

# 38<sup>th</sup> ANNUAL REPORT 2020-2021



A Miniratna Co.

## HSCC (INDIA) LIMITED

A wholly owned subsidiary of NBCC (India) Limited

[www.hsccltd.co.in](http://www.hsccltd.co.in)





## **HSCC (India) Limited**

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

Tel. - 91-120-2542436-40,

Fax - 91-120-2542447

Email - [hsccltd@hsccltd.co.in](mailto:hsccltd@hsccltd.co.in)

CIN No: U74140DL1983GOI015459

Website: [www.hsccltd.co.in](http://www.hsccltd.co.in)



## 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

HSCC (India) Limited  
205 (2nd Floor), East End Plaza,  
Plot No. 4, LSC, Centre - II,  
Vasundhara Enclave,  
New Delhi-110096  
CIN No: U74140DL1983GOI015459  
Website: [www.hsccltd.co.in](http://www.hsccltd.co.in)

### CORPORATE OFFICE

HSCC (India) Limited  
E-6(A), Sector-1, Noida - UP - 201301  
Contact : 91-120-2542436-40  
Fax : 91-120-2542447  
CIN No: U74140DL1983GOI015459  
Website: [www.hsccltd.co.in](http://www.hsccltd.co.in)

### STATUTORY AUDITORS

M/s Andros & Co.  
Chartered Accountants  
A-101, GIA, Wazirpur,  
New Delhi-110052

### INTERNAL AUDITORS

M/s Vinay Jain & Associates  
Chartered Accountants  
18/12 WEA, Arya Samaj Road,  
Karol Bagh, Delhi

### SECRETARIAL AUDITORS

M/s P.C. Jain & Company  
Company Secretaries  
2382, Sector-16, 1st Floor  
Faridabad-121002

### BANKERS

Indian Overseas Bank  
Canara Bank  
Punjab National Bank  
Bank of Baroda  
State Bank of India  
UCO Bank  
HDFC Bank Ltd.  
Axis Bank  
Union Bank of India

## CONTENTS

1. Directors' Profile	6
2. Performance At a Glance	8
3. Service Spectrum	10
4. Chairman's Speech	11
5. Letter from Managing Director	14
6. Notice	16
7. Directors' Report and Annexures	19
– Management Discussions and Analysis Report	
– Corporate Governance Report	
– Other Annexures	
8. Comments of Comptroller and Auditor General of India	65
9. Auditors' Report on Financial Statements	69
10. Financial Statements	85

## DIRECTORS' PROFILE



**Sh. Pawan Kumar Gupta**  
Chairman

Shri Pawan Kumar Gupta has taken over position as the Chairman in HSCC (India) Limited.

He is the Chairman & Managing Director (CMD) of NBCC (India) Limited a Navratna CPSE, which is also holding company of HSCC (India) Limited. Before taking over the charge of CMD, NBCC, Shri Gupta was Executive Director (Regional Projects) in Rites Limited, also CPSE under the Ministry of Railways, Shri Gupta holds a Bachelor's degree in Civil Engineering from NIT, Kurukshetra and Masters from IIT Delhi. He joined Indian Railway Service of Engineers in 1986 and has more than 35 years of experience in engineering projects and business operations.

Shri Gyanesh Pandey holds Bachelor Degree in Civil Engineering and has been working with HSCC since June 01, 1995. He has around 38 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 operations.

Shri Gyanesh Pandey has been supernnveted w.e.f. July 31, 2021



**Sh. Gyanesh Pandey**  
Managing Director



**Ms. D. Thara**  
Government Nominee Director

Ms. D. Thara is a 1995 batch IAS officer. She has joined the Board of HSCC as Government Nominee Director in the Company w.e.f. 01/01/2020.

She also has experience as a Collector in Land Revenue Management & District Administration Departments in the cities of Kheda for a period of 1 year and Ahmedabad for a period of 3 years. Ms. Thara has also worked as the Deputy Municipal Commissioner of Ahmedabad Municipal Corporation for approximately 2 years.

She was working as Vice Chairman & Managing Director, Gujarat Industrial Development Corporation, Gandhinagar since 24/06/2016. After that she had joined Ministry of Housing and Urban Affairs as Joint Secretary on 29/07/2019.



**Dr. (Smt.) Jyoti Kiran Shukla**

Independent Director

Dr. (Smt.) Jyoti Kiran Shukla, has been appointed as Non official Independent Director (NoD) by Ministry of Housing & Urban Affairs, on the Board of HSCC w.e.f. 27/04/2020. She has M.A. (Economics), Ph.D (Management & Economics) from University of Rajasthan.

She holds a Master Degree in Economics and has completed her Ph.D in Management and Econometrics from University of Rajasthan. She has outstanding academician and a professional of repute, having vast experience in teaching, research and management, she has taught at premier institute like National Institute of Technology, Nagpur and has acted as Director in Management and Engineering institutes and has extensive expertise in rural finance and rural development.

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 24 years of experience in the fields of Obstetrics & gynaecology and medicine. She is currently a Private Practitioner.



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

Independent Director



**Sh. Suresh Chandra Garg**

Director (Engineering)

Shri Suresh Chandra Garg has assumed the charge of Director (Engineering) in HSCC w.e.f. 15.01.2020. Shri Suresh Chandra Garg holds a bachelor's degree in Civil Engineering and master degree in Geotechnical engineering. Sh. Suresh Chandra Garg has been working with HSCC since 23.07.1990. He has around 31 years of experience in project planning and management.

Shri S.C. Garg has been entrusted additional charge for the post of Managing Director w.e.f. 01.08.2021

## Performance At A Glance

The Company has yet again posted excellent results for the year ending March 31, 2021 with turnover of ₹ 1,29,060 lakh and profit after tax of ₹ 982 lakh.

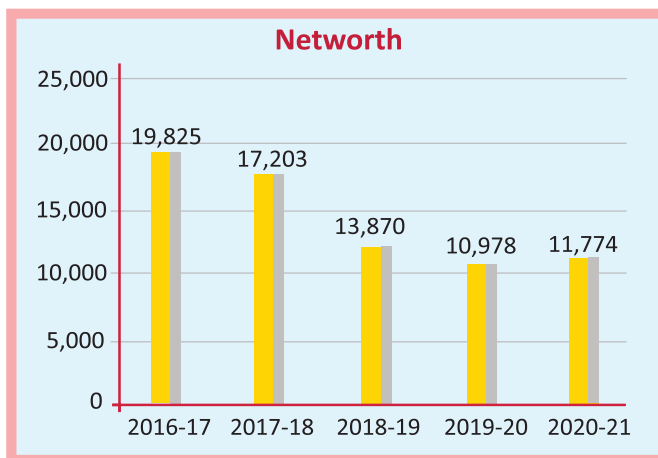
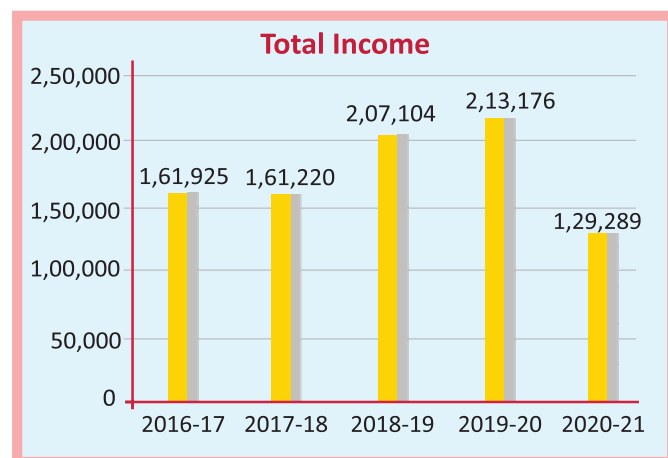
The Company was incorporated in 1983 with the paid up capital of ₹ 40 lakh and later on issued bonus shares of ₹ 200 lakh resulting in increase of paid up share capital to ₹ 240 lakh. In F.Y. 2017-18, Company processed the Buyback of 25% fully paid up equity share capital resulting in decrease of paid up share capital to ₹ 180 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	2016-17	2017-18	2018-19	2019-20	2020-21
Income	1,61,925	1,61,220	2,07,104	2,13,176	1,29,289
Profit Before Tax	5,616	5,822	7,949	6,424	1,361
Net Profit	3,761	3,747	4,981	3,763	982
Net Worth	19,825	17,203	13,870	10,978	11,774
Dividend	1,128	1,124	2,989	2,500	589
Rating Against MOU	Very Good	Good	Very Good	Very Good	Good (Expected)



## THE DECADE FINANCIAL RESULTS AT A GLANCE

(Figures ₹ in lakh)

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
<b>Financial Performance</b>										
Paid-up Capital	240	240	240	240	240	240	180	180	180	180
Reserve & Surplus	8,708	10,347	11,841	13,693	17,182	19,585	17,023	13,690	10,798	11,594
Net Worth	8,948	10,587	12,081	13,933	17,422	19,825	17,203	13,870	10,978	11,774
Net Fixed Assets	600	685	693	649	635	699	688	7,496	7,366	7,223
Working Capital*	8,568	10,200	12,053	14,165	17,519	24,083	17,188	3,339	(-) 3,779	1,684
Capital employed	8,948	10,587	12,081	13,933	17,422	19,825	17,203	13,870	10,978	11,774
<b>OPERATING STATISTICS</b>										
Consultancy Fee**	2,929	3,380	3,919	49,004	1,02,180	1,51,116	1,51,311	2,04,946	2,12,509	1,29,060
Interest & Other Income	1,529	2,455	2,126	8,572	8,518	10,809	9,910	2,158	667	229
Total Income	4,458	5,835	6,045	57,576	1,10,698	1,61,925	1,61,220	2,07,104	2,13,176	1,29,289
Expenditure	2,048	2,203	2,287	53,782	1,01,948	1,56,236	1,55,320	1,99,111	2,06,590	1,27,780
Gross Margin	2,409	3,632	3,758	3,863	8,750	5,689	5,900	7,993	6,586	1,509
Depreciation	58	32	44	69	63	73	78	44	162	148
Profit before Tax	2,352	3,600	3,714	3,794	8,687	5,616	5,822	7,949	6,424	1,361
Provision for taxation	880	1,343	1,316	1,341	3,225	1,855	2,075	2,968	2,661	379
Profit after Tax	1,472	2,257	2,398	2,454	5,462	3,761	3,747	4,981	3,763	982
Dividend	300	468	492	492	1,638	1,128	1,124	2,989	2,500	589
<b>MANPOWER</b>										
Employees (in Nos)	124	123	143	153	162	176	184	177	187	183
(On regular Pay Scales)										
<b>RATIOS</b>										
PBT/Total Income (%)	53%	62%	61%	7%	8%	3%	4%	4%	3%	1%
Net Profit/Total Income (%)	33%	39%	40%	4%	5%	2%	2%	2%	2%	1%
Net Profit/Net Worth (%)	16%	21%	20%	17%	31%	19%	22%	36%	34%	8%
Total Income Per Employee	36	47	42	376	683	920	876	1,248	1,140	706
Earning Per Share (EPS) (₹)	613	940	999	1,022.5	2,276	1,567	2,081	2,767	2,090	546
Book Value Per Share (₹)	3,728	4,411	5,034	5,805	7,259	8,260	9,555	7,705	6,099	6,541

\*Financial Statement of FY 2020-21 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 2020-21 include Value of workdone of ₹ 1,23,220.12 lakhs and consultancy fee of ₹ 5,839.55 lakhs.

## 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



**Pawan Kumar Gupta**

Chairman

## Dear Shareholders,

I welcome you all to the 38th Annual General Meeting of HSCC (India) Limited. The Annual Report for the Financial Year ended March 31, 2021 along with Directors Report, Audited Annual Accounts and Auditors Report of the Company are with you and with your permission, I take them as read. Let me now share with you the performance of the Company during the year. I shall also update you on the strategic outlook and outline the roadmap for the Company's future growth.

## Background

HSCC (India) Limited, erstwhile Hospital Services Consultancy Corporation was set-up in the year 1983 under the aegis of the Ministry of Health and Family Welfare (MoHFW), with a mission to provide consulting services, from concept to commissioning for the Healthcare Sector in India. HSCC has steadily progressed and grown during its journey of over 38 years. The Company has always been debt-free and profit-making, which is a strong validation of the Company's capabilities and strengths.

HSCC (India) Limited became wholly owned subsidiary of NBCC (India) Limited on December 24, 2018.

HSCC has been tremendously benefitted by knowledge sharing, expertise and execution methods of Parent Company. Leveraging these strengths of NBCC, HSCC is poised to enter and explore new business avenues across construction and infrastructure space.

## Business Opportunities and Project Portfolio

Over the years, HSCC has created a special niche in Healthcare Consulting. Its 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.

### Key Projects

During the year, HSCC has secured new projects of Up gradation of District Hospitals to Medical Colleges at 12 locations in Rajasthan viz. Dausa, Bundi, Banswara, Hanumangarh, Jhunjhunu, Tonk, Karauli, Nagaur, Sawai Madhopur, Jaisalmer, Alwar, Baran; and Upgradation of existing Medical Colleges at Pali and Churu in Rajasthan.

During the year, HSCC has substantially completed projects of All India Institute of Medical Sciences, Raebareli; Super Speciality Blocks at Goa Medical College, Goa, OPD, IPD, Accident & Emergency Block at LHMC, Delhi and Mother & Child Block & VIP Paid Ward at AIIMS, New Delhi.

Major On-going Domestic projects during the year were construction of All India Institute of Medical Sciences at Nagpur, Kalyani, Mangalagiri and Rajkot; Advanced Neurosciences Centre at PGI, Chandigarh; Government Medical College, Chandrapur; Geriatrics Block at AIIMS, New Delhi; Hostel at RML Hospital, New Delhi; Academic and Hostel Blocks at Rajkumari Amrit Kaur College of Nursing, Delhi; Mizoram Institute of Medical Education & Research (MIMER), Falkwan; Super Speciality Blocks of Indira Gandhi Medical College at Shimla; 100 bedded Hospital at ESIC Siliguri; Regional Institute of Medical Science (RIMS), Imphal; Regional Cancer Centre at North East Indira Gandhi Regional Institute of Health & Medical Science (NEIGRIHMS), Shillong; etc. Major ongoing International Projects are Teaching Hospital at Mauritius; Cancer Hospital, Mauritius; Mediclinics in Mauritius at 5 locations.

Major projects completed in earlier years are National Cancer Institute for AIIMS at Jhajjar; OPD Block & Burns and Plastic Block at AIIMS, New Delhi; Super Speciality Block & Emergency Blocks at Safdarjung Hospital, New Delhi; Chittaranjan National Cancer Institute at Kolkata; Super Speciality Blocks under PMSSY at 14 locations. HSCC has also completed major International Projects in earlier years like ENT Hospital, Mauritius; 150-bedded Hospital at Dickoya, Sri Lanka; Emergency and Trauma Centre at Bir Hospital, Kathmandu; Modernization of General Hospital, Sittwe and Childrens Hospital, Yangon (Myanmar).

### Performance Overview

The year 2020-21 has been tough for the industry and COVID-19 pandemic has impacted economy throughout the World but its impact on the construction and infrastructure sector has been quite extensive. However, through sustained efforts and with the support of Government of India, HSCC was able to steer through the pandemic and made profit of Rs. 982.40 lakh for stakeholders with a top line of Rs. 1,292.89 crore.

A final dividend of 216.05% on the paid up equity share of Rs. 100 each is proposed in line with Company's aim to enhance Shareholder value creation. In addition to this, the company has paid an Interim dividend of 111% on the Paid up Share of Rs. 100 each.

### Challenges & Opportunities

The healthcare space has become increasingly competitive with increased participation from private and public sector players. This is creating a downward pricing pressure and affecting margins. However, emerging opportunities in healthcare are far bigger. There is a dearth of availability of number of hospitals, beds, doctors, and other medical facilities and talent in the Country. The Government is determined to bridge this gap with a massive push to enhance and upgrade the entire healthcare sector; with target of providing healthcare facilities for all citizens of the Country. This includes creation of new facilities 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. HSCC being a pioneer in providing varied range of healthcare consultancy is poised to attain new heights with these developments and aim to bag a big chunk of these projects in near future.

### Conclusion and Gratitude

I believe we have the right building blocks in 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 organization 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, and officials of various state and central ministries for their continued support. My sincere thanks to all our stakeholders, without whose help, the Company would not have been able to deliver a stellar performance in the execution of projects and most importantly to each and every employee of HSCC for the commitment and unflinching effort –a big 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.

Furthermore, I would also like to pay gratitude to the frontline health workers, sanitation workers, law enforcement agencies and other essential service providers who had worked tirelessly during this difficult period; I would also like to pay my homage to the employees who lost their family member during the pandemic.

**Yours sincerely,**

**-sd-  
(Pawan Kumar Gupta)  
Chairman**

# Letter from Managing Director



**Suresh Chandra Garg**  
Managing Director (I/C)

## To Esteemed Shareholders

On behalf of the Board of Directors of HSCC, it gives me immense pleasure to welcome all of you at this 38th 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.

## Review of Performance

As you would have seen in the Annual Report of FY 2020-21, the performance is remarkable when viewed against the backdrop of the COVID-19 Pandemic and extremely challenging business context. I am pleased to place before the shareholders that during Financial Year 2020-21, the Total Income has achieved at Rs. 1,292.89 crore as compared to Rs. 2,131.76 crore in the previous year. The Company earned Consultancy Fees of Rs. 58.40 crore as compared to Rs. 115.37 crore for previous year. The Company posted pre-tax profit of Rs. 13.61 crore as against Rs. 64.24 crore during previous year. With your support, our Company has performed excellently.

## DIVIDEND

I am pleased to inform you that the Company has paid Interim Dividend of Rs. 111 per paid up Equity Share of Rs. 100/- each (i.e. @111% of the Paid up Equity Share Capital) amounting to Rs. 1,99,81,554/- for the F.Y. 2020-21 and has proposed Final Dividend of Rs. 216.05 Per Equity Share of Rs. 100/- each (i.e. 216.05% of the Paid up Equity Share Capital) amounting to Rs. 3,88,92,025/- to Shareholders for approval. This is the 36th consecutive year the company declared the dividend.

## Mini Ratna Status

HSCC has achieved the status of Mini Ratna Category I Public Sector Undertaking with effect from December 31, 2015.

## 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 “Very Good” Rating under the Memorandum of Understanding (MoU) for the year 2019-20. Further, based on results, for the year 2020-21, the Company expects to get “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 2020-21, HSCC has actually contributed total of Rs. 120.00 lacs and made provision of Rs. 14.64 Lacs, towards contribution in Prime Minister CARES FUND for COVID-19.

### 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.

### 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, Ministry of Housing & Urban Affairs, 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 Delhi, 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 hardwork, 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/-**  
**(Suresh Chandra Garg)**  
Managing Director (I/C)

## NOTICE

Notice is hereby given that the **38th Annual General Meeting** of the members of HSCC (India) Limited will be held on 28th September, 2021 at **04:00 p.m. Indian Standard Time ("IST")**, through video conferencing ('V'C')/other Audio Visual Means ('OVAM') facility to transact the following businesses:-

### ORDINARY BUSINESS:

1. To consider and adopt the Audited Annual Financial Statements of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon.
2. To declare a Final Dividend of Rs. 216.05 per paid up equity shares of Rs. 100/- each for the financial year ended March 31, 2021.
3. To authorise Board of Directors to fix the remuneration of Statutory Auditor(s) of the Company for the financial year 2021-22.

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

Sd/-  
**Company Secretary**

**Place: Noida**  
**Date: 14/09/2021**

## NOTES

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 hereto.
2. In view of the continuing restrictions on the movement of persons due to the pandemic caused by COVID-19 prevailing in the Country requiring social distancing by the stakeholders and pursuant to Ministry of Corporate Affairs, Government of India, General Circular no. 14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020 and 5th May, 2020 respectively and clarification circular no. 02/2021 dated January 13, 2021 issued by the Ministry of Corporate Affairs, the Companies have been allowed to conduct their Annual General Meeting through Video Conferencing (VC)/Other Audio Visual Means (OAVM) facility during the calendar year 2021. Accordingly, the 38th Annual General Meeting of the Company will be held through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with above circulars. The deemed venue for the AGM shall be the Corporate Office of the Company.
3. As the physical attendance of members at the 38th AGM is not required, hence members are requested to attend and participate the meeting through VC/OAVM. Further, the facility of appointment of proxies by members has also been dispensed with.  
  
However, pursuant to Section 112 and Section 113 of the Companies Act, 2013, the President of India, Body Corporate(s) may appoint their representative to attend and participate at the Annual General Meeting through the VC/OAVM facility and to cast their votes through e-voting.
4. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice. The proceedings of the meeting conducted through VC shall be deemed to have been made at such place.
5. When the Poll is required to be taken during the meeting for any resolution, the members can convey their vote by sending email from their registered mail id at [www.hsccindia.co.in](http://www.hsccindia.co.in)
6. Final Dividend of Rs. 216.05 per paid up equity shares of Rs. 100/- each for the financial year ended March 31, 2021 has been recommended by the Board of Directors subject to the approval of the Shareholders at ensuing Annual General Meeting.
7. The record date for the purpose of dividend is 04th September, 2021. The final dividend on equity shares, if declared at the Annual General Meeting, will be paid before 27th October, 2021 to the Members whose names appear on the Company's Register of Members on 04th September, 2021.
8. Members attending the AGM through VC/OVAM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
9. The Auditors of a Government Company are to be appointed or re-appointed by the Comptroller and Auditor General of India and their remuneration is to be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine. It is proposed that the Members may authorize the Board of Directors to fix the remuneration in addition to applicable taxes and reimbursement of actual travelling and out of pocket expenses of the Statutory Auditors duly appointed by the Comptroller and Auditors General of India.
10. The members intending to seek any information on annual accounts at the meeting are requested to kindly inform the Company at least 7 days before the date of the AGM by sending request at [cs\\_hsccltd@hsccltd.co.in](mailto:cs_hsccltd@hsccltd.co.in).

## INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

1. Members will be able to attend the AGM through VC / OAVM at the link given below:-  
<https://teams.microsoft.com/l/meetup-join/19%3a582ec4fece214b988d6ae722223e40e9%40thread.tacv2/1632482392410?context=%7b%22Tid%22%3a%22e5b04c44-bc23-415f-8591-633eb11e4253%22%2c%22Oid%22%3a%22d77c61c9-07fa-4098-bb67-e80e6380010a%22%7d>  
**The above Link of the meeting will be also be sent to the Members at their registered email id separately and on registered mobile number at least 48 hours before the scheduled date of AGM.**
2. The facility for joining the meeting will be kept open for 30 minutes before the scheduled time to start the meeting and will be closed on expiry of 15 minutes after such scheduled time.
3. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, PAN and mobile number at [cs\\_hsccltd.co.in](mailto:cs_hsccltd.co.in). from September 23, 2021 to September 27, 2021. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
4. Members who need assistance before or during the Annual General Meeting can contact Company Secretary on [cs\\_hsccltd.co.in](mailto:cs_hsccltd.co.in).

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

Sd/-  
**Company Secretary**

**Place: Noida  
Date: 14/09/2021**

## DIRECTORS' REPORT

### DEAR SHAREHOLDERS,

The Directors of your Company are pleased to present the 38th Annual Report on the business and operations of HSCC (India) Limited and its Audited Financial Statement for the financial year ended March 31, 2021 with Auditor's report and comments on the accounts by the Comptroller and Auditor General of India as follows:

### FINANCIAL HIGHLIGHTS

The Financial Highlights of the Company for the financial year 2020-21 along with comparative figures for 2019-20 as per Ind AS are indicated below: (Rs. In crore)

Particulars	2020-21	2019-20
Total Income	1292.89	2131.76
Total Expenditure	1279.28	2067.52
Profit before Exceptional & Extraordinary items	13.62	64.24
Exceptional & Extraordinary items	-	-
Profit Before Tax	13.62	64.24
Tax Expenses (net)	3.80	26.61
Profit After Tax	9.82	37.63
Dividend paid (excluding DDT)	2.00	54.89
Net Worth	117.74	109.78
Earnings per Share (In Rs.)	545.74	2090.39

### CAPITAL STRUCTURE

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

### DIVIDEND

During the year, under review, Your Company has paid Interim Dividend of Rs. 111 per paid up equity share of Rs. 100/- each (i.e. @111% of the paid up equity share capital) amounting to Rs. 1,99,81,554/- for the Financial Year 2020-21, in the Board Meeting dated February 04, 2021. Further, Company has also proposed Final Dividend of Rs. 216.05 Per equity share of Rs. 100/- each (i.e. 216.05 %) on the Equity Share Capital of the Company amounting to Rs. 3,88,92,025 to be paid for the Financial Year 2020-21 subject to the approval of the Shareholders of the Company at the ensuing Annual General Meeting for the Financial Year 2020-21.

## FUND ON BEHALF OF MINISTRY /CLIENT

The funds on behalf of Ministry/Clients are as under:-

On behalf of Ministry/Clients	As on March 31, 2021	As on March 31, 2020
Particulars	Rs. In crore	Rs. In crore
Cash & Cash Equivalents	305.54	72.23
Other Bank Balance (Fixed & Flexi Deposit)	2702.55	2550.23

## RESERVES

The company did not transfer any amount to its general reserves during the financial year ended March 31, 2021.

## 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 2020-21, your Company was awarded the work of rendering Consultancy Services for Design & Engineering, Project Management and Procurement of Medical Equipment, etc. for various prestigious & challenging projects.

During the year 2020-21, your Company has achieved Total Turnover of Rs. 1292.89 crore and Net-Worth of Rs. 117.74 crore as on 31.03.2021.

A list of major on-going projects is placed at Annexure A.

## MEMORANDUM OF UNDERSTANDING

Your Company has been rated 'Very Good' by DPE for the year 2019-20 and expects to be rated 'Good' based on the results for the year 2020-21.

## 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, 2021.

## 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: (Rs. In Crore)

	As on 31st March, 2021	As on 31st March, 2020
<b>A. Expenditure</b>		
• Travelling	0.02	0.26
• Import of Capital Goods on C.I.F. + basis (on behalf of Clients)	7.64	38.63
<b>B. Mauritius Project Fees</b>	3.05	20.79

## WELFARE ACTIVITIES

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

## 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, 2021, the Company had manpower strength of 183 employees on regular pay scales and 104 on fixed tenure basis, including 65 SC/ ST/ OBC category employees and 3 employees belonging to PwD category. The employee management relationship continued to be excellent throughout the year. As on March 31, 2021, 05 employees of NBCC from different disciplines were working in HSCC on Secondment basis.

The Company appreciates the role of its human capital in propelling the company to new heights. The position of recruitment of SC/ST employees category-wise for the year 2020-21 is as under:-

S. No.	Group	General	OBC	SC/ST				total
				SC	%(SC)	ST	%(ST)	
1.	Group "A"	00	0	0	0	0	0	0
2.	Group "B"	02	0	0	0	0	0	02
3.	Group "C"	0	0	0	0	0	0	0
<b>Total</b>		<b>02</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>02</b>

Directive issued by the govt. of India from time to time for filling up of vacancies for SC/ST/OBC/Ex-Servicemen have been observed in the company in true spirit.

Employees on Pay Scales	183 (Below Board Level)
No. of Fixed Tenure employee	104

Working status of women employees in the Company-Category wise and SC/ST/VH/PH group wise.

(i) Working status of women employees category- wise:

S. No.	Category of posts (Group)	No. of women employees
1.	Group "A"	4
2.	Group "B"	12
3.	Group "C"	1
4.	Group "D"	0
	<b>Total</b>	<b>17</b>

(ii) Total Numbers. Group wise SC/ST/VH/PH:

S. No.	Category of Posts (Group)	No. of employees						
		Total Employees	SCs	STs	OBC	VH	HH	PH(OPH)
1.	Group "A"	69	9	0	8	0	0	0
2.	Group "B"	105	14	4	25	0	0	1
3.	Group "C"	09	4	0	1	0	0	2
	<b>Total</b>	<b>183</b>	<b>27</b>	<b>4</b>	<b>34</b>	<b>0</b>	<b>0</b>	<b>3</b>

#### Manpower status as on March 31, 2021

Category	Engineers (C-E.M.IT)	Engineers (BME-Pharma-Arc-D'man)	Finance (F&A-Eco-CS)	HRM (Legal)	Others	Total
A	47	7	11	4	0	69
B	78	12	7	3	5	105
C	0	0	0	0	9	09
<b>Total</b>	<b>125</b>	<b>19</b>	<b>18</b>	<b>7</b>	<b>14</b>	<b>183</b>

## 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 2020-21. 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 14, 2020 to September 28, 2020 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

Shri Ravi Ranjan, GM (Projects) is the vigilance Officer (VO) During the year, Vigilance Cell has functioned as an effective part of management. 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 efforts were made to ensure transparency in the working of the Company. The Central Vigilance Commission observed Vigilance Awareness Week from 27/10/20 to 02/11/2020 and to maintain high moral standard of employees your Company also observed Vigilance Awareness Week. The Pledge was administrated to all employees of the Company.

## DEPOSITS

During the year under review, Company has not accepted any deposit and no principal or interest was outstanding as on March 31, 2021.

## 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 Rs. 1.02 crore per annum or Rs. 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.

## NOMINATION & REMUNERATION COMMITTEE

The Company has constituted Nomination & 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 labour unrest.

## MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT (MDA) AND CORPORATE GOVERNANCE.

Corporate Governance practices in your Company focuses on transparency, integrity, professionalism and accountability. As per guidelines on Corporate Governance, the quarterly reports are submitted in prescribed format of DPE to Ministry of Housing & Urban Affairs. 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.

## RIGHT TO INFORMATION

Right to information (RTI) Act, 2005 has empowered the Indian Citizen to access information from Public Authorities, resulting in transparency and accountability to the working of the authorities. Company has appropriate mechanism to provide information to citizen under provisions of Right to Information Act (RTI) Act, 2005. A total of 50 applications under RTI Act were received during the year 2020-21, the same have been dealt in terms of the RTI Act.

## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions/entered by the Company during the financial year 2020-21 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, the Company has actually spent Rs. 120.00 Lacs and made provision of Rs. 14.64 Lacs, Total Comes to Rs. 134.64 Lacs, 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 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](http://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.
- Various departments at Corporate Office are linked up through Local Area Network (LAN) % Wi-Fi.
- Use E-tendering at HSCC Head office.

## MSME IMPLEMENTATION

It always has been endeavour of HSCC to support Micro and Small Enterprises (MSEs) and local suppliers. HSCC has taken a number of steps including the necessary steps to implement the Public Procurement Policy of the Government of India to procure the items specified from MSMEs, including SC/STs. Necessary provisions is made in all the tenders stating the eligibility of Micro, Small and medium Enterprises (MSMEs) to participate in the tender. As mandated in the public procurement policy for MSEs issued by Ministry of MSME's notified by MSME, Government of India.

## NUMBER OF MEETING OF BOARD OF DIRECTORS.

The Board met four (4) times during the financial year 2020-21 and the Company has complied conducting of 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. As on March 31, 2021, the Audit committee comprise Smt. (Dr.) Vinod Panthi, as Chairman and Dr. (Smt.) Jyoti Kiran Shukla, Ms. D. Thara, and Sh. Suresh Chandra Garg, as members of the committee.

### B. Nomination and Remuneration Committee

As on March 31, 2021, the Nomination & Remuneration Committee comprise Dr. (Smt.) Vinod Panthi, as Chairperson, Dr. (Smt.) Jyoti Kiran Shukla, Ms. D. Thara and Sh. Suresh Chandra Garg as members of the committee.

### 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. As on March 31, 2021, CSR Committee comprise of Ms. D. Thara as Chairperson and DR. (Smt.) Vinod Panthi & Sh. Suresh Chandra Garg as members of the committee.

## BOARD OF DIRECTORS/KEY MANAGERIAL PERSONNEL (KMP)

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 (F.Y. 2020-21).

S. No.	Name of the Director(s)	Designation	Particular	Date
1.	Smt. Jyoti Kiran Shukla	Independent Director	Appointment	27/04/2020
			Cessation	-

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

## 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, 2021, 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, 2021 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

During the year under review, the Company has its own policy on training of Directors duly approved by the Board of Directors.

## AUDITORS AND AUDITOR'S REPORT

### Internal Auditors

M/s Vinay Jain & Associates, Chartered Accountants, New Delhi, have been appointed as Internal Auditor for the financial year 2020-21 at a fee of Rs. 99,999/- plus taxes as applicable including conveyance.

### Statutory Auditors

M/s Andros & Co., Chartered Accountants, New Delhi, was appointed as Statutory Auditors for the FY 2020-21 by the Comptroller and Auditor General of India as Statutory Auditors of the Company. The remuneration fixed by the Company for Statutory Audit for the Financial Year 2020-21 is Rs. 12,00,000/- (Rupees Twelve Lakh only) plus Taxes as applicable.

### Secretarial Audit

The Company has appointed M/s P.C Jain & Co., Company Secretary in practice to conduct Secretarial Audit of Company for the financial year 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2021, 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 & Auditor General of India has given Comment on Auditors Report of the Company for the year ended March 31, 2021, after conducting supplementary Audit under Section 143(6)(b) read with Section 129 (4) of the Companies Act, 2013 and annexed as Annexure-V. The Company's annual 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 2020-21.

## 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-VI.

## 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 Affairs, 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 are 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/-  
Suresh Chandra Garg  
Managing Director (I/C)**

**Place: Noida  
Date: 14/09/2021**

## SUMMARY OF ONGOING CONSULTANCY PROJECTS AS ON DATE

### A. Architectural Planning, Design Engineering & Project Management Services.



*AIIMS, Nagpur*

- Cancer Hospital at Vacoas for Ministry of Health & Quality Life, Republic of Mauritius
- Teaching Hospital at Flacq 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 (Mah.), Kalyani (W.B.), Guntur (A.P.), Rajkot (Guj.)
- Psychiatrics Specialty Block & common Laboratory complex for NIMHANS at Bangalore
- 100 bedded Hospital for ESIC at Siliguri.



*AIIMS, Kalyani - Academic Buildings*



*AIIMS, Guntur*



*Cancer Hospital Mauritius*



*Geriatrics Block, AIIMS-New Delhi*



*Upgradation Project under PMSSY, Goa*

- Geriatrics Block, AIIMS- New Delhi.
- Hostel Block for Resident Doctors for PGIMER, Dr. RML Hospital, New Delhi
- Implementation for increase of UG seats from 100 to 150 Intake PA for RIMS, Imphal
- PMSSY Upgradation Ph-III Projects at Shimla
- Mizoram Institute of Medical Education and Research Falkawn, Mizoram.



*SSB, IGMSC Shimla*

## 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 Medical College for AIIMS, Rae Bareli, U.P.
- Medical Equipment for Lady Hardinge Medical College, New Delhi
- Medical Equipment for Sports Injury Centre, New Delhi



*AIIMS, Mangalagiri - Aerial View*



*AIIMS, Raebareli - Medical College*



*Upgradation Project under PMSSY, Shimla*

## 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. 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.

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 Government and 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 and lack of large assignments
- Decrease in Fee for procurement projects resulting in loss in business propositions in micro small assignments.

## Outlook:

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

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

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.

## 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.

## 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. As on March 31, 2021, the Company had manpower strength of 183 employees on regular pay scales and 104 on fixed tenure basis, including 65 SC/ ST/ OBC category employees and 3 employees belonging to PwD category. 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.

During the year, the Company has actually spent Rs. 120.00 Lacs and made provision of Rs. 14.64 Lacs , Total Comes to Rs. 134.64 Lacs, 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.

### CAUTIONARY STATEMENT

Statement made in the Management Discussion and Analysis Report describing the Company's objective, projections, estimates expectations may be forwarded looking statements within the meaning of applicable laws and regulations, based on beliefs of the management of the Company. Such statements reflect the company's current views with respect to the future events and are subject to risks and uncertainties.

The actual result may be differ materially from the projected one, due to changes in the general economic and business conditions, affecting the segment in which the Company operates. Further, changes in business strategy, interest rates, inflations, deflation, foreign exchange rates, competition in the industry changes in government regulations, tax laws, statues and other incidental factors may also impact the actual results of the Company.

The Company does not undertake any obligations to publicly update any forward looking statement, whether as a result of new development, in future or otherwise

## 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, 2021 are given below:

Name of the Director	Whole-Time/Part- Time	Member of Board of other companies
Sh. Pawan Kumar Gupta	Chairman	(a) HINDUSTAN STEELWORKS CONSTRUCTION LTD (b) NBCC (INDIA) LIMITED
Shri Gyanesh Pandey	Managing Director (Functional Director)	NIL
Ms. D. Thara	Government Nominee Director	(a) HEMISPHERE PROPERTIES INDIA LIMITED (b) PATNA METRO RAIL CORPORATION LIMITED.
Dr. (Smt.) Jyoti Kiran Shukla	Independent Director	(a) NBCC (INDIA) LIMITED (b) PETRONET LNG LIMITED (c) PETRONET LNG FOUNDATION
Dr. (Smt.) Vinod Panthi	Independent Director	NIL
Sh. Suresh Chandra Garg	Director (Engineering), (Functional Director)	NIL

\* Dr. (Smt.) Jyoti Kiran Shukla, has assume the charge of Independent Director of HSCC w.e.f April 27, 2020.

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, 2021, 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.

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. As on March 31, 2021, there is two Independent Director on Board of HSCC.

### 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 to perform their duties.

### 6. KEY MANAGERIAL PERSONNEL

Shri Gyanesh Pandey, Managing Director, Sh. Suresh Chandra Garg, Director (Engineering), Sh. M.C. Bnasal, CFO and Ms. Sonia Singh, Company Secretary are the Key Managerial Personnel (KMP) for the financial year 2020-21.

### 7. BOARD MEETINGS

During April, 2020 to March 2021, Four meetings (from 165th to 168th) of the Board of Directors were held on June 24, September 01, November 06, 2020 and February 04, 2021.

### MEETINGS AND ATTENDANCE

Name of the Director	No. of Board Meetings held during their respective tenure	Attended	Attended last Annual General Meeting
Sh. Pawan Kumar Gupta	4	3	Yes
Shri Gyanesh Pandey	4	4	Yes
Dr. (Smt.) Jyoti Kiran Shukla	4	4	Yes
Smt. D. Thara	4	2	No
Dr. (Smt.) Vinod Panthi	4	2	Yes
Sh. Suresh Chandra Garg	4	4	Yes

\* Dr. (Smt.) Jyoti Kiran Shukla has been appointed on the Board of HSCC (India) Limited, as Independent Director w.e.f April 27, 2020.

Further, certain decisions were taken by passing resolution by way of circulation and were subsequently noted, ratified and taken on record by the Board at its next meeting.

## 8. SHAREHOLDING PATTERN OF DIRECTORS

Shares held out of the total Equity Share Capital of Rs. 1,80,01,400 (1,80,014 Equity Shares of Rs.100/- each) as on March 31, 2021:

Directors	No. of Shares of HSCC
Shri Gyanesh Pandey, Managing Director	6
Shri Pawan Kumar Gupta	Nil
Smt. D. Thara	Nil
Dr. (Smt.) Vinod Panthi	Nil
Sh. Suresh Chandra Garg	Ni

## 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 are 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
2019-20	December 08, 2020	03:00 P.M.	HSCC (India) Limited, Noida.
2018-19	September 17, 2019	12:30 P.M.	NBCC Bhawan, Lodhi Road, New Delhi
2017-18	December 31, 2018	03:00 P.M.	NBCC Bhawan, Lodhi Road, New Delhi

### 2. Extra Ordinary General Meeting

There were no extraordinary general meeting are held during the Financial Year 2020-21.

### 3. Postal Ballot

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

### 4. Board Level Committees of directors

- (a). **Audit Committee:** On appointment of Dr. (Smt.) Jyoti Kiran Shukla on the Board of HSCC on April 27, 2020, Audit Committee of HSCC was re-constituted on the induction of Dr. (Smt.) Jyoti Kiran Shukla and Board approved re-constitution of Audit Committee by passing resolution through circulation on May 29, 2020. Accordingly, Composition of Audit Committee as on March 31, 2021 are as under:-

1. Dr. (Smt.) Vinod Panthi-Chairperson
2. Dr. (Smt.) Jyoti Kiran Shukla- Member
3. Ms. D. Thara-Member
4. Sh. Suresh Chandra Garg-Member

Company Secretary is the Secretary of Audit Committee during the year under review. Statutory Auditors are invited to attend and participate in the meetings on need basis.

### Meeting and Attendance during the Financial Year 2020-21.

Four Audit Committees meeting were held during the Financial Year 2020-21 on June 24, 2020, August 26, 2020, November 06, 2020 and February 03, 2021.

Name of the member	Designation	No. of meetings held during his/ her tenure	No. of committee meeting attended
Dr. (Smt.) Vinod Panthi	Chairperson	4	3
Dr. (Smt.) Jyoti Kiran Shukla	Member	4	4
Ms. D. Thara	Member	4	2
Sh. Suresh Chandra Garg	Member	4	4

### (b) Corporate Social Responsibility Committee:

Composition of the Corporate Social Responsibility Committee as on March 31, 2021, are as under:-

1. Ms. D. Thara-Chairperson
2. Dr. (Smt.) Vinod Panthi-Member
3. Sh. Suresh Chandra Garg-Member

Company Secretary is the Secretary of Corporate Social Responsibility committee during the year.

**Meeting and Attendance during the Financial Year 2020-21:** No Corporate Social Responsibility Committee was held during the Financial Year 2020-21.

During the Year under review, CSR Committee has passed one resolution through circulation with respect to contribution of CSR funds into PM's Citizen Assistance and Relief in Emergency Situations (PM-CARES) fund for COVID-19 and recommended to the Board for their consideration and approval.

**(c.) Nomination and Remuneration Committee:** On appointment of Dr. (Smt.) Jyoti Kiran Shukla on the Board of HSCC on April 27, 2020, Nomination and Remuneration Committee of HSCC was re-constituted on the induction of Dr. (Smt.) Jyoti Kiran Shukla and Board approved re-constitution of Nomination and Remuneration Committee by passing resolution through circulation on May 29, 2020. Accordingly, Composition of the Nomination & Remuneration Committee as on March 31, 2021, are as under:-

1. Dr. (Smt.) Vinod Panthi - Chairperson.
2. Dr. (Smt.) Jyoti Kiran Shukla- Member.
3. Ms. D. Thara – Member.
4. Sh. Suresh Chandra Garg – Member.

**Meeting and Attendance during the Financial Year 2020-21:** During the Financial Year one Nomination & Remuneration committee was held as per below mentioned details:-

Name of the members	Designation	No. of meetings held during his/her tenure	No. of committee meeting attended
Dr. (Smt.) Vinod Panthi	Chairperson	1	-
Dr. (Smt.) Jyoti Kiran Shukla	Member	1	1
Ms. D. Thara	Member	1	-
Sh. Suresh Chandra Garg	Member	1	1

## REMUNERATION OF DIRECTORS (AS ON MARCH 31, 2021)

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 Rs. 5,000/- per meeting & sub-committee(s) attended by them from April 2015 onwards in accordance with the approval of the Board of Directors.

Remuneration of Directors for the Financial Year ended March 31, 2021 are follows:-

### (a) Remuneration to Functional Directors:

(Amount in Rs.)

Particulars	Sh. Gyanesh Pandey (MD) (From 01-04-2020 to 31-03-2021)	Sh. Suresh Chandra Garg (WTD) (From 01-04-2020 to 31-03-2021)
<b>Gross Salary</b>		
(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	Rs. 98,52,957/-	Rs. 58,20,301
(b) Value of perquisites u/s	Rs. 2,03,057/-	-
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
Stock Option	-	-
Sweat Equity	-	-
Commission as % of profit	-	-
E.P.F., Employers Pension, Contribution	-	-
Provisions for EI & HPL Leave Encashment, PRMB, Gratuity & PRP	-	-
<b>Total</b>	Rs. 1,00,56,014/-	Rs. 58,20,301

## B. Remuneration to Other Directors:

Particulars of Remuneration	Dr. (Smt.) Vinod Panthi	Dr. (Smt.) Jyoti Kiran Shukla	Total
Fees for attending Board Meeting & committee(s)	30,000	45,000	75,000
Commissions	-	-	-
Others	-	-	-
Total	30,000	45,000	75,000

- The Directors does not have any other material pecuniary relationship/transaction with the company. Nonexecutive part time non official directors (Independent) are paid sitting fee of Rs. 5,000/- for each Board and sub-Committee(s) meeting respectively.
- No remuneration has been paid to non-executive director during the period under review.

## IV. MEANS OF COMMUNICATION

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

- 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.
- Website:** The Company's website [www.hsccltd.co.in](http://www.hsccltd.co.in) a comprehensive reference on HSCC's management, vision, mission, policies, corporate governance corporate sustainability, investor relations, updates and news.
- The company displace news release on event basis on Company's website.

## V. GENERAL INFORMATION FOR SHAREHOLDERS:-

a.	Company Registration Details	CIN-U74140DL1983GOI015459
b.	38th Annual General meeting: Date, Time and Venue	-
c.	Financial Year	April 1, 2020 to March 31, 2021
d.	Financial Calendar for 2021-2022	
	Results for Quarter ending June 30, 2021 Results for Quarter ending September 30, 2021 Results for Quarter ending December 31, 2021 Results for year ending March 31, 2022	First week of August, 2021. First week of November, 2021. First week of February, 2022. By the end of May, 2022.
e.	Book Closure Date	NIL

## VI. DISCLOSURES

- 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 pecuniary 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 Andros & Co., Chartered Accountant 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.

## VII. CEO /CFO CERTIFICATION

Certificate duly signed by the Chief Financial Officer is annexed to the Corporate Governance Report (Annexure-A).

## VIII. 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, Suresh Chandra Garg, Managing Director (I/C), 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, 2021.

**Sd/-**  
**Suresh Chandra Garg**  
**Managing Director (I/C)**  
**DIN 03555957**

**Place: Noida**  
**Date: 14/09/2021**

## **CFO CERTIFICATION**

**To,**

**The Board of Directors,  
HSCC (India) Limited**  
Noida.

We, Shri Gyanesh Pandey, Managing Director and Shri Mahesh Chand Bansal, Chief Financial Officer, do hereby certify that;

- a. We have reviewed Financial Statements and Cash Flow Statements for the year ended 31.03.2021 on that date and that to the best of our 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 Company'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 the responsibility for establishment 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 2020-21.
  - (ii). those significant changes in accounting policies during the year 2020-21 and their disclosure in the notes to Financial Statements.
  - (iii). Any instances during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial Reporting.

**Sd/-  
Managing Director**

**Sd/-  
Chief Financial Officer  
(HSCC)**

**Place: Noida  
Date: 18/06/2021**

**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, 2021 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. It is neither an audit nor an expression of opinion on the financial statements 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 except the followings
  - i. As per Sub-Section 4 of 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, the Board of Directors of the company does not comprise requisite number of Independent Director for the period commencing from 01st April, 2020 to 26th April, 2020.
  - ii. Under the provisions of Section 177 of the Companies Act, 2013 & rules made there under and Clause 4.1.1 of the DPE Guidelines in respect of Audit Committee which doesn't comprise sufficient number of Independent Directors.
  - iii. Under the provision of section 178 of the Companies Act, 2013 and rules made there under and clause 5.1.1 of DPE Guidelines in respect of Remuneration Committee which doesn't comprise all its directors as part-time Director/Non-Executive Director.

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 P. C. Jain & Co.  
Company Secretaries  
(FRN: P2016HR051300)**

**Sd/-  
(P C Jain)  
Managing Partner  
M. No: F4103  
COP No: 3349**

**Place: Faridabad  
Date: 17th September, 2021  
UDIN : F004103C000961565**

## **AOC-2**

### **PARTICULARS OF CONTRACTS/ARRANGEMENT 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. Disclosure of particulars of contracts/arrangements or transactions entered in the ordinary course of business but not at arm's length basis for the FY. 2020-21: **NIL.**
2. Details of contracts/arrangements or transactions entered in the ordinary course of business but at arm's length basis for the F.Y. 2020-21. **NIL.**

**Sd/-**  
**Suresh Chandra Garg**  
**Managing Director (I/C)**

## 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 complementarity of CSR & sustainability and to advise the CPSEs not to over look 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 2%-3% (Subject to a Minimum of 3 crore)	
(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       |   |

### Brief Outline of the Company's CSR Policy

HSCC CSR Policy is in line with the Companies Act, 2013. The main features of CSR policy are as under:-  
Cover all the project enumerated in Schedule VII of Companies Act, 2013.

The proposal are recommended by the Board level CSR Committee and approved by the Board of Directors of HSCC for implementation.

The composition of CSR Committee are as follows:-

Name	Designation
Ms. D. Thara	Chairman
Dr. (Smt.) Vinod Panthi	Member
Sh. Suresh Chandra Garg	Member

(a). Average Net Profit of the Company for the last three financials years: Rs. 6,731.94 Lacs

(b). Prescribed CSR Expenditure (two percent of the amount in item a above): Rs. 134.64 Lacs

(c). Details of CSR Spent during the Financial Year

- Total amount spent for the Financial Year: Rs. 120.00 Lacs
- Amount Unspent, if any : Rs. 14.64 Lacs
- Reason for not spending the total amount: The Pandemic (COVID-19) affected normal working due to lockdown/COVID curfew in office all across India and HSCC is no exception. This is also affected finalization of HSCC Audited Balance Sheet for the Financial Year 2020-21.
- Manner in which the amount spent during the Financial Year is detailed below:-

(Rs. In lacs)

S. no.	Project activity	Sector in which project is covered	Location	Total sanctioned budget for the project/ programme	Amount spent on the projects or programs in the current year 2020-21	Amount outlay (budget) project or programme wise for current year 2020-21	Cumulative exp. Upto to the reporting period.	Amount spent: Direct or through implementing agency.
1	Contribution to the Prime Minister CARES Fund in wake of COVID 19	Schedule -VII (Item No. (VIII))	New Delhi	134.64	120.00	120.00	120.00	GOI

### 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 the CSR Objectives and Policy of the Company.

**D. Thara**  
(Chairman, CSR Committee)

**Place: Noida**  
**Date: 14.09.2021**

## FORM NO. MR-3

### SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED AS ON 31<sup>st</sup> March, 2021

*(Pursuant to section 204(1) of the Companies Act, 2013 and  
Rule No.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<sup>st</sup>, 2021**, 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 **31<sup>st</sup> March, 2021** 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 during the Audit Period)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under to the extent of regulation 55 A; **(Not Applicable 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 during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): **(Not Applicable during the Audit Period)**
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable during the Audit Period);**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable during the Audit period)**
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable during the Audit period)**

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable during the Audit period.)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable during the Audit period);**
- (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 during the Audit Period);**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable during the Audit period);** and
- (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 **(Not Applicable during the Audit period);**
- (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.

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:

#### Observation:

- (a) As per Sub- Section 4 of 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, the Board of Directors of the company does not comprise requisite number of Independent Director for the period commencing from 01st April, 2020 to 26th April, 2020.**
- (b) Under the provisions of Section 177 of the Companies Act, 2013 & rules made there under and Clause 4.1.1 of the DPE Guidelines in respect of Audit Committee which doesn't comprise sufficient number of Independent Directors.**
- (c) Under the provision of section 178 of the Companies Act, 2013 and rules made there under and clause 5.1.1 of DPE Guidelines in respect of Remuneration Committee which doesn't comprise all its directors as parttime Director/ Non-Executive Director.**

#### We further report that:

The Board of Directors of the Company is duly constituted except the requisite number of independent director on the Board which wasn't there from 01st April, 2020 to 26th April, 2020. 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.

1. We further report that, during the audit period, the Company had no specific event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standard etc. except that during the year under review a forensic Audit was going on which was initiated last financial year 2019-20 by the NBCC (India) Limited ("Holding Company") for the fraudulent bank transaction by the company in the bank account with Indian overseas Bank, Sector-1, Noida. The Audit is still under progress and the report of the forensic auditor is yet to be received.

**For P. C. Jain & Co.**  
**Company Secretaries**  
**(FRN: P2016HR051300)**

**Place: Faridabad**  
**Date: 08th September, 2021**  
**UDIN: F004103C000922471**

**Sd/-**  
**(P C Jain)**  
**Managing Partner**  
**M. No: F4103**  
**COP No: 3349**

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

## 'ANNEXURE A'

To,  
The Members,  
HSCC (India) Limited  
205, (2nd Floor), East End Plaza, Plot No.4,  
LSC, Centre-II, Vasundhara Enclave,  
New Delhi-110096

Sir,

Our Secretarial Audit Report for the year ended as on 31st March, 2021 of even date is to be read along with this letter

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and our report is not covering observations/ comments/weaknesses already pointed out by the other Auditors.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For P. C. Jain & Co.**  
**Company Secretaries**  
**(FRN: P2016HR051300)**

**Place: Faridabad**  
**Date: 07th September, 2021**  
**UDIN: F004103C000922471**

**Sd/-**  
**(P C Jain)**  
**Managing Partner**  
**M.No: F4103**  
**CP No.3349**

## MANAGEMENT REPLY TO SECRETARIAL AUDITORS REPORT ON CORPORATE GOVERNANCE REPORTS (2020-21)

Auditors Comments (Secretarial Audit Report)	Auditors Comments (Corporate Governance)	Management Reply
<b>(a) Under the provision of section 178 of the Companies Act, 2013 and rules made there under and clause 5.1.1 of DPE Guidelines in respect of Remuneration Committee which doesn't comprise all its directors as part-time Director/ Non-Executive Director.</b>	-Do-	<p>(a) &amp; (b) HSCC (India) Limited is a Public Sector Undertaking and the appointment of Independent Directors/Nominee Directors are made by the Ministry.</p> <p>The Company is in process to revised composition of Audit Committee Members and Nomination &amp; Remuneration Committee members.</p>
<b>(b) Under the provisions of Section 177 of the Companies Act, 2013 &amp; rules made there under and Clause 4.1.1 of the DPE Guidelines in respect of Audit Committee which doesn't comprise sufficient number of Independent Directors.</b>	-Do-	
<b>(c) As per Sub- Section 4 of 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, the Board of Directors of the company does not comprise requisite number of Independent Director for the period commencing from 01st April, 2021 to 26th April, 2021.</b>	-Do-	<p>(c.) HSCC (India) Limited is a Public Sector Undertaking and the appointment of Independent Directors/Nominee Directors are made by the Ministry.</p> <p>The Composition of Directors was Two Independent Director, One Nomine Director and two Functional Director.</p> <p>Dr. (Smt) Vinod Panthi, Independent Director appointed by MoHUA. Dr. (Smt.) Jyoti Kiran Shukla, Independent Directors appointed by MoUHA on April 27, 2020.</p> <p>Accordingly, Composition of Independent Directors are completed and on 27th April, 2020 the same is complied.</p>

## FORM NO. MGT-9

### EXTRACT OF ANNUAL RETURN

As on Financial Year ended on March 31, 2021

(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	30/03/1983
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 (2nd floor), East End Plaza, Plot No.4, LSC, Centre - II, Vasundhara Enclave, New Delhi 110096 E-mail: cs_hsccltd@hsccltd.co.in, 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 Shareholder	No. of Shares held at the beginning of the year (As on April 01, 2020)				No. of Shares held at the end of the year (As on March 31, 2021)				% change during the year
	D-mat	Physical	Total	% of total shares	D-mat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a). Individual/HUF	36	6	42	0.01	36	6	42	0.01	NIL
b) Central Government	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c). State Govt (s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Bodies corporate	1,79,972	Nil	1,79,972	99.99	1,79,972	Nil	1,79,972	99.99	99.99
e) Bank/Fl	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)	1,80,008	6	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)	1,80,008	6	1,80,014	100	1,80,008	6	1,80,014	100	Nil
B. Public	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
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 / Fl	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

Category of Shareholder	No. of Shares held at the beginning of the year (As on April 01, 2020)				No. of Shares held at the end of the year (As on March 31, 2021)				% change during the year
	D-mat	Physical	Total	% of total shares	D-mat	Physical	Total	% of total shares	
e) Venture Capital	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
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 Rs. 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Category of Shareholder	No. of Shares held at the beginning of the year (As on April 01, 2020)				No. of Shares held at the end of the year (As on March 31, 2021)				% change during the year
	D-mat	Physical	Total	% of total shares	D-mat	Physical	Total	% of total shares	
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
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
<b>Grand Total (A+B+C)</b>	<b>1,80,008</b>	<b>6</b>	<b>1,80,014</b>	<b>100</b>	<b>1,80,008</b>	<b>6</b>	<b>1,80,014</b>	<b>100</b>	<b>Nil</b>

## (ii) Shareholding of Promoter

	Shareholding at the beginning of the year (As on April 01, 2020)			Shareholding at the beginning of the year (As on March 31, 2021)			% change in share Holding during the year
President of India	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Nominee of behalf of	Nil	Nil	Nil	Nil	Nil	Nil	Nil
President of India	Nil	Nil	Nil	Nil	Nil	Nil	Nil
NBCC (India) Limited	1,79,972	99.97	Nil	1,79,972	99.97	Nil	99.97
Gyanesh Pandey*	6	6	Nil	6	6	Nil	0
Rajendra Chaudhrai*	6	6	Nil	6	6	Nil	0
Yogesh Sharma*	6	6	Nil	6	6	Nil	0
Baldev Kaur Sokhey*	6	6	Nil	6	6	Nil	0
Chandra Shekhar Gupta*	6	6	Nil	6	6	Nil	0
Neelesh Shah*	6	6	Nil	6	6	Nil	0
Rakesh Gupta*	6	6	Nil	6	6	Nil	0

\*On behalf of 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
1.	At the beginning of the year	-	N.A.		
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
1.	At the beginning of the year	April 1, 2020	N.A.		
2.	Changes during the year	NIL			
3.	At the end of the year	March 31, 2021			

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

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.	Sh. Pawan Kumar Gupta 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.	Sh. Suresh Chandra Garg At the beginning of the year Changes during the year At the end of the year	NIL					
4.	Dr. (Smt.) Vinod Panthi At the beginning of the year Changes during the year At the end of the year	NIL					
5.	Ms. D. Thara At the beginning of the year Changes during the year At the end of the year	NIL					
6.	Sh. M.C. Bansal At the beginning of the year Changes during the year At the end of the year	NIL					
7.	Ms. Sonia Singh 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/accrued 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				
<b>Total (i+ii+iii)</b>				
Change in Indebtedness during the financial year	NIL			
* Addition	NIL			
* Reduction	NIL			
<b>Net Change</b>				
Indebtedness at the end of the financial year				
i) Principal Amount	NIL			
ii) Interest due but not paid	NIL			
iii) Interest accrued but not due	NIL			
<b>Total (i+ii+iii)</b>			NIL	

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Amount in Rs.)

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager	
	<b>Name</b>	<b>Gyanesh Pandey (From 01-04-2020 to 31-03-2021)</b>	<b>Sh. Suresh Chandra Garg (From 01-04-2020 to 31-03-2021)</b>
	<b>Designation</b>	<b>Managing Director</b>	<b>Director (Engineering)</b>
1.	<u>Gross Salary</u> (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs. 98,52,957/-	Rs. 58,20,301/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Rs. 2,03,057/-	-
	(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	-	-
	Total (A)	Rs. 1,00,56,014/-	Rs. 58,20,301/-
	Ceiling as per the Act	NA	NA

## B. Remuneration of other Directors

(Amount in Rs.)

S. No.	Particulars of Remuneration	Name of the Directors	Total Amount	Total Amount
1.	Independent Directors	Dr. (Smt.) Vinod Panthi	Dr. (Smt.) Vinod Panthi	
	Fee for attending Board Committee meetings & Committee(s)	30,000	45,000	75,000
	Commission	NIL	NIL	NIL
	Other, Specify	NIL	NIL	NIL
	Total (1)	30,000	45,000	75,000
2.	Other Non-Executive Directors			
	Fee for attending board committee meetings	NIL	NIL	NIL
	Commission	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL
	Total (B)=(1+2)	30,000	45,000	75,000
	Total Managerial Remuneration	NIL	NIL	NIL
	Overall Ceiling as per the Act	NIL	NIL	NIL
	Ceiling as per the Act	NIL	NIL	NIL

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

(Amount in Rs.)

S. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
	Name	Sh. M.C. Bansal (CFO) From 07-08-2019 to 31-03-2020	Ms. Sonia Singh (Company Secretary) From 18-11-2019 to 31-03-2020	
	Designation	Chief Financial Officer	Company Secretary	
1.	Gross Salary	29,80,462/-	6,45,075/-	
	(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	-	-	
4.	Commission	-	-	
	- As % of Profit	-	-	
	- Others, specify	-	-	
	Total (A)	29,80,462/-	6,45,075/-	
	Ceiling as per the Act			

**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			N.A.		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			N.A.		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			N.A.		
Punishment					
Compounding					

**For HSCC (India) Ltd.**

Sd/-

Company Secretary  
HSCC

**Place : Noida**
**Date : 14/09/2021**



लोकहितार्थ सत्यनिष्ठा  
Dedicated to Truth in Public Interest

गोपनीय

संख्या / No. PDA/Infra/IHQ-I/A/C/HSCC/2751/20-21/121

**भारतीय लेखापरीक्षा और लेखा विभाग**  
**INDIAN AUDIT & ACCOUNTS DEPARTMENT,**  
OFFICE OF THE DIRECTOR GENERAL OF AUDIT  
(INFRASTRUCTURE), DELHI

दिनांक / Dated 31.8.2021

सेवा में,

प्रबंध निदेशक,  
एच.एस.सी.सी. (इंडिया) लिमिटेड,  
प्रधान कार्यालय, ई-6(ए), सेक्टर-1,  
नौएडा, (उ.प्र.)-201301

हम आपको 31 मार्च 2021 को समाप्त वर्ष के लिए एच.एस.सी.सी. (इंडिया) लिमिटेड के वार्षिक लेखों पर कम्पनी अधिनियम 2013 की धारा 413 (6) (b) क अन्तर्गत भारत के नियंत्रक महालेखा परीक्षक की सेवा में प्रेषित करती हैं। इन टिप्पणियों को कम्पनी की वार्षिक आमसभा में उसी प्रकार रखा जाए जिस प्रकार वैधानिक लेखा परीक्षकों की लेखा रिपोर्ट रखी जाती हैं।

महोदय,

आपका धन्यवाद

हस्ताक्षर

निदेशक  
भारतीय लेखापरीक्षा और लेखा विभाग  
(इंफ्रास्ट्रक्चर), दिल्ली

3rd Floor, A-Wing, Indraprastha Bhawan, I.P. Estate, New Delhi-110002

## 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 2021

The preparation of financial statements of **HSCC (INDIA) LIMITED** for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 18 June 2021.


I, on 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 31 March 2021 under section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

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

### A. COMMENT ON AUDITORS' REPORT

Point no. 8 of the Independent Auditor's Report states that there are unreconciled balances of inter projects of Rs. 85.15 lakh (Previous year Rs. 228.14 lakh). However, the amount of previous year unreconciled balances of inter projects is Rs. 22.81 lakh instead of Rs. 228.14 lakh. Accordingly, the Independent Auditor's Report is deficient to that extent.

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



**(Rina Akoijam)  
Director General of Audit (Infrastructure)  
New Delhi**

**Place: New Delhi  
Dated: 31 August 2021**

## MANAGEMENT REPLY TO C&AG COMMENTS (2020-21)

“Comments on the Auditors Report”	Management Reply
<p><b><i>Point No. 8 of the Independent Auditors states that there are un-reconciled balances of inter projects of Rs. 85.15 lakh (Previous Year Rs. 228.14 lakh). However, the amount of previous year un-reconciled balances of inter Projects is Rs. 22.81 Lakh instead of Rs. 228.14 Lakh. Accordingly, the Independent Auditor Report is deficient to that extant.</i></b></p>	<p><i>This was a typographical error which occurred due to inadvertence and corrigendum had already been issued by the Auditors on 02nd August, 2021, i.e. before the adoption of Financial Statement in the Annual General Meeting of the company, stating that previous year figure of un-Reconciled balance was typed as 228.14 Lakhs in place of Rs. 22.814 lakhs. This has no impact on the overall audit opinion on the Financial Statement of the Company.</i></p>



**FINANCIAL  
STATEMENTS**



## INDEPENDENT AUDITORS' REPORT

To  
The members of HSCC (India) Limited

### Report on the Audit of the Standalone Ind AS Financial Statements

#### Qualified Opinion

1. We have audited the accompanying standalone Ind AS financial statements of HSCC (India) Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss (including other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as Standalone Ind AS Financial Statements).
2. In our opinion and to the best of our information and according to the explanations given to us, except for the effects/ possible effects of the matters described in the Basis for Qualified Opinion paragraph, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and other accounting principles generally accepted in India, of the state of affairs (financial position) of the company as at 31st March 2021 and its profit, (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date..

#### Basis for Qualified Opinion

3. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other 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 opinion on the standalone Ind AS financial statements.
4. As detailed in Note No. 48 and 49 to the standalone Ind-AS financial statements, significant transactions of Doubtful Reliability, amounting to Rs. 2,926.00 lakhs were noticed in company's bank account with Indian Overseas Bank, Noida in the financial year 2017-18. The final amount of "Transactions of Doubtful Reliability" has still not been determined, as the report of forensic auditors, appointed by the holding company, has not been received. A provision was made for Rs 2,926 lakhs in financial year 2017-18 out of Reserves as at 1st April 2017. The Bank reconciliation statements for the said bank accounts are also pending for reconciliation. In the absence of adequate information about the extent and volume of such transactions, the consequential effect on the standalone Ind-AS financial statements of the company, if any, is presently not ascertainable.
5. Information of the cases reported/ enquired/ under enquiry by the Chief Vigilance Officer has not been provided to us by the company. The impact of the same on the standalone Ind AS financial statements of the company, if any, is presently not ascertainable.

6. The Company has not provided us information regarding the projects which have been completed and handed over to Ministries! Clients and the projects which have been completed but not handed over to the clients and the status of financial closure in books of accounts for such projects. The consequential impact, if any, arising out of such projects on the financial statements, could not be presently ascertained. Audit report on the standalone Ind AS financial statements for the previous year ended 31 March 2020 was also qualified in respect of this matter.
7. The company does not have an effective system of obtaining balance confirmation and performing reconciliation of balances in respect of trade receivable, claims recoverable from/payable, trade payable, retention money, client deposit funds, EMD, Security Deposits (Receivable and Payable), balances of ministries, clients and claims payable. Due to nonavailability of confirmation and reconciliations of the aforementioned account balances, we are unable to quantify the impact of the adjustments, if any, arising from reconciliation and settlement of account balances on the financial statements of the company. Audit report on the standalone Ind AS financial statements of the company for the previous year ended 31 March 2020 was also qualified in respect of this matter.
8. There are unreconciled balances of inter projects of Rs. 85.15 lakhs (Previous year: Rs.228.14 lakhs) for receivables and Rs. 244.22 lakhs (Previous year: Rs.52 1.74 lakhs) for payables. The consequential impact, if any, arising out of such non reconciliation could not be presently ascertained. Audit Report on the standalone Ind AS financial statements of the company for the previous year ended 31 March, 2020 was also qualified in this matter.

#### Emphasis of Matter

9. Reference is invited to Note No 3 of the Standalone Ind-AS financial statements of the company, whereby construction has not been commenced on leasehold land, having book value of Rs 389.16 Lakhs, whereas as per the lease deed the construction was to be completed by 21st April 2017. The company has not applied for the extension of time for construction on the said plots of land. Consequently, The New Okhla Industrial Development Authority reserves the right to resume the said property.

Our report is not qualified on that matter.

10. Reference is invited to Note No 50 of the Standalone Ind-AS financial statements of the company, regarding the possible effects of uncertainties relating to COVID-19 on company's operations and results as assessed by the management.

Our report is not qualified on that matter.

#### Information other than the Standalone Financial Statements and Auditor's Report Thereon

11. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis Report and Report on Corporate Governance but does not include the standalone Ind AS financial statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

Our opinion on the standalone 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 standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and in doing so consider whether the other information is materially inconsistent with the standalone Ind AS 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.

When we read the other information if we conclude that there is a material misstatement therein we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

### Responsibility of Management for Ind AS Standalone Financial Statements

12. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
  13. In preparing the standalone Ind AS financial statements, Board of Directors 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.
  14. Those Board of Directors are also responsible for overseeing the company's financial reporting process.
- Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

### Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

15. Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.
16. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal

financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the 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 standalone Ind AS 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 auditor's 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

17. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Report on Other Legal and Regulatory Requirements

18. 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 I"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
19. As required by section 143(5) of the Act, we give in **"Annexure II"** a statement based on the directions issued and matters specified by the Comptroller and Auditor General of India.
20. Further to our comments in Annexure I and II, as required by section 143 [3] of the Act, based on our audit we report that:
  - a. We have sought and, except for the matters/ effects/ possible effects of the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. Except for the effects/ possible effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and reports of other auditors;
  - c. Except for the effects/ possible effects of the matters described in the Basis for Qualified Opinion paragraph, the standalone Ind AS financial statements dealt with this report are in agreement with the books of accounts.
  - d. Except for the effects/ possible effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
  - e. Since, the company is a Government Company, section 164(2) of the Companies Act, 2013 regarding obtaining written representations from the directors of the Company, is not applicable to the company in terms of notification no. GSR-463(E), issued by Ministry of Corporate Affairs;
  - f. The qualification relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph.

- g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure-III**";
- h. As per notification number GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, section 197 of the Act regarding remuneration to director is not applicable to the company, since it is a Government Company; and
- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone md AS financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education & Protection Fund by the Company.

**For ANDROS & Co.**

Chartered Accountants

ICAI FRN: 008976N

Sd/-

**Puneet Gupta**

Partner

MNo.: 093714

UDIN: 21093714AAAADN3023

Place: New Delhi

Date: 18th June, 2021

## ANNEXURE-I TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF HSCC (INDIA) LIMITED ON THE STANDALONE MD AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Standalone Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

- i. a) The Company has maintained proper records showing full particulars including quantitative details of fixed assets. The location of fixed assets is however, not mentioned in the record so maintained.
- (b) The fixed assets have been physically verified by the management at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) As per the information and explanation given to us and on the basis of our examination of the records of the company, the title/ lease deeds of the immovable properties (as disclosed in Note No. 3 on Property, Plant and Equipments to the Financial Statements) are held in the name of the company, except for one Immovable Property having Gross Carrying Amount of Rs 6,834.99 lakhs (Previous Year: Rs 6,834.99 lakhs) and Net Book Value of Rs 6,617.07 lakhs (Previous Year: 6,725.29 lakhs) as at the year ended 31st March 2021,
- ii. As per the information and explanations given to us, documents produced before us and on the basis of the management representation on which we have placed reliance, the company does not hold any Inventories, and hence clause 3(u) of the said order is not applicable to the company.
- iii. As per the information and explanations given to us, documents produced before us and on the basis of the management representation on which we have placed reliance, the company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnership (LLPs) or other parties covered in the register maintained under Section 189 of the Act, accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- iv. As per the information and explanations given to us, documents produced before us and on the basis of the management representation on which we have placed reliance, the Company has not entered into any transactions covered under Section 185/186 of the Act,
- v. As per the information and explanations given to us, the Company has not accepted any deposit from the public during the year within the meaning of Section 73 to 76 of the Companies Act, 2013.
- vi. We have been explained by the management that maintenance of Cost Records has not been specified by the Central Government for Project Management and Consultancy under sub-section (1) of section 148 of the Companies Act, 2013, accordingly the provisions of clause 3(vi) of the Order are not applicable.
- vii. (a) According to the information provided and explanations given to us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, value added tax, cess and any other statutory dues as applicable to it with the appropriate authorities.

Detail of statutory dues outstanding for a period of more than 6 months from the date they became payable are as under:

Name of Statute	Nature of Dues	Amount (Rs in lakhs)
Building and other Construction Workers Welfare Cess Act	Building Cess	6.79
Income Tax Act, 1961	TDS-IT	16.92

- (b) According to the information provided and explanations given to us, the details of dues outstanding in respect of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited an account of any dispute,.

Name of statute	Nature of dues	Amount Rs. in Lakh	Period to which dues relate	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	431.02	AY 2018-19	Comm of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	42.14	AY 2014-15	ITAT Delhi

- viii. As per the information and explanations given to us, documents produced before us and on the basis of the management representation on which we have placed reliance, the Company has no loans or borrowings payable to a Financial Institutions, Bank, Government or dues to debenture holders during the year, and accordingly clause 3(viii) of the said order is presently not applicable to the company.
- ix. As per the information and explanations given to us, documents produced before us and on the basis of the management representation on which we have placed reliance, the Company did not raise the moneys by the way of initial public offer or further public offer (including debt instruments) or term loans, and hence clause 3(ix) of the said order is presently not applicable to the company.
- x. As per the information and explanations given to us, documents produced before us and on the basis of the management representation on which we have placed reliance, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- xi. The provisions of Section 197 of the Act read with Schedule V to the Act are not applicable to the Company since the Company is a government company as defined under section 2(45) of the Act, accordingly, provisions of clause 3 (xi) of the Order are not applicable.
- xii. As per the information and explanations given to us, documents produced before us and on the basis of the management representation on which we have placed reliance, the Company is not a Nidhi Company, accordingly, provisions of clause 3(xii) of the Order are not applicable.
- xiii. As per the information and explanations given to us, documents produced before us and on the basis of the management representation on which we have placed reliance, the Company's transactions with its related parties 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 the standalone md AS financial statements as required by the applicable accounting standards.

- xiv. As per the information and explanations given to us, documents produced before us and on the basis of the management representation on which we have placed reliance, during the year the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of Paragraph 3 of the Order is not applicable to the company.
- xv. As per the information and explanations given to us, documents produced before us and on the basis of the management representation on which we have placed reliance, the Company has not entered into any non-cash transactions with its directors or persons connected with it covered under section 192 of the Act. Hence reporting under clause (xv) of Paragraph 3 of the Order is not applicable to the company.
- xvi. As per the information and explanations given to us, documents produced before us and on the basis of the management representation on which we have placed reliance, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934..

**For ANDROS & Co.**

Chartered Accountants  
ICAI FRN: 008976N

Sd/-

**Puneet Gupta**

Partner

MNo.: 093714

IJDIN: 21093714AAAADN3023

Place: New Delhi

Date: 18th June, 2021

## ANNEXURE-II TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF HSCC (INDIA) LIMITED ON STANDALONE MD AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Directions and sub directions under Section 143(5) of the Companies Act 2013 issued by the Comptroller and Auditor General of India to the Statutory Auditors of HSCC (India) Limited for conducting audit of accounts for the financial year 2020-21.

S. No.	Direction	Auditors Reply
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing the accounting transactions outside IT system on the integrity of accounts along with the financial implications, if any may be stated.	Company has an ERP system however, the existing ERP system being used is deficient in various aspects and needs improvement in various areas like introduction of Maker-Checker concept, Segregation of User Rights, Routing of Payments through the ERP system, and processing of Bank Reconciliation, Fixed Assets Register etc. As per the information and explanations given to us, MIS, Fixed Assets Register, Depreciation calculation, Bank Reconciliation, Bank Guarantee and GST Invoicing are not prepared through the ERP system. Also, the system does not automatically prepare an Exception Report as well.  The financial implications of processing the transactions outside the IT system is not ascertainable.
2	Whether there is any restructuring of an existing loan or case of waiver/write off of debts/ loans/ interest etc. made by a lender to the company due to company's inability to repay the loan? if yes, the financial impact may be stated.	As per the information and explanations given to us, the company has not taken any loan and hence the clause is not applicable to the company.
3	Whether funds received/receivable for specified schemes from Central/ State agencies were properly accounted for/ utilized as per terms and conditions? List the cases of deviation.	As per the information and explanations given to us, no funds have been received/receivable for any specific schemes from Central/ State agencies during the financial year 2020-21

### For ANDROS & Co.

Chartered Accountants  
ICAI FRN: 008976N

Sd/-

**Puneet Gupta**

Partner

MNo.: 093714

UDIN: 21093714AAAADN3023

Place: New Delhi

Date: 18th June, 2021

## **ANNEXURE-III TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF HSCC (INDIA) LIMITED**

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 31 March 2021 in conjunction with our audit of the standalone Ind-AS 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 Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor's 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, to the extent applicable to an audit of internal financial controls, 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 depends on the auditor's judgement, 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 qualified opinion on the Companies internal financial controls over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary

to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

### Qualified Opinion

Accordinging the information and explanations given to us and based on our audit the following material weakness/ es have been identified as at 31st March 2021:

- i. The company does not have an Information Technology Policy in operation. This could result in potential breach in respect of data integrity, confidentiality, unauthorised access to IT systems of the company.
- ii. The Company does not have an effective Information Systems Audit to evaluate and test the IT general controls, which may affect the completeness, accuracy and reliability of the reports generated from IT System.
- iii. The maker checker concept for voucher posting and authenticating in ERP is deficient, resulting in posting the entries in wrong heads/ wrong amounts/ duplicates posting without manual approval and this could potentially materially misstate various captions in the financial statements.
- iv. The company does not have an effective system of obtaining balance confirmation and performing reconciliation of balances in respect of trade receivable, claims recoverable from/payable, trade payable, retention money, client deposit funds, EMD, Security Deposits (Receivable and Payable), balances of ministries, clients, Client General and claims payable. This could potentially result in Company materially misstating the assets and liabilities in the financial statements.
- v. The company does not have a system of segregation of User-Rights in the ERP system, resulting in incorrect entries being passed by employees, which may result in potential misstatement in the financial statements.
- vi. The company does not have a system of entering banking transactions on real time basis, and various transactions are entered after the end of the month on preparation of Bank Reconciliation statement. This could lead to delay in identification of "Transactions of Doubtful Reliability", and thereby further delaying appropriate action.
- vii. The company does not have control over financial closure of Projects, which have been handed over and projects completed but not handed over to the client. This may potentially result in the company materially misstatement of the assets and liabilities.
- viii. The company does not have the system of reconciliation of payable or recoverable amongst the projects which could potentially result in material misstatement of assets and liabilities.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, because of the effects/ possible effects of the material weakness/ weaknesses described above on the achievement of the objectives of the control criteria, the company has not maintained adequate and effective internal financial controls over financial reporting as of 31st March 2021, based on internal control over financial reporting criteria established by the company considering the essential components of Internal Control stated in the Guidance Note on audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31 March 2021, and these material weaknesses have affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements..

Place: New Delhi  
Date: 18th June, 2021

**For ANDROS & Co.**  
Chartered Accountants  
ICAI FRN: 008976N

Sd/-  
**Puneet Gupta**  
Partner  
MNo.: 093714  
IJDIN: 21093714AAAADN3023

**ANDROS & CO.**

Chartered Accountants

To,

The Members of,  
HSCC (India) LimitedCorrigendum To The Audit Report Dated 18/06/2021  
For The year Ended 31/03/2021

Due to typographical error in point no. 8 (Basis of Qualified Opinion) to Independent Audit Report dated 18/06/2021, previous year figure of unreconciled balances of interproject has been mentioned as Rs. 228.14 Lakhs which should be read as Rs. 22.81 lakhs. This Corrigendum has been issued in terms of HM No. 3 dated 31/07/2021 issued by Sr. Audit Officer, Camp; HSCC Campus, Noida. Independent Auditor's report dated 18/06/2021, issued by us, may be read along with this Corrigendum.

**For ANDROS & Co.**  
**Chartered Accountants**

Firm's Registration No. : 008976N

Sd/-

(Puneet Gupta)

Partner

Membership No. : 093714

Place : New Delhi

Date : 2nd August, 2021

---

A-101, GIA, Wazirpur, New Delhi - 110 052  
Phone : +91 11 4750 2055, +91 11 2737 4854, Fax : +91 11 27372055

## COMPLIANCE CERTIFICATE

We have conducted the audit of accounts of HSCC (India) Limited for the year ended 31st March 2021, in accordance with the directions issued by C&AG of India under section 143(5) of the Companies Act, 2013 and certify that we have complied with all the directions issued to us.

**For ANDROS & Co.**

Chartered Accountants

ICAI FRN : 008976N

Sd/-

**(Puneet Gupta)**

**Partner**

M No. : 093714

UDIN: 21093714AAAADN3023

Place : New Delhi

Date : 18th June, 2021

## MANAGEMENT REPLY TO STATUTORY AUDITOR'S QUALIFICATIONS ON FINANCIAL STATEMENT ON THE BASIS OF AUDITORS' REPORT (HSCC) INDIA LIMITED AS ON MARCH 31, 2021

S. No.	Auditor's Qualifications	Management Reply
1.	As detailed in Note No. 48 and 49 to the standalone Ind-As financial statements, significant transactions of Doubtful Reliability, amounting to Rs. 2926.00 lakhs were noticed in company's bank account with Indian Overseas Bank, Noida in the financial year 2017-18. The Final amount of "Transactions of Doubtful Reliability" has still not been determined, as the report of forensic auditors, appointed by the holding company, has not been received. A provision was made for Rs 2,926 lakhs in financial year 2017-18 out of Reserves as at 1st April 2017. The Bank reconciliation statements for the said bank accounts are also pending for reconciliation. In the absence of adequate information about the extent and volume of such transactions, the consequential effect on the standalone Ind-AS financial statements of the company, if any, is presently not ascertainable	<i>The provision amounting to Rs. 2926.00 lacs was made during the year 2018-19 considering the comments of CAG audit for the year 2017-18. The forensic audit is in progress. Hence the final identification of amount recoverable/ debit/reversal (as required) on account of these transactions will be made after receipt of forensic audit report in HSCC.</i>
2.	Information of the cases reported/ enquired/ under enquiry by the Chief Vigilance Officer has not been provided to us by the company. The impact of the same on the standalone Ind-AS financial statements of the company, if any, is presently not ascertainable.	<i>The details of court cases and arbitration cases as on 31.3.2021 have already been provided. The cases related to matter of vigilance pertains to disciplinary matter and hence impact of the same cannot be ascertained.</i>
3.	The Company has not provided us information regarding the projects which have been completed and handed over to Ministries/ Clients and the projects which have been completed but not handed over to the clients and the status of financial closure in books of accounts for such projects. The consequential impact, if any, arising out of such projects on the financial statements, could not be presently ascertained. Audit report on the standalone Ind AS financial statements for the previous year ended 31 March 2020 was also qualified in respect of this matter.	<i>Efforts have been made during the year and one project of NIB, Noida has been financially closed. The reconciliation of financial closure of other projects is also in progress. All the clients are Central government, state government autonomous bodies and other PSUs. Full efforts will be made for financial closure of physically completed and handed over projects in consultation with client.</i>

4.	<p>The company does not have an effective system of obtaining balance confirmation and performing reconciliation of balances in respect of trade receivable, claims recoverable from/ payable, trade payable, retention money, client deposit funds, EMD, Security Deposits (Receivable and Payable), balances of ministries, clients and claims payable. Due to non-availability of confirmation and reconciliations of the aforementioned account balances, we are unable to quantify the impact of the adjustments, if any, arising from reconciliation and settlement of account balances on the financial statements of the company. Audit report on the standalone Ind AS financial statements of the company for the previous year ended 31 March 2020 was also qualified in respect of this matter.</p>	<p><i>The company has a system of obtaining the balance confirmation and during the year letters have been sent to the client on quarterly basis for balance confirmation. However, due to global pandemic of COVID-19, since March 2020 the confirmation certificates are not reverted by the client.</i></p> <p><i>The efforts have been made for the creditors also and some balance confirmation certificates have been sent to Statutory Auditors directly.</i></p> <p><i>The company is executing the projects of Central Government, State Government and other PSU's. The confirmation of balance from client is being done as per establish accounting practice. Full efforts will be made to collect the confirmation certificates in upcoming years.</i></p>
5.	<p>There are un-reconciled balances of inter projects of Rs. 85.15 lakhs (Previous year: Rs. 228.14 lakhs) for receivables and Rs. 244.22 lakhs (Previous year: Rs. 521.74 lakhs) for payables. The consequential impact, if any, arising out of such non reconciliation could not be presently ascertained. Audit Report on the standalone Ind AS financial statements of the company for the previous year ended 31 March,2020 was also qualified in this matter.</p>	<p><i>The inter project receivable/payable ledgers are in regular reconciliation process and is being done by the company, which has resulted in reduction of balances from previous year. Some are the balances prior to 2018-19 are old and for which forensic audit is in progress.</i></p>

## BALANCE SHEET AS AT MARCH 31, 2021

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>I. ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Property, Plant and Equipment	3	7,223.34	7,364.88
(b) Capital work-in-progress	4	78.61	-
(c) Intangible assets	5	0.15	0.75
(d) Intangible assets under development	6	13.16	13.16
(e) Financial Assets			
(i) Other Financial Assets	7	33.54	42.70
(f) Deferred Tax Asset (Net)	8	1,927.21	2,311.26
(g) Other Non Current Assets	9	1,444.14	5,919.64
		<b>10,720.15</b>	<b>15,652.39</b>
<b>2. Current Assets</b>			
(a) Financial Assets			
(i) Trade Receivables	10	5,960.71	8,120.94
(ii) Cash and Cash Equivalents	11	31,128.10	8,057.49
(iii) Other Bank Balances	12	275,610.72	276,497.92
(iv) Other Financial Assets	13	17,377.83	11,386.19
(b) Current Tax Assets (Net)	14	1,717.55	980.97
(c) Other Current Assets	15	15,777.56	19,557.19
		<b>347,572.47</b>	<b>324,600.70</b>
(d) Assets held for Sale	16	1.65	1.65
		<b>347,574.12</b>	<b>324,602.35</b>
<b>TOTAL ASSETS</b>		<b>358,294.27</b>	<b>340,254.74</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share capital	17	180.01	180.01
(b) Other Equity		11,593.78	10,798.07
<b>Total Equity</b>		<b>11,773.79</b>	<b>10,978.08</b>
<b>2. Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Other Financial Liabilities	18	4.91	6.28
(b) Provisions	19	625.64	888.63
		<b>630.50</b>	<b>894.91</b>
<b>3. Current Liabilities</b>			
(a) Financial Liabilities			
(i) Trade Payables	20	45.60	479.39
- outstanding dues of micro enterprises and small enterprise		49,428.41	73,116.29
- outstanding dues of creditors other than micro enterprises and small enterprises		28,752.54	33,351.56
(ii) Other Financial Liabilities	21	264,171.22	217,300.77
(b) Other Current Liabilities	22	3,492.16	4,133.74
(c) Provisions	23		
		<b>345,889.93</b>	<b>328,381.75</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>358,294.27</b>	<b>340,254.74</b>

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 51

**As per our Report of even  
date attached**

**For ANDROS & Co.**  
Chartered Accountants  
(ICAI Firm Reg. No: 008976N)

Sd/-  
**Puneet Gupta**  
Partner  
Membership No. 093714  
**Place: Noida**  
**Date: 18.06.2021**

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

Sd/-  
**(Sonia Singh)**  
Company Secretary  
**(M.No.: ACS-24442)**

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

Sd/-  
**(Suresh Chandra Garg)**  
Director (Engineering)  
**(DIN : 08684289)**

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

Sd/-  
**(Mahesh Chand Bansal)**  
Chief Financial Officer

Sd/-  
**(Tejpal Garg)**  
AGM (F&A)

Sd/-  
**(Manoj Singh)**  
Manager (F&A)

## STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED ON MARCH 31, 2021

(₹ in Lakhs)

Particulars	Note No.	For the year ended on March 31, 2021	For the year ended on March 31, 2020
<b>I. Revenue From Operations</b>			
Value of Services	24	129,059.67	212,509.19
Other Operating Revenues	25	20.53	32.29
<b>II. Other Income</b>	26	208.91	634.87
<b>III. Total Income (I + II)</b>		<b>129,289.11</b>	<b>213,176.35</b>
<b>IV. Expenses:</b>			
Work & Consultancy Expenses	27	123,220.12	200,972.73
Employee Benefits Expense	28	3,759.99	4,237.78
Finance Costs	29	0.60	0.70
Depreciation and Amortisation Expense	30	147.54	161.56
Other Expenses	31	799.50	1,379.23
<b>Total Expenses (IV)</b>		<b>127,927.75</b>	<b>206,752.00</b>
<b>V. Profit before Exceptional Items and Tax (III-IV)</b>		<b>1,361.36</b>	<b>6,424.35</b>
<b>VI. Exceptional Items</b>		-	-
<b>VII. Profit before Tax (V - VI)</b>		<b>1,361.36</b>	<b>6,424.35</b>
<b>VIII. Tax Expense:</b>	32		
(1) Current Tax		-	1,149.81
(2) Deferred Tax		379.63	1,638.77
(3) Taxation in respect of Earlier Years		(0.67)	(127.23)
<b>IX. Profit / Loss for the Period (VII-VIII)</b>		<b>982.40</b>	<b>3,763.00</b>
<b>X. Other Comprehensive Income</b>	33		
A (i) Item that will not be reclassified into Profit & Loss		17.55	(50.21)
(ii) Income tax relating to items that will not be reclassified to profit/loss		(4.42)	12.64
B (i) Item that will be reclassified into Profit & Loss		-	-
(ii) Income tax relating to items that will be reclassified to Profit & Loss		-	-
<b>XI. Total Comprehensive Income for the period (IX+X)</b>		<b>995.53</b>	<b>3,725.43</b>
<b>XII. Earnings per Share (Face value of ₹ 100/- per Equity Share)</b>	34		
(1) Basic (in ₹)		<b>545.74</b>	<b>2,090.39</b>
(2) Diluted (in ₹)		<b>545.74</b>	<b>2,090.39</b>

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 51

**As per our Report of even date attached**

**For ANDROS & Co.**  
Chartered Accountants  
(ICAI Firm Reg. No: 008976N)

Sd/-  
**Puneet Gupta**  
Partner  
Membership No. 093714  
**Place: Noida**  
**Date: 18.06.2021**

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

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

Sd/-  
**(Sonia Singh)**  
Company Secretary  
**(M.No.: ACS-24442)**

Sd/-  
**(Suresh Chandra Garg)**  
Director (Engineering)  
**(DIN : 08684289)**

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

Sd/-  
**(Mahesh Chand Bansal)**  
Chief Financial Officer

Sd/-  
**(Tejpal Garg)**  
AGM (F&A)

Sd/-  
**(Manoj Singh)**  
Manager (F&A)

## STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2021

### A. Equity Share Capital

(₹ in Lakhs)

Particulars	Balance at the beginning of the Reporting Year	Changes in Equity Share Capital during the year	Balance at the end of Reporting Year
Balance as at March 31, 2021	180.01	-	180.01
Balance as at March 31, 2020	180.01	-	180.01

### B. Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	General Reserve	Capital Redemption Reserve	Retained Earnings	Remeasurement of Defined Benefit Plans	
<b>Balance as at April 1, 2019</b>	<b>3,335.53</b>	<b>60.00</b>	<b>10,294.66</b>	-	<b>13,690.19</b>
Profit for the year	-	-	3,763.00	-	3,763.00
Re-measurement gains (losses) on defined benefit plans	-	-	-	(50.21)	(50.21)
Income Tax on Items of OCI	-	-	-	12.64	12.64
Dividends paid including Interim Dividend and Dividend Distribution Tax	-	-	(6,617.55)	-	(6,617.55)
<b>Balance as at March 31, 2020</b>	<b>3,335.53</b>	<b>60.00</b>	<b>7,440.11</b>	<b>(37.57)</b>	<b>10,798.07</b>
Profit for the year	-	-	982.40	-	982.40
Re-measurement gains (losses) on defined benefit plans	-	-	-	17.55	17.55
Income Tax on Items of OCI	-	-	-	(4.42)	(4.42)
Dividends paid including Interim Dividend	-	-	(199.82)	-	(199.82)
<b>Balance as at March 31, 2021</b>	<b>3,335.53</b>	<b>60.00</b>	<b>8,222.69</b>	<b>(24.44)</b>	<b>11,593.78</b>

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 51

**As per our Report of even date attached**

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

**For ANDROS & Co.**  
Chartered Accountants  
(ICAI Firm Reg. No: 008976N)

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

Sd/-  
**(Suresh Chandra Garg)**  
Director (Engineering)  
(DIN : 08684289)

Sd/-  
**(Mahesh Chand Bansal)**  
Chief Financial Officer

Sd/-  
**Puneet Gupta**  
Partner  
Membership No. 093714

Sd/-  
**(Sonia Singh)**  
Company Secretary  
(M.No.: ACS-24442)

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

Sd/-  
**(Tejpal Garg)**  
AGM (F&A)

Sd/-  
**(Manoj Singh)**  
Manager (F&A)

**Place: Noida**  
**Date: 18.06.2021**

## CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2021

(₹ in Lakhs)

Particulars	For the year ended on March 31, 2021	For the year ended on March 31, 2020
<b>A. Cash flows from operating activities</b>		
<b>Net profit before tax and extraordinary items</b>	<b>1,361.36</b>	<b>6,424.35</b>
Adjustment for:		
Depreciation on property, plant and equipment	140.52	153.81
Depreciation on Right-of-Use Assets	6.41	6.41
Amortisation on intangible assets	0.61	1.33
Finance Cost	0.60	0.70
Interest Income	(207.60)	(632.93)
<b>Operating Profit before Working Capital Changes</b>	<b>1,301.90</b>	<b>5,953.67</b>
Adjustment for:		
Decrease/(Increase) in Other Non-Current Assets	4,475.50	(5,369.61)
Decrease/(Increase) in Other Financial Assets (Non Current)	9.16	(9.97)
Decrease/(Increase) in Trade receivables	1,648.27	(266.43)
Decrease/(Increase) in Other Financial Assets (Current)	(5,991.64)	10,625.22
Decrease/(Increase) in Other Current Assets	3,779.63	2,637.35
(Decrease)/ Increase in Provisions (Non Current)	(262.99)	(73.42)
(Decrease) /Increase in Trade payables	(24,123.11)	4,815.99
(Decrease) /Increase in Other Financial Liabilities (Current)	(4,599.14)	(7,307.91)
(Decrease)/ Increase in Provisions (Current)	(624.03)	271.04
(Decrease) /Increase in Other Current Liabilities	32,369.24	(14,441.36)
<b>Cash generated from Operations before Extra Ordinary Items and tax</b>	<b>7,982.79</b>	<b>(3,165.40)</b>
Direct Taxes Paid	(87.00)	(579.21)
<b>Net Cash from Operating Activities (A)</b>	<b>7,895.79</b>	<b>(3,744.61)</b>
<b>B. Cash Flows from Investing Activities:</b>		
Purchase of property, plant and equipment	(5.39)	(22.32)
Sale of property, plant and equipment	-	0.06
Amount spent on Capital work in progress	(78.61)	-
Flexi Deposits having Original Maturity more than 3 months and upto 12 months	(3,268.83)	(107,199.13)
Fixed Deposits having original maturity more than 3 months and upto 12 months	3,216.34	88,108.96
Interest Received	15,512.99	17,870.07
<b>Net Cash from Investing Activities: (B)</b>	<b>15,376.50</b>	<b>(1,242.37)</b>
<b>C. Cash Flows from Financing Activities:</b>		
Repayment of lease liability	(1.86)	(1.86)
Dividend Paid (including dividend distribution tax)	(199.82)	(6,617.55)
<b>Net Cash from Financing Activities (C)</b>	<b>(201.68)</b>	<b>(6,619.41)</b>
<b>Net Increase in Cash and Cash Equivalent (A) + (B) + (C)</b>	<b>23,070.61</b>	<b>(11,606.39)</b>
<b>Cash and Cash Equivalents - Opening</b>	<b>8,057.49</b>	<b>19,663.88</b>
<b>Cash and Cash Equivalents - Closing</b>	<b>31,128.10</b>	<b>8,057.49</b>

<b>i) Cash and Cash Equivalents Includes:</b>		
Balances with Banks in Current Account	574.21	834.98
On behalf of Ministries / Clients		
Balances in saving account with Banks	30,428.89	7,202.73
Flexi Deposits upto 3 months Original Maturity	125.00	19.78
	<b>31,128.10</b>	<b>8,057.49</b>

ii) Figures in brackets indicate cash outgo

iii) Refer note 47 for movement in liabilities of financing activities

**As per our Report of even  
date attached**

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

**For ANDROS & Co.**  
Chartered Accountants  
(ICAI Firm Reg. No: 008976N)

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

Sd/-  
**(Suresh Chandra Garg)**  
Director (Engineering)  
**(DIN : 08684289)**

Sd/-  
**(Mahesh Chand Bansal)**  
Chief Financial Officer

Sd/-  
**Puneet Gupta**  
Partner  
Membership No. 093714

Sd/-  
**(Sonia Singh)**  
Company Secretary  
**(M.No.: ACS-24442)**

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

Sd/-  
**(Tejpal Garg)**  
AGM (F&A)

Sd/-  
**(Manoj Singh)**  
Manager (F&A)

**Place: Noida**  
**Date: 18.06.2021**

## NOTE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

### 1. CORPORATE INFORMATION

#### 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 principal place of business is at Noida, Uttar Pradesh.

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.

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 13/09/2018 & D.O. No. 3/8/2016-DIPAM-IIA (pt.) dated 13/09/2018. The 100 percent paid up equity share capital of the Company along with Management control has been transferred to NBCC (India) Limited at a price of Rs. 285 Crores in December-2018.

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

The Standalone Financial Statement for the year ended 31 March 2021 are authorized and approved for issue by the Board of Directors on June 18, 2021.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### 2.1 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

## 2.2 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.

## 2.3 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 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 such mobilisation advances.

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

## 2.4 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.

### 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)
<b>Intangible Assets</b>	
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.

## 2.5 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 (in case of qualifying assets) 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 1 April 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 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)
<b>Buildings</b>	
Building (other than factory buildings)	60 Years
Other (including temporary structure, etc.)	03 Years
<b>Plant and Machinery used in civil construction</b>	12 Years
<b>Furniture and fittings</b>	10 Years
<b>Motor Vehicles</b>	08 Years
<b>Office equipment</b>	05 Years
<b>Computers and data processing units</b>	
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. Building comprises Boundary Wall, Scooter Shed & Tube Well which are depreciated by taking useful life of 5 years.

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.

## 2.6 LEASES

### Company as a Lessee

At inception of a contract, the company assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Recognition:

##### 1. "Right of Use (ROU) Asset":

At the commencement date, the company recognise a right-of-use asset and a lease liability, except

- a. For lease with a term of twelve months or less (Short term leases) and,
- b. Leases for which the underlying asset is of low value.

For short term leases and assets of low value the company recognises the lease payments as an operating expense on a straight-line basis over the term of lease.

##### 2. "Lease Liability"

At the commencement date, the company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the effective interest rate.

#### Subsequent measurement

##### 1. "Right of Use (ROU) Asset"

After the commencement date, the company measures the right-of-use asset at cost less any accumulated depreciation and is subject to impairment losses.

The following useful lives are applied:

Asset category	Lease Term (including extension)
Leasehold Land	90 Years
Buildings	5 Years

##### 2. "Lease Liability"

After the commencement date, the company measure the lease liability by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications.

After the commencement date, the interest element of lease payments is charged to Statement of Profit and Loss, as Finance Costs over the period of the lease.

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

## **De-Recognition**

A right of use asset 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 right of use 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 right of use asset is derecognised.

## **Company as a Lessor**

### **Finance Lease**

The company recognises assets held under a finance lease as a receivable at an amount equal to the net investment in the lease. The company further recognises finance income over the lease term, based on straight-line basis reflecting a constant periodic rate of return on the net investment in the lease.

### **Operating lease**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Assets leased out under operating leases are capitalized. Rental income is recognized on straight-line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

## **2.7 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.

## **2.8 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.

## **2.9 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.

## 2.10 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. The Current Tax and Deferred Tax so calculated are adjusted for the uncertainty of tax treatment by the tax authorities at each reporting date.

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.

## 2.11 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.

## 2.12 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.

## 2.13 NON CURRENT ASSETS HELD FOR SALE

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell. The determination of fair value less costs to sell includes use of management estimates and assumptions.

## 2.14 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 Other Comprehensive Income in the year in which they arise.

### **Other Long Term Benefits**

#### **(a) 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

## **(b) Travelling Allowance**

Company's liability towards Travelling Allowance 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 etc. are measured and 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.

## **2.15 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions recognised by the Company include provisions for Warranties, Research & Development, Sustained development, Contingencies, 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.

## **2.16 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.

## **2.17 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.

## **2.18 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.

## 2.19 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.

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.

**Revenue Recognition** - Where revenue contracts include deferred payment terms, the management determines the fair value of consideration receivable using the expected collection period and interest rate applicable to similar instruments with a similar credit rating prevailing at the date of transaction.

**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.

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

**Uncertainties relating to the global health pandemic from COVID-19** - Management has considered the possible effects that may result from the pandemic relating to COVID-19 on various assets. In developing the assumptions relating to the possible future uncertainties the management, has used internal and external sources of information including economic forecasts. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

## 2.20 STANDARDS ISSUED AND ARE EFFECTIVE

The Ministry of Corporate Affairs (MCA) through Companies (Indian Accounting Standards) Amendment Rules, 2020 has notified amendments to certain Ind AS. The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2020. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

### 1. Amendments to Ind AS 1 and Ind AS 8

#### **Definition of Materiality:**

The amendments provide a new definition of materiality that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the company.

### 2. Amendments to Ind AS 103:

#### **Definition of a Business:**

The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the financial statements of the company, but may impact future periods had the Company enter into any business combinations.

### 3. Amendments to Ind AS 107 and Ind AS 109

#### **Interest Rate Benchmark Reform:**

The amendments to IFRS 9 and IAS 39 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the financial statements of the Company as it does not have any interest rate hedge relationships.

#### 4. Amendments to Ind AS 116

##### **Covid-19 Related Rent Concessions:**

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification. The company do not observe any such case during the year hence there is no impact of the amendment.

##### **5. Conceptual Framework for Financial Reporting:**

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards. This will affect those entities which developed their accounting policies based on the Conceptual Framework. The revised Conceptual Framework includes some new concepts updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. These amendments had no impact on the financial statements of the Company.

##### **6. Amendments to CSR requirement**

The Ministry of Corporate Affairs (MCA) has amended the Companies (Corporate Social Responsibility Policy) Rules, 2014 through a notification dated 22 January 2021, these amendments have introduced some significant changes that require better understanding to ensure compliance. The amendments, amongst others, mandatorily require utilisation of the unspent amount earmarked for CSR activities, failing which it would be transferred to a fund specified in Schedule VII of the Companies Act, 2013. Resultantly, the Company will have to make a provision towards unspent CSR spent, if any, at the end of the year, after deducting the provision created for the CSR activity completed, if applicable and as provided.

The amendments also permit a company which spends an amount in excess of the prescribed CSR amount of 2%, to set-off excess amount against the requirement to spend up to immediately succeeding three financial years subject to the fulfilment of certain conditions. As per the guidance issued by the ICAI, in case the Company, decides to adjust excess amount spent against future obligation, then an asset would have to be recognised to the extent of such excess amount spent.

#### 2.21 STANDARDS ISSUED BUT NOT EFFECTIVE

On March 24, 2021, Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

##### **Balance Sheet**

- a. Lease liabilities should be separately disclosed under the head duly distinguished as current or non-current.
- b. Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

- c. Specified format for disclosure of shareholding of promoters.
- d. Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- e. If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- f. Specific disclosure under regulatory such as compliance with approved schemes of arrangements compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

### **Statement of Profit and Loss**

- a. Additional Disclosures relating to Corporate Social Responsibility (CSR), undisclosed income, and crypto or virtual currency specified under the head “additional information” in the Notes to Accounts forming part of the standalone financial statements.

The requirements are extensive and the company is evaluating the same for giving effect as required by the law.

## NOTE -3

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:

Particulars	Gross Carrying Amount (At Cost)				Accumulated Depreciation			Net Book Value
	As at April 1, 2020	Additions	Disposals	As at March 31, 2021	As at April 1, 2020	Charge for the Year	On Disposals	As at March 31, 2021
<b>a Tangible Assets</b>								
Buildings*	7175.06	-	-	7,175.06	317.49	113.53	-	<b>6,744.04</b>
Furniture and Fixtures	222.09	0.10	-	222.19	147.25	9.97	-	<b>64.97</b>
Vehicles	11.48	-	-	11.48	10.13	0.28	-	<b>1.07</b>
Office Equipment	214.06	1.99	-	216.05	183.98	6.19	-	<b>25.88</b>
Computers and Data processing units	234.84	3.30	-	238.14	209.66	10.54	-	<b>17.94</b>
<b>Total (i)</b>	<b>7857.53</b>	<b>5.39</b>	<b>-</b>	<b>7,862.93</b>	<b>868.51</b>	<b>140.52</b>	<b>-</b>	<b>6,853.91</b>
<b>b Right-of-Use Assets</b>								
Leasehold Land**	446.65	-	-	446.65	78.06	4.96	-	<b>363.63</b>
Buildings	8.71	-	-	8.71	1.45	1.45	-	<b>5.80</b>
<b>Total (ii)</b>	<b>455.36</b>	<b>-</b>	<b>-</b>	<b>455.36</b>	<b>79.52</b>	<b>6.41</b>	<b>-</b>	<b>369.43</b>
<b>TOTAL (i+ii)</b>	<b>8,312.89</b>	<b>5.39</b>	<b>-</b>	<b>8,318.28</b>	<b>948.03</b>	<b>146.93</b>	<b>-</b>	<b>7,223.34</b>

Particulars	Gross Carrying Amount (At Cost)				Accumulated Depreciation				Net Book Value
	As at April 1, 2019	Additions	Disposals	As at March 31, 2020	As at April 1, 2019	Charge for the Year	On Disposals	As at March 31, 2020	
<b>a Tangible Assets</b>									
Land	-	-	-	-	-	-	-	-	-
Buildings*	7175.06	-	-	7,175.06	203.95	113.53	-	317.49	6,857.58
Furniture and Fixtures	221.21	0.88	-	222.09	137.38	9.87	-	147.25	74.84
Vehicles	11.48	-	-	11.48	9.85	0.28	-	10.13	1.35
Office Equipment	200.73	13.33	-	214.06	167.37	16.61	-	183.98	30.08
Computers and Data processing units	227.92	8.15	1.23	234.84	197.32	13.52	1.17	209.66	25.18
<b>Total (i)</b>	<b>7836.41</b>	<b>22.36</b>	<b>1.23</b>	<b>7857.53</b>	<b>715.87</b>	<b>153.81</b>	<b>1.17</b>	<b>868.51</b>	<b>6989.03</b>
<b>b Right-of-Use Assets</b>									
Leasehold Land**	446.65	-	-	446.65	73.10	4.96	-	78.06	368.59
Buildings	8.71	-	-	8.71	-	1.45	-	1.45	7.26
<b>Total (ii)</b>	<b>455.36</b>	<b>-</b>	<b>-</b>	<b>455.36</b>	<b>-</b>	<b>6.41</b>	<b>-</b>	<b>79.52</b>	<b>375.84</b>
<b>TOTAL (i+ii)</b>	<b>8,291.77</b>	<b>22.36</b>	<b>1.23</b>	<b>8,312.89</b>	<b>788.97</b>	<b>160.23</b>	<b>1.17</b>	<b>948.03</b>	<b>7,364.88</b>

#### Capital Commitments

\* The Company has capitalised building of Rs 6,834.99 lakh in FY 2018-19 pending registration in the name of the company and the cost of registrations charges would approximately be Rs. 500 lakhs.

\*\*The above leasehold land includes plots no. E-13 and E-14 at Sector - 1 Noida, 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. Therefore, the Company has provided a liability for FY 2020-21 of Rs. 11.30 lakhs (FY 2019-20: Rs. 11.30 lakhs ) as extension fee as per the lease deed extension charges clause payable to New Okhla Industrial Development Authority.

**NOTE -4**

Details of the Company's Capital work-in-progress and reconciliation of their carrying amounts from beginning to end of reporting period are as follows:

Particulars	Amount ( ₹ in Lakhs)
<b>As at April 1, 2019</b>	-
Additions during the year	-
Capitalised during the year	-
<b>As at March 31, 2020</b>	-
Additions during the year	78.61
Capitalised during the year	-
<b>As at March 31, 2021</b>	<b>78.61</b>

Capital work-in-progress comprise new interior work being carried at Okhla Building and fees towards building plan submission of Plot E-13 & E14, Sector-1 Noida amounting to Rs. 76.37 lakhs and Rs 2.24 lakhs (Previous Year: Nil) respectively.

**Contractual Commitments**

During FY 2020-21, the company has entered into a contract for development of new interior at Okhla Building amounting to Rs. 192 lakhs out of which 76.37 lakhs (Previous Year: Nil) has been incurred.

## NOTE -5

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

(₹ in Lakhs)

Intangible assets	Gross Carrying Amount (At Cost)			Accumulated Amortisation			Net Book Value
	As at April 1, 2020	Additions	Disposals	As at March 31, 2021	As at April 1, 2020	charged for the year	As at March 31, 2021
a Software	26.51	-	-	26.51	25.75	0.61	0.15
<b>TOTAL</b>	<b>26.51</b>	<b>-</b>	<b>-</b>	<b>26.51</b>	<b>25.75</b>	<b>0.61</b>	<b>0.15</b>

(₹ in Lakhs)

Intangible assets	Gross Carrying Amount (At Cost)			Accumulated Amortisation			Net Book Value
	As at April 1, 2019	Additions	Disposals	As at March 31, 2020	As at April 1, 2019	charged for the year	As at March 31, 2020
a Software	26.51	-	-	26.51	24.43	1.33	0.75
<b>TOTAL</b>	<b>26.51</b>	<b>-</b>	<b>-</b>	<b>26.51</b>	<b>24.43</b>	<b>1.33</b>	<b>0.75</b>

## NOTE -6

### 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 Lakhs)

Particulars	Amount
<b>As at April 1, 2019</b>	<b>13.16</b>
Additions during the year	-
Capitalised during the year	-
<b>As at March 31, 2020</b>	<b>13.16</b>
Additions during the year	-
Capitalised during the year	-
<b>As at March 31, 2021</b>	<b>13.16</b>

## NOTE -7

(₹ in Lakhs)

Other Financial Assets (Non -Current)	As at March 31, 2021		As at March 31, 2020	
<b>Security Deposits</b>				
- Considered good	21.95		21.95	
- Considered doubtful	0.78		0.78	
	22.73		22.73	
Less: Impairment Allowance	(0.78)	21.95	(0.78)	21.95
Advance recoverable from staff*		11.59		20.75
<b>Total</b>		<b>33.54</b>		<b>42.70</b>
*Includes interest accrued on advance		4.69		6.89

## NOTE -8

### Movements in Deferred Tax Assets

(₹ in Lakhs)

Deferred Tax Assets (Net)	As at March 31, 2020	Charged / Credited to Profit & Loss	Charged / Credited to OCI	As at March 31, 2021
<b>Deferred Tax Assets</b>				
Arising on account of Temporary difference in:				
Unabsorbed Depreciation & Losses	-	107.47	(4.42)	103.05
Provision for Employee Benefits	260.47	(73.14)	-	187.33
Amount paid under VRS	9.98	11.67	-	21.65
Provision for expected credit losses	516.38	41.56	-	557.93
Profit Related Pay (PRP) Provisions	208.66	(145.72)	-	62.93
Provision for other contingencies	774.19	-	-	774.19
Deferred revenue (net of unbilled receivable)	543.38	(262.17)	-	281.21
Other	212.57	63.12	-	275.69
<b>Deferred Tax Liabilities</b>				
Arising on account of Temporary difference in Depreciation	214.37	122.41	-	336.78
<b>Total</b>	<b>2,311.26</b>	<b>(379.63)</b>	<b>(4.42)</b>	<b>1,927.21</b>

## Movements in Deferred Tax Assets

(₹ in Lakhs)

Deferred Tax Assets (Net)	As at March 31, 2019	Charged / Credited to Profit & Loss	Charged / Credited to OCI	As at March 31, 2020
<b>Deferred Tax Assets</b>				
Arising on account of Temporary difference in:				
Provision for Employee Benefits	359.39	(98.93)	-	260.47
Amount paid under VRS	13.31	(3.33)	-	9.98
Provision for expected credit losses	517.82	(1.44)	-	516.38
Profit Related Pay (PRP) Provisions	215.59	(6.93)	-	208.66
Provision for other contingencies	1,074.90	(300.72)	-	774.19
Deferred revenue (net of unbilled receivable)	1,875.75	(1,332.37)	-	543.38
Other	-	212.57	-	212.57
<b>Deferred Tax Liabilities</b>				
Arising on account of Temporary difference in Depreciation	106.74	107.63	-	214.37
<b>Total</b>	<b>3,950.02</b>	<b>(1,638.77)</b>	<b>-</b>	<b>2,311.26</b>

## NOTE-9

(₹ in Lakhs)

Other Non-Current Assets	As at March 31, 2021	As at March 31, 2020
<b>Advances other than capital advances:</b>		
Advances to Suppliers & Others	1,333.51	5,753.70
Prepaid Expenses	110.63	165.94
<b>Total</b>	<b>1,444.14</b>	<b>5,919.64</b>

## NOTE-10

(₹ in Lakhs)

Trade Receivables	As at March 31, 2021	As at March 31, 2020
Unsecured:		
- Considered Good	7,328.03	9,633.76
- Trade Receivables which have significant increase in credit risk	-	-
- Credit impaired	807.24	496.62
	8,135.27	10,130.38
Impairment Allowance		
- Unsecured, Considered Good	(1,367.32)	(1,512.82)
- Unsecured, credit impaired	(807.24)	(496.62)
<b>Total</b>	<b>5,960.71</b>	<b>8,120.94</b>

## NOTE-11

(₹ in Lakhs)

Cash and Cash Equivalents	As at March 31, 2021	As at March 31, 2020
Balances in banks account with bank*	574.21	834.98
<b><u>On behalf of Ministries / Clients</u></b>		
Balances in bank account with bank	30,428.89	7,202.73
Flexi Deposits upto 3 months Original Maturity	125.00	19.78
<b>Total</b>	<b>31,128.10</b>	<b>8,057.49</b>

\* Includes balances in:

- Research and development fund	16.77	16.77
- Sustainable development fund	12.91	12.91

## NOTE-12

(₹ in Lakhs)

Bank Balance Other Than Above	As at March 31, 2021	As at March 31, 2020
<b>Other Bank Balances</b>		
Flexi Deposits having original maturity more than 3 months and upto 12 months (refer note (i) and (ii) below)	1,057.48	1,128.53
Fixed Deposits having original maturity more than 3 months and upto 12 months (refer note (i) and (ii) below)	4,297.80	20,346.65
<b><u>On behalf of Ministries / Clients</u></b>		
Flexi Deposits having Original Maturity more than 3 months and upto 12 months (refer note (iii) and (iv) below)	123,039.52	119,699.64
Fixed Deposits having Original Maturity more than 3 months and upto 12 months (refer note (iii) and (iv) below)	147,215.92	135,323.10
<b>Total</b>	<b>275,610.72</b>	<b>276,497.92</b>

### Notes:

(i) Includes interest accrued on deposits	46.47	240.84
(ii) Includes deposits pledged against bank guarantee	1,063.00	1,606.82
(iii) Includes interest accrued on deposits	3,022.63	3,767.95
(iv) Includes deposits pledged against letter of credit	2,063.11	516.94

## NOTE-13

(₹ in Lakhs)

Other Financial Assets	As at March 31, 2021		As at March 31, 2020	
Earnest Money & Security Deposits				
- Considered good	161.31		142.48	
- Considered Doubtful	14.44		14.44	
	175.75		156.92	
Less: Impairment Allowance	(14.44)	161.31	(14.44)	142.48
Advance Recoverable from Staff*		29.47		24.57
Claim Recoverable from clients				
- Considered Doubtful	13.01		13.01	
Less: Impairment Allowance	(13.01)	-	(13.01)	-
Recoverable from Clients		1,288.64		1,433.72
Other Recoverables		14.12		14.12
Unbilled revenue**		15,446.69		9,415.82
Interest recoverable		352.44		352.45
Receivable from others		85.16		3.03
<b>Total</b>		<b>17,377.83</b>		<b>11,386.19</b>

\* Includes interest accrued on advance

2.14

2.61

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

## NOTE-14

(₹ in Lakhs)

Current Tax Assets (Net)	As at March 31, 2021	As at March 31, 2020
Advance Income Tax	10,704.87	9,968.96
Less: Provision for Taxation	8,987.32	8,987.99
<b>Total</b>	<b>1,717.55</b>	<b>980.97</b>

## NOTE-15

(₹ in Lakhs)

Other Current Assets	As at March 31, 2021	As at March 31, 2020
Advances to Suppliers & Others*	15,702.33	19,457.09
Prepaid Expenses	56.35	62.07
Balances with Government Authorities	14.50	21.16
Others	4.38	16.87
<b>Total</b>	<b>15,777.56</b>	<b>19,557.19</b>

\*Includes amount paid in advance to Gratuity Trust (Net Defined Benefit Asset)

14.44

-

**NOTE-16**

(₹ in Lakhs)

Assets held for Sale	As at March 31, 2021	As at March 31, 2020
Assets held for Sale	1.65	1.65
<b>Total</b>	<b>1.65</b>	<b>1.65</b>

Includes Property, Plant, & Equipment of Gross block and accumulated depreciation amounting to Rs. 40.04 lakhs and 38.39 lakh respectively

**NOTE-17**

(₹ in Lakhs)

Equity Share Capital	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
<b>Authorised:</b>				
Equity Shares of ₹ 100/- ( Previous Year ₹ 100) each	500,000	500.00	500,000	500.00
<b>Issued, Subscribed &amp; Paid up:</b>				
Fully paid up Equity Shares of ₹ 100/- ( Previous Year ₹ 100 ) each	180,014	180.01	180,014	180.01
<b>Total</b>	<b>180,014</b>	<b>180.01</b>	<b>180,014</b>	<b>180.01</b>

**NOTE-17A**

Equity Share Capital	Equity Shares		Equity Shares	
	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	180,014	180.01	180,014	180.01
Add/(Less) : Shares issued/(buy back) during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>180,014</b>	<b>180.01</b>	<b>180,014</b>	<b>180.01</b>

**NOTE-17B****Shareholders holding more than 5% of fully paid-up equity shares:** (₹ in Lakhs)

Name	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Percentage	No. of Shares	Percentage
NBCC (India) Limited*	180,014	100%	180,014	100%

\* Includes 42 (no.) Shares held by the nominees of NBCC (India) Limited

**NOTE-17C**

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-17D

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 fully paid were bought back.

## NOTE -17E

Other Equity	As at March 31, 2021	As at March 31, 2020
General Reserve	3,335.53	3,335.53
Capital Redemption Reserve	60.00	60.00
Retained Earnings	8,222.69	7,440.11
Other Comprehensive Income (Remeasurement of Defined Benefit Plans)	(24.44)	(37.57)
<b>Total</b>	<b>11,593.78</b>	<b>10,798.07</b>

### Reserves and Surplus

#### Nature and purpose of Other Reserves

##### Retained Earnings

Retained Earnings 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 declare 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 -18

Other Non-Current Financial Liabilities	As at March 31, 2021	As at March 31, 2020
Lease Liabilities (Non Current)	4.91	6.28
<b>Total</b>	<b>4.91</b>	<b>6.28</b>

## NOTE-19

(₹ in Lakhs)

Provisions- Non Current	As at March 31, 2021	As at March 31, 2020
Provisions for Employee Benefits :		
Leave Encashment	624.02	887.23
Leave travelling allowance	1.62	1.40
<b>Total</b>	<b>625.64</b>	<b>888.63</b>

For movements in each class of Provision and Employee Benefits note refer note 37 & 41 respectively.

## NOTE-20

(₹ in Lakhs)

Trade Payables	As at March 31, 2021	As at March 31, 2020
Due to Micro, Small and Medium Enterprises		
- Trade Payables for Works & Services	45.60	479.39
Due to others		
- Trade Payables for Works & Services	16,472.75	35,113.15
Amount withheld	32,955.66	38,003.14
<b>Total</b>	<b>49,474.01</b>	<b>73,595.68</b>

## NOTE-21

(₹ in Lakhs)

Other Current Financial Liabilities	As at March 31, 2021	As at March 31, 2020
Book Overdraft	2,519.27	8,744.03
Current maturities of Lease Liabilities	1.38	1.26
Earnest Money & Security Deposits	17,742.90	20,336.96
Amount payable to Holding Company	32.79	41.63
Other Payables	8,456.20	4,227.68
<b>Total</b>	<b>28,752.54</b>	<b>33,351.56</b>

## NOTE-22

(₹ in Lakhs)

Other Current Liabilities	As at March 31, 2021	As at March 31, 2020
Taxes Payable	1,697.55	2,436.70
Advance fees from Clients	579.18	499.56
Deposit from Clients	255,637.08	207,246.63
Deferred Revenue	6,257.41	7,117.88
<b>Total</b>	<b>264,171.22</b>	<b>217,300.77</b>

## NOTE-23

(₹ in Lakhs)

Provisions-Current	As at March 31, 2021	As at March 31, 2020
Provision for Employee Benefits:		
Gratuity	0.18	52.41
Leave Encashment	120.30	145.47
Leave travelling allowance	1.23	1.06
Provision for Performance Related Pay (PRP)	250.06	829.05
Research & Development Fund	16.77	16.77
Sustained Development Fund	12.91	12.91
Corporate Social Responsibility	14.64	-
Provision for other contingencies	3,076.07	3,076.07
<b>Total</b>	<b>3,492.16</b>	<b>4,133.74</b>

For movements in each class of Provision and Employee Benefits note refer note 37 & 41 respectively.

## NOTE-24

(₹ in Lakhs)

Revenue from Operations	For the year ended on March 31, 2021	For the year ended on March 31, 2020
<b>Value of Services</b>		
Value of Work Done	129,059.67	212,509.19
<b>Total</b>	<b>129,059.67</b>	<b>212,509.19</b>

## NOTE-25

(₹ in Lakhs)

Other Operating Revenues	For the year ended on March 31, 2021	For the year ended on March 31, 2020
Sale of Tender Documents	12.62	31.86
Provisions Written Back	0.41	-
Miscellaneous Receipts	7.50	0.43
<b>Total</b>	<b>20.53</b>	<b>32.29</b>

## NOTE-26

(₹ in Lakhs)

Other Income	For the year ended on March 31, 2021	For the year ended on March 31, 2020
Banks Interest Gross	207.60	632.93
Interest received on behalf of client*	14,501.21	16,388.79
Less: interest passed to Clients*	(14,501.21)	(16,388.79)
	<b>207.60</b>	<b>632.93</b>
Interest from Advance to Staff	1.31	1.94
<b>Total</b>	<b>208.91</b>	<b>634.87</b>

\* Includes interest income earned on client's fund and passed to client amounting to Rs. 250.81 lakhs (previous year Rs. 844.60 lakhs) during the year ended on March 31, 2021 calculated on estimation/provisional basis.

**NOTE-27**

( ₹ in Lakhs)

Work and Consultancy Expenses	For the year ended on March 31, 2021	For the year ended on March 31, 2020
Work Expenses (with material)	123,220.12	200,972.73
<b>Total</b>	<b>123,220.12</b>	<b>200,972.73</b>

**NOTE-28**

( ₹ in Lakhs)

Employee Benefits Expense	For the year ended on March 31, 2021	For the year ended on March 31, 2020
Salaries and Incentives	3,132.24	3,356.48
Contributions to Provident and Other Fund	450.83	454.48
Gratuity fund contributions	54.93	4.66
Leave Encashment	44.23	339.58
Travelling Allowance	0.39	1.36
Staff Welfare Expenses	29.21	25.14
Contribution for Medical Benefit	48.16	56.08
<b>Total</b>	<b>3,759.99</b>	<b>4,237.78</b>

The Company has not made provision for contribution to medical and welfare trust during the FY 2020-21 (Previous Year: Nil ) as trusty has decided suffiecient amount of fund available in both medical & welfare trust and there is no requirment of the additional contribution to respective funds.

**NOTE -28A****Remuneration of Key Managerial Personnel**

Remuneration to the Managing Director, Director (Engineering), Chief Financial Officer and Company Secretary during the year is Rs. 133.73 Lakhs (Previous Year Rs. 122.15 Lakhs ) as detailed below excluding reimbursement of expenses:-

( ₹ in Lakhs)

Particulars	For the year ended on March 31, 2021	For the year ended on March 31, 2020
Salaries and Incentives*	117.18	104.48
Contributions to Provident and Other Fund	13.55	8.54
Gratuity fund contributions**	0.20	0.19
Leave Encashment	2.67	8.86
Travelling Allowance	0.01	0.01
Contribution for Medical Benefit	0.10	0.08
<b>Total</b>	<b>133.73</b>	<b>122.15</b>

\*Profit related pay is calculated on estimation basis.

\*\*Gratuity expenses of KMPs are calculated without considering actuarial assumptions.

## NOTE-29

(₹ in Lakhs)

Finance Cost	For the year ended on March 31, 2021	For the year ended on March 31, 2020
Interest cost on lease liability	0.60	0.70
<b>Total</b>	<b>0.60</b>	<b>0.70</b>

## NOTE-30

(₹ in Lakhs)

Depreciation and amortisation	For the year ended on March 31, 2021	For the year ended on March 31, 2020
Depreciation on property, plant and equipment*	146.93	160.23
Amortisation on intangible assets	0.61	1.33
<b>Total</b>	<b>147.54</b>	<b>161.56</b>

\* \* The Depreciation comprises depreciation on right-of-use assets of Rs. 6.41 lakhs (Previous year: Rs. 6.41 lakhs) for the year ended on March 31, 2021.

## NOTE-31

(₹ in Lakhs)

Other Expenses	For the year ended on March 31, 2021	For the year ended on March 31, 2020
Advertisement	6.45	13.03
Auditor's Remuneration	21.00	21.00
Bank Charges & Guarantee Commission	3.58	9.44
CSR Expenditure	134.64	129.25
Director's Sitting Fee	1.10	0.15
Exchange Loss	(0.17)	(0.07)
Insurance	0.07	0.96
Provision for excepted credit loss on trade receivables	165.11	569.87
Legal & Professional Charges	144.38	153.53
Miscellaneous Expenses	39.61	52.86
Postage & Telephone	7.74	10.45
Printing & Stationery	27.96	33.77
Rates & Taxes	5.18	29.79
Rent*	12.69	24.37
Repairs & Maintenance		
(i) Plant & Machinery/Vehicles/Equipments	29.21	22.37
(ii) Buildings	64.57	62.35
(iii) Others	25.47	25.86
Travelling & Conveyance	80.42	181.14
Water, Electricity & Allied charges	30.49	39.11
<b>Total</b>	<b>799.50</b>	<b>1,379.23</b>

\*Rent includes the lease rental payments made on all leases with a term of not more than twelve months and the underlying asset is of low value.

**NOTE-31A**

(₹ in Lakhs)

Payment to Auditors	For the year ended on March 31, 2021	For the year ended on March 31, 2020
Audit fee	12.00	12.00
Tax Audit	4.50	4.50
Quarterly Limited Review	4.50	4.50
<b>Total</b>	<b>21.00</b>	<b>21.00</b>

**NOTE-32**

(₹ in Lakhs)

Tax Expenses	For the year ended on March 31, 2021	For the year ended on March 31, 2020
Tax expense comprises of:		
Current Income Tax	-	1,149.81
Deferred Tax*	379.63	1,638.77
Taxation in Respect of Earlier Year	(0.67)	(127.23)
<b>Total</b>	<b>378.96</b>	<b>2,661.35</b>

\*During the year ended March 31, 2020, the effective corporate tax rate has been reduced from 34.944% to 25.168% on account of insertion of new section 115BAA of Income Tax Act, 1961. By virtue of this tax rate reduction, the net deferred tax asset available to company has been decreased and corresponding tax expense has been increased significantly. The profit of company is decreased for the year ended on March 31, 2020 by Rs. 1,082.60 lakhs.

**Note -32A: Uncertainty over income tax treatment****a. Appeal pending before Income Tax Appellate Tribunal of FY 2013-14 (AY 2014-15)**

The income tax return of FY 2013-14 (AY 2014-15) went under scrutiny assesment as per the section 143 of Income Tax Act, 1961. The company had claimed the net refund of Rs. 232.60 lakhs in income tax return of said year. The assessing officer had passed adhoc order and reduced the refund to zero. The company went before the CIT (Appeals) against the order of assessing officer. The CIT (Appeals) maintained the order of assessing officer and accepted the no refund order of assessing officer. The company had filed appeal before the Income Tax Appellate Tribunal against the order of CIT (Appeals). The case has still undecided. However, the company has made a contingent liability of Rs. 42.14 lakhs. The company believes that the orders of CIT (Appeals) will not be maintainable and it is probable that it would successfully defend the ground of appeal before Income Tax Appellate Tribunal. Hence, the company has not recognised any amount in respect of such uncertainty.

**b. Scrutiny Assessment of FY 2017-18 (AY 2018-19)**

The income tax department send the Intimation u/s 143(1) of Income Tax Act, 1961 showing additions to taxable income and disallowance of credit of dividend distribution presented in income tax return of said year. The same adjustment has been confirmed in scrutiny assessment u/s 143(3) of Income Tax Act, 1961. The income tax department has raised the demand of Rs. 318.27 lakhs (after adjusting refund Rs. 112.75 lakhs). The company has filed an appeal against such order before CIT (Appeals). The case has still undecided. However, the company has made a contingent liability of Rs. 431.02 lakhs. The company

believes that the orders of assessing officer will not be maintainable and it is probable that it would successfully defend the ground of appeal before CIT (Appeals) on the basis of interpretations of tax law, facts of the case and prior experience of litigations. Hence, the company has not recognised any amount in respect of such uncertainty.

### c. Expense claimed on provisional/estimation basis

During the FY 2020-21, the company has earned the interest income on the fund lying in pool account on behalf of client and transferred to client's fund (expenditure) of Rs. 250.81 lakhs (Previous Year Rs. 844.60 lakhs) (See Note no. 26). The said expenditure is calculated on estimation/provisional basis which is disallowable by income tax department. In order to save future penalty/interest, the company will be paying current tax through disallowing the said expenditure and simultaneously creating deferred tax asset in tax computation. The final deduction will be claimed whenever the actual interest will be claimed by the client. Hence, there will always be uncertainty over income tax base of Rs. 1,095.41 lakhs (Rs. 844.60 lakhs + 250.81 lakhs) and consequently on current tax expense as well as deferred tax expense on it.

## NOTE -32B: RECONCILIATION OF EFFECTIVE TAX RATE

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 Lakhs)

Tax Reconciliation	For the year ended on March 31, 2021	For the year ended on March 31, 2020
Accounting Profit before Tax from Continuing Operations	1,361.36	6,424.35
<b>Accounting Profit before Income Tax</b>	<b>1,361.36</b>	<b>6,424.35</b>
At India's Statutory Income Tax Rate	25.168%	25.168%
Income Tax	342.63	1,616.88
Effect of Non-Deductible Expenses	37.00	8.78
Effects due to change in deferred tax rate	-	1,082.60
Taxation in Respect of Earlier Year (On account of permanent difference)	(0.67)	(46.91)
<b>Tax Expense</b>	<b>378.96</b>	<b>2,661.35</b>
<b>Actual Tax Expense</b>	<b>378.96</b>	<b>2,661.35</b>
<b>Effective Tax Rate</b>	<b>27.84%</b>	<b>41.43%</b>

## NOTE-33

(₹ in Lakhs)

Other Comprehensive Income	For the year ended on March 31, 2021	For the year ended on March 31, 2020
<b>Items that will not be reclassified to profit or loss :</b>		
Re-measurement gains (losses) on defined benefit plans	17.55)	(50.21)
Income tax effect of the above	(4.42)	12.64
<b>Total</b>	<b>13.13</b>	<b>(37.57)</b>

**NOTE-34**

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

( ₹ in Lakhs)

Earnings per Equity Share	For the year ended on March 31, 2021	For the year ended on March 31, 2020
<b>Profit attributable to Equity Holders for basic/diluted earnings (Continuing Operations)</b>	982.40	3,763.00
<b>Total number of outstanding equity shares :</b>		
At the beginning of the year (no.)	180,014	180,014
At the end of the year (no.)	180,014	180,014
Weighted average number of Equity shares for basic EPS (no.)	180,014	180,014
Face Value per Equity Share ( ₹ )	100.00	100.00
<b>Earnings per Equity Share:</b>		
(1) Basic (in ₹ )	545.74	2,090.39
(2) Diluted (in ₹ )	545.74	2,090.39

## NOTE-35

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

A. Particulars	As at March 31, 2021	As at March 31, 2020
<b>ESI</b> - 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
<b>Bank Guarantee</b> - Outstanding Performance bank guarantees issued by Banks for Construction projects on behalf of the company.	1,063.00	1,606.82
<b><u>Employee Related Matter</u></b>		
In January 2019, a claim was lodged along with interest on account of arrears in fixation of basic pay in implementation of 2nd pay revision @ prevailing market rate compounded monthly before Delhi centre for Arbitration , Delhi High Court.	-	29.01
<b><u>"Provident Fund</u></b>		
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 Rs. 5.15 Lacs. However, case is still pending on account of lockdown although last date of hearing was 16/04/2020"	6.86	6.86
<b><u>Demand raised by Income Tax Department:</u></b>		
Income Tax demand for Asstt.Year 2018-19- Appeal pending before CIT(A) filed on 18.02.2021 w.r.t. addition to income and disallowance of credit of dividend distribution tax.	431.02	-
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.	42.14	42.14
<b>Total</b>	<b>1,544.85</b>	<b>1,686.66</b>

- B.** The company is in the process of filling application before the AO for cancellation of outstanding TDS demand amounting to Rs. 12.73 lakhs.
- C.** The company is contingently liable 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. Capital Commitments**

The company has purchased a building space which are still pending for registration and the cost of registrations charges would approximately be Rs. 500 lakhs and has entered contract for new interior work being constructed at Okhla Building amounting to Rs. 192 lakhs out of which 76.37 lakhs (Previous Year: Nil) has been incurred (see note no. 3 and 4).

## II. Contingent Liabilities not provided for Ministries/Client

- A.** Claims by Suppliers/contractors aggregating to Rs. 17731.26 Lakhs (31 March 2020 15,786.51 Lakhs) towards supply of material and works contracts are under court/arbitration against various clients and interest on above is Rs. 7519.28 lakhs (31 March 2020 Rs. 5,614.60 lakhs) lakhs upto March 31, 2021, where HSCC is co-defendant. The said contingent liabilities include a claim of Rs. 166.35 lakhs was awarded along with Interest of Rs.24.65 (@ 10% from October 07, 2019) till the date of payment in favour of Apex Construction Co. against client AIIMS, New Delhi. The decision is yet to be taken whether to make payment or file an appeal against the arbitration award.
- B.** As on March 31, 2021 outstanding amount of Foreign Letters of Credit Rs. 1979.99 Lakhs (31 March 2019 Rs. Rs. 516.94 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.

## III. Contingent Assests:

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
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.	3.55	479.56

## NOTE -36

### Dividend and Reserves

(₹ in Lakhs)

Distribution Made, Declared and Proposed	As at March 31, 2021	As at March 31, 2020
<b>Cash Dividends on Equity Share Paid</b>		
Interim Dividend of FY 2020-21 paid	199.82	-
Interim Dividend of FY 2019-20 paid (including Dividend Distribution Tax)	-	3,014.36
Final Dividend of FY 2018-19 paid (including Dividend Distribution Tax)	-	3,603.19

The board of director has proposed the final dividend of Rs. 216.05 per equity share and it is subject to approval of shareholders in their general meeting of the company.

## NOTE - 37

### Disclosure under 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 namely "HSCC Employees' Gratuity Fund Trust". The Company has taken a Group Gratuity cum Life Insurance Policy from the Life Insurance Corporation of India for 157 employees. The company has taken another a Group Gratuity cum Life Insurance Policy for additional employees during FY 2019-20 from the Life Insurance Corporation of India which contains 26 employees. 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. The liability for the same is recognised on the basis of actuarial valuation and accordingly transferred to Gratuity Trust. The amount payable/receivable of Gratuity policy containing 157 employees and Gratuity policy containing 26 employees as at March 31, 2021 is Receivable ₹ 14.44 Lakhs {March 31, 2020: ₹ 50.17 Lakhs payable} and ₹ 0.18 Lakhs payable {March 31, 2020: ₹ 2.23 Lakhs payable} respectively.

### Earned Leave

The Company has 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 2020-21 is accounted for on the basis of Actuarial Valuation. The cumulative liability for Earned Leave Encashment as on March 31, 2021 is ₹ 378.67 lakhs {March 31, 2020: ₹ 668.04 lakhs}.

### Sick Leave

The Company has 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 2020-21 is accounted for on the basis of Actuarial Valuation. The cumulative liability for Sick Leave Encashment as on March 31, 2021 is ₹ 365.64 lakhs {31 March 2020: ₹ 364.66 lakhs}.

### Travelling Allowance

The cumulative liability for Travelling Allowance to be paid to the employees as on March 31, 2021 is ₹ 2.84 lakhs {31 March 2020: ₹ 2.46 lakhs} based on actuarial valuation.

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

(₹ in Lakhs)

Particulars	Period	Gratuity (157 Employees)	Gratuity (26 Employees)	Earned Leave	Sick Leave	Travelling Allowance
Present value of obligations as at the end of year	2020-21	962.60	7.18	378.67	365.64	2.84
	2019-20	902.38	2.23	668.04	364.66	2.46
Fair value of plan assets as at the end of the year	2020-21	977.04	7.01	-	-	-
	2019-20	852.21	-	-	-	-
Net (Assets)/Liability recognized in balance sheet	2020-21	(14.44)	0.18	378.67	365.64	2.84
	2019-20	50.17	2.23	668.04	364.66	2.46

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

(₹ in Lakhs)

Particulars	Period	Gratuity (157 Employees)	Gratuity (26 Employees)	Earned Leave	Sick Leave	Travelling Allowance
Current Service Cost	2020-21	44.19	4.79	39.45	26.15	0.57
	2019-20	-	2.23	67.17	28.62	0.55
Interest Cost on Defined Benefit Obligation	2020-21	63.17	0.16	46.16	25.20	0.17
	2019-20	58.69	-	55.82	22.60	0.15
Interest Income on Plan Assets	2020-21	(64.74)	-	-	-	-
	2019-20	(63.08)	-	-	-	-
Fund Management Charges	2020-21	4.68	-	-	-	-
	2019-20	4.35	-	-	-	-
Net Actuarial (Gain) / Loss recognized in the period	2020-21	-	-	(49.57)	(43.16)	(0.36)
	2019-20	-	-	143.52	21.86	0.65
Expenses recognized in Statement of Profit and Loss	2020-21	47.29	4.95	36.04	8.19	0.39
	2019-20	(0.04)	2.23	266.51	73.08	1.35

Gratuity expense in Statement of Profit and Loss includes gratuity insurance of Rs. 2.69 lakhs {March 31, 2020: Rs. 2.46 lakhs}

**c) Expenses recognized in Other Comprehensive Income is as under:**

(₹ in Lakhs)

Particulars	Period	Gratuity (157 Employees)	Gratuity (26 Employees)
Actuarial (Gains)/Loss on Defined Benefit Obligation	2020-21	(17.55)	(0.00)
	2019-20	50.21	-
Actuarial (Gains)/Loss on Asset	2020-21	-	-
	2019-20	-	-
Actuarial Gain/(Loss) recognized in Other Comprehensive Income	2020-21	(17.55)	(0.00)
	2019-20	50.21	-

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

(₹ in Lakhs)

Particulars	Period	Gratuity (157 Employees)	Gratuity (26 Employees)	Earned Leave	Sick Leave	Travelling Allowance
Present Value of Obligations as at beginning of year	2020-21 2019-20	902.38 828.44	2.23 -	668.04 722.11	364.66 291.58	2.46 1.95
Acquisition Adjustment	2020-21 2019-20	- -	- -	- -	- -	- -
Interest Cost	2020-21 2019-20	63.17 58.69	0.16 -	46.16 55.82	25.20 22.60	0.17 0.15
Current Service Cost	2020-21 2019-20	44.19 -	4.79 2.23	39.45 67.17	26.15 28.62	0.57 0.55
Actuarial (Gains)/Losses arising from						
Changes in Demographic Assumptions	2020-21 2019-20	- -	- -	- 0.08	- 0.04	- 0.00
Changes in Financial Assumptions	2020-21 2019-20	- -	- -	(34.94) 50.49	(25.71) 23.80	0.02 0.16
Experience Adjustments	2020-21 2019-20	(17.55) 50.21	(0.00) -	(14.63) 92.95	(17.44) (1.98)	(0.38) 0.49
Past Service Cost	2020-21 2019-20	- -	- -	- -	- -	- -
Benefits Paid	2020-21 2019-20	(29.60) (34.96)	- -	(325.41) (320.57)	(7.20) -	- (0.85)
<b>Present value of obligations as at end of year</b>	<b>2020-21 2019-20</b>	<b>962.60 902.38</b>	<b>7.18 2.23</b>	<b>378.67 668.04</b>	<b>365.64 364.66</b>	<b>2.84 2.46</b>

**e) Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets is as under:**

(₹ in Lakhs)

Particulars	Period	Gratuity (157 Employees)	Gratuity (26 Employees)
Fair Value of plan assets as on beginning of year	2020-21 2019-20	852.21 828.44	- -
Interest Income	2020-21 2019-20	64.74 63.08	- -
Re-measurement Gain/(Loss)-return on plan assets excluding amounts included in net interest expense)	2020-21 2019-20	- -	- -
Contributions from the employer	2020-21 2019-20	94.36 -	7.01 -
Fund Management Charges	2020-21 2019-20	(4.68) (4.35)	- -
Benefits paid	2020-21 2019-20	(29.60) (34.96)	- -
<b>Fair value of Plan Assets at the end of year</b>	<b>2020-21 2019-20</b>	<b>977.04 852.21</b>	<b>7.01 -</b>

**f) Actuarial Assumptions are as under:**

Particulars	Period	Gratuity (157 Employees)	Gratuity (26 Employees)	Earned Leave	Sick Leave	Travelling Allowance
Discount Rate	2020-21	7.00%	7.00%	6.81%	6.81%	6.81%
	2019-20	7.25%	7.25%	6.91%	6.91%	6.91%
Expected rate of Future Salary Increase	2020-21	7.00%	7.00%	6.00%	6.00%	NA
	2019-20	7.00%	7.00%	7.00%	7.00%	NA
Retirement Age	2020-21	58	58	60	60	60
	2019-20	58	58	60	60	60
Cost per Employee (In ₹)	2020-21	NA	NA	NA	NA	14,956
	2019-20	NA	NA	NA	NA	14,110
Ages		<b>Withdrawal Rate</b>	<b>Withdrawal Rate</b>	<b>Withdrawal Rate</b>	<b>Withdrawal Rate</b>	<b>Withdrawal Rate</b>
Up to 30 Years	2020-21		3.00%	3.00%	3.00%	3.00%
	2019-20	1% to 3%	3.00%	3.00%	3.00%	3.00%
From 31 to 44 years	2020-21	depending on age	2.00%	2.00%	2.00%	2.00%
	2019-20		2.00%	2.00%	2.00%	2.00%
Above 44 years	2020-21		1.00%	1.00%	1.00%	1.00%
	2019-20		1.00%	1.00%	1.00%	1.00%
<b>Leave</b>						
Leave Availment Rate	2020-21	NA	NA	2.50%	2.50%	NA
Leave Lapse rate while in service	2020-21	NA	NA	Nil	Nil	NA
Leave Lapse rate on exit	2020-21	NA	NA	Nil	60.00%	NA
Leave encashment Rate while in service	2020-21	NA	NA	25.00%	Nil	NA
	2019-20	NA	NA	25.00%	Nil	NA
Mortality rates inclusive of provision for disability :	2020-21	100% of IALM (2012-14)	100% of IALM (2012-14)	100% of IALM (2012-14)	100% of IALM (2012-14)	100% of IALM (2012-14)
	2019-20	100% of IALM (2012-14)	100% of IALM (2012-14)	100% of IALM (2012-14)	100% of IALM (2012-14)	100% of IALM (2012-14)

### 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:

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

### g) Maturity Profile of Defined Benefit Obligation is as under for the year of March 2021:

(₹ in Lakhs)

Particulars	Period	Gratuity (157 Employees)	Gratuity (26 Employees)	Earned Leave	Sick Leave	Travelling Allowance
Duration of defined benefit obligation Duration (years)						
1	2021-22	286.64	0.01	61.20	59.10	1.23
2	2022-23	88.27	0.02	54.58	46.48	0.60
3	2023-24	42.14	0.03	20.60	24.09	0.52
4	2024-25	20.96	0.17	34.71	32.76	0.50
5	2025-26	80.72	0.17	13.99	18.96	-
Above 5	2026-27	443.87	6.78	193.60	184.24	-
	Onwards					
<b>Total</b>		<b>962.60</b>	<b>7.18</b>	<b>378.67</b>	<b>365.64</b>	<b>2.84</b>

### h) Summary of Membership Data:

Particulars	Period	Gratuity (157 Employees)	Gratuity (26 Employees)	Earned Leave	Sick Leave	Travelling Allowance
Number of Employees	2020-21	157	26	183	183	183
	2019-20	163	26	188	188	184
Total Monthly Salary (₹ in Lakhs)	2020-21	124.10	9.40	134.39	134.39	NA
	2019-20	123.63	9.05	131.29	131.29	NA
Average Past Service (Years)	2020-21	12.84	1.45	11.23	11.23	11.23
	2019-20	12.02	0.52	10.43	10.43	10.37
Average Age (Years)	2020-21	41.84	28.42	39.98	39.98	39.96
	2019-20	41.04	27.37	39.11	39.11	38.86
Average remaining Working Life (Years)	2020-21	16.16	29.58	20.02	20.02	20.04
	2019-20	16.96	30.63	20.89	20.89	21.14

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

(₹ in Lakhs)

Particulars	Period	Gratuity (157 Employees)	Gratuity (26 Employees)	Earned Leave	Sick Leave	Travelling Allowance
Fund Managed by Insurer	2020-21	100%	100%	-	-	-
	2019-20	100%	100%	-	-	-

**j) Sensitivity analysis is as under:**

**Impact of the Change in Discount Rate**

(₹ in Lakhs)

Particulars	Period	Gratuity (157 Employees)	Gratuity (26 Employees)	Earned Leave	Sick Leave	Travelling Allowance
Impact due to Increase of 0.50%	2020-21	(29.04)	(0.74)	(17.12)	(12.92)	(0.13)
Impact due to Decrease of 0.50%	2019-20	31.31	0.84	18.63	13.82	0.14

**Impact of the Change in Salary Increase**

(₹ in Lakhs)

Particulars	Period	Gratuity (157 Employees)	Gratuity (26 Employees)	Earned Leave	Sick Leave	Travelling Allowance
Impact due to Increase of 0.50%	2020-21	18.97	0.84	18.72	13.88	NA
Impact due to Decrease of 0.50%	2019-20	(20.06)	(0.74)	(17.23)	(13.01)	NA

\*Changes in Defined Benefit Obligation due to 0.5% Increase/Decrease in Mortality Rate & Withdrawals 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 - 38

### Related party transactions Holding Co.

NBCC (India) Limited.

## KEY MANAGERIAL PERSONNEL (KMP)

1. Sri. Pawan Kumar Gupta, Chairman (Add. Director)  
(w.e.f. October 7, 2019 till date)
2. Sri Shivdas Meena, Chairman  
(w.e.f. April 05, 2019 to October 7, 2019)
3. Sri Gyanesh Pandey (Managing Director)
4. Sri. Suresh Chandra Garg, Director (Engineering)  
(w.e.f. January 15, 2020)
5. Smt. D. Thara, Government Nominee Director  
(w.e.f. January 01, 2020)
6. Smt. Nandita Gupta, Government Nominee Director  
(w.e.f. February 1, 2019 to December 31, 2019)

7. Smt. Vinod Panthi, Independent Director  
(w.e.f. August 1, 2019 till date)
8. Smt. Jyoti Kiran Shukla, Independent Director  
(w.e.f April 27, 2020)
9. Sri Mahesh Chand Bansal, Chief Financial Officer  
(w.e.f August 07, 2019 till date)
10. Sri Chandra Shekhar Gupta, Chief Financial Officer  
(w.e.f May 25, 2019 to August 06, 2019)
11. Sri Saurabh Srivastava, Chief Financial Officer  
(w.e.f. February 8, 2019 to May 8, 2019)
12. Smt. Sonia Singh, Company Secretary  
(w.e.f November 18, 2019 till date)

( ₹ in Lakhs)

Nature of transactions	As at March 31, 2021		As at March 31, 2020	
	Holding Company	Key Managerial Personnel	Holding Company	Key Managerial Personnel
Outstanding balances				
Amount Receivable/(Payable)	(32.79)	-	(41.63)	-
Prepaid expense	165.94	-	221.25	-

( ₹ in Lakhs)

Nature of transactions	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Holding Company	Key Managerial Personnel	Holding Company	Key Managerial Personnel
Building Maintenance Charges	55.31	-	55.31	-
Secondment Charges	45.78	-	80.43	-
Dividend Paid	199.82	-	5,489.22	-
Managerial Remuneration	-	133.73	-	122.15
Reimbursement of expenses	-	-	35.50	-
<u>Sitting Fees to Independent Director : -</u>				
a. Smt. Vinod Panthi		0.60		0.15
b. Smt. Jyoti Kiran Shukla	-	0.50		-

**Details relating to the Managerial Remuneration stated above**

(₹ in Lakhs)

S. No.	Particulars	For the year ended March 31, 2021			
		Short Term Employees Benefit	Post Employment Benefits	Long Term Employee Benefits	Total
1.	Sri Gyanesh Pandey, Managing Director	46.38	7.20	-0.77	52.81
2.	Sri Suresh Chandra Garg, Director (Engineering)	33.91	5.31	3.08	42.30
3.	Sri Mahesh Chand Bansal, Chief Financial Officer	30.48	-	-	30.48
4.	Smt. Sonia Singh, Company Secretary	6.52	1.24	0.38	8.14
	<b>Total</b>	<b>117.29</b>	<b>13.76</b>	<b>2.69</b>	<b>133.73</b>

Negative expenses represents leaves lapsed related to earned leaves under long term employee benefits.

(₹ in Lakhs)

S. No.	Particulars	For the year ended March 31, 2020			
		Short Term Employees Benefit	Post Employment Benefits	Long Term Employee Benefits	Total
1.	Sri Gyanesh Pandey, Managing Director	66.98	6.71	6.91	80.60
2.	Sri Suresh Chandra Garg, Director (Engineering)	7.23	1.05	1.28	9.56
3.	Sri Saurabh Srivastava, Chief Financial Officer	2.69	0.53	0.35	3.57
4.	Sri Chandra Shekhar Gupta, Chief Financial Officer	4.73	-	-	4.73
5.	Sri Mahesh Chand Bansal, Chief Financial Officer	20.18	-	-	20.18
6.	Smt. Sonia Singh, Company Secretary	2.75	0.44	0.33	3.52
	<b>Total</b>	<b>104.56</b>	<b>8.72</b>	<b>8.87</b>	<b>122.15</b>

**NOTE -39****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, 2021 revenue of approximately 57.04% (previous year : 54.50%) are derived from a single external customer in the Project Management Consultancy Segment.

## NOTE -40

### Disclosure relating to Corporate Social Responsibility

Particulars	For the year ended on March 31, 2021	For the year ended on March 31, 2020
Average net profit of the company as per section 135(5).	6731.94	6462.52
Two percent of average net profit of the company as per section 135(5)	134.64	129.25
Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	-	-
Amount required to be set off for the financial year,	-	-
<b>Total CSR obligation for the Financial Year</b>	<b>134.64</b>	<b>129.25</b>
Actual Amount Spent (Including Administrative Overhead)	120.00	129.25
Surplus Amount Spent	-	-
Amount Unspent	14.64	-

CSR amount spent or unspent for the financial year:					
Total Amount Spent for the Financial Year. (in Rs. lakhs)	Total Amount transferred to Unspent CSR Account		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
120.00	Nil	NA	-	Nil	NA

Details of Unspent CSR amount for the preceding three financial years:				
Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs. lakhs).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any	Amount remaining to be spent in succeeding financial years. (in Rs. lakhs)
2017-18	Nil	120.65	Nil	Nil
2018-19	Nil	134.16	Nil	Nil
2019-20	Nil	129.25	Nil	Nil

Particulars	For the year ended on March 31, 2021			For the year ended on March 31, 2020		
	In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
<b>I. Construction/acquisition of any assets</b>	-	-	-	-	-	-
<b>II. On purposes other than I above</b>						
Donation to PM CARES (Prime Minister's Citizen Assistance and Relief in Emergency Situations) Fund of COVID-19.	120.00	14.64	134.64	129.25	-	129.25
<b>Total</b>	<b>120.00</b>	<b>14.64</b>	<b>134.64</b>	<b>129.25</b>	<b>-</b>	<b>129.25</b>

## NOTE -41

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

Disclosure under Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets:

Particular	Gratuity	Leave Encashment	Leave travel concession	Provision for PRP	Provision for other contingencies	Research & Development Fund	Sustained Development Fund	Corporate Social Responsibility Fund
<b>As at April 1, 2019</b>	<b>36.20</b>	<b>1,013.68</b>	<b>1.95</b>	<b>616.95</b>	<b>3,076.07</b>	<b>16.77</b>	<b>12.91</b>	-
Provision made during the year	52.41	339.59	1.35	212.11	-	-	-	129.25
Less: Reversal made during the year	-	-	-	-	-	-	-	-
Less : Paid during the year	(36.20)	(320.57)	(0.85)	-	-	-	-	(129.25)
<b>As at March 31, 2020</b>	<b>52.41</b>	<b>1,032.70</b>	<b>2.46</b>	<b>829.05</b>	<b>3,076.07</b>	<b>16.77</b>	<b>12.91</b>	-
Provision made during the year	49.14	44.23	0.39	37.95	-	-	-	134.64
Less: Reversal made during the year	-	-	-	(0.41)	-	-	-	-
Less : Paid during the year	(101.37)	(332.61)	-	(616.54)	-	-	-	(120.00)
<b>As at March 31, 2021</b>	<b>0.18</b>	<b>744.32</b>	<b>2.85</b>	<b>250.06</b>	<b>3,076.07</b>	<b>16.77</b>	<b>12.91</b>	<b>14.64</b>

(₹ in Lakhs)

## NOTE -42

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 company, the following are the details:

S.no.	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	The principal amount remaining unpaid as at the end of year	38.00	479.39
(ii)	Interest due on above principal and remaining unpaid as at the end of the year	7.60	-
(iii)	Payments made during the year after the due date - Principal - Interest	- - -	- - -
(iv)	Interest due and payable for principals already paid	-	-
(v)	Total Interest accrued and remained unpaid at year end	7.60	-

(₹ in Lakhs)

## NOTE -43

### 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 Lakhs)

Particulars	Note Reference	As at March 31, 2021		As at March 31, 2020	
		Amortised cost	Fair Value	Amortised cost	Fair Value
<b>Financial Assets</b>					
Trade Receivables	<b>Note -10</b>	5,960.71	5,960.71	8,120.94	8,120.94
Cash and Cash	<b>Note -11</b>	31,128.10	31,128.10	8,057.49	8,057.49
Other Bank Balances	<b>Note -12</b>	275,610.72	275,610.72	276,497.92	276,497.92
Other Financial Assets:					
Current	<b>Note -13</b>	17,377.83	17,377.83	11,386.19	11,386.19
Non-Current	<b>Note -7</b>	33.54	33.54	42.70	42.70
<b>Total Financial Assets</b>		<b>330,110.90</b>	<b>330,110.90</b>	<b>304,105.24</b>	<b>304,105.24</b>

(₹ in Lakhs)

Particulars	Note Reference	As at March 31, 2021			As at March 31, 2020		
		FVTPL	Amortised cost	Fair Value	FVTPL	Amortised cost	Fair Value
<b>Financial Liabilities</b>							
Trade Payables	<b>Note -20</b>	-	49,474.01	49,474.01	-	73,595.68	73,595.68
Other Financial Liabilities	<b>Note -21</b>	-	28,751.16	28,751.16	-	33,350.30	36,262.83
<u>Lease Liabilities:</u>	<b>Note -18</b>						
Current		-	1.38	1.38	-	1.26	1.26
Non-Current		-	4.91	4.91	-	6.28	6.28
<b>Total Financial Liabilities</b>		-	<b>78,231.46</b>	<b>78,231.46</b>	-	<b>106,953.52</b>	<b>109,866.05</b>

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 - 44

### 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 Investing 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 and other Financial Assets	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 Lakhs)

Credit rating	Particulars	As at March 31, 2021	As at March 31, 2020
A: Low credit risk	Cash and cash equivalents, other bank balances and other financial assets	324,150.19	298,896.83
B: Moderate Credit Risk	Trade receivables	7,328.03	9,633.76
C: High credit risk	Trade receivables and other financial assets	835.47	524.85

### 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, 2021

(₹ in Lakhs)

Particulars	Note reference	Carrying Amount	Impairment	Carrying Amount net of Impairment Provision
Cash and Cash Equivalents	<b>Note -11</b>	31,128.10	-	31,128.10
Other Bank Balances	<b>Note -12</b>	275,610.72	-	275,610.72
Other Financial Assets	<b>Note -7, 13</b>	17,411.37	-	17,411.37

**As at March 31, 2020**

(₹ in Lakhs)

Particulars	Note reference	Carrying Amount	Impairment	Carrying Amount net of Impairment Provision
Cash and Cash Equivalents	<b>Note -11</b>	8,057.49	-	8,057.49
Other Bank Balances	<b>Note -12</b>	276,497.92	-	276,497.92
Other Financial Assets	<b>Note -7, 13</b>	14,341.42	-	14,341.42

**B: Moderate Credit Risk**

Expected Credit Loss for Trade Receivables under simplified approach

**As at March 31, 2021**

(₹ in Lakhs)

Ageing	Note reference	Upto 1 year	Between 1 and 2 years	Between 2 and 3 years	Above 3 years	Total
Gross Carrying Amount	<b>Note -10</b>	2,833.66	1,936.61	1,251.07	1,306.69	7,328.03
Expected Credit Losses (Loss Allowance Provision)		-	189.88	298.58	878.85	1,367.32
Carrying Amount of Trade Receivables (Net of Impairment)		<b>2,833.66</b>	<b>1,746.72</b>	<b>952.49</b>	<b>427.84</b>	<b>5,960.71</b>

**As at March 31, 2020**

(₹ in Lakhs)

Ageing	Note reference	Upto 1 year	Between 1 and 2 years	Between 2 and 3 years	Above 3 years	Total
Gross Carrying Amount	<b>Note -10</b>	4,824.50	2,126.73	1,597.45	1,085.07	9,633.75
Expected Credit Losses (Loss Allowance Provision)		-	305.90	437.47	769.45	1,512.82
Carrying Amount of Trade Receivables (Net of Impairment)		<b>4,824.50</b>	<b>1,820.82</b>	<b>1,159.98</b>	<b>315.62</b>	<b>8,120.93</b>

**C: High Credit Risk**

Expected Credit Loss for Trade Receivables under simplified approach

**As at March 31, 2021**

(₹ in Lakhs)

Particulars	Note reference	Carrying Amount	Impairment	Carrying Amount net of Impairment Provision
Trade Receivables	<b>Note -10</b>	807.24	807.24	-
Other Financial Assets	<b>Note -7,13</b>	28.23	28.23	-

**As at March 31, 2020**

(₹ in Lakhs)

Particulars	Note reference	Carrying Amount	Impairment	Carrying Amount net of Impairment Provision
Trade Receivables	<b>Note -10</b>	496.62	496.62	-
Other Financial Assets	<b>Note -7,13</b>	28.23	28.23	-

## Reconciliation of Loss Provision – Trade Receivables (High and Moderate Risk) (₹ in Lakhs)

Reconciliation of Loss Allowance	Loss allowance
<b>Loss allowance on April 1, 2019</b>	<b>1,439.58</b>
Impairment allowance recognised (net)	569.87
Reversal of impairment allowance (net)	-
<b>Loss allowance on March 31, 2020</b>	<b>2,009.45</b>
Impairment allowance recognised (net)	165.11
Reversal of impairment allowance (net)	-
<b>Loss Allowance on March 31 2021</b>	<b>2,174.56</b>

### (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 Lakhs)

As at March 31, 2021	Note reference	Up to one year	More than one year	Total
Lease Liabilities*	<b>Note -18</b>	1.38	4.91	6.29
Trade Payable	<b>Note -20</b>	49,474.01	-	49,474.01
Earnest Money & Security Deposits	<b>Note -21</b>	17,742.90	-	17,742.90
Amount payable to Holding Company	<b>Note -21</b>	32.79	-	32.79
Book Overdraft	<b>Note -21</b>	2,519.27	-	2,519.27
Other Payables	<b>Note -21</b>	8,456.20	-	8,456.20
<b>Total</b>		<b>78,226.55</b>	<b>4.91</b>	<b>78,231.46</b>

\* For detailed maturity profile of lease liability refer note 47

As at March 31, 2020	Note reference	Up to one year	More than one year	Total
Lease Liabilities	<b>Note -16</b>	1.26	6.28	7.54
Trade Payable	<b>Note -18</b>	73,595.68	-	73,595.68
Earnest Money & Security Deposits	<b>Note -19</b>	20,336.96	-	20,336.96
Amount payable to Holding Company	<b>Note -19</b>	41.63	-	-
Book Overdraft	<b>Note -19</b>	8,744.03	-	8,744.03
Other Payables	<b>Note -19</b>	4,227.68	-	7,140.21
<b>Total</b>		<b>109,859.77</b>	<b>6.28</b>	<b>109,866.05</b>

## (C.) Market Risk

**Foreign Currency Risk****Unhedged foreign currency exposures****Particulars of unhedged foreign currency exposures as at the reporting date**

(₹ in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Amount (₹ in Lakhs)	Foreign currency	Amount (₹ in Lakhs)	Foreign currency
Trade Receivable	402.68	MUR 2,24,43,304	666.42	USD 884,721

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.

Currency sensitivity	As at March 31, 2021	As at March 31, 2020
<b>INR/MUR - increase by:</b> (31 March 2021 5%)	19.83	-
<b>INR/MUR - decrease by:</b> (31 March 2021 5%)	(19.83)	-
<b>INR/USD - increased by:</b> (31 March 2020 5%)	-	33.32
<b>INR/USD - decrease by:</b> (31 March 2020 5%)	-	(33.32)

\*Holding all other variables constant  
The Company is not exposed to any other market risk.

**NOTE -45****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 Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Equity Share Capital	180.01	180.01
Other Equity	11,593.78	10,798.07
<b>Total Equity</b>	<b>11,773.79</b>	<b>10,978.08</b>

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, 2021 and March 31, 2020.

## NOTE -46

### Note on Revenue Recognition Under Ind AS 115

#### 1. 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 Lakhs)

Description	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>(A) Sale of service</b>		
(a) Project Management consultancy service	1,29,059.67	2,12,509.19
<b>(B) Other ancillary revenue</b>		
(a) Sale of Tender Documents	12.62	31.86
<b>Total revenue</b>	<b>1,29,072.70</b>	<b>2,12,541.05</b>

\* The Company operates in 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 2021 and 31 March 2020: (₹ in Lakhs)

S. No.	Types of Services by Nature	Types of Services by Contract Type	Types of Services by timing	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Project Management Consultancy	Cost plus contracts	Over the period of time	1,29,059.67	2,12,509.19
				<b>1,29,059.67</b>	<b>2,12,509.19</b>

#### 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 Lakhs)

Description	As at March 31, 2021	As at March 31, 2020
	Current	Current
<b>Contract liabilities related to sale of service</b>		
Advance from customers	256,216.26	207,746.19
Revenue received in advance	6,257.41	7,117.88
	<b>262,473.67</b>	<b>214,864.07</b>
<b>Contract Assets related to sale of service</b>		
Trade receivables	8,135.27	10,130.38
Less: Allowance for expected credit loss	(2,174.56)	(2,009.44)
<b>Net receivables</b>	5,960.71	8,120.94
Unbilled revenue	15,446.69	9,415.82
	<b>21,407.40</b>	<b>17,536.76</b>

A receivable is a right to consideration that is unconditional upon passage of time. Revenue from the contracts is 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 Lakhs)

Description	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue recognised that was included in contract liabilities at the beginning of the year	78,911.19	96,213.91
Performance obligations satisfied in previous years	-	-
<b>Total</b>	<b>78,911.19</b>	<b>96,213.91</b>

### 4. Significant Changes in Contract Assets and Liabilities

(₹ in Lakhs)

Contract liabilities - Advance from customers	As at March 31, 2021	As at March 31, 2020
<b>Opening balance of Contract liabilities - Advance from customers</b>	<b>207,746.19</b>	<b>203,525.04</b>
Less: Amount of revenue recognised against opening contract liabilities	(77,549.75)	(93,498.87)
Add: Net Addition in balance of contract liabilities for current year	126,019.82	97,720.02
<b>Closing balance of Contract liabilities - Advance from customers</b>	<b>256,216.26</b>	<b>207,746.19</b>

Contract liabilities - Revenue received in advance	As at March 31, 2021	As at March 31, 2020
<b>Opening balance of Contract liabilities - Revenue received in advance</b>	<b>7,117.88</b>	<b>8,116.78</b>
Less: Amount of revenue recognised against opening contract liabilities	(1,361.43)	(2,715.04)
Add: Net Addition in balance of contract liabilities for current year	500.96	1,716.14
<b>Closing balance of Contract liabilities - Revenue received in advance</b>	<b>6,257.41</b>	<b>7,117.88</b>

Contract Assets - Unbilled Revenue	As at March 31, 2021	As at March 31, 2020
<b>Opening balance of Contract Assets - Unbilled Revenue</b>	<b>9,415.82</b>	<b>17,471.05</b>
Less: Amount of revenue recognised against opening contract assets	(659.54)	(11,910.81)
Add: Net Addition in balance of contract assets for current year	6,690.41	3,855.58
<b>Closing balance of Contract Assets - Unbilled Revenue</b>	<b>15,446.69</b>	<b>9,415.82</b>

### 5. Remaining Performance Obligation

Applying the practical expedient as given in Ind AS 115, 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 -47

### Note on Leases under Ind AS 116

#### Nature of Right-of-Use Assets

- Leasehold Land comprises plots no. E-6A, E-13 and E-14 at Sector – 1, Noida, allotted to HSCC (India) Limited for a period of 90 years from the date of Lease deed starting from 1996 valuing Rs. 57.49 lakhs and from 2006 valuing Rs. 389.16 lakhs respectively.
- The company leases office facilities which is being used as registered office of the company. The lease term is of 3 years with an option to extend with mutual consent of lessor and lessee.

#### Amount recognised in Statement of Profit or Loss

( ₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation charge for right-of-use assets by class of underlying asset	6.41	6.41
Interest on lease liabilities	0.60	0.70
Expenses relating to short-term leases*	12.69	24.37
<b>Total Expenses</b>	<b>19.70</b>	<b>31.48</b>

\*Short term leases expenses comprise the lease of different site offices for a period less than or equal 12 months. These lease arrangements, which are cancellable, are generally renewable by mutual consent.

#### Total cash outflows for leases

( ₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash outflows against lease liabilities	1.86	1.86
Cash outflows for short-term leases	12.69	24.37
<b>Total cash outflows</b>	<b>14.55</b>	<b>26.23</b>

#### Movement in Lease Liability

Particulars	( ₹ in Lakhs)
Balance as at April 1, 2019	8.71
Accretion of interest	0.70
Deletions	-
Payment of Lease Liability	(1.86)
<b>Balance as at March 31, 2020</b>	<b>7.55</b>
Accretion of interest	0.60
Deletions	-
Payment of Lease Liability	(1.86)
<b>Balance as at March 31, 2021</b>	<b>6.28</b>
Non Current	4.91
Current	1.38
<b>Balance as at March 31, 2020</b>	<b>6.28</b>

**Contractual maturities of lease liabilities**

(₹ in Lakhs)

Particulars	As at March 31, 2021
Within 1 year	1.38
1-3 years	3.13
More than 3 years	1.78
<b>Balance as at March 31, 2021</b>	<b>6.28</b>

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

**Extension Option**

As described in nature of right of use assets of registered office premises, the lease term is of 3 years with an option to extend with mutual consent of lessor and lessee. The company assesses that it will be using such premises for a period of four year from the end of current reporting period (i.e. March 31, 2021) as the office premises is being used as the registered office of the company. Hence, there is a reasonable certainty of extension option which have been accounted for in lease liability whose cash outflow is Rs. 4.81 lakhs. This extension option has further been exercised whose cash outflow would be 1.86 lakhs per year as per the current rate of lease agreement.

The company presents Right-of-Use Assets in "Property, Plant and Equipment" and lease liability under "Other Financial Liabilities".

**NOTE -48**

- I. During the test check by Comptroller and Auditor General (CAG) of transactions of company's account during the FY 2017-18 at Indian Overseas Bank, Noida, significant transactions amounting to Rs. 2926 lakhs were noticed which can be termed as "Transactions of Doubtful Reliability." Provision of Rs. 2926 lakhs was made from the reserves as at 01st April 2017 as transactions pertain to the period prior to FY 2016-17.

The details of transaction are as under:

- An amount of Rs 301 lakhs (Rs. 242 lakhs and Rs. 59 lakhs) was detected in 4th quarter of FY 2016-17 on account of fraudulent transfer. However, the fraud were occurred in FY 2014-15 and FY 2015-16 respectively.
- An amount of Rs 352.00 lakhs was included in 'interest receivable' under the head other current financial assets, even though the same was received in October 2014.
- An amount of Rs 11.00 lakhs being the sale tax deposited during 2013-14 by the company on its client behalf was accounted as recoverable from client.
- A fixed deposit of Rs 197.00 lakhs which was opened in April 2014 and encashed in July 2014, earned an interest of Rs 6.00 lakhs. It was observed that in the bank ledger of the company, Rs 197.00 lakhs was debited (received) twice against a single encashment.
- An amount of Rs 783.00 lakhs was credited in bank account from a Client on 12 April 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 Rs 712.00 lakhs in the company's books on 31 March 2018.
- A fixed deposit (FD) of Rs 1,282.00 lakhs in Company's account at UCO Bank was encashed in August 2013 along with interest of Rs 110 lakhs. An entry for receipt of encashment proceedings was made 31 March 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.

The 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. The firm of chartered accountant has not completed the assigned work and subsequently withdrawn himself from engagement.

Further, NBCC (India) Limited (Holding Company) has appointed forensic/management auditor during the year ended March 31, 2020. The forensic/management auditor has not submitted audit report.

During the year ended March 31, 2020, The bank has paid Rs. 59.55 lakhs to company which belongs to unidentified transactions. However, the amount of provision has been kept intact amounting to Rs. 2926 lakhs and is subject to final results of forensic/management audit.

II. During the 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.	Name of payee	Date of payment	Amount (Rs. In lakhs)
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
	<b>Total</b>		<b>189.07</b>

A complaint has been lodged with SSP, Gautam Budh Nagar on May 13, 2019. Subsequently, the aforesaid amount of Rs. 189.07 lakhs has been paid by bank to company during the year ended March 31, 2020. The amount is lying still unadjusted.

## NOTE -49

### Unreconciled Bank Balances

Bank Reconciliation doesn't include the unmatched and untraceable entries, hence the unmatched and untraceable entries 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. Bank reconciliation of following bank balance is still pending.

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

## NOTE -50

### Uncertainties relating to the global health pandemic from COVID-19

The outbreak of COVID-19 pandemic and consequent lockdown has impacted regular business operations during the year ended on March 31, 2021 due to limited availability of workforce and disrupted supply chain. The Company has since restarted its construction related services in a phased manner. The performance for the year are therefore not comparable with those for the previous year. The unprecedented pandemic makes the future business environment uncertain as well as provides opportunity to companies engaged in healthcare and its related services. The company is involved in rendering comprehensive range of professional services as consulting and executing agency for construction activities in healthcare & other social sectors in India. The company doesn't foresee long term impact of COVID-19 on the business of the company in accordance with assessment made by the company. The Company also does not expect any significant impact of COVID-19 on carrying values of its property, plant & equipment, intangible assets, trade receivables or any other asset etc. in accordance with assessment made by the company.

**NOTE -51**

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.

**For ANDROS & Co.**

Chartered Accountants  
(ICAI Firm Reg. No: 008976N)

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

Sd/-  
**(Suresh Chandra Garg)**  
Director (Engineering)  
**(DIN : 08684289)**

Sd/-  
**(Mahesh Chand Bansal)**  
Chief Financial Officer

Sd/-  
**Puneet Gupta**  
Partner  
Membership No. 093714

Sd/-  
**(Sonia Singh)**  
Company Secretary  
**(M.No.: ACS-24442)**

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

Sd/-  
**(Tejpal Garg)**  
AGM (F&A)

Sd/-  
**(Manoj Singh)**  
Manager (F&A)

**Place: Noida**

**Date: 18.06.2021**

## HINDI PAKHWADA



## REPUBLIC DAY - 26.01.2021



## 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:

#### MAURITIUS

Flacq Teaching Hospital,  
Belle Vue Allendy, Constance,  
Flacq District, 406601 Mauritius

#### RAJASTHAN

House No.A-399,  
Vaishali Nagar, Jaipur, (Rajasthan)  
PIN-302021

### MAJOR SITE OFFICES:

National Cancer Institute, AIIMS Jhajjar,  
100 bedded Hospital, ESIC, Siliguri  
Redevelopment of Lady Harding Medical College & associated Hospitals, New Delhi  
Up gradation of Nursing College - RAK, Delhi New Paid Ward at AIIMS, New Delhi  
AIIMS, Rae Bareli  
Surgical Block at AIIMS, New Delhi  
Mother & Child Block at AIIMS, New Delhi  
Hostel Block for Resident Doctors for PGIMER, Dr. RML Hospital, New Delhi

NRHM-Uttar Pradesh, NRHM-Kerala

Construction of Super Specialty Block in Neurosciences, NIMHANS, Bangalore

Neuroscience Block at PGI Chandigarh.

National Institute of Animal Biotechnology, Hyderabad.

Residential & Hostel Complex for New AIIMS, Bhubaneswar

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

Government Medical College, Chandrapur – Maharashtra

### PMSSY up gradation Phase III Projects-

- Berhampur                      - Burla

- Dibrugarh                      - Shimla

- Panaji (Goa)

New AIIMS at-

- Nagpur (Mah.)                - Kalyani (W.B.)

- Guntur (A.P.)                - Rajkot (Guj.)

Mizoram Institute of Medical Education and Research, Falkawn, Mizoram

This image shows a blank sheet of white paper with horizontal blue lines. The lines are evenly spaced and run across the width of the page, providing a guide for writing. There are no margins, text, or other markings on the paper.







A Miniratna Co.

**CORPORATE OFFICE :**

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

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-110096 (India)