) for the year 2013-14 signed with



the Ministry of Health & Family Welfare as per guidelines of Department of Public Enterprises (DPE), Government of India. This is the seventh consecutive year in which company rated "Excellent". Further, based on results, for the year 2014-15, the Company expects to get Excellent rating as per MOU evaluation.

Corporate Social Responsibility

The Company being in the field of Health Care, all its activities and operations are indirectly dedicated towards the social responsibility. During the year 2014-15, the company has contributed Rs. 40 Lakh towards Clean Ganga Fund under Swachh Bharat Kosh and Rs. 20 thousand for Blood Donation Camp.

Global Business

Your Company has also been exploring business opportunities abroad through Ministry of External Affairs in the SAARC Group of Countries.

Growth Vision

To be a leading consulting company providing value-added, innovative and integrated services for enhancing healthcare in India and overseas, leveraging its core competence in other infrastructure projects and providing an invigorating and enabling work environment to its professional employees.

In order to develop into a world class Consultancy Organization, thrust is on diversifying and expanding the operations such as Building Engineering and Maintenance Services and also the client base of the Company.

Corporate Governance

The philosophy of the Company is to ensure transparency in its dealings and compliance of country's laws and regulations in order to promote ethical conduct of business. i.e. observing, transparency, integrity, professionalism, accountability and proper disclosure.

Acknowledgement

In conclusion, On behalf of the Board of Directors and on my own behalf, I extend sincere thanks for the valuable guidance, support and Co-operation extended to the Company by the Ministry of Health & Family Welfare, Ministry of External Affairs and Stakeholders. I thank all our esteemed shareholders for their continued support, whose trust and confidence are pillars of strength in our entire endeavour.

I also place on record my sincere thanks to all our valuable Clients - Ministry of Health & Family Welfare, Ministry of External Affairs, AIIMS, PGI Chandigarh, Govt. of Punjab & Haryana, Govt. of Kerala, Govt. of Himachal Pradesh, Govt. of Chhattisgarh, Govt. of Uttar Pradesh and other Business Associates for the continuous support and reposing confidence in us. The Company, as always, will remain focused on Customer Satisfaction.

I also like to thank the CAG, Statutory Auditors and Internal Auditors of the Company for their valuable co-operation.

I place on record the appreciation to the hard work, commitment and unstinting efforts put in by your Company's employees at all levels.

In return to your Co-operation and support extended to me, I promise to take your company to new and commanding heights.

Thanking you,

(Gyanesh Pandey)
Chairman and Managing Director

Place: - New Delhi
Dated: - 02.11.15

VISION, MISSION, CORPORATE VALUE & CORPORATE QUALITY POLICY

VISION

“To be a leading consulting company providing value-added, innovative and integrated services for enhancing healthcare in India and overseas, leveraging its core competence in other infrastructure projects and providing an invigorating and enabling work environment to its professional employees.”

MISSION

“Providing comprehensive, concept to commissioning, project planning, architectural, engineering, project management, procurement and related consulting services for development of buildings and infrastructure for healthcare and other purposes in India and overseas.”

CORPORATE VALUES

- Focus on value addition to the customer
- Fostering Creativity and innovation within the organization
- Create a learning organization
- Team Spirit as the enabler for all our activities

CORPORATE QUALITY POLICY

To maintain leadership and customer confidence by providing continually improving quality consultancy services in the Healthcare and other Social Sectors.

SERVICE SPECTRUM

CONCEPTUAL STUDIES & MANAGEMENT CONSULTANCY

- Baseline Surveys & Economic Studies
- Epidemiological Survey
- Systems Planning
- Feasibility Studies
- Restructuring/Reorganization Studies
- Evaluation Studies

PROCUREMENT

- Drugs & Pharmaceuticals
- Medical Equipment
- Other Equipment
- Communication Systems
- Appliances
- Furniture & Fixture

PROJECT MANAGEMENT

- Project Planning including Selection of Contractors & award of work
- Project Monitoring
- Quality Control
- Construction Supervision
- Contract Administration
- Financial Control

FACILITY DESIGN

- Conceptual Designs
- Basic Design
- Architectural Design/Plans
- Engineering Designs
- Equipment Planning
- Waste Management
- Design Coordination

ENGINEERING STUDIES

- Renovation/Rehabilitation
- Modernization/Up-gradation
- Expansion
- Productivity/Efficiency Improvement

LOGISTICS & INSTALLATION

- Transportation
- Clearing & Forwarding
- Site Delivery
- Installation
- Testing & Commissioning
- Training

INFORMATION TECHNOLOGY

- Health MIS
- System Integration

NOTICE

No. HSCC/AGM/32nd/2015

Dated : 27.10.2015

It is hereby informed that **32nd ANNUAL GENERAL MEETING of the Members of the HSCC (INDIA) LIMITED is now to be held at 12.30 PM on Monday, the 2nd November, 2015, in the Committee Room No. 155, A Wing, First Floor, at MOH&FW, Nirman Bhawan, New Delhi to transact the following business:**

ORDINARY BUSINESS

1. To receive and adopt the Audited Balance Sheet as at 31.03.2015, the statement of Profit & Loss Account and Cash Flow Statement of the Company for the year ended as on that date, Report of Statutory Auditors thereon, comments of the Comptroller & Auditor General of India along with the Directors' Report.
2. To declare dividend for the Financial Year 2014-15.

BY ORDER OF THE BOARD

(Ravindra Kumar Pathak)
DGM (F&A) & CS

Place : New Delhi

To,

1. All Shareholders of the Company.
2. Board of Director of the Company.
3. Statutory Auditors of the Company.

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 a proxy need not be a Member of the Company.
2. Ms. Vijaya Srivastava, AS&FA, MOH&FW appointed as Part-time official Director on the Board of HSCC in place of Shri Gautam Guha vide MOH&FW letter dated 19.02.2015.

PERFORMANCE AT A GLANCE

The Company has yet again posted excellent results for the year ending 31.03.2015 with highest turnover of Rs. 6385 lakhs and the highest ever profit after tax Rs. 2454 lakhs.

The Company incorporated in 1983 with a paid up capital of Rs. 40 lakhs and later on issued bonus shares of Rs. 200 lakhs out of its Reserves & Surpluses resulting in increase of paid up capital to Rs. 240 lakhs. The Net Worth has been touched to Rs. 13933 lakhs as on 31.03.2015.

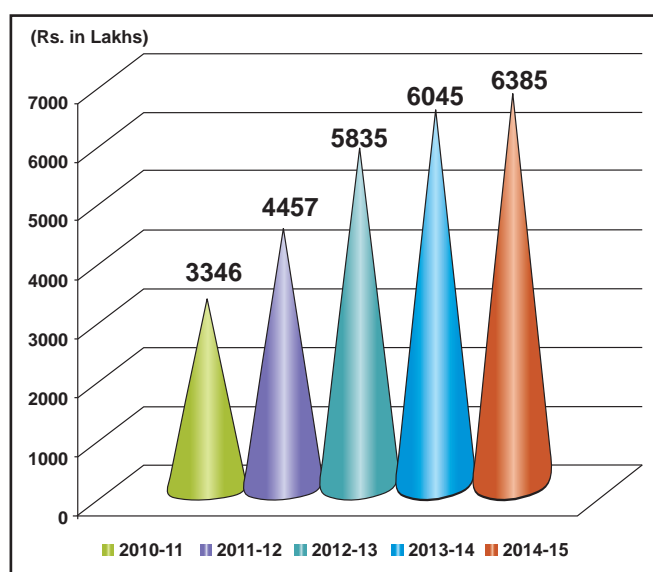
The objectives and strategies of HSCC are designed to significantly enhance Net Worth through business growth that drives higher revenue and profits as well as strong sustained free cash flow generation. In this way we will enhance company's value while at the same time maintaining a strong balance sheet and attractive dividend to shareholders.

We will continue to evolve as a best service provider in healthcare sector with both quality and timing factor, offering distinctive and innovative services that delight our clients.

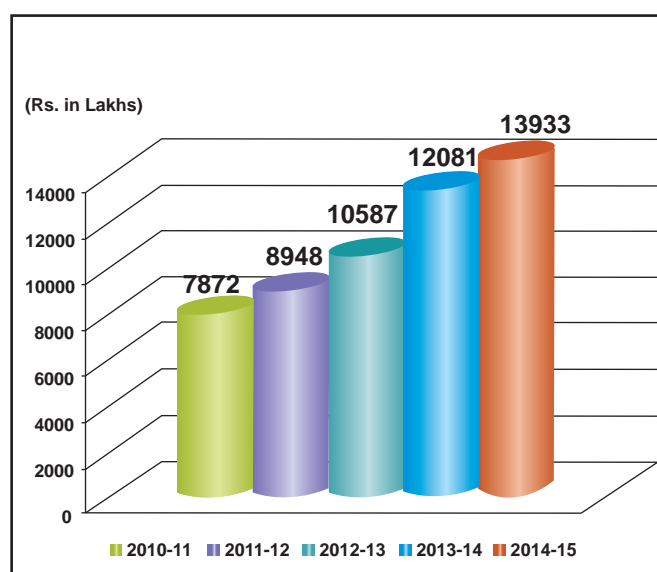
(Rs. in Lakhs)

Particulars	2010-11	2011-12	2012-13	2013-14	2014-15
Income	3346	4458	5835	6045	6385
Profit Before Tax	1321	2352	3600	3714	3795
Net Profit	834	1472	2257	2398	2454
Net Worth	7872	8948	10587	12081	13933
Dividend	173	300	468	492	492
Total Order Book (Fee)	2195	5904	24928	30089	10835
Rating Against MOU	Excellent	Excellent	Excellent	Excellent	Excellent (Expected)

Total Income



Net Worth



32nd ANNUAL GENERAL MEETING (AGM)



The 32nd AGM was chaired by Shri Bhanu Pratap Sharma, Secretary (Health and Family Welfare) on 2nd November, 2015. The AGM was attended by Dr. Jagdish Prasad, DGHS, Shri C. K. Mishra, Addl. Secy. (MOH & FW), Shri Arun Panda, AS, MOH & FW, Smt. Vijaya Srivastava, Additional Secretary & FA, Dr. Rakesh Kumar, JS, MOH & FW, Shri Anshu Prakash, JS, MOH & FW, Shri K. C. Samria, JS, MOH & FW, Shri Gyanesh Pandey, CMD, HSCC, Shri S. K. Jain, Director (Engg.), HSCC and senior officials, HSCC were present in the meeting.

FINANCIAL SUMMARY

THE DECADES FINANCIAL RESULTS AT A GLANCE

(Figures Rs. in Lakhs)

Particulars	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15
FINANCIAL PERFORMANCE										
Paid-up Capital	160	160	160	240	240	240	240	240	240	240
Reserve & Surplus	4554	5111	5695	6341	6999	7632	8708	10347	11841	13693
Net Worth	4714	5271	5855	6581	7239	7872	8948	10587	12081	13933
Net Fixed Assets	749	727	707	675	632	615	600	685	693	649
Working Capital	3901	4455	5105	5811	6440	7117	8568	10200	11797	14207
Capital employed	4714	5271	5855	6581	7072	7731	9168	10885	12710	15225
OPERATING STATISTICS										
Consultancy Fee	1845	1678	1740	1936	2097	2311	2929	3380	3919	4228
Interest & Other Income	785	845	1356	1337	1218	1034	1529	2455	2126	2157
Total Income	2630	2523	3096	3273	3315	3346	4458	5835	6045	6385
Expenditure	1115	1224	1711	1696	2002	1993	2048	2203	2287	2521
Gross Margin	1515	1299	1385	1577	1385	1357	2409	3632	3758	3864
Depreciation	42	45	45	44	39	36	58	32	44	69
Profit before Tax	1474	1254	1340	1533	1346	1321	2352	3600	3714	3795
Profit after Tax	962	798	836	970	859	834	1472	2257	2398	2454
Dividend	216	208	208	208	173	173	300	468	492	492
MANPOWER										
Employees (in Nos)	133	130	132	139	135	132	124	123	143	153
(On regular Pay Scales)										
RATIOS										
PBT/Total Income (%)	56	50	43	47	41	39	53	62	61	59
Net Profit/Total Income (%)	37	32	27	30	26	25	33	39	40	38
Net Profit/Net Worth (%)	20	15	14	15	12	11	16	21	20	18
Total Income Per Employee	20	19	23	24	25	25	36	47	42	42
Earning Per Share (EPS) (Rs.)	601	499	523	404	358	347	613	940	999	1022
Book Value Per Share (Rs.)	2946	3294	3659	2742	3016	3280	3728	4411	5034	5805

DIRECTORS' REPORT

To,

The Shareholders
HSCC (India) Limited

REGISTRATION AND OTHER DETAILS

i) CIN	:	U 74140 DL 1983 GOI 015459
ii) Registration Date	:	30.03.1983
iii) Name of the Company	:	HSCC (India) Limited.
iv) Category	:	Public Sector Undertaking
v) Registered Office	:	205, East End Plaza, Plot No. 4, D.D.A. – L.S.C., Centre-II, Vasundra Enclave, Delhi – 110096
vi) Corporate Office	:	E-6(A), Sector-1, NOIDA- 201301
vii) Listed Company	:	N.A.

AUDITED STATEMENT OF ACCOUNTS

The Directors of your Company have the pleasure in presenting the 32nd Annual Report and the Audited Statement of Accounts of the Company for the financial year ended 31st March, 2015.

FINANCIAL PERFORMANCE

The Financial Performance of the Company for the year 2014-15 along with the comparative figures for 2013-14 is indicated below:-

(Rupees in lakhs)

Particulars	2014-15	2013-14
Total Income	6385	6045
Total Expenditure	2521	2287
Gross Margin	3864	3758
Depreciation	69	45
Profit Before Tax	3795	3714
Taxation (net)	1341	1316
Profit After Tax	2454	2398
Dividend	492	492
Net Worth	13933	12082
Earning per Share (Rs.)	1022.44	999.09
Diluted Earning per Share	1022.44	999.09

Your Company has posted excellent performance for the year ended on 31st March 2015. Company's growth in terms of Total income has increased by 5.62 % and Net profit by 2.34% over last year .

CAPITAL STRUCTURE

The Authorised and the Paid- Up Capital of the Company stood at Rs.500 lakhs and Rs.240.01 lakhs respectively during the year under review.

DIVIDEND

Considering the performance of the Company for the year 2014-15, The Board of Directors has recommended Dividend @ 205% of the Paid-up Equity Share Capital of the Company amounting to Rs.492.04 Lakhs. This is subject to the approval of Members at the Annual General Meeting. This works out to 20.05% of the Post Tax Profit, which is in line with the guidelines issued by Department of Expenditure, Ministry of Finance. This is the 31st consecutive year in which the Company has declared dividend and with this the cumulative dividend till 2014-15 to MOH&FW, Govt. of India would be Rs. 4042.27 Lakhs.

APPROPRIATION TO GENERAL RESERVE

After making provisions for dividend the Board of Directors recommends transfer of Rs.200 lakhs (Previous Year Rs. 200 lakhs) out of the Net Profit appearing in the Profit & Loss Account to the General Reserve. Cumulative Reserve & Surplus as on 31.03.2015 stands at Rs. 13692.72 Lakhs (Previous Year Rs.11840.67 lakhs).

FUND ON BEHALF OF MINISTRY/CLIENT

The funds on behalf of Ministry / Clients which has been considered under different heads of Current Assets & Current Liabilities are as under –

On behalf of Ministry / Clients –

A. Current Assets	Rs. in Lakhs
- Cash & Cash Equivalents	101249.94
- Short Term Loans & Advances	14684.50
- Other Current Assets	2001.46
	<u>117935.90</u>
B. Current Liabilities	
- Other Current Liabilities	<u>117935.90</u>

PERFORMANCE HIGHLIGHTS

The Company continued to maintain its progress in its activities and operations. All out efforts are being made to expand the area of operations of the Company. Further, services of a fewer Experts and Consultants are being utilized to avail higher degree of technical expertise in performing the various activities of the Company.

During the year 2014-15 HSCC was awarded the work of rendering Consultancy Services for Design & Engineering, Project Management and Procurement of Medical Equipments, Drugs & Pharmaceuticals, etc. for various prestigious & challenging projects.

During the year 2014-15, new Order Book for MOH&FW and its institutes was Rs. 9,500 lakhs, State Government and other Institutes was Rs. 436 Lakhs and through open tendering was Rs. 899 lakhs.

A list of major on-going projects where HSCC is rendering Consultancy Services is placed at Annexure - I.

MEMORANDUM OF UNDERSTANDING

The Company has been signing MOU with Ministry of Health & Family Welfare for more than a decade. The Company has been rated 'Excellent' by DPE for the year 2013-14 and expects to be rated "Excellent" based on the results for the year 2014-15. This is the Eighth consecutive year for which the company will be rating "Excellent".

FOREIGN EXCHANGE

(Rs. in Lakhs)

	2014-15	2013-14
A. Expenditure		
- Travelling	5.83	3.12
- Import of Capital Goods on C.I.F. basis (On behalf of Clients)	913.17	47.44
B. Income	Nil	Nil

HUMAN RESOURCES

HSCC being the knowledge based Company, its real strength lies in its manpower. The manpower strength of the Company as on 31st March, 2015 was 153 on regular pay scales and 60 on fixed tenure basis including 42 SC/ST/OBC Category employees and physically 2 handicapped. The employee management relationship was excellent throughout the year. The company has maintained the level of minorities' employment in the organization. In line with changing market requirements, the knowledge and skill of HSCC employees are continuously upgraded. During the year employees of the Company were deputed to various training programs (totaling to 253 man days) to further develop their skill in various areas of operations of the Company.

PARTICULARS OF EMPLOYEES

Particulars of Employees are required under Section 134 of Companies Act, 1956 read with Companies Particulars of Employees Rules, 1975, as amended from time to time, none of the employees of the company was in receipt of remuneration of more than Rs. 60 lakhs per annum or Rs. 5 lakhs per month.

CORPORATE GOVERNANCE

Corporate Governance practices in your Company focus on transparency, integrity, professionalism and accountability. The quarterly reports in the format prescribed by the Department of Public Enterprises (DPE), as per the guidelines on Corporate Governance, informing the status about Corporate Governance are being submitted to Ministry of Health & Family Welfare. As per Guidelines on Corporate Governance issued by Department of Public Enterprises, a "Corporate Governance Report" and a "Management Discussion and Analysis Report" are placed at Annexure II and III respectively.

BOARD OF DIRECTORS

(A) Directors nominated/appointed to hold office during and after the financial year:

Smt. Vijaya Srivastava , AS & FA, MOH&FW	from 19.02.2015
Shri K.C. Samria JS, MOH&FW	from 05.08.2014

(B) Directors who ceased to hold office during and after the financial year is as under:

Shri Gautam Guha AS & FA, MOH&FW)	from 12.03.2014 to 19.02.2015
Shri S.K.Rao JS, MOH & FW	from 21.09.2012 to 05.08.2014

The Board places on record its appreciation for the valuable contribution made by Shri Gautam Guha and Shri S.K. Rao during their tenure as a Director on the Board of HSCC.

(C) The following Directors are holding offices as on the date of the Report.

Shri Gyanesh Pandey CMD, HSCC	from 26.07.2012 onwards
Shri Debidas Datta Part Time- Non Official Director	from 02.01.2013 onwards
Shri Anil A. Masand Part Time-Non Official Director	from 02.01.2013 onwards
Prof. Sushil Part Time-Non Official Director	from 02.01.2013 onwards
Shri S. K. Jain Director (Engg.)	from 16.04.2013 onwards
Shri K. C. Samria Joint Secretary, MOH & FW	from 05.08.2014 onwards
Smt. Vijaya Srivastava AS & FA, MOH & FW	from 19.02.2015 onwards

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134 of the Companies Act, 2013, your Directors hereby reports as under:-

- That in preparation of the Annual Accounts, the applicable Accounting Standards has been followed.
- That the Accounting Policies adopted by the Company are consistently followed that are reasonable and prudent to give true and fair view of the state of affairs of the Company at the end of financial year and of the Profit or Loss of the Company for that period.
- That proper and sufficient care has been taken for maintenance of accounting records in accordance with the provisions of this Act for safe-guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- That the Annual Accounts have been prepared on a going concern basis.
- That the directors had devised proper systems to ensure compliance with provision of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE SOCIAL RESPONSIBILITY

During the year Company has spent Rs. 40,20,000/- (previous year Rs. 30,00,000/-) against the required amount to be spent on Corporate Social Responsibility (CSR) i.e. 2% average profit of last three financial years i.e. Rs. 40,84,615/- (previous year NIL) as per section 135 of the Companies Act, 2013.

The Company has Rs. 1,22,86,482/- as reserve in the CSR Fund Account. The avenues to spend is being explored and be spent in subsequent year.

INTERNAL AUDITORS

M/s Prem Gupta & Co. Chartered Accountants, have been appointed as internal cum concurrent auditor for the Financial year 2014-15 at a fees of Rs. 2,85,000/- including conveyance plus Service Tax as applicable. This is their first year of appointment.

AUDITORS

M/s S.K.Kapoor & Company, Chartered Accountants have been appointed by the Office of the Comptroller & Auditor General of India as Statutory Auditors of the Company for the financial year 2014-15. The remuneration fixed by the Company for them for the financial year 2014-15 is Rs. 4,50,000/- (Rupees Four Lakhs Fifty Thousand only) plus Service Tax as applicable. This is the Second year of their appointment.

Management's replies to Comments in the Auditors' Report are enclosed at Annexure-IV as addendum to Directors' Report.

The Comments of CAG are enclosed at Annexure-V as addendum to Directors' Report.

The Secretarial Audit Report for the financial year ended on 31st March, 2015 by Company Secretary in practice M/s Praveen Rastogi & Co. is enclosed at Annexure-VI as a addendum to Director's Report.

ACKNOWLEDGMENT

The Directors deeply appreciate and acknowledge the continued assistance, Co-operation, active support and guidance received from Ministry of Health & Family Welfare, Ministry of External affairs and other Ministries and Government Departments. We are also thankful to our esteemed clients for reposing their confidence in the capability and professional competence of the Company.

The Directors are also grateful to the Departmental of Public Enterprise, Comptroller & Auditor General of India, the Chairman and Member of the Audit Board, Statutory Auditors and Internal Auditors of the Company for their valued cooperation.

The Directors also place on record the continued support by Bankers, and many other organization as well as individuals.

The Directors also places on record the appreciation for the untiring efforts and contributions made by the employees at all levels to ensure that the Company continues to grow and excel.

For and on behalf of the
Board of Directors

NEW DELHI
Dated: 27.08.2015

(Gyanesh Pandey)
Chairman & Managing Director

ANNEXURE - I

SUMMARY OF MAJOR ON-GOING CONSULTANCY PROJECTS AS ON DATE

A. Architectural Planning, Design Engineering & Project Management Services

- Construction for AIIMS their OPD Blocks, Hostel Block Mother & Child Block, Paid Ward, Surgical Block within AIIMS Campus, Ansari Nagar, New Delhi
- Super speciality Block and Emergency Block under Redevelopment (Phase-I) of Safdarjung Hospital, New Delhi
- Superspeciality Block at Dr. Ram Manohar Lohia Hospital, New Delhi
- Construction of All India Institute of Ayurveda (Under Department of Ayush, MOH&FW) at Sarita Vihar, New Delhi
- Comprehensive Re-development Plan for Lady Hardinge Medical College, New Delhi
- National Centre for Disease Control (NCDC), New Delhi.
- Construction of Housing & Hospital at AIIMS Raebareli
- Construction of National Cancer Institute at 2nd Campus AIIMS, Jhajjar (Haryana)
- Nursing college & National level Physiotherapy Workshop and substation at GMC, Patiala
- Advanced Cancer Diagnostic, Treatment & Research Centre, Bhatinda
- Kalpana Chawla Govt. Medical College, Karnal, Haryana
- Construction of Satellite Centre at PGIMER, Sangrur (Haryana)
- Construction of Guru Tegh Bahadur Diagnostic Centre at Govt. Medical College, Amritsar Under PMSSY
- Construction of Super Specialty Block, OPD & Academic Block at Kolkata Medical College, Kolkata Under PMSSY
- Construction of AIIMS Housing Balance and phase II work at Bhubaneswar (Orissa) under PMSSY
- Construction of 750 Bedded Hospital (Phase I – 400 bedded) for IIT Kharagpur
- Vaccine processing facilities for Institute of Veterinary Biological Products, Pune
- Construction of Cancer Hospital at Cochin (Kerala)
- National Institute of Unani Medicine (NIUM), Bangalore Construction of Regimental Therapy Block, Auditorium & Pharmacy building under phase - III works



Emergency Block of Safdarjung Hospital



Super Speciality Block Redevelopment of Safdarjung Hospital



AIIMS - Raebareli

- National Institute of Animal Bio-technology , Hyderabad
- Construction of Housing & Hostel for Dr. R.P. Medical College, Kangra
- Construction of Super speciality Block in Neuro Sciences at NIMHANS, Bangalore
- Mother & Child - Metro Block within the campus of Bangalore Medical College for Bangalore Metro Rail Corporation
- NRHM – Chhattisgarh, Uttar Pradesh, Kerala & Himachal Pradesh
- Construction of General hospital at Naharlagun (A.P)
- Construction of PG Gents & Ladies Hostel, UG Ladies Hostel, Nursing Hostel and Internee Hostel at Regional Institute of Medical Sciences (RIMS), Imphal
- Construction of OPD block at RIMS Imphal
- Construction of Bio - Safety Level-3 Laboratory at RMRC, Dibrugarh
- Upgradation of LGBRIMH at Tezpur (Main Building) (Rs. 175.16 Cr.)
- North Eastern Institute of Ayurveda & Homeopathy (NEIAH), Shillong



NIAB-Hyderabad



Mother & Child Block - AIIMS, Delhi



OPD Block - AIIMS, Delhi

ABROAD

- 200 Bedded Emergency and Trauma Centre for Bir Hospital, Kathmandu, Nepal
- District General Hospital at Dickoya, Sri Lanka

B. Procurement Management Services

- Medical Equipment for Super Speciality & Emergency Block, Safdurjung Hospital, New Delhi
- Medical Equipment for Kalpana Chawala Government Medical College, Karnal, Haryana
- Drugs and Pharmaceuticals for Central Government Health Schemes
- Procurement of Equipment for AIIA, Sarita Vihar
- Medical Equipment for NEIGRIHMS, Shillong
- Medical Equipments for Bir Hospital, Kathmandu, MEA
- Supply of Medical Equipment for Srilanka, MEA
- Medical Equipments for Yangon & Sittway Myanmar, MEA



Kalpana Chawala Government Medical College, Karnal

ANNEXURE - II

CORPORATE GOVERNANCE REPORT

COMPANY PHILOSOPHY

A good Corporate Governance Policy is one which results in the control of the company in a regulated manner which makes management transparent, ethical, accountable and fair resulting in enhanced shareholder value. The management provides a detailed disclosure of relevant specific matters.

A. COMPOSITION OF BOARD OF DIRECTORS INCLUDING CATEGORY AND DIRECTORSHIP IN OTHER COMPANIES

The Company's Board of Directors as on 31.03.15 has one functional director, two part- time official directors and three part- time non official directors. The details are given below:-

Director	Whole-Time/ Part- Time	Member of board of other PSUs
Shri Gyanesh Pandey	Whole-Time, Chairman & Managing Director	NIL
Shri S. K. Jain	Director (Engineering)	NIL
Smt. Vijaya Srivastava*	Part- Time, Official Director	HLL Life Care Limited HLL Biotech Limited
Shri K. C. Samria	Part- Time, Official Director	NIL
Shri Debidas Datta	Part- Time, Non Official Director	-West Bengal State Electricity Distribution Company Limited -West Bengal Renewable Energy Development Agency -West Bengal Green Energy Development Corporation Limited.
Shri Anil A. Masand	Part- Time, Non Official Director	NIL
Prof. Sushil	Part- Time, Non Official Director	NIL

* Smt. Vijaya Srivastava has been appointed as part-time Official Director w.e.f. 19.02.2015 in place of Shri Gautam Guha.

B. TENURE

The age limit of the Chairman and Managing Director and other Whole-time Director is 60 years.

The Chairman and Managing Director and other Whole-time Director are appointed for a period of 5 years from the date of taking over the charge or until the date of superannuation of the incumbent, or until further orders from the Government of India, whichever events occur earlier.

Government Nominee Directors representing Ministry of Health & Family Welfare, Government of India retire from the Board on ceasing to officials of the Ministry of Health & Family Welfare or until further order from Govt. of India.

Part- time, Non Official Directors are appointed by the Government of India for tenure of three years.

C. BOARD MEETINGS

During April, 2014 to March, 2015 Four meetings (134th to 137th) of the Board of Directors were held with minimum one meeting in each quarter on 26.06.14, 26.08.14, 09.12.14, 25.03.15.

Meetings and Attendance

Director	No. of Board Meetings held during their respective Tenure	Attended	Attended last Annual General Meeting
Shri Gyanesh Pandey	4	4	Yes
Smt. Vijaya Srivastava	1	1	No
Shri K. C. Samria	3	3	Yes
Shri S. K. Jain	4	4	No
Shri Gautam Guha	3	3	Yes
Shri S. K. Rao	1	1	No
Shri Debidas Datta	4	3	Yes
Shri Anil A. Masand	4	3	Yes
Prof. Sushil	4	4	Yes

D. GENERAL BODY MEETING

Annual General Meeting

The last three Annual General Meeting were held as under:-

Financial Year	Date	Time	Location
2013-14	19.09.2014	12:30. P.M.	Commitee Room No. 155A, MOH&FW, Nirman Bhawan, New Delhi
2012-13	31.07.2013	11:00. A.M.	Office of Secretary (H & FW), Nirman Bhawan, New Delhi
2011-12	26.09.2012	05:15. P.M.	Office of Secretary (H & FW), Nirman Bhawan, New Delhi

E. SHAREHOLDING PATTERN OF DIRECTORS

Shares held out of the total equity share capital of Rs. 2,40,01,800 (240018 Equity Shares of Rs. 100/- each

Name of Directors	No. of Shares of HSCC
Smt. Vijaya Srivastava, AS & FA, MOH & FW	NIL
Shri K. C. Samria, JS, MOH&FW	6
Shri Gyanesh Pandey, Chairman and Managing Director	6
Shri S. K. Jain, Director (Engineering)	6
Shri Debidas Datta, Part Time-Non Official Director	NIL
Shri Anil A. Masand, Part Time-Non Official Director	NIL
Prof. Sushil, Part Time-Non Official Director	NIL

Further, these share are held on behalf of President of India

F. SHAREHOLDERS' GRIEVANCE COMMITTEE

Being a wholly owned Government Company (Shares are not listed), the shares are held by the president of India or its nominees, as such the Company has not constituted a Shareholders' Grievance Committee.

G. AUDIT COMMITTEE

The Composition of the Audit Committee is as Under :-

CA Anil A. Masand, Part Time-Non Official Director	- Chairman
Shri Debidas Datta, Part Time-Non Official Director	- Member
Prof. Sushil, Part Time-Non Official Director	- Member
CA A. K. Aggarwal, Executive Director	- Member
CA Ravindra Kr. Pathak, DGM (F&A) & CS	- Secretary to committee

During April, 2014 to March, 2015 three meetings (5th to 7th) of the Audit Committee meeting were held on 26.06.2014, 25.08.14, 24.03.15 at the corporate office HSCC, NOIDA.

MEETINGS AND ATTENDANCE

Members	No. of Audit Meetings held during their respective Tenure	Attended
CA Anil A. Masand	3	3
Shri Debidas Datta	3	2
Prof. Sushil	3	3
CA A. K. Aggarwal	3	3

H. CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY COMMITTEE

The Composition of the Corporate Social Responsibility Committee is as under:-

Prof. Sushil, Part Time-Non Official Director	- Chairman
CA Anil A. Masand, Part Time-Non Official Director	- Member
Shri Debidas Datta, Part Time-Non Official Director	- Member
CA A. K. Aggarwal, Executive Director	- Member
CA Ravindra Kr. Pathak, DGM (F&A) & CS	- Secretary to committee

During April, 2014 to March, 2015 one meeting of the Corporate Social Responsibility Committee Meeting were held on 24.03.15 at the Corporate office HSCC, NOIDA.

MEETINGS AND ATTENDANCE

Members	No. of Corporate Social Responsibility Meetings held during their respective Tenure	Attended
Prof. Sushil	1	1
CA Anil. A. Masand	1	1
Shri Debidas Datta	1	1
CA A. K. Aggarwal	1	1

REMUNERATION COMMITTEE

The Composition of the Remuneration Committee is as under:-

Shri Debidas Datta, Part Time-Non Official Director	- Chairman
Prof. Sushil, Part Time-Non Official Director	- Member
CA Anil A. Masand, Part Time-Non Official Director	- Member
CA A. K. Aggarwal, Executive Director	- Member
CA Ravindra Kr. Pathak, DGM (F&A) & CS	- Secretary to Committee

During April 2014 to March 2015 one Remuneration committee meeting was held on 25.08.14 at the Corporate office HSCC, NOIDA.

MEETINGS AND ATTENDANCE

Members	No. of Remuneration Committee Meetings held during their respective Tenure	Attended
Shri Debidas Datta	1	1
CA Anil A. Masand	1	1
Prof. Sushil	1	1
CA A. K. Aggarwal	1	1

H. REMUNERATION OF DIRECTORS

Being a Government Company, the functional directors including CMD are appointed by the President of India through the Ministry of Health & family Welfare and draw remuneration as per Industrial Dearness Allowance (IDA) pay scales pre- determined by the Government and as per the terms and conditions of their appointment / contract issued by the Government. The allowances and perquisites including performance related pay are being given as per the Company Rules.

The part-time official directors on the Board do not draw any remuneration from the Company for their role as a director but draw their remuneration from the Government as Government official.

The part-time non-official directors of the Company also do not draw any remuneration from the Company, they were only paid sitting fee of Rs. 5000/- per meeting attended by them from April'2014 onwards in accordance with the approval of the Board of Directors.

During the year Sitting Fee has been paid to Non-official Part time Directors are as under:

1. Shri Anil A. Masand	Rs. 45,000/-
2. Shri Debidas Datta	Rs. 40,000/-
3. Prof. Sushil	Rs. 50,000/-

J. DISCLOSURES

During the period there were no materially significant related party transactions with its directors & management that had a potential conflict with the interest of the Company at large. Further, the Company does not have any subsidiary company.

ANNEXURE - III

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE & DEVELOPMENTS

HSCC is a Government of India Enterprise under administrative control of Ministry of Health & Family Welfare which was setup in March 1983. The share capital of the company is Rs. 240 lakhs. and net worth is Rs.12081 lakhs. Since inception the total business of the Company has been managed without any borrowing either from the Government or from other sources. HSCC has been declared 'Mini Ratna' Company in September 1999.

The Company is engaged in rendering comprehensive consultancy services in the field of Hospital planning, design, detail engineering, quality control, project management and monitoring as well as procurement, supply, installation and commissioning of medical equipments for the projects assigned to it by the Ministry of Health & Family Welfare, Ministry of External Affairs, Private & Public Sector Organizations as well as various State Governments.

HSCC has adopted an integrated approach to projects, drawing on its pool of expertise to provide the best combination to evolve client specific, cost effective and innovative solutions. HSCC has successfully completed major healthcare projects comprising hospital, medical colleges, laboratories etc. not only in India but in many countries. The Company has also diversified its activities in the areas of Hospital Waste Management, Hospital Computerisation, health related Management studies and training & recruitment etc.

HSCC has over the years evolved as a pioneer organization in the field of Healthcare consultancy. The company at present executing work all over India but focuses increased business in North-Eastern Region.

Strength:

- Debt free & Profit making Company since inception
- GOI backing and support
- Wide range of consulting services under single roof
- Extensive experience with multi lateral funding and other international agencies
- Strong project experience, with ability in handling complex and large projects,
- Performing organization through quality and timely completion of projects
- Qualified and committed and lean and thin work force

Weakness:

- Only one business – Consultancy.
- Difficult to compete with private players.
- Inability to stem attrition
- Most business is generated from clients in the public sector
- Revenue model is based on one-time projects rather than recurring services generating constant revenue streams or assured business support
- Limited no. of specialized Vendors / Agencies

Opportunities:

- The Country is lagging behind in terms of no. of hospitals, beds, doctors, nurses and other paramedical staff
- Redevelopment & up gradation of existing hospitals
- Expansion of business in SAARC Countries
- Scope of diversification in other Building Engineering and Maintenance Services.
- Demand for basic healthcare infrastructure (in both public and private sectors) set to rise.
- Handholding Opportunities for hospitals and outsourcing of hospital activities in government hospitals
- Leveraging basic architectural, design, engineering, project management and procurement skills in like infrastructure development activities

Threats:

- Business Projects shifting to North East with longer gestation / completion period, unavailability of timely funds leading to spread of turnover over longer time.
- Attrition of experienced personnel in view of burgeoning private sector operations.
- MOH&FW policy shift from supporting their PSUs and inviting private sector as an alternative source of consulting services.
- Fragmented market with a large no. of private sector and public sector competitors extreme low fee
- Increasing commoditization of basic D&E skills due to large number of players gaining experience due to the infrastructure boom
- Non availability of land causes halt in projects, reasons beyond control
- Competition among PSU firms for nomination for projects and non related diversification by them causes business loss
- Decrease in Fee for procurement projects and lack large assignments leading loss in business propositions in micro small assignments.

Outlook:

HSCC is a multi-disciplinary renowned consultancy and procurement management service organization in the health care and other social infrastructure development sectors. Its service spectrum covers feasibility studies, design engineering, detailed tender documentation, construction supervision, comprehensive project management, procurement support services in all areas of civil, electrical, mechanical, information technology and auxiliary medical service areas. Its important clients include

- Ministry of Health & Family Welfare and its Hospitals / Institutes
- Ministry of External Affairs and other Ministries
- State Governments and their Hospitals / Institutes
- PSUs / Other Institutes

In order to develop into a world class Consultancy Organisation, thrust is on diversifying and expending the operations such as Building Engineering and maintenance services and also the client base of the Company.

Risks & Concerns

The main risk and the area of concern for the Company are reduction in procurement assignments from concerned Ministry and constant/reduced consultancy fee in some of civil works in current scenario.

IT related initiatives

- Internet connection has been installed at Corporate Office and the Units.
- Various departments at Corporate Office are linked up through Local Area Network (LAN).
- E-Tender Activity

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The total earning of the company was Rs. 6384.92 lakhs including Other Income of Rs. 2157.21 lakhs as compared to the previous year's figure of Rs. 6045.14 lakhs and Rs. 2125.69 lakhs respectively. The company's Gross Margin and Profit before Tax during the year was Rs. 3863.98 lakhs and Rs. 3794.46 lakhs as compared to the previous year figure of Rs. 3758.25 lakhs and Rs. 3713.61 lakhs respectively.

Cost of operation has increased by 10% as compared to the previous year. The increase in the expenditure is mainly due to increased employee cost and provision for doubtful debts.

SEGMENT REPORTING

As per Accounting Standard AS-17, Consultancy is the only reportable business segment. The geographical segmentation is not relevant, as the company has no business operation outside India.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The company has an efficient system of internal control for achieving the business objectives of the company which inter-alia includes accuracy and promptness of financial reporting. Efficiency of operation, compliance with the laid down policies and procedures and compliance with law and regulations.

To ensure independence to the internal audit function emphasizing transparency in the systems and internal controls, the internal audit of the company is entrusted to external firms of Chartered Accountants. The reports of Internal Audit are periodically submitted to the management for corrective action.

HUMAN RESOURCES DEVELOPMENTS

HSCC being the knowledge based Company, its real strength lies in its manpower. The manpower strength of the Company as on 31st March, 2015 was 153 on regular pay scales and 60 on fixed tenure basis. The employee management relationship was excellent throughout the year. In line with changing market requirements, the knowledge and skill of HSCC employees are continuously upgraded. During the year employees of the Company were deputed to various training programs, to further develop their skill in various areas of operations of the Company. The Company continues to motivate the employees by providing various social benefits for the employees and their families.

CODE OF CONDUCT

The company's Board has laid down a code of conduct for all the Board Members and Senior Management of the Company, which has been circulated, to all concerned executives through e mail as well as by circulated through hard copies. All Board Members and designated Senior Management Personnel have affirmed the compliance of code of conduct.

SUBMISSION OF QUARTERLY REPORT TO DEPTT. OF PUBLIC ENTERPRISES

The quarterly reports in the format prescribed by the Department of Public Enterprises (DPE), as per the Guidelines on Corporate Governance, informing the status about Corporate Governance are being submitted to Ministry of Health & Family Welfare.

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY

In line with the DPE guideline the Company has contributed during the financial year 2014-15, Rs.40.00 Lakhs (Forty lakhs) towards Contribution to "Clean Ganga Fund" set up by Central Government for rejuvenation of River Ganga under Swachh Bharat Kosh.

Company has also spent Rs. 20,000/- (Rupees Twenty Thousand only) for blood donation activity.

ANNEXURE - IV

(Addendum to Directors' Report)

REPLIES TO COMMENTS IN AUDITORS' REPORT

Opinion

- (i) Note no. 20 (I) (h) regarding acceptance by the company of joint moral responsibility with the client for the reported lapses in one of the projects (CRI, kasauli) and to bear half of the assessed cost (infuctuous expenditure on construction). There had not been further development during the year on this issue and hence, the amount of liability, if any has not yet been ascertained and provided for in the books of account.

Reply: Disclosed in Note No. 20(I) (h), which is self explanatory.

- (ii) Note no. 20 (I) (i) regarding deposit by the company Rs. 1704.77 lakhs, out of the deposit from other projects of MOH&FW. In view of pending settlement with MOH & FW no provision for the same has been made in the books of account.

Reply: Disclosed in Note No. 20(I)(i), which is self explanatory.

- (iii) Note no. 20 (I) (j) regarding accounting of Rs. 1098.20 lakhs (previous year Rs. 848.62 lakhs) interest out of client's funds (corpus accounts) as income of the company during the year, wherever agreements do not specify credit to the client corpus accounts.

Reply: Disclosed in Note No. 20(I) (j), which is self explanatory.

- (iv) a) Note no. 20 (III) regarding Trade Receivable, trade payable, loans & advances, deposits and other balances on behalf of the ministries / clients are subject to reconciliation and confirmation.
b) Majority of the debtors have not responded to the confirmation request sent by the company hence the differences if any remained unadjusted.

Reply: Disclosed in Note No. 20(III), which is self explanatory.

- (v) Note no. 20 (5) Regarding old credit balances of Rs. 939.55 lakhs (previous year Rs. 1771.76 lacs) lying unpaid / unadjusted in the deposit accounts of the clients.

Reply: Disclosed in Note No. 20(V), which is self explanatory.

- (b) (i) The company is maintaining project financials of 99 projects being undertaken by it one behalf of Ministry /Clients. These financials are incorporated in the books of company as assets and liabilities and shown separately as "on behalf of Ministry / Clients" Accounts. The Bank accounts and Fixed Deposits maintained with the bank on behalf of Ministry / Clients are not being monitored by the company on regular basis and accounting of interest and Fixed Deposits is being made by the company based on data / statement provided by the respective banks at the year end.

Reply: Noted for compliances

- (ii) Other than the above projects undertaken on behalf of Ministry/Clients, the company is also providing services to other old clients for which no separate financials have been maintained. Included in "Other Current Liabilities" of Rs. 5870.85 lacs are "Deposits from client" amounting to Rs. 4164.71 lacs and "Sundry Creditors" amounting to Rs 397.95 lacs and in "Short Term Loans and Advances" of Rs. 1736.10 lacs are "Advances to Clients" Rs. 1494.33 lacs and "Advance to Sundry Creditors Rs 44.12 lacs. In absence of details of separate funds of these client accounts, interest income on such funds if any is also taken as income of the company (amount not ascertained) which is in addition to the income as referred to in Note no. 20 (1) (j) amounting to Rs. 1098.20 lakhs (previous year Rs. 848.62 lakhs) and para (a) (iii) Basis for Qualified Opinion Para above.

Reply: Disclosed in Note 20(I) (j) which is self explanatory

A. Para iv of Annexure 1

Observation

- There have been generally delays in submission of R.A and final bills by the contractors for projects managed by the company on behalf of the clients. This results in delay in accounting of income as well as service tax liability as per Service tax Act.

Reply: Contractors for Projects are instructed to submit RA & final bills as per terms of their contract time to time and to avoid further delays.

Observation

- Business Risk Assessment procedures and Financial controls Review procedures have not been set up for self-assessment of risks, operating controls and compliance with Corporate Policies.

Reply: Noted for compliances

Observation

- The company is having system of accounting of fixed deposits and interest thereon however a real time system of analysing Fixed Deposit Accounts, date of Maturity, Verification of interest credited by banks needs to be further strengthened.

Reply: Noted for compliances

ANNEXURE - V

(Addendum to Directors' Report)



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Office of the Principal Director of Commercial
Audit & Ex-office Member, Audit Board-IV, New Delhi

No. 373-PDCA/HS/MAB-IV/HSCC//A/cs/15-16/

Dated : 26.10.2015

To,

The Chairman and Managing Director
HSCC (India) Limited
E-6 (A), Sector-1,
NOIDA (U.P.)-201 301

Subject :- Comments of the Comptroller & Auditor General of India under 143(6)(b) of the Companies Act, 2013 on the accounts of HSCC (India) Limited for the year ended 31st March, 2015.

Sir,

I am to enclose herewith the Nil comments of the Comptroller and Auditor General of India under section 143 (6)(b) of the Companies Act, 2013 on the accounts of HSCC (India) Limited for the year ended 31st March 2015.

The receipt of the letter may kindly be acknowledged.

Yours faithfully,

Encl: As above

sd/-

(Dr. Ashutosh Sharma)

Principal Director of Commercial Audit &
Ex-Officio Member, Audit Board-IV

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8th & 9th Floor Annexe Building, 10, Bahadur Shah Zafar Marg, New Delhi - 110002
Tel./nijHkk" : 23239413, 23239415, 23239419, 23239420, Fax/QDI : 23239416
bEY/Email : mabNewdelhi4@cag.gov.in

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF HSCC (INDIA) LIMITED FOR THE YEAR ENDED 31st MARCH 2015.

The preparation of financial statement of **HSCC (India) Limited** for the year ended 31st March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The Statutory auditors/ auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Companies Act is/are responsible for expressing opinion on these financial statements under Section 143 of the Act based on the independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **27.08.2015**.

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 **HSCC (India) Limited** for the year ended 31st March 2015. 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**

sd/-

(Dr. Ashutosh Sharma)

Principal Director of Commercial Audit &
Ex-Officio Member, Audit Board-IV

Place : New Delhi
Date : 26.10.2015

ANNEXURE - VI

Secretarial Audit Report for the financial year ended 31st March, 2015

HSCC (INDIA) LIMITED
CIN: U74140DL1983GOI015459
Authorised Capital: Rs. 5, 00, 00,000/-
Paid up Capital: Rs.2, 40, 01,800/-

To,

The Members,
HSCC (INDIA) LIMITED
(A Government of India Enterprise)

We have examined the registers, records books and papers of M/s. HSCC (India) Limited required to be maintained under the Companies Act, 2013, and rules made there under and also the provision contained in the Memorandum and Articles of association of the company for the financial year ended as on 31st March, 2015, In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

- As per information & explanations provided to us the Company has kept and maintained the register as stated below, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.

S.No.	Registers as maintained by the Company	U/s	Remarks
1.	Register of Members etc.	88	Upto Date
2.	Registers and Returns	94	Upto date
3.	Minutes Book of Meetings	118	Upto date
4.	Books of Accounts	128	Upto date
5.	Register of Transfers	56	Upto date
6.	Register of Share Application Money & Share Allotment	-	Upto date
7.	Register of Contracts with Related Party and Contracts and Bodies etc. in which Directors are interested	189	Upto date
8.	Register of Directors and key Managerial Personal & their Shareholding	170	Upto date
9.	Directors Attendance Register	-	Upto date
10.	Fixed Assets Register	-	Upto date
11.	Dividend Register	-	

- As per information & explanations provided to us, the Company has filed the forms and returns as stated below, with the Registrar of Companies, Regional Director, Central Government, and Company Law Board or other authorities prescribed under the Act and the rules mad there under during the financial year ended on 31st march, 2015.

Form/Returns filed by the Company during the Financial Year

S. No.	Form No.	Authority with whom forms & returns filed	Filed u/s	Remarks
1.	Form 66	ROC	383A of the Companies Act, 1956	Annual General Meeting : 19.09.2014 Filing date : 14.10.2014 Receipt No. : Q35782374
2.	Form 20B	ROC	159 of the Companies Act, 1956	Annual General Meeting : 19.09.2014 Filing date : 31.10.2014 Receipt No. : Q43357094
3.	Form 23AC & 23ACA	ROC	220 of the Companies Act, 1956	Financial Year : 31.03.2014 Filing date : 16.10.2014 Receipt No. : Q36971810

Details of Form DIR 12 filed during 2014-15

1	Form DIR-12*	ROC	170 of the Companies Act, 2013	Date of Change : 05.08.2014 Filing date : 03.09.2014 Receipt No. : CI8836668
2	Form DIR-12**	ROC	170 of the Companies Act, 2013	Date of Change : 19.02.2015 Filing date : Receipt No. :

- Form DIR 12* for appointment of shri K. C. Samria as Director and Cessation of Shri S. K. Rao w.e.f. 05.08.2014.
- Form DIR 12** for appointment of Smt. Vijaya Srivastava as Director w. e. f. 19/02/2015 and Cessation of Shri Gautam Guha w.e.f.05.08.2015

3. The Company being a Government of India Enterprise has paid-up capital of Rs. 2,40,01,800/- and its number of members as on 31st March 2015 as per information & explanations provided to us were TEN. The detail of Shareholders is given below:

S.No	Particulars of Shareholders	No. of Shares	Distinctive Nos.	Share Certificate No.	Ledger Folio
1.	The President of India	5994	1-5994	000003	2/I
	The President of India	10000	6001-16000	000010	2/I
	The President of India	24000	16001-40000	000011	2/I
	The President of India	17982	40004-57985	000015	2/I
	The President of India	30000	57986-87985	000016	2/I
	The President of India	72000	87986-159985	000017	2/I
	The President of India	79988	160013-240000	000027	2/I
2.	Shri S.K Jain (Director-Engg)	1	40002	000013	24/III
	Shri S.K Jain (Director - Engg)	3	159986-159988	000018	24/III
	Shri S.K Jain (Director-Engg)	2	240017-240018	000036	24/III
3.	Shri Anshu Prakash (J.S.)	1	5995	000004	22/III
	Shri Anshu Prakash (J.S.)	3	159989-159991	000019	22/III
	Shri Anshu Prakash (J.S.)	2	240001-240002	000028	22/III
4.	Dr. (Prof.) Jagdish Prasad, DGHS	1	5996	000007	18/III
	Dr. (Prof.) Jagdish Prasad, DGHS	3	159992-159994	000020	18/III
	Dr. (Prof.) Jagdish Prasad, DGHS	2	240003-240004	000029	18/III
5.	Shri Arun Panda (J.S.)	1	5997	000006	15/III
	Shri Arun Panda (J.S.)	3	159995-159997	000021	15/III
	Shri Arun Panda (J.S.)	2	240005-240006	000030	15/III
6.	Shri Gautam Guha AS&FA (MoH&FW)	1	5998	000009	13/III
	Shri Gautam Guha AS&FA (MoH&FW)	3	159998-160000	000022	13/III
	Shri Gautam Guha AS&FA (MoH&FW)	2	240007-240008	000031	13/III

7.	Shri C.K Mishra (A.S.)	1	5999	000005	23/III
	Shri C.K Mishra (A.S.)	3	160001-160003	000023	23/III
	Shri C.K. Mishra (A.S.)	2	240009-240010	000032	23/III
8.	Dr. Rakesh Kumar (J.S.)	1	6000	000008	19/III
	Dr. Rakesh Kumar (J.S.)	3	160004-160006	000024	19/III
	Dr. Rakesh Kumar (J.S.)	2	240011-240012	000033	19/III
9.	Shri Gyanesh Pandey (CMD, HSCC)	1	40001	000012	21/III
	Shri Gyanesh Pandey (CMD, HSCC)	3	160007-160009	000025	21/III
	Shri Gyanesh Pandey (CMD, HSCC)	2	240013-240014	000034	21/III
10.	Shri K.C. Samria (J.S.)	1	40003	000014	20/III
	Shri K.C. Samria (J.S.)	3	160010-160012	000026	20/III
	Shri K.C. Samria (J.S.)	2	240015-240016	000035	20/III

4. As per information & explanations provided to us the Board of Directors duly met FOUR times on the date mentioned below in the table, in respect of those meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.

Dates of Meetings of Board of Directors

Meeting No.	Dates on which Meeting held	Remarks
134th	26.06.2014	HSCC Corporate Office, Noida
135th	26.08.2014	HSCC Corporate Office, Noida
136th	09.12.2014	Committee Room No. 249A, Ministry of Health & Family Welfare Nirman Bhawan, New Delhi
137th	25.03.2015	Mini Committee Room No. 151A, Ministry of Health & Family Welfare, Nirman Bhawan, New Delhi

5. The Company was not required to close its Register of Members during the financial year.
6. As per information & explanations provided to us, the Annual General Meeting for the financial year ended on 31.03.2014 was held on 19.09.2014 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Books maintained for the purpose.
7. The company being a Government of India Enterprise, all loans advances given to directors are as per the guidelines specifically laid down by the Government.
8. As per information & explanations provided to us the Company has not issued any duplicate share certificate during financial year.
9. As per information & explanations provided to us.
- (i) There were two transfer/transmission of shares as directed by concerned Ministry during the financial year.
- (ii) The Company has declared and paid the following amount of dividend during the financial year:

S.No	Particulars	Amount of Dividend Declared	Date of Declaration of Dividend	Date of payment of Dividend
1.	Final Dividend	4,92,03,690/-	19.09.14 (AGM)	01.10.2014

The Company is wholly owned by Government of India and is maintaining as separate Bank Account Since 27.09.2001 for payment of dividend and the Company was not required to post warrants to any member of the company as dividend was credited to Government of India account.

- (iii) There are no amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years;
- (iv) The Company has duly complied with the requirements of Section 134 of the Act.
- (v) Basic Earnings per Share for F.Y 2014-15 is Rs. 1022.44 (Previous year Rs. 999.09)
- (vi) Diluted Earnings per Share for F.Y 2014-15 is Rs. 1022.44 (Previous year Rs. 999.09)

10. The Board of Directors of the company is duly constituted and the appointments of directors have been duly made; none of the directors of the company are eligible to retire by rotation.

Details of Board of Directors during 2014-15

S.No.	Name of the Director	DIN	Date of Appointment	Date of Cessation	Authority by whom appointed	Under Section
1.	Shri Gyanesh Pandey CMD	03555957	26.07.2012	-	Government of India	Clause 45
2.	Shri Simhambhatla Karneswara Rao	06426779	21.09.2012	05.08.2014	Government of India	Clause 45
3.	Shri Debidas Datta	00229856	02.01.2013	-	Government of India	Clause 45
4.	Shri Anil Ashok Masand	03520037	02.01.2013	-	Government of India	Clause 45
5.	Shri Sushil	05300091	02.01.2013	-	Government of India	Clause 45
6.	Shri Sanjai Kumar Jain	06573103	10.04.2013	-	Government of India	Clause 45
7.	Shri Gautam Guha	068944434	12.03.2014	19.02.2015	Government of India	Clause 45
8.	Smt. Vijaya Srivastava	07130203	19.02.2015	-	Government of India	Clause 45
9.	Shri K. C. Samria	01812933	05.08.2014	-	Government of India	Clause 45

- Shri K. C. Samria, JS, MOH&FW appointed as Part Time-Non Official Director on 05.08.2014
- Smt. Vijaya Srivastava, AS&FA, MOH&FW appointed as Part Time-Non Official Director on 19.02.2015

- 11. The Company has not appointed any Managing Director / Whole time Director / Manager during the financial year.
- 12. As per information & explanations provided to us, the Company has not appointed any sole-selling agents during the financial year.
- 13. As per information & explanations provided to us, the Company has obtained the requisite approval from the Central Government or such other authorities prescribed under the various provisions of the Companies Act during the financial year.
- 14. Directors interest has been duly disclosed.
- 15. As per information & explanations provided to us, all the directors have been nominated by the Government of India and general disclosure of interest has been recorded in the Minutes.
- 16. As per information & explanations provided to us the company has not bought back any shares during the financial year.
- 17. As per information & explanations provided to us the company does not have preference shares or debentures.
- 18. As per information & explanations provided to us there was no transaction necessitating the company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
- 19. As per information & explanations provided to us the company has not invited/ accepted any deposits including any unsecured loans falling within the purview of Section 73 during the financial year.

20. The Company has not made any borrowing during the financial year ended 31st March, 2014.
21. As per information & explanations provided to us the company has not made loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
22. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
23. The Company has not altered the provisions of the Memorandum with respect to the object of the Company during the year under scrutiny.
24. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
25. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
26. The company has not altered the provisions of its Articles of Association during the year under scrutiny.
27. As per information & explanations provided to us there was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for the offences under the Act.
28. As per information & explanations provided to us the Company has not received any money as security from its employees during the financial year.
29. As per information & explanations provided to us the company has deducted contribution towards Provident Fund and has deposited both employees' and employer's contribution with the prescribed authorities pursuant to Section 418 of the Companies Act, 1956.

Place : New Delhi
Date : 19.07.2015

For **Parveen Rastogi & Co.**

Parveen Rastogi
C.P. No. 2883
M. No. - 4764

INDEPENDENT AUDITORS' REPORT

To,

The members of HSCC (India) Ltd.

Report on the Financial Statements

We have audited the accompanying financial statements of HSCC (India) Ltd ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 of these 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 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. 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 qualified audit opinion on the financial statements.

Basis for Qualified Opinion

Attention is invited to the following notes in schedule 20 "Notes to Accounts" forming part of Financial Statements:

- (a) (i) *Note no.20(1)(h) regarding acceptance by the company of joint moral responsibility with the client for the reported lapses in one of the project (CRI, kasauli) and to bear half of the assessed cost (infuctuous expenditure on construction). There had not been further development during the year on this issue, The amount of liability if any has not yet been ascertained and provided for in the books of account.*

- (ii) *Note no. 20(1) (i) regarding deposit by the company Rs. 1704.77 lakhs, out of the deposit from other projects of MOH&FW. In view of pending settlement with MOH & FW no provision for the same has been made in the books of account.*
- (iii) *Note no. 20 (1)(j) regarding accounting of Rs. 1098.20 lakhs (previous year 848.62 lakhs) interest out of client's funds (corpus accounts maintained by the company) as income of the company during the year, wherever agreements do not specify credit to the client corpus accounts.*
- (iv) a) *Note no. 20 (3) regarding Trade Receivable , trade payable , loans & advances, deposits and other balances on behalf of the ministries / clients are subject to reconciliation and confirmation.*
b) *Majority of the debtors have not responded to the confirmation request sent by the company hence the differences if any remained unadjusted.*
- (v) *Note no. 20 (5) Regarding old credit balances of Rs. 939.55 lakhs (previous year Rs. 1771.76 lacs) lying unpaid / unadjusted in the deposit accounts of the clients.*

The impact of the above qualifications, in view of uncertainties, in Profit , Assets and Liabilities of the company is presently not quantifiable.

- (b) (i) The company is maintaining project financials of 99 projects being undertaken by it on behalf of Ministry / Clients. These financials are incorporated in the books of company as assets and liabilities and shown separately as "on behalf of Ministry / Clients" Account. The Bank accounts and Fixed Deposits maintained with the bank on behalf of Ministry / Clients are not being monitored by the company on regular basis and accounting of interest and Fixed Deposits is being made by the company based on data / statement provided by the respective banks at the year end.
- (ii) Other than the above projects undertaken on behalf of Ministry / Clients, the company is also providing services to other old clients for which no separate financials have been maintained. Included in "Other Current Liabilities" of Rs. 5870.85 lacs are "Deposits from client" amounting to Rs. 4164.71 lacs and "Sundry Creditors" amounting to Rs. 397.95 lacs and in "Short Term Loans and Advances" of Rs. 1736.10 lacs are "Advances to Clients" Rs. 1494.33 lacs and "Advance to Sundry Creditors Rs 44.12 lacs. In absence of details of separate funds of these client accounts, interest income on such funds if any is also taken as income of the company (amount not ascertained) which is in addition to the income as referred to in Note no. 20 (1) (j) amounting to Rs. 1098.20 lakhs (previous year 848.62 lakhs) and para (a) (iii) Basis for Qualified Opinion Para above.

The impact of deficiencies if any existing in the bank accounts, Fixed Deposits, Accrued Interest and Tax Deducted at Source in Ministry / Client accounts and Financials of the Company, in absence of adequate internal control as referred to in annexure "1" para (iv) (c) of this report is not ascertainable.

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 for Qualified Opinion Paragraph above, including the matters whose effect on the Profit for the year and assets / liabilities as at March 31, 2015 is unascertainable, the aforesaid 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 31 March 2015 and its profit for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1- As required by the Companies (Auditor's Report) Order, 2015 ("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 "1" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

- 2- As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit, except complete and duly reconciled details of Fixed Deposit and bank accounts maintained on behalf of Ministry / Clients as referred to in para (b) (i) of Basis for Qualified Opinion paragraph.
 - (b) 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, 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 Paragraph, the impact of which in the Statement of Profit and Loss and various heads of Balance Sheet is presently not quantifiable, in our opinion, the aforesaid 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) Being a Govt. company, pursuant to the notification no. 372 dated 05/06/2015 issued by Govt of India, provisions of sub section 2 of Section 164 of the Companies Act 2013 are not applicable to the company.
 - (f) 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 as at 31st March 2015 on its financial positions in its financial statements – (Refer note no. 20 to the financial statements).
 - ii. the Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 3- As required under section 143 (5) of Companies Act 2013, we give in annexure "2" a statement containing our reply to sub-direction issued by the Comptroller and Auditor General of India.

For **S. K. Kapoor & Co.**
Chartered Accountants
Firm Regn. No. : 00745C

(V. B. Singh)
Partner
M. No. : 073124

Place: Noida
Date : 27.08.2015

ANNEXURE “1” TO THE INDEPENDENT AUDITORS' REPORT

(Annexure Referred to in paragraph (1) of “Report on Other Legal and Regulatory Requirements” of the Independent Auditors' Report of even date to the members of HSCC(India) Ltd. on the financial statements for the year ended on March 31st 2015.)

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Fixed Assets.
- (b) The fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and the nature of fixed assets. The company got physical verification of fixed assets for the year 2014-15 conducted by a firm of Chartered Accountants and no material discrepancies were noticed on such verification.
- (ii) Since no inventory is maintained by the company, hence this para of the order is not applicable.
- (iii) According to information and explanation given to us the Company has neither granted any loan nor taken any loan, secured or unsecured loans to / from companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 hence other Paras of this clause are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company needs strengthening of its internal control systems and procedures in view of the following:
- (a) *There have been generally delays in submission of R.A and final bills by the contractors for projects managed by the company on behalf of the clients. This results in delay in accounting of Income as well as service tax liability as per Service tax Act.*
- (b) *Business Risk Assessment procedures and financial controls Review procedures have not been set up for self-assessment of risks, operating controls and compliance with Corporate Policies.*
- (c) *The company is having system of accounting of fixed deposits and interest thereon however a real time system of analysing Fixed Deposit Accounts, date of Maturity, Verification of interest credited by the banks needs to be further strengthened.*
- The Company being in the business of rendering consultancy services, the question of purchase of inventory and sale of goods does not arise*
- (v) The Company has not accepted any deposit during the year within the meaning of Section 73 to Section 76 of the Companies Act, 2013 read with the Rules framed there under, therefore the provisions of the Companies (Auditors Report) order, 2015, are not applicable to the company.
- (vi) The Central Govt. has not prescribed the maintenance of cost records as per section 148 (1) of the Companies Act 2013.
- (vii) (a) According to the information and explanation given to us and on the basis of our verification of records of the company, the company is generally regular in depositing with appropriate authorities undisputed applicable statutory dues, including provident fund, investor education and protection fund, employee state insurance, value added tax, wealth tax. Service tax excise duty, custom duty, cess and any other statutory dues applicable to it. According to the information and explanation given to us there are no material undisputed amounts payable in respect of statutory dues which have remained outstanding as on March 31st, 2015 for a period of more than six months from the date from which they became payable except labour cess withheld from contractors amounting to Rs. 120.02 lacs which has not been paid within six month from the date the same was withheld since the liability belong to the contractors.
- (b) According to the records of the company and information and explanation given to us there are no dues of sales tax or wealth tax or duty of customs or duty of excise or value added tax or cess which has not been deposited on the account of dispute with appropriate authorities. However, Income Tax which has not been deposited on account of dispute is as under.

Name of the the Dues	Nature of the dues	Amount Rs Lacs	Period to which Relates	From where dispute is pending
Income Tax Act	Income Tax	388.86 Lacs	AY 2005-06	Income Tax Appellate Tribunal
Income Tax Act	Income Tax	6.29 Lacs	AY 2008-09	Income Tax Appellate Tribunal
Income Tax Act	Income Tax	1452.00 Lacs	AY 2012-13	CIT (Appeals)

- (c) According to the information and explanations given to us, there are no amounts that are required to be transferred to Investors Education and Protection Fund during the year in accordance with the relevant provisions of the Companies Act, 1956.
- (viii) The company does not have accumulated losses at the end of financial year and has not incurred any cash loss during the financial year under audit and also in the immediately preceding financial year.
- (ix) The company has not taken any loan from Financial Institution or Banks or Debenture holders since inception. Hence this para is not applicable.
- (x) According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) No Term loans has been taken by the company hence this para of the order is not applicable.
- (Xii) Based on the audit procedures performed and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **S. K. Kapoor & Co.**
Chartered Accounts
Firm Regn. No. : 00745C

(V. B. Singh)
Partner
M. No. 073124

Place: Noida
Date: 27.08.2015

ANNEXURE “2”

Report under section 143(5) of the Companies Act, 2013 in respect of HSCC (India) Ltd. on the accounts for the year ended 31st March, 2015

1.	If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including tangible assets and land) and Liabilities (included committed & General Reserves) may be examined including the mode and present stage of disinvestment process.	Not Applicable
2.	Please report whether there is any cases of waiver / write off of debts / loans/ interest etc., if yes , the reason there for and the amount involved.	NIL
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities.	Not applicable, since the company does not carry any inventory due to nature of its business.
4.	A report on age-wise analysis of pending legal / arbitration cases including the reasons of pendency and existence /effectiveness of monitoring mechanism for expenditure on legal cases (foreign and local) may be given.	Age wise analysis of pending legal / arbitration cases including the reasons of pendency is enclosed as Annexure “A” Expenses on legal cases are guided by the policy of the company. However in the case of senior advocate’s approval is done by the competent authority.

Annexure "A"

Age wise analysis of pending Arbitration/court cases on the basis of record available with legal cell as on 31.03.2015

Cases filed by HSCC / Clients				Cases filed against HSCC / Clients							
S. No.	Category	No. of cases	Amount involved		Reason for pendency	S. No.	Category	No. of cases	Amount involved		Reason for pendency
			USD	INR					USD	INR	
1	Less than one year	0	0	0		1	Less than one year	3	0	0	Sub judice in court
2	More than 1 year and less than 2 years	2	0	90,27,193.92	Sub judice in court	2	More than 1 year and less than 2 years	5	0	14,55,34,764.03 (3,25,63,576.03 + 11,29,71,188)	Sub judice in court
3	More than 2 years and less than 3 years	1	0	0	Sub judice in court	3	More than 2 years and less than 3 years	2	0	0	Sub judice in court
4	More than 3 years	5	43,32,776/-	24,65,000/-	Sub judice in court	4	More than 3 years	7	3,56,511.65	1,97,65,520/- (62,65,000/- + 1,25,00,520/- + 10,00,000)	Sub judice in court
	Total	8	43,32,776/-	1,14,92,193.92			Total	17	3,56,511.65	16,53,00,284.03	
							Amount of arbitration award passed against Client, which are under challenge in the court (ref Note-1)			9,51,13,105/-	
									3,56,511.65	26,04,13,389.03	

The amounts indicated herein above are only the principal amount as claimed in court/arbitration cases and does not include the interest component as claimed, since the cases/arbitration are sub judice.

HSCC (India) Ltd.
Balance Sheet as at 31.03.2015

	Note No.	As at 31/3/2015 (in Rs.)	As at 31/3/2014 (in Rs.)
I EQUITY AND LIABILITIES			
1. Shareholders Funds			
(a) Share Capital	1	24001800	24001800
(b) Reserves and Surplus	2	1369272403	1184067118
(c) Specific Reserves	3	15254582	15254582
2. Non - Current Liabilities			
(a) Other Long Term Liabilities	4	58930802	55901827
(b) Long-Term Provisions	5	55071065	48638760
3. Current Liabilities			
(a) Trade Payables	6	4502318	5932532
(b) (i) Other Current Liabilities	7	587084765	715739902
(ii) Other Current Liabilities-Ministry/Clients	7a	11793590637	9252978995
(c) Short-Term Provisions	8	63665350	62480991
TOTAL		<u>13971373722</u>	<u>11364996507</u>
II ASSETS			
1. Non - Current Assets			
(a) Fixed Assets	9		
(i) Tangible		64804719	69295215
(ii) Intangible		111092	25162
(b) Deferred Tax Assets (Net)	10	28392327	20970352
(c) Long-Term Loans and Advances	11	8562849	32338202
2. Current Assets			
(a) Trade Receivables	12	310906972	315599973
(b) (i) Cash and Cash Equivalents	13	1337107712	1392103781
(ii) Cash and Cash Equivalents (on behalf of Ministry/Clients)		10124994489	7250050338
(c) (i) Short-Term Loans and Advances	14	173610114	65010993
(ii) Short-Term Loans and Advance (on behalf of Ministry/Clients)		1468450268	1937933323
(d) (i) Other Current Assets	15	254287300	216673834
(ii) Other Current Assets (on behalf of Ministry/Clients)		200145880	64995334
TOTAL		<u>13971373722</u>	<u>11364996507</u>

TOTAL

13971373722

11364996507

The accompanying notes 1 to 20 are an integral part of the accounts

As per our report of even date

For and on behalf of the Board of Directors

For S. K. Kapoor & Co.
Chartered Accountants
Firm Regn. No. : 000745C

(Gyanesh Pandey)
Chairman & Managing Director

Partner : V. B. Singh
M. No. 073124

(S. K. Jain)
Director (Engg.)

(A. K. Aggarwal)
Executive Director

Place : Noida
Dated : 27/08/2015

(R. K. Pathak)
DGM (F&A) & Co. Secy.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2015

Particulars	Note No.	2014-15 (Rs.)	2013-14 (Rs.)
I. Revenue from operations (Gross)			
Consultancy Fee		475025747	440388971
Less:- Service Tax		<u>52254523</u>	48444354
		422771224	391944617
II. Other income	16	215720637	212569086
III. Total Revenue (I+II)		<u>638491861</u>	<u>604513703</u>
IV. Expenses			
Employee Benefits Expense	17	184749751	169692561
Administrative and Other Expenses	18	67343452	58996261
Depreciation and Amortization Expense	9	6942182	4463932
V. Total Expenses		<u>259035385</u>	<u>233152754</u>
VI. Profit before Exceptional and Extraordinary items (III - V)		379456476	371360949
Exceptional and Extraordinary items		-	-
VII. Profit before Tax		379456476	371360949
VIII. Tax Expense:			
Current Tax		141000000	136000000
Deferred Tax		<u>(6947759)</u>	<u>(4439515)</u>
		134052241	131560485
IX. Profit for the year (VII - VIII)		<u>245404235</u>	<u>239800464</u>
X. Earnings per equity share of Rs. 100 each			
Basic Earnings Per Share		1022	999

The accompanying notes 1 to 20 are an integral part of these financial statements

As per our report of even date

For S. K. Kapoor & Co.
Chartered Accountants
Firm Regn. No. : 000745C

Partner : V. B. Singh
M. No. 073124

Place : Noida
Dated : 27/08/2015

For and on behalf of the Board of Directors

(Gyanesh Pandey)
Chairman & Managing Director

(S. K. Jain)
Director (Engg.)

(A. K. Aggarwal)
Executive Director

(R. K. Pathak)
DGM (F&A) & Co. Secy.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

	As at 31/3/2015 (in Rs.)	As at 31/3/2014 (in Rs.)
A. Cash flow operating activities		
Profit before Tax	379456476	371360949
Adjustment for :		4463932
Depreciation & Amortisation	6942182	
Profit and Loss on sale/discarded assets	70292	
Provisions for Interest		-28006000
Interest received	-213231654	-196567636
	-206219180	-220109704
Operating profit before working capital changes	173237296	151251245
Adjustment for:		
Decrease/(increase) in Trade receivables	4693001	-137642478
Decrease/(increase) in short term loans & advances	-108599121	-7679241
Decrease/(increase) in short term loans & advances-on behalf of Ministry/cl	469483055	-591806377
Decrease/(increase) in other current assets	-37613466	-36343259
Decrease/(increase) in other current assets-on behalf of Ministry/clients	-135150546	180253635
Decrease/(increase) in Long term loans & advances	-238270	-79477630
Decrease/(increase) in other long terms liabilities	3028975	-3334401
Decrease/(increase) in trade Payables	-1430215	1756984
Decrease/(increase) in other current liabilities	-128655139	380477881
Decrease/(increase) in other current liabilities-Ministry	2540611642	3429675317
Decrease/(increase) in provisions	-40287570	15153870
Cash generated from Operating activities	2739079641	3302285546
Direct Taxes Paid	70794281	83995229
Net Cash flow from Operating activities	2668285360	3218290317
B. Cash Flow from Investing Activities	73431	105179
sale of Fixed Assets	-4076503	-5368454
Purchase of New Equipment	213231654	196567636
Interest received	209228582	191304361
Net Cash Used for Investing Activities		
C. Cash Flows from Financing Activities:		
Dividend on equity shares paid	-49203690	-46803510
Dividend Tax paid	-8362170	-7592700
Net Cash from Financing Activities	-57565860	-54396210
Net Increase/(Decrease) in Cash & Cash Equivalents	2819948082	3355198468
Cash, beginning of year	8642154119	5286955652
Cash, End of Year	11462102201	8642154119
Summary:		
Cash, End of Year	216920	642180
(a) Cash - in Hand including Imprest		
(b) Balance with Banks	267540115	114639813
- On Current Accounts		
- On Deposit Accounts (< 1Yrs)	1034732145	
- On Deposit Accounts (> 1Yrs)	34618532	
	<u>1069350677</u>	<u>1276821788</u>
	1337107712	1392103781
Other Bank Balance held on behalf of Ministries/Clients		
- On Saving Accounts	394451266	677699655
- On Deposit Account (<1 Yrs)	9156998229	
- On Deposit Account (> 1Yrs)	573544994	
	<u>9730543223</u>	<u>6572350683</u>
	10124994489	7250050338
Total (A+B)	11462102201	8642154119

The accompanying notes 1 to 20 are an Integral part of these financial statements

As per our report of even date

For S. K. Kapoor & Co.
Chartered Accountants
Firm Regn. No. : 000745C

Partner : V. B. Singh
M. No. 073124

Place : Noida
Dated : 27/08/2015

For and on behalf of the Board of Directors

(Gyanesh Pandey)
Chairman & Managing Director

(S. K. Jain)
Director (Engg.)

(A. K. Aggarwal)
Executive Director

(R. K. Pathak)
DGM (F&A) & Co. Secy.

NOTES TO THE FINANCIAL STATEMENTS

	As at 31.03.2015 (No. of Shares)	As at 31.03.2015 (in Rs.)	As at 31.03.2014 (No. of Shares)	As at 31.03.2014 (in Rs.)
1. SHARE CAPITAL				
(a) Authorised				
Equity Shares of Rs. 100/- each	500000	50000000	500000	50000000
(b) Issued ,Subscribed & Paid up:				
Equity Shares of Rs. 100/- each	240018	24001800	240018	24001800
(c) Reconciliation of number of Equity Shares Outstanding at the begning and at the end of the year				
At the beginning of the Year	240018	24001800	240018	24001800
At the end of the Year	240018	24001800	240018	24001800
(d) Shareholder holding more 5% shares of the company				
Name of shareholder	(No. of Shares)	%	(No. of Shares)	%
The President of India	239970	99.98	239970	99.98
(e) Details of Bonus Equity Shares fully paid up issued by Capitalisation of Reserves				
	2014 -15	2013-14		
	No. of Shares	No. of Shares		
2003-04	120009	120009		
2008-09	80006	80006		
Total	<u>200015</u>	<u>200015</u>		
(f) Statement of changes in equity :				
Equity Share :	NIL	NIL		
		No. of Shares	No. of Shares	
1. Share outstanding at the begning of the period of Rs. 100/ each		240018	240018	
2. Share outstanding at the end of the period of Rs. 100/- each		240018	240018	
2 Reserve and Surplus				
(a) General Reserves				
At the beginning of the Year		259553727	267559727	
Add:- Transfer from Surplus in Statement of Profit & Loss		20000000	20000000	
		279553727	287559727	
Less:- Provision of Interest to client (Refer Note no.20 (k)		0	28006000	
Total (A)		<u>279553727</u>	<u>259553727</u>	
(b) Surplus-Balance in Statement of Profit and Loss				
At the beginning of the Year		924513391	767178788	
Less: Transitional effects on revision of depreciation on useful life of the assets in accordance with Schedule II		920951		
Add:- Profit for the year		245404235	239800463	
Appropriations:				
Less: (a) Transferred to General Reserves		20000000	20000000	
(b) Proposed Dividend (Rs. 205/- Per Share, Previous year Rs. 205/- Per share)		49203690	49203690	
(c) Tax on Proposed Dividend		10074308	8362170	
(d) Transferred to Corporate Social Responsibility Fund		0	3771400	
(e) Transferred to Research & Development fund		0	1128600	
Total (B)		<u>1089718676</u>	<u>924513391</u>	
Total (A) + (B)		<u>1369272403</u>	<u>1184067118</u>	
3 Specific Reserve				
Corporate Social Responsibility Fund*		12286482	12286482	
Research & Development Fund		1677200	1677200	
Sustained Development Fund		1290900	1290900	
Total		<u>15254582</u>	<u>15254582</u>	

Note *Details of expenditure explain in notes to accounts Notes No. 20.1 (g)

		As at 31st March, 2015 (in Rs.)	As at 31st March, 2014 (in Rs.)
4 Other Long Term Liabilities			
Trade Payable		-	-
Others (Retention Money)		58930802	55901827
Total		<u>58930802</u>	<u>55901827</u>
5 Long Term Provision			
Provision for Employee Benefits		55071065	48638760
Others		-	-
Total		<u>55071065</u>	<u>48638760</u>
6 Trade Payable		4502318	5932532
Total		<u>4502318</u>	<u>5932532</u>
7 Other Current Liabilities			
Sundry Creditors	39795009		59,261,386
Deposit & Advances	<u>416471257</u>	456266266	<u>556,581,906</u>
Advance Fee From Clients		21877667	36750270
Other Payables (Taxes)		56201899	18113708
Earnest Money Deposit		29020115	21825561
Employee Related Liabilities		1816886	2344582
Other Paybles		21901932	20862489
Total		<u>587084765</u>	<u>715739902</u>
7a On behalf of Ministry/Clients			
Sundry Creditors	1708590478		1,903,995,769
Retention Money	535736101		361,439,348
Deposit & Advances from clients	8958215566		6,845,748,112
Others Payable	249098433		120,086,220
Book Overdraft	<u>341950059</u>	11793590637	<u>21,709,546</u>
Total		<u>11793590637</u>	<u>9252978995</u>
8 Short Term Provisions			
Provision for Employee Benefits		3697718	4915131
Others :			
Provision for Taxation	501869150		
Less: Advance Income Tax/TDS	<u>501179516</u>	689634	
Provision for Dividend		49203690	49203690
Provision for Dividend Tax		<u>10074308</u>	8362170
Total		<u>63665350</u>	<u>62480991</u>

9 Fixed Assets

In Rupees)

PARTICULARS	GROSS BLOCK			DEPRECIATION			Transfer to Opening Retained Earning For the Year 2014-15	NET BLOCK		
	As At 01.04.2014	Additions during the year	Sales/Adj. during the year	As At 31.03.2015	As At 01.04.2014	For the Year 2014-15		Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Tangible Assets: As per Co. Act-2013										
Buildings (NESD)	31,205,822			31,205,822	14,679,592	962,602	-	15,642,194	15,516,210	16,526,230
Furniture and fittings (NESD)	12,717,933	1,041,689	129,642	13,629,980	9,381,391	957,449	128,650	10,210,190	3,337,215	3,336,542
Office equipments (NESD)	18,321,540	577,117	502,786	18,395,871	12,911,649	1,362,879	458,079	13,816,449	3,523,562	5,409,891
Motor Vehicles (NESD)	1,125,070	-	-	1,125,070	1,086,151	-	-	1,086,151	38,074	38,919
Computers and data processing Units (NESD)	17,384,008	2,356,494	3,557,553	16,182,949	13,236,927	3,147,698	3,459,529	12,925,096	3,049,387	4,147,081
Sub Total -A	80,754,373	3,975,300	4,189,981	80,539,692	51,295,710	6,430,628	4,046,258	53,680,080	25,464,448	29,458,663
Tangible Assets:										
Land - Lease Hold*	44,665,262	-	-	44,665,262	4,828,710	496,281	-	5,324,991	39,340,271	39,836,552
Intangible Assets:										
Software	1,107,742	101,203		1,208,945	1,082,580	15,273		1,097,853	111,092	25,162
Sub Total- B	45,773,004	101,203	-	45,874,207	5,911,290	511,554	-	6,422,844	39,451,363	39,861,714
Current Year Grand Total	126,527,377	4,076,503	4,189,981	126,413,899	57,207,000	6,942,182	4,046,258	60,102,924	64,915,811	69,320,377
Previous Year's Total	1,223,369,734	5,368,454	1,177,871	126,527,377	53,815,760	4,463,932	1,072,692	57,207,000	-	6,932,0377

Note :-

* Leasehold Land is amortised proportionately over 90 years from the date of Lease deed from 1996 valuing Rs. 5749075/- and from 2006 valuing Rs. 3,89,16,187/-

	As at 31st March,2015 (in Rs.)	As at 31st March,2014 (in Rs.)
10 Deferred Tax Assets(Net)		
Deferred Tax Assets		
On Leave Encashment	18718655	16532315
On Provision for Doubtful Debts	10838868	6670692
Less : Deferred Tax Liabilities		
On Difference of Fixed Assets Block Between Income Tax and Companies Act	1165196	2232655
Total	<u>28392327</u>	<u>20970352</u>
11 Long Term Loans & Advances		
Employees Advances	1202018	655998
- Conveyance Advance	998500	1306250
- House Building Advance		-
(Unsecured- considered good)	5835000	5835000
Income Tax Deposit Under Protest	330850	330850
Receivable from Income Tax Authority	196481	196481
Fringe Benefits Tax Receivable	-	385436705
Advance Income Tax/TDS		<u>361423082</u>
Less: Provision for Taxation		24013623
Total	<u>8562849</u>	<u>32338202</u>
12 Trade Receivables		
Debts Outstanding for a Period exceeding six months:		
- Considered Good	161210303	203864939
- Considered Doubtful	30587350	16471363
Less : Provision for Doubtful Debts	<u>30587350</u>	<u>16471363</u>
Other Debts - Considered Good	149696669	111,735,034
Total Debts	341494322	332,071,336
Total	<u>310906972</u>	<u>315599973</u>
13 Cash and Cash Equivalent		
(a) Cash -in-Hand including Imprest	216920	642180
(b) Balance With Banks		
- On Current Accounts	267540115	114639813
- On Deposit Accounts (< 1Yrs)	1034732145	1276821788
- On Deposit Accounts (> 1Yrs)	<u>34618532</u>	1276821788
Total	<u>1337107712</u>	<u>1392103781</u>
Bank Balance held on behalf of Ministries/Clients		
- On Saving Accounts	394451266	677699655
- On Deposit Accounts(< 1Yrs)	9156998229	5726929407
- On Deposit Accounts(> 1Yrs)	<u>573544994</u>	<u>845421276</u>
Total	<u>10124994489</u>	<u>7250050338</u>

	As at 31st March,2015 (in Rs.)	As at 31st March,2014 (in Rs.)
14 Short Term Loans & Advances (unsecured, considered good unless otherwise stated)		
Employees Advance		
- Tour Advance	72872	362528
- General Advance	1241278	812259
Suppliers/ Contractors on behalf of Clients		
- Creditors Advance	4,412,085	2841313
- Deposit from Clients	<u>148,132,163</u>	<u>44672149</u>
	152544248	47603462
Receivable from Client		
- Deposit from Clients(Considered Doubtful)	1,301,053	1301053
Less : Allowances for Deposit from Clients	<u>1,301,053</u>	<u>1301053</u>
	-	-
Others		
- Considered Good	19751716	16232744
Total	<u>173610114</u>	<u>65010993</u>
On Behalf of Ministry/Clients		
-Advance to Creditors	673,815,869	753381577
-Advances/Deposit (Includes deposit with court Rs 1704.77 lakhs)	<u>794,634,399</u>	<u>1184551746</u>
Total	<u>1468450268</u>	<u>1937933323</u>
Notes:		
-Amount Due from Directors/ Departmental Heads	394600	477007
15 Other Current Assets		
Interest accrued but not due		
- On Deposits with banks	75449248	85758877
- On staff Loans and advances	724749	878596
Interest Receivable	144225898	120086228
Consultancy fee accrued but not due	33784113	9844952
Discarded Assets	103292	105181
Total	<u>254287300</u>	<u>216673834</u>
Interest accrued but not due -On behalf of Ministries/Clients- on Deposits with Banks	200145880	64995334
Total	<u>200145880</u>	<u>64995334</u>
16. Other Income		
Interest on deposits with banks	213040757	196354245
Interest on Staff Loans	190897	213391
Unclaimed balances written back	23602	669400
Provisions no longer required written back	-	12906997
Sale of Tender Documents	2461798	2412700
Miscellaneous Income	3583	12353
Total	<u>215720637</u>	<u>212569086</u>

	As at 31st March,2015 (in Rs.)	As at 31st March,2014 (in Rs.)
17 Employees Benefits Expenses		
Salaries, Wages, Ex-gratia/PRP and allowances	139548489	125863221
Contribution to Provident Fund and Pension Fund	12496335	9915500
Contribution to Gratuity Fund	3697718	4915131
Contribution for Group Insurances	44,916	12188
Lease Rent for staff Accommodations (Net of recoveries)	16858017	15400506
Staff welfare (including Medical and Leave Travel Concession)	8094276	7396015
Contribution to Medical Fund Trust	2490000	4000000
Contribution to Welfare Fund Trust	1520000	2190000
Total	<u>184749751</u>	<u>169692561</u>
18 Admin. & Other Expenses		
Rent	2507059	1656913
Travelling and Conveyance -		
- Directors (including Foreign Travel - Rs. 5.83 Lakh, Previous Year 0.76 Lakh)	583428	1280736
- Others (including Foreign Travel - Rs 10.30 lakh /- ; Previous Year Rs. 2.35 Lakh)	<u>11744227</u>	<u>8536207</u>
Insurance	4096380	3489248
Power and Fuel	4018814	4326061
Printing and Stationery	770622	504995
Postage	1460874	1432809
Telephone	156376	178035
Vehicle Running & Maint. Expenses	3597019	4047040
Vehicle / Taxi hire charges(Net of Recoveries)	482406	796194
Advertisement and Publicity	9887514	11771667
Professional Charges and Fees for Services rendered		
Repair and Maintenance		
- Building	3067770	2608124
- Office Equip.	<u>331010</u>	<u>368619</u>
Auditors' Remuneration- Refer Note no. 20 (8)	654350	413371
Charity & Donations	-	25000
Business Promotions	2739114	1799342
Directors Sitting Fees	130000	96852
Subscription & Membership Fees	23422	453972
Legal Expenses	1108968	486089
Information & Technology Expenses	935140	742407
Expenses towards Corporate Social Responsibility Activities (Refer Note No. 20.1(g))	4020000	3000000
Recruitment and Training Expenses	722746	1433778
Watch and Ward Expenses	1694211	1294424
Miscellaneous Expenses	629689	288098
Provision for bad & Doubtful Debts	14115987	1000442
Loss on sale of fixed assets	70292	-
Loss on Exchange Diff in Foreign Currency	223947	-
Prior Period Items :-	-	-
Prior Period Income (for details see note below)	(2596835)	5929000
Prior Period Expenses (for details see note below)	<u>57184</u>	<u>734440</u>
Total	<u>67343452</u>	<u>58996261</u>

	As at 31st March,2015 (in Rs.)	As at 31st March,2014 (in Rs.)
Prior Period Items Details		
Income		
Consultancy Fee	2596835	(5929000)
	(a) <u>2596835</u>	<u>(5929000)</u>
Expenses		
Travelling Expenses	57994	70500
Printing & Stationery	-	280458
Vehicle Hire Charges	-	108203
Professional Charges and Fee for Services Rendered	65121	162200
IT Expenses	-	11333
Service Tax	-	16490
Repair & Maintenance	-	85256
Others	(65932)	-
	(b) <u>57184</u>	<u>734440</u>
Total (b - a)	<u>(2539651)</u>	<u>6663440</u>

19. SIGNIFICANT ACCOUNTING POLICIES

I. COMPANY INFORMATION:

HSCC (India) Ltd., a Mini Ratna, is a Govt. of India enterprise engaged in rendering comprehensive range of professional consultancy services in healthcare & other social sectors in India and abroad that includes conceptual studies, Management consultancy, Project Management, logistics & Installation, Procurements & Purchase and Healthcare facility design.

II. BASIS OF PREPARATION

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standard specified under section 123 of the Companies Act 2013 read with Rule 7 of the Companies (Account) Act 2014 and relevant provision of Companies Act 2013. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

III. USE OF ESTIMATES

The preparation of the financial statements in conformity with the generally accepted accounting principles requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

IV. REVENUE RECOGNITION

Consultancy fee

The policies for recognition of Consultancy fee in respect of various services are as under:

(a) ON DESIGN ENGINEERING / STUDIES / TRAINING / INFORMATION & TECHNOLOGY

Consultancy fee is recognized as income on the basis of bills raised / due to be raised in respect of fee receivable for supplies completed as scheduled in the agreement with the client.

(b) ON PROCUREMENT

(i) Consultancy fee is recognized as income on the basis of bills raised / due to be raised in respect of fee receivable for work / stages completed as scheduled in the agreement with the client.

(ii) Where stages of Consultancy fee have not been expressly prescribed in the agreement with clients, the same is recognized as income to the following extent:

- on placement of supply order – 70% of total fee receivable.
- on receipt of supplies/installation of equipments – balance 30% of total fees.

(C) ON CONSTRUCTION CONTRACTS (Project Management)

Consultancy fee is recognized as income on the basis of work measured as scheduled in the agreement with the client. Where work done is not measured as at the end of the year, Consultancy fee is recognized as Income on the basis of technical assessment of work done.

(D) GENERAL

- (i) Where there is a revision in the cost of the project the consultancy income is reflected in the year of revision in the cost.
- (ii) If mobilization advance is received against fee then it is adjusted proportionately against the various stages as scheduled in the agreement with client.
- (iii) If advance fee is part of stage payment then it is recognized as income along with the completion of next stage as defined in the agreement.

V. TANGIBLE & INTANGIBLE ASSETS

A. Assets

(a) Tangible Assets:

Tangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Items of tangible assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements under "Other current assets". Any expected loss is recognized immediately in the Statement of Profit and Loss.

(b) Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

B. Depreciation

(a) Tangible Assets:

- (i) Depreciation on fixed assets is provided on written down value method at the rates and in the manner prescribed under Schedule II, of the Companies Act, 2013. Assets costing up to Rs. 5,000/-each are fully depreciated in the year of purchase.
- (ii) Leasehold land is amortized proportionately over the duration of lease.
- (iii) Stationery items and library books are completely charged off to revenue in the year of purchase.
- (iv) Depreciation on addition / deduction to fixed assets is being provided on pro-rata basis from the date of asset put to use / discarded or sold.

(b) Intangible Assets:

- (i) Depreciation on software is provided on written down value method and the same is fully depreciated in the 3rd year of purchase, considering maximum useful life of the Software as three years.
- (ii) Software costing less than Rs 5000/- is depreciated in the year of purchase.

VI. PRIOR PERIOD ITEMS

Items of income/expenditure in excess of Rs. 20,000/- each, relating to earlier years are treated as prior period income / expenditure and are appropriately disclosed.

VII. PREPAID EXPENSES

Expenses in each case up to Rs. 20,000/- relating to subsequent years are being charged off to current year expenses and those more than Rs. 20,000/- each are treated as prepaid expenses.

VIII. EMPLOYEE BENEFITS (Retirement/Post retirement)

(a) Defined contribution plans:

(i) Medical Facility

The Company has Medical benefit scheme under which employees on regular pay scales including retired employees are provided medical facilities. The Scheme is funded by the Company and is managed by a separate Trust namely "HSCC Employees' Medical Fund Trust". The contribution to the Trust is recognized in Profit & Loss Account on payment basis.

(ii) Leave Travel Concession (LTC) for Home Town

The Company has a Scheme of providing Leave Travel Concession for visit to home town to employees and their dependents. The Scheme is unfunded and is recognized in Profit & Loss Account on the basis of actual payment.

(iii) Pension Plans

Contributions to defined contribution schemes such as superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Contribution to Employees Pension Scheme is out of employer share of Provident Fund.

(b) Defined benefit plans

(i) Provident Fund

Provident fund contributions are made to a trust administered by the PF Trust. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company.

(ii) Gratuity

The Company also provides for retirement / post-retirement benefits in the form of gratuity, compensated absences. The Group's liability towards such defined benefit plans is determined based on valuations, as at the balance sheet date, made by independent actuaries using the projected unit credit method. Actuarial gains and losses in respect of the defined benefit plans are recognised in the Statement of Profit and Loss in the year in which they arise.

The Company has a defined benefit Gratuity Plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary ($15 / 26 \times$ last drawn Basic Pay plus Dearness Allowance) for each completed year of service, subject to a maximum of Rs. 10 lakhs (Previous Year Rs. 10 lakhs) on superannuation, resignation, disablement or on death. The Scheme is funded by the Company and is managed by a separate Trust namely "HSCC Employees' Gratuity Fund Trust". The Company has taken a Group Gratuity cum Life Insurance Policy from the Life Insurance Corporation of India. The liability for the same is recognized on the basis of amount payable to Life Insurance Corporation of India being calculated by them on actuarial valuation using projected unit credit method on annual basis.

(iii) Leave Encashment

The Company has a defined benefit Leave Encashment Plan for compensated absence for Earned Leave and Half Pay Leave (sick leave). The Scheme is unfunded and is recognized in Profit & Loss Account on the basis of actuarial valuation using projected unit credit method on annual basis. The amount received from previous organization is being credited to Profit & Loss Account.

IX. FOREIGN CURRENCY TRANSACTIONS

Foreign Currency Transactions are recorded on the basis of exchange rate prevailing on the date of respective transaction. Gains / losses arising out of subsequent fluctuations in exchange rates, arising, either on settlement or on translation, are recognized in the Profit & Loss Account. Where such transactions are on behalf of clients, the gain / loss is transferred to respective clients' Accounts.

X. RESEARCH & DEVELOPMENT

Revenue expenditure on Research & Development is charged as expense in the year in which it is incurred.

XI. PROVISION FOR TAXATION

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflect the impact of current year's timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years / period. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

In situations where the Company has unabsorbed depreciation or carry forward of tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits. At each balance sheet date, the Company reassesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably or virtually certain as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

XII. LIABILITIES / PROVISIONS NO LONGER REQUIRED

Liabilities / Provisions outstanding for four years or more which are no longer required as on the date of Balance Sheet are written back. Claims arising, if any, after that date are charged off in the year of claim. Net Amount is shown under the head other income.

XIII. PERFORMANCE RELATED PAY

In line with DPE guidelines liability is provided for Performance Related Pay to Employees. 3% of PBT and 2% of PBT or 10% of incremental profit whichever is lower subject to maximum of 5% of PBT for Board executives and additional liability is provided for non executives.

XIV. PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS

A provision is recognized when Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

XV. DOUBTFUL DEBTS

The outstanding which are not collected up to 3 years of their ageing are provided in the books of accounts. The outstanding which are unrecoverable after all efforts are made for its recovery are written off after approval of board of directors. Any future recoveries in these accounts are considered as income of the company in the year of receipt.

XVI. OPERATING LEASES

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. The company is lessee under such arrangements. Payments under such leases are charged to the Statement of Profit and Loss on a straight line basis over the primary period of the lease.

ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS

20. NOTES TO ACCOUNTS

I. Contingent Liabilities not provided for :

- (a) Claims against the Company not acknowledged as debt Rs.1.83 lakhs (Previous Year Rs.1.83 lakhs).
- (b) Unsettled disputed staff dues – Rs 34.61 Lakhs (Previous Year Rs 34.61 lakhs).
- (c) Guarantees issued by Banks on behalf of Company outstanding as on 31.03.2015 Rs.261.34 lakhs (Previous Year Rs.353.175 lakhs).
- (d) Income Tax
 - Against Income Tax demand for Asstt. Year 2005-06 of Rs. 388.86 lakhs by assessing officer, Company went into appeal with CIT (Appeals) and the orders were passed by CIT (Appeals) in favor of the Company. Now the DCIT has filed an appeal to ITAT against the order of CIT (Appeals). The appeal is pending at ITAT.
 - Against Income Tax demand for Asstt. Year 2008-09 of Rs. 6.29 lakhs by assessing officer, Company went into appeal with CIT (Appeals) and the orders were passed by CIT (Appeals) in favor of the Company. Now the DCIT has filed an appeal to ITAT against the order of CIT (Appeals). The appeal is pending at ITAT.
 - Against Income Tax demand for Assessment year 2012-2013 of Rs. 14.52 Cr. by assessing officer, Company preferred appeal with CIT (Appeals) and the appeal is pending & yet to be fixed for hearing.
 - Against the Service Tax Demand cum Show Cause Notice for Rs 10.05 Lakhs for the period April 2010 to March 2012 the Company has submitted reply to the respective authorities.
- (e). In terms of the provisions of schedule II to the Companies Act, 2013, the company has applied estimated useful life as specified in schedule II to the Act. Accordingly the written down value of the fixed assets whose life have expired as at 1st April 2014 have been adjusted in opening balance of profit & loss account amounting to Rs. 13.95 lakh. Increase in depreciation over the previous year by Rs. 27.17 lakh due to the said change in calculation of depreciation and by Rs 11.43 lakh due to addition in assets.
- (f) Claims aggregating to Rs. 2826.00 lakhs (Previous Year Rs. 2310.40 lakhs) approximately are under court /arbitration by suppliers/contractors against various clients, where HSCC is co- defendant. However, the Management does not foresee any liability on the Company in these cases.
- (g). During the year Company has spent Rs. 40,20,000/- (previous year Rs. 30,00,000/-) against the required amount to be spent on Corporate Social Responsibility (CSR) i.e. 2% average profit of last three financial years i.e. Rs. 40,84,615/- (previous year NIL) as per section 135 of the Companies Act, 2013.
 The Company has Rs.1,22,86,482/- as reserve in the CSR Fund Account. The avenues to spend is being explored and be spent in subsequent years.
- (h). In one of the Project (CRI, Kasauli) regarding Consultancy Services, due to certain lapses in the project, the Company had earlier (in Oct. 2006) estimated the cost of modification of Rs 3 Crores and had agreed to meet 2/3rd of the said cost. But later this decision was not confirmed by the Board. Further, the Board has decided that the Company can accept the joint moral responsibility with the client for reported lapses in the Project. On this extraordinary liability, in the event the Ministry of Health & Family Welfare (MOH&FW), Government of India engages an agency to appraise and quantify the extent of reported infructuous expenditure on building construction works for which the Company provided consultancy services till 2004 i.e. when building was offered for taking over by CRI, the Company may have to pay and bear half of such assessed costs, if there be a demand in that behalf from MOH&FW, Government of India. The amount of liability has not yet been ascertained. Accordingly, the same will be charged to Profit & Loss Account in the year in which the liability is determined.
- (i). MOH&FW vide letter no. T-14020/27/2009-VBD, dated. 09/05/2013 referring order passed by the Hon'ble Supreme Court of India in the matter of SLP No 12397/2013 arising out of Judgment & Order dt. 21/12/2012 in FAO No. 623/2012 passed by Hon'ble Delhi High Court and to say that it has been decided that M/s HSCC (India) Ltd. will deposit the payment towards the decretal amount in the Delhi high Court at this stage in respect of M/s ISSA Industries case for Bed nets.

To comply the above order of MOH&FW, HSCC has deposited the payment of Rs 1704.77 lakhs on 15/05/2013 out of the deposits of MOH&FW available with HSCC from the projects of MOH&FW as the funds are not available with HSCC for this project as approved by the Board in their 128th meeting held on 10/5/2013 and by the Shareholders in their 2nd Extra ordinary General Meeting held on 13/05/2013. This amount is included in the Advance/Deposit on behalf of Client – MOH&FW, Note No. 14 – Short Term Loans & Advances of Notes to the Financial Statements. As decided in EGM, MOH&FW may be requested to set up an inquiry to ascertain the person (s) / Organization (s) responsible for the lapses in the matter and also apportion the liability generation out of Arbitration / Courts order to the extent of their lapses / omissions / commissions to bring the justice in the matter. Especially this may be seen in view of the facts that lapses and reasons for arbitral award are not attributable to HSCC. Liability in this regard, if any attracted to HSCC will be dealt accordingly in the year in which it is ascertained. HSCC as of now doesn't foresee any liability in this respect. Further opinion has been sought from ASG Mrs. Indira Jaising who has also opined the same vide opinion dtd. 19/02/14.

- (j). Funds received from some of the clients are kept in separate Bank accounts (Corpus Accounts) in accordance with the terms and conditions of the agreement. In terms of such agreements Rs. 74130.84/- lakhs (Previous Year Rs. 68181.97/- lakhs) were received during the year for execution of various consultancy projects.

Interest accrued; on deposit of amount so received with Banks is accumulated to the credit of respective clients' accounts. Wherever agreements do not specify, the interest is accounted for as income of the Company- such interest on Corpus Account accrued during the year 2014-15 being Rs. 1098.32 lakhs (Previous year Rs.848.62 lakhs). Further, various debit and credit balances held on behalf of such clients are shown separately under respective account heads in the financial statements.

Also, Letters of Credit have been established with banks on behalf of Ministries / clients. Amount outstanding as on 31.03.2015 is Rs.2031.30 lakhs (Previous Year Rs. 746.34 lakhs).

- (k). All India Institute of Medical Science claimed interest on their deposit with the Company earned from the date of funds deposited by client. In agreement with client, the Company has provided a sum of Rs.Nil (Previous year Rs 352.24 Lakhs) towards the liability by crediting to the client account for current year's interest on deposit Rs NIL (previous year Rs. 280.06) Lakhs by utilizing General Reserve in respect of interest Income earned in earlier years & taken as Income by the Company Net of Tax paid by the Company.
- II. As identified from the available information, a sum of Rs. NIL towards principal is due to the units on behalf of client as on 31.03.2015.(Previous Year Rs. NIL) covered under Micro, Small and Medium Enterprises Development Act, 2006.
- III. The company has sent confirmation letters to the sundry debtors but only few replies have been received till date. Balances appearing in most of the parties' accounts under the head Sundry Creditors, Deposits and various balances on behalf of Ministries / Clients are subject to confirmation.
- IV. Unclaimed balances of Sundry Creditors on account of client works are being transferred to respective client account in the year in which the accounts are settled with the clients.
- V. Credit balances lying in the deposit account of clients (MOH&FW, MEA, State Govts., Govt. Autonomous Bodies, PSUs etc.) for more than 4 years are Rs. 939.55 lakhs (Previous year Rs. 1771.76 lakhs) inclusive of Corpus Account Rs. 518.48 lakhs (Previous year Rs. 872.65 lakhs) will be paid in the year in which accounts are settled with them.
- VI. The Company during the year has contributed Rs. 24.90 lakhs and Rs. 15.20 lakhs (Previous Year Rs. 40 lakhs and Rs. 21.90 lakhs) to approved Employees' Medical and Welfare Fund Trusts respectively for the welfare of its employees.
- VII. Outstanding Expenses includes Performance Related Pay (PRP) for the year 2014-15 Rs. 53.65 lakhs. (Previous Year Rs. 95.45 lakhs)

VIII. Payment to Auditors*:

(Rs. in Lakhs)

Particulars	2014-15	2013-14
Audit Fee	4.50	3.00
Tax Audit Fee	0.70	0.60
Reimbursement of out of pocket expenses	1.34	0.53
Total	<u>6.54</u>	<u>4.13</u>

* Exclusive of service tax.

IX. In the opinion of the Board of Directors, the Current Assets and Loans & Advances as on 31.03.2015 have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

X. Physical Verification of Fixed Assets of the company for the year 2014-15 has been conducted by a firm of independent Chartered Accountants. Unusable assets found in verification have been dealt with according to significant accounting policies of the company.

XI. Information regarding foreign exchange (excluding exchange rate variation):

(Rs. In lakhs)

Particulars	2014-15	2013-14
Expenditure in Foreign Currency on :		
- Travelling	5.83	1.21
- Value of imports on C.I.F. basis :		
Capital Goods (on behalf of clients)	913.17	47.44

XII. Disclosure as per Accounting Standard -7 on "Construction Contracts"

Disclosure so far as related to Civil Construction Projects in which the Company has acted as Consultant on behalf of clients is as under:

(Rs. In lakhs)

Particulars	2014-15	2013-14
(a) Aggregate amount of cost incurred on behalf of the clients during the year	44777	36979
(b) Consultancy fee of such contracts recognized during the year	4098	3692
(c) Outstanding deposits / advances from Ministries / Clients in respect of such contracts	64264	48867
(d) Outstanding retention money in respect of such contracts	5357	3614

XIII. The total transaction made on behalf of Client in respect of Construction activities by HSCC during the financial year 2014-15 was Rs. 44777 lakhs (previous year Rs. 36979 lakhs).

XIV. Disclosure as per Accounting Standard -15 on "Employee Benefits"

Disclosures in terms of 'Employees' Benefit' are as under:

(i) Defined Contribution Plan

(a) Provident Fund

Company pays fixed contribution to Provident Fund at predetermined rates to a separate Trust namely "HSCC Employees' Provident Trust" which invests the funds in permitted securities. The contribution to the fund for the year is recognized as expense and is charged to Profit & Loss Account. The Provident Fund Trust is required to pay minimum rate of interest on contributions to the members as specified by Government of India. Deficit to the Trust, if any, on account of payment of such minimum rate of interest is borne by the Company and is recognized in Profit & Loss Account as expense. During the year the Company had recognized Rs.100.08 Lakhs as employer's contribution towards Provident Fund (Previous Year Rs.85.97 Lakhs) and deficit on account of interest for the year 2014-15 is Rs.9.25 Lakhs (Previous Year Rs.5.04 Lakhs).

(b) Medical Facility

During the year the Company had contributed Rs. 24.90 lakhs towards the said Trust (Previous Year Rs.40 lakhs) in the Profit & Loss Account which includes hospitalization of existing & retired employees.

(c) Leave Travel Concession (LTC) for Home Town:

During the year the Company had recognized Rs 1.27 lakhs towards LTC (Previous Year Rs. 1.28 lakhs) in the Profit & Loss Account.

(ii) Defined Benefit Plan

(a) Gratuity

As per Actuarial Valuation as on 31st March, 2015 and recognized in the financial statements is as under:

S.No.	Particulars	31.03.2015	31.03.2014
1	Membership Data		
	Number of Members	152	149
	Average Age(Yrs)	39.74	39.09
	Average Monthly Salary(Rs)	47242.22	45718.47
	Average Past service(Yrs)	10.13	9.34
2	Actuarial Assumptions		
	Mortality Rate	LIC(1994-96) ultimate	LIC(1994-96) ultimate
	Withdrawal Rate	1% -3% depending on age	1% -3% depending on age
	Discount Rate	8% p.a	8% p.a
	Salary Escalation	7% p.a	7% p.a
3	Results of Valuation		
	PV of Past Service Benefit	359.95	321.64
	Current Service Cost	20.50	21.40
	Total Service Gratuity	1007.55	976.90
	Accrued Gratuity	465.34	404.83
	LCSA	542.21	572.07
	Fund Value as on Renewal Date	345.09	293.65

During the year the Company has made provision of Rs 36.98 lakhs towards contribution to gratuity as per policy with Life Insurance Corporation of India.

(b) Leave Encashment

The following is the summary of components Compensated Absences (leave encashment):

(i) Change in present value of obligation

(Rs. in lakhs)

	Particulars	31.03.2015	31.03.2014
(a)	Present value of obligation as at the beginning of the period	486.37	383.10
(b)	Interest cost	41.34	30.65
(c)	Current service cost	63.01	63.40
(d)	Benefits paid	(56.31)	(30.61)
(e)	Actuarial (gain) / loss on obligation	16.28	39.83
(f)	Present value of obligation as at the end of period	550.71	486.37

(ii) Expenses recognized in Profit & Loss Account.

(Rs. in lakhs)

	Particulars	31.03.2015	31.03.2014
(a)	Current service cost	63.01	63.40
(b)	Interest cost	41.34	30.65
(c)	Net actuarial (gain) loss recognized in the period	16.28	39.83
(d)	Expenses recognized in the statement of Profit & Loss	120.63	133.88

(iii) Movement in the liability recognized in Balance Sheet

(Rs. in lakhs)

	Particulars	31.03.2015	31.03.2014
(a)	Opening net liability	486.37	383.10
(b)	Expenses as above	120.63	133.88
(c)	Benefits paid	(56.31)	(30.61)
(d)	Closing net liability	550.71	486.37

(iv) The principal assumptions used in actuarial valuation are shown below:

	Particulars	31.03.2015	31.03.2014
(a)	Discounting Rate (%)	7.75	8.5
(b)	Future salary increase (%)	5.25	6.0
(c)	Retirement Age (Years)	60	60

xv Disclosure as per Accounting Standard - 17 on "Segment Reporting"

The Company's business is confined only to Consultancy. Accordingly, the Company operates in single primary segment. Further, the Company undertakes projects primarily within India. Hence there are no reportable geographical segments

xvi Previous year's figures have been rearranged and regrouped wherever possible so as to make them comparable with those of current year.

xvii Disclosure as per Accounting Standard - 18 on “Related Party Disclosures”

Details pertaining to Related Party Transactions are as follows:

(a) List of Related Parties

	Name	Nature of Relationship
(i)	Sri Gyanesh Pandey Chairman & Managing Director	Key Management Personnel
(ii)	Sri S.K. Jain -Director (Engg)	Key Management Personnel

(b) Related Party Transaction :

Remuneration to the Chairman & Managing Director and Director (Engineering) during the year is Rs. 64.17 lakhs (Previous Year Rs. 61.61 lakhs) as detailed below excluding reimbursement of expenses.

(Rs. In lakhs)

	Particulars (Paid / Payable)	2014-15	2013-14
(i)	Salaries & Allowances	48.58	44.44
(ii)	Contribution to Provident Fund	3.96	3.56
(iii)	House Rent (Net)	8.40	11.06
(iv)	Medical, LTC, perquisites and Tax on perquisites	3.22	2.55
	Total	64.17	61.61

Further, the above excludes contribution to Gratuity Scheme, Staff Trust, Group Insurance Scheme and Provision for leave encashment.

xviii Disclosure as per Accounting Standard -20 on “Earning per Share”

	Calculation of E.P.S.	2014-15	2013-14
A.	Net Profit for the year attributable to Equity Shareholders (Rs. in lakhs)	2454	2398
B.	Number of Equity Shares outstanding during the year	240018	240018
C.	Earning per Share (A) / (B) (Rs.)	1022	999
D.	Nominal value per Share (Rs.)	100	100

Signatures to Schedules 1 to 20

As per our report of even date

For S. K. Kapoor & Co.
Chartered Accountants
Firm Regn. No. : 000745C

Partner : V. B. Singh
M. No. 073124

Place : Noida
Dated : 27/08/2015

For and on behalf of the Board of Directors

(Gyanesh Pandey)
Chairman & Managing Director

(S. K. Jain)
Director (Engg.)

(A. K. Aggarwal)
Executive Director

(R. K. Pathak)
DGM (F&A) & Co. Secy.

GLIMPSES OF PROJECTS RECENTLY COMPLETED BY HSCC

150 Bed Hospital at Dickoya, Srilanka



AIIA, Sarita Vihar, New Delhi



Bhatinda Cancer Hospital, Bhatinda



BSL - 4 Lab at MCC, Pune



Convergence Centre, AIIMS



Government Nursing College, Patiala



IICB, Kolkata



SSB at R. P. Medical College, Tanda



GLIMPSES OF PROJECTS RECENTLY COMPLETED BY HSCC

Dr. D. P. Rastogi Central Research Institute of Homoeopathy, Noida



Yangon Children Hospital, Myanmar



NIUM, Bangalore



Irinjalakuda, Kerala



VIGILANCE ACTIVITIES

The Company being a Consultancy Organization, there is no separate Vigilance Unit in the Company. Shri S.A. Usmani, CGM was acting as Part time CVO till 30.06.14. From 1.07.14 to 13.11.14 Shri S.C.Garg, GM (Projects) was acting as part time CVO. Shri. R.K.Agarwal, DGM (Electrical) is acting as Vigilance Officer (VO) Part Time for a period of three years w.e.f 14.11.14. During the year, Vigilance Cell has functioned as an effective part of management. Annual reports, Quarterly Progress Reports, Private Foreign Visits, Monthly report were submitted to the respective agencies on time. CVC guidelines, received from time to time, were followed and adhered to as precautionary and preventive measure and inquiries are properly and promptly attended to. Existing systems and procedures were reviewed for further improvements and all our efforts were made to ensure transparency in the working of the Company. To maintain high moral standard of employees the Company observed Vigilance Awareness Week from 27th October, 2014 to 1st November, 2014. This started with pledge taking ceremony by the employees.



Shri Gyanesh Pandey, CMD, HSCC alongwith Shri A. K. Aggarwal, Executive Director, Shri S. C. Garg, Part-time CVO, HSCC administered the Vigilance Pledge to the company's employees on the occasion of the Vigilance Awareness Week



WELFARE ACTIVITIES

The Company continues to motivate the employees by providing various social benefits for the employees and their families.



Independent Day Celebration 2015



Celebration of International Yoga Day on 21.06.2015

IMPLEMENTATION AND PROMOTION OF OFFICIAL LANGUAGE

The Company continued to make efforts to fulfill the targets prescribed by Govt. of India in the Official Language Act and Rules framed there in with regard to increase the use of Hindi Rajbhasha in office during the year 2014–15. Employees were motivated to use their working knowledge of Hindi in day-to-day official work. All the Standard Forms, Files, etc. are bilingual. Significant progress has been made in the field of correspondence, noting and drafting in Hindi. All Hindi letters are being replied in Hindi only. To popularize the use of Hindi, the company organized a Hindi Pakhwada from 15.09.2014 to 26.09.2014 during which various competitions based on knowledge of Official Language were organized. Besides, the company is also a member of the Town Official Language Implementation Committee, NOIDA under the Ministry of Home Affairs, Government of India and is also represented at various competitions, meeting, seminars etc.

Company's employees have been nominated to attend the All India Hindi Conference & Workshop organized by the Ministry of Health & Family Welfare at Thiruvanthapuram from 29.12.2014 to 30.12.2014 and the All India Hindi Conference and Workshop at Ghaziabad from 01.11.2014 to 02.11.2014. During this conference Shri Sharwan Kumar, Hindi Asstt. Cum-Translator was presented with Rajbhasha Gaurav Samman.

SENIOR OFFICIALS & HEAD OF DIVISIONS



Shri S. A. Usmani
CGM



Shri V. V. Govinda Rao
CGM



Shri S. C. Garg
CGM



Shri Ravindra Kr. Pathak
F&A, CS



Shri Pramod Kumar
Procurement



Shri P. K. Bhatia
Naharlagun



Shri Rajiv
NRHM-Chhatisgarh



Shri S. Samanta
North East



Smt. Monisha Tankha
Architecture & Structure



Shri R. K. Aggarwal
Electrical



Shri Debashish Bandyopadhyay
Special Projects



Shri Shivanna
South



Shri Tapas Nath
BME



Shri Vikas Thapar
Jammu



Shri A. K. Nema
IT



Shri S. S. Popli
PMSSY



Shri Narender Kumar
Business Development



Shri Ravi Ranjan
PHE



Shri Deepak Kumar
HVAC



Shri S. S. Midha
Estimation



Shri B. K. Menon
HR

HSCC OFFICES

Registered Office:

205 (2nd Floor), East End Plaza,
Plot No. 4, DDA LSC - Centre-II
Vasundhara Enclave, Delhi-110096
CIN No. U74140DL1983GOI015459

Corporate Office :

E-6(A), Sector-1,
NOIDA - 201301 (U.P.)

Project Cum Site Office :

ASSAM

Lokpriya Gopinath Bordoloi
Regional Institute of Mental Health
1st Floor, Ex-Police Line,
Near Kali Mandir, P.O: Tezpur,
Dist: Sonitpur (Assam)
PIN - 784001

CHHATTISGARH

House No. B-19/7, Near Pani Ki Tanki
New Rajendar Nagar,
Raipur - 492001

Major Site Offices :

1. All India Institute of Medical Sciences (AIIMS), New Delhi
2. All India Institute of Ayurveda, Sarita Vihar, New Delhi
3. Lady Hardinge Medical College, New Delhi
4. Redevelopment of Safdarjung Hospital, New Delhi.
5. Guru Tegh Bahadur Diagnostic Centre and Govt. Medical College, Amritsar, Punjab
6. Advanced Cancer Diagnostic Treatment & Research Centre, Bhatinda (Punjab)
7. Physiotherapy & Nursing College, Patiala, Punjab
8. Government Medical College, Patiala, Punjab
9. Dr. Rajendra Prasad Govt. Medical College, Super Speciality Block, Kangra, Tanda
10. Kalpana Chawla Medical College, Karnal
11. AIIMS - Raebareli
12. IIIM - Jammu
13. National Institute of Unani Medicine, Phase-III, Bengaluru
14. National Institute of Animal Bio-technology - Hyderabad
15. Housing Complex for AIIMS type of Institution, Bhubaneshwar
16. Ayush - Shillong
17. Lokpriya Gopinath Bordoloi Regional Institute of Mental Health, Tezpur, Assam
18. Regional Institute of Medical Sciences (RIMS), Imphal
19. RIPANS - Aizwal
20. District General Hospital at Dickoya, Sri Lanka
21. IIT, Kharagpur, West Begal
22. PGI, Satellite Centre at Sangrur, Punjab
23. NRHM Sites at Kerala
24. NRHM Sites at Chhattisgarh
25. NRHM Sites at Uttar Pradesh

STATUTORY AUDITORS

M/s S. K. Kapoor & Co.
Chartered Accountants
Himalaya House,
23, Kasturba Gandhi Marg,
New Delhi-110001

INTERNAL AUDITORS

M/s Prem Gupta & Co.
Chartered Accountants
4, Shiva Ji Marg
New Delhi-110015

SECRETARIAL AUDITORS

M/s Parveen Rastogi & Co.
Company Secretaries
Flat No.-3, Sood Building,
Teil Mill Marg,
Ram Nagar, Paharganj,
Delhi - 110055

BANKERS

Indian Overseas Bank
Canara Bank
Punjab National Bank
State Bank of Patiala
Bank of Baroda
State Bank of India
Syndicate Bank
UCO Bank
Corporation Bank
HDFC Bank Ltd.



HSCC (India) Ltd.

(A Govt. of India Enterprise)
 (A Mini Ratna Company)

Corporate Office :

E-6(A), Sector-1, Noida - 201 301 (U.P.)

Tel. : 0120-2542436, 37, 38, 39, 40,

Fax : 0120-2542447, 2533001

CIN No. U74140DL1983GOI015459

Website : www.hsccltd.co.in