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H S C C

A Miniratna Enterprise

HSCC (INDIA) LIMITED

A wholly owned subsidiary of NBCC (India) Limited



36th ANNUAL REPORT 2018-19

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SHRI HARDEEP SINGH PURI

(Hon'ble Minister of State (I/C)
for Ministry of Housing and Urban Affairs)



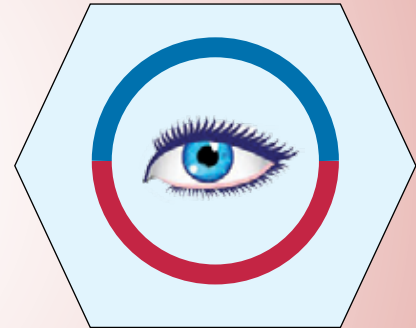
SHRI DURGA SHANKER MISHRA

(Secretary for Ministry of Housing and Urban Affairs)

VISION, MISSION, CORPORATE VALUE & CORPORATE QUALITY POLICY

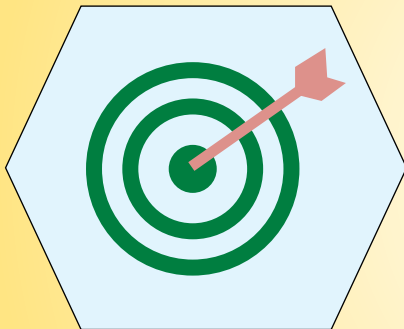
VISION

"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.



REFERENCE INFORMATION

REGISTERED OFFICE

205 (2nd floor), East End Plaza,
Plot No. 4, LSC, Centre - II,
Vasundhara Enclave,
New Delhi-110096

CORPORATE OFFICE

E-6(A), Sector-1, Noida - UP - 201301
Tel. - 91-120-2542436-40
Fax - 91-120-2542447
Email - hsccltd@hsccltd.co.in

STATUTORY AUDITORS

M/s. M.L. Puri & Co,
Chartered Accountants
407, New Delhi House,
27, Barakhamba Road,
New Delhi - 110 001

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
Bank of Baroda
State Bank of India
Syndicate Bank
UCO Bank
Corporation Bank
HDFC Bank Ltd.
Oriental Bank
Axis Bank
Union Bank of India

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DIRECTORS' PROFILE



Shri Shiv Das Meena
Chairman

Shri Shiv Das Meena, IAS, assumed the office of Chairman, HSCC (India) Limited w.e.f. April 5, 2019. Shri Meena is presently holding the position of Addl. Secretary in the Ministry of Housing and Urban Affairs (MoHUA) and will be simultaneously holding the interim additional charge of Chairman-cum-Managing Director in NBCC (India) Limited, the Holding Company of HSCC (India) Limited. A 1989 batch Indian Administrative Service Officer of Tamil Nadu cadre and having almost three decades of experience in public service, Shri Meena is a Bachelor of Civil Engineering. He subsequently did his Master of International Studies from Japan.



Shri Gyanesh Pandey
Managing Director

Shri Gyanesh Pandey holds Bachelor Degree in Civil Engineering and has been working with HSCC since June 01, 1995. He has around 36 years of experience in the field of project planning and management he has been member of the Board of HSCC since June 1, 2011 and is incharge of overall management of company's oprations.

**Smt. Nandita Gupta**

Govt. Nominee Director

Smt. Nandita Gupta is a 2001 Batch IAS Officer. She has joined the Board of HSCC as Government Nominee Director in the company from February 1, 2019. She is holding the position of Joint Secretary, Ministry of Housing and Urban Affairs since September 2018. She had also served as Chairperson of the Board of Directors of Dharamshala Smart City Limited from June 2016 to December 2017 and as Director Estate in the Ministry of Urban Development before holding the post of Joint Secretary in Ministry of Housing and Urban Affairs.

**Dr. (Smt.) Vinod Panthi**

Independent Director

Dr. (Smt.) Vinod Panthi has been appointed as Non-Official Independent Director (NoD) by Ministry of Housing and Urban Affairs on the Board of HSCC (India) Limited w.e.f. August 1, 2019. She has completed her MBBS from J.L.N Medical College. Dr. (Smt.) Vinod Panthi holds more than 22 years of experience in the fields of Obstetrics & gynaecology and medicine. She is currently a Private Practitioner.

PERFORMANCE AT A GLANCE

The Company has yet again posted excellent results for the year ending March 31, 2019 with highest turnover of ₹ 2,07,104.00 lakh and profit after tax of ₹ 4,981.00 lakh.

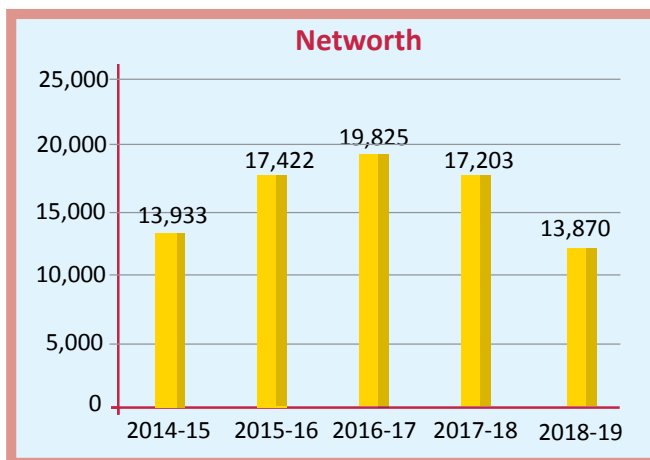
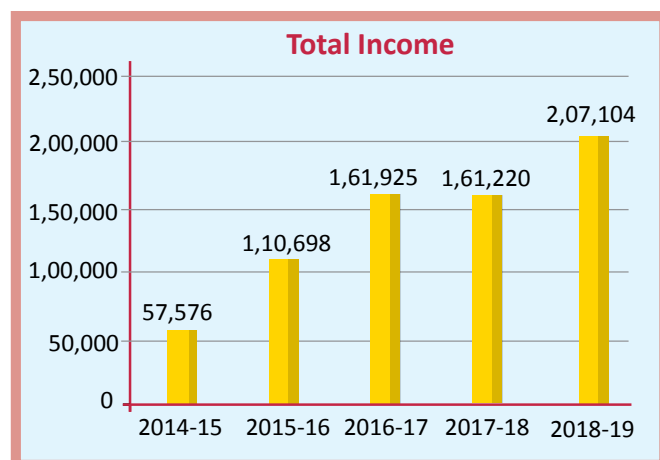
The Company was incorporated in 1983 with the paid up capital of ₹ 40.00 lakh and later on issued bonus shares of ₹ 200.00 lakh resulting in increase of paid up share capital to ₹ 240 lakh. In F.Y. 2017-18, Company processed the Buyback of 25% fully paid up equity share capital resulting in decrease of paid up share capital to ₹ 180.00 lakh. During the F.Y. 2018-19, as per Office Memorandum of Department of Investment & Public Asset Management (DIPAM), 100% strategic disinvestment of the Company was made and thus NBCC (India) Limited acquired existing 100% paid-up equity share capital of the Company alongwith transfer of management control.

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 and stress 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 best service provider in healthcare sector with both quality and timing factor, offering distinctive and innovative services that delights our clients.

(₹ lakh)

PARTICULARS	2014-15	2015-16	2016-17	2017-18	2018-19
Income	5,75,76	11,06,98	1,61,925	1,61,220	2,07,104
Profit Before Tax	3,795	8,687	5,616	5,822	7,949
Net Profit	2,454	5,462	3,761	3,747	4,981
Net Worth	13,933	17,422	19,825	17,203	13,870
Dividend	492	1,638	1,128	1,124	2,989
Rating Against MOU	Very Good	Excellent	Very Good	Good	Very Good (Expected)



FINANCIAL SUMMARY

THE DECADE FINANCIAL RESULTS AT A GLANCE

(Figures ₹ in lakh)

Particulars	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
FINANCIAL PERFORMANCE										
Paid-up Capital	240	240	240	240	240	240	240	240	180	180
Reserve & Surplus	6,999	7,632	8,708	10,347	11,841	13,693	17,182	19,585	17,023	13,690
Net Worth	7,239	7,872	8,948	10,587	12,081	13,933	17,422	19,825	17,203	13,870
Net Fixed Assets	632	615	600	685	693	649	635	707	706	7,496
Working Capital *	6,440	7,117	8,568	10,200	12,053	14,165	17,519	24,083	17,188	3,339
Capital employed	7,072	7,731	9,168	10,885	12,746	14,814	18,154	24,790	17,895	13,870
OPERATING STATISTICS										
Consultancy Fee **	2,097	2,311	2,929	3,380	3,919	49,004	1,02,180	1,51,116	1,51,311	2,04,946
Interest & Other Income	1,218	1,034	1,529	2,455	2,126	8,572	8,518	10,809	9,910	2,158
Total Income	3,315	3,346	4,458	5,835	6,045	57,576	1,10,698	1,61,925	1,61,220	2,07,104
Expenditure	2,002	1,993	2,048	2,203	2,287	53,782	1,01,948	1,56,236	1,55,320	1,99,111
Gross Margin	1,313	1,353	2,409	3,632	3,758	3,794	8,750	5,689	5,900	7,993
Depreciation	39	36	58	32	44	69	63	73	78	44
Profit before Tax	1,274	1,317	2,352	3,600	3,714	3,725	8,687	5,616	5,822	7,949
Profit after Tax	787	830	1,472	2,257	2,398	2,384	5,462	3,761	3,747	4,981
Provision for taxation	487	487	880	1,343	1,316	1,341	3,225	1,855	2,075	2,968
Dividend	173	173	300	468	492	492	1,638	1,128	1,124	2,989
MANPOWER										
Employees (in Nos)	135	132	124	123	143	153	162	176	184	177
(On regular Pay Scales)										
RATIOS										
PBT/Total Income (%)	38%	39%	53%	62%	61%	6%	8%	3%	4%	4%
Net Profit/Total Income (%)	24%	25%	33%	39%	40%	4%	5%	2%	2%	2%
Net Profit/Net Worth (%)	11%	11%	16%	21%	20%	17%	31%	19%	22%	36%
Total Income Per Employee	25	25	36	47	42	376	683	920	876	1,170
Earning Per Share (EPS) (₹)	328	346	613	940	999	993	2,276	1,567	2,081	2,767
Book Value Per Share (₹)	3,016	3,280	3,728	4,411	5,034	5,805	7,259	8,260	9,555	7,705

* Financial Statement of FY 2018-19 is prepared in accordance of Indian Accounting Standard. The variation in the value on account of remeasurement, reclassification and re-grouping of necessary figures

** Consultancy fee for 2018-19 include Value of workdone of ₹ 1,94,317.78 lakh and consultancy fee of ₹ 10,628.37 lakh

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

INFORMATION TECHNOLOGY

- Health MIS
- System Integration

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

NEW AREA (DIVERSIFICATION)

- Engineering & Maintenance of Facilities
- Animal Vaccine Manufacturing Facilities
- Pharmaceutical Manufacturing Facilities
- Training of Overseas Medical Professionals
- Development of Bio-Technology R&D Institutes
- Projects in New Development International Markets

CHAIRMAN'S SPEECH

Dear Shareholders,

I warmly welcome you all to the 36th Annual General Meeting of HSCC (India) Limited. It is always a pleasure to update you on the performance of the Company as share an outline of future outlook and mid-term.



BACKGROUND

HSCC (India) Limited, erstwhile Hospital Services Consultancy Corporation was set-up in the year 1983 under the aegis of Ministry of Health and Family Welfare (MoHFW), with a mission was to provide comprehensive, concept to commissioning consulting services for the Healthcare Sector in India. HSCC has steadily progressed and evolved during its journey of over 36 years. It was achieved the status of Mini Ratna – Category-I in 2015.

It is also a matter of pride to note that since its inception, HSCC has managed its business growth and expansion without any kind of borrowing - either from the Government or from any other sources. The Company has always been debt-free and profit making, which is indeed an outstanding achievement and a strong validation of the Company's capabilities and strengths.

Over the years, HSCC has created a special niche in Healthcare Consulting. It's comprehensive expertise includes Hospital Planning, Design, Detailed Engineering, Project Management, Quality Control as well as Procurement, supply, Installing and Commissioning of Medical Equipment. HSCC is capable of providing end-to-end multi-disciplinary support in Healthcare: from feasibility study and tender documentation to procurement and project management encompassing civil, electrical, IT and auxiliary areas.

NBCC (India) Limited, acquired HSCC as a Wholly Owned Subsidiary on December 24, 2018 under the Ministry of Housing and Urban Affairs (MoHUA) with a multi-disciplinary portfolio that renders 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. NBCC's taking over HSCC has provided synergy benefits and having a specialized team of professionals with vast experience in healthcare sector would add more value to the organization.

KEY PROJECTS

HSCC has executed numerous marquee projects like National Cancer Institute (NCI) at Jhajhar, Super Speciality Block at Government Medical Collage(s), Latur, Rewa (MP), Patiala, etc. Safarjung Hospital at New Delhi, National Institute of Animal Breeding (NIAB) at Hyderabad.

Oversees projects like 150 bed hospital at Dickoya, Sirlanka, Traumna Centre for BIR Hospital at Kathmandu, Bhutan Institute of Medical Science, Modernization of General Hospital Sittwe and Children Hospital at Yangon.

Projects in pipeline include Multi operational work of AIIMS, New Delhi, Nagpur, Kalyani, Guntur, 100 bedded hospital for ESIC at Siliguri, Advanced Neuro Science Centre at Chandigarh, Cancer Hospital for Ministry of Health & Quality Life at Republic of Mauritius etc.

PERFORMANCE

As far as the performance of the Company during the year 2018-19 is concerned, I am happy to report that the Company maintained its momentum despite a challenging operating environment. The total earnings for the year was ₹ 2,071.04 crore compared to ₹ 1,612.20 crore in the previous year. PAT for the year was ₹ 49.81 crore.

CHALLENGES & OPPORTUNITIES

The healthcare space is increasingly becoming competitive with new entrants in the form of private and public sector players. This is creating a downward pricing pressure and affecting margins. Another interesting development in the space is the rising numbers of projects shifting to North-East that tends of have a longer gestation and completion period.

However, the emerging opportunities in healthcare are far bigger. India is lagging behind in terms of number of hospitals, beds, doctors and other medical facilities and talent. The Government is determined to bridge this gap with a massive push to improve the entire healthcare sector. This includes new projects as well as re-development and up-gradation of existing hospitals across the country. The demand from private sector in healthcare is also witnessing a renewed surge as more domestic and international players enter the fray. Another unfolding opportunity is in overseas countries in the SAARC region which are also looking at a huge push in healthcare.

CONCLUSION AND GRATITUDE

Altogether, I believe we have all the right building blocks in the right place for a phase of sustained growth and expansion in the years to come. We are on track to achieve our goal of developing into a world-class consultancy organisation with a proven niche in healthcare. I am confident with your support and faith, we will be successful.

As I conclude, I would like to take this opportunity to express my sincere gratitude to our administrative Ministry i.e. Ministry of Housing and Urban Affairs (MoHUA), the members on the Board as well as officials of various state and central ministries for their continued support. My sincere thanks to all our supplier and vendor partners, without whose help, the Company would not have been able to deliver stellar performance in execution of projects and most importantly, to each and every employee of HSCC for the commitment and unflinching effort - thank you!

I would also like to thank all our shareholders, stakeholders and our bankers for their sustained faith and trust in HSCC, and assure you that we will leave no stone unturned to continue delivering value.

Yours sincerely,
(Shiv Das Meena)
Chairman

MANAGING DIRECTOR'S SPEECH



To Esteemed Shareholders

On behalf of the Board of Directors of HSCC, it gives me immense pleasure to welcome all of you at this 36th 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 Directors' Report and the Annual Audited Accounts for the year 2018-19 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 FY 2018-19 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 March 31, 2019.

I am pleased to place before the shareholders that during Financial Year 2018-19, the Total Income has achieved at ₹2,071.04 crore as compared to ₹1,612.20 crore in the previous year. The Company earned Consultancy Fees of ₹ 106.28 crore as compared to ₹96.26 crore for previous year resulting 10.41% growth, which is higher than average industrial growth in India.

The Company posted pre-tax profit of ₹ 79.49 crore as against ₹ 58.22 crore during previous year. Thus, company achieved 36.54% growth in pre-tax profits for the year 2018-19. The

Company earned Net Profit of ₹49.81 crore as compared to 37.47 crore earned in previous year.

With your support, our Company has outperformed excellently, consequently, HSCC has achieved the status of one of the fastest growing PSU in India.

I am pleased to inform you that Company has recommended 1660.33% dividend on paid up capital amounting to ₹29.89 crore out of Current year's profit for the year 2018-19. This is the 34th consecutive year the company declared the dividend. Upon paying this year's dividend, cumulative dividend paid to Government of India would be ₹79.33 crore around 44 times of current paid up equity capital of the Company.

Strategic Dis investment of HSCC with NBCC (India) Ltd.

The Company was strategic disinvested with similarly placed CPSE NBCC (India) Limited (NBCC) has been selected as buyer for 100% strategic disinvestment of HSCC (India) Limited. Letter of award was issued by the Department of Public Asset Management (DIPAM) to NBCC on September 13, 2018. Share Purchase Agreement has been signed on November 6, 2018.

Mini Ratna Status

HSCC has achieved the status of Mini Ratna Category I Public Sector Undertaking with effect from December 31, 2015 from Mini Ratna category II PSU rated in September 2002.

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 "Good" Rating under the Memorandum of Understanding (MoU) for the year 2017-18 signed with the Ministry of Health & Family

Welfare as per guidelines of Department of Public Enterprises (DPE), Government of India. Further, based on results, for the year 2018-19, the Company expects to get Very Good 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 2018-19, HSCC contributed total of ₹134.17 lakh on account of Corporate Social Responsibility. Company has contributed ₹84.17 lakh towards welfare of sanitation worker engaged in Kumbh Mela 2019, Prayagraj. HSCC has also contributed ₹50 lakh for supporting treatment of one patient suffering from rare Gaucher disease under CSR.

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 cooperation extended to the Company by our Parent Company NBCC (India) Limited, 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 Mauritius, 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 cooperation and support extended to me, I promise to take your company to new and commanding heights.

Thanking you,

Sd/-
(Gyanesh Pandey)
Managing Director

NOTICE

Notice is hereby given that the 36th Annual General Meeting of the members of HSCC (India) Limited will be held on Tuesday, September 17, 2019 at 12:30 p.m. at NBCC Bhawan, Lodhi Road, New Delhi 110003 to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon.
2. To declare a Dividend of ₹1,660.33 (one thousand six hundred and sixty rupees and thirty three paise) per paid up equity shares of ₹100/- each (i.e. @1,660.33%) for the financial year ended March 31, 2019.
3. To appoint a Director in place of Shri Gyanesh Pandey (DIN 03555957), who retire by rotation and being eligible, offers himself for re-appointment.
4. To authorise Board of Directors to fix the remuneration of Statutory Auditor(s) of the Company for the financial year 2019-20.

SPECIAL BUSINESS:

4. **To regularize the appointment of Shri Shiv Das Meena (DIN: 01881010) as Director of the Company and to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :**
“RESOLVED THAT pursuant to the provisions of Section 149,152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Shiv Das Meena (DIN: 01881010), who assumed the charge of Director, HSCC w.e.f April 5, 2019, pursuant to the Ministry of Housing and Urban Affairs office Memorandum No. O-17034/45/2017-PS dated April 5, 2019 be and is hereby appointed as a Director of the Company on such terms and conditions as may be determined by the President of India from time to time.”
5. **To regularize the appointment of Shri Gyanesh Pandey (DIN 03555957), as Director (Managing Director) of the Company and to consider and if thought fit, to pass with or without modifications(s), the following resolution as an Ordinary Resolution:**
“RESOLVED THAT pursuant to the provisions of Section 149,152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Gyanesh Pandey (DIN 03555957), who assumed the charge of Managing Director, HSCC w.e.f February 1, 2019, pursuant to the Ministry of Housing and Urban Affairs office Memorandum No. O-17034/97/2018-PS dated February 1, 2019 be and is hereby appointed as a Director of the Company on such terms and conditions as may be determined by the President of India from time to time.”
6. **To regularize the appointment of Smt. Nandita Gupta (DIN 02410865), as Government Nominee Director on the Board of the Company and to consider and if thought fit, to pass with or without modifications(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 149,152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Smt. Nandita Gupta (DIN 02410865), who was appointed as Government Nominee Director, by the President of India vide Ministry of Housing and Urban Affairs office Memorandum No. O-17034/97/2018-PS dated February 1, 2019 be and is hereby appointed as Government Nominee Director of the Company on such terms and conditions as may be determined by the President of India from time to time.”

7. **To regularize the appointment of Dr. (Smt.) Vinod Panthi (DIN 08523768) as Independent Director of the Company and to consider and if thought fit, to pass with or without modifications(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and Rules made thereunder, Dr. (Smt.) Vinod Panthi (DIN 08523768) who was appointed as Independent Director, pursuant to the Ministry of Housing and Urban Affairs Office Order No. O-17034/37/2019-PS dated July 17, 2019 be and is hereby appointed as Independent Director of the Company on terms and conditions as may be determined by the President of India from time to time.”

**By order of the Board of Directors
For HSCC (India) Limited**

**Sd/-
CS Gupta
(CFO)**

Place: New Delhi

Date: August 7, 2019

NOTE:

1. The statement pursuant to the provisions of the Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed here to.
2. **A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON A POLL IN HIS/HER BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. (FORM OF PROXY IS ATNNEXED).**
3. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Final Dividend of ₹1,660.33/- (one thousand six hundred and sixty rupees and thirty three paise) per paid up equity shares of ₹100/- each (i.e. @1,660.33%) has been recommended by the Board

of Directors for the Financial Year ended March 31, 2019 subject to approval of the Shareholders at ensuing Annual General Meeting.

5. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, September 11, 2019 to Tuesday, September 17, 2019 (both days inclusive) for determining the names of members eligible for dividend on equity shares if declared at the AGM.
6. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days between 11.00 a.m. to 1.00 p.m. prior to the Annual General Meeting (except Saturday and Sunday).
7. The members intending to seek any information on annual accounts at the meeting are requested to kindly inform the Company atleast 7 days before the date of AGM

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.4

Pursuant to Ministry of Housing and Urban Affairs Office Order No. O-17034/45/2017-PS dated April 05, 2019, Shri Shiv Das Meena (DIN: 01881010) appointed as Director of the Company with effect from April 05, 2019.

Shri Shiv Das Meena is a 1989 batch Indian Administrative Service Officer of Tamil Nadu cadre and having almost three decades of experience in public service. He is a Bachelor of Civil Engineering and subsequently did his Masters of International Studies from Japan.

In his career as a civil servant, Shri Meena served the Govt. of Tamil Nadu in various important capacities including Executive Director and Managing Director- Chennai Metropolitan Water Supply & Sewerage Board (CMWSSB); Executive Director- Tamil Nadu Electricity Board; Managing Director- Tamil Nadu Medical Services Corporation; Secretary Special Programme Implementation Department, Principal Secretary to Chief Minister of Tamil Nadu; Administrator of Annamalai University etc. As Managing Director of CMWSSB, he was instrumental in implementation of two Sea Water Desalination Plants and as Administrator of Annamalai University he implemented several administrative and academic reforms in the university successfully.

He is not disqualified from being appointed as Director in terms of Section 164 of the Act. Details of Shri Shiv Das Meena are provided in the "Annexure-A" to the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution except Shri Shiv Das Meena. The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval of the members.

Item No.5

Pursuant to Ministry of Housing and Urban Affairs Office Order No. O-17034/97/2018-PS dated February 1, 2019, Shri Gyanesh Pandey (DIN 03555957) appointed as Managing Director of the Company with effect from February 1, 2019.

Sh. Gyanesh Pandey holds Bachelor Degree in Civil Engineering and has been working with HSCC since June 11, 1995. He has around 36 years of experience in the field of project planning and management he has been member of the Board of HSCC since June 1, 2011 and is incharge of overall management of company's oprations.

He is not disqualified from being appointed as Director in terms of Section 164 of the Act. Details of Shri Gyanesh Pandey are provided in the "Annexure-A" to the Notice.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution except Shri Gyanesh Pandey. The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the members.

Item No.6

Pursuant to Ministry of Housing and Urban Affairs Office Order No. O-17034/97/2018-PS dated February 1, 2019, Smt. Nandita Gupta (DIN 02410865) appointed as Government Nominee Director on the Board of the Company with effect from February 1, 2019.

She is not disqualified from being appointed as Director in terms of Section 164 of the Act. Details of Smt. Nandita Gupta are provided in the “Annexure-A” to the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution except Smt. Nandita Gupta. The Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval of the members.

Item No.7

Pursuant to Order No O-17034/37/2019-PS dated July 17, 2019, Dr. (Smt.) Vinod Panthi appointed as Independent Director of the Company with effect from August 1, 2019.

Dr. (Smt.) Vinod Panthi has been appointed as Non-Official Independent Director (NoD) by Ministry of Housing and Urban Affairs on the Board of HSCC (India) Limited. She has completed her MBBS from J.L.N Medical College. Dr. (Smt.) Vinod Panthi holds more than 22 years of experience in the fields of Obstetrics & gynaecology and medicine. She is currently a Private Practitioner.

Details of Dr. (Smt.) Vinod Panthi are provided in the “Annexure-A” to the Notice

Dr. (Smt.) Vinod Panthi has given a declaration to the effect that she meets the criteria of Independence as prescribed under Section 149 of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution except Dr. (Smt.) Vinod Panthi. The Board commends the Ordinary Resolution set out at Item No.7 of the Notice for approval of the members.

By order of the Board of Directors
For HSCC (India) Limited

Sd/-
CS Gupta
(CFO)

Place: New Delhi

Date: August 7, 2019

BRIEF RESUME OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT 36th ANNUAL GENERAL MEETING

Name	Shri Shiv Das Meena (DIN 01881010)	Ms Nandita Gupta (DIN 02410865)	Shri Gyanesh Pandey (DIN 03555957)	Dr. (Smt.) Vinod Panthi (DIN 08523768)
Date of Birth	October 5, 1964	May 19, 1974	July 31, 1961	December 26, 1966
Qualifications	Indian Administrative Service Officer		B.E. (Civil)	Doctor
Date of Appointment	April 5, 2019	February 1, 2019	June 1, 2011	August 1, 2019
Experience	30 Years (Approx.)		36 years (Approx.)	22 Years (Approx.)
Terms and Conditions of Appointment	As per the terms and conditions determined by the President of India from time to time	As per the terms and conditions determined by the President of India from time to time	As per the terms and conditions determined by the President of India from time to time	As per the terms and conditions determined by the President of India from time to time
Date of first appointment at the Board	April 5, 2019	February 1, 2019	June 1, 2011	August 1, 2019
No. of shares held in HSCC	NIL	Nil	6 (Six)	NIL
Relationship with Other Directors and KMP	NIL	Nil	Nil	NIL
Expertise in Specific functional area	Shri Shiv Das Meena, IAS is 1989 batch Indian Administrative Service Officer of Tamil Nadu cadre and having almost three decades of experience in public service, Shri Meena is a Bachelor of Civil Engineering from Malaviya Regional Engineering Collage (now Malaviya National Institute of Technology), Jaipur. He subsequently did his Masters of International Studies from Japan. As Chairman, Shri Shiv Das Meena oversees policy and strategic decision making of HSCC.		Sh. Gyanesh Pandey holds Bachelor Degree in Civil Engineering and has been working with HSCC since June 01, 1995. He has around 36 years of experience in the field of project planning and management he has been member of the Board of HSCC since June 01, 2011 and is incharge of overall management of company's oprations.	Dr. (Smt.) Vinod Panthi has completed her MBBS from J.L.N Medical College. Dr. (Smt.) Vinod Panthi holds more than 22 years of experience in the fields of Obstetrics & gynaecology and medicine. She is currently a Private Practioner.
Directorship held in other companies*	NBCC (India) Limited, Hindustan Steelworks Construction Limited	2	Nil	Nil
Memberships/ Chairmanship of Committees of other Companies *	Nil	Nil	Nil	Nil

*Membership of the Audit Committee and Stakeholder's Relationship Committee of listed entities have only been taken into consideration.

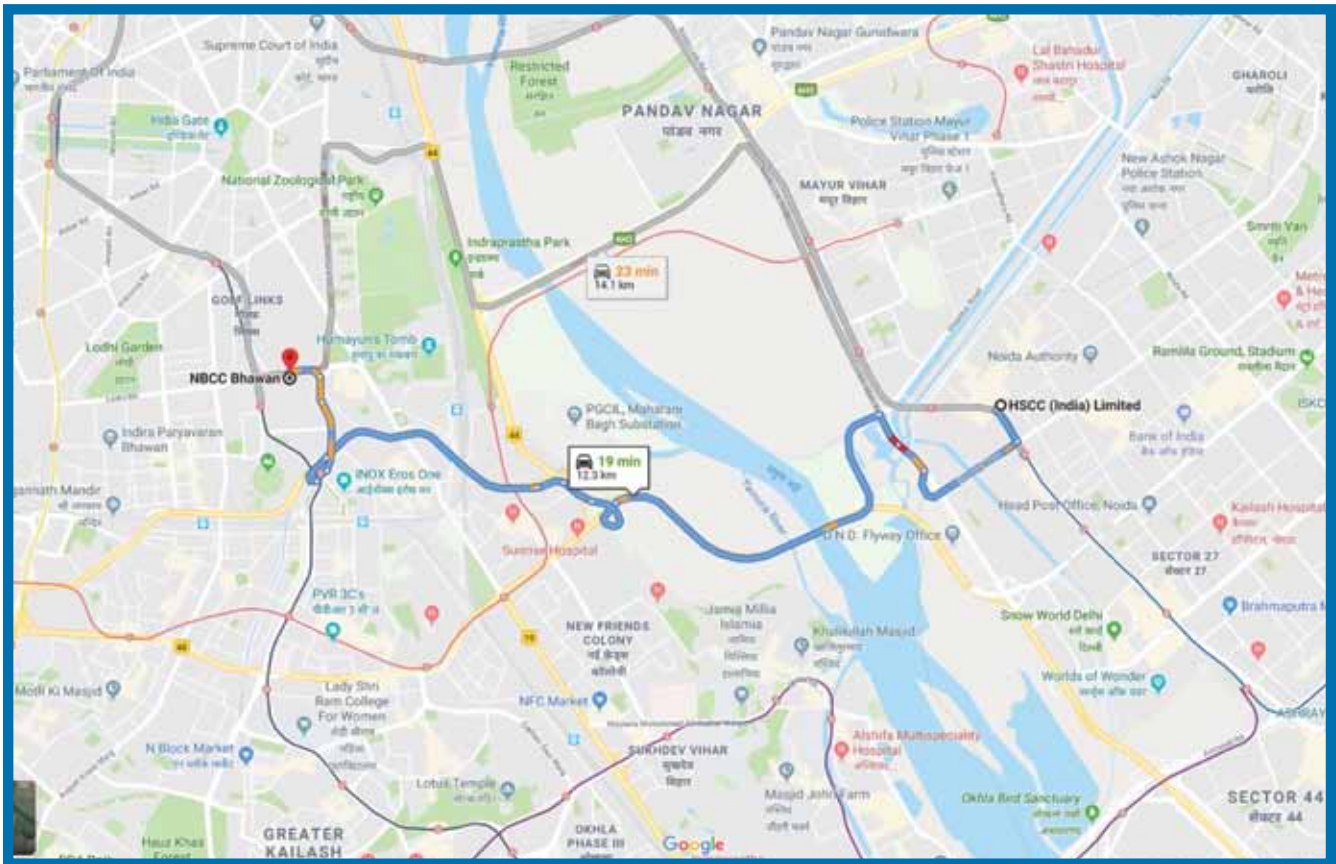
HSCC's 36th Annual General Meeting

Date : September 17, 2019

Time : 12.30 p.m.

Venue : NBCC Bhawan, Lodhi Road, New Delhi 110003

Route-Map



DIRECTORS' REPORT

Dear Shareholders,

The Directors of your Company are pleased to present the 36th Annual Report on the business and operations of HSCC (India) Limited and its Audited Financial Statement for the financial year ended March 31, 2019 with Auditor's report and comments on the accounts by the Comptroller and Auditor General of India as follows:

FINANCIAL HIGHLIGHTS

The Company has adopted the Ind-AS with effect from April 1, 2018 and figures for the previous financial year have also been modified accordingly. The Financial Highlights of the Company for the financial year 2018-19 alongwith comparative figures for 2017-18 as per Ind AS are indicated below:

(₹ in crore)

Particulars	2018-19	2017-18
Total Income	2,071.04	1,513.71
Total Expenditure	1,991.55	1,476.52
Profit before Exceptional & Extraordinary items	79.49	37.19
Exceptional & Extraordinary items	–	0.14
Profit Before Tax	79.49	37.05
Tax Expenses (net)	29.68	13.47
Profit After Tax	49.81	23.58
Dividend (proposed for 2018-19)	29.89	11.24
Net Worth	138.70	102.44
Earnings per Share(₹)	2,767.21	1,047.82

CAPITAL STRUCTURE

The Authorized Share Capital of the Company is ₹5.00 crore. The Paid up Share Capital of the Company throughout the year was ₹1.80 crore.

DIVIDEND

Considering the performance of the Company for the financial year 2018-19, the Board of Directors have recommended a final dividend of ₹ 1,660.33 per paid up equity shares of ₹ 100/- each (i.e. @1,660.33%), subject to approval of the members in the ensuing Annual General Meeting. This is the 35th consecutive year in which the Company has declared/ proposed dividend.

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 –	As on March 31, 2019	As on March 31, 2018
A. Current Assets	₹ In crore	₹ In crore
Cash & Cash Equivalents	165.32	70.52
Other Bank Balance (Fixed & Flexi deposit)	2,340.16	2,042.40
Other Assets	429.74	596.49
Total	2,935.22	2,709.41
B. Current Liabilities		
Other Current Liabilities	<u>2,935.22</u>	<u>2,709.41</u>

RESERVES

The company did not transfer any amount to its general reserves during the financial year ended March 31, 2019.

PERFORMANCE HIGHLIGHTS

Your Company continued to maintain streak of expanding in the area of operations geographically and financially. All out efforts are made to expand, innovate and excel in the areas of operations. Services of Experts and Consultants are being utilized to achieve higher degree of technical expertise and excellence in performing various activities of the Company.

During the year 2018-19, your Company was awarded the work of rendering Consultancy Services for Design & Engineering, Project Management and Procurement of Medical Equipment, Drugs and Pharmaceuticals etc. for various prestigious & challenging projects.

During the year 2018-19, your Company has achieved Total Turnover of ₹ 2,071.04 crore and Net-Worth of 138.70 crore.

A list of major on-going projects is placed at [Annexure A](#).

MEMORANDUM OF UNDERSTANDING

Your Company has finalized MoU with NBCC (I) Ltd. for the year 2019-20. The Company has been rated 'Good' by DPE for the year 2017-18 and expects to be rated 'Very Good' based on the results for the year 2018-19.

STRATEGIC DISINVESTMENT

As per Office Memorandum of Department of Investment & Public Asset Management (DIPAM), the Company was in process of strategic disinvestment with similarly placed CPSE. NBCC (India) Limited (NBCC) has been selected as buyer for 100% strategic disinvestment of HSCC (India) Limited. Letter of award was issued by the Department of Investment & Public Asset Management (DIPAM) to NBCC stating the following:

1. Acceptance of Price Bid of ₹ 285 crore submitted by NBCC (India) Limited for sale of the Government of India's existing 100% paid-up equity share capital of HSCC along with transfer of management control;
2. Authorizing the Ministry of Health and Family Welfare on behalf of President of India, to sign the final Share Purchase Agreement;
3. Exemption to NBCC (India) Limited, the higher bidder, from the requirement of obtaining security clearance on account of the bidder being a Government Company [under Section 2 (45) of the Companies Act, 2013]

Share Purchase Agreement has been signed on November 6, 2018. Other required formalities related to transfer of shares have also been completed in the financial year 2018-19.

INDIAN ACCOUNTING STANDARDS

The Company has followed the prescribed Indian Accounting Standards as laid down by the Institute of Chartered Accountants of India (ICAI) and notified by the Ministry of Corporate Affairs for preparation of its financial statements and adoption of significant accounting policies for the financial year ended March 31, 2019.

ISO CERTIFICATION

Your Company is a certified ISO 9001:2015 In construction, procurement and management of Civil Construction Project.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Your Company is conscious about the need for conservation of energy and this aspect is taken care of in consultation with its clients by advocating the maximum use of natural light, solar light and LED installations. Your Company has not imported any technology and the details of foreign exchange earnings or outgo during the financial year under review are as follows:

(₹ in crore)

	2018-19	2017-18
A. Expenditure		
– Travelling	0.25	0.12
– Import of Capital Goods on C.I.F. basis (On behalf of Clients)	42.57	75.86
B. Income	Nil	Nil

HUMAN RESOURCES

HSCC being the knowledge based Company, its real strength lies in its manpower. The Company is committed to build a team of competent professionals and therefore focuses on development of its human resources. Ample opportunities are provided to employees at all levels to enhance their knowledge and skills. During the year, employees were deputed to various training programs to ensure

that the knowledge and skills of the employees are continuously upgraded. As on March 31, 2019, the Company had manpower strength of 177 employees on regular pay scales and 98 on fixed tenure basis, including 60 SC/ ST/ OBC category employees and 3 employees belonging to PwD category. The employee management relationship continued to be excellent throughout the year. 23 employees of different cadres have joined the organization from NBCC on secondment basis during the year.

WELFARE ACTIVITIES

Your Company continues to organize functions, celebrate various occasions, picnics and extends social benefits to motivate the employees and their families.

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 therein with regard to promotion of use of Hindi Rajbhasha in office during the year 2018–19. 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 Hindi Pakhwada from September 10, 2018 to September 24, 2018 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 also represented at various competitions, meeting, seminars etc.

VIGILANCE

The Company being a Consultancy Organization in group C category of PSU there is no full time Vigilance Officer (VO) in the company. Shri R. K. Agarwal, GM - Electrical is acting as Vigilance Officer (VO) Part Time w.e.f. November 14, 2014. During the year, Vigilance Cell has functioned as an effective part of management. Annual reports, Quarterly Progress Reports, Monthly report, Private Foreign Visits, CTE reply 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. Existing systems and procedures were reviewed for further improvements and all out efforts were made to ensure transparency in the working of the Company. The Central Vigilance Commission observed Vigilance Awareness Week from October 29, 2018 to November 3, 2018 and to maintain high moral standard of employees your Company also observed Vigilance Awareness Week. The Pledge was administered to all employees of the Company. A workshop / seminar were organized on October 29, 2018. We have invited Shri J. Swaroop, an eminent faculty to deliver a lecture on topic “Eradicate Corruption – Build a new India” as given by Central Vigilance Commission.

DEPOSITS

During the year under review, Company has not accepted any deposit and no principal or interest was outstanding as on March 31, 2019.

LOAN, GUARANTEES AND INVESTMENTS

The Company has not provided any Loan, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any subsidiary, associates or joint venture companies as per the Companies Act, 2013. However, now the Company has become the subsidiary company of NBCC (India) Limited on acquiring 100% shares of the Company by NBCC (India) Limited.

PARTICULARS OF EMPLOYEES

Particulars of Employees are required to be disclosed under Section 134 of Companies Act, 2013 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 ₹1.02 crore per annum or ₹ 8.50 lakh per month.

RISK MANAGEMENT

Your Company has its own Risk Management Policy to manage and monitor the principal risks and uncertainties that may affect the functioning of the Company.

INTERNAL FINANCIAL CONTROL

Your Company's Internal Financial Control Systems are commensurate with the nature of its business and the size and complexity of operations. The Company has in place adequate internal financial controls with reference to financial statements.

AUDIT COMMITTEE

Your Company has constituted Audit Committee with Board Members. The recommendations made by the Audit Committee are accepted by the Board.

REMUNERATION COMMITTEE

The Company has constituted Remuneration Committee with Board members.

INDUSTRIAL RELATIONS

Harmonious industrial relations were maintained during the year resulting in no loss of man days on account of strike or labor unrest.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT (MDA) AND CORPORATE GOVERNANCE

Corporate Governance practices in your Company focuses on transparency, integrity, professionalism and accountability. The quarterly reports are in the formats 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 "Management Discussion and Analysis Report" and "Corporate Governance Report" are placed at [Annexure I and II](#) respectively.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions/entered by the Company during the financial year 2018-19 with related parties were in its ordinary course of business and on arm's length basis. The remuneration paid to Key Managerial Personnel is disclosed in the MGT-9 annexed to Annual Report. The related party contracts referred in section 188 of the Companies Act, 2013 is in Form AOC-2 and enclosed as [Annexure-III](#).

CORPORATE SOCIAL RESPONSIBILITY

During the year Company has spent ₹1.34 crore (previous year ₹1.21 crore) against the required amount to be spent on Corporate Social Responsibility (CSR) i.e. 2% average profit of last three financial years as per section 135 of the Companies Act, 2013. The Company has no reserve in the CSR Fund Account.

The Company has in place a CSR policy in line with Schedule VII of the Companies Act, 2013, which can be accessed on the Company's website at the link www.hsccltd.co.in and forms part of this Report at [Annexure-IV](#).

COMPLIANCE OF DEPARTMENT OF PUBLIC ENTERPRISES (DPE) GUIDELINES AND POLICIES

The guidelines and policies issued by DPE from time to time are duly complied with by the Company.

IT DIVISION

- 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.

NUMBER OF MEETING OF BOARD OF DIRECTORS

The Board met seven (7) times during the financial year 2018-19 and the Company has with complied the conducting Board meeting within the prescribed time limit of the Companies Act, 2013.

BOARD COMMITTEES UNDER COMPANIES ACT, 2013

A. Audit Committee

During the period under review, The Company has the Audit Committee at the Board level functioning with the powers and role that are in accordance with Section 177 of the companies Act, 2013 and Rule 6 and 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and DPE Guidelines on Corporate Governance.

B. Nomination and Remuneration Committee

On appointment of Dr. (Smt.) Vinod Panthi, Independent Director, Nomination and Remuneration Committee of HSCC was reconstituted in 161st Board Meeting held on August 1, 2019.

C. Corporate Social Responsibility (CSR)

During the period under review, The Company has constituted the CSR committee in compliance with provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

BOARD OF DIRECTORS

Policy on Directors appointment etc.: HSCC being a Government Company, the provisions of section 134 (3) (e) of the Companies Act, 2013 do not apply in view of the Gazette notification dated June 5, 2015 issued by Government of India, Ministry of Corporate Affairs.

Performance Evaluation: HSCC being a Government Company, the provisions of section 134 (3) (p) of the Companies Act, 2013 do not apply in view of the Gazette notification dated June 5, 2015 issued by Government of India, Ministry of Corporate Affairs.

Appointment/ Cessation etc.

During the period under review following appointment/Cessation took place.

S. No.	Name	Designation	Particular	Date
1.	Shri Anoop Kumar Mittal	Chairman	Appointment	February 1, 2019
			Cessation	March 31, 2019
2.	Shri Shiv Das Meena	Chairman	Appointment	April 5, 2019
3.	Shri Gyanesh Pandey	Managing Director	Appointment	July 26, 2012
4.	Shri Navdeep Rinwa	Joint Secretary, MOH&FW	Cessation	April 23, 2018
5.	Shri Vijaya Shrivastava	SS & FA, MoH&FW	Cessation	February 1, 2019
6.	Shri S K Jain	Director (Engineering)	Cessation	April 16, 2018

7.	Smt Preeti Pant	Joint Secretary, MOH&FW	Appointment	April 23, 2018
			Cessation	February 1, 2019
8.	Smt. Nandita Gupta	Govt. Nominee Director	Appointment	February 1, 2019
9.	Dr. (Smt.) Vinod Panthi	Independent Director	Appointment	August 1, 2019

Since the Company is a Public Sector Company all the appointment of Directors are made by the President of India through Administrative Ministry.

DETAILS OF KEY MANAGERIAL PERSONNEL

- Shri Gyanesh Pandey, Managing Director

DECLARATION BY INDEPENDENT DIRECTOR

The Independent Directors of the company had made declaration of Independence as required under section 149(6) of the Companies Act, 2013 and the rules made there under as and when required.

DIRECTORS RESPONSIBILITY STATEMENT

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

- in the preparation of annual accounts for the financial year ended March 31, 2019, the applicable Indian Accounting Standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departure from the same;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for the period ended on that date;
- the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors have laid down internal financial controls to be followed by the Company and such internal controls are adequate and are operating effectively and
- the Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

TRAINING OF DIRECTORS

Being a subsidiary of NBCC (India) Limited, the policy on training of Directors adopted in NBCC (Holding company) is applicable to HSCC, till it adopts its own policy on training of Directors.

PROGRESSIVE USE OF HINDI

Your Company continued to encourage the employees to use Hindi in their day to day working. The Company has been implementing the official Language Policy and programme of the Department of Official Language, Government of India, and Ministry of Home Affairs.

INTERNAL AUDITORS

M/s Prem Gupta & Co., Chartered Accountants, have been appointed as internal cum concurrent auditor for the financial year 2018-19 at a fee of ₹2.40 lakh plus taxes as applicable including conveyance. This is their first year of appointment.

AUDITORS AND AUDITOR'S REPORT

Statutory Auditors

M/s M.L. Puri & Co., Chartered Accountants, New Delhi have been appointed by the Office of the Comptroller & Auditor General of India as Statutory Auditors of the Company for the financial year 2018-19. The remuneration fixed by the Company for them for the financial year 201/8-19 is ₹ 12,00,000/- (Rupees Twelve Lakh only) plus Taxes as applicable. This is the First year of their appointment.

Secretarial Audit

The Company has appointed M/s Parveen Rastogi & Co., Company Secretary in practice to conduct Secretarial Audit of Company for the financial year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 is placed at **Annexure V**.

Cost Audit

As prescribed under the Companies (Cost Records and Audit) Rules, 2014, the Cost Accounting records are not applicable to your company.

COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (B) OF THE COMPANIES ACT, 2014

The comptroller and Auditor General of India has given "NIL" comments on financial statements of the company for the year ended March 31, 2019 after conducting supplementary audit under Section 143(6)(b) read with section 129(4) of the Companies Act, 2013. The Company's accounts for the fiscal will be given as addendum to this report.

PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company is proposed to place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 in the Board Meeting for approval. However, no complaint of sexual harassment was received during the year 2018-19.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return in form No MGT-9 as provided under Section 92 of the Companies Act 2013, forms part of the Annual Report as [Annexure-VII](#).

GENERAL

Directors hereby state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. No material change and commitment affected the financial position of the company occurred after the end of the financial year to which this financial statement relate and upto the date of this report.
2. There was no issue of shares under ESOS to the employees.
3. Company has not accepted any deposits under the Companies Act, 2013.
4. Provisions of Section 197 of the companies Act, 2013 are not applicable to HSCC being a Government Company pursuant to Ministry of Corporate Affairs notification dated June 5, 2015.
5. The Company is compliant of the Secretarial Standards issued by the ICSI from time to time.

ACKNOWLEDGEMENT

The Directors deeply appreciate and acknowledge the continued assistance, cooperation, active support and guidance received from Ministry of Housing and Urban Development, 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 Department of Public Enterprise, Comptroller and Auditor General of India, the Chairman and Member of the Audit Board, Statutory Auditors, Secretarial 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 organizations as well as individuals.

The Directors also place 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.

**By order of the Board
For HSCC (India) Limited**

Sd/-

**GYANESH PANDEY
Managing Director
DIN: 03555957**

PLACE: NEW DELHI

DATE: August 07, 2019

SUMMARY OF ONGOING CONSULTANCY PROJECTS AS ON DATE

A. Architectural Planning, Design Engineering & Project Management Services



AIIMS Kalyani Phase I

- ENT Hospital for Ministry of Health & Quality Life, Republic of Mauritius
- Cancer Hospital for Ministry of Health & Quality Life, Republic of Mauritius
- Government Medical College, Chandrapur – Maharashtra
- Advanced Neuro Science Centre at PGI Chandigarh
- New AIIMS at Nagpur (Maharashtra), Kalyani (W.B.), Guntur (A.P.) & Raebareli (U.P.)
- Psychiatrics Specialty Block & common Laboratory complex for NIMHANS at Bangalore
- 100 bedded Hospital for ESIC at Siliguri



AIIMS Nagpur OPD



ENT Hospital at Mauritius

- AIIMS - New Delhi
 - Burn & Plastic Ward
 - Geriatric Block
 - New Paid Ward
 - Mother & Child Block
 - New OPD Block
- Hostel Block for Resident Doctors for PGIMER, Dr. RML Hospital, New Delhi
- Satellite Unit of PGI – Chandigarh at Sangrur (OPD & Main Work)
- Implementation for increase of UG seats from 100 to 150 Intake PA for RIMS, Imphal
- PMSSY Upgradation Ph III Projects at



AIIMS Guntur OPD



Teaching Block AIIMS Raebareli



AIIMS Kalyani Phase II

- Burla
- Allahabad
- Dibrugarh
- Panaji (Goa)

AIIMS Kalyani Phase III

- Guwahati
- Darjeeling
- Shimla

- Mizoram Institute of Medical Education and Research Falkawn, Mizoram
- Redevelopment of Lady Harding Medical College & Associated Hospitals New Delhi

SUMMARY OF ONGOING CONSULTANCY PROJECTS AS ON DATE

B. Procurement Management Services

- Medical Equipment for Super Specialty and Emergency Block, Safdarjung Hospital, New Delhi
- Medical Equipment for Kalpana Chawla Government Medical College, Karnal, Haryana.
- Medical Equipment for Medical College for AIIMS, Rae Bareli, U.P.
- Medical Equipment for ENT and Cancer Hospitals, Republic of Mauritius
- Medical Equipment for CNCI – Kolkata
- Medical Equipment for Lady Hardinge Medical College, New Delhi
- Medical Equipment for Govt. Medical College at Pali.



AIIMS Guntur Hostel Block

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE & DEVELOPMENTS

HSCC (I) Limited is a Government of India Enterprise and subsidiary of NBCC (India) Ltd. under administrative control of Ministry of Housing and Urban Affairs which was setup in March 1983. Subsequent to the Buyback of 60,004 Equity Shares of ₹100 each at the rate of ₹8,259 each (total buyback consideration – ₹4,955.73 lakh), the share capital of the Company is ₹180 lakh. and net worth is ₹13,870.20 lakh. 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 and has achieved the status of 'Mini Ratna-Category I' Company in December 2015.

During the previous year the entire share of the company was purchase by the NBCC (India) Limited under the disinvestment of option of DIPAM for ₹285 crore.

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 equipment's for the projects assigned to it by the Ministry of Housing and Urban Affairs, Ministry of External Affairs, Private and 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 Computerization, 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 and Profit-making Company since inception
- GOI backing and support
- Wide range of consulting services under single roof
- Extensive experience of handling multi-lateral/international agencies funded projects
- 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:

- 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 number of specialized Vendors / Agencies

Opportunities:

- The Country is lagging behind in terms of number of hospitals, beds, doctors, nurses and other paramedical staff
- Redevelopment and 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 Housing and Urban Affairs
- 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
- Government of Mauritius

In order to develop into a world class Consultancy Organization, 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 earnings of the Company were ₹ 2,071.04 crore including Interest & Other Income of ₹ 21.67 crore as compared to the previous year's figure of ₹ 1,513.71 crore and ₹ 10.19 crore respectively. The Company's profit before tax during the year was ₹ 79.49 crore as compared to the previous year figure of ₹ 37.05 crore.

Cost of operation has reduced by 1.38% as compared to the previous year in respect of total income earned during the Financial Year 2018-19. The decrease in cost of operation is mainly due to decrease in provision for Expected Credit Loss (ECL).

SEGMENT REPORTING

Based on the guiding principles given in Indian Accounting Standard Ind AS-108 "Segment Reporting" the Company's business segments include construction activity, consultancy, supply of equipment,

medicine etc. Hence, all its operation falls under single segment within the meaning of Indian Accounting Standard Indian AS-108 “Segment Reporting”.

Since the Company’s activities are primarily within the country and considering the nature of product/ services it deals in, operating risks and returns are same and as such there is only one segment.

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 March 31, 2018 was 184 on regular pay scales and 134 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 ANNUAL REPORT TO DEPARTMENT OF PUBLIC ENTERPRISES

The Annual Report 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 Housing and Urban Affairs.

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY

In line with the Section 135 and Schedule VII of the Companies Act 2013, the Company has contributed during the financial year 2018-19, ₹ 84.16 lakh (Rupees Eighty Four Lakh and Sixteen Thousand only) towards Contribution to “Swachh Kumbh Kosh” set up by Central Government for providing clean facility in Prayagraj Mela and ₹ 50.00 lakh (Rupees Fifty Lakh only) towards donation to AIIMS for their patient related to treatment of “Gaucher Disease”.

CORPORATE GOVERNANCE REPORT

I. 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.

II. BOARD OF DIRECTORS

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

The details of Company's Board of Directors as on March 31, 2019 are given below.

Director	Whole-time/ Part- time	Member of Board of other companies
Shri Shiv Das Meena	Chairman	NBCC (I) Ltd.
Shri Gyanesh Pandey	Whole-time Managing Director	Nil
Smt. Nandita Gupta*	Nominee Director	Dharamshala Smart City Limited
Dr. (Smt.) Vinod Panthi**	Non official Independent Director	Nil

Shri S. K. Jain, Director (Engg.) has been relieved upon completion of his term on April 16, 2018.

Shri Navdeep Rinwa - Joint Secretary, ceased to hold office w.e.f. April 23, 2018, as Ms. Preeti Pant, Joint Secretary has been nominated as Part-Time Official Director on the Board in his place whose tenure also ceased on February 01, 2019.

*Smt. Nandita Gupta has assumed the charged of Government Nominee Director, HSCC w.e.f. February 1, 2019.

**Dr. (Smt.) Vinod Panthi has assumed the charged of Independent Director, HSCC w.e.f. August 1, 2019.

None of the Directors on the Board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which they are directors. Necessary disclosures regarding committee positions in other public companies as on March 31, 2019 have been made by the directors. None of the Directors were inter-se related to each other.

2. 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 Government of India, whichever events occur earlier.

Government Nominee Directors representing Ministry of Health & Family, Government of India retire from the Board on ceasing to be 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.

3. SELECTION OF DIRECTORS

HSCC being a Government Company, all its Directors are appointed by Government of India through Administrative Ministry . During financial year 2018-19, there were no Independent Director on Board of HSCC. The MoHUA under its order no. O-17034/37/2019-PS dated July 17, 2019 nominted Dr. (Smt.) Vinod Panthi as Independent Director on the Board of HSCC. Dr. (Smt.) Vinod Panthi holds office till the 36th Annual General Meeting being eligible is recommended for reappointment.

4. FAMILIARISATION PROGRAMME FOR BOARD MEMBERS

All Directors inducted on the Board of HSCC were introduced to the Company through presentations given by the senior management and executives of the Company. They were provided with necessary documents/brochures, internal policies of the Company as a part of the familiarisation programme.

Further, the Directors are also updated from time to time on the development in applicable laws from various statutory bodies to understand their role and responsibilities towards the Company.

5. MEETING OF INDEPENDENT DIRECTORS

The Company's Independent Directors meet at least once in a year, without the attendance of Functional, government Directors or members of the management to discuss matters pertaining to the affairs of the company. They also assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively perform their duties.

However, during the financial year 2018-19, as there were no Independent Directors on the Board of the Company, no such meeting was held.

6. KEY MANAGERIAL PERSONNEL

Shri Gyanesh Pandey, Managing Director is the Key Managerial Personnel (KMP) for the financial year 2018-19.

7. BOARD MEETINGS

During April, 2018 to March 2019, seven meetings (153rd to 159th) of the Board of Directors were held on June 12, September 19, September 27, 2018, February 08, February 26, March 20 and March 27, 2019.

MEETINGS AND ATTENDANCE

Director	No. of Board Meetings held during their respective Tenure	Attended	Attended last Annual General Meeting
Shri Gyanesh Pandey	7	7	Yes
Smt. Vijaya Srivastava	3	3	No
Shri Navdeep Rinwa	0	0	Yes
Shri S.K. Jain	0	0	Yes
Shri Anoop Kumar Mittal	4	4	NA
Smt. Nandita Gupta	4	4	NA
Smt. Preeti Pant	3	2	NA

8. SHAREHOLDING PATTERN OF DIRECTORS

Shares held out of the total Equity Share Capital of ₹1,80,01,400(1,80,014 Equity Shares of ₹100/- each) as on March 31, 2019:

Directors	No. of Shares of HSCC
Shri Gyanesh Pandey, Managing Director	6
Shri Shiv Das Meena	Nil
Smt. Nandita Gupta	Nil
Dr. (Smt.) Vinod Panthi	Nil

9. COMPLIANCE

While preparing the agenda, note to agenda and minutes of the meeting(s) in adherence to applicable laws, rules and regulations including the Companies Act, 2013 are read with rules issued thereunder. Secretarial standards issued by the Institute of Company Secretaries of India is also ensured.

III. GENERAL BODY MEETING

1. Annual General Meeting

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

Financial Year	Date	Time	Location
2018-19	December 31, 2018	03:00 P.M	NBCC Bhawan, Lodhi Road, New Delhi
2017-18	December 13, 2017	05.00 P.M.	Committee Room No. 249, A Wing, Second Floor at MOH&FW, Nirman Bhawan, New Delhi.
2016-17	November 29, 2016	12.00 P.M.	Committee Room No. 155, A Wing, First Floor at MOH&FW, Nirman Bhawan, New Delhi.

2. Extra Ordinary General Meeting

Financial Year	Date	Time	Location
2018-19	March 27, 2019	11:30 A.M	NBCC Bhawan, Lodhi Road, New Delhi

3. Postal Ballot

None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing through postal ballot.

IV. BOARD LEVEL COMMITTEES OF DIRECTORS

A. AUDIT COMMITTEE

On appointment of Dr. (Smt.) Vinod Panthi, Independent Director, Audit Committee of HSCC was reconstituted in 161st Board Meeting held on August 1, 2019. The revised composition of the Audit Committee is as under:

1. Dr. (Smt.) Vinod Panthi (Chairperson)
2. Smt. Nandita Gupta (Member)
3. Shri Gyanesh Pandey (Member)

During April, 2018 to March, 2019, three meetings (18th to 20th) of the Audit Committee meetings were held on June 28, 2018, September 19, 2018, September 27, 2018 at the Ministry of Health & Family Welfare, Nirman Bhawan, New Delhi.

Ms. Preeti Pant, JS, MoH&FW was appointed in place of Shri Navdeep Rinwa, JS, MoH&FW vide letter dated April 23, 2018. Further, Shri S.K. Jain, Director (Engg.) has been relieved upon completion of his term on April 16, 2018. Audit Committee was reconstituted in 153rd Board Meeting held on June 12, 2018, was again reconstituted in 157th Board meeting held on February 26, 2019 and again it was further reconstituted in 160th Board Meeting held on May 24, 2019.

MEETINGS AND ATTENDANCE

Members	No. of Audit Meetings held during their respective Tenure	Attended
Shri Gyanesh Pandey	3	3
Smt. Preeti Pant	3	2
Smt. Vijaya Srivastava	3	3

B. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

On appointment of Dr. (Smt.) Vinod Panthi, Independent Director, Corporate Social Responsibility Committee of HSCC was reconstituted in 161st Board Meeting held on August 1, 2019. The revised composition of the Corporate Social Responsibility Committee is as under:

1. Smt. Nandita Gupta (Chairperson)
2. Dr. (Smt.) Vinod Panthi (Member)
3. Shri Gyanesh Pandey (Member)

During April, 2018 to March, 2019, one meeting (7th) of the Corporate Social Responsibility (CSR) Committee meeting was held on September 27, 2018 at the Ministry of Health & Family Welfare, Nirman Bhawan, New Delhi.

Ms. Preeti Pant, JS, MoH&FW was appointed in place of Shri Navdeep Rinwa, JS, MoH&FW vide letter dated April 23, 2018. Further, Shri S.K. Jain, Director (Engg) has been relieved upon completion of his term on April 16, 2018. Corporate Social Responsibility (CSR) Committee was reconstituted in 153rd Board Meeting held on June 12, 2018, was again reconstituted in 157th Board meeting held on February 26, 2019 and again it was further reconstituted in 160th Board Meeting held on May 24, 2019.

MEETINGS AND ATTENDANCE

Members	No. of CSR Meetings held during their respective Tenure	Attended
Smt. Vijaya Srivastava	1	1
Smt. Preeti Pant	1	1

C. NOMINATION AND REMUNERATION COMMITTEE

On appointment of Dr. (Smt.) Vinod Panthi, Independent Director, Nomination and Remuneration Committee of HSCC was reconstituted in 161st Board Meeting held on August 1, 2019. The revised composition of the Nomination and Remuneration Committee is as under:

1. Dr. (Smt.) Vinod Panthi (Chairperson)
2. Smt. Nandita Gupta (Member)
3. Shri Gyanesh Pandey (Member)

During April, 2018 to March, 2019, no meeting was scheduled of the Nomination and Remuneration Committee.

Ms. Preeti Pant, JS, MoH&FW was appointed in place of Shri Navdeep Rinwa, JS, MoH&FW vide letter dated April 23, 2018. Remuneration Committee was reconstituted in 153rd Board Meeting held on June 12, 2018.

REMUNERATION OF DIRECTORS

Being a Government Company, the functional directors including CMD are appointed by the President of India through the Ministry of Housing and Urban Affairs 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 ₹5,000/- per meeting attended by them from April 2015 onwards in accordance with the approval of the Board of Directors.

During the year, the Company has not paid any Sitting Fee to Non-official Part time Directors.

V. MEANS OF COMMUNICATION

The Company communicates its shareholders through its annual Report, General Meetings and disclosure through the website.

- a. **Annual Report:** Annual Report contains inter-alia Directors' Report, Auditors' Report, Audited Financial Statements of the Company. The Management Discussion and Analysis Report form part of the Annual Report and appear on the website of the Company.
- b. **Website:** The Company's website www.hsccltd.co.in a comprehensive reference on HSCC's management, vision, mission, policies, corporate governance corporate sustainability, investor relations, updates and news.
- c. The company displace news release on event basis on Company's website.

VI. GENERAL INFORMATION FOR SHAREHOLDERS

a.	Company Registration Details	CIN-U74140DL1983GOI015459
b.	36th Annual General meeting: Date, Time and Venue	Tuesday, September 17, 2019 at 12.30 p.m. at NBCC Bhawan, Lodhi Road, New Delhi-110003
c.	Financial Year	April 1, 2018 to March 31, 2019
d.	Financial Calendar for 2019-2020 Results for Quarter ending June 30, 2019 Results for Quarter ending September 30, 2019 Results for Quarter ending December 31, 2019 Results for year ending March 31, 2020.	by August 14, 2019 by November 14, 2019 by February 14, 2020 by the end of May, 2020
e.	Book Closure Date	September 11, 2019 (Tuesday) to September 17, 2019 (Tuesday) (both days inclusive)
f.	Dividend Payment Date	On or before October 15, 2019 if declared at Annual General Meeting on September 17, 2019.

VII. DISCLOSURES

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

2. Apart from the remuneration to Directors as per the terms and conditions of their appointment and entitled sitting fee to Non-Official Part-Time Directors, none of the Directors has any material or precuniary relationship with the Company which can affect their independence of judgment.
3. The Statutory Compliance Report received from various departments together with the status of the statutory dues is placed before the Board regularly.
4. The Company is complying with all the requirements as per Guidelines on Corporate Governance for CPSEs issued by the DPE except the Composition of Board as Administrative Ministry is in the process of filling the vacancies of Independent Director.
5. During the year, no expenditure is debited in books of accounts, which are not for the purposes of the business and no expenses which are of personal nature have been incurred for the board of Directors and Top Management.
6. M/s M.L. Puri & Co., Chartered Accountant (Firm Registration No. 002312N) have been appointed as the Statutory Auditors of the Company.
7. The Details of complaints filed, disposed of and pending during the financial year pertaining to sexual harassment is provided in the Directors' Report of the Company.

VIII. CEO/CFO CERTIFICATION

Certificate duly signed by the Chief Financial Officer & Managing Director is annexed to the Corporate Governance Report ([Annexure-A](#)).

IX. COMPLIANCES

Compliance certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance is annexed herewith and forms part of the report.

DECLARATION

I, Shiv Das Meena, Chairman of HSCC (India) Limited, do hereby declare that all the board members and senior management personnel have affirmed compliance with the Code of Conduct of the company for the financial year ended March 31, 2019.

Sd/-

Place: New Delhi
Date: August 7, 2019

Shiv Das Meena
Chairman
DIN 01881010

CEO/CFO CERTIFICATION

To

Board of Directors
HSCC (India) Limited

We, Gyanesh Pandey, Managing Director and Chandra Shekhar Gupta, Chief Financial Officer do hereby certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2019 and that date and that to the best of their knowledge and belief:
- (i) the said statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) the said statements together present a true and fair view of the entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- D. We have indicated to the auditors and the Audit committee:
- (i) Significant changes in internal control over financial reporting during the year 2018-19;
 - (ii) Those significant changes in accounting policies during the year 2018-19 and their disclosures in the notes to the financial statement.
 - (iii) **Fraudulent RTGS Transfer of funds to unidentified Party:** A matter has been reported by CGM (F&A) on May 9, 2019 regarding fraudulent transactions amounting to ₹ 1.89 crore from the official bank account of HSCC bearing no. 50200018906938 to M/s MS Enterprises with which HSCC has no business relations.

Present Status:

Complaint dated May 10, 2019 has been lodged to SSP Noida on May 13, 2019. SSP Noida has marked the complaint to Noida Economic Offence Wing (NEOW) vide dispatch no. 2060 dated May 13, 2019.

As informed by police authorities, the above said complaint dated May 10, 2019 has been tagged with FIR No. 242 dated Feb 28, 2017 and FIR no. 983 dated September 4, 2017.

Sd/-

Gyanesh Pandey
(Managing Director)

Sd/-

C.S. Gupta
(CFO)

Place: New Delhi

Date: August 7, 2019

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

TO
THE MEMBERS,
HSCC (INDIA) LIMITED

1. We have examined the compliance of conditions of Corporate Governance by HSCC (INDIA) LIMITED ("the Company"), for the financial year ended March 31, 2019 as stipulated in 8.2.1 of Guidelines on Corporate Governance for Central Public Sector Enterprise issued by Department of Public Enterprise (DPE), Government of India.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to the procedures and implementation thereof, adopted by the Company ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

The Company has not complied with Clause 3.1.1, 4.1.1, 4.1.2 and 5.1 of DPE Guidelines in respect of Composition of Board, Audit Committee and Remuneration Committee, provisions of Section 177 and 178 of the Companies Act, 2013 and rules made there under and Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Schedule IV of the Companies Act, 2013 and provision of Section 135(1) of the Companies Act, 2013 with respect to the composition of CSR Committee as there were no Independent Directors during the year under review.

The Company has not complied with clause 3.3.1 of DPE Guidelines in respect of Board Meeting wherein the time gap between two Board Meetings was more than 3 months.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

FOR PARVEEN RASTOGI & CO.

COMPANY SECRETARIES

Sd/-

PARVEEN RASTOGI

C.P. No. 2883

M.No. 4764

Place : **New Delhi**

Dated: **August 7, 2019**

AOC-2

Particulars of contracts / arrangements made with related party

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013

1. Details of contracts/arrangements or transactions entered in the ordinary course of business but not at arms length basis for the FY 2018-19 : Nil
2. Details of contracts/arrangements or transactions entered in the ordinary course of business and at arms length basis for the FY 2018-19:

Name of Related Party and Nature of Contract	Relationship	Duration of Contract	Salient Features	Amount (₹ in crore)
NBCC (India) Limited	Holding Company	As per Board Approval	Purchase of Property	68.34

Sd/-

Place: New Delhi
Date: August 7, 2019

Shiv Das Meena
Chairman
DIN 01881010

POLICY ON CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY AT HSCC (India) LTD

BACKGROUND

The Government of India enacted the Companies Act 2013 in August 2013. Section 135 of the Companies Act deals with the subject of Corporate Social Responsibility (CSR). It lays down the qualifying criteria based on net worth, turnover and net profit for companies which are required to undertake CSR activities and specifies the broad modalities of selection, implementation and monitoring of the CSR activities by the Board of Directors of the Company. The activities which may be included by companies in their CSR policies are listed in schedule VII of the Act. The provisions of Section 135 of Act and Schedule VII of the Act apply to all the companies including CPSEs.

It is mandatory for all profit making CPSE's to undertake CSR activities as per the provisions of the Act and the CSR Rules. The CPSEs are expected to spend at least 2% of the average net profit of the three immediately preceding financial years on CSR activities as stipulated in the Act and the CSR Rules.

The Ministry of Corporate Affairs has formulated CSR Rules under the provisions of the Act and issued the same on February 27, 2014. The CSR Rules are applicable to all the companies including CPSEs.

Recently Guidelines on Corporate Social Responsibility and Sustainability for CPSE's issued by DPE which are effective from April 1, 2014, intended to reinforce the complimentarily of CSR & sustainability and to advise the CPSEs not to overlook the larger objective of sustainable development in the conduct of business and in pursuit of CSR agenda.

CSR POLICY

HSCC is a concerned corporate citizen and recognizes its responsibility towards the community and believes in working for the betterment of the weaker & marginalised sections of the society.

HSCC is committed to implement the Guidelines on Corporate Social Responsibility issued by the Department of public Enterprises, Government of India and National Voluntary Guidelines of Business issued by the Ministry of Corporate Affairs, Government of India.

VISION

To actively contribute to the social and economic development of the locality or areas of activity in which the company operates. In doing so, alleviate the sufferings of the weaker sections of society.

IDENTIFICATION AND IMPLEMENTATION

- (i) HSCC will identify projects/activities to be undertaken in the following broad areas:
- Health care & Sanitation
 - Clean drinking water
 - Provision of toilets especially for girls in rural schools

- Scholarships for students
 - Other welfare categories identified from time to time
- (ii) Thrust will be given to Health & Family Welfare and other social sectors as a natural corollary to the company's business.
- (iii) Investment in CSR will be based on the criteria specified by the Department of Public Enterprises.
- (iv) The CSR activity undertaken will be with a view to generate community goodwill, create social impact and visibility.
- (v) The CSR activity should help in building a positive image of the company.
- (vi) For every project/activity, the time frame and periodic milestones will be finalized at the outset.
- (vii) Project activities identified under CSR will be implemented by Specialized Agencies.

Such specialized agencies would include:

- Community based organizations whether formal or informal
- Elected local bodies such as Panchayats
- Voluntary Agencies (NGOs)
- Institutes/Academic Organizations
- Self-help groups
- Government, Semi Government & autonomous organizations
- SCOPE
- Mahila Mandals/Samitis and the like
- Contracted agencies for civil works
- Professional Consultancy Organizations etc

Every care will be taken to ensure that there is no duplication of CSR activities undertaken by HSCC with that of the programmes run by Central, State and Local Governments.

Wherever CSR projects are assigned to specialized agencies, every possible effort would be made to verify the reliability and clean track record of such agencies. HSCC may also select from panels maintained by the Government, Semi-Government, Autonomous Organization or the National CSR hub etc.

PROVISIONS WITH RESPECT TO CSR ACTIVITIES AS INDICATED IN COMPANIES ACT, 2013

The Board of every company referred to in sub-section (1), shall ensure that the company spends, in every financial year, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.

Provided that the company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities.

SCHEDULE VII OF COMPANIES ACT, 2013

Activities which may be included by companies in their Corporate Social Responsibility Policies

Activities relating to:

(i)	eradicating extreme hunger and poverty;
(ii)	promotion of education;
(iii)	promoting gender equality and empowering women;
(iv)	reducing child mortality and improving maternal health;
(v)	combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;
(vi)	ensuring environmental sustainability;
(vii)	employment enhancing vocational skills;
(viii)	social business projects;
(ix)	contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and
(x)	such other matters as may be prescribed.

As per latest amendment in Schedule VII of Companies Act, 2013, the following item has been included :

Contribution towards Swachh Bharat Kosh, Clean Ganga Fund & PMNRF under DPE Guidelines on CSR and Sustainability as per the amendment in Schedule VII of the Companies Act, 2013.

PROVISIONS WITH RESPECT TO CSR IN THE DPE GUIDELINES ON CSR AND SUSTAINABILITY (DECEMBER 2012)

The CSR budget will be mandatorily created through a Board Resolution as a percentage of net profit in the following manner:

Type of CPSEs Expenditure range for CSR in a Financial Year

	Net Profit (Previous Year)	(% of profit)
(i)	Less than ₹ 100 crore	3%-5%
(ii)	100 crore to ₹ 500 crore (Subject to a Minimum of 3 crore)	2%-3%
(iii)	500 crore and above	0.5%-2%

POSSIBLE AREAS OF ACTIVITIES UNDER CSR (THE LIST IS INDICATIVE AND NOT EXHAUSTIVE)

i)	Drinking Water Facility
ii)	Education
iii)	Electricity Facility
iv)	Solar Lighting System
v)	Health and Family Welfare
vi)	Irrigation Facilities
vii)	Sanitation and Public Health
viii)	Pollution Control

ix)	Animal Care
x)	Promotion of Sports and Games
xi)	Promotion of Art and Culture
xii)	Environment friendly technologies
xiii)	Promotion of livelihood for economically weaker sections through forward and backward linkages
xiv)	Relief to victims of Natural Calamities like earth-quake, cyclone, drought & flood situation in any part of the country
xv)	Supplementing Development Programmes of the Government.
xvi)	Non-conventional Energy Sources
xvii)	Construction of Community Centres/Night Shelters/Old Age Homes
xviii)	Imparting Vocational Training
xviii)	Setting up of skill development centres
xix)	Adoption of villages
xx)	Taking action on points suggested by Ministry of Forest and Environment pertaining to Charter on Corporate Responsibility for Environment Protection for 17 categories of Industries.
xxi)	Scholarships to meritorious students belonging to SC, ST, OBC and disabled categories
xxii)	Adoption/Construction of Hostels (especially those for SC/ST and girls),
xxiii)	Skill training, entrepreneurship development and placement assistance programmes for youth.
xxiv)	Building of Roads, Pathways and Bridges.
xxv)	Entrepreneurship Development Programme (EDP)
xxvi)	Disaster Management Activities including those related to amelioration/mitigation.
xxvii)	Activities related to the preservation of the Environment/Ecology and to Sustainable Development.
xxviii)	Contribution towards Swach Bharat Kosh, Clean Ganga Fund, PMNRF under DPE guidelines on CSR & Sustainability.

PROJECTS FOR UTILIZATION OF OLD BUDGET

Identification of rundown Government school building around an existing project site. Renovation of existing building or construction of new building, and provision of toilet block and drinking water.

- Provision of scholarship to girl students or students from weaker section of society on a monthly basis into bank accounts directly.
- Provision of services of doctor to citizens belonging to weaker section of society. (Only check-up and prescription)
- The CSR balance fund may be invested separately in Fixed Deposit and the interest earned may also be used for CSR activities.
- The CSR old balance may be used in Clean Ganga Fund.
- Provision of contributing balance CSR fund in building Night Shelter in Government Hospitals.

- Provision of creating basic infrastructure for Air Pollution Control' in and around Delhi.
- Provision of building/renovation of ladies toilet blocks at Government Schools.

MONITORING

The implementation of CSR projects/activities will be monitored by a CSR committee to be constituted by CMD and put up to CSR Board Committee. The following process will be used for monitoring :

- i) Activities to be undertaken;
- ii) Budgets allocated;
- iii) Time-lines prescribed;
- iv) Responsibilities and authorities defined;
- v) Major results expected

RESPONSIBILITY STATEMENT

We hereby affirm that the CSR Policy as approved by the Board of HSCC has been Implemented and the CSR committee monitors the implementation of CSR projects and activities in compliance with CSR objectives and Policy of the Company.

Sd/

Shri Gyanesh Pandey
Managing Director
Member CSR Committee

Place : New Delhi
Date : August 7, 2019

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration Personnel Rules, 2014)]*

To,

The Members,

HSCC (INDIA) LIMITED

205, (2ND FLOOR), EAST END PLAZA, PLOT NO.4,

LSC, CENTRE-II, VASUNDHARA ENCLAVE,

NEW DELHI-110096

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **HSCC (INDIA) LIMITED** (hereinafter called the "Company") having **CIN: U74140DL1983GOI015459**, Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit. We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, returns filed and other records maintained by **HSCC (INDIA) LIMITED** (the "Company") for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not Applicable to the Company during the Audit Period)**
- (iii) The SEBI (Depositories and Participants) Regulations, 2018 and Bye-Laws framed thereunder; **(Not Applicable to the Company during the Audit Period)**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the Company during the Audit Period as the Company is Unlisted);**

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit period as the Company is Unlisted.)**
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable to the Company during the Audit period as the Company is Unlisted.)**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit period as the Company is unlisted);**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable to the Company during the Audit Period as the Company is Unlisted);**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit period as the Company is Unlisted);** and
- h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 **(Not Applicable to the Company during the Audit period as the Company is Unlisted);**
- (vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/ groups of Acts, Laws and Regulations as applicable to the Company is given under.
1. Employees Provident Fund and Miscellaneous Provisions Act, 1952
 2. The Employees Pension Scheme, 1995;
 3. Employees State Insurance Act, 1948;
 4. The Payment of Wages Act, 1936;
 5. The Maternity Benefit Act, 1961;
 6. The Payment of Gratuity Act, 1972;
 7. Applicable Accounting Standards;
 8. Goods and Service Tax Act, 2017
 9. Acts as prescribed under Direct and Indirect Tax;
 10. The Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013

We have also examined compliance with the applicable clauses of the following:

- Guidelines issued by Department of Public Enterprises for Central Public Sector Enterprises as amended up to date.
- Secretarial Standards issued by The Institute of Company Secretaries of India on meetings of the Board of Directors and General Meetings.

We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. **The Company has not complied with Clause 3.1.1, 4.1.1, 4.1.2 and 5.1 of DPE Guidelines in respect of Composition of Board, Audit Committee and Remuneration Committee, provisions of Section 177 & 178 of the Companies Act, 2013 & rules made there under and Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Schedule IV of the Companies Act, 2013 and provision of Section 135(1) of the Companies Act, 2013 with respect to the composition of CSR Committee as there were no Independent Directors during the year under review.**
2. **The Company has not complied with clause 3.3.1 of DPE Guidelines in respect of Board Meeting wherein the time gap between two Board Meetings was more than 3 months.**

We further report that:

The Board of Directors of the Company is duly constituted except independent director on the Board till 31st March, 2019. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that there was no prosecution initiated against or show cause notice received by the Company during the year under review.

We further report that, during the audit period, the Company had following specific event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standard etc.

The Company has paid consideration of ₹ 285 crore to Department of Investment and Public Asset Management (DIPAM) due to signing of Share Purchase Agreement between Ministry of Health and Family Welfare (M/O H&FW) and NBCC (India) Limited on 06th November, 2018 for strategic disinvestment of HSCC to NBCC.

As a consequence of strategic disinvestment, 179960 equity shares held by the President of India represented through the M/O H&FW in HSCC has been transferred to NBCC.

FOR PARVEEN RASTOGI & CO.
COMPANY SECRETARIES

Sd/-

PARVEEN RASTOGI

C.P. No. 2883

M. No. 4764

Place: New Delhi

Dated: August 7, 2019

MANAGEMENT'S REPLY TO SECRETARIAL AUDITORS' REPORT AND CORPORATE GOVERNANCE REPORTS (2018-19)

Auditors' Comments (Secretarial Audit)	Auditors' Comments (Corporate Governance)	Management's Reply
<p>The Company has not complied with Clause 3.1.1, 4.1.1, 4.1.2 and 5.1 of DPE Guidelines in respect of Composition of Board, Audit Committee and Remuneration Committee, provisions of Section 177 & 178 of the Companies Act, 2013 & rules made there under and Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Schedule IV of the Companies Act, 2013 and provision of Section 135(1) of the Companies Act, 2013 with respect to the composition of CSR Committee as there were no Independent Directors during the year under review.</p>	-DO-	<p>HSCC (India) Limited is a Public Sector Undertaking and the appointment of Directors</p> <p>- Executive, Non Executive and Independent Directors are made by the Govt. of India.</p> <p>In order to fulfill the requirement of the number of respective Directors, the Company has taken up the matter with the administrative Ministry i.e. Ministry of Housing and Urban Affairs (MoHUA), Govt. of India.</p> <p>Dr (Smt) Vinod Panthi, Independent Director appointed by MoHUA. However, the appointment of other directors are awaited.</p>
<p>The Company has not complied with clause 3.3.1 of DPE Guidelines in respect of Board Meeting wherein the time gap between two Board Meetings was more than 3 months.</p>	-DO-	<p>At that time the Company was in process of Strategic Disinvestment .</p>

FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN As on financial year ended on March 31, 2019

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U74140DL1983GOI015459
2	Registration Date	30.March.1983
3	Name of the Company	HSCC (INDIA) LIMITED
4	Category/Sub-category of the Company	Company Limited by Shares Government Company
5	Address of the Registered office & contact details	205 (2 nd floor), East End Plaza, Plot No.4, LSC, Centre - II, Vasundhara Enclave, New Delhi 110096 E-mail: co.sectt@nbccindia.com, Contact: 0120-2542436-40
6	Whether listed company	No.
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Consulting Engineering Services	9983	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	NBCC (India) Limited	L74899DL1960GOI003335	Holding	100	2(46)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 1, 2018]				No. of Shares held at the end of the year [As on March 31, 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	Nil	54	54	0.03	36	6	42	0.01	Nil
b) Central Govt	Nil	1,79,960	1,79,960	99.97	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	Nil	Nil	Nil	Nil	1,79,972	Nil	1,79,972	99.99	99.99

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 1, 2018]				No. of Shares held at the end of the year [As on March 31, 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub Total (A) (1)	Nil	1,80,014	1,80,014	100	1,80,008	6	1,80,014	100	Nil
(2) Foreign	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) NRI Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub Total (A) (2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
TOTAL (A)		1,80,014	1,80,014	100	1,80,008	6	1,80,014	100	Nil
B. Public Shareholding	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
1. Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2. Non-Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Non Resident Indians	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Overseas Corporate Bodies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foreign Nationals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Clearing Members	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 1, 2018]				No. of Shares held at the end of the year [As on March 31, 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Foreign Bodies - D R	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Public (B)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)		1,80,014	1,80,014	100	1,80,008	6	1,80,014	100	Nil

(ii) Shareholding of Promoter

S. No.	Shareholder's Name	Shareholding at the beginning of the year [As on April 1, 2018]			Shareholding at the end of the year [As on March 31, 2019]			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	President of India	1,79,960	99.97	Nil	Nil	Nil	Nil	Nil
2	Nominee of behalf of President of India	54	0.03	Nil	Nil	Nil	Nil	Nil
3	NBCC (India) Limited	Nil	Nil	Nil	1,79,972	99.97	Nil	99.97
4	Gyanesh Pandey*	6	6	Nil	6	6	Nil	0
5	Rajendra Chaudhrai*	Nil	Nil	Nil	6	6	Nil	0
6	Yogesh Sharma*	Nil	Nil	Nil	6	6	Nil	0
7	Baldev Kaur Sokhey*	Nil	Nil	Nil	6	6	Nil	0
8	Chandra Shekhar Gupta*	Nil	Nil	Nil	6	6	Nil	0
9	Neelesh Shah*	Nil	Nil	Nil	6	6	Nil	0
10	Rakesh Gupta*	Nil	Nil	Nil	6	6	Nil	0

*On behalf of the NBCC (India) Limited.

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

S. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1.	At the beginning of the year						
2.	Changes during the year						
3.	At the end of the year						

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1.	At the beginning of the year	April 1, 2018					
2.	Changes during the year						
3.	At the end of the year	March 31, 2019					

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1.	Sh. Anoop Kumar Mittal At the beginning of the year Changes during the year At the end of the year			Nil			
2.	Sh. Gyanesh Pandey At the beginning of the year Changes during the year At the end of the year	Nil	Nil	6 Nil 6	0.00 Nil 0.00	6 Nil 6	0.00 Nil 0.00
3.	Ms Nandita Gupta At the beginning of the year Changes during the year At the end of the year			Nil			

V. INDEBTEDNESS

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amt. in ₹)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name	Gyanesh Pandey	
	Designation	Managing Director	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	50,28,701.00	50,28,701.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,74,703.00	1,74,703.00

	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	—	—
2	Stock Option	—	—
3	Sweat Equity	—	—
4	Commission	—	—
	- as % of profit	—	—
	- others, specify	—	—
5	Others, please specify	—	—
	Total (A)	52,03,404.00	52,03,404.00
	Ceiling as per the Act	NA	

B. Remuneration to other Directors

(Amt. in lakh)

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

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

(Amt. in lakh)

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

vii) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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

For HSCC (India) Ltd.

Sd/-
SHIV DAS MEENA
Chairman
DIN: 01881010

Place: New Delhi
Date : August 7, 2019

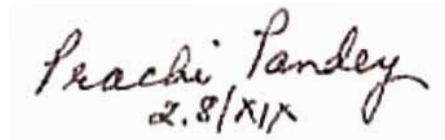
COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF HSCC (INDIA) LIMITED FOR THE YEAR ENDED 31 MARCH 2019

The preparation of financial statements of HSCC (India) Limited for the year ended March 31, 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on 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 May 25, 2019.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of HSCC (India) Limited for the year ended March 31, 2018 under section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

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

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



(Prachi Pandey)

Principal Director

Principal Director of Commercial Audit & Ex-Officio

Member Audit Board-I,

New delhi

Place : New Delhi

Dated : August 2, 2019



**FINANCIAL
STATEMENTS**

INDEPENDENT AUDITOR'S REPORT

To,

The Members of HSCC (India) Ltd

Report on the Audit of The IND AS Financial Statements

Qualified Opinion

We have audited the accompanying IND AS financial statements of HSCC (India) Ltd ("the Company") which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss(Including the statement of Other comprehensive Income) ,and statement of Cash Flow Statement and the statements of changes in Equity for the year then ended, and notes to the financial statements including summary of significant Accounting policies and other explanatory information (herein referred to as "the Ind AS Financial statements") .

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting Principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit including other comprehensive income, changes in equity and its cash flows and for the year ended subject to the effects of the matter mentioned in the Basis for Qualified Opinion.

Basis for Qualified Opinion

We conducted our Audit of the Ind AS Financial statements in accordance with the Standard on Auditing (SAs) as specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the 'Auditor Responsibilities for the Audit of the Ind AS Financial statements' sections of our report. We are independent of the company in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our Audit of the financial statements under the provision of the act and the rules there under, and we have fulfilled our Ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS Financial Statements.

Attention is invited to the following notes in schedule 29 "Notes to Accounts" forming part of Financial Statements:

- 1) The following banks are pending reconciliation, hence the un reconciled bank balances will have an impact on profit & loss and balance sheet of the company which is presently not quantifiable. (refer note no-29-II(F))***

S. No.	Name Of The Bank	Branch	Project With Which Related (Project No.)	A/C No
1	Indian Overseas Bank	Sector-1, Noida	Ayush New Delhi	172502000000644
2	Indian Overseas Bank	Sector-1, Noida	Hscc Bank A/C	172502000000151
3	Indian Overseas Bank	Sector-1, Noida	Hscc (India) limited	172502000000331
4	AIIMS New OPD Block	Sector-1, Noida	Aiims New OPD BLOCK	34930766338
5	Indian Overseas Bank	Sector-1, Noida	PMSSY GTB AMRITSAR	172501000017019
6	Indian Overseas Bank	Sector-1, Noida	TEZPUR LGBRIMH	172501000017325
7	HDFC	Sector - 26, Noida	HSCC (India) Limited	502000011829157

- 2) ***Amount lying in interest receivable from banks, retention money a/c, client deposit funds, trade receivables, trade payables, EMD , security deposit(receivable & payable both) , balances of ministries, clients and government dues with respect to direct taxes, indirect taxes and other state taxes are unconfirmed & unreconciled. The unreconciled balances will have an impact on profit & loss and balance sheet of the company which is presently not quantifiable. (refer note no-29-II(E))***
- 3) ***The internal control system, which requires checking and verification of all transactions including that of interest on fixed deposits made by the company in FDR's, interest accrued and Liquid funds and timely accounting and adjustment of secured advances to contractors, interim bill payment to contractors and professionals, expenses, income and bank transactions in the books of accounts is found to be weak and hence increases the probability of losses which cannot be quantified. [Internal Financial control over financial statements (Refer Annexure 2 to the Independent Auditors' Report)]***
- 4) ***There are projects which have been completed and handed over to the Ministry/ Clients but financial closure of these accounts in the books of the company have not been done. Further, there are projects which have been completed but handing over and taking over process for the same has not taken place. The impact of this on the profit or loss will be accounted in the year in which the financial closure takes place. (Refer note no-29-II(D))***

OTHER MATTERS

During the year, the Company changed its accounting estimate with respect to expected pattern of consumption of the future economic benefits embodied the property, plant and equipment.. The Company has now prospectively applied depreciation on property, plant and equipment on straight line method on a monthly pro-rata basis over the remaining useful life of the assets and residual value of the any specific asset as prescribed under Schedule II to the Companies Act, 2013. This is resulted in lower depreciation of ₹ 34.80 Lakh for the year ended March 31, 2019.

Further, now assets costing up to ₹ 10,000/- each are fully depreciated in the year of purchase. Previously this amount was ₹ 5,000/-.

Information Other than Ind AS Financial statements and Auditor's Report Thereon

The company Board of Directors is responsible for the other information. The other information comprises the information included in the management Discussion and Analysis, Board's Report

including Annexures to Board's Report, Business Responsibilities Report, Corporate Responsibilities Report .

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed , we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Ind AS Financial Statements

The company's Board of Director 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 including other comprehensive Income, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, amended. 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.

In preparing the Ind AS financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible For overseeing the company's financial reporting process.

Auditor's Responsibility for the audit of the Ind AS Financial statements

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

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

- Identify and assess the risks of material misstatements of the Ind AS Financial statements, whether due to fraud or error, design and perform audit procedure responsive to those risks and obtain

audit evidence that is sufficient and appropriate to provide a basis for our opinion.. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or for the override of Internal control.

- Obtain an understanding of Internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances . Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern . If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the Disclosures, and whether the Ind AS financial statements represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

Emphasis of Matter

We draw attention to the following matters in the notes to the financial statements:-

- 1) Internal Financial control over financial statements (Refer Annexure 2 to the Independent Auditors' Report) is weak and need to be strengthened.
- 2) Significant transactions Amounting to ₹ 2,926.00 lacs were noticed which can be termed as instances of doubtful reliability. Provision for the same has been made from the reserves as at 01st April 2017 as transactions were entered prior to FY 16-17. (Refer note no-29-II(H)&(I))
- 3) The company has recorded FDR of ₹ 410.76 lacs in the books of accounts during the year by transferring the same to 'interest accrued a/c'. The debit balance of ₹ 74.59 lacs in interest accrued a/c has been written off. (Refer note no-26)

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government of India in terms of sub- section (11) of section 143 of the Act, we give in the Annexure "1"

a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

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.
- (b) In our opinion, proper books of accounts 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 accounts.
- (d) In our opinion, the aforesaid standalone financial statements comply with the accounting standard specified u/s 133 of the act, read with rule 7 of the Companies (Accounts & Auditors) Rules, 2014.
- (e) As per the notification no:- G.S.R 829 (E) dated October 21, 2003 issued under section 620(1) of the Companies Act 1956 and read with section 465(2) of the Companies Act 2013, sub section (2) of section 164 of the Companies Act 2013 provisions are not applicable to Government Company.
- (f) With respect to the adequacy of Internal Financial Controls over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our report in Annexure-2.
- (g) With respect to other matters to be included in the Auditors Report in accordance with the requirements of section 197(16) of the Act, the said section does not apply to a government company vide notification GSR 463(E) dated June 5, 2015.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 March 31, 2019 on its financial positions in its financial statements – (Refer note no-29)
 - (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.

As required under section 143 (5) of Companies Act 2013, we give in Annexure 3, a statement containing our reply to directions issued by the Controller and Auditor General of India.

For M.L Puri & Co
Chartered Accountants
FRN: 002312N

Sd/-

Date: May 25, 2019

CA Rajesh Chand Gupta

Place: New Delhi

(Partner)

M.NO:095584

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT

Report on the Company (Auditor's Report) Order, 2016 under Clause (i) of Sub-section 11 of Section 143 of the Companies Act, 2013 ("the Act")

- i. (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Fixed assets of the company held at Head Office for the 2018-19 have been physically verified by the firm of Chartered Accountants during the year and no material discrepancy are reported on such verification, which in our opinion is reasonable, having regard to the size of the company and the nature of fixed assets. But we have been informed by the management that the fixed assets held at the project sites have been physically verified by the management itself. However the documents evidencing such physical verification of fixed assets were not available for our verification. Hence it is not possible for us to comment on material discrepancy (ies), if any, found on verification of such fixed assets held at project sites.
- (c) ***The title deeds of all the immovable properties are held in the name of the Company except in the case of some leasehold land & Building capitalized during the year amounting ₹ 6835.99 lacs (Refer note no-2) AND two plots no. E-13 and E-14 at Sector – 1, Noida measuring 2518.13 square meters were allotted to HSCC (India) limited and the supplementary lease deed was executed with New Okhla Industrial Development Authority (Noida) on 22nd April, 2013. As per clause no. 4 of the deed the lessee i.e. HSCC (India) Ltd. shall have to erect and complete the construction of building on the demised land within the specified period of four years unless the lessor allows extension of time. As per lease deed clause allowed time for constructions has already expired on 21-04-2017 and the Company has neither applied for extension of time nor constructed the building. Therefore, the Company has made a provision of ₹ 21.95 lacs as extension fee as per the lease deed extension charges clause payable to New Okhla Industrial Development Authority. (Refer note no-2)***
- ii. ***No inventory is maintained by the Company since as all contracts are awarded to the contractors with material on turnkey basis. However, with respect to secured advance amounting to ₹ 8930.85 lacs, given by the company against the material, certificate is obtained from the Engineer in charge for inventory lying with contractors.***
- iii. According to the information and explanation given to us the Company has neither granted any loan nor taken any loan, secured or unsecured loans to/from any companies, firms, limited liability partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 Hence other Para's of this clause are not applicable.
- iv. The Company has not advanced loans, given guarantees or security or made any investment in contravention of section 185 and/ or section 186 of the Companies Act, 2013.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public. As such, the directives issued by the Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under, are not applicable to the Company.
- vi. Since the company is not carrying any manufacturing activity, the question of maintaining cost records under section 148(1) of the Companies Act, 2013 does not apply.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) As informed to us, Undisputed statutory dues including provident fund, income tax, sales-tax, wealth tax, service tax, custom duty, excise duty, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed statutory dues outstanding as on March 31, 2019 for a period of more than six months from the date they became payable EXCEPT the following:-

Statutory Due Type	Amount (in ₹ Lacs)
Income Tax	47.22
Building Cess	160.61
GST	2.03
TDS	41.73

which are shown as payable in the balance sheet.

(c) The company is in process of filing an application before the Assessing Officer for cancellation of income tax demands amounting to ₹ 321.51 lacs and TDS amounting to ₹ 34.94 lacs for which no appeal has been filed before the appellate authorities.

(d) Based on the information and explanation given to us the company has laid down system and procedures regarding deposit of PF and ESI dues related to contractor's workers.

(e) The details of dues of Income tax, Service tax, ESI, Provident Fund and other dues which have not been deposited as on March 31, 2019 on account of disputes are given below:-

Nature of Dues	Amount (₹ in Lakh)	Period to which Relates	Where Dispute is Pending
Service Tax	5.29 plus equivalent amount of penalty and interest	October 2009 – September 2010	Commissioner of Central Tax (Appeals)
Service Tax (Cenvat Credit)	10.05 plus Interest	April 2010 – March 2012	Central Excise service tax appellate tribunal, Allahabad
Service Tax (Penalty)	2.64 plus penalty of ₹2.64	January, 2004	Central Excise service tax appellate tribunal, Delhi
ESI	1.83	January 1, 1997 to July 31, 2004	Employees State Insurance Corporation, Kanpur
Provident Fund	6.86	2004-05 to 2008-09	Provident Fund Tribunal, Delhi
Income tax	42.14	2014-15	ITAT

(f) 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 ended March 31, 2019.

- viii. The Company has not taken any loan from Financial Institutions or Banks or Government or Debenture holders since inception. Hence, Para of this Order is not applicable to the Company.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and terms loans, hence the para of this clause are not applicable.
- x. **Frauds involving multiple transactions have been reported which have been committed by its certain officers and employees of the company. The amount of fraud reported to the police so far is :**
- i) ₹301.07 lakh (₹241.52 & ₹59.55 Lakh) detected in the 4th quarter of the Financial Year 2016-17
- ii) **Fraud amounting to ₹189.07 Lakh was detected in the first quarter of the FY 2018-19. Total significant transactions amounting to ₹2,926.00 Lakh which includes (i) and (ii) were noticed which can be termed as instance of doubtful reliability.(Refer note no-29-II(H)&(I)**
- xi. As per notification no. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 is not applicable to the Government Companies. Accordingly, provisions of clause 3(xi) of the Order are not applicable to the Company.
- xii. The company is not a Nidhi Company and hence reporting under of clause 3 (xii) of the CARO, 2016 order is not applicable.
- xiii. According to the information and explanations given to us the company's transactions with its related party are in compliance with section 177 and 188 of the Companies Act, 2013, where applicable and details of related party transactions have been disclosed in note no-34 of the note schedule forming part of the financial statemWents.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- xv. According to information and explanation given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them as covered under Section 192 of the Companies Act, 2013.
- xvi. According to information and explanation given to us, the Company is not required to be registered u/s 45-IA of Reserve Bank of India Act, 1934. Accordingly, provision of clause 3(xvi) of the Order is not applicable to the Company.

**For M.L Puri & Co
Chartered Accountants
FRN: 002312N**

Sd/-

Date: May 25, 2019

CA Rajesh Chand Gupta

Place: New Delhi

(Partner)

M.No:095584

ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF HSCC (India) LIMITED ON THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2019

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company's internal financial controls system over financial reporting is WEAK and such internal financial controls over financial reporting needs improvement, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M.L Puri & Co

Chartered Accountants

FRN: 002312N

Sd/-

CA Rajesh Chand Gupta

(Partner)

M.No:095584

Date: May 25, 2019

Place: New Delhi

ANNEXURE “3” TO THE INDEPENDENT AUDITORS’ REPORT

Directions under section 143(5) of Companies Act 2013 Applicable from the year 2018-19 and onwards.

Directions/ Sub- Directions indicating the areas to be examined by the statutory auditors during the course of audit of Annual Accounts of the HSCC (India) Ltd for the year 2018-19 issued by the Controller & Auditor General of India under section 143(5) of the Companies Act, 2013.

DIRECTIONS	ACTIONS TAKEN	IMPACT ON FINANCIAL STATEMENTS
<p>I. Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.</p>	<p>The company has a centralized system of ERP based accounting but for every project, separate trials are prepared. The company does not follow the policy of maintaining inter-unit(project) accounts which in turn may lead to financial frauds and unreconciled balances of the customers/clients. Further, reconciliations are also done outside the ERP and hence several entries escape reconciliations. Interest accrued is not reconciled on regular basis, which are major weaknesses in the accounting system.</p> <p>(REFER NOTE NO-26, 29-II(D&E))</p>	<p>The overall impact cannot be ascertained at this stage. The impact can be ascertained only at the time when suspicious transactions are identified.</p>
<p>II. Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company’s inability to repay the loan? If yes, the financial impact may be stated.</p>	<p>According to the information and explanations given to us, there are no cases of waiver/write off of debts/loans/interest etc.</p>	<p>NIL</p>

<p>III. Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.</p>	<p>Funds have been received from the ministry for the projects to be executed. We don't have any confirmations with respect to the balance outstanding in the ministry account at the end of the year.</p>	<p>Financial impact cannot be worked out at this stage but the same will be taken care of in the year of reconciliation and confirmations and hence utilization of the funds can be confirmed only on the receipt of the owner of the project/ ministry.</p>
	<p>It has been informed to us, there is no reconciliation made with the ministry over the past several years. (REFER POINT NO 2, 3,&4 OF BASIS OF QUALIFIED OPINION OF THE MAIN REPORT)</p>	

For **M.L Puri & Co**

Chartered Accountants

FRN: 002312N

Date: May 25, 2019

Place: New Delhi

CA Rajesh Chand Gupta

(Partner)

M.No:095584

MANAGEMENT REPLY TO STATUTORY AUDITOR'S QUALIFICATION ON CONSOLIDATED FINANCIAL STATEMENT ON THE BASIS OF AUDITOR'S REPORT OF HSCC (INDIA) LIMITED AS ON MARCH 31, 2019

S. No.	Auditor's Remarks	Management Reply																																								
1	<p>The following banks are pending reconciliation, hence the unreconciled bank balances will have an impact on profit and loss and balance sheet of the company which is presently not quantifiable:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">S. No.</th> <th style="text-align: center;">Name of the Bank</th> <th style="text-align: center;">Branch</th> <th style="text-align: center;">Project with Which Related (Project No.)</th> <th style="text-align: center;">A/c no.</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>Indian Overseas Bank</td> <td>Sector- 1, Noida</td> <td>Ayush New Delhi</td> <td>172502000000644</td> </tr> <tr> <td style="text-align: center;">2</td> <td>Indian Overseas Bank</td> <td>Sector- 1, Noida</td> <td>HSCC Bank A/c</td> <td>172502000000151</td> </tr> <tr> <td style="text-align: center;">3</td> <td>Indian Overseas Bank</td> <td>Sector- 1, Noida</td> <td>HSCC (India) Ltd</td> <td>172502000000331</td> </tr> <tr> <td style="text-align: center;">4</td> <td>SBI</td> <td>Sector- 1, Noida</td> <td>AIIMS New OPD Block</td> <td>34930766338</td> </tr> <tr> <td style="text-align: center;">5</td> <td>India Overseas Bank</td> <td>Sector- 1, Noida</td> <td>PMSSY GTB Amritsar</td> <td>172501000017019</td> </tr> <tr> <td style="text-align: center;">6</td> <td>Indian Overseas Bank</td> <td>Sector- 1, Noida</td> <td>TEZPUR LGBRIMS</td> <td>172501000017325</td> </tr> <tr> <td style="text-align: center;">7</td> <td>HDFC</td> <td>Sector-26 Noida</td> <td>HSCC (India) Ltd.</td> <td>502000011829157</td> </tr> </tbody> </table>	S. No.	Name of the Bank	Branch	Project with Which Related (Project No.)	A/c no.	1	Indian Overseas Bank	Sector- 1, Noida	Ayush New Delhi	172502000000644	2	Indian Overseas Bank	Sector- 1, Noida	HSCC Bank A/c	172502000000151	3	Indian Overseas Bank	Sector- 1, Noida	HSCC (India) Ltd	172502000000331	4	SBI	Sector- 1, Noida	AIIMS New OPD Block	34930766338	5	India Overseas Bank	Sector- 1, Noida	PMSSY GTB Amritsar	172501000017019	6	Indian Overseas Bank	Sector- 1, Noida	TEZPUR LGBRIMS	172501000017325	7	HDFC	Sector-26 Noida	HSCC (India) Ltd.	502000011829157	<p>The company has reconciled five bank accounts out of seven unreconciled bank balances as of date, with respect to qualification related to unreconciled bank balances. The proper follow ups and communications are being made with respective banks to reconcile rest of two bank accounts.</p>
S. No.	Name of the Bank	Branch	Project with Which Related (Project No.)	A/c no.																																						
1	Indian Overseas Bank	Sector- 1, Noida	Ayush New Delhi	172502000000644																																						
2	Indian Overseas Bank	Sector- 1, Noida	HSCC Bank A/c	172502000000151																																						
3	Indian Overseas Bank	Sector- 1, Noida	HSCC (India) Ltd	172502000000331																																						
4	SBI	Sector- 1, Noida	AIIMS New OPD Block	34930766338																																						
5	India Overseas Bank	Sector- 1, Noida	PMSSY GTB Amritsar	172501000017019																																						
6	Indian Overseas Bank	Sector- 1, Noida	TEZPUR LGBRIMS	172501000017325																																						
7	HDFC	Sector-26 Noida	HSCC (India) Ltd.	502000011829157																																						
2	<p>Amount lying in interest receivable from banks, retention money a/c, client deposit funds, trade receivables, trade payables, EMD, security deposit (receivable & payable both), balances of ministries, client and government dues with respect to direct taxes, indirect taxes and other state taxes are unconfirmed & un reconciled. The unreconciled balances will have an impact on profit & loss and balance sheet of the company which is presently not quantifiable.</p>	<p>HSCC has undertaken works from Central Government, State Government and PSUs. The confirmation of Balances from clients is being done by the Company as per established accounting practices. The management is of the view that it would arrange substantial balance confirmations in FY 2019-20.</p>																																								

S. No.	Auditor's Remarks	Management Reply
3	The internal control system, which requires checking and verification of all transactions including that of interest on fixed deposits made by the company in FDR's, interest accrued and liquid funds and timely accounting and adjustment of secured advances to contractors, interim bill payment to contractors and professionals, expenses, income and bank transactions in the books of accounts is found to be weak and hence increases the probability of losses which cannot be quantified. [Internal Financial Control over financial statements].	With regard to qualification relating to internal financial controls, The Company is in process of strengthening its internal financial controls. The preliminary assessment of internal financial controls of the company has been done by external agency. Further, the proposal is under process to appoint a firm of Chartered Accountants for detailed examination and implementation of robust internal financial controls in FY 2019-20.
4	There are projects which have been completed and handed over to the Ministry/client but financial closure of these accounts in the books of the company has not been done. Further, there are projects which have been completed but handing over and taking over process for the same has not taken place. The impact of this on the profit or loss will be accounted in the year in which the financial closure takes place.	It is felt that financial closure of physically closed projects will be finalized to the extent possible in the current financial year.

Sd/-

C.S. Gupta

(CFO)

Place : New Delhi

Dated: August 7, 2019

BALANCE SHEET AS AT MARCH 31, 2019

(₹ in lakh)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
I. ASSETS				
1. Non-Current Assets				
(a) Property, Plant and Equipment	2	7,494.15	681.86	691.94
(b) Intangible assets	3	2.09	6.25	7.13
(c) Intangible assets under development	4	13.16	13.16	6.21
(d) Financial Assets				
(i) Other Financial Assets	5	32.73	35.58	37.01
(e) Deferred Tax Asset (Net)	6	3,950.02	5,133.40	4,384.94
		11,492.15	5,870.25	5,127.23
2. Current Assets				
(a) Financial Assets				
(i) Trade Receivables	7	8,534.19	11,027.57	6,965.88
(ii) Cash and Cash Equivalents	8	19,663.88	10,159.06	17,148.56
(iii) Other Bank Balances	9	2,58,419.63	2,12,691.63	1,44,499.29
(iv) Other Financial Assets	10	24,923.94	43,443.75	44,325.41
(b) Current Tax Assets (Net)	11	568.49	622.42	356.44
(c) Other Current Assets	12	22,746.22	19,985.78	15,802.80
		3,34,856.35	2,97,930.21	2,29,098.38
TOTAL ASSETS		3,46,348.50	3,03,800.46	2,34,225.61
II. EQUITY AND LIABILITIES				
1. Equity	13			
(a) Equity Share capital		180.01	180.01	240.02
(b) Other Equity		13,690.19	10,063.87	13,959.81
Total Equity		13,870.20	10,243.88	14,199.83
Total equity				
2. Liabilities				
Non-Current Liabilities				
(a) Provisions	14	960.94	870.13	741.25
		960.94	870.13	741.25
Current Liabilities				
(a) Financial Liabilities				
(i) Trade Payables	15			
- outstanding dues of micro enterprises and small enterprise		760.04	-	-
- outstanding dues of creditors other than micro enterprises and small enterprises		68,019.64	39,072.43	19,140.02
(ii) Other Financial Liabilities	16	43,570.74	58,587.61	60,952.20
(b) Other Current Liabilities	17	2,15,353.34	1,91,197.65	1,35,535.10
(c) Provisions	18	3,813.60	3,828.76	3,657.21
		3,31,517.36	2,92,686.45	2,19,284.53
TOTAL EQUITY & LIABILITIES		3,46,348.50	3,03,800.46	2,34,225.61

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 41

For and on behalf of the Board of Directors

As per our Report of even date attached

Sd/-
(Gyanesh Pandey)
Managing Director
(DIN : 03555957)

Sd/-
(Nandita Gupta)
Director/Joint Secretary
(DIN : 02410865)

For **M L Puri & Co.**
Chartered Accountants
(ICAI Firm Reg. No: 002312N)

Sd/-
(Chandra Shekhar Gupta)
GM (F&A)

Sd/-
(Ajay Suri)
DGM (F&A)

Sd/-
Rajesh Chand Gupta
Partner
Membership No. 095584

Place : New Delhi
Date : May 25, 2019

Statement of Profit and Loss For the year ended on March 31, 2019

(₹ in lakh)

Particulars	Note No.	For the year ended on March 31, 2019	For the year ended on March 31, 2018
I. Revenue From Operations			
Value of Services	19	204,946.25	150,352.00
Other Operating Revenues	20	1,381.18	196.38
II. Other Income	21	776.35	822.65
III. Total Income (I + II)		207,103.78	151,371.03
IV. Expenses:			
Work & Consultancy Expenses	22	194,317.88	141,684.61
Employee Benefits Expense	23	3,948.28	3,895.03
Depreciation and Amortisation Expense	24	43.63	78.40
Other Expenses	25	770.18	1,994.43
Write offs	26	74.59	-
Total Expenses (IV)		199,154.56	147,652.47
V. Profit before Exceptional Items and Tax (III-IV)		7,949.22	3,718.56
VI. Exceptional Items		-	(13.46)
VII. Profit before Tax (V - VI)		7,949.22	3,705.10
VIII. Tax Expense:	27		
(1) Current Tax		1,581.61	2,095.79
(2) Deferred Tax		1,183.37	(748.46)
(3) Taxation in respect of Earlier Years		202.87	-
IX. Profit / Loss for the Period (VII-VIII)		4,981.37	2,357.77
X. Other Comprehensive Income			
(i) Items that will not be reclassified into Profit & Loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit/loss		-	-
XI. Total Comprehensive Income for the period (IX+X)		4,981.37	2,357.77
XVI. Earnings per Share (Face value of ₹ 100/- per Equity Share)	28		
(1) Basic (in ₹)		2,767.21	1,047.82
(2) Diluted (in ₹)		2,767.21	1,047.82

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 41

For and on behalf of the Board of Directors

Sd/-
(Gyanesh Pandey)
Managing Director
(DIN : 03555957)

Sd/-
(Chandra Shekhar Gupta)
GM (F&A)

Sd/-
(Nandita Gupta)
Director/Joint Secretary
(DIN : 02410865)

Sd/-
(Ajay Suri)
DGM (F&A)

As per our Report of even date attached

For **M L Puri & Co.**
Chartered Accountants
(ICAI Firm Reg. No: 002312N)

Sd/-
Rajesh Chand Gupta
Partner
Membership No. 095584

Place : New Delhi
Date : May 25, 2019

Statement of Changes in Equity As at March 31, 2019

A. Equity Share Capital

(₹ in lakh)

Particulars	"Balance at the beginning of the Reporting Period"	Changes in Equity Share Capital during the year	Balance at the end of Reporting Period
Balance as at March 31, 2018	240.02	(60.00)	180.01
Balance as at March 31, 2019	180.01	-	180.01

B. Other Equity

(₹ in lakh)

Particulars	Reserves and Surplus			Total
	General Reserve	Capital Redemption Reserve	Retained Earnings	
Balance as at April 1, 2017	3,195.54	-	10,764.27	13,959.81
Profit for the period	-	-	2,357.77	2,357.77
BuyBack Remittance	-	-	(4,895.73)	(4,895.73)
Dividends paid including dividend distribution tax	-	-	(1,357.98)	(1,357.98)
Transfer from Retained Earnings	200.00	-	-	200.00
Creation of Capital Redemption Reserve	(60.00)	60.00	-	-
Balance as at March 31, 2018	3,335.54	60.00	6,868.33	10,263.87
Profit for the period	-	-	4,981.37	4,981.37
Dividends paid including Interim Dividend and Dividend Distribution Tax	-	-	(1,355.06)	(1,355.06)
Balance as at March 31, 2019	3,335.54	60.00	10,494.64	13,890.18

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 41

For and on behalf of the Board of Directors

Sd/-
(Gyanesh Pandey)
Managing Director
(DIN : 03555957)

Sd/-
(Chandra Shekhar Gupta)
GM (F&A)

Sd/-
(Nandita Gupta)
Director/Joint Secretary
(DIN : 02410865)

Sd/-
(Ajay Suri)
DGM (F&A)

As per our Report of even date attached
For **M L Puri & Co.**
Chartered Accountants
(ICAI Firm Reg. No: 002312N)

Sd/-
Rajesh Chand Gupta
Partner
Membership No. 095584

Place : New Delhi
Date : May 25, 2019

Cash Flow Statement for the year ended on March 31, 2019

(₹ in lakh)

Particulars	For the year ended on March 31, 2019	For the year ended on March 31, 2018
A. Cash flows from operating activities		
Net profit before tax and extraordinary items	7,949.23	3,705.10
Adjustment for:		
Depreciation on property, plant and equipment	38.80	75.22
Amortisation on intangible assets	4.83	3.18
(Profit) / Loss on Sale of Assets (Net)	-	(0.04)
Interest Income	(776.35)	(792.12)
Operating Profit before Working Capital Changes	7,216.50	2,991.34
Adjustment for:		
Decrease /(Increase) in Other Financial Assets (Non Current)	2.85	1.43
Decrease/(Increase) in Trade receivables	2,493.38	(4,061.69)
Decrease/(Increase) in Other Financial Assets (Current)	18,520.00	883.88
Decrease/(Increase) in Other Current Assets	(2,760.44)	(4,182.98)
(Decrease)/ Increase in Provisions-Non Current	90.81	128.88
(Decrease) /Increase in Trade payables	29,707.25	19,932.41
(Decrease) /Increase in Other Financial Liabilities (Current)	(15,016.87)	(2,364.59)
(Decrease)/ Increase in Provisions-Current	(15.16)	171.55
(Decrease) /Increase in Other Current Liabilities	24,155.69	55,662.55
Cash generated from Operations before Extra Ordinary Items	64,394.01	69,162.79
Direct Taxes Paid	(1,730.55)	(2,361.77)
Net Cash from Operating Activities (A)	62,663.46	66,801.01
B. Cash Flows from Investing Activities:		
Purchase of property, plant and equipment	(6,851.09)	(65.17)
Sale of property, plant and equipment	-	0.07
Purchase of intangible assets	(0.67)	(2.30)
Purchase of intangible assets under development	-	(6.95)
Flexi Deposits having Original Maturity more than 3 months.	(13,124.80)	9,476.66
Fixed Deposits having original maturity more than 3 months and upto 12 months	(31,180.99)	(77,883.13)
Interest Received (Net of Tax Deducted at Source)	(646.05)	1,004.03
Net Cash from Investing Activities: (B)	(51,803.60)	(67,476.79)
C. Cash Flows from Financing Activities:		
Dividend Paid	(1,355.06)	(1,357.98)
Buy back of shares	-	(4,955.73)
Net Cash from Financing Activities (C)	(1,355.06)	(6,313.71)
Net Increase in Cash and Cash Equivalent (A) + (B) + (C)	9,504.80	(6,989.49)
Cash and Cash Equivalents - Opening	10,159.06	17,148.56
Cash and Cash Equivalents - Closing	19,663.86	10,159.07

Particulars	For the year ended on March 31, 2019	For the year ended on March 31, 2018
i) Cash and Cash Equivalents Includes:		
Balances with Banks in Current Account	3,131.72	3,106.82
Cash in hand	0.05	0.05
On behalf of Ministries / Clients		
Balances in saving account with Banks	16,532.11	7,052.20
	19,663.88	10,159.07

ii) Figures in brackets indicate cash outgo

For and on behalf of the Board of Directors

Sd/-
(Gyanesh Pandey)
 Managing Director
 (DIN : 03555957)

Sd/-
(Chandra Shekhar Gupta)
 GM (F&A)

Sd/-
(Nandita Gupta)
 Director/Joint Secretary
 (DIN : 02410865)

Sd/-
(Ajay Suri)
 DGM (F&A)

As per our Report of even date attached

For **M L Puri & Co.**
 Chartered Accountants
 (ICAI Firm Reg. No: 002312N)

Sd/-
Rajesh Chand Gupta
 Partner
 Membership No. 095584

Place : New Delhi
 Date : May 25, 2019

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 NATURE OF PRINCIPAL ACTIVITIES

HSCC (India) Limited, a Mini Ratna (Category I company), is a Government of India Enterprise engaged in rendering comprehensive range of professional services as consulting and executing agency for construction activities in healthcare & other social sectors in India and abroad that includes Conceptual Studies, Management consultancy, Project Management, Logistics & Installation, Procurements, Information Technology, design & engineering and Healthcare facility design.

1.2 GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS

The Company is incorporated and domiciled in India with registered office at New Delhi. The Company is headquartered in New Delhi, India.

The Financial Statements of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 issued by Ministry of Corporate Affairs ('MCA'). The Company has uniformly applied the Accounting Policies during the period presented. These are Company's first financial statement prepared in accordance with Ind AS (see note 41 for explanation of the transition to Ind AS).

The decision of Strategic Disinvestment of the Company to NBCC India Ltd. has been taken by Govt. of India vide letter no. F. No. 3/8/2016-DIPAM-II-A (pt.) dated September 13, 2018 & D.O. No. 3/8/2016-DIPAM-IIA (pt.) dated September 13, 2018. The 100 percent paid up equity share capital of the Company along with Management control has been transferred to NBCC India Ltd at a price of ₹ 285 crore.

Unless otherwise stated, all amounts are stated in Lakh of Rupees.

The Statements for the year ended March 31, 2019 were authorized and approved for issue by the Board of Directors on May 25, 2019.

1.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared using the Accounting Policies and measurement basis summarized below.

1.3.1 FOREIGN CURRENCY TRANSLATION

Functional and Presentation Currency

The financial statements are presented in Indian Rupee ('INR'), which is company's functional Currency.

Foreign Currency Transactions and Balances

Foreign Currency transactions are recorded in the reporting Currency, by applying to the Foreign Currency amount the exchange rate between the Reporting Currency and the Foreign Currency at the date of the transaction.

Foreign Currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are measured in terms of historical cost denominated in a Foreign Currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous Financial Statements, are recognized as Income/ Expenses in the year in which they arise. Where such transactions are on behalf of clients, the gain / loss is transferred to respective clients' Accounts

1.3.2 REVENUE RECOGNITION

The Company derives revenues primarily from Project Management Consultancy and Procurement services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control over a product or service to a customer.

a) Project Management Consultancy

In case of PMC contracts, the Company undertakes to perform tasks such as geotechnical investigations, topographical surveys, resource-planning, preparing detailed engineering designs and supervising execution of works etc. Due to the high degree of interdependence between the various elements related to these services, they are accounted for as a single performance obligation and the revenue is recognized over time based on the input method of measuring progress, as the customer receives and uses the benefits simultaneously.

Revenue in respect of design, engineering, Studies, DPR, MOU, Training, Information Technologies is recognized as income over the period based on the input method of the cost incurred for which the bills are raised in respect of fees due as per terms of agreement with the client.

b) Procurement service

The Company undertakes to purchase an asset on behalf of the customer and the revenue is recognized on net basis over time based on the input method of measuring progress as the Company' has ability to make reliable estimates, arising from its significant historical experience on similar systems.

Revenue includes:

1. Work done for which only letters of intent have been received, however, formal contracts / agreements are in the process of execution.
2. Work executed and measured by the Company pending certification by the client
3. Work executed but not measured/ partly executed is accounted for at engineering estimate.
4. Extra / Substituted items and the Claims lodged against clients to the extent considered realizable.

1.3.3 OTHER INCOME

Interest income is reported on an accrual basis using the Effective Interest Rate method. Interest income on mobilisation advances given to contractors recoverable in short term is recognised using simple interest method which approximates the effective interest rate. Interest income on mobilisation advances given to contractors is netted off from interest payable to client on mobilisation advances received.

Interest income on bank deposits held on behalf of client is netted off from interest payable to client on such deposits.

1.3.4 INTANGIBLE ASSETS

Recognition

Intangible assets are initially measured at cost of acquisition thereof. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Intangible assets as at April 1, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets.

Subsequent Measurement (Amortization)

Amortization on Intangible Assets is charged on the straight line method on the basis of rates arrived at with reference to the useful life of the assets evaluated and approved by the Management.

Asset category	Estimated useful life (in years)
Intangible Assets	
Computer Software	3 Years

De-recognition

An item of Intangible Asset or any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss Account when the asset is derecognised.

1.3.5 PROPERTY, PLANT AND EQUIPMENT

Recognition

Properties Plant and Equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Property, Plant and Equipment recognised as at April 1, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the Property, Plant and Equipment.

Subsequent measurement (Depreciation)

Depreciation on Property, Plant and Equipment is charged on straight line method either on the basis of rates arrived at with reference to the useful life of the assets evaluated by the Committee consisting of Technical experts and approved by the Management or rates arrived at based on useful life prescribed under Part C of Schedule II of the Companies Act, 2013. The following useful lives are applied:

Asset category	Estimated useful life (in years)
Buildings	
Building(other than factory buildings)	60 Years
Other (including temporary structure, etc.)	03 Years
Plant and Machinery used in civil construction	12 Years
Furniture and fittings	10 Years
Motor Vehicles	08 Years
Office equipment	05 Years
Computers and data processing units	
Servers and networks	06 Years
End user devices viz. desktops, laptops, etc.	03 Years

Premium paid on land where lease agreements have been executed for specified period are written off over the period of lease proportionately.

Property, Plant and Equipment individually costing upto INR 10,000 are fully depreciated in the year of acquisition.

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-Recognition

An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss account when the asset is derecognised.

1.3.6 LEASES

Company as a Lessee

Finance Leases

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a Finance Lease. Finance Leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments.

The interest element of lease payments is charged to Statement of Profit and Loss, as Finance Costs over the period of the lease. The leased asset is depreciated over the useful life of the asset or lease term whichever is lower.

Operating Leases

Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to Statement of Profit and Loss on straight-line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

1.3.7 IMPAIRMENT OF NON FINANCIAL ASSETS

Carrying amount of assets is reviewed at each reporting date where there is any indication of impairment based on internal/ external indicators. An impairment loss is recognised in the

Statement of Profit and Loss where carrying amount exceeds recoverable amount of assets. Impairment loss is reversed, if, there is change in recoverable amount and such loss either no longer exists or has decreased or indication on which impairment was recognised no longer exists.

1.3.8 FINANCIAL INSTRUMENTS

Financial Assets

Initial recognition and measurement

Financial Assets and Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the Financial Instrument and are measured initially at fair value adjusted for transaction costs.

Subsequent Measurement

Debt instruments at Amortised Cost– A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

After initial measurement, such Financial Assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

De-recognition of Financial Assets

A Financial Asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial Liabilities

Initial recognition and measurement

All Financial Liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the Financial Liabilities is also adjusted. Financial Liabilities are classified as amortised cost.

Subsequent measurement

Subsequent to initial recognition, these liabilities are measured at Amortised Cost using the Effective Interest Rate method.

De-recognition of Financial Liabilities

A Financial Liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. Consequently write back of unsettled credit balances and invoked bank guarantee is done on closure of the concerned project or earlier based on the previous experience of Management and actual facts of each case and recognised in Other Operating Revenues.

Further when an existing Financial Liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the

recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of Financial Instruments

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.3.9 IMPAIRMENT OF FINANCIAL ASSETS

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for Financial Assets.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company consider the following –

- All contractual terms of the Financial Assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade Receivables

As a practical expedient the Company has adopted 'simplified approach' using the provision matrix method for recognition of expected loss on trade receivables. The provision matrix is based on three years rolling average default rates observed over the expected life of the trade receivables and is adjusted for forward-looking estimates. These average default rates are applied on total credit risk exposure on trade receivables and outstanding for more than one year at the reporting date to determine lifetime Expected Credit Losses

Other Financial Assets

For recognition of impairment loss on Other Financial Assets and Risk Exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

1.3.10 INCOME TAXES

Tax expense recognised in Profit and Loss comprises the sum of Current Tax and Deferred Tax not recognised in Other Comprehensive Income or directly in Equity.

Calculation of Current Tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred Income Taxes are calculated using Balance Sheet Approach.

Deferred Tax Liabilities are generally recognised in full for all taxable temporary differences.

Deferred Tax Assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for

significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

1.4 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents comprise Cash in hand, Balances in Bank Account, Remittance in Transit, Cheques in hand and Demand Deposits, together with other short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

1.5 EQUITY, RESERVES AND DIVIDEND PAYMENTS

Share capital represents the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from retained earnings, net of any related income tax benefits.

Other components of equity includes Other Comprehensive Income (OCI) arising from actuarial gain or loss on re-measurement of defined benefit liability and return on plan assets

Retained earnings include all current and prior period retained profits. Annual dividend distribution to shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

1.6 POST-EMPLOYMENT BENEFITS AND SHORT-TERM EMPLOYEE BENEFITS

Defined Contribution Plan

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate fund and will have no legal or constructive obligation to pay further contributions, which are recognised as an expense in the period that related employee services are received.

(a) 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.

(b) Pension plan

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 made out of employer's share of Provident Fund

(c) 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

Defined Benefit Plan

(a) Gratuity:

The Company provides for retirement / post-retirement benefits in the form of gratuity. 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. All 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.

(b) Compensated absence:

Company's liability towards Earned Leave and Half Pay Leave is determined by independent actuary, at the year-end using the Projected Unit Credit Method.). The Scheme is unfunded and the obligation is recognized in Profit & Loss Account on the basis of independent actuarial valuation using projected unit credit method on annual basis Actuarial gains or losses are recognised in the Profit and Loss.

Other short Term Employee Benefits

Short term benefits comprise of employee costs such as Salaries, Bonus, PRP,LTC are measured at undiscounted value and are accrued in the year in which the associated services are rendered by employees of the Company.

Employee Separation Costs

Ex-gratia to employees who have opted for retirement under the Voluntary Retirement Scheme of the Company is charged to Statement of Profit and Loss in the year of acceptance of the option by the management.

1.7 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions recognised by the Company include provisions for Warranties, Research & Development,sustained development, Contignecies, and Corporate Social Responsibility (CSR). A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Provisions are discounted to their present values, where the time value of money is material.

Contingent Liabilities are disclosed on basis of judgment of management after a careful evaluation of facts and legal aspects of matter involved.

Contingent Assets are disclosed when probable and recognised when realization of income is virtually certain.

1.8 ARBITRATION AWARDS

Arbitration / Court's awards along with related interest receivable/payable are, to the extent not taken into accounts at the time of initiation, are recognized after it becomes decree. Permanent Machinery of Arbitration, Govt of India, is accounted for on finalisation of award by the appellate authority. Interest to/from in these cases are accounted when the payment is probable which the point is when matter is considered settled by management.

1.9 LIQUIDATED DAMAGES

Liquidated Damages / Compensation for delay in respect of clients/ contractors, if any, are accounted for when payment is probable which is the point when matter is considered settled by management.

1.10 PRIOR PERIOD EXPENDITURE/ INCOME

Expenditures / Incomes relating to prior periods and considered not material has been accounted for in the respective head of accounts in the current year.

1.11 SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING

POLICIES AND ESTIMATION UNCERTAINTY

Financial Statements are prepared in accordance with GAAP in India which require management to make estimates and assumptions that affect the reported balances of assets, liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of income & expenses during the periods. Although these estimates and assumptions used in accompanying Financial Statements are based upon management's evaluation of relevant facts and circumstances as of date of Financial Statements which in management's opinion are prudent and reasonable, actual results may differ from estimates and assumptions used in preparing accompanying Financial Statements. Any revision to accounting estimates is recognized prospectively from the period in which results are known/ materialise in accordance with applicable Indian Accounting Standards.

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

Significant Management Judgements

The following are Significant Management Judgements in applying the Accounting Policies of the Company that have the most significant effect on the Financial Statements.

Recognition of Deferred Tax Assets - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for Impairment of Assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Property, Plant and Equipment - Management assess the remaining useful lives and residual value of property, plant and equipment and believes that the assigned useful lives and residual value are reasonable

Estimation Uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

Recoverability of Advances/ Receivables – The Project heads, Zonal heads and Regional/Strategic Business groups from time to time review the recoverability of advances and receivables. The review is done at least once in a financial year and such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factors.

Defined Benefit Obligation (DBO) - Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may impact the DBO amount and the annual defined benefit expenses.

Contingencies -Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

Provisions for Warranties- Management's estimate of the warranties is based on engineering estimates and variation in these assumptions may impact the provision amount and the annual warranty expenses where warranties' is not available from the sub-contractors.

Liquidated Damages -Liquidated Damages receivables are estimated and recorded as per contractual terms; estimate may vary from actuals as levy on contractor.

1.12 STANDARDS ISSUED BUT NOT EFFECTIVE

Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition –

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit and loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

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

Note 2 Property, Plant and Equipment

Details of the Company's Property, Plant and Equipment and reconciliation of their carrying amounts from beginning to end of reporting period are as follows:

(₹ in lakh)

Particulars	Gross Carrying Amount (At Cost)				Accumulated Depreciation				Net Book Value
	As at March 31, 2018	Additions	Disposals	As at March 31, 2019	As at 1 April 2018	Charge for the Year	On Disposals	As at March 31, 2019	As at March 31, 2019
a Tangible Assets									
Buildings#	340.07	6,834.99	-	7,175.06	198.22	5.74	-	203.95	6,971.11
Furniture and Fixtures	218.83	2.37	-	221.20	127.69	9.67	-	137.36	83.83
Vehicles	11.48	-	-	11.48	9.57	0.28	-	9.85	1.63
Office Equipment	196.71	4.02	-	200.73	161.52	5.70	-	167.22	33.50
Computers and Data processing units	218.20	9.72	-	227.92	184.95	12.45	-	197.40	30.53
Total (i)	985.30	6,851.09	-	7,836.39	681.95	33.83	-	715.79	7,120.60
b Tangible Assets (Under Lease)									
Land**	446.65	-	-	446.65	68.14	4.96	-	73.10	373.55
Total (ii)	446.65	-	-	446.65	68.14	4.96	-	73.10	373.55
TOTAL (i+ii)	1,431.95	6,851.09	-	8,283.04	750.09	38.80	-	788.89	7,494.15

Particulars	Gross Carrying Amount (At Cost)				Accumulated Depreciation				Net Book Value
	As at April 1, 2017*	Additions	Disposals	As at March 31, 2018	As at April 1, 2017*	Charge for the Year	On Disposals	As at March 31, 2018	As at March 31, 2018
a Tangible Assets									
Buildings#	340.07	-	-	340.07	182.61	15.61	-	198.22	141.85
Furniture and Fixtures	189.37	29.46	-	218.83	103.98	23.71	-	127.69	91.13
Vehicles	11.48	-	-	11.48	8.84	0.73	-	9.57	1.91
Office Equipment	190.47	6.44	0.20	196.71	152.18	9.51	0.17	161.52	35.19
Computers and Data processing units	188.93	29.28	-	218.20	164.25	20.70	-	184.95	33.26
Total (i)	920.33	65.17	0.20	985.30	611.86	70.26	0.17	681.95	303.35

Particulars	Gross Carrying Amount (At Cost)				Accumulated Depreciation				Net Book Value
	As at April 1, 2017*	Additions	Disposals	As at March 31, 2018	As at April 1, 2017*	Charge for the Year	On Disposals	As at March 31, 2018	As at March 31, 2018
b Tangible Assets (Under Lease)									
Land**	446.65	-	-	446.65	63.18	4.96	-	68.14	378.51
Total (ii)	446.65	-	-	446.65	63.18	4.96	-	68.14	378.51
TOTAL (i+ii)	1,366.98	65.17	0.20	1,431.95	675.04	75.22	0.17	750.09	681.86

* Represents deemed cost on the date of transition to Ind AS. Gross block and accumulated depreciation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of assets.

The Company has capitalised building of ₹ 6,834.99 lakh pending registration in the name of the Company. Depreciation has been charged to profit & loss account on proportionate basis.

** Leasehold Land is amortised proportionately over 90 years from the date of Lease deed from 1996 valuing ₹ 57.49 lakh and from 2006 valuing ₹ 389.16 lakh

Two plots no. E-13 and E-14 at Sector – 1, Noida measuring 2518.13 square meters were allotted to HSCC (India) limited and the supplementary lease deed was executed with New Okhla Industrial Development Authority (Noida) on April 22, 2013. As per clause no. 4 of the deed the lessee i.e. HSCC (India) Ltd. shall have to erect and complete the construction of building on the demised land within the specified period of four years unless the lessor allows extension of time. As per lease deed clause allowed time for constructions has already expired on April 21, 2017 and the Company has neither applied for extension of time nor constructed the building. Therefore, the Company has made a provision of ₹21,95,252/- as extension fee as per the lease deed extension charges clause payable to New Okhla Industrial Development Authority.”

During the year, the Company changed its accounting estimate with respect to expected pattern of consumption of the future economic benefits embodied the property, plant and equipment.. The Company has now prospectively applied depreciation on property, plant and equipment on straight line method on a monthly pro-rata basis over the remaining useful life of the assets and residual value of the any specific asset as prescribed under Schedule II to the Companies Act, 2013. Further, now assets costing up to ₹10,000/- each are fully depreciated in the year of purchase. Previously this amount was ₹5,000/-.

This change in accounting estimate has resulted in increase in profit for the year ended March 31, 2019 is ₹ 33.20 lakh.

Note-3

Intangible assets

(₹ in lakh)

Intangible assets	Gross Carrying Amount (At Cost)				Accumulated Amortisation				Net Book Value
	As at April 1, 2018	Additions	Disposals	As at March 31, 2019	As at April 1, 2018	charged for the Year	On disposals	As at March 31, 2019	As at March 31, 2019
	1	2	3	4	5	6	7	8	13
a Software	25.84	0.67	-	26.51	19.60	4.83	-	24.43	2.09
TOTAL	25.84	0.67	-	26.51	19.60	4.83	-	24.43	2.09

Intangible assets	Gross Carrying Amount (At Cost)				Accumulated Amortisation				Net Book Value
	As at April 1, 2017	Additions	Disposals	As at March 31, 2018	As at April 1, 2017*	charged for the Year	On disposals	As at March 31, 2018	As at March 31, 2018
	1	2	3	4	5	6	7	8	13
a Software	23.54	2.30		25.84	16.41	3.18	-	19.60	6.25
TOTAL	23.54	2.30	-	25.84	16.41	3.18	-	19.60	6.25

* Represents deemed cost on the date of transition to Ind AS. Gross block and accumulated depreciation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of assets.

During the year, the Company changed its accounting estimate with respect to expected pattern of consumption of the future economic benefits embodied the intangible assets. The Company has now prospectively applied amortisation on intangible assets on straight line method on a monthly pro-rata basis over the remaining useful life of the assets and residual value of the any specific asset as prescribed under Schedule II to the Companies Act, 2013

Further, now assets costing up to ₹10,000/- each are fully depreciated in the year of purchase. Previously this amount was ₹5,000/-.

This change in accounting estimate has resulted in increase in profit for the year ended 31st March 2019 is ₹1.60 lakh.

Note-4

Intangible Assets under Development

Details of the Company's Intangible asset under development and reconciliation of their carrying amounts from beginning to end of reporting period are as follows:

(₹ in lakh)

Particulars	Amount
As at April 1, 2017	6.21
Additions during the year	6.95
Capitalised during the year	-
As at March 31, 2018	13.16
Additions during the year	-
Capitalised during the year	-
As at March 31, 2019	13.16

Note-5

(₹ in lakh)

Other Financial Assets (Non -Current)	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Security Deposits			
- Considered good	21.95	19.29	18.94
- Considered doubtful	0.78	0.78	0.78
	22.73	20.07	19.72
Less: Provision for expected credit losses	(0.78)	(0.78)	(0.78)
Advance recoverable from staff	10.78	16.29	18.07
Total	32.73	35.58	37.01

Note-6

Movements in Deferred Tax Assets

(₹ in lakh)

Deferred Tax Assets (Net)	As at March 31, 2018	(Charged) / Credited to Profit & Loss	(Charged) / Credited to OCI	As at March 31, 2019
Deferred Tax Assets				
Arising on account of Temporary difference in:				
Provision for Employee Benefits	324.38	48.32	-	372.70
Provision for expected credit losses of trade receivable	949.93	(432.11)	-	517.82
Profit Related Pay (PRP) Provisions	127.29	88.30	-	215.59
Provision for other contingencies	1,064.57	10.34	-	1,074.90
Deferred revenue (net of unbilled receivable)	2,664.72	(788.96)	-	1,875.75
Deferred Tax Liabilities				
Arising on account of Temporary difference in Depreciation	(2.51)	109.25	-	106.74
Total	5,133.40	(1,183.37)	-	3,950.02

(₹ in lakh)

Deferred Tax Assets (Net)	As at April 1, 2017	(Charged) / Credited to Profit & Loss	(Charged) / Credited to OCI	As at March 31, 2018
Deferred Tax Assets				
Arising on account of Temporary difference in:				
Provision for Employee Benefits	268.89	55.49	-	324.38
Provision for expected credit losses of trade receivable	553.47	396.46	-	949.93
Profit Related Pay (PRP) Provisions	170.36	(43.07)	-	127.29
Provision for other contingencies	1,064.57	-	-	1,064.57
Deferred revenue (net of unbilled receivable)	2,332.99	331.73	-	2,664.72
Arising on account of Temporary difference in Depreciation	(5.33)	7.85	-	2.51
Total	4,384.94	748.46	-	5,133.40

Note-7

(₹ in lakh)

Trade Receivables	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
Unsecured:						
- Considered Good	8,534.19		11,027.57		6,965.88	
- Considered Doubtful	1,439.58	9,973.77	2,729.48	13,757.06	1,583.90	8,549.79
Impairment Allowance :						
- Unsecured, Considered Doubtful	(1,439.58)	(1,439.58)	(2,729.48)	(2,729.48)	(1,583.90)	(1,583.90)
Total		8,534.19		11,027.57		6,965.88

Note-8

(₹ in lakh)

Cash and Cash Equivalents	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Balances in banks account with bank*	3,131.72	3,106.82	1,024.81
Cash in hand	0.05	0.05	0.05

On behalf of Ministries / Clients			
Balances in bank account with bank	16,532.11	7,052.20	16,123.70
Total	19,663.88	10,159.07	17,148.56

* Includes balances in:

- Unpaid dividend account	1,124.01	-	1.41
- Research and development fund	16.77	16.77	16.77
- Sustainable development fund	12.91	12.91	12.91

Note-9

(₹ in lakh)

Bank Balance Other Than Above	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Other Bank Balances			
Fixed Deposits having original maturity more than 3 months and upto 12 months (refer note (i) and (ii) below)	24,403.39	8,451.02	15,325.29
On behalf of Ministries / Clients			
Other Bank Balances			
Flexi Deposits having Original Maturity more than 3 months.	13,629.04	504.24	9,980.90
Fixed Deposits having Original Maturity more than 3 months (refer note (iii) below)	2,20,387.20	2,03,736.37	1,19,193.10
Total	2,58,419.63	2,12,691.63	1,44,499.29

Notes:

(i) Includes interest accrued on deposits	653.03	627.71	994.64
(ii) Includes deposits pledged against bank guarantee	1,835.50	1,151.38	968.53
(iii) Includes interest accrued on deposits	4,367.65	2,970.75	2,817.96

Note-10

(₹ in lakh)

Other financial assets	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Earnest Money & Security Deposits	197.02	56.36	54.83
Interest accrued on deposits with banks	(12.89)	184.13	-
Advance Recoverable from Staff*	46.43	44.53	27.98
Claim Recoverable from clients			
- Considered Doubtful	13.01	13.01	13.01
Less: Expected credit loss	(13.01)	-	(13.01)
Recoverable from Clients	1,477.76	1,849.59	3,139.02
Other Recoverables			
- Considered good	12.57	27.09	10.25
- Considered Doubtful	1.55	1.55	1.55
	14.12	28.64	11.80
Less: Expected credit loss	(1.55)	12.57	(1.55)
Unbilled revenue**	17,471.05	35,355.42	38,561.48
Interest recoverable	357.29	357.29	357.29
Recoverable from Holding Company	11.58	-	-

Other financial assets	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
Receivable from others		5,363.12		5,753.45		2,174.56
Total		24,923.94		43,443.75		44,325.41

* Includes interest accrued on advance 10.27 10.07 7.85

** Unbilled revenue includes value of work done pertaining to construction done and billed in subsequent months

Note-11

(₹ in lakh)

Current Tax Assets (Net)	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
Advance Income Tax		14,025.11		12,296.53		9,934.75
Less: Provision for Taxation		13,456.62		11,674.11		9,578.32
Total		568.49		622.42		356.44

Note-12

(₹ in lakh)

Other Current Assets	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
Advance Fringe Benefit Tax		-		1.96		1.96
Advance to supplier		21,506.71		19,949.90		15,671.34
Prepaid Expenses		282.59		5.50		6.09
Balances with Government Authorities		944.17		10.21		114.08
Deposit under protest with PF trust		-		5.15		5.15
Others		12.75		13.06		4.18
Total		22,746.22		19,985.78		15,802.80

Note-13

(₹ in lakh)

Equity Share Capital	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Number	Amount	Number	Amount	Number	Amount
Authorised:						
Equity Shares of ₹ 100/- (Previous Year ₹ 100) each	5,00,000	500.00	5,00,000	500.00	5,00,000	500.00
Issued, Subscribed & Paid up:						
Fully paid up Equity Shares of ₹ 100/- (Previous Year ₹ 100) each	1,80,014	180.01	1,80,014	180.01	2,40,018	240.02
Total	1,80,014.00	180.01	1,80,014	180.01	2,40,018	240.02

Note-13 A

(₹ in lakh)

Equity Share Capital	Equity Shares					
	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Number	Amount	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	1,80,014	180.01	2,40,018	240.02	2,40,018	240.02
Add : Shares issued/(buy back) during the year	-	-	(60,004)	(60.00)	-	-
Shares outstanding at the end of the year	1,80,014	180.01	1,80,014.00	180.01	2,40,018	240.02

Note-13 B

Shareholders holding more than 5% of fully paid-up equity shares:

(₹ in lakh)

Name	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	No. of Shares	Percentage	No. of Shares	Percentage	No. of Shares	Percentage
President of India*	-	-	1,80,014	100%	2,40,018	100%
NBCC (India) Limited*	1,80,014	100%	-	-	-	-

* Includes 36 (no.) Shares held by the nominees of NBCC (India) Limited (31 March 2018: President of India; 1 April 2017: President of India.).

Note -13 C

The Company has only one class of Equity Shares having a par value of ₹ 100 per share. Each shareholders is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Note -13 D

During the year 2003-04, 1,20,009 Equity Shares of 100/- each were issued as fully paid Bonus Shares with rights pari passu with existing Equity Shares.

During the year 2008-09, 80006 Equity Shares of 100/- each were issued as fully paid Bonus Shares with rights pari passu with existing Equity Shares.

During the year 2017-18, 60,004 Equity Shares of 100/- each were issued as fully paid buy back Shares with rights pari passu with existing Equity Shares.

Note-13 E

(₹ in lakh)

Other Equity	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
General Reserve	3,335.54	3,335.54	3,195.54
Capital Redemption Reserve	60.00	60.00	-
Retained Earnings	10,294.64	6,668.33	10,764.27
Total	13,690.18	10,063.87	13,959.81

Reserves and Surplus

Nature and purpose of Other Reserves

Retained Earnings

Retained Earning represent the undistributed profits of the Company.

General Reserve

General Reserve represents the statutory reserve, this is in accordance with Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a company can declared dividend, however under Companies Act, 2013 transfer of any amount to General Reserve is at the discretion of the Company.

Capital Redemption Reserve

This reserve represents reserve created on buy-back of equity shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Note-14

(₹ in lakh)

Provisions- Non Current	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Provisions for Employee Benefits :			
Leave Encashment	960.94	870.13	741.25
Total	960.94	870.13	741.25

For movements in each class of Provision and Employee Benefits note refer note 31 & 33 respectively.

Note-15

(₹ in lakh)

Trade Payables	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Due to Micro, Small and Medium Enterprises			
- Trade Payables for Works & Services	760.04	-	-
Due to others			
- Trade Payables for Works & Services	68,019.65	39,072.43	19,140.02
Total	68,779.69	39,072.43	19,140.02

*Refer Note: 32

Note-16

(₹ in lakh)

Trade Payables	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Due to Micro, Small and Medium Enterprises			
- Trade Payables for Works & Services	760.04	-	-
Due to others			
- Trade Payables for Works & Services	68,019.65	39,072.43	19,140.02
Total	68,779.69	39,072.43	19,140.02

Note-17

(₹ in lakh)

Other Current Liabilities	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Taxes Payable *	3,480.47	1,515.60	823.21
Dividend Distribution Tax Payable	231.04	-	-
Advance from Clients	699.70	1,211.36	754.60
Deposit from Clients**	2,02,825.34	1,77,954.94	1,24,661.02
Deferred Revenue	8,116.78	10,515.75	9,296.27
Total	2,15,353.34	1,91,197.65	1,35,535.10

* No provision has been made of GST for value of work done taken in respect of unmeasured bills as on 31 March 2019 by the company. Similarly, no credit of GST input credit is accounted for in respect of corresponding expenses. Thus GST (input) and output will be accounted for and set off in the year in which the RA bills are raised by the contractor and also in respect of consultancy fee booked by the company on accrued basis, no GST has been accounted for on unbilled revenue.

** Unclaimed balances of Trade Payables on account of client works will be transferred to respective client accounts in the year in which the accounts are settled with the clients.

Note-18

(₹ in lakh)

Provisions-Current	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Provision for Employee Benefits:			
Gratuity	36.20	288.03	-
Leave Encashment	52.75	67.17	35.73
Leave travelling allowance	1.95	-	-
Provision for Profit Related Pay (PRP)	616.95	367.81	492.26
Research & Development Fund	16.77	16.77	16.77
Sustained Development Fund	12.91	12.91	12.91
Corporate Social Responsibility Fund	-	-	23.47
Provision for other contingencies	3,076.07	3,076.07	3,076.07
Total	3,813.60	3,828.76	3,657.21

For movements in each class of Provision and Employee Benefits note refer note 31 & 33 respectively.

Note-19

(₹ in lakh)

Revenue from Operations	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Value of Services		
Value of Work Done	2,04,946.25	1,50,352.00
Total	2,04,946.25	1,50,352.00

Note-20

(₹ in lakh)

Other Operating Revenues	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Sale of Tender Documents	26.58	21.91
Provisions Written Back	1,347.85	158.99
Miscellaneous Receipts	6.75	15.48
Total	1,381.18	196.38

Note-21

(₹ in lakh)

Other Income	For the year ended on March 31, 2019		For the year ended on March 31, 2018	
Banks Interest Gross	-	773.03	-	790.80
Bank interest received on behalf of client	15,097.31	-	8,882.77	-
Less: interest passed to Govt. Clients	(15,097.31)	-	(8,882.77)	-
Interest from Advance to Staff	-	3.32	-	1.32
Interest Others	-	-	-	30.49
Net Gain/(Loss) on Sale of Assets	-	-	-	0.04
Total		776.35		822.65

Note-22

(₹ in lakh)

Work and Consultancy Expenses	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Work Expenses (with material)	1,94,317.88	1,41,684.61
Total	1,94,317.88	1,41,684.61

Note-23

(₹ in lakh)

Employee Benefits Expense	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Salaries and Incentives	3,104.87	2,617.52
Contributions to Provident and Other Fund	484.19	414.89
Gratuity fund contributions	38.82	288.03
Leave Encashment	49.18	230.21
Staff Welfare Expenses	207.26	235.41
Contribution for Medical Benefit	63.96	60.12
Contribution to Medical Fund Trust	-	30.45
Contribution to Welfare Fund Trust	-	18.40
Total	3,948.28	3,895.03

Note-23 A

Remuneration of Key Managerial Personnel

Remuneration to the Chairman & Managing Director, Chief Financial Officer and Director (Engineering) during the year is ₹ 64.97 Lakh (Previous Year ₹ 137.25 Lakh) as detailed below excluding reimbursement of expenses:-

(₹ in lakh)

Particulars	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Salaries and Incentives	56.54	110.04
Provident Fund Contribution	3.48	5.83
Pension Fund Contribution	3.48	5.83
Staff welfare expenses	0.09	1.10
Leave Encashment (On Actuarial Basis)	1.39	14.45
Total	64.97	137.25

Further, the above excludes contribution to Gratuity Scheme and Group Insurance Scheme.

The Company during the year has not made provision as trusty has decided there is lots of fund available in the trust and there is no requirement of the additional fund.(Previous Year ₹ 30.45 lakh and ₹ 18.40 lakh) to be contributed to Employees' Medical Trust and Welfare Fund Trust respectively based on the approval given by the competent authority for the welfare of its employees.

The company has made the actuarial provision for LTC and Home Town during this year however expenses were booked on the basis of actual payment who has availed the LTC and for visiting the Home town.

Note-24

(₹ in lakh)

Depreciation and amortisation	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Depreciation on property, plant and equipment	38.80	75.22
Amortisation on intangible assets	4.83	3.18
Total	43.63	78.40

Note-25

(₹ in lakh)

Other Expenses	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Advertisement	23.77	67.33
Auditor's Remuneration	25.00	12.50
Bank Charges & Guarantee Commission	18.43	14.22
CSR Expenditure	134.16	120.65
Exchange Loss	0.07	0.28
Insurance	1.13	1.12
Provision for excepted credit loss on trade receivables	-	1,145.58
Legal & Professional Charges	126.63	149.04
Miscellaneous Expenses	69.03	55.41
Postage & Telephone	11.53	14.20
Printing & Stationery	35.50	43.38
Rates & Taxes	5.52	0.10
Rent	36.54	40.15
Repairs & Maintenance		
(i) Plant & Machinery/Vehicles	13.66	21.62
(ii) Buildings	12.14	24.35
(iii) Others	20.04	20.40
Travelling & Conveyance	196.84	220.99
Water, Electricity & Allied charges	40.19	43.12
Total	770.18	1,994.43

Note-25 A

(₹ in lakh)

Payment to Auditors	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Audit fee	12.00	10.00
Tax Audit	4.50	2.50
Quarterly Limited Review	8.50	-
Total	25.00	12.50

Note-26

(₹ in lakh)

Write offs:	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Accrued Interest Written off	74.59	-
Total	74.59	-

The company has recorded FDR of ₹ 410.75 lakh in the books of accounts during the year by transferring the same to 'Interest accrued'. The balance amount of ₹ 74.59 lakh in interest accrued a/c has been written off.

Note-27

(₹ in lakh)

Tax Expenses	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Tax expense comprises of:		
Current Income Tax	1,581.61	2,095.79
Deferred Tax	1,183.37	(748.46)
Taxation in Respect of Earlier Year	202.87	-
Total	2,967.85	1,347.33

Note-27 A

The major components of Income Tax Expense and the reconciliation of Expected Tax Expense based on the Domestic Effective Tax Rate of the Company and the reported Tax Expense in Profit or Loss are as follows:

(₹ in lakh)

Tax Reconciliation	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Accounting Profit before Tax from Continuing Operations	7,949.22	3,705.10
Accounting Profit before Income Tax	7,949.22	3,705.10
At India's Statutory Income Tax Rate	34.944%	34.608%
Income Tax	2,777.78	1,282.26
Effect of Non-Deductible Expenses	53.26	65.08
Effects due to change in deferred tax rate	(66.06)	-
Taxation in Respect of Earlier Year	202.87	-
Tax Expense	2,967.85	1,347.34
Actual Tax Expense	2,967.85	1,347.33

Note-28

Earning per Share (EPS) is computed in accordance with Indian Accounting Standard (Ind AS-33) on "Earning per Share"

(₹ in lakh)

Earnings per Equity Share	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Profit attributable to Equity Holders		
Profit attributable to Equity Holders for basic/diluted earnings	4,981.37	2,357.77
Total number of equity shares outstanding at the beginning of the year (no.)	1,80,014	2,40,018
Total number of equity shares outstanding at the end of the year (no.)	1,80,014	1,80,014
Weighted average number of Equity shares for basic EPS (no.)	1,80,014	2,25,017
Face Value per Equity Share (₹)	100.00	100.00
Earnings per Equity Share:		
(1) Basic (in ₹)	2,767.21	1,047.82
(2) Diluted (in ₹)	2,767.21	1,047.82

Note-29

I. Contingent Liabilities, Contingent Assets and Commitments (To the extent not provided for)

(₹ in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
ESI - Claims from Director , Employees State Insurance Corporation, Kanpur falling under ESI Act for the period w.e.f 01.01.1997 to 31.07.2004 not acknowledged as debt	1.83	1.83	1.83
Bank Guarantee - Outstanding Performance bank guarantees issued by Banks for Construction projects on behalf of the company.	1,835.50	1,151.38	968.53
Demand in respect of taxes not accepted by company			
Service Tax			
i) Demand by Asstt. Commissioner of Central Excise under section 73 for the period Jan 2004 for Contravening provisions of Section 68 read with section 66 of Finance Act 1994 and rule 6(1) and 6(2) of the Service tax rule 1994 and penalty under section 76 of the Act. Appeal Pending before Custom, Excise & Service Tax Appellate Tribunal, R K Puram , Delhi on 29.12.2017. Amount already deposited ₹0.19 lakh, Penalty ₹2.64 lakh. HSCC has filled the appeal with Tribunal on 29.12.2017. Date	2.64	2.64	2.64
ii) Disallowance of Cenvat Credit for the period Oct 2009 to Sep 2010. Appeal remand back to Commissioner of Central Tax (Appeal) dt. 28.11.2017. Amount already deposited ₹0.40 lakh, Penalty ₹5.29 lakh, now commissioner has reduced the amount to ₹1.45 Lakh for which appeal is filled before the CESTAT, Allahabad on 31.01.2019	1.45	5.29	5.29
iii) Disallowance of Cenvat Credit for the period April 2010 to March 2012. Appeal Pending before Custom, Excise & Service Tax Appellate Tribunal, Allahabad on 28.02.2018. Amount already deposited ₹ 3.18 lakh. Penalty ₹ 10.05 lakh. Last date of hearing was 30.08.2018 and order is yet to be received from the Tribunal.	10.05	10.05	10.05
Provident Fund			
Demand raised by Regional Provident Fund Commissioner (RPFC) in respect of Contractual employees through contractors engaged by the company during 2004-05 to 2008-09. Appeal Pending before PF Tribunal. Amount already deposited ₹ 5.15 Lacs. Next date of hearing is 11.9.2019.	6.86	6.86	6.86
Progressive Advance given to Supplier			
HSCC has given the advances to the contractor against the bills to be submitted for smooth functioning of the site work.	972.00	-	-
Demand raised by Income Tax Department:			
Income Tax demand for Asstt. Year 2014-15- Appeal pending before ITAT filed on 20.09.2018 w.r.t. disallowance of tds on Govt. funds. Now the appeal has been filled in ITAT in the month of Sep-2018 and date of hearing is yet to decide.	42.00	42.00	232.60
Contigent Assests:			
The company has filed certain cases against the various party before the arbitrator/court/other authorities. There is high probability of winning the cases and it is probable that said benefit may arise.	446.56	446.56	3.55

II. Contingent Liabilities not provided for Ministries/Client

- A) Claims by Suppliers/contractors aggregating to ₹ 8073.74 Lakhs towards supply of material and works contracts (31 March 2018 ₹ 7,296.03 Lakhs, 1 April 2017 ₹ 5,663.34 Lakhs) are under court/arbitration against various clients, where HSCC is co-defendant. However, the management does not foreseen any liability on the company in these cases.
- B) As on 31 March 2019 outstanding amount of Foreign letters of Credit ₹ 811.64 Lakhs (31 March 2018 367.16 Lakhs) opened in favour of suppliers for and on behalf of ministries/clients. However, the management does not foresee any liability on the company in these cases.

S.No.	LC In Currency	Amount in Foreign Currency	Equivalent Amount in INR
1	US \$	189,379	13,150,478
2	Euro	275,010	21,428,834
3	CHF	977,177	46,585,650
Total			81,164,962

- C) The company is contingently Liabile in respect of employees who have been suspended and no provision has been made in respect of liability that may arise after the decision of the disciplinary inquiry as the amount is unascertained.
- D) There are Projects which have been completed and handed-over to the Ministry/ Clients but financial closure of these Projects in the books of the Company have not been done. Further, there are Projects which have been completed but handing over and taking over process for the same has not yet taken place. The impact of this on the profit or loss, if any will be accounted in the year in which the financial closure takes place.
- E) Amount lying in Interest receivable from Banks, Retention Money, Client Deposit Funds, Trade Receivables, Trade Payables, EMD, Security Deposit (receivable & payable both), balances of ministries, Clients and Government dues with respect to direct taxes, indirect taxes and other state taxes are not confirmed & reconciled. The un-reconciled balances, if any, may have an impact on profit & loss and balance sheet of the company. The same will be accounted for in the year in which the financial reconciliation of all the above items takes place.
- F) Reconciliation with following banks is pending, hence the un-reconciled bank balances may have impact on Profit & Loss and Balance Sheet of the company and will be accounted in the year in which the un-reconciled transaction will be identified.

S. No.	Name of the Bank	Branch	Project Name	A/c No.
1	Indian Overseas Bank	Sector-1, Noida	Ayush, New Delhi	172502000000644
2	Indian Overseas Bank	Sector-1, Noida	HSCC Bank A/C	172502000000151
3	Indian Overseas Bank	Sector-1, Noida	HSCC (India) limited	1750200000331
4	AllIMS New OPD Block	Sector-1, Noida	AllIMS New OPD Block	34930766338
5	Indian Overseas Bank	Sector-1, Noida	PMSSY GTB Amritsar	17250200017019
6	Indian Overseas Bank	Sector-1, Noida	Tezpur LGBRIMH	172501000017325
7	HDFC Bank	Sector - 26, Noida	HSCC (India) Limited	502000011829157

- G) The following are the undisputed statutory dues outstanding as on 31 March 2019 for a period of more than six months:

S.No	Particulars	Amount in lakh
1	Income Tax	47.22
2	Building Cess	160.61
3	Goods & Service Tax	2.03
4	Tax Deducted at Source	41.73

The company is in the process of filling application before the AO for cancellation of income tax demands amounting to ₹ 321.51 lakh and an outstanding TDS demand of ₹ 34.94 lakh.

H) Significant transactions amounting to ₹ 2,926.00 lakh were noticed which can be termed as instances of doubtful reliability. Provision for the same has been made from the reserves as at April 1, 2017 as transactions pertain to the period prior than FY 2016-17.

During test check by CAG of transactions of Company's account at Indian Overseas Bank, Noida, significant transactions were noticed which can be termed as instances of doubtful reliability.

An amount of ₹ 352.00 lakh was included in 'interest receivable' under the head other current assets, even though the same was received in October 2014.

An amount of ₹ 11.00 lakh being the sale tax deposited during 2013-14 by the company on its client behalf was accounted as recoverable from client and is shown under short term loan and advances.

A fixed deposit of ₹ 197.00 lakh which was opened in April 2014 and encashed in July 2014, earned an interest of ₹ 6.00 lakh. It was observed that in the bank ledger of the company, ₹ 197.00 lakh was debited (received) twice against a single encashment.

An amount of ₹ 783.00 lakh was credited in bank account from a Client on April 12, 2014 and the same was shown in the company's accounts under the head deposits from Clients. Thereafter, multiple debit and credit entries of this amount were made in the client ledger during 2014-15 on the pretext of rectifications and reversals. The client ledger which is of liability nature was showing debit balance of ₹ 712.00 lakh in the company's books on 31 March 2018.

A fixed deposit (FD) of ₹ 1,282.00 lakh in Company's account at UCO Bank was encashed in August 2013 along with interest of ₹ 110 lakh. An entry for receipt of encashment proceedings was made March 31, 2014 in Company's account at Indian Overseas Bank, however, in the same voucher, amount received on FD encashment was reversed. Thus, nullify the receipt of FD encashment.

Company had engaged a firm of chartered accountants in April 2017 for checking all bank payments and verification of bank fixed deposit receipts related to financial year 2013-14 and 2014-15 and the report from firm of chartered accountants has not been submitted till date hence, Provision of ₹ 2,926.00 lakh has been made in the books of accounts.

I) During the first quarter of F.Y. 2019-20, in the process of reconciliation of various head of accounts four unidentified transaction were noticed which were confirmed with the banks as mentioned below.

S. No.	Vendor Name	Date	Amount (₹ in lakh)
1	M/s MS Enterprises	16-Sep-16	22.97
2	M/s MS Enterprises	16-Sep-16	26.98
3	M/s MS Enterprises	20-Sep-16	68.87
4	M/s MS Enterprises	20-Sep-16	70.25

A complaint has been lodged with SSP, Gautam Budh Nagar on May 13, 2019

Note-30

Dividend and Reserves

(₹ in lakh)

Distribution Made and Proposed	As at March 31, 2019	As at March 31, 2018
Cash Dividends on Equity Share declared and Paid		
Final Dividend	-	1,128.29
Dividend Distribution Tax on Final Dividend	-	229.69

A) Proposed Dividend would be 60% of the Net Profit earned during the year 2018-19

B) Proposed Dividend is subject to approval of Shareholders in ensuing general meeting of the company.

Disclosure under Ind AS -28 on “Provisions, Contingent Liabilities and Contingent Assets”:

Movement in Provisions

Note-31

Movements in each class (Current & Non Current) of provision during the financial year, are set out below:

(₹ in lakh)

Particular	Gratuity	Leave Encashment	Leave travel concession	Provision for PRP	Provision for cases under litigation	Research & Development Fund	Sustained Development Fund	Corporate Social Responsibility Fund
As at April 1, 2017	-	776.97	-	492.26	3,076.07	16.77	12.91	23.47
Provision made during the year	288.03	230.21	-	247.34	-	-	-	120.65
Less: Reversal made during the year	-	-	-	(158.99)	-	-	-	-
Less : Paid during the year	-	(69.88)	-	(212.80)	-	-	-	(144.12)
As at March 31, 2018	288.03	937.30	-	367.81	3,076.07	16.77	12.91	-
Provision made during the year	35.76	49.18	1.95	369.61	-	-	-	-
Less: Reversal made during the year	-	-	-	(0.01)	-	-	-	-
Less : Paid during the year	(287.59)	27.20	-	(120.46)	-	-	-	-
As at March 31, 2019	36.20	1,013.68	1.95	616.95	3,076.07	16.77	12.91	-

Note-32

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (“MSMED Act, 2006”) is as under:

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the group, the following are the details:

S No.	Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(i)	The principal amount remaining unpaid as at the end of year	760.04	-	-
(ii)	Interest due on above principal and remaining unpaid as at the end of the year	-	-	-
(iii)	The amount of interest paid by the buyer in terms of section 16, of the micro, small and medium enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
(iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under micro, small and medium enterprise development Act, 2006.	-	-	-
(v)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-
(vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-	-

Note - 33

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under :

Gratuity

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 on superannuation, resignation, termination, disablement or on death in accordance with Gratuity Act 1972. The scheme is funded by the Company and is managed by a separate trust. The liability for the same is recognised on the basis of actuarial valuation and accordingly transferred to Gratuity Trust. The provision for the year ended March 31, 2019 is ₹36.20 Lakh {March 31, 2018: ₹ 288.03 Lakh}.

Earned Leave

The Company has a other long term benefit plan for Earned Leave Encashment. Provision for Encashment of Earned Leave equivalent to maximum of 300 days (basic pay plus dearness allowance) is provided at the year end and charged to Statement of Profit & Loss. The liability for the year 2018-19 is accounted for on the basis of Actuarial Valuation. The cumulative liability for Earned Leave Encashment as on March 31, 2019 is ₹ 722.11 lakh {March 31, 2018: ₹ 619.90 Lakh}.

Sick Leave

The Company has a other long term benefit plan for Sick Leave Encashment. The encashment of half pay leave on superannuation will be allowed in addition to encashment of earned leave subject to overall limit of 300 days. The cash equivalent payable for Sick leave would be equal to leave salary as admissible for half pay plus DA and to make up the shortfall in earned leave. No commutation of Sick leave shall be allowed for this purpose. The liability for the year 2018-19 is accounted for on the basis of Actuarial Valuation. The cumulative liability for Sick Leave Encashment as on March 31, 2019 is ₹ 291.58 lakh {March 31, 2018: ₹ 317.40 Lakh}.

Travelling Allowance on Superannuation

The cumulative liability for Travelling Allowance to be paid to the employees on superannuation (exit) as on March 31, 2019 is ₹ 1.95 lakh {March 31, 2018: Nil} based on actuarial valuation.

a) The amounts recognized in the Balance Sheet is as under:

(₹ in lakh)

Particulars	Period	Earned Leave	Sick Leave	Travelling Allowance
Present value of obligations as at the end of year	2018-19	722.11	291.58	1.95
	2017-18	619.90	317.40	-
Fair value of plan assets as at the end of the year	2018-19	-	-	-
	2017-18	-	-	-
Net Assets/(Liability) recognized in balance sheet	2018-19	722.11	291.58	1.95
	2017-18	619.90	317.40	-

b) Expense recognized in Statement of Profit and Loss is as under:

(₹ in lakh)

Particulars	Period	Earned Leave	Sick Leave	Travelling Allowance
Current Service Cost	2018-19	64.34	22.67	1.95
	2017-18	62.34	29.44	-
Interest Cost on Defined Benefit Obligation	2018-19	47.92	24.54	-
	2017-18	39.22	19.36	-
Interest Income on Plan Assets	2018-19	-	-	-
	2017-18	-	-	-
Net Actuarial (Gain) / Loss recognized in the period	2018-19	116.92	(72.24)	-
	2017-18	65.45	13.30	-
Expenses recognized in Statement of Profit and Loss	2018-19	229.18	(25.04)	1.95
	2017-18	167.01	62.11	-

c) Reconciliation of Opening and Closing balances of Defined Benefit Obligation is as under:

(₹ in lakh)

Particulars	Period	Earned Leave	Sick Leave	Travelling Allowance
Present Value of Obligations as at beginning of year	2018-19	619.90	317.40	-
	2017-18	520.20	256.77	-
Acquisition Adjustment	2018-19	-	-	-
	2017-18	-	-	-
Interest Cost	2018-19	47.92	24.54	-
	2017-18	39.22	19.36	-
Current Service Cost	2018-19	64.34	22.67	1.95
	2017-18	62.34	29.44	-
Actuarial (Gains)/Losses arising from	2018-19	116.92	(72.24)	-
	2017-18	65.45	13.30	-
Past Service Cost	2018-19	-	-	-
	2017-18	-	-	-
Benefits Paid	2018-19	(126.98)	(0.78)	-
	2017-18	(67.31)	(1.48)	-
Present value of obligations as at end of year	2018-19	722.11	291.58	1.95
	2017-18	619.90	317.40	-

d) Actuarial Assumptions are as under:

(₹ in lakh)

Particulars	Period	Earned Leave	Sick Leave	Travelling Allowance
Discount Rate	2018-19	7.75%	7.75%	7.75%
	2017-18	7.73%	7.73%	-
Expected rate of Future Salary Increase	2018-19	7.00%	7.00%	-
	2017-18	5.50%	5.50%	-
Retirement Age	2018-19	60	60	60
	2017-18	60	60	-
Ages		Withdrawal Rate	Withdrawal Rate	Withdrawal Rate
Up to 30 Years	2018-19	3.00%	3.00%	3.00%
	2017-18	3.00%	3.00%	-
From 31 to 44 years	2018-19	2.00%	2.00%	2.00%
	2017-18	2.00%	2.00%	-
Above 44 years	2018-19	1.00%	1.00%	1.00%
	2017-18	1.00%	1.00%	-

Mortality rates inclusive of provision for disability -100% of IALM (2006 – 08)

Risks Associated with Plan Provisions

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow:

Salary Increases	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment Risk	If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount Rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

e) Maturity Profile of Defined Benefit Obligation is as under for the year of March 2019:

(₹ in lakh)

Particulars	Period	Earned Leave	Sick Leave	Travelling Allowance
Duration of defined benefit obligation				
Duration (years)				
1	2019-20	34.09	20.60	0.84
2	2020-21	12.69	4.94	0.02
3	2021-22	12.51	4.91	0.02
4	2022-23	70.80	35.30	0.08
5	2023-24	81.54	37.40	0.10
Above 5	2024-25 Onwards	510.47	188.42	0.89
Total		722.11	291.58	1.95

Maturity Profile of Defined Benefit Obligation is as under for the year of March 2018:

Particulars	Period	Earned Leave	Sick Leave
Duration of defined benefit obligation			
Duration (years)			
1	2018-19	35.28	31.89
2	2019-20	10.90	5.11
3	2020-21	20.51	11.98
4	2021-22	10.11	4.94
5	2022-23	61.08	37.28
Above 5	2023-24 Onwards	482.02	226.21
Total		619.90	317.40

f) Summary of Membership Data:

Particulars	As at March 31, 2019	As at March 31, 2018
Number of Employees	176	186
Total Monthly Salary for Gratuity (₹ in Lakh)	117.23	117.93
Total Monthly Salary for leave availment (₹ in Lakh)	117.23	117.93
Total Monthly Salary Travelling Allowance (₹ in Lakh)	117.23	117.93

Average Past Service (Years)	10.62	9.82
Average Age (Years)	39.68	39.65
Average remaining Working Life (Years)	20.32	20.35

i) Major Categories of Plan Assets (as percentage of total plan assets) is as under:

(₹ in lakh)

Particulars	Period	Earned Leave	Sick Leave	Travelling Allowance
Fund Managed by Insurer	2018-19	-	-	-
	2017-18	-	-	-

g) Sensitivity analysis is as under:

Impact of the Change in Discount Rate

(₹ in lakh)

Particulars	Period	Earned Leave	Sick Leave	Travelling Allowance
Impact due to Increase of 0.50%	2018-19	(31.83)	(11.55)	-
Impact due to Decrease of 0.50%	2018-19	34.37	12.40	-

Impact of the Change in Salary Increase

(₹ in lakh)

Particulars	Period	Earned Leave	Sick Leave	Travelling Allowance
Impact due to Increase of 0.50%	2018-19	34.45	12.43	-
Impact due to Decrease of 0.50%	2018-19	(32.19)	(11.68)	-

*Changes in Defined Benefit Obligation due to 0.5% Increase/Decrease in Mortality Rate, if all other assumptions remain constant is negligible.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

Note -34

Related party transactions

Holding Co.

NBCC (India) Ltd.

Key Managerial Personnel (KMP)

Sri Gyanesh Pandey(Chairman & Managing Director)

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

Sri Saurabh Srivastava (Chief Financial Office)

Details pertaining to Related Party Transactions are as follows:

- a) Subsidiaries - Nil
- b) Fellow Subsidiaries - Nil
- c) Related Parties - Nil
- d) Disclosures in respect of Key Managerial Personnel remuneration are given in Note No. - 23 A

(₹ in lakh)

Nature of transactions	March 31, 2019		March 31, 2018		April 1, 2017	
	Holding Company	Key Managerial Personnel	Holding Company	Key Managerial Personnel	Holding Company	Key Managerial Personnel
Outstanding balances						
Amount Receivable	11.58	-	-	-	-	-
Prepaid expense	276.56	-	-	-	-	-

(₹ in lakh)

Nature of transactions	March 31, 2019		March 31, 2018	
	Holding Company	Key Managerial Personnel	Holding Company	Key Managerial Personnel
Secondment Charges	18.82	-	-	-
Purchase of Fixed Assets	6,834.99	-	-	-
Dividend Paid	1,124.01	-	-	-
Managerial Remuneration	-	64.97	-	137.25

Note -35

Operating Leases – Lessee

The Company's significant leasing arrangements are in respect of operating leases relating to its leased office premises. These lease arrangements which are cancellable, are generally renewable by mutual consent.

Note -36

Disclosure as per Indian Accounting Standard (Ind AS) 108 Segments

"In accordance with Ind AS 108, the Board of directors being the Chief operating decision maker of the Company has determined its only business segment as project management service.

Since the Company's business is from project management services and there are no other identifiable reportable segments. Thus, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the year is as reflected in the financial statement."

Geographical segment

The operations of the Company are mainly carried out within the country and therefore, geographical segments are not disclosed.

Revenue as per customers (more than 10% of revenue):

During the year ended March 31, 2019 revenue of approximately 69.24% (previous year : 53.70%) are derived from a single external customer in the Project Management Consultancy Segment

Note -37

Note on Revenue Recognition Under Ind AS 115

Disaggregation of revenue

Revenue recognised mainly comprises of sale of service through Project Management Consultancy. Set out below is the disaggregation of the Company's revenue from contracts with customers:

(₹ in lakh)

Description	For the year ended March 31, 2019	For the year ended March 31, 2018
(A) Sale of service		
(a) Project Management consultancy service	204,946.25	150,352.00
(B) Other ancillary revenue		
(a) Sale of Tender Documents	26.58	21.91
(b) Provisions Written Back	1,347.85	158.99
Total revenue	206,320.69	150,532.90

* The Company operates single segment i.e. sale of service- Project management consultancy

The table below presents disaggregated revenues from contracts with customers based on nature, amount and timing for the year ended 31 March 2018 and 31 March 2019:

S.No.	Types of Services by Nature	Types of Services by Contract Type	Types of Services by timing	"For the year ended March 31, 2019"	"For the year ended March 31, 2018"
1	Project Management Consultancy	Cost plus contracts	Over the period of time	204,946.25	150,352.00
				204,946.25	150,352.00

2 Assets and liabilities related to contracts with customers

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

(₹ in lakh)

Description	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
	Current	Current	Current
Contract liabilities related to sale of service			
Advance from customers	203,525.04	179,166.30	125,415.62
Revenue received in advance	8,116.78	10,515.75	9,296.27
	211,641.82	189,682.05	134,711.89
Receivables			
Unbilled revenue	17,471.05	35,355.42	38,561.48
Trade receivables	9,973.77	13,757.06	8,549.79
Less: Allowance for expected credit loss	(1,439.58)	(2,729.48)	(1,583.90)
Net receivables	8,534.19	11,027.57	6,965.88
Total	220,176.01	200,709.62	141,677.78

"A receivable is a right to consideration that is unconditional upon passage of time. Revenue from the contracts are recognized upon satisfaction of Performance obligation.

Invoicing to the clients is based on milestones as defined in the contract. This would result in the timing of revenue recognition being different from the timing of billing the customers. Revenue in excess of billing is recorded as unbilled revenue and is classified as a contract asset. Any amount previously recognised as a contract asset is reclassified to trade receivables on satisfaction of the condition attached i.e. future service which is necessary to achieve the billing milestone. Invoicing in excess of revenue recognised is classified as revenue received in advance. Any amount previously recognised as revenue received in advance is recognised to revenue on satisfaction of the performance obligation over the construction period."

3 Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to the carried forward contract liabilities

(₹ in lakh)

Description	Year ended March 31, 2019
Revenue recognised that was included in contract liabilities at the beginning of the year	182,202.02
Performance obligations satisfied in previous years	-
Total	182,202.02

4 Significant changes in contract assets and liabilities

(₹ in lakh)

Contract liabilities - Advance from customers	As at March 31, 2019
Opening balance of Contract liabilities - Advance from customers	179,166.30
Less: Amount of revenue recognised during the year	(194,858.94)
Add: Addition during the year	219,217.68
Closing balance of Contract liabilities - Advance from customers	203,525.04

Contract liabilities - Deferred income	As at March 31, 2019
Opening balance of Contract liabilities - Revenue received in advance	10,515.75
Less: Amount of revenue recognised against opening contract liabilities	(3,035.72)
Add: Addition in balance of contract liabilities for current year	636.75
Closing balance of Contract liabilities - Revenue received in advance	8,116.78

Contract Assets - Unbilled Revenue	As at March 31, 2019
Opening balance of Contract Assets - Unbilled Revenue	11,027.57
Less: Amount of revenue recognised against opening contract assets	(11,027.57)
Add: Addition in balance of contract assets for current year	8,534.19
Closing balance of Contract Assets - Unbilled Revenue	8,534.19

5 Remaining performance obligation

Applying the practical expedient as given in Ind AS115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date. Remaining performance obligation estimates are subject to change and are affected by several factors, such as changes in the scope of contracts, periodic revalidations, terminations and adjustment for revenue that has not materialized.

Note -38

Financial Assets and Liabilities

Fair value disclosures

(i) Fair Value Hierarchy

Financial Assets and Financial Liabilities measured at fair value in the Balance Sheet are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: The fair value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Financial assets and liabilities measured at fair value - recurring fair value measurements

The Company does not have any financial instruments which are measured at Fair value either through statement of profit and loss or through other comprehensive income.

(iii) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

(₹ in lakh)

Particulars	Note Reference	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
		Amortised cost	Fair Value	Amortised cost	Fair Value	Amortised cost	Fair Value
Financial Assets							
Trade Receivables	Note -7	8,534.19	8,534.19	11,027.57	11,027.57	6,965.88	6,965.88
Cash and Cash Equivalents	Note -8	19,663.88	19,663.88	10,159.07	10,159.07	17,148.56	17,148.56
Other Bank Balances	Note -9	258,419.63	258,419.63	212,691.63	212,691.63	144,499.29	144,499.29
Other Financial Assets	Note -10	24,923.94	24,923.94	43,387.38	43,387.38	44,270.58	44,270.58
Retention Money & Security Deposits:							
Current	Note -10	-	-	56.36	56.36	54.83	54.83
Non-Current	Note -5	32.73	32.73	35.58	35.58	37.01	37.01
Total Financial Assets		311,574.38	311,574.38	277,357.61	277,357.61	212,976.15	212,976.15

Particulars	Note Reference	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
		FVTPL	Amortised cost	Fair Value	FVTPL	Amortised cost	Fair Value	FVTPL	Amortised cost	Fair Value
Financial Liabilities										
Trade Payables	Note -15	-	68,779.69	68,779.69	-	39,072.43	39,072.43	-	19,140.02	19,140.02
Other Financial Liabilities	Note -16	-	43,570.74	43,570.74	-	58,587.61	58,587.61	-	60,952.20	60,952.20
Total Financial Liabilities		-	112,350.42	112,350.42	-	97,660.04	97,660.04	-	80,092.22	80,092.22

The management assessed that cash and cash equivalents, trade receivables, other receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Note -39

Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the Financial Statements.

(A) Credit Risk

The Company is exposed to credit risk from its Operating Activities (Primarily Trade Receivables) and from its Financing Activities including Deposits with Banks and Financial Institutions and other Financial Instruments.

(i) Credit Risk Management

The Company assesses and manages credit risk of Financial Assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of Financial Assets.

A: Low Credit Risk on financial reporting date

B: Moderate Credit Risk

C: High Credit Risk

The Company provides for Expected Credit Loss based on the following:

Asset group	Basis of categorisation	Provision for expenses credit loss
Low Credit Risk	Cash and Cash Equivalents, other Bank Balances and other Financial Assets	12 month expected credit loss
Moderate Credit Risk	Trade Receivables	Life time expected credit loss
High Credit Risk	Trade Receivables	Life time expected credit loss or fully provided for

In respect of Trade Receivables, the company recognises a provision for lifetime Expected Credit Loss.

Based on business environment in which the Company operates, a default on a Financial Asset is considered when the counter party fails to make payments within the agreed time period as per contract or decided later based upon the factual circumstances on case to case basis. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in Statement of Profit and Loss.

(₹ in lakh)

Credit rating	Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
A: Low credit risk	Trade receivables, Cash and Cash Equivalents, other Bank Balances and other Financial Assets	309,058.77	273,985.59	211,021.29
B: High credit risk	Trade Receivables	3,955.19	6,065.91	3,501.76

Concentration of Trade Receivables

The Company's Major Exposure to Credit Risk for Trade Receivables are from various Government Departments/ Ministries

Credit Risk Exposure

Provision for Expected Credit Losses

The Company provides for Expected Credit Loss based on 12 month and lifetime Expected Credit Loss basis for following Financial Assets –

A: Low Credit Risk

As at March 31, 2019

(₹ in lakh)

Particulars	Note reference	Carrying Amount	Impairment	Carrying Amount net of Impairment Provision
Cash and Cash Equivalents	Note -08	19,663.88	-	19,663.88
Other Bank Balances	Note -09	258,419.63	-	258,419.63
Other Financial Assets	Note -5,10	43,494.67	15.34	43,479.33

As at March 31, 2018

Particulars	Note reference	Carrying Amount	Impairment	Carrying Amount net of Impairment Provision
Cash and Cash Equivalents	Note -08	10,159.06	-	10,159.06
Other Bank Balances	Note -09	2,12,691.63	-	2,12,691.63
Other Financial Assets	Note -5,10	43,494.67	15.34	43,479.33

As at March 31, 2018

Particulars	Note reference	Carrying Amount	Impairment	Carrying Amount net of Impairment Provision
Cash and Cash Equivalents	Note -08	17,148.56	-	17,148.56
Other Bank Balances	Note -09	1,44,499.29	-	1,44,499.29
Other Financial Assets	Note -5,10	44,377.76	15.34	44,362.42

B: High Credit Risk

Expected Credit Loss for Trade Receivables under simplified approach

As at March 31, 2019

(₹ in lakh)

Ageing	Note reference	Upto 1 year	Between 1 and 2 years	Between 2 and 3 years	Above 3 years	Total
Gross Carrying Amount	Note -7	6,018.58	2,115.00	933.74	906.45	9,973.77
Expected Credit Losses (Loss Allowance Provision)		-	390.05	313.91	735.62	1,439.58
Carrying Amount of Trade Receivables (Net of Impairment)		6,018.58	1,724.95	619.83	170.83	8,534.19

As at March 31, 2018

(₹ in lakh)

Ageing	Note reference	Upto 1 year	Between 1 and 2 years	Between 2 and 3 years	Above 3 years	Total
Gross Carrying Amount	Note -7	7,691.14	3,760.69	1,154.11	1,151.11	13,757.06
Expected Credit Losses (Loss Allowance Provision)		-	1,508.16	732.83	488.48	2,729.48
Carrying Amount of Trade Receivables (Net of Impairment)		7,691.14	2,252.53	421.27	662.63	11,027.57

As at April 1, 2017

(₹ in lakh)

Ageing	Note reference	Upto 1 year	Between 1 and 2 years	Between 2 and 3 years	Above 3 years	Total
Gross Carrying Amount	Note -7	5,048.03	2,004.95	469.47	1,027.34	8,549.79
Expected Credit Losses (Loss Allowance Provision)		-	1,407.65	176.26	-	1,583.90
Carrying Amount of Trade Receivables (Net of Impairment)		5,048.03	597.30	293.21	1,027.34	6,965.88

Reconciliation of Loss Provision – Trade Receivables

(₹ in lakh)

Reconciliation of Loss Allowance	Loss allowance
Loss allowance as on April 1, 2017	1,583.90
Impairment Loss Recognised	1,145.58
Reversal	-
Loss allowance on March 31, 2018	2,729.48
Impairment Loss Recognised	-
Reversal	(1,289.90)
Loss Allowance on March 31 2019	1,439.58

(B) Liquidity Risk

The Company's principal sources of liquidity are Cash and Cash Equivalents which are generated from Cash Flow from Operations. The Company has no outstanding Bank Borrowings. The Company Consider that the Cash Flows from Operations are sufficient to meet its current liquidity requirements.

Maturities of Financial Liabilities

The tables below analyse the Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is insignificant.

(₹ in lakh)

As at March 31, 2019	Note reference	Up to one year	More than one year	Total
Trade Payable	Note -15	68,779.69	-	68,779.69
Earnest Money & Security Deposits	Note -16	17,728.11	-	17,728.11
Dividend Payable	Note -16	1,124.01	-	1,124.01
Book Overdraft	Note -16	5,971.70	-	5,971.70
Other Payables	Note -16	18,746.91	-	18,746.91
Total		112,350.42	-	112,350.42

(₹ in lakh)

As at March 31, 2018	Note reference	Up to one year	More than one year	Total
Trade Payable	Note -15	39,072.43	-	39,072.43
Earnest Money & Security Deposits	Note -16	15,935.98	-	15,935.98
Book Overdraft	Note -16	10,132.88	-	10,132.88
Other Payables	Note -16	32,518.75	-	32,518.75
Total		55,008.41	-	55,008.41

(₹ in lakh)

As at March 31, 2017	Note reference	Up to one year	More than one year	Total
Trade Payable	Note -15	19,140.02	-	19,140.02
Earnest Money & Security Deposits	Note -16	13,613.95	-	13,613.95
Book Overdraft	Note -16	8,397.50	-	8,397.50
Other Payables	Note -16	38,940.75	-	38,940.75
Total		32,753.98	-	32,753.98

Foreign currency risk

Unhedged foreign currency exposures

Particulars of unhedged foreign currency exposures as at the reporting date

Particulars	31 March 2019		31 March 2018		1 April 2017	
	Amount	Foreign currency	Amount	Foreign currency	Amount	Foreign currency
Trade Receivable	747.51	USD 1,076,376	19.78	USD 30,431	-	-

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

USD sensitivity	As at March 31, 2019	As at March 31, 2018
INR/USD- increase by:		
(31 March 2019 5%)	37.38	0.99
(31 March 2018 5%)		
INR/USD- decrease by:		
(31 March 2019 5%)	(37.38)	(0.99)
(31 March 2018 5%)		

*Holding all other variables constant

(C.) Market Risk

The Company is not exposed to any market risk.

Note-40

Capital Management

The Company's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt (net debt comprises of borrowings less cash and cash equivalents). Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio.

(₹ in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Equity Share Capital	180.01	180.01	240.02
Other Equity	13,690.19	10,063.87	13,959.81
Total Equity	13,870.20	10,243.89	14,199.83

The Company has no outstanding debt as at the end of the respective years. Accordingly company has NIL Capital gearing ratio as at March 31, 2019, March 31, 2018 and on April 1, 2017.

Note -41

First time adoption of Ind AS

These are the Company's First Financial Statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the Financial Statements for the year ended on March 31, 2019, the comparative information presented in these financial statements for the year ended March 31, 2018 and in the preparation of an opening Ind AS Balance Sheet at April 1, 2017 (the Company's date of transition). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Financial Position, Financial Performance and cash flows is set out in the following tables and notes.

A. Ind AS optional exemptions

Deemed cost for Property, Plant and Equipment and Intangible Asset

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its Property, Plant and Equipment as recognised in the Financial Statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

B. Ind AS mandatory exemptions

Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in Accounting Policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2017 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- a). Impairment of Financial Assets based on Expected Credit Loss model.

C. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile Equity, Total Comprehensive Income and Cash Flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

1. Reconciliation of Total Equity as at March 31, 2018 and April 1, 2017

(₹ in lakh)

Particular	As at March 31, 2018	As at April 1, 2017
Total Equity (Shareholder's Funds) as per Previous GAAP	17,293.08	19,878.41
Adjustments:		
Impact on account of change in measurement		
Impairment Allowance	(2,006.76)	(861.18)
Impact on account of change in measurement of revenue	(7,699.72)	(6,741.18)
Adjustment for :		
- Proposed Dividend	1,352.84	1,357.98
- Prior Period Income / (Expenditure)	(13.58)	(0.55)
Tax Impact on Above Adjustments	4,423.79	3,695.59
Total Adjustments	(3,943.44)	(2,549.34)
Rectification of Errors under previous GAAP		
Recognition of provision for other contingencies	(3,076.07)	(3,076.07)
Reclassification to provisions to liabilities	(29.68)	(53.16)
Total Equity as per Ind AS	10,243.89	14,199.83

2. Reconciliation of Total Comprehensive Income for the year ended on March 31, 2018

(₹ in lakh)

Particular	For the year ended on March 31, 2018
Profit After Tax as per previous GAAP	3,746.71
Adjustments:	
Impact on account of change in measurement of revenue	(958.54)
Impairment Allowance	(1,145.58)
Adjustment for :	
- Prior Period Income / (Expenditure)	(13.03)
Tax Impact on Above Adjustments	728.19
Total Adjustments	(1,388.95)
Total Comprehensive Income for the year ended March 31 2016	2,357.76

3. Reconciliation of Balance sheet as at March 31, 2018

(₹ in lakh)

Particulars	Note No.	Restated Previous IGAAP	Adjustments	Ind AS
I. ASSETS				
1 Non-Current Assets				
(a) Property, Plant and Equipment	2	681.86	-	681.86
(b) Intangible assets	3	6.25	-	6.25
(c) Intangible assets under development	4	13.16	-	13.16
(d) Financial Assets				
(ii) Other Financial Assets	5	35.58	-	35.58
(e) Deferred Tax Asset (Net)	6	709.61	4,423.79	5,133.40
		1,446.46	4,423.79	5,870.25
2 Current Assets				
(a) Financial Assets				

Particulars	Note No.	Restated Previous IGAAP	Adjustments	Ind AS
(i) Trade Receivables	7	13,034.33	(2,006.76)	11,027.57
(ii) Cash and Cash Equivalents	8	10,159.06	-	10,159.06
(iii) Other Bank Balances	9	212,691.63	-	212,691.63
(iv) Other Financial Assets	10	40,627.71	2,816.03	43,443.75
(b) Current Tax Assets (Net)	11	622.42	-	622.42
(c) Other Current Assets	12	19,985.78	-	19,985.78
		297,120.94	809.27	297,930.21
TOTAL ASSETS		298,567.40	5,233.06	303,800.46
II. EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share capital	13	180.01	-	180.01
(b) Other Equity		17,113.07	(7,049.19)	10,063.87
Total Equity		17,293.08	(7,049.19)	10,243.89
2 Liabilities				
Non-Current Liabilities				
(a) Provisions	14	870.13	-	870.13
		870.13	-	870.13
Current Liabilities				
(a) Financial Liabilities				
(i) Trade Payables	15	39,072.43	-	39,072.43
(ii) Other Financial Liabilities	16	58,574.03	13.58	58,587.61
(b) Other Current Liabilities	17	180,681.89	10,515.75	191,197.65
(c) Provisions	18	2,075.84	1,752.92	3,828.76
		280,404.20	12,282.25	292,686.45
TOTAL EQUITY & LIABILITIES		298,567.41	5,233.06	303,800.47

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

4. Reconciliation of Balance Sheet as at April 1, 2017

(₹ in lakh)

Particulars	Note No.	Restated Previous IGAAP	Adjustments	Ind AS
I. ASSETS				
1 Non-Current Assets				
(a) Property, Plant and Equipment	2	691.94	-	691.94
(b) Intangible assets	3	7.13	-	7.13
(c) Intangible assets under development	4	6.21	-	6.21
(d) Financial Assets				
(ii) Other Financial Assets	5	37.01	-	37.01
(e) Deferred Tax Asset (Net)	6	689.35	3,695.59	4,384.94
		1,431.64	3,695.59	5,127.23

Particulars	Note No.	Restated Previous IGAAP	Adjustments	Ind AS
2 Current Assets				
(a) Financial Assets				
(i) Trade Receivables	7	7,827.07	(861.18)	6,965.88
(ii) Cash and Cash Equivalents	8	17,148.56	-	17,148.56
(iii) Other Bank Balances	9	144,499.29	-	144,499.29
(iv) Other Financial Assets	10	41,770.32	2,555.09	44,325.41
(b) Current Tax Assets (Net)	11	356.44	-	356.44
(c) Other Current Assets	12	15,802.80	-	15,802.80
		227,404.47	1,693.91	229,098.38
TOTAL ASSETS		228,836.11	5,389.50	234,225.61
II. EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share capital	13	240.02	-	240.02
(b) Other Equity		19,638.38	(5,678.57)	13,959.81
Total Equity		19,878.40	(5,678.57)	14,199.83
2 Liabilities				
Non-Current Liabilities				
(a) Provisions	14	741.25	-	741.25
		741.25	-	741.25
Current Liabilities				
(a) Financial Liabilities				
(i) Trade Payables	15	19,140.02	-	19,140.02
(ii) Other Financial Liabilities	16	60,951.65	0.55	60,952.20
(b) Other Current Liabilities	17	126,238.83	9,296.27	135,535.10
(c) Provisions	18	1,885.97	1,771.25	3,657.21
		208,216.46	11,068.08	219,284.54
TOTAL EQUITY & LIABILITIES		228,836.11	5,389.50	234,225.61

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

5. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2018

(₹ in lakh)

Particulars	Note No.	As per restated IGAAP	Adjustments	As per Ind AS
I. Revenue From Operations				
Value of Services	19	151,310.54	(958.54)	150,352.00
Other Operating Revenues	20	196.38	-	196.38
II. Other Income	21	822.65	-	822.65
III. Total Income (I + II)		152,329.57	(958.54)	151,371.03
IV. Expenses:				
Work & Consultancy Expenses	22	141,684.61	-	141,684.61
Employee Benefits Expense	23	3,895.03	-	3,895.03

	Depreciation and Amortisation Expense	2	78.40	-	78.40
	Other Expenses	24	848.85	1,145.58	1,994.43
	Total Expenses (IV)		146,506.89	1,145.58	147,652.47
V.	Profit before Exceptional Items and Tax (III-IV)		5,822.68	(2,104.12)	3,718.56
VI.	Exceptional Items		(0.43)	(13.03)	(13.46)
VII.	Profit before Tax (V - VI)		5,822.24	(2,117.14)	3,705.10
VIII.	Tax Expense:	26			
	(1) Current Tax		2,095.79	-	2,095.79
	(2) Deferred Tax		(20.27)	(728.19)	(748.46)
	(3) Earlier Years Tax Adjustments		-	-	-
IX	Profit/ (Loss) for the period (VII-VIII)		3,746.72	(1,388.95)	2,357.77
X	Other Comprehensive income	27			
	Items that will not be Reclassified into Profit/ Loss				
	Re-measurement Gains (Losses) on Defined Benefit Plans		-	-	-
	Income tax Relating to Items that will not be Reclassified into Profit/Loss		-	-	-
XI	Total comprehensive income for the period (IX-X)		3,746.72	(1,388.95)	2,357.77

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

A. Measurement of revenue

Under previous GAAP, revenue is recognised on the basis of measureable work actually executed plus proportionate margin percentage thereon on the basis of milestone achieved as stipulated in the contracts. Under Ind AS, Revenue from sale of services is measured based on the consideration specified in a contract with a customer. The company recognizes revenue when it transfers control of a product or service to a customer. It measures its progress towards complete satisfaction of the performance obligation by comparing actual cost incurred till date with the total cost estimated to be incurred.

B. Provision for Trade Receivables and Other Current Assets

Under previous GAAP, the Company has created provision for Trade Receivables in respect of specific amounts based on management estimate of recoverability. Under Ind AS, impairment allowance has been determined based on Life time Expected Credit Loss model (ECL) for Trade Receivables. Further certain recoverable from vendors have been provided for based on specific identification by the management.

C. Dividend adjustment

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial Statements were considered as adjusting events. Accordingly, provision for Proposed Dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for Proposed Dividend and Dividend Distribution Tax has been reversed with corresponding adjustment to Retained Earnings.

D. Tax impact on above adjustments

Retained earnings has been adjusted consequent to the all Ind AS transition adjustments with corresponding impact to Deferred Tax.

E. Retained earnings

Retained earnings as at April 1, 2017 has been adjusted consequent to the above Ind AS transition adjustments.

F. Prior Period Items

Ind AS does not permit the impact of prior period in the financials. Hence prior period items are transferred to retained earnings.

Note -41

Previous year figures have been regrouped and/or reclassified, wherever, necessary to conform to those of the current year grouping and/or classification. Negative figures have been shown in brackets.

OBSERVANCE OF NATIONAL UNITY DAY



The company had observed National Unity Day on 31st October 2018. All the employees of the company celebrated the occasion with enthusiasm and took oath to be united in thins and thicks of the nation.



Republic Day Celebration - 2019



Employees of the company performing various Yoga's Ashans on International Yoga Day on 21st June 2018.



SENIOR OFFICIALS & HEAD OF DIVISIONS



Shri M.C. Bansal
ED (F&A)



Shri S.A. Usmani
Sr. CGM (I)



Shri V.V. Govinda Rao
CGM (PG-I)



Shri S.C. Garg
Sr. CGM (II)



Shri Saurabh Srivastava
CGM (F&A)



Shri C.S. Gupta
GM (F&A & CFO)



Shri Karam Veer Khanna
IT Deptt.



Shri Promod Kumar
Procurement



Shri P.K. Bhatia
Rishikesh



Shri Rajiv
Civil



Shri Debashish Bandyopadhyay
Procurement & Spl. Services



Smt. Monisha Tankha
Civil



Shri Narender Kumar
Business Development



Shri Samanta
Tezpur



Shri Shivanna
Shilong

HSCC OFFICES

REGISTERED OFFICE:

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

CORPORATE OFFICE:

E-6(A), Sector-1,
Noida - 201301 (UP)

PROJECT-CUM-SITE OFFICES:

ASSAM

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

CHHATTISGARH

House No. B-19/7, Near Pani Ki Tanki
Near Rajendar Nagar,
Raipur (Chhatisgarh)
PIN - 492001

MAJOR SITE OFFICES:

National Cancer Institute, AIIMS Jhajjar, Haryana
Cochin Cancer & Research Centre, Ernakulam, Kerala
100 bedded Hospital, ESIC, Siliguri

Redevelopment of Lady Harding Medical College & associated Hospitals, New Delhi

Upgradation of Nursing College - RAK, Delhi

New Paid Ward at AIIMS, New Delhi

Hostel Block at AIIMS, New Delhi

Housing work, AIIMS, Raebareilly

Surgical Block at AIIMS, New Delhi

Mother & Child Block at AIIMS, New Delhi

New OPD Block at AIIMS, New Delhi

Satellite Unit of Post Graduate Institute of Medical & Educational Research, Sangrur

NRHM-Uttar Pradesh, NRHM-Kerala and NRHM-Himachal Pradesh

Construction of Super speciality Block in Neuro Sciences, NIMHANS, Bangalore

National Institute of Animal Biotechnology, Hyderabad.

Vaccine processing facilities for Institute of Veterinary Biological Products, Pune

750 Bedded Hospital (Phase I - 400 bedded), IIT, Kharagpur

Residential & Hostel Complex for New AIIMS, Bhubaneswar

Supr Speciality Block, OPD & Academic Block at Kolkata Medical College, Kolkata

Upgradation of Govt. Hospital, Naharlagun, Arunachal Pradesh

Medical College at Nahan, Hamirpur & Chamba, Himachal Pradesh

Regional Institute of paramedic & Nursing Sciences (RIPANS), Aizwal

UG seats from 100 to 150 intake P.A. for RIMS, Imphal

PMSSY Upgradation Phase III Projects

- | | | | | |
|-------------|-------------|----------------|--------------|--------------|
| - Rewa | - Berhampur | - Udaipur | - Gwalior | - Patiala |
| - Bikaner | - Jabalpur | - Burla | - Aurangabad | - Vijayawada |
| - Dibrugarh | - Jhansi | - Kota | - Guwahati | - Shimla |
| - Allahabad | - Latur | - Panaji (Goa) | - Darjeeling | |

New AIIMS at Nagpur, Kalyani and guntur

Mizoram Institute of Medical Education and Research, Falkawn, Mizoram

100 intakes Medical College, Pali, Rajasthan

Housing & Hostel for Dr. R.P. Medical College, Kangra



HSCC (India) Limited

A wholly owned subsidiary of NBCC (India) Ltd.

(A Government of India Undertaking)

CIN: U74140DL1983GOI015459

Registered Office : 205 (2nd floor), East End Plaza, Plot No. 4, LSC, Centre - II,

Vasundhara Enclave, New Delhi-110096

E-mail: co.sectt@nbccindia.com, Website: www.hsccltd.co.in, Tel : 0120-2542436-40

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain addition Slip at the venue of the meeting

DP ID*	Folio No.
Client ID*	No. of shares

Name and address of the shareholders.....

I hereby record my presence at the **36th ANNUAL GENERAL MEETING** of the Company held on

.....
Signature of Member/Proxy

* Applicable for investors holding shares in electronic form

.....



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A wholly owned subsidiary of NBCC (India) Ltd.

(A Government of India Undertaking)

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E-mail: co.sectt@nbccindia.com, Website: www.hsccltd.co.in, Tel : 0120-2542436-40

PROXY FORM

Name of the member (s):	e-mail Id:
Folio No/ DP Id*, Client Id*:	
Registered Address:	

I/We, being the member(s), holding.....shares of HSCC, hereby appoint:

- 1) Resident of.....having e-mail idor failing him
- 2) Resident of.....having e-mail idor failing him
- 3) Resident of.....having e-mail id

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **36th ANNUAL GENERAL MEETING** of the Company held on **Tuesday, September 17, 2019 at 12:30 p.m. at NBCC Bhawan, Lodhi Road, New Delhi 110003** and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business	For	Against
1. To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon.		
2. To declare a Dividend of ₹ 1,660.33 (one thousand six hundred and sixty rupees and thirty three paise) per paid up equity shares of ₹ 100/- each (i.e. @1,660.33%) for the financial year ended March 31, 2019.		
3. To appoint a Director in place of Shri Gyanesh Pandey (DIN 03555957), who retires by rotation and being eligible, offers himself for re-appointment.		
4. To authorise Board of Directors to fix the remuneration of Statutory Auditor(s) of the Company for the financial year 2019-20.		
Special Business		
5. To regularize the appointment of Shri Shiv Das Meena (DIN: 01881010) as Director of the Company.		
6. To regularize the appointment of Shri Gyanesh Pandey (DIN 03555957), as Director (Managing Director) of the Company.		
7. To regularize the appointment of Smt. Nandita Gupta (DIN 02410865), as Government Nominee Director on the Board of the Company.		
8. To regularize the appointment of Dr. (Smt.) Vinod Panthi (DIN 08523768) as Independent Director of the Company.		

Signed thisday of 2019

Signature of Shareholder.....

Signature of Proxy holder(s).....

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, please refer to the Notice of the 36th Annual General Meeting.
3. This is only optional. Please put '(✓)' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.

*Applicable for investors holding shares in electronic form

Affix
Revenue
Stamp



ANNUAL REPORT

2018-19



CORPORATE OFFICE

E-6(A), Sector 1, Noida - UP - 201301
Tel. - 91-120-2542436-40
Fax - 91-120-2542447
Email - hsccltd@hsccltd.co.in

REGISTERED ADDRESS

205 (2nd floor), East End Plaza,
Plot No.4, LSC, Centre - II,
Vasundhara Enclave, NEW DELHI DL 110096 IN