

5th

Annual Report 2017-18



Hindustan Prefab Limited

(A Government of India Enterprise)

हिन्दुस्तान प्रीफैब लिमिटेड

(भारत सरकार का संस्थान)

www.hindprefab.in



Tree Plantation in HPL Park by Hon'ble Cabinet Minister Shri Hardeep Singh Puri



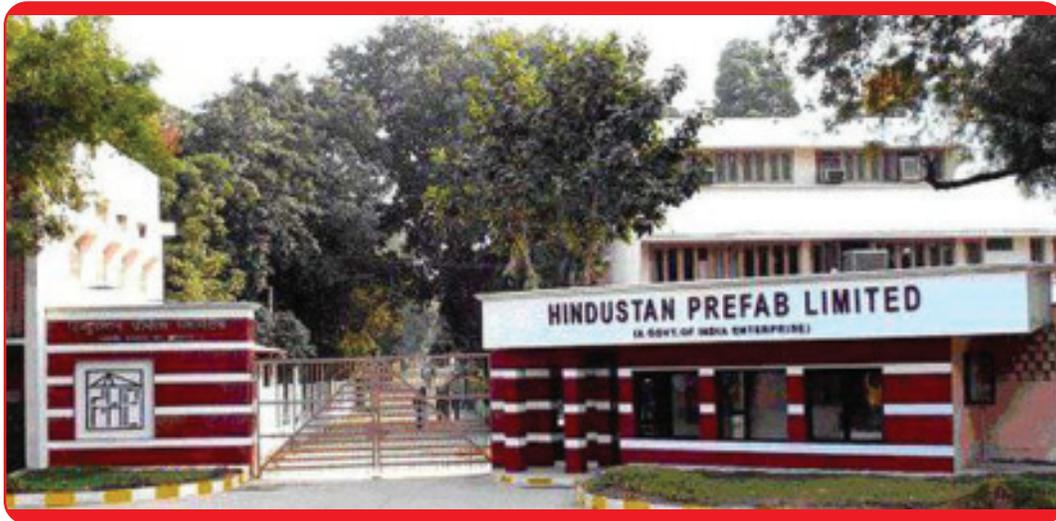
HPL Housing Technology Park



HINDUSTAN PREFAB LIMITED
(A Government of India Enterprise)

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BANKERS
STATE BANK OF INDIA
PUNJAB NATIONAL BANK
BANK OF BARODA
CANARA BANK
SYNDICATE BANK



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BOARD OF DIRECTORS



Shri Rajesh Goel
Chairman & Managing Director



Shri Amrit Abhijat, IAS
Director, HPL & JS (PMAY)
MHUA



Mrs Jhanja Tripathy, IRAS
Director, HPL & JS & FA
MHUA



Shri S. K. N. Bhatt
Part time/Non-official
Director/ HPL



Chairman's Address at the Annual General Meeting of HPL

Distinguished Shareholders,

It gives me great pleasure to welcome 65th Annual General Meeting of Hindustan Prefab Limited. The Annual Report for the Financial Year ending 31st March, 2018, along with Directors Report, Audited Annual Accounts Statements and Auditors Report of your company are with you and, with your permission, I taken them as read.

India is urbanizing fast and it is projected that by 2030, the urban population would be more than double of the current urban population. This growth envisages construction of one additional urban India equivalent to which we currently see. For the country to be able to deal with such massive requirement for a planned urbanization is a challenge and an opportunity at the same time. The opportunity provide for planned new Smart cities developments offering basic facilities, innovations and energy efficiency along with sustainable development for the new cities which would accommodate the needs of all strata of population, especially the weaker sections.

The construction industry in India has a major role earmarked for it. To deal with the emerging challenges, it has to adapt itself to scale up the delivery with quality, time and environmentally sustainability. Few of the factors affecting the construction industry at present include the focus on timely delivery. Especially with the Real Estate (Regulation and Development) Act (RERA) having been enacted recently which demands timely delivery, failing which stiff penalties would be levied on the developers. Even in the Government sector, the requirement of timely



construction has been stressed and the projects are being monitored very closely at various levels of the Government. Further the awareness of the user has increased over the period and the requirement of proper quality is paramount today. The construction industry has to adapt itself and improve its processes to ensure excellent quality in construction to be able to meet the expectation of the end users.

More importantly the construction industry is partly responsible for the environmental degradation especially due to the generation of dust during construction. Accordingly, the construction industry needs to adopt technologies and processes which use less material as well as cause less dust pollution.

In this regard, industrialized construction remains the only answer to all the current issues being faced by the construction industry. Significantly in Singapore, the minimum requirement is for the use of 70% building components to be produced off-site for any building permission to be granted.

The Indian Construction Industry today is in a transient state and is actively experimenting new options and trying to adopt better technologies for faster delivery with quality. The prefab technologies in India have a big role to play in this regard for enabling the construction industry to take up the challenge.

It is indeed satisfying to note that with the continued efforts of the Government, the prefab sector is now growing exponentially. With the inclusion of a special chapter in the National Building Code in its latest revision, introduction of schedule of rates by CPWD for new technologies as well as directions from the Government to specifically use new technologies in the upcoming projects has provided an impetus to the precast construction industry.

It is also very significant to note that over 7 lakhs dwelling units all over the country under Pradhan Mantri Awas Yojana (PMAY) have been taken up with the new technologies. The Defence sector including MES and paramilitary forces adopted the new technology in a big way. The private sector has been quite enthusiastic about the new technologies and the major developers are effectively using alternate technologies for their construction.

HPL has played an active role in supporting the government for promotion of new technologies. HPL housing technology Park, which showcases the demonstration units of all these new technologies has earned a name for itself and has been a major contributor for the stakeholders to be able to decide the technologies, as may be suited to them, and has been a catalyst in



promoting new technologies. HPL envisages that the future of prefab industry depends on the upcoming professionals in the engineering and architectural fields. Accordingly, specific focus have been imparted for sensitization of final year students of leading engineering and architectural colleges, who are being regularly invited to the technology park and are imparted detailed information on the new technologies. In the last one year several visits to the technology park have been regularly organized for the different stakeholders in the sector which has contributed extensively in the growth of the prefab construction market.

HPL is proud to be the part of the process and would actively continued its efforts to make Indian Construction Industry adopt new technologies towards promoting timely delivery with quality and environmental sustainability to meet the mammoth requirement for our country.

FINANCIAL & OPERATIONAL PERFORMANCE

The Company was affected by the decision of the Government of its disinvestment, affecting the morale of the employee and confidence of the clients.

The year witnessed major developments, affecting the operations of HPL, which included the impact of implementation of GST as our all agencies/contractors were not fully conversed with the GST wherein work got extensively affected. Further, the initiation of the process for disinvestment of HPL posed significant challenge to maintain its operations performance and ensuring the continued confidence of the clients and morale of the workforce which was affected considerably. However, even under such challenging circumstances, HPL has been able to post commendable performance and profitability for the year 2017-18.

I am happy to report that even under such challenging business environment HPL has been able to maintain its profitability for the year and has posted a net profit of Rs. 1.93 cr. for the Financial Year 2017-18. The net worth has risen to Rs. 32.04 cr. which was at a level of Rs. 9 cr. four years back. HPL has not taken any budgetary support from the government since 2008-09 subsequent to its restructuring and has consolidated its financial positions in the recent year.

It is heartening to inform that HPL had over 142 ongoing projects and had pipeline of Rs. 1057.23 cr. Major works currently being undertaken by HPL include works for ESIC, NDRF, Assam Rifles, Tourism projects in Chattisgarh, Kerela and Q-complex at Jharkhand, several projects for PNBs etc. Your Company is actively pursuing with several major clients for new business.



Your Directors are proud to inform that a team of Ministry of External Affairs visited HPL for exploring the best solutions for the proposed rehabilitation works in Rakhine State in Myanmar. Subsequent to their approach and discussion, team technical experts visited Myanmar to see how best we can provide quality construction of houses which are disaster resistant and environment friendly.

I am happy to inform you that your Company has been awarded an overseas project at Myanmar to construct the 250 prefabricated houses for rehabilitation of displaced persons in Rakhine, State of Myanmar, at an approx. cost of Rs.25 crore for rehabilitation of displaced persons in Rakhine State of Myanmar.

Further, HPL, towards promoting prefab technologies, has been continuously organizing various events/ exhibitions/ discussion with the stakeholders all over the country including, Guwahati, Ranchi, Dehradun, Delhi etc. HPL has also participate in various exhibition in different parts of the country including India International Trade fair at Pragati Madian Wherein the demonstration house in the prefab technologies was erected and was extensively appreciated by visitors.

Towards implementation of the concepts prompted under DIGITAL India, HPL has amended its process to ensure 100 percent cashless transactions. No cash is received or disbursed to anyone except in emergencies. HPL has taken several initiatives to sensitize its employees and has also organized several trainings, programs on different subjects, especially for the workers.

Procurement through GeM

As decided by the Government HPL has initiated to facilitate online procurement of common use Goods & Services through GeM, required by various Government Departments / Organizations / PSUs. GeM aims to enhance transparency, efficiency and speed in public procurement. It provides the tools of e-bidding, reverse e-auction and demand aggregation to facilitate the government users, achieve the best value for their money. HPL is following the procedure and maximum procurement is being made through GeM.

MEMORANDUM OF UNDERSTANDING

Your Company has signed MOU with the Ministry committing its physical and financial targets for the year 2018-19 on 24th April, 2018. However, due to the specific constraints as indicated earlier, the operational achievements were subdued during the year, over which the Company had no direct control. However, HPL, was able to maintain its profitability and growth in



*(From Left: Sh. Rajesh Goel, Chairman & Managing Director (HPL) and
Sh. Durga Shankar Mishra, Secretary HUA)*

project pipelines with the outstanding efforts of its entire team and is hopeful to achieve MOU target for the F.Y. 2018-19.

CORPORATE GOVERNANCE

I am happy to inform that your company has been complying with the guidelines issued by the Department of Public Enterprises on Corporate Governance for CPSEs. Report on Corporate Governance and Management Discussion & Analysis Report has been incorporated in the Annual Report for the financial year 2017-18. Audit Committee and Remuneration Committee are in existence in the company in compliance with DPE Guidelines.

CORPORATE SOCIAL RESPONSIBILITY

HPL is committed towards maintaining highest standard of Corporate Social Responsibility in its business activities. During the year, the Company has provided for CSR expenditure of Rs. 18.10 lacs in accordance with the Companies Act, 2013.



I must take the opportunity to express my sincere thanks and gratitude towards all my colleagues, particularly the directors who have made immense contribution in the decision making process and provided refreshing insight to various issues. I express my sincere thanks to the Ministry of Housing urban Affairs, Financial Institution, Banks, the State Governments, leading PSUs, Comptroller & Auditor General of India, Statutory Auditor, Clients, architects, consultant contractors and the stakeholder in various projects for their unstinted co-operation. I also want to place on record my deep appreciation to the efforts of all employees of HPL family. I am confident that your company will continue to get support from every stakeholder and will earn more success and fame in the time to come.

Jai Hind

Sd/-
Rajesh Goel
(Chairman & Managing Director)

New Delhi

Dated: 03-08-2018

Note: This does not purport to form part of the proceedings of the Annual General Meeting.



HINDUSTAN PREFAB LIMITED

(A Govt. of India Enterprise)

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CIN No. U74899DL1953GOI002220

NOTICE

Notice is hereby given that the 65th Annual General Meeting of **HINDUSTAN PREFAB LIMITED** will be held on Friday, the 28th day of September, 2018 at 3:30 P.M. at the Registered Office of the company at Jangpura, New Delhi – 110014 to transact the following business:

ORDINARY BUSINESS:

1. To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

To receive, consider and adopt the Audited Balance Sheet as at 31st March 2018, Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon and the comments of the Comptroller and Auditor General of India thereon.

2. Remuneration of the Statutory Auditors for the year 2018-19.

To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

“**RESOLVED THAT** the Board of Directors of Hindustan Prefab Limited be and are hereby authorized to fix, on the recommendation of the Audit Committee, the remuneration of the Statutory Auditors of the Company to be appointed by the office of the Comptroller & Auditor General of India for audit of annual accounts of the Company for the year 2018-19.”

BY ORDER OF THE BOARD OF DIRECTORS

Place: New Delhi
Date: 03/08/2018

Sd/-
(Sonia Singh)
Company Secretary



Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote at the meeting instead of him and the Proxy need not be a member of the Company. The instrument appointing proxy, in order to be effective, must be deposited at the Registered Office of the Company at least 48 hours before the commencement of the meeting. Proxy Form is enclosed.
2. The reply of the management on Statutory Auditors' Report, C&AG comments shall be placed on the table during the Annual General Meeting.

- To:
1. All the shareholders of the Company
 2. All the Directors of the Company
 3. M/s. S.P. Chopra & Co. Chartered Accountants Statutory Auditors
 4. The Member of Audit, Board & Director of the Company.

BY ORDER OF THE BOARD OF DIRECTORS

Place: New Delhi
Date: 03.08.2018

Sd/-
(Sonia Singh)
Company Secretary



DIRECTOR'S REPORT

Distinguished Shareholders,

The Directors of your Company are privileged to present the Annual Report of the Company reflecting the performance of the Company in all spheres, along with Audited Annual accounts and Auditors' Report for the financial year 2017-18.

In accordance with the guidelines on Corporate Governance laid down by Department of Public Enterprises, this report contains a "Report on Corporate Governance" (Annexure-I) and "Management Discussion and Analysis Report" (Annexure-II). It is also supplemented by a Certificate of compliance on Corporate Governance by a Practicing Company Secretary at Annexure "IA".

1. FINANCIAL PERFORMANCE

Your Directors are pleased to report that even under a very challenging business environment, HPL has been able to maintain its profitability for the Financial Year 2017-18 and has posted a net profit of Rs. 1.93 crores for the financial year 2017-18. The net worth has risen to Rs. 32.04 crores which was at a level of Rs. 9.38 crores four years back. HPL has not taken any budgetary support from the Government since 2008-09 subsequent to its restructuring and has consolidated its financial positions in the recent years.

The year witnessed major developments, affecting the operations of HPL, which included the impact of implementation of GST as our all agencies/contractors were not fully conversed with the GST wherein work got extensively affected as the supply of material and labour literally dried up. Further, the initiation of the process for disinvestment of HPL posed significant challenge to maintain its operations performance and ensuring the continued confidence of the clients and morale of the workforce which was affected considerably. However, even under such challenging circumstances, HPL has been able to post commendable performance and profitability for the year 2017-18.

A. Financial Highlights

During 2017-18, operational performance of HPL has been satisfactory notwithstanding the adverse environment, by achieving the turnover of Rs. 238.44 crore and net profit of Rs. 1.93 Crore. Significantly, the turnover figures in the current year are exclusive of GST while the figures in the previous year were inclusive of service tax, etc. As such HPL has been able to match the last year's operational performance.



(Rs. in crores)

Particulars	2017-18	2016-17
Turnover	238.44	260.20
Net Profit/(loss)after tax	1.93	5.70
Net worth	32.04	30.11
EPS	1.43	4.23

B. Contribution to Public Exchequer

(Rs. in crores)

	2017-18	2016-17
I Central Excise Duty/Service Tax	2.14	3.76
II Sales Tax & Work Contract Tax	1.14	7.45
III GST (Net)	1.37	-
IV Income Tax	1.13	3.04
TOTAL		14.25

C. Capital Structure

(Rs. in crores)

	2017-18	2016-17
i. Authorized Capital	138.00	138.00
ii. Paid up Capital	134.77	134.77

D. Dividend

In view of the accumulated losses of the previous years and as per provisions of the prevailing Government guidelines, the company is not eligible to declare dividend for the financial year 2017-18. Accordingly, the Directors have not recommended any payout of the dividend for the year 2017-18.

E. Transfer of unclaimed dividend to investor education and protection fund

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.



2. REVIEW OF OPERATIONS AND FUTURE PROSPECTS

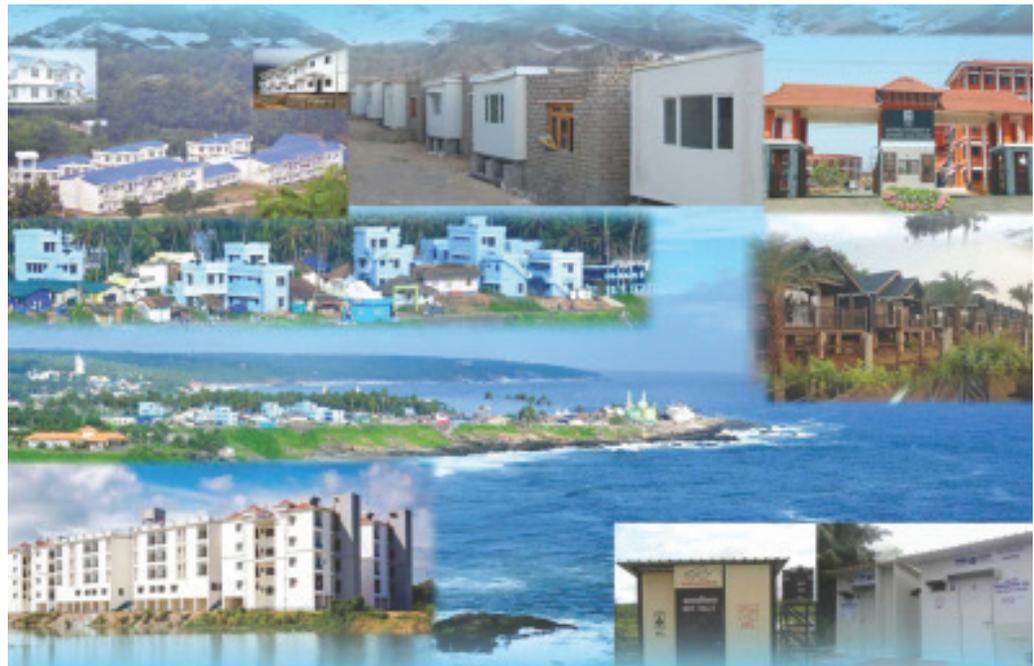
Your company, during the year 2017-18 continued to take up various developmental projects on Project Management Consultancy, supporting the nation's mission of creating the New India. The focus of HPL remained on major infrastructure projects especially in the housing, educational and health sector. Also as part of its mandate, HPL continued to support for propagation and adoption of prefab technologies all over the country, especially in housing construction under Pradhan Mantri Awas Yojana (PMAY). Towards the same various initiatives were taken to engage the stakeholders in the process, which was widely appreciated and HPL has earned a name for itself in the prefab sector. Further, during the year, despite various challenges in the environmental, HPL could generate new business with several major projects bagged to sustain its future growth.

Your Directors wish to present the details of operations during the year 2017-18.

PROJECTS:

Today, HPL is one of the leading CPSEs aiming to deliver Project Management Consultancy services in civil construction projects which include mass housing projects under various Govt. schemes, educational, hospitals, Commercials and other institutional buildings of Central & State Government. The works entrusted to HPL are executed by ensuring quality and timely completion with both conventional and prefab technologies.

HPL as on 31-03-2018 had over 142 ongoing projects and had a pipeline of Rs.1057.23 crores. Major works currently being undertaken by HPL include works for ESIC, NDRF, Assam Rifles, Tourism projects in Chhattisgarh, Kerala and Q-complex at Jharkhand, several projects for PNBs etc. HPL is actively pursuing with several major clients for new business.





Your Directors are proud to inform that a team of Ministry of External Affairs visited HPL for exploring the best solutions for the proposed rehabilitation works in Rakhine State in Myanmar. Subsequent to their approach and discussion, team technical experts visited Myanmar to see how best we can provide quality construction of houses which are disaster resistant and environment friendly. Being a prestigious work, significant efforts has been made to incorporate prefab technology for faster construction.



Your Directors would like to inform that at present HPL is executing a prestigious project for super specialty hospital of ESIC at Varanasi and another 100 bedded hospital at Raipur. In the ESIC Project at Varanasi, a significant effort has been made to incorporate prefab technology and the expansion work over the existing building is being done with LGS technologies.

HPL has successfully completed an Institutional campus comprising boy's hostel, girls hostel, faculty residence, academic and admin block for IIIT Guwahati.

Your Directors would like to inform that HPL is also executing a major project of Q-complex at Deo Garh, Jharkhand. The first phase of the project has been completed and put to use in Sharvani Mela.



After seeing performance of HPL, the Department of Tourism, Government of Jharkhand intend to give second phase of this prestigious project.



Your Directors would like also to inform that the Hon'ble Prime Minister of India has inaugurated PNB Muzzaffarnagar, RSETI building on 11th October, 2017. (Fig-1)

HPL has successfully completed the interior work of office of Nehru Yuva Kendra Sanghthan (NYKS) and handed over on dated 27.03.2018 in august in the presence of Secretary, Youth affairs & Sports, Government of India. (Fig-2)



(Fig-1)



(Fig-2)

HPL is also undertaking work under GoI Swadesh Darshan Scheme "Tribal Tourism Circuit" by Chhatisgarh tourism Board for the development of tourism amenities at various locations like Gangrel, Sarodha Dadar, Kurdar, Chitrakoot and out of these the project at Gangrel has been completed successfully. For CTB at Kurdar site, HPL has successfully implemented solar power plant of 10 KW capacity. (Fig-3)



(Fig-3)



II. HPL's Initiatives in the Prefab Sector:

Your Directors are proud to inform that during the year HPL has made exemplary contribution to the sector and has been a key player in invigorating the stakeholders, which is showing perceptible changes in the acceptability by the policy makers, entrepreneur as well as the users. The results of the initiatives taken, under guidance of the Ministry, are now getting translated on the ground and a large number of projects using alternate technologies are being taken up across the country and abroad.

In several of its projects, HPL is using prefab technologies such as Light Gauge Steel (LGS) Technology in Super Specialty Hospital at Varanasi, Expanded Polystyrene (EPS) Technology and Pre-Engineered Building (PEB) Technologies at NIT Jote, University of Health Sciences, Karnal at Kutail Karnal, Construction of prefabricated houses for rehabilitation of displaced persons in the Rakhine State of Myanmar. HPL had also extensively used these technologies for construction of school toilets under Swachh Bharat Abhiyaan.



As a step towards promoting the prefab technology, to meet the huge number of houses for PMAY a 'Prefab Technology Park' has been set up in the area of approx. 5 acres in HPL premises for disseminating information on emerging construction technology for cost effective and faster construction. This technology park provides a platform to various Innovative prefabricated technologies at one place, which will play a key role in finding the solution of "Housing for All by 2022" scheme.



HPL has been continuously organizing various events / exhibitions/ discussions with the stakeholders all over the country including Guwahati, Ranchi, Dehradun, Delhi etc.

HPL also participated in various exhibitions in different parts of the country including India International Trade Fair at Pragati Maidan wherein the demonstration house in the prefab technologies was erected and was extensively appreciated by visitors. A number of publications were also brought out for dissemination of these technologies to the stakeholders.

III) Business Development

The Directors are happy to inform that your company has secured new business of Rs. 295.41 crores during the year 2017-18.

Presently, HPL has been assigned various works across the country on behalf of Central & State Governments / PSU's. Major work taken up by the company is Development of Tourism amenities across the State of Chhattisgarh, Infrastructure development work for NDRF at Ghaziabad and Ludhiana, Works for ESIC at Raipur, Goa, Asansol, Sitapur, Agra, Jodhpur, Ludhiana and Varanasi, Development



of Eco-tourism circuit at Idukki, Works for Assam Rifles at Nagaland, Construction of PNB RSETI Bldgs at Hosiarpur & Gurudaspur etc. Various works to the tune of Rs 1057.23 Crs are under negotiation stage.

IV. Future Prospects

Indian Construction Industry is expected to grow at a rapid pace owing to the government efforts to the bridge infrastructure deficit. The Govt. of India has taken up ambitious agenda of providing 'Housing For All by 2022' which require construction of nearly 5 million houses every year and The prefab sector has a major role to play in the fulfillment of this agenda. Towards increasing the housing delivery capacity, as mandated by the huge requirements, the rapid construction technologies need to be adopted. The impending manpower shortages, skill gaps and need for urgent housing & infrastructure development, warrants the use of innovative methods and harnessing available technologies to provided. Simultaneously HPL will continue to focus on Project Management Contracts and it will be endeavor of the company to complete the projects without time and cost overrun. The organization will continue to organize seminars, interactive sessions etc. for creating awareness towards the need of synergetic action by all stakeholders of the emerging technologies for achieving the Govt.'s goal of 'Housing For All by 2022'. The prefab sector have now taken off in the country in a significant manner and HPL would have an opportunity to play a major role in the country.

3. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which these financial statements relate on the date of this report.

4. Disinvestment of HPL

The Cabinet Committee on Economic Affairs in its meeting dated 17-02-2016 as taken 'in principle' decision for 100% stake sale of HPL to any other similarly placed CPSE's. In accordance with the same, the DIPAM has appointed the Transaction advisor and Legal Advisor willing the administrative Ministry has appointed Assets Vauler for the same. The process of finalization of confidential Information Memorandum for inviting financial bids is under process and HPL is extending all possible help for the process of disinvestment.

5. HUMAN RESOURCE MANAGEMENT

It is our endeavor to keep Human Resources at most slim level to reduce liabilities. As on 31.03.2018



the organization has a team of 355 dedicated employees (including employees working on contract basis).

The organization is on a growth trajectory and to handle the ongoing projects smoothly, the company needs to employ specialized employees to take up specific projects like prefab. In view of the ongoing disinvestment, the manpower requirement is being met by hiring employees on contract basis.

Simultaneously the Company has also been making continuous efforts to redeploy manpower to ensure proper distribution of manpower at project sites and also to utilize gainfully under-utilized manpower on account of plant shutdown.

5.1 Industrial Relations

The overall industrial relations situation remained peaceful and cordial during the year under report. Continued efforts are being made to maintain cordial, congenial and peaceful atmosphere in the organization.

The Company has organized welfare and recreational programmes involving the families and children of the employees to continue bonding with them. The facility of medical consultation is made available in the office premises for the employees.

5.2 Training

In order to keep pace with the changing working environment and in pursuance with company's commitment to develop best available talent, efforts are made to develop skills, enhance knowledge and reorient attitude of the employees by imparting training to them for their better utilisation. During the year 2017-2018, training was imparted for 156 mandays by various outside agencies.

5.3 Women employment

There are 29 women employees working in the organization at different levels. HPL ensures good and conducive working conditions to its all women employees. HPL has implemented the provision of maternity leave benefits as applicable under the Maternity Benefits Act 1961 and Child Care Leave facility (CCL) as per Govt. Guidelines for its women employees. In pursuance of the judgement of the Hon'ble Supreme Court, the company has set up a committee with majority of women employees as its members under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. International women's day was celebrated with full fervour in the organization and excursion was also organized for women employees.

During the year, under report, no incidence of sexual harassment of women or discrimination amongst women employees on the basis of gender, has been reported.



5.4 SC/ST employment

As far as the recruitment of SC/ST and physically Handicapped persons is concerned, the company is adhering to the guidelines issued from time to time by the Govt. The details in respect of SC/ST employment are given in **Annexure- 1B**.

5.5 Person With Disability (PWD) employment

HPL has followed the schemes of Govt. of India to benefit the Person with Disabilities (PWD). In compliance with the DPE's OM No. 6(9)/2014-DPE (SC/ST cell) dated 27th August 2014, the status of employment of the persons with Disabilities during the year 2017-18 is given in **Annexure – 1C**.

6. COMPLIANCES

6.1 Vigilance Mechanism

The major thrust of Vigilance Department in HPL is preventive and surveillance vigilance through educating the officers and employees about procedures and guidelines. However, punitive measure and system improvement are also taken by the Vigilance Department as and when required.

From time to time, guidelines are issued for system improvement/procedure amendments to improve transparency and reducing possibility of corruption/leakage of revenue.

6.2 Micro and Small Enterprises

Keeping in view the effective implementation of Public Procurement Policy for Micro and Small Enterprises (MSEe) Order 2012, following steps have been adopted:

- Communication has been sent to all the registered venders regarding the said policy with the objective of achieving an overall procurement of 20% from MSE's. Further, for enhancing the procurement from MSEs owned by SC/ST, all the venders are approached for capturing necessary details and update the data bank.
- In order to enhance the vender base from MSE's your Company is participating in various exhibitions organized by Micro, Small and Medium Enterprises.
- During financial year 2017-18, your Company placed orders for goods and rendered services to the extent of Rs. 57 lakh from MSE's which constitute 44% of the total procurement.

6.3. Procurement through GeM

As decided by the Government that GeM SPV will create a one stop Government e-Marketplace



(GeM) to facilitate online procurement of common use Goods & Services required by various Government Departments / Organizations / PSUs. GeM aims to enhance transparency, efficiency and speed in public procurement. It provides the tools of e-bidding, reverse e-auction and demand aggregation to facilitate the government users, achieve the best value for their money. HPL is following the procedure and maximum procurement is being made through GeM.

6.4 Right to Information Act, 2005

As per the provisions of Right to Information Act, 2005, the Company has made all efforts to ensure the compliance of the provisions of the Act. HPL has nominated Transparency officer, Appellate Authority and Central Public Information Officer in the Company for expeditious disposal of requests for information. HPL website has been updated and contains information as required under clause 4.1(b) of the RTI Act 2005. During the year 2017-2018, HPL has received 49 applications and three appeal all have been replied, a sum of Rs. 490/- (Registration Fees Rs.330/- and additional Fees Rs.160/-) for giving information under the Right to Information Act.

6.5 MCA 21

This e-Governance initiative was started by Ministry of Corporate Affairs (MCA) in the year 2006. The Project offers availability of all MCA services including filing of documents, registration of companies and public access to corporate information through the portal of Ministry of Corporate Affairs. These services can be accessed/ availed from anywhere, at any time that best suits the corporate entities, professionals and the public at large. Under the flagship of MCA 21, HPL has filed all its forms and returns online timely and properly. Director Identification Numbers (DIN) of all the Directors are in place.

6.6 Rajbhasha (Official Language)

In consonance with the Official Language Act, 1963 and Rules made there under concerted effort is being continuously made in HPL to promote the use of Hindi in all spheres of official work of the Company. Employees are encouraged for facilitating the use of Hindi in their day to day working, and also the secretarial staff of HPL is regularly sent to Hindi Computer Application Classes. During this period 2017-2018, quartely Raj Bhasha meetings were held by HPL. HPL is striving to increase the usage of Hindi in the daily correspondence. Hindi-Diwas and Hindi-Fortnight were organised in the month of September 2017, wherein various competitions and events were organized and employees were awarded with prizes. Company's web site is maintained in a bilingual manner.

6.7 Presidential Directive

Presidential Directive on revision of pay scale for IDA pattern employees as per third PRC report has been issued to the Company during 2017-18.



6.8 Information as required under Section 134 (3) of Companies Act, 2013

Neither buy-back of shares is authorized by its Articles nor special resolution has been passed in General Meeting of the Company authorizing the buy-back of its shares. Therefore, provisions of sub-Section(1) of Section 68 of the Companies Act 2013 is not applicable.

6.9 Borrowings

During the Financial Year 2017-18, no borrowing was made by the Company.

6.10 Particulars Relating To Conservation Of Energy and Technology Absorption, Research & Development, Foreign Exchange Earnings and Outgo etc.

6.10.1 Conservation of Energy and Technology Absorption

The company is very conscious on the issue of energy conservation using technologies. HPL has been active in promotion of prefab technologies which inherently use much lesser construction material and are functionally more efficient thereby reducing the energy requirement for manufacturer of building materials as well as operational requirement in buildings.

In its own company various steps have been taken up for conservation of energy including installation of Led lights, solar lamps, upgrading the Air Conditioners for better star rating etc.

6.10.2 Foreign Exchange Earnings and Outgo

During the financial year 2017-18, Foreign exchange expenditure was Rs. 1.32 lakh by the Company.

6.10.3 Research And Development

As a step towards promoting the prefab technology, a ‘Prefab Technology Park’ is set up in HPL premises, New Delhi for disseminating information on emerging construction technology, sustainable building material for cost effective and faster construction. Spread in the area of approx. five acres, the technology park had been set up to showcase various Innovative prefabricated technologies namely PEB, Monolithic EPS, Polypropylene Honeycomb, Precast Technology, Production on Site Precast Concrete, PUF Wall & Roof Pane, GFRG, LGSF, Monolithic Concrete Shear Wall, EPS with Speed Floor, LGS and Wooden Construction have been demonstrated at one platform in the Technology Park. Sample houses have been constructed in the campus and we are also propagating the use of this technology in our projects. The disclosure of particulars with respect to absorption of Research & Development in Form ‘B’ is annexed as **Annexure – ID**.

7. DIRECTORS’ RESPONSIBILITY STATEMENT

The Board of Directors of the Company in pursuance of Section 134 of the Companies Act, 2013 as



amended hereby confirms:

- (a) that in the preparation of the annual accounts, all the applicable accounting standards along with proper explanation have been followed and there has been no material departure;
- (b) that such accounting policies were selected and applied consistently and such judgments and estimates were made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and Profit & Loss of the Company for the year ended on 31st March 2018;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the Annual Accounts have been prepared on a going concern basis; and
- (e) that directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company has adopted the Risk Management Policy after identifying the certain elements of risks which in the opinion of the Board are of significant likelihood and consequence in the pursuit of Hindustan Prefab Limited stated strategic goals and objectives. The process of Risk Management covers the following:

- (a) Risk Identification & Categorization i.e. Company's exposure to uncertainty classified as Strategic/Operational/Financial/Compliance/Environmental.
- (b) Risk Management Framework refers to the Organization structure with responsibility and Accountability for risk management.
- (c) Risk Assessment and control refers to the method of assessing and recording the company's identified risks in a structured manner their measurement and control.
- (d) Continuous assessment is the process to be vigil and sensitize the organization regarding potential risks.

9. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The company as an entity is fully aware of its obligations towards environment and also to the society.



The company has been discharging its social responsibility as part of its corporate Government philosophy. During construction, contractors are encouraged to adopt environmentally friendly construction practices. The provisions of Section 135 of the Companies Act 2013 dealing with Corporate Social Responsibility became applicable to HPL during 2017-18. As such a CSR & Sustainability Committee was constituted in the company with the following composition:

1. Sh. Rajesh Goel, Chairman & Managing Director
2. Ms. Jhanja Tripathy, JS & FA, M/o H & UA, Part time Official Director-Member
3. Sh. Amrit Abhijat, JS (PMAY), M/o H & UA, Part time Official Director-Member

During the year, a provision of Rs. 18.10 lakhs was available for use under CSR. Since the amount was the marginal, it was felt necessary that it may be clubbed with the next year's CSR provision so as to able to make a significant contribution with a significantly larger corpus. Accordingly, an amount of Rs. 18.10 lakhs has been provided in the accounts for the current year to be used next year alongwith the provision for the next year.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

12. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There is no qualifications, reservations or adverse remarks or disclaimer made by the Auditors. The provisions relating to submission of secretarial Audit Report is not applicable to the Company.

13. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of any Nomination and Remuneration



Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

14. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in **Annexure 1E** and is attached to this Report.

15. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had 5 (Five) Board meetings during the financial year under review.

16. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

17. DEPOSITS

The Company has neither accepted nor renewed any public deposits during the year under review.

18. DECLARATION OF INDEPENDENT DIRECTORS

The independent director has submitted their disclosure to the Board that they fulfill all the requirement as stipulated in Section 149 (6) of the Companies Act, 2013

19. BOARD OF DIRECTORS

During the year, Sh. Amrit Abhijat has been appointed as Part-time (Official) Director in the Board of HPL.

On the date of report, the strength of the Board of Directors are as under:-

S.No.	Name	Designation	Period
1	Sh. Rajesh Goel	Chairman & Managing Director	17.06.2014 onwards
2	Ms. Jhanja Tripathy	Part-time (Official) Director	24.04.2014 onwards
3	Sh. Amrit Abhijat	Part-time (Official) Director	01.06.2018 onwards
4	Sh. Surender kumar Natvarlal Bhatt	Part Time (Non-Official) Director.	28.06.2016 onwards



20. AUDITORS

The Comptroller & Auditor General of India has appointed M/s. S.P. Chopra & Company, Chartered Accountants, 31-F, Connaught Place, Radial Road No. 7, New Delhi - 110001 as Statutory Auditors of HPL for the financial year 2018-19.

21. COMMENTS OF COMPTROLLER & AUDITOR GENERAL (C&AG) OF INDIA

The comments of the C&AG on the Annual Accounts of the Company for the year ended 31st March, 2018 is annexed to this report as an **Annexure 1F**.

22. Disclosure under the Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has complied all the rules & regulations in line with the requirements of the Sexual Harassment of women at the workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. The following is a summary of sexual harassment complaints received and disposed off during the Financial Year 2017-18:-

S. No.	Particulars	01/04/2017 to 31/03/2018
1.	No. of complaints received	NIL
2.	No. of complaints disposed off	NIL

23. EXPENSES ON PUBLICITY, ADVERTISEMENT AND FOREIGN TRAVEL.

The total expenditure on publicity/advertisement during the period under report was Nil. During the year Expenditure on Foreign Travel was Rs. 1.32 lac.

24. ACKNOWLEDGEMENTS

We take this opportunity to gratefully acknowledge the cooperation, guidance and support received from the Ministry of Housing & Urban Affairs, Department of Public Enterprises, Govt. Departments, various banks and our esteemed clients etc.

The Directors also place on record their appreciation for the office of Statutory Auditor and the Comptroller & Auditor General of India for their guidance during the year under report.



Employees are our vital and most valuable assets. Your Directors value the commitment of all employees of the Company and place on record their appreciation of the contribution made by members of HPL family at all levels that has contributed to your Company's success and remain in the forefront of the company business.

For and on behalf of Board of Directors

**Sd/-
(Rajesh Goel)
Chairman & Managing Director**

New Delhi

Date: 3rd August, 2018



REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on the Code of Corporate Governance

HPL's Code of Corporate Governance is "To have transparency, independence, commitment, to client, public, employees & Govt. and to provide quality, fairness and excellence in the areas of operations." HPL being a fully owned Govt. Company is fully aware of its obligation towards Govt. and society at large. The Company is committed to continue its efforts towards raising the standards in Corporate Governance and continues to review its procedures /systems constantly in order to keep pace with the fast changing infrastructure environment.

The values that HPL seeks to upheld are:

- To act as a team;
- Honesty and justice in dealings;
- Firm obedience in commitments undertaken;
- Timely completion of work;
- Respect for dignity and potential of individuals;
- Devotion and pride towards HPL.

2. Board of Directors

I. Size of the Board: HPL is a Government Company as defined under Section 2(45) of the Companies Act, 2013. As per the articles of association of the Company, the power to directors rests with the President of India. The strength of the Board shall not be less than 2 Directors and not more than 11 provided that the number of Independent Directors in any case shall not be less than half of the actual strength of the Board.

II. Composition of the Board: The Board of Directors of the Company consists of four Directors, comprising of Chairman & Managing Director, two Part-time (Official) Directors and one Non Official Part Time Director on behalf of Ministry of Housing & Urban Affairs (GOI). In accordance with the Articles of Association of the Company, the appointment of a Director in the Company is approved by the President of India.

The composition of the Board of HPL, along with Directorships held by them and their attendance in the Board meetings held during the financial year 2017-18 and in the last Annual General Meeting is reproduced in the table below:



Directors on the Board of HPL as on 31/03/2018

S. N.	Category and Name of Directors	Number of Directorships/ in public companies excluding HPL and private companies	Total No. of Committee Memberships/ chairmanships in public companies including HPL and excluding private companies	No. of Board meetings attended/ held During 2017-18	Last AGM attended
(I) Chairman & Managing Director					
1.	Sh. Rajesh Goel (joined on 17.06.2014)	Nil	Nil	5/5	Yes
(II) Functional Director					
2.	Sh. S.K.Gupta, Director (Technical) (cessation w.e.f 27.02.2018)	Nil	2 as Member	4/4	Yes
3.	Sh. Rajiv Ranjan Mishra (Joint Secretary) (Housing, MHUA) Shri Amrit Abhijat, JS (PMAY) has been appointed in place of Rajiv Ranjan Mishra w.e.f 01.06.2018	1	2 as Member	3/5	Yes
(III) Director (Part-time official)					
4.	Ms. Jhanja Tripathy (Joint Secretary & Financial Adviser, MHUA) (appointed on 24.04.2014)	8	5 as a Chairman 9 as a Member	5/5	Yes
5.	Sh. Surendra kumar Natvarlal Bhatt	Nil	Nil	2/5	Yes

Notes:

- The Directorships and memberships in the Committees being held by the Directors of HPL are within the limits laid down under Companies Act, 2013.
- The term “part-time official” indicates the Government nominated Directors on the Board of HPL who are officials of the Ministry of Housing & Urban Affairs.
- The term “part-time non-official” indicates the Directors who are independent and do not hold any office in the Government.
- The membership in the Audit Committee and Remuneration Committee are being considered for counting the number of memberships.



The detailed agenda along with the explanatory notes was circulated in advance for all the Board meetings. During the Financial Year 2017-18, the Company had conducted five Board Meetings

In all the cases of absence of a Director, Leave of Absence was granted under Section 167 of the Companies Act, 2013. Details of the dates of the meeting of Board of HPL for the year under review are mentioned below:



*Meeting of Audit Committee of HPL, held on
03rd August 2018*

Board Meetings	Date
407 th meeting of Board of Directors	03 rd August, 2017.
408 th meeting of Board of Directors	01 st September, 2017.
409 th meeting of Board of Directors	29 th September, 2017.
410 th meeting of Board of Directors	26 th December, 2017.
411 th meeting of the Board of Directors	23 rd March, 2018.

III. Brief resume of Directors of the company

a. Sh. Rajesh Goel, Chairman and Managing Director

Sh. Rajesh Goel took over as full time Chairman & Managing Director of Hindustan Prefab Limited on 17.06.2014. An Alumni of IIT Delhi, Sh. Goel has also done PGDM (Finance) from Management Development institute (Gurgaon). He is a fellow of the Institution of Engineers and Institution of Surveyors besides being Member of various professional bodies like IBC, IRC, AIHDA etc. Sh. Goel has very rich experience of over 30 years in the habitat sector covering project planning, construction, project finance, real estate development, policy formulation etc. Prior to current assignment he worked as Executive Director with Housing & Urban Development Corporation Ltd.

b. Sh. Amrit Abhijat Director and JS (PMAY), Ministry of HUA:

Amrit Abhijat, IAS, is a Government Nominee Director of our Company. Shri Amrit Abhijat, is an IAS officer of the 1995 batch from Uttar Pradesh Cadre. He holds a Post-graduation degree



in History from Kirori Mal College, Delhi University, MA in Developmental Studies from the University of Sussex, UK. He has also done Courses, in Environmental law and Rural Development amongst others.

He has over 21 years of experience in administrative functions. He served in various capacities, namely Secretary in the Ministries of Home, Information, Technical Education, Tourism and Agri-marketing in the Government of Uttar Pradesh. In the past he held various important positions of Sub Divisional Magistrate, Development Officer, Chief Development Officer and District Magistrate in cities like Allahabad, Kanpur, Agra and Muzzafarnagar in the State of Uttar Pradesh. Shri Abhijat taught for a brief period in the Khalsa College, Delhi University. Presently, Shri Abhijat is serving as Joint Secretary and Mission Director, Ministry of Housing and Urban Affairs (MoHUA), Government of India, looking after the ambitious scheme of Housing for All/Pradhan Mantri Awas Yojna (Urban). Shri Abhijat has been appointed as Part-time Official Director on the Board of Hindustan Prefab Limited (HPL) with effect from 1st June, 2018.

c. Smt. Jhanja Tripathy, Joint Secretary & Financial Adviser MoHUA, Part-time (official) Director

Smt. Jhanja Tripathy has been appointed by the Ministry of HUA on the Board of HPL. Smt. Tripathy belongs to the 1986 batch IRAS Officers. She holds a Master's Degree in Psychology and PG Diploma in Industrial Relations and Personnel Management. Currently, she is posted as Joint Secretary & Financial Advisor in MoHUA. Prior to her current assignment, Smt. Tripathy was Financial Advisor & Chief Accounts Officer in the Northern Railway, Ministry of Railways, Government of India. She has experience of more than 28 years of holding several key positions in Railways and other Ministries of Central Government.

d. Sh. Surender Kumar Natvarlal Bhatt, Part-time (Non-official) Director

Sh. Surender Kumar Natvarlal Bhatt, Part-time (Non-official) Director of HPL, He is LL.B. and several years of experience in the field of legal practice. He has also held many district level administrative positions in the past.

IV. Non-Executive Directors' compensation & disclosures:

The Company did not pay sitting fee to Non-Executive Government Nominee Directors. The part-time non-official (Independent) Directors on the Board of the Company are paid a sitting fee of Rs.20,000/- for every Board meeting and Rs. 15,000/- for every Committee meetings attended by them.



V. Board Meetings, Committee Meetings & Procedures:

- (A) **Decision making Process:** The Company has laid down a set of guidelines for the meetings of the Board of Directors with a view to professionalizing all corporate affairs. These guidelines seek to systematize the decision making process in Board Meetings in an informed and efficient manner.
- (B) **Scheduling and selection of agenda items for Board/Committee meetings:**
- The meetings are convened by giving appropriate notice after obtaining the approval of the Chairman of the Board/Committee. Detailed agenda notes, management reports, and other explanatory statements are circulated in advance among the members to facilitate meaningful, informed, and focused decisions during the meeting. When urgent issues need to be addressed, meetings are called at shorter notice or resolutions are passed by circulation.
 - Wherever it is not practical to attach any document to the agenda notes due to its confidential nature, or in special and exceptional circumstances, additional or supplemental items, such papers are placed on the table in the meeting.
 - The agenda papers are circulated after obtaining the approval of the CMD.
 - The meetings are held at the Company's registered office in New Delhi.
 - Presentations are made in the Board/Committees meetings on matters related to Finance, Operations, Human Resources, etc. to enable members to take informed decisions.
 - The members of the Board have complete access to all information of the Company. The Board is also free to recommend any issue that it may consider important for inclusion in the agenda. Senior management officials are called to provide additional inputs to the items being discussed by the Board, as and when necessary.
- (C) **Recording of minutes of the Board/Committee meetings:** Minutes of the proceedings of each Board/Committee meeting are duly recorded in the minute's book. The minutes of each Board meeting are circulated among Board members in the next Board meeting for their confirmation.
- (D) **Follow-up mechanism:** As per the guidelines laid down by the Board/Committee, an action-taken report on the decisions of the Board/Committee members is presented in subsequent meetings. This acts as an effective follow-up, review, and report process.



- (E) **Compliance:** It is our endeavor to ensure that all applicable provisions of law, rules, and guidelines are adhered to while preparing the agenda notes. The Company ensures compliance of all the applicable provisions of the Companies Act and various other statutory requirements under different laws. The Board of Directors reviews the legal compliance report presented by the Company Secretary from time to time.

The following information is regularly provided to the Board:

- Annual operating plans, budgets, and related updates.
 - Capital budgets and related updates.
 - Minutes of the meetings of the Audit Committee and other Committees of the Board.
 - Show cause, demand, prosecution notices, and penalty notices, if any, which are materially important.
 - Fatal or serious accidents, dangerous occurrences.
 - Major investments, formation of subsidiaries, joint ventures, and strategic alliances.
 - Disclosure of interest by Directors about directorships and committee positions occupied by them in other companies/firms, etc.
 - Details of joint ventures/collaboration agreements, etc.
 - Award of large contracts.
 - Other items in accordance with the law and DPE Guidelines.
- (F) **Code of Business Conduct and Ethics:** As per the guidelines on Corporate Governance released by Department of Public Enterprises, after approval of the Board of Directors of HPL, the Company has laid down its Code of Business Conduct and Ethics along with HPL's Key Values for the Board Members and Senior Management Personnel. The Code of Conduct is also posted on the website of the Company, www.hinduprefab.org.
- (G) **Fraud prevention and Risk Management Policy:** HPL has Risk Management Policy duly approved by the Board of Directors.
- (H) **Training of Board Members:** HPL takes initiatives to train its Board members about HPL's profile, business parameters, etc. All the relevant issues and significant developments related to the working of HPL are imparted to part-time Directors on the Board of HPL (official) and (non-official), as the case may be, by the management of HPL from time to time. The documents related to the Company including Annual Reports, Memorandum and Articles of Association, MoU between HPL and Ministry



of Housing and Urban Affairs etc. are provided to them as per the requirement. HPL has also a board approved policy on training of Board members.

3. **Audit Committee**

The Company had constituted an independent Audit Committee of the Board of Directors, comprising of part-time (non-official) independent directors and part-time (official) director with expertise in the areas of finance and management, on 7th March, 2012, pursuant to DPE Guidelines on Corporate Governance. The composition of the Audit Committee as on 31st March, 2018 is-

- i. Ms. Jhanja Tripathy - Part-time (official) Director-Chairman
- ii. Shri Amrit Abhijat- Part-time (official) Director -Member
- iii. Shri Surender kumar Natvarlal Bhatt-Part-time (Non-official), Director - Member

The Company Secretary acts as Secretary to the Committee. During the financial year 2017-18, four meetings of Audit Committee were held.

Scope of Audit Committee

The Scope and terms of reference of Audit Committee are as per guidelines of Corporate Governance laid down by Department of Public Enterprises.

4. **Remuneration Committee**

The Company had constituted a Remuneration Committee of the Board of Directors, comprising of part-time (non-official) independent directors and part-time (official) directors. The composition of Remuneration committee as on 31st March, 2018 are as follows:-

- i. Sh. Surendra Kumar Natverlal Bhatt, Non Official, Part Time Director -Chairman
- ii. Sh. Amrit Abhijat, Part Time Official Director-Member
- iii. Ms. Jhanja Tripathy, Part Time Official Director-Member

Remuneration of Directors

As HPL is a wholly owned Government Company under Companies Act. It includes Functional Directors i.e. Chairman & Managing Director is appointed/nominated by President of India through Ministry of Housing & Urban Affairs. They draw remuneration under Industrial Dearness Allowance (IDA) pattern of pay scales and as per the terms and conditions issued by Government of India from time to time. However, during the financial year 2017-18 the part-time (official) (Government nominee) Directors on the Board of the Company do not draw any remuneration from the Company. They only draw regular remuneration from the



Government of India (Ministry of Housing & Urban Affairs' in HPL's case) as Government officials.

Directors	Designation	Salary	Benefits*	Performance linked incentives	Gross Total
Sh. Rajesh Goel (from 17.06.2014)	Chairman & Managing Director	25,66,764	1,06,966	-	26,73,730
Sh. S.K. Gupta (Up to (26/02/2018)	Director (Technical)	19,81,825	2,22,939	-	22,04,764

*Benefits include Medical reimbursement, Gratuity, Leave encashment.

5. Subsidiary Companies

The Company has no Subsidiary Company.

6. General Body Meetings

Date, time and venue of last three Annual General Meetings are as under:

Year	Location	Date	Time	Special Resolution, if any
2016-17	Registered office of company at : Hindustan Prefab Limited, Jangpura, New Delhi – 110014	29.09.2017	3:30 P.M.	· Alteration of Articles of Association of the Company. · Regularization of appointment of Additional Director.
2015-16	Registered office of company at : Hindustan Prefab Limited Jangpura, New Delhi – 110014	25.11.2016	11:30 A.M.	NIL
2014-15	Registered office of company at : Hindustan Prefab Limited Jangpura, New Delhi – 110014	19.10.2015	11.30 A.M.	NIL

Detail of Postal ballot resolution: No resolution was passed through postal ballot during the year under review as the company is not listed any stock exchange.



7. Shareholders Information

a. 65th Annual General Meeting

- 1 Date & Time 28th September, 2018 at 3:30 p.m.
- 2 Venue Regd. Office : Hindustan Prefab Limited, Jangpura, New Delhi – 110014



65th Annual General Meeting of HPL

b. Dividend Payment

Due to accumulated losses of the previous years, directors decided not to recommend dividend in the Financial Year 2017-18.

c. Listing on Stock exchange

The shares of the Company are not listed and are in physical form.

d. Shareholders Profile

Years	31.03.2018	31.03.2017	31.03.2016	31.03.2015
President of India	1,34,76,682	1,34,76,682	1,34,76,682	1,34,76,682
Others*	3	3	3	3
TOTAL	1,34,76,685	1,34,76,685	1,34,76,685	1,34,76,685

** includes 2 shares held by CMD, HPL and 1 share held by Govt. Nominee Director on behalf of the President of India, having no beneficial interest in shares.*

8. Disclosures

- I. The Company has not entered into any significant related party transactions with the Directors or their relatives (Disclosure made by directors individually pursuant to Section 184 of Companies Act) having potential interest with the Company at large.
- II. The Company has not been imposed penalty by any statutory authority owing to non-compliance under laws, during the last three years.
- III. The Company has taken steps to comply with the guidelines on Corporate Governance issued by Department of Public Enterprises (DPE) released in May 2010. In accordance with the



guidelines, HPL has evolved a Code of Business Conduct and Ethics for its Board Members and Senior Management Personnel, which has been displayed on the website of the Company. HPL has also included Report on Corporate Governance and Management Discussion and Analysis Report in its Directors Report. The compliance of these Guidelines is also reflected in the Chairman's speech delivered at the Annual General Meeting of the Company.

- IV. The Company has not received any Presidential directive during the financial year 2017-18.
- V. All items of expenditure debited in the books of Accounts of HPL are for the purpose of project execution entrusted to HPL and are related to project expenditure.
- VI. There are no personal expenses incurred for the Board of Directors except which are as per terms of appointment as contractual obligations.
- VII. The company has followed the accounting standards as prescribed by the Institute of Chartered Accountants of India. However, deviations, if any have been reported in the notes forming part of accounts.
- VIII. *Details of Administrative and office expenses as a percentage of total expenses vis-à-vis financial expenses and reasons for increase* –The administrative and office expenses has been decreased from Rs. 317.56 lacs in Financial Year 2016-17 to Rs. 303.92 lacs in Financial Year 2017-18.

9. Means of Communication

Annual Report including Audited Financial Results is displayed on HPL website, www.hindprefab.in. Tenders for Projects, details of tenders/contracts awarded, alongwith other official news releases are also uploaded on the website of HPL. The information uploaded on the website of HPL is updated from time to time according to the information provided. A Hindi Version of the website is also available. Tenders etc. are also uploaded on NIC (Govt. Portal).

10. Audit Qualification

The Company has been putting all the efforts towards ensuring a regime of unqualified financial statements and there have been no significant qualifications by the auditors.

11. Whistle Blower Policy

HPL being a Government Company under Ministry of Housing & Urban Affairs is covered under Central Vigilance Commission (CVC). Therefore, as per CVC guidelines, a mechanism has been established in the Company for all its employees and clients to report about any



unethical behavior, actual or suspected fraud to the CVO or the Chairman & Managing Director directly. No employee has been denied access to the Audit Committee of the Board of Directors. The Whistle Blower Policy of HPL is posted on the website of the Company, www.hindprefab.org.

12. Compliance Certificate on Corporate Governance

The Certificate from M/s. Lalit Chaudhary & Co. Company Secretaries confirming compliance with the Conditions of Corporate Governance as stipulated under the guidelines issued by Department of Public Enterprises form part of the Annual Report in the **Annexure 1G**.

For and on behalf of the Board of Directors

**Sd/-
(Rajesh Goel)
Chairman & Managing Director**

Place: New Delhi

Date: 03/08/2018



Annexure -II

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

AN OVERVIEW

Hindustan Prefab Limited (HPL), one of the oldest CPSEs, functions under the administrative control of the Ministry of Housing & Urban Affairs. Pioneer of Prefab technology in India - HPL was established as a Department in 1948, for meeting the housing needs of people who migrated from Pakistan. Later HPL was incorporated as a company in 1953 and became a CPSE in 1955. After going through various ups and downs, Today HPL is one of the leading CPSEs aiming to deliver hi-tech Project Management Consultancy services in civil construction projects which includes mass housing projects under various Govt. schemes, educational, hospitals and other institutional buildings of Central & State Govt. and their Agencies. The works entrusted to HPL are executed by ensuring quality and timely completion with both conventional and prefab technologies.

In its journey of 65 years, HPL has to its credit construction of various buildings, hospitals, bridges, milk-booths, police stations, educational institutions, residences under mass housing scheme etc. Major works currently being undertaken by HPL include works for ESIC, NDRF, Assam Rifles, Tourism projects in Chhattisgarh, Kerala and Q-complex at Jharkhand, several projects for PNBs etc. Recently HPL has been awarded an overseas project at Myanmar to construct the 250 prefabricated houses for rehabilitation of displaced persons in Rakhine, State of Myanmar.

OUTLOOK

The Mission and Vision of the Company as stated in the MoU between HPL and Ministry of Housing & Urban Affairs for the year 2017-18 are as mentioned below:

VISION

To be a premier organization in the field of civil construction and infrastructure industry by embracing state of art and cost effective technology in Prefab/Precast as well as conventional methods committed to total customer satisfaction.

MISSION

- To pioneer Prefabrication methods and technology whereby ensuring optimum Quality and effortless Construction Techniques within one's means;



- To become the customers most preferred choice by attaining excellence in quality and on time completion of value added ventures;
- To act as execution arm of Govt. of India, Ministry of Housing & Urban Affairs for mass housing /development of infrastructure in urban areas;
- To act in a socially responsible manner whilst upholding environmental responsibility ensuring customer & employee satisfaction by enhancing employee competence and ensuring the interest of other stake holders.

SWOTANALYSIS

a. STRENGTHS

- i. One of the oldest CPSE, pioneered prefab technology in India;
- ii. Potential to leverage CPSE status, as an execution arm of MoHUA which is the nodal agency for supporting housing and development initiatives;
- iii. Capacity to work in remote & difficult locations.
- iv. Healthy Order book and growth from Project execution services;
- v. Pan India presence;
- vi. Debt Free Company.

b. WEAKNESSES

- i. Extreme shortage of managerial and supervisory personnel in engineering, finance, contract management, human resources and business development functions;
- ii. Underutilized factory workers on account of stoppage of production of prefab components;

c. OPPORTUNITIES

- i. Continued growth in construction Industry; especially in the prefab sector.
- ii. Mass housing Schemes by Central Govt. for attainment of the goal of “Housing for all by 2022” has opened vast opportunities for HPL;



- iii. Increasing requirements of Armed Forces and Paramilitary Forces in North East and Border area;
- iv. Increasing focus of Central & State Govt. on Infrastructure Projects.

d. THREATS

- i. Growing competition from other CPSEs;
- ii. Diminishing margins;
- iii. Stringent pre-qualification and contract condition lay down by the clients.

RISKS & CONCERNS

The Corporation is exposed to the normal risk of the construction industry. As a PMC, its progress of the projects additionally depends on the availability of land, flow of regular funds and availability of approval from the clients and other authorities. Further, in the continuing PMC business and the recent changes in the GFR, the works are mostly secured through limited tenders between the PSUs in the sector. The space has become very competitive and is putting pressure on the bottom line of all the construction PSUs.

Besides there are other factors also particular to HPL viz. working in remote locations, tough logistics, fragmented works spread over a large geographical area and extra deployment of engineering personnel which to a large extent diminish the net margin which comes in the hands of company.

The Company's employees and projects are exposed to risks and threats of life and property while operating in risky geographical areas. The Company has taken measures to provide adequate safety, facilities and also insurance coverage in such places to mitigate such types of risk. It, nevertheless, continues its voyage and takes pride in executing prestigious works for nation.

FINANCIAL PERFORMANCE

During 2017-18, operational performance of HPL has been satisfactory notwithstanding the adverse environment, by achieving the turnover of Rs. 238.44 crore and net profit is Rs. 1.93 Crore. Significantly, the turnover figures in the current year are exclusive of GST while the figures in the previous year were inclusive of service tax, etc. As such HPL has been able to match the last year's operational performance.

HPL had over 142 ongoing projects and had a pipeline of Rs.1057.23 crores. Major works currently being undertaken by HPL include works for ESIC, NDRF, Assam Rifles, Tourism projects in



Chhattisgarh, Kerala and Q-complex at Jharkhand, several projects for PNBs etc. HPL is actively pursuing with several major clients for new business.

NEW INITIATIVES BY HPL

Due to the disinvestment being underway, the corporation is not able to take long term initiatives for the organization. However, HPL has been aggressively taking up its role in the prefab sector wherein through sustained efforts, major projects have been taken up using prefab technologies and has also continued its advocacy role towards promotion of these technologies. HPL housing technology park has gained a name of itself in the sector and has been visited by a large number of stakeholders during the year including senior Government officials, defence personnel, students of architectural & engineering colleges and other stakeholders. These visits have stimulated the sector and have contributed significantly towards the recent growth in taking up of prefab construction by various state governments and central government departments.

HPL has also taken up an overseas projects in Myanmar through MEA for housing for displaced persons in Rakhine, State of Myanmar

INTERNAL CONTROL SYSTEMS

The Projects of HPL are located across the country. Therefore effective internal control system is necessary. HPL has separate monitoring cell for monitoring the implementation of projects including periodic review of physical and financial progress, evaluation of efficiency of cost control measures based on inputs of both the Technical and Finance Departments.

Internal Audit in the Company has been outsourced to external agency to ensure the effectiveness of the control systems. The reports of the internal auditor and comments of the statutory auditor are also reviewed by Audit Committee of the Board of Directors and implementations of recommendations are monitored.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

HPL was facing restriction on direct recruitment of employees in the Company since 1993. Though, the emergent manpower requirement is met by recruiting employees on contract basis. However, the Company finds it tough to manage with dearth of employees at senior and middle management level. With the current process of disinvestment being underway, no new major recruitment has been done on regular appointment. Since process of disinvestment is taking significantly long time and the need for more regular employees especially engineers to look after the projects has become critical, the recruitment of regular staff has become very important and immediate. The issue is being taken up with the authorities for engagement of additional regular staff.



The Company is also focusing to develop the capabilities of its employees through training. Industrial Relations remained harmonious and cordial during the year and no man days were lost.

CORPORATE SOCIAL RESPONSIBILITY

The Company's CSR & Sustainability Policy is envisaged as "A commitment to meet its social obligations by playing an active role to improve the quality of life of the communities and stakeholders on a sustainable basis, preferably in the project areas where it is operating".

During the year, a provision of Rs. 18.10 lakhs was available for use under CSR. Since the amount was the marginal, it was felt necessary that it may be clubbed with the next year's CSR provision so as to be able to make a significant contribution with a significantly larger corpus. Accordingly, an amount of Rs. 18.10 lakhs has been provided in the accounts for the current year to be used next year alongwith the provision for the next year.

DISINVESTMENT

The Cabinet Committee on Economic Affairs in its meeting dated 17-02-2016 as taken 'in principle' decision for 100% stake sale of HPL to any other similarly placed CPSE's. In accordance with the same, the DIPAM has appointed the Transaction advisor and Legal Advisor willing the administrative Ministry has appointed Assets Vauler for the same. Expression of Interest for the sale of stake has already been invited by the Government. The RfP for financial bid have been finalized and financial bids are expected to be submitted shortly. HPL is extending all possible help for the process of disinvestment

CAUTIONERY STATEMENT

Statements made in the Management Discussion and Analysis Report describing the Company's objective, projections, estimates, expectations may be forward looking statements within the meaning of applicable laws and regulations, based on beliefs of the management of your Company. Such statements reflect the Company's current views with respect to the future events and are subject to risks and uncertainties including among others, changes in the general economic and business conditions affecting the segment in which the Company operates, changes in business strategy, changes in interest rates, inflation, deflation, foreign exchange rates, competition in the industry, changes in governmental regulations, tax laws and other Statutes & other incidental factors. The Company does not undertake any obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF HINDUSTAN PREFAB LIMITED FOR THE YEAR ENDED MARCH 2018

The preparation of financial statements of Hindustan Prefab Limited for the year ended 31 March 2018 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 03 August 2018.

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

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

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

Sd/-
(Raj Kumar)
Principal Director of Commercial Audit &
Ex-officio Member, Audit Board - III,
New Delhi

Place: New Delhi

Date: 27 September 2018



CTB, Gangel Dham (CG)



CTB, Gangel Dham Cafeteria



IIIT, Guwahati



Boys Hostel, Sainik School, Mizoram



Administrative Block, School Building, Sainik School



Police Station and Residential Complex Gokulpuri



SPM College, Punjabi Bagh, New Delhi



Senior Boys Hostel, Sainik School, Mizoram



Aerial View, Sainik School, Mizoram



Assam Rifle, Manipur



Ray Project, Kerala



Piravom Mall, Kerala



हिन्दुस्तान प्रीफैब लिमिटेड
Hindustan Prefab Limited

Annexure-IG

Lalit Chaudhary & Company

Company Secretaries

Firm Registration No: S2016DE364000

31/26, Basement

Old Rajinder Nagar

New Delhi-110060

Phone: 011-41444780

011-49433947

Mobile: 9213509343

Email: cslalitchaudhary1@gmail.com

Compliance Certificate on Corporate Governance

To,
The Members,
Hindustan Prefab Limited
New Delhi

We have examined the compliances of conditions of Corporate Governance by Hindustan Prefab Limited (“the Company”) for the financial year ended 31st March, 2018 as stipulated 8.2.1 of guidelines issues by Department of Public Enterprise (DPE) and Ministry of Heavy Industries and Public Enterprises, Government of India.

The compliance of the conditions of corporate Governance is the responsibility of the management. Our examination has been limited to review of the procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company is in process to comply with conditions of Corporate Governance as stipulated in DPE guidelines on Corporate Governance for CPSE.

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

Date: 03rd August, 2018

Place: New Delhi

-Sd/-

For Lalit Chaudhary & Co.

Company Secretaries

Firm Reg. No: S2016DE364000

Membership No. 21095

COP Number: 15889



Hindustan Prefab Limited
(Pers. & Admn. Deptt.)

Post filled by Direct Recruitment from 01.04.2017 to 31.03.2018

SCHEDULED CASTE

Class Backlog Notified	Total No. of Vacancies			No. of vacancies reserved		No. of SC Candidates appointed	No. of SC vacancies carry forward from previous year (in such cases where de-reservation is permitted)	No. of ST candidates appointed against SC reservation in the 3 rd year of carry forward (in such cases where de-reservation is permitted)	No. of reservations lapsed after carry forward for 3 recruitment years (in such cases where de-reservation is permitted)
	Vacancies identified	Current Notified	Vacancies to be Filled	Out of Col.4 Notified	Out of Col.5 Filled				
1	2	3	4	5	6	7	8	9	10
A				Nil	Nil	Nil	Nil	Nil	Nil
B	-	-	-	-	-	-	-	-	-
C	-	-	-	-	-	-	-	-	-
D	-	-	-	-	-	-	-	-	-
Total				Nil	Nil	Nil	Nil	Nil	Nil

SCHEDULED TRIBE

No. of Vacancies		No. of ST candidates appointed	No. of ST vacancies carried forward from previous year (in such cases where de-reservation is permitted)	No. of ST candidates appointed against vacancies reserved for SC in the 3 rd year of carry forward (in such cases where de-reservation is permitted)	No. of reservations lapsed after carry forward for 3 recruitment years (in such cases where de-reservation is permitted)	Remarks
Out of Col.4 Notified	Out of Col.5 Filled					
11	12	13	14	15	16	17
Nil	Nil	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
Nil	Nil	-	-	-	-	



**Hindustan Prefab Limited
(Pers. & Admn. Deptt.)**

Post filled by Promotion from 01.04.2017 to 31.03.2018

SCHEDULED CASTE

Class	Total No. of Vacancies		No. of Vacancies Reserved		No. of SC Candidates appointed	No. of SC vacancies carry forward from previous year	No. of ST Candidates against vacancies reserved for SC in the 3 rd year of carry forward	No. of reservations lapsed after carry forward for 3 years.
	Notified	Filled	Out of Col.4	Out of Col.5				
1	2	3	4	5	6	7	8	9
A	-	-	-	-	-	-	-	-
B	-	-	-	-	-	-	-	-
C	-	-	-	-	-	-	-	-
D	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

SCHEDULED TRIBE

No. of Vacancies reserved		No. of SC candidates appointed	No. of SC vacancies carried forward from previous year	No. of ST candidates appointed against vacancies reserved for SC in the 3 rd year of carry forward	No. of reservations lapsed after carry forward for 3 recruitment years	Remarks
Out of Col. 4	Out of Col.5					
10	11	12	13	14	15	16
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
Total	-	-	-	-	-	



Representation of the Persons with Disabilities (For the Year 2017 - 18)

Number of Employees					Direct Recruitment							Promotion						
					No. of vacancies reserved			No. of vacancies made				No. of vacancies reserved			No. of appointments made			
Group	Total	VH	HH	OH	VH	HH	OH	Total	VH	HH	OH	VH	HH	OH	Total	VH	HH	OH
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
A	29	-	-	01	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	170	01	-	04	-	-	-	-	-	-	-	-	-	-	-	-	-	-
D	23	-	-	01	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	223	01	-	06	-	-	-	-	-	-	-	-	-	-	-	-	-	-



Annexure-ID

(Additional information given in terms of notification No. 1029 of 30.12.1988 issued by the department of Company Affairs)

TECHNICAL ABSORPTION

“B: FORM

Research & Development (R&D)

1. Specific areas in which (R&D) Carried out by the Company. NIL
2. Benefits arrived as a result of the above R&D. Not Applicable
3. Future plan for action HPL is making efforts for dissemination of hybrid technology using prefab (puff panel and gypsum reinforce wall penal) technology etc. in various construction works
4. Expenditure plan for action

(a)	Capital	NIL
(b)	Recurring	
(c)	Total	
(d)	Total R&D expenditure as a percentage of total turnover.	

TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

i)	Efforts in brief, made towards technology absorption, adaption and innovation.	In process.
ii)	Benefits derived as a result of the above improvements, cost reduction. Product development, import substitution.	Not Applicable
iii)	In case of imported technology (imported during the last 5 years reckoned from the beginning of the Financial Year) following information be furnished.	

(a)	Technology imported	NIL
(b)	Year of import	N.A.
(c)	Has technology been fully absorbed	N.A.
(d)	If not fully absorbed area where this has not taken place, reasons thereof and future plan of action	N.A.

For & on behalf of the Board of Directors

-Sd/-

Date:03.08.2018
Place: New Delhi

Rajesh Goel
Chairman & Managing Director



FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U74899DL1953GOI002220
2.	Registration Date	27.01.1953
3.	Name of the Company	HINDUSTAN PREFAB LIMITED
4.	Category/Sub-category of the Company	Company
5.	Address of the Registered office & contact details	Jangpura, New Delhi – 110014 Ph. No. 011-43149800
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.]	NIL

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	Construction of Buildings, Prefab Bridge, Land Development	999300.09	100%
2	Pre-stressed cement concrete electric poles & PC Railway sleepers etc.	681099.09	-
3	Prefabricated structural components for building or civil engineering.	681091.00	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	Name & address of the company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable section
1			NIL		
2					
3					



VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

I) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter's									
(1) Indian									
a) Individual/ HUF									
b) Central Govt.	NIL	1,34,76,685*	1,34,76,685*	100%	NIL	1,34,76,685*	1,34,76,685*	100%	NIL
c) State Govt(s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any other									
Total shareholding of Promoter (A)	NIL	1,34,76,685*	1,34,76,685*	100%	NIL	1,34,76,685*	1,34,76,685*	100%	NIL
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-									
2. Non-Institutions									
a) Bodies Corp.									



i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (specify)									
Non Resident Indians									
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies -D R									
Sub-total (B)(2):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total Public Shareholding (B)=(B)(1)+ (B)(2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
C. Shares held by Custodian for GD Rs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	NIL	1,34,76,685*	1,34,76,685*	100%	NIL	1,34,76,685*	1,34,76,685*	100%	NIL

*2 Shares are held by the CMD,HPL and 1 Share is held by JS&FA, M&UA without having beneficial interest.



II) Shareholding of Promoter-

S N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	The Hon'ble President of India	1,34,76,682	100%	NIL	1,34,76,682	100%	NIL	NIL
2	CMD, HPL*	2	-	-	2	-	-	-
3	JS&FA*, M/HUPA&UD	1	-	-	1	-	-	-

*2 Shares are held by the CMD,HPL and 1 share is held by JS&FA, M/HUPA&UD without having beneficial interest.

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1,34,76,685*	100%	1,34,76,685*	100%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No change in the promoters shareholding during the year.			
	At the end of the year	1,34,76,685*	100%	1,34,76,685*	100%



D) Shareholding Pattern of top ten Shareholders:

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

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year				

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	3	-	3	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):	NIL			
	At the end of the year	3	-	3	-



V) **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Sh. Rajesh Goel CMD	Sh. S.K.Gupta, Director(T)	
1	Gross salary	1,9,65,474	17,42,537	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,8,83,434	16,53,966	35,07,400
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	i. Medical	-	14,999	14,999
	ii. Leave Encashment	-		
	iii. Gratuity	82,040	73,572	1,55,612
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	
2	Stock Option	-	-	
3	Sweat Equity	-	-	
4	Commission- as % of profit- others, specify...	-	-	
5	Others, please specifyCont. To P.F.	1,96,101	1,73,234	3,69,335
	Total (A)	21,61,575	36,58,308	40,47,346
	Ceiling as per the Act	N.A.		



B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors		Total Amount
1	Independent Directors			/
	Fee for attending board committee meetings		NIL	
	Commission			
	Others, please specify			
	Total (1)			
2	Other Non-Executive Directors			/
	Fee for attending board committee meetings			
	Commission		NIL	
	Others, please specify			
	Total (2)			
	Total (B)=(1+2)			
	Total Managerial Remuneration			
	Overall Ceiling as per the Act			

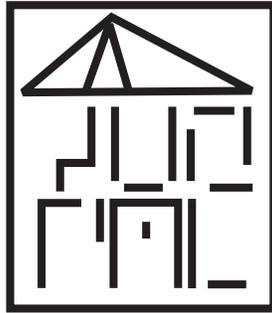
C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				/
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		N.A.		
2	Stock Option				/
3	Sweat Equity				
4	Commission				
	- as % of profit				
	others, specify...				
5	Others, please specify				/
	Total				



VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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



Financial Statements

2017-18



S.P. CHOPRA & CO.

Chartered Accountants

हिन्दुस्तान प्रीफैब लिमिटेड
Hindustan Prefab Limited

31-F, Connaught Place
New Delhi- 110 001
Tel: 91-11-23313495-6-7
Fax: 91-11-23713516
ICAI Regn.No. 000346N
Web Site: www.spchopra.in
E-mail: spc1949@spchopra.in

Independent Auditor's Report To The Members of Hindustan Prefab Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Hindustan Prefab Limited (the "Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit & Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and



matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note No. 23.7 to the financial statements, Accumulated losses have resulted in erosion of substantial net worth of the Company. However, the financial statements have been prepared on going concern basis on the grounds as disclosed in the said Note.

Our opinion is not modified in respect of above matter.

Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order, 2016' ("the Order"), issued by the



Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure 'A', a statement on the matters specified in paragraph 3 and 4 of the Order.

2. We are enclosing our report in terms of section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us by the management, in the Annexure 'B', on the directions and sub-directions issued by Comptroller and Auditor general of India.
3. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. being a government Company, pursuant to notification no. GSR 463 (E) dated 5th June, 2015 of the Government of India, provision of sub section (2) of section 164 of the Companies Act, 2013 is not applicable to the Company.
 - f. the going concern matter described in Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
 - 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 'C'; and
 - h. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no. 23.1 to the financial statements;



- ii. the Company has not entered into any long-term contracts including derivative contracts; and
- iii. there were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

**For S.P. Chopra & Co.
Chartered Accountants
Firm Registration No.000346N**

**Sd/-
Ankur Goyal
Partner
Membership No. 99143**

Place : New Delhi

Date : 3rd August, 2018



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of its property, plant and equipments;
 - a. The Company has not maintained the records of fixed assets showing full particulars including quantitative details and situation of the fixed assets.
 - b. The physical verification of fixed assets has not been carried out by the management during the year.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties, except as disclosed in Note 9 on Property, Plant and Equipments to the financial statements, are held in the name of the Company. Further, reference is also drawn to note 23.5 pertaining to hand over of land of HPL to L&DO in respect of disinvestment process pursuant to order of GOI and directions of L&DO as per which the Office and Residential Buldings are allowed to held in the custody of HPL till further directions hence these are still shown under Property, Plant & Equipment.
- (ii) As explained to us, the Company is not holding the inventory thus the said clause is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 (the "Act").
- (iv) In our opinion and according to the information and explanations given to us, the Company in respect of loans, investments, guarantees, and security has complied with the provisions of section 185 and 186 of the Act.
- (v) As explained to us, the Company has not accepted deposits from the public hence this clause is not applicable.
- (vi) Pursuant to the rules made by the Central Government of India, the company is not required to maintain cost records as specified under sub-section (1) of Section 148 of the Act, hence this clause is not applicable.



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Continuation sheet

(vii) In respect of statutory dues:

- a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other statutory dues, as applicable have generally been regularly deposited with the appropriate authorities *though there has been delays in some cases*. According to the information and explanations given to us, dues towards Labour Cess, WCT and GST amounting to Rs. 117.11 lakhs are outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable.
- b. The disputed statutory dues aggregating to Rs. 46.06 lakhs, that have not been deposited on account of matters pending in appeal before appropriate authorities are as under:

Sl. No.	Name of Statute	Nature of dues	Forum where dispute is pending	Period to which amount disputes relates	Amount (Rs. in Lakhs)
1	VAT Act of Kerala	VAT	High Court	2009-10 & 2010-11	34.05
2	Service Tax Act	Service Tax	Commissioner of Service Tax	2009-10 & 2010-11	12.01
			TOTAL		46.06

- (viii) The Company has not taken loans and borrowings from the bank or debenture holders hence this clause is not applicable.
- (ix) In our opinion and according to the information and explanations given to us, the Company has neither raised funds by way of initial public offer or further public offer (including debt instruments) nor availed any term loan during the year.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company or material fraud on the Company by its officers/ employees has been noticed or reported during the course of our audit.
- (xi) The provisions of section 197 read with Schedule V to the Act are not applicable to Government Companies. Accordingly, this clause is not applicable.



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Continuation sheet

- (xii) The Company is not a Nidhi Company hence the requirement of this clause is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements, as required by the Accounting Standard 18 on Related Party Disclosures specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable to a state controlled enterprises.
- (xiv) As explained to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its Directors or persons connected with them.
- (xvi) As explained to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For S.P. Chopra & Co.
Chartered Accountants
Firm Registration No.000346N**

**Sd/-
Ankur Goyal
Partner
Membership No. 99143**

Place : New Delhi

Date : 3rd August, 2018



S.P.CHOPRA & CO.

Continuation sheet

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Directions and Sub-Directions issued by the Comptroller & Auditor General of India under section 143 (5) of the Companies Act, 2013 in respect of annual accounts of Hindustan Prefab Limited for the year 2017-18.

Sr. No.	Directions/ Sub Directions	Auditors Responses	Action taken thereon by management	Impact on Financial Statements
A	Directions			
1	Whether the Company has clear title/ lease deeds for freehold and leasehold land respectively? If not, please state the area of Freehold and leasehold land for which title/ lease deeds are not available.	According to information and explanations given to us, no freehold and leasehold land is in the possession of the Company as at 31.03.2018. Further, reference is also drawn to note 23.5 pertaining to hand over of land of HPL to L&DO in respect of disinvestment process pursuant to order of GOI and directions of L&DO as per which the Office and Residential Buildings are allowed to held in the custody of HPL till further directions hence still shown under PPE.	No action is required	No impact
2	Whether there are any cases of waiver/ write off of debts/ loans/ interest etc. If yes, the reasons thereof and amount involved.	The Company during the year has written off certain old balances of Loans & Advances of Rs. 1.75 lakhs and Property, Plant & Equipments of Rs. 9.44 lakhs (pursuant to hand over of land to L&DO in respect of disinvestment process without express compensation, refer note 23.5), which in the opinion of the management were not recoverable. Refer Note 20 for the details.	No action is required	Already accounted



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Continuation sheet

Sr. No.	Directions/ Sub Directions	Auditors Responses	Action taken thereon by management	Impact on Financial Statements
3	Whether proper records are maintained for inventories lying with third parties and assets received as gift/ grant(s) from the Government or other authorities?	According to information and explanations given to us, neither inventory is lying with third parties as at 31.03.2018 nor assets were received during the year as gift/ grant(s) from the Government or other authorities.	No action is required	No impact
B	Sub-Directions			
		NIL		

**For S.P. Chopra & Co.
Chartered Accountants
Firm Registration No.000346N**

**Sd/-
Ankur Goyal
Partner
Membership No. 99143**

**Place : New Delhi
Date : 3rd August, 2018**



ANNEXURE ‘C’ TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 3(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

We have audited the internal financial controls over financial reporting of Hindustan Prefab Limited (“the Company”) as at March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the “Guidance Note on Audit of Internal Financial Controls Over Financial Reporting” (the “Guidance Note”) 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 Act.

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, issued by the Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



S.P.CHOPRA & CO.

Continuation sheet

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' 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 audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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



S.P.CHOPRA & CO.

Continuation sheet

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For S.P. Chopra & Co.
Chartered Accountants
Firm Registration No.000346N**

**Sd/-
Ankur Goyal
Partner
Membership No. 99143**

Place : New Delhi

Date : 3rd August, 2018



BALANCE SHEET AS AT MARCH 31, 2018

(₹ in lakhs)

	Note No.	As at March 31, 2018		As at March 31, 2017	
EQUITY AND LIABILITIES					
Shareholder's Funds					
Share Capital	2	13,476.69		13,476.69	
Reserves and Surplus	3	<u>(10,272.68)</u>	3,204.01	<u>(10,465.51)</u>	3,011.18
Non - current Liabilities					
Long-term Liabilities	4	3,031.99		2,884.97	
Long-term Provisions	5	<u>2,034.29</u>	5,066.28	<u>2,122.53</u>	5,007.50
Current Liabilities					
Trade Payables	6	12,404.97		13,555.99	
Other Current Liabilities	7	9,524.33		13,772.85	
Short-term Provisions	8	<u>394.57</u>	22,323.87	<u>229.29</u>	27,558.13
TOTAL			<u>30,594.16</u>		<u>35,576.80</u>
ASSETS					
Non - Current Assets					
Property, Plant and Equipments	9				
Tangible Assets		308.85		268.65	
Intangible Assets		0.01		0.01	
Capital Work in Progress		-		30.28	
		<u>308.86</u>		<u>298.94</u>	
Long-term Loans and Advances	10	<u>753.21</u>	1,062.07	<u>945.44</u>	1,244.38
Current assets					
Trade Receivables	11	6,865.35		8,052.61	
Cash and Bank Balances	12	19,413.21		22,459.91	
Short-term Loans and Advances	13	2,586.33		3,007.09	
Other Current Assets	14	<u>667.20</u>	29,532.09	<u>812.81</u>	34,332.42
TOTAL			<u>30,594.16</u>		<u>35,576.80</u>
Significant Accounting Policies	1				
Notes to accounts attached form an integral part of the financial statements	2 to 23				
Sd/- (Sonia Singh) Company Secretary Membership No. A24442	Sd/- (CA. Vinod Kumar Gupta) FA&CAO Membership No. 090722	Sd/- (S.K.N. Bhatt) Director DIN -07583031	Sd/- (Rajesh Goel) Chairman & Managing Director DIN - 03563891		
As per our Report of even date attached For S.P. Chopra & Co. Chartered Accountants Firm Registration No.000346N Sd/- Ankur Goyal Partner Membership No. 099143					
Place: New Delhi Dated: 3rd August, 2018					



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(₹ in lakhs)

	Note No.	Current Year	Previous Year
Revenue from Operations	15	23,844.73	26,019.79
Other Income	16	1,914.62	2,653.64
Total Revenue		25,759.35	28,673.43
Expenses:			
Work and Consultancy Expense	17	22,432.25	24,606.31
Employee Benefits Expense	18	2,600.50	2,486.86
Finance Costs	19	22.25	22.02
Depreciation and Amortization Expense	9.5	21.96	14.20
Other Expenses	20	362.96	634.00
Prior Period Expenses (Net)	21	13.50	6.02
CSR Expenses	22	18.10	12.56
Total Expenses		25,471.52	27,781.97
Profit for the year before tax		287.83	891.46
Tax Expense:			
Current Year		95.00	304.00
MAT u/s 115JB - Earlier Year		-	17.24
			321.24
Profit for the year		192.83	570.22
Earnings per equity share - Basic and Diluted (Rs.)	23.15	1.43	4.23
(Face value of Rs. 100/- per share)			
Significant Accounting Policies	1		
Notes to accounts attached form an integral part of the financial statements	2 to 23		
Sd/- (Sonia Singh) Company Secretary Membership No. A24442	Sd/- (CA. Vinod Kumar Gupta) FA&CAO Membership No. 090722	Sd/- (S.K.N. Bhatt) Director DIN -07583031	Sd/- (Rajesh Goel) Chairman & Managing Director DIN - 03563891
As per our Report of even date attached For S.P. Chopra & Co. Chartered Accountants Firm Registration No.000346N			
Sd/- Ankur Goyal Partner Membership No. 099143			
Place: New Delhi Dated: 3rd August, 2018			



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(₹ in lakhs)

	Current Year	Previous Year
A. Cash flow from Operating Activities		
Profit before tax as per Statement of Profit and Loss	287.83	891.46
Adjustments for:		
Depreciation and Amortization expense	21.96	14.20
Liabilities/ Provisions no longer required, written back	(0.79)	-
Provisions & Write offs	576.83	647.35
Balances Written Back	-	(182.45)
Property, Plant & Equipments written off	9.44	-
Interest Income	(1,381.86)	(2,261.36)
Profit on sale of Property, Plant & Equipments	(341.73)	-
Rental Income	(53.21)	(55.32)
	(1,169.36)	(1,837.57)
Operating cash profit before working capital changes	(881.53)	(946.11)
Adjustments for working capital changes:		
(Increase)/ Decrease in Trade and Other receivables	2,082.60	(1,380.09)
Increase/ (Decrease) in Trade payables, Other Liabilities and provisions	(5,826.53)	2,345.99
Net Cash Inflow from Operating Activities	(4,625.46)	19.80
B. Cash flow from Investing Activities		
Fixed Deposits having maturities of more than 3 months	1,923.39	2,101.30
Interest Income	1,225.12	1,430.37
Purchase of Property, Plant & Equipments	(62.21)	(39.61)
Sale/adjustments of Property, Plant & Equipments	362.63	0.09
Rental Income	53.21	55.32
Net Cash Outflow in Investing Activities	3,502.15	3,547.46
C. Cash flow from Financing Activities:	-	-
Net Cash Flow from Financing Activities	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(1,123.31)	3,567.26
Add: Cash and Cash Equivalents at the beginning of the year	7,780.81	4,213.55
Cash and Cash Equivalents at the close of the year (Refer note 12)	6,657.50	7,780.81
Notes to accounts attached form an integral part of the financial statements		

Sd/-
(Sonia Singh)
Company Secretary
Membership No. A24442

Sd/-
(CA. Vinod Kumar Gupta)
FA&CAO
Membership No. 090722

Sd/-
(S.K.N. Bhatt)
Director
DIN -07583031

Sd/-
(Rajesh Goel)
Chairman & Managing Director
DIN - 03563891

As per our Report of even date attached
For S.P. Chopra & Co.
Chartered Accountants
Firm Registration No.000346N

Sd/-
Ankur Goyal
Partner
Membership No. 099143

Place: New Delhi
Dated: 3rd August, 2018



Hindustan Prefab Limited

Notes to the Financial Statements for the year ended March 31, 2018

Company Overview

Hindustan Housing Factory (HHF) was set up by Government of India in the year 1950 at Jangpura, New Delhi – 110 014 primarily to manufacture prefabricated houses. The Company diversified its activities into pre-stressed concrete electric poles and PRC railway sleepers for Railways. HHF was subsequently converted into private company in 1953 and thereafter a Public Sector Enterprise in 1955. In 1978, the name of HHF Ltd. was changed to Hindustan Prefab Limited (HPL). The Company has since diversified its activities into the field of Consultancy, Project Management etc. and is functioning under the aegis of Ministry of Housing and Urban Affairs (MoHUA). The Company's owned land measuring 28.639 acres along with other land holdings during the year has been taken over by Land and Development Office (L&DO) without any express compensation.

1. Significant Accounting Policies

1.1 Basis of preparation of financial statements

The accompanying financial statements have been prepared under the historical cost convention on accrual basis, as a going concern, in accordance with the Indian Generally Accepted Accounting Principles (GAAP) which includes the mandatory accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent notified. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2 Use of Estimates

The preparation of financial statements in conformity with GAAP in India requires the management to make estimates and assumptions wherever necessary, that affect the reported amount of assets and liabilities, and disclosure of contingent liabilities at the date of financial statements, and the reported amount of revenues and expenses during the reporting period. Although such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and assumptions and such differences are recognized in the period in which the results are known/ materialized.



1.3 Intangible Assets

Intangible assets are recognized where it is probable that the future economic benefit attributable to the asset will flow to the enterprise and the cost of the assets can be measured reliably. Intangible assets consist of computer software and are stated at cost of acquisition/ implementation less accumulated amortization. It is amortized over a period of 3 years or the license period on a straight line basis, whichever is earlier.

1.4 Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is increased/ reversed where there has been change in the estimate of recoverable amount. The recoverable value is the higher of the assets' net selling price and value in use.

1.5 Property, Plant and Equipment (PPE)

1.5.1 Property, Plant and Equipment (PPE) are stated at historical cost less accumulated depreciation and impairment losses, if any. Cost of acquisition or construction is inclusive of freight, erection and commissioning charges, duties and taxes, expenditure during construction period, interest on borrowings and financing costs upto the date of acquisition/ installation.

1.5.2 Depreciation on tangible assets is charged on straight line method over the estimated useful life of the assets, in accordance with provisions of Schedule II of the Companies Act, 2013 keeping 5% of cost as its residual value.

1.5.3 Depreciation on additions or sale/deductions of PPE is charged on pro rata basis for/upto the date of such addition/sale or deductions.

1.5.4 The useful lives of PPE as defined in part C of Schedule II of the Companies Act, 2013 have been taken for the tangible assets except for the following assets where the useful lives are different from the lives as prescribed in Schedule II of the Companies Act, 2013, which has been taken based on usage



pattern and internal assessment. The management believes that the lives for these assets best represents the period over which the management expects to use these assets.

Sr. No.	Assets	Useful life as assessed/ estimated by the Company (No. of years)	Useful life as per Schedule II of the Companies Act, 2013 (No. of years)
1.	Roads	3	5
2.	Office Building	30	60
3.	Residential Building	30	60
4.	Office Equipments	10	5

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

1.5.5 PPE costing upto Rs. 5,000/- each are fully depreciated in the year acquisition.

1.6 Inventories

1.6.1 Inventories are valued at the lower of cost and net realisable value. Cost is determined on weighted average basis.

1.6.2 Obsolete, defective and unserviceable stocks are provided for, wherever required.

1.6.3 Scrap is valued at estimated realizable value.

1.7 Accounting for Grants

1.7.1 Government grants are recognized when there is a reasonable assurance of compliance with the conditions attached to such grants and where benefits in respect thereof have been earned and it is reasonably certain that the ultimate collection will be made. Government subsidy received for a specific asset is reduced from the cost of the said asset.

1.7.2 Revenue Grants are accounted in the Statement of Profit & Loss in the year of its receipt.



1.8 Revenue Recognition

- 1.8.1 The work executed on behalf of clients on PMC are in the nature of Cost Plus Contracts, revenue is recognized on the basis of percentage of completion method on reasonable certainty. The stage of completion is determined by the proportion that contract costs incurred for work performed upto the reporting date bear to the estimated total contract costs.
- 1.8.2 Where the cost incurred is not in proportion to the progress of work, for revenue recognition actual progress, as estimated by the management, is taken into account.
- 1.8.3 Provision for expected overruns, if any, on incomplete projects are recorded in the period in which overruns are likely, based on current estimates.
- 1.8.4 Revenue includes:
- a. Work done for which only letters of intent have been received, however, formal contracts/agreements are in the process of execution.
 - b. Work executed and measured by the Company pending certification by the client.
 - c. Works executed but not measured/partly executed are accounted for at engineering estimated cost.
 - d. Extra and substituted items to the extent considered realizable.
 - e. Claims lodged against clients to the extent considered realizable.
 - f. Amount retained by the clients but realized after the commissioning of the project.
- 1.8.5 Rent, Maintenance services, etc. are accounted for on accrual basis.
- 1.8.6 Income from interest is accounted for on time proportion basis taking into account the amount outstanding and applicable rate of interest.
- 1.8.7 Liquidated Damages/ Compensation for delay in respect of clients/ contractors, if any, are accounted for when matter is considered settled by the management.

1.9 Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities in foreign currency existing at balance sheet



date are translated at the exchange rate prevailing on that date. Exchange differences in case of borrowed funds and liabilities in foreign currency for the acquisition of fixed assets from a country outside India are adjusted to the cost of fixed asset. All other exchange differences are recognized in Statement of Profit and Loss. Premium or discount on forward exchange contract is amortized as expense or income over the life of the contract. Exchange difference on such contract is recognized in the Statement of Profit and Loss in the reporting period in which the exchange rates changes. Any profit or loss arising on cancellation or renewal of forward contract is recognized as income and expenditure during the period.

1.10 Employees Benefits

a) Short Term Benefits

These are recognized as an expense in the Statement of Profit and Loss for the year in which the related services are rendered. These benefits include performance related pay.

b) Defined Contribution Scheme

Company's contribution paid/payable during the year to Provident Fund, Pension Scheme and ESI is recognized in the Statement of Profit and Loss for the year in which the related services are rendered.

c) Defined Benefit Scheme

Company's liability towards gratuity and leave encashment is determined by independent actuary, at the year-end using the projected unit credit method. Actuarial gains or losses as determined are recognized in the Statement of Profit and Loss.

1.11 Borrowing Costs

Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized. A qualifying asset is one, which necessarily takes a substantial period of time to get ready for intended use. Other borrowing costs are charged to expense in the period in which these are incurred.

1.12 Leases

Lease arrangements where the risk and rewards incidental to ownership of the assets substantially vests with the lessor, are recognized as an operating lease. Lease payments/ receipts under operating lease are recognized as an expense/ income in the Statement of Profit and Loss on a straight line method over the lease period.



1.13 Taxes on Income

Tax expense comprises both current and deferred tax. Current tax is determined on the basis of taxable income in accordance with the provisions of the Income Tax Act, 1961. Deferred tax liability/asset resulting from 'timing difference' between accounting income and taxable income, that is capable of reversal in subsequent accounting period is accounted for considering the tax rate and tax laws that have been enacted or substantively enacted as on the reporting date. Deferred tax asset is recognized and carried forward only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed at each reporting date for their realisability.

1.14 Earnings Per Share

The Company reports basic and diluted Earnings Per Share (EPS) in accordance with Accounting Standard 20 on "Earning Per Share". EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

1.15 Prior Period Adjustments

Prior period expenses/ income of individual items of Rs. 5,000/- and below are charged to natural head of accounts.

1.16 Provisions, Contingent Liabilities And Contingent Assets

A provision is recognized in the accounts where there is a present obligation as a result of a past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation on reporting date. These estimates are required at each reporting date and adopted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resource is remote.

Contingent assets are neither recognized nor disclosed in the financial statements.



1.17 Provisions for Doubtful Debts/ Loans & Advances

The amount of trade receivable/ loans and advances in closed projects pertaining to Government of India, its departments and Public Sector Enterprises are considered good for realization irrespective of the age of their outstanding in the books. These debts are under constant persuasion for realization till final settlement made with the client or verdict is passed by the arbitration/ Court, in case of dispute. Necessary provision against doubtful debts/ loans and advances is made based on the previous experience of the Management. Receivables/ Advances are written off when considered unrealizable/reconciled.

1.18 Unadjusted Credit Balances Written Back

Write back of unsettled credit balances is done on closure of the concerned project or earlier based on the previous experience of Management and actual facts of each case.

1.19 Arbitration Awards

Arbitration/Court's awards, to the extent not taken into accounts at the time of initiation, are accounted for after it becomes decree. Arbitration awards by Permanent Machinery of Arbitration, Government of India, are accounted for on finalization of award by the appellate authority.

1.20 Provision for Defect Liability Guarantee

Provision @ 0.5% is made at the year end on the value of site jobs done towards maintenance/ defect liabilities for the works under defect liability guarantee on the jobs which are not sub-contracted by the Company.

1.21 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, cheques, draft on hand/remittance in transit, bank balances and deposits with original maturities of three months or less and that are readily convertible to known amount of cash and cash equivalent and which are subject to an insignificant risk of changes in value.

1.22 Cash Flow Statements

The cash flow statement is prepared by the "Indirect Method" set out in Accounting Standard 3 on "Cash Flow Statements" and presents the cash flows by operating, investing and financing activities of the Company.

Cash and cash equivalents presented in the Cash Flow Statement consist of cash in hand and deposits with banks.



		(₹ in lakhs)	
NOTE-2 SHARE CAPITAL		As at March 31, 2018	As at March 31, 2017
Authorised:			
1,38,00,000 (1,38,00,000) Equity Shares of Rs.100/- each		<u>13,800.00</u>	<u>13,800.00</u>
Issued, Subscribed and Fully Paid up:			
1,34,76,685 (1,34,76,685) Equity Shares of Rs.100/- each		<u>13,476.69</u>	<u>13,476.69</u>
TOTAL		<u><u>13,476.69</u></u>	<u><u>13,476.69</u></u>

2.1 Reconciliation of Shares Outstanding:

(₹ in lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Nos.	Amount	Nos.	Amount
Equity shares of Rs. 100/- each				
At the beginning of the year	13,476,685	13,476.69	13,476,685	13,476.69
At the end of the year	13,476,685	13,476.69	13,476,685	13,476.69

2.2 The Company has only one class of equity shares and the shareholders of the Company are entitled to receive dividends as and when declared by the Company and enjoy proportionate voting rights in case any resolution is put to vote. Further, the shareholders have all such rights, as may be available to a shareholder of a public company, under the Companies Act, Memorandum of Association and Articles of Association of the Company.

2.3 Details of Shareholders holding more than 5% shares:

Name of the Shareholder	As at March 31, 2018		As at March 31, 2017	
	Nos.	% held	Nos.	% held
The President of India	13,476,682	99.99	13,476,682	99.99

2.4 27,515 (Previous Year: 27,515) shares were allotted as fully paid up during earlier years pursuant to a contract without payment received in cash

(₹ in lakhs)

NOTE-3 RESERVES AND SURPLUS	Note No.	As at March 31, 2018	As at March 31, 2017
CSR Fund	3.1	7.40	7.40
(Less): Transferred to Debit Balance in Statement of Profit & Loss		<u>(7.40)</u>	<u>-</u>
R&D Fund	3.1	1.23	1.23
(Less): Transferred to Debit Balance in Statement of Profit & Loss		<u>(1.23)</u>	<u>-</u>
Sustainability Development Fund	3.1	1.23	1.23
(Less): Transferred to Debit Balance in Statement of Profit & Loss		<u>(1.23)</u>	<u>-</u>
Debit balance in Statement of Profit & Loss			
As per last account	-	(10,475.37)	(11,045.59)
Add: Profit for the year	-	192.83	570.22
Add: Transfer from CSR Fund	3.1	7.40	-
Add: Transfer from R&D Fund	3.1	1.23	-
Add: Transfer from Sustainability Development Fund	3.1	<u>1.23</u>	<u>-</u>
TOTAL		<u><u>(10,272.68)</u></u>	<u><u>(10,465.51)</u></u>

3.1 CSR, R&D and Sustainability Development Funds were created during the year 2012-13 as per MoU stipulations. As utilization of these funds were not stipulated in MOU of the said/ subsequent years and presently CSR expenditure is incurred in pursuance of section 135 of the Companies Act, 2013 hence these amounts during the year have been transferred to debit balance in Statement of Profit & Loss as above.



(₹ in lakhs)

NOTE-4	LONG TERM LIABILITIES	As at March 31, 2018	As at March 31, 2017
	Security deposits	3,031.99	2,884.97
	TOTAL	3,031.99	2,884.97

(₹ in lakhs)

NOTE-5	LONG TERM PROVISIONS	Note No.	As at March 31, 2018	As at March 31, 2017
	Provision for Taxation			
	Income Tax (MAT) for the year 2015-16	-	-	293.24
	Income Tax for the year 2016-17	-	304.00	304.00
	Income Tax for the year 2017-18	-	95.00	-
	Provision for employee benefits			
	Gratuity	23.11	1,192.05	1,118.75
	Leave Encashment	23.11	443.24	406.54
	TOTAL		2,034.29	2,122.53

(₹ in lakhs)

NOTE-6	TRADE PAYABLES	Note No.	As at March 31, 2018	As at March 31, 2017
	Dues to Micro & Small Enterprises	6.1	31.24	21.81
	Dues to Others for works and services	6.2	12,373.73	13,534.18
	TOTAL		12,404.97	13,555.99

6.1 In terms of Section 22 of the Micro, Small and Medium Enterprises Development Act 2006, the outstanding, interest due thereon, interest paid etc. to such enterprises registered under the said Act are required to be disclosed. Company has received information from few parties accordingly, the dues payable to these enterprises have been disclosed above. Further, no interest has been paid/payable during the year as payment to these enterprises were made timely.

6.2 Dues to others includes ₹ 3904.06 lakhs (Previous Year : ₹ 8071.15 lakhs) towards dues of contractors booked on measurement basis.

(₹ in lakhs)

NOTE-7	OTHER CURRENT LIABILITIES	Note No.	As at March 31, 2018	As at March 31, 2017
	Advances from Clients including mobilization advance		6,066.74	10,220.58
	Security Deposits & Earnest Money		1,802.09	1,937.18
	Statutory Liabilities		602.23	781.70
	Payable to Employees		691.98	615.27
	Accrued Expenses		48.26	32.74
	Other Payables		313.03	99.02
	Stale Cheques		-	86.36
	TOTAL		9,524.33	13,772.85

(₹ in lakhs)

NOTE-8	SHORT TERM PROVISIONS	Note No.	As at March 31, 2018	As at March 31, 2017
	Provision for employee benefits			
	Gratuity	23.11	263.77	154.39
	Leave Encashment	23.11	112.70	74.90
	Provision towards CSR expenses	22.1	18.10	-
	TOTAL		394.57	229.29

Note 9 - PROPERTY, PLANT & EQUIPMENTS

(₹ in lakhs)



Description	GROSS BLOCK				DEPRECIATION AND AMORTIZATION				NET BLOCK	
	As at 01.04.2017	Additions during the year	Sales/ disposal/ adjustments during the year	As at 31.03.2018	As at 31.03.2017	Depreciation for the year	Sales/ disposal/ adjustments during the year	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
(A) TANGIBLE ASSETS										
Leasehold Land (Refer note 23.5)	9.07	-	(9.07)	-	-	-	-	-	-	9.07
Road (Refer note 23.5)	7.54	-	(7.54)	-	7.17	-	(7.17)	-	-	0.37
Factory Building (Refer note 14.1)	56.22	-	(56.22)	-	43.93	0.99	(44.92)	-	-	12.29
Office Building (Refer note 9.1 & 23.5)	248.72	83.66	-	332.38	70.85	9.81	-	80.66	251.72	177.87
Residential Building (Refer note 23.5)	34.16	-	-	34.16	26.20	0.55	-	26.75	7.41	7.96
Plant & Machinery (Refer note 9.2)	214.17	-	(214.17)	-	204.79	-	(204.79)	-	-	9.38
Furniture & Fixtures	44.44	6.81	-	51.25	24.06	4.28	-	28.34	22.91	20.38
Office Equipments	77.84	0.79	-	78.63	63.95	2.06	-	66.01	12.62	13.89
Railway Sidings (Refer note 14.1)	4.11	-	(4.11)	-	3.89	-	(3.89)	-	-	0.22
Vehicles	28.08	-	-	28.08	20.84	1.45	-	22.29	5.79	7.24
Computers	68.27	1.23	-	69.50	58.29	2.82	-	61.11	8.39	9.98
Current year's total - Tangible Assets	792.62	92.49	(291.11)	594.00	523.97	21.96	(260.77)	285.17	308.84	268.65
Previous year's total - Tangible Assets	785.15	9.33	(1.86)	792.62	511.52	29.34	(16.90)	523.97	268.65	
(B) INTANGIBLE ASSETS										
Computer Software	1.16	-	-	1.16	1.15	-	-	1.15	0.01	0.01
Current year's total - Intangible Assets	1.16	-	-	1.16	1.15	-	-	1.15	0.01	0.01
Previous year's total - Intangible Assets	1.16	-	-	1.16	1.15	0.03	(0.03)	1.15	0.01	
(C) CAPITAL WORK IN PROGRESS										
Technology Park (Refer note 9.3)	30.28	53.38	(83.66)	-	-	-	-	-	-	30.28
Current year's total - Capital work in progress	30.28	53.38	(83.66)	-	-	-	-	-	-	30.28
Previous year's total - Capital Work in progress	-	30.28	-	30.28	-	-	-	-	30.28	
Current Year's total- Property, Plant and Equipments	824.06	145.87	(374.77)	595.16	525.12	21.96	(260.77)	286.31	308.85	298.94
Previous Year's total- Property, Plant and Equipments	786.31	39.61	(1.86)	824.06	512.67	29.37	(16.93)	525.12	298.94	



- 9.1) Office Buildings includes office at Scope Minar, Laxmi Nagar with Original Cost of ₹ 1,16,45,125/- (Previous Year : ₹ 1,16,45,125/-). Title deed in respect of office at Scope Minar in favour of Company is yet to be executed by Scope. However, land allotted to Scope by DDA is lease hold land. Further, the said office has since been handed over to the Land and Development Office (L&DO) during the year 2017-18.
- 9.2) Plant & Machinery, Gross Block of ₹ 214.17 lakhs and Net Block of ₹ 9.38 lakhs, held as at 31.03.2017, based on recommendations of the committee, was declared as obsolete and then disposed off during the year 2017-18 on 'As and where basis' at a profit of ₹ 341.73 lakhs. Accordingly, the gross block of ₹ 214.17 lakhs and net block of ₹ 9.38 lakhs of Plant & Machinery has been adjusted as above and profit of ₹ 341.73 lakhs has been shown in note 16.
- 9.3) The Company has constructed a Technology Park within HPL premises, which was shown as Capital work in progress (WIP) for ₹ 30.28 lakhs as at 31.03.2017. The work on said technology park has since been completed on 21.06.2017. Accordingly, total cost of ₹ 83.66 lakhs incurred thereon has been capitalized during the year 2017-18.
- 9.4) The updation of fixed assets register and reconciliation of physical assets with book balance was contemplated to complete since long but due to lack of records the exercise could not be completed including for certain assets provided by various contractors as per terms of agreement to the Company. Company now proposes to have the physical verification done and account for the assets as per their existence. Management considers that the variation between the physical count and book balances shall not be material.
- 9.5) Depreciation for the year is as under:

(₹ in lakhs)

	As at March 31, 2018	As at March 31, 2017
Depreciation as above	21.96	29.37
(Less): Adjustments	-	(16.94)
Add: Accumulated depreciation on sales	-	1.77
Depreciation for the year	<u>21.96</u>	<u>14.20</u>



(₹ in lakhs)

NOTE-10 LONG TERM LOANS AND ADVANCES

Unsecured, considered good

	As at March 31, 2018		As at March 31, 2017	
Tax Deducted at Source for the year 2015-16		40.09		652.67
for the year 2016-17		292.77		292.77
for the year 2017-18		420.35		-
TOTAL		753.21		945.44

(₹ in lakhs)

NOTE-11 TRADE RECEIVABLES

Outstanding for a period exceeding six months from the date they were due for payment:

	Note No.	As at March 31, 2018		As at March 31, 2017	
Unsecured, considered good	11.1 & 11.2	2,850.73		2,000.25	
Unsecured, considered doubtful	-	620.16	3,470.89	620.75	2,621.00
(Less): Provision for doubtful debts	23.18		(689.51)		(620.75)
			2,781.38		2,000.25

Other Trade Receivables:

Unsecured, considered good		4,083.97		6,052.36	
TOTAL		6,865.35		8,052.61	

11.1 ₹ 447.19 Lakhs (Previous Year : ₹ 447.19 Lakhs) are recoverable from Employee State Insurance Corporation (ESIC), Government of India for works executed for them at Baddi during 2010-11 for which active follow up is being done by the Company. Thus the amount has been considered good for recovery by the management as at 31.03.2018.

11.2 ₹ 928.32 lakhs (Previous Year : ₹ 928.32 Lakhs) are recoverable from National Law University (NLU), Cuttack since 2013-14 against which a liability of ₹ 859.78 lakhs (Previous Year : ₹ 859.78 Lakhs) was booked for payment to sub-contractors. The final bill has been submitted to the client during the year 2016-17 based on joint measurement done. Hence the amount has been considered good for recovery as at 31.03.2018.

11.3 Company has created a charge on Book-Debts for ₹ 1000 lakhs (Previous Year : ₹ 1000 lakhs) with Union Bank of India against Bank Guarantees limit.

(₹ in lakhs)

NOTE-12 CASH AND BANK BALANCES

Cash and Cash Equivalents

	Note No.	As at March 31, 2018		As at March 31, 2017	
Cash in hand	-	0.39		0.10	
Balance with banks	-	1,550.27		1,691.37	
Fixed Deposit with maturities of 3 months or less	-	4,455.50		5,885.60	
Flexi Deposits	-	651.33		203.73	
Postal Orders	-	0.01	6,657.50	0.01	7,780.81

Other Bank Balances

Fixed Deposits with maturities of more than 3 months	-	10,171.92		12,529.71	
Bank balances and fixed deposits attached by SDMC	12.1	216.79		206.76	
Margin Money Deposit Pledged against Bank Guarantees	-	2,367.00	12,755.71	1,942.63	14,679.10
TOTAL			19,413.21		22,459.91



- 12.1 South Delhi Municipal Corporation (SDMC), in the earlier year, had raised a demand of ₹ 310.67 lakhs towards property tax upto 2012-13. On non-payment, SDMC has attached the current account of the Company maintained with State Bank of India, Bhogal branch on 17th September 2013. The said account is having balance of ₹ 3.57 lakhs (Previous Year: ₹ 3.57 lakhs) and FDR of ₹ 226.68 lakhs (Previous Year: ₹ 213.15 lakhs) (including accrued interest of ₹ 9.89 lakhs) aggregating to ₹ 230.25 lakhs (Previous Year: ₹ 216.72 lakhs) as at 31st March, 2018, which still stands attached. The Company had deposited ₹ 62 lakhs with SDMC against the said demand on 20.9.2013 and the balance demand of ₹ 248.67 lakhs is shown under contingent liability in note no.23.1 (c). As the land has now been taken over by Land and Development Office (L&DO), the Company shall initiate the resolution of this issue through the said authority with SDMC.

(₹ in lakhs)

NOTE-13 SHORT TERM LOANS AND ADVANCES

	Note No.	As at March 31, 2018	As at March 31, 2017
Unsecured, considered good			
Advance to Contractors	-	1,627.55	2,104.23
Income Tax Refund Receivable	13.1	43.62	43.62
Security Deposits/ Earnest Money	-	523.04	706.20
WCT Recoverable	13.2	44.85	44.85
Claim/ LD Recoverable	-	252.35	5.39
VAT Refundable	-	18.20	18.20
Rent Receivable	13.3	43.05	36.22
Prepaid Expenses	-	6.53	16.47
Employee Advances	-	27.14	27.46
Others	-	-	4.45
Unsecured, considered doubtful			
Advance to Contractors	-	94.55	94.55
(Less): Provisions	23.18	(94.55)	(94.55)
WCT Recoverable	-	119.22	119.22
(Less): Provisions	23.18	(119.22)	(119.22)
LD Recoverable	-	26.95	26.95
(Less): Provisions	23.18	(26.95)	(26.95)
TOTAL		2,586.33	3,007.09

- 13.1 Income tax assessment has been completed upto the financial year 2014-15. However, the tax refund of ₹ 43.62 lakhs (Previous Year: ₹ 43.62 lakhs) is yet to be received. Accordingly, the amount has been shown under Short- term Loans and advances.
- 13.2 Works Contract Tax (WCT) of ₹ 44.85 lakhs (Previous Year : ₹ 44.85 lakhs) on project management consultancy projects awarded to the Company has been deducted by the client since 2012-13. Company has claimed the refund of said amount from competent authorities hence the amount has been considered good for recovery as at 31.03.2018.
- 13.3 Rent of ₹ 8.87 lakhs (Previous Year : Nil) and service tax of ₹ 32.07 lakhs (Previous Year : ₹ 30.48 lakhs) aggregating to ₹ 40.94 lakhs (Previous Year : ₹ 30.48 lakhs) in respect of premises at Scope Minar, Laxmi Nagar, since handed over to L&DO during the year, is pending recovery from EPFO against which security deposit of ₹ 19.11 lakhs (Previous Year : ₹ 19.11 lakhs) is held by the Company. The Company is actively pursuing the matter with EPFO for recovery of its outstanding hence the amount is considered good for recovery as at 31.03.2018.



(₹ in lakhs)

NOTE-14 OTHER CURRENT ASSETS	Note No.	As at March 31, 2018	As at March 31, 2017
Unsecured, Considered good			
Interest accrued on fixed deposits	-	655.68	812.81
Assets held for disposal	14.1	11.52	-
TOTAL		667.20	812.81

14.1 Factory Buildings and Railway Sidings, the net block of which is ₹ 11.30 lakhs and ₹ 0.22 lakh respectively as at 20th March 2018, have since been retired from active use and are held for disposal. In the opinion of the Management, the net realizable value of these assets held for disposal will be higher than the amount at which these have been stated in the financial statements as at 31.03.2018.

(₹ in lakhs)

NOTE-15 REVENUE FROM OPERATIONS	As at March 31, 2018	As at March 31, 2017
Value of Services		
Value of Work Done	23,414.59	24,905.44
Maintenance Services	430.14	1,114.35
TOTAL	23,844.73	26,019.79

(₹ in lakhs)

NOTE-16 OTHER INCOME	Note No.	Current Year	Previous Year
Interest Income			
From Fixed Deposits	-	1,225.12	1,430.37
(Less): Interest transferred to client	-	(51.29)	(97.85)
		1,173.83	1,332.52
On Income tax refund	-	27.21	168.70
On mobilization/adhoc advances	-	172.35	177.29
Against award/ Court Order	-	8.47	582.85
		1,381.86	2,261.36
Other non-operating income			
Rent	13.3	53.21	55.32
Profit on sale of Property, Plant & Equipments	9.2	341.73	-
Balances written back	-	-	182.45
Miscellaneous Income	-	137.03	154.51
Liabilities/ Provision no longer required, written back	23.18	0.79	-
		532.76	392.28
TOTAL		1,914.62	2,653.64

(₹ in lakhs)

NOTE-17 WORK AND CONSULTANCY EXPENSES	Current Year	Previous Year
Payment to Sub Contractors	22,317.57	24,483.50
Payment to Architects	114.68	122.81
TOTAL	22,432.25	24,606.31



(₹ in lakhs)

NOTE-18 EMPLOYEE BENEFITS EXPENSE	Note No.	Current Year	Previous Year
Salaries and Wages	-	1,678.32	1675.73
Pay Arrears	18.1	72.00	159.45
7th Pay Revision	18.1	148.81	87.11
Contributions to Provident fund & ESI	-	180.46	186.43
Gratuity	23.11	352.24	244.83
Staff welfare expenses	-	15.38	13.16
Leave Encashment	23.11	153.29	120.15
TOTAL		2,600.50	2,486.86

18.1 Ministry of Housing & Urban Affairs (erstwhile Ministry of Housing & Urban Poverty Alleviations), Government of India, the administrative ministry of HPL vide letter No.I-15028/36/2008-AA dated 13th October, 2009 approved the revision of pay scales of Central DA (CDA) pattern employees (2006) and Industrial DA (IDA) pattern employees (1997 & 2007) w.e.f. 1st April, 2009 and instructed the Company to make the payment of arrears aggregating to ₹ 1,128.39 lakhs towards revision of pay scales for the period 01.01.2006 to 31.03.2009 of CDA employees and for the period 01.01.1997 to 31.03.2009 of IDA employees, based on the profitability of the Company, subject to approval of the Board. Accordingly, the pay scale of CDA and IDA employees has been revised since 01.04.2009. Based on the profitability of the Company, ₹ 515.70 lakhs as approved by the Board has been provided for till 31.03.2017 and further provision of ₹ 72 lakhs has been made during the year 2017-18. Balance amount of pay revision arrears of ₹ 540.69 lakhs has been shown as Contingent Liability in Note 23.1(b) ii as at 31.03.2018.

Further, the Govt. of India has approved 7th Pay revision for CDA Pattern employees' w.e.f 01.01.2016 and for IDA Pattern employee's w.e.f 01.01.2017 for which Department of Public Enterprises has issued the guidelines. The Company has implemented the revision of pay scales w.e.f 01.03.2018 and amount of ₹ 148.81 lakhs (Previous Year : ₹ 87.11 lakhs) towards pay revision arrears upto the date of revision of pay scale has been accounted during the year for CDA and IDA pattern employees.

(₹ in lakhs)

NOTE-19 FINANCE COSTS	Current Year	Previous Year
Interest Expense on:		
Mobilization Advance	13.10	11.61
Income tax/service tax	6.25	1.01
Against award/ Court Order	-	4.13
Bank Charges	2.90	5.27
TOTAL	22.25	22.02



(₹ in lakhs)

NOTE-20 OTHER EXPENSES

Note No.	Current Year	Previous Year
Rent	5.33	12.93
Rates and taxes	6.87	0.51
Repair and Maintenance		
Buildings	2.20	1.68
Vehicles	4.34	10.92
Others	41.54	43.88
Insurance	23.88	34.89
Payments to Statutory Auditors:		
Audit Fees	5.50	5.50
Tax Audit	2.20	7.70
Printing & Stationery	11.97	15.71
Postage & Telephone	12.75	15.37
Training Expenses	1.93	1.75
Professional & Consultancy Charges	46.56	59.66
Business Development Expenses	4.19	0.17
Tender Expenses	0.07	13.87
Electricity & Water	43.83	40.91
Travelling & Conveyance	53.66	51.84
Recruitment Expenses	0.95	3.39
Arbitration Expenses	1.71	14.22
Entertainment Expenses	3.62	7.15
Directors' Sitting Fees	0.19	0.11
Provisions for:		
Loan and Advances	-	240.72
Trade Receivables	23.18	69.55
Write offs:		
Loans & Advances	-	1.75
Property, Plant & Equipments	23.5	9.44
Miscellaneous Expenses		8.93
TOTAL	362.96	634.00

(₹ in lakhs)

NOTE-21 PRIOR PERIOD EXPENSES (NET)

	Current Year	Previous Year
Prior Period Expenses:		
Employee Benefits expense	0.95	5.57
Work and Consultancy Expenses	4.01	1.17
Rent	0.56	0.21
Tender expenses	2.11	0.72
Travelling and Conveyance	0.03	0.44
Professional & Consultancy Charges	2.03	0.60
Miscellaneous Expenses	0.08	0.26
Rates & Taxes	8.61	-
Legal expenses	0.11	-
Printing & Stationary	1.24	-
Postage & Telephone	0.07	-
Prior Period (Income):		
Value of work done	(5.01)	-
Miscellaneous Income	-	(0.01)
Interest	(1.29)	(2.94)
	13.50	6.02



(₹ in lakhs)

NOTE-22	CSREXPENSES	Note No.	Current Year	Previous Year
	CSR Expenses	22.1	<u>18.10</u>	<u>12.56</u>
	TOTAL		<u>18.10</u>	<u>12.56</u>

22.1 As per section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been constituted by the Company of which no meetings were held during the year. Accordingly, the Company has made the provision of ₹ 18.10 lakhs during the year towards CSR expenses based on average net profit (calculated as per section 198 of the Companies Act, 2013) of the preceeding 3 financial years. The detail of the amount spent/ pending to be spent during the year is as under:

(₹ in lakhs)

	Amount spent during the year	Amount pending for spending	Total Amount
Gross amount lying pending for the earlier year as at 01.04.2017	-	-	-
Gross amount required to be spent during the year ended 31st March, 2018	-	18.10	18.10

Notes to the financial statements for the year ended March 31, 2018

23. Additional Notes

23.1 Contingent Liabilities and commitments not provided for:

	As at March 31, 2018 (₹ in lakhs)	As at March 31, 2017 (₹ in lakhs)
a. Commitments		
i. Guarantees, given by the Bank on behalf of the Company	2,295.23	2,036.82
ii. Capital commitment	Nil	30.16
b. Contingent Liabilities		
i. Claims against the Company not acknowledged as debts and not accounted for in the accounts Counter claims of the Company against these claims amounting to ₹ 3,796.59 lakhs (Previous Year: ₹ 1,354.51 lakhs)	5,739.60	1,329.71
ii. Pay revision arrears to employees - IDA and CDA employees	540.69	612.69



iii. Employees In the opinion of the management, 33.33 32.42
legal cases of these employees are of contingent
nature, hence no provision has been considered
necessary.

c. Pending Appellate/ judicial decisions

- Income Tax	30.80	30.80
- Value Added Tax	34.05	34.05
- Property Tax	248.67	248.67
- Service Tax	12.01	12.01

d. Claims in respect of legal cases filed against the Amount is not
Company for labour and other matters. ascertainable

23.2 Balances appearing under Trade Receivables, Loans & Advances, Trade Payables and other parties etc. are subject to reconciliation/confirmation. The impact, if any, subsequent to the confirmation/ reconciliation will be taken in the year of confirmation/ reconciliation.

23.3 In the opinion of the management, the value of assets other than Property, Plant and Equipments, on realization in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

23.4 There are no contracts outstanding under defect liability guarantee on the jobs which are not sub-contracted as at 31st March, 2018 hence no provision has been made during the year there against.

23.5 As per the order of Ministry of Housing & Urban Affairs (MoHUA), Government of India, being the administrative ministry, HPL was directed to hand-over various Land, as mentioned in PIM to L&DO, without any express compensation, on 20th March 2018. The said decision has been approved and ratified in the Board meeting held on 23rd March 2018. Accordingly, the net block of Land of ₹ 9.07 lakhs and Roads of ₹ 0.37 lakh as at 20.03.2018 have been written off in the Statement of Profit and Loss (note 20).

Further, as per order of MoHUA and the directions received from L&DO, the built up portion of existing property existing at hived-off Land and other immovable assets i.e. registered office of HPL, residential quarters, presently being used by staffs and families of HPL will remain with HPL, till further decision is taken on the matter. Accordingly, the Office Buildings and Residential Buildings, the net block of which is ₹ 251.72 lakhs and ₹ 7.41 lakhs respectively as at 31.03.2018, have continued to be shown under Property, Plant



& Equipments (note 9) of the Company and rental income from let out properties along with expenses incurred on their maintenance have continued to be accounted in the books. In case, the decision is taken by L&DO to take over these buildings from HPL in future, corresponding effect will be given in the books of account in that year.

- 23.6 Government of India (GOI) has initiated to disinvest the entire equity shareholding held by the President of India through the Ministry of Housing & Urban Affairs (MoHUA) and by the Directors appointed by GOI from time to time in HPL along with transfer of management control through a competitive bidding process by way of sale of equity shares to a similarly placed CPSE. GOI has appointed the Asset Valuer, Transaction Advisor (TA) and Legal Advisor (LA) during the year 2016-17 for the disinvestment process. The Preliminary Information Memorandum (PIM) and Expression of Interest (EOI) have been submitted to MoHUA on 26.07.2017.

The Evaluation Committee finalized the Share Purchase Agreement (SPA) and Request of Proposal (RFP) in its meeting held on 20th March, 2018 and these have been subsequently approved by the competent authority. Accordingly, the Transaction Advisor (TA) has invited the financial bid from the Qualified Intending Bidders (QIBs). The last date for receipt of the financial bid was 25th June 2018, since extended upto 16th August, 2018. Appropriate authority is in the process of taking further steps as are necessary to complete the disinvestment.

- 23.7 Accumulated losses have resulted in erosion of substantial net worth of the Company. However, the financial statements have been prepared on a going concern basis on the basis of improved business operations since last few years and decision of the Government of India to disinvest the Company through a competitive bidding process by way of sale of equity shares to a similarly placed CPSE.
- 23.8 The Company is executing various projects on cost plus basis on behalf of its clients. Accordingly, payments are made to the contractors based on corresponding payment received from the respective clients hence the gross amounts are reflected in the financial statements under the revenue head 'Value of Work Done' and the expenditure under the head 'Payment to Sub contractors'. The Company has levied service tax upto 30.06.2017 on project management consultancy charges only i.e. to the extent of actual income earned by the Company and Goods and Service Tax (GST) w.e.f 01.07.2017 is being levied on gross billing.
- 23.9 Post the applicability of Goods and Service Tax (GST) with effect from July 1, 2017, Works Contract Tax (WCT) and Service Tax etc. have been replaced by GST. In accordance with Schedule III of the Companies Act, 2013, GST is not to be included in revenue from operations



and the same is disclosed net of GST. Accordingly, in view of restructuring of indirect taxes, the revenue from operations and expenses for the year ended March 31, 2018 are not comparable with the previous year, to that extent.

23.10 Performance Bank Guarantee/ Mobilization Advance given by the contractors in the form of bank fixed deposit, being the principal amount of ₹ 8.09 lakhs (Previous Year: ₹ 8.11 lakhs) and in the form of Bank Guarantee of ₹ 9,508.80 lakhs (Previous year: ₹ 8,027.55 lakhs) are not reflected in the accounts.

23.11 Disclosures as per Accounting Standard 15 (Revised 2005) on “Employee Benefits”:

a. General description of various defined employee schemes are as under:

Defined Contribution Scheme:

Provident Fund (PF) and Employee’s State Insurance (ESI)

The contributions towards Provident Fund and ESI are deposited with the Regional Provident Fund Commissioner and ESIC respectively. The amount so paid is charged to Statement of Profit and Loss.

Defined Benefit Scheme:

i. Gratuity

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled for gratuity at 15 days salary (Basic salary plus dearness allowance) for each completed year of service subject to a prescribed maximum limit of ₹ 20 lakhs (Previous Year : ₹ 10 lakhs). The liability towards gratuity arises on superannuation, resignation, termination, disablement or death. The liability for the same is recognized on the basis of actuarial valuation.

ii. Leave Encashment

The Company provides for earned leave benefit to the employees of the Company which accrue annually. Un-availed leave can be accumulated upto the limits specified in the rules and encashed at the time of separation/ superannuation. The liability for the same is recognized on the basis of actuarial valuation.



b. Other disclosures as required under AS-15 (Revised 2005) on Employee Benefits in respect of Defined Benefit Scheme are as under:

i. Changes in the present value of defined benefit obligations as at 31.03.2018:

(₹ in lakhs)

	Gratuity		Leave Encashment	
	Current Year	Previous Year	Current Year	Previous Year
a) Present value of obligation as at the beginning of the year	1273.15	1166.67	481.44	414.77
b) Interest cost	93.07	93.33	35.19	33.18
c) Past service cost	35.82	—	—	—
d) Current service cost	56.39	56.35	27.54	27.55
e) Benefits paid	(169.57)	(138.36)	(78.79)	(53.48)
f) Actuarial (gain)/ loss on obligation	166.96	95.15	90.55	59.42
g) Present value of obligation as at the end of year	1455.82	1273.14	555.94	481.44

ii. Expense recognized in the Statement of Profit and Loss:

(₹ in lakhs)

	Gratuity		Leave Encashment	
	Current Year	Previous Year	Current Year	Previous Year
a) Current service cost	92.21	56.35	27.54	27.55
b) Past service cost	—	—	—	—
c) Interest cost	93.07	93.33	35.19	33.18
d) Net actuarial (gain)/ loss recognized in the period	166.96	95.15	90.55	59.42
e) Expenses recognized in the statement of profit & loss	352.24	244.83	153.29	120.15



iii. The amounts recognized in the Balance sheet:

(₹ in lakhs)

	Gratuity		Leave Encashment	
	Current Year	Previous Year	Current Year	Previous Year
a) Present value of obligation as at the end of the year	1455.82	1273.14	555.94	481.44
b) Fair value of plan assets as at the end of the year	—	—	—	—
c) Funded status/ Difference	(1455.82)	(1273.14)	(555.94)	(481.44)
d) Unrecognized actuarial (gains)/ losses	—	—	—	—
e) Net asset/ (liability) recognized in balance sheet	(1455.82)	(1273.14)	(555.94)	(481.44)

iv. Disclosure of the current year and previous four years as required by paragraph 120(n) of AS-15 (Revised 2005).

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
Gratuity					
Defined Benefit obligation at end of the year	1455.82	1273.14	1166.67	1086.47	915.00
Fair value of plan assets at end of the year	—	—	—	—	—
Amount recognized in the Balance Sheet (Liability)	(1455.82)	(1273.14)	(1166.67)	(1086.47)	(915.00)
Experience Adjustment arising on:					
- The Plan Liabilities/ PBO (Loss)/Profit	—	—	—	—	—
- The Plan Assets	—	—	—	—	—



Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
Leave Encashment					
Defined Benefit obligation at end of the year	555.94	481.44	414.77	382.61	333.08
Fair value of plan assets at end of the year	—	—	—	—	—
Amount recognized in the Balance Sheet (Liability)	(555.94)	(481.44)	(414.77)	(382.61)	(333.08)
Experience Adjustment arising on:					
- The Plan Liabilities / PBO (Loss)/Profit	—	—	—	—	—
-The Plan Assets	—	—	—	—	—

v. Actuarial Assumptions

Particulars	As at 31.03.2018	As at 31.03.2017
Method used	Projected Unit Credit Method	
Mortality Table	100% of IALM (2006 - 08)	
Discount rate (per annum)	7.63	7.31
Withdrawal Rate (per annum) upto 30/44 years and above 44 years	3/ 2/ 1	
Rate of escalation in salary (per annum)	6.00	5.50
Retirement Age (Years)	58	58

23.12 Disclosures as per Accounting Standard 17 on “Segment Reporting”:

The Company’s principal business is providing project management consultancy to its clients and its operations are mainly carried out within the country, therefore there is only one business/ geographical segment as per Accounting Standard 17 on “Segmental Reporting” issued by the Institute of Chartered Accountants of India.



23.13 Disclosures as per Accounting Standard 18 on “Related Party Disclosures”:

List of Related parties and relationship:

Key Management Personnel

- Shri Rajesh Goel - Chairman & Managing Director
- Shri Sanjiv Kumar Gupta - Director (Technical) (upto 26.02.2018)
- CA. Vinod Kumar Gupta - FA & CAO
- Ms. Sonia Singh - Company Secretary (w.e.f 12.03.2018)

Transactions with the Related Parties

(in ₹)

	Chairman & Managing Director	Director (Technical)	FA & CAO	Company Secretary
Salary & Allowances	23,38,045 (20,32,713)	18,04,106 (18,53,431)	10,12,783 (18,53,431)	31,613 (—)
Contribution to Provident Fund	2,28,719 (2,14,278)	1,77,719 (1,88,407)	1,06,766 (1,88,407)	3,252 (—)
Other Perquisites & Benefits				
Medical	—	14,999 (14,999)	14,999 (14,999)	— (—)
Leave Encashment	—	1,14,516 (66,134)	— (66,134)	— (—)
Gratuity	1,06,966 (87,327)	93,424 (78,324)	45,373 (78,324)	— (—)
Total	26,73,730 (23,34,318)	22,04,464 (22,01,295)	11,79,921 (22,01,295)	34,865 (—)

Figures in Brackets are for Previous Year

Chairman & Managing Director has used Company’s car including for private journeys on payment of prescribed charges in accordance with the Government of India, Ministry of



Finance BPE's circular No.2 (28)/83-BPE (WC) dated 17.11.1983 read with Government of India, Ministry of Finance BPE's circular No.4 (12)/82-BPE (WC) dated 01.04.1987 and DPE OM No.2 (53)/90-DPE (WC)-GIV dated 26.03.1999. Since recovery for personal use of car is being made, use of company's car is not considered as a perquisite.

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

23.14 Disclosures as per Accounting Standard 19 on "Leases":

The Company's significant leasing arrangements are in respect of operating leases relating to its leased office premises and properties. These lease arrangements which are cancellable, are generally renewable by mutual consent. The aggregate lease rental income and lease rent paid are disclosed in Note 16 and 20 respectively.

23.15 Disclosures as per Accounting Standard 20 on "Earnings Per Share":

	As at 31.03.2018	As at 31.03.2017
Profit after tax (₹ in lakhs) used as numerator	192.83	570.22
Weighted average number of equity shares (Nos.) used as denominator	1,34,76,685	1,34,76,685
Earnings per share – Basic/ Diluted (₹)	1.43	4.23
Nominal value of share (₹)	100	100

23.16 Disclosures as per Accounting Standard 22 on "Deferred Tax Assets/ Liabilities":

Considering the principles of prudence as set out in AS-22, the deferred tax assets have not been recognized.

23.17 Disclosures as per Accounting Standard 28 on "Impairment of Assets":

As on Balance Sheet date, the management does not contemplate any impairment of assets under Accounting Standard 28, accordingly no impairment loss has been recognized.



23.18 Disclosures as per Accounting Standard 29 on “Provisions, Contingent Liabilities and Contingent Assets”:

(₹ in lakhs)

Class	Carrying amount at the beginning of the year	Additional provisions made during the year	Amount used during the year	Amount unused and reversed during the year	Carrying amount at the end of the year
- Debtors	620.75	69.55	-	0.79	689.51
- Loans & Advances	240.72	-	-	-	240.72
Total	861.47	69.55	-	0.79	930.23

23.19 Expenditure in foreign currency during the year

(₹ in lakhs)

	Current Year	Previous Year
Travelling	1.32	Nil

23.20 Previous year figures have been regrouped/ rearranged, wherever considered necessary to correspond with the current year's figures.

Sd/-
Sonia Singh
(Company Secretary)
Membership
No.A24442

Sd/-
CA. Vinod Kumar Gupta
FA&CAO
Membership
No.090722

Sd/-
S.K.N. Bhatt
Director
DIN -07583031

Sd/-
Rajesh Goel
(Chairman & Managing
Director)
DIN - 03563891

For S.P. Chopra & Co.
Chartered Accountants
Firm Registration No.000346N

Sd/-
Ankur Goyal
Partner
Membership No. 99143

Place : New Delhi
Date : 3rd August, 2018



HINDUSTAN PREFAB LIMITED

(A Govt. of India Enterprise)
Jangpura, New Delhi – 110 014
Ph – 011-43149800-899, Fax – 011-43149865
E – mail : hindprefab@gmail.com
Website : www.hindprefab.org
CIN No. U74899DL1953GOI002220



ATTENDANCE SLIP

65th Annual General Meeting – 28th September, 2018

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.

DP Id		Client Id	
Regd. Folio No.		No. of Shares	

Name(s) and address of the shareholder in full _____.

I/we hereby record my/our presence at the 65th Annual General Meeting of the Company being held on 25th September 2018 at 3.30 pm at the registered office at Jangpura, New Delhi.

Please (✓) in the box

MEMBER PROXY

Signature of Shareholder / Proxy

HINDUSTAN PREFAB LIMITED

(A Govt. of India Enterprise)
Jangpura, New Delhi – 110 014
Ph – 011-43149800-899, Fax – 011-43149865
E – mail : hindprefab@gmail.com
Website : www.hindprefab.org
CIN No. U74899DL1953GOI002220



FORM OF PROXY

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

I/We, being the member(s) ofshares of Hindustan Prefab Limited, hereby appoint:

1 Resident of.....having e-mail id
.....or failing him

1 Resident of.....having e-mail id
.....or failing him

1 Resident of.....having e-mail id
.....

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 65th Annual General Meeting of the Company to be held on 28th September, 2018 at 03.30 PM at Jangpura, New Delhi-110014 and at any adjournment thereof in respect of such resolutions as are indicated below:



	Ordinary Business	For	Against
1.	To receive, consider and adopt the Audited Balance Sheet as at 31 st March 2018, Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon and the comments of the Comptroller and Auditor General of India thereon.		
2.	“ RESOLVED THAT the Board of Directors of Hindustan Prefab Limited be and are hereby authorized to fix, on the recommendation of the Audit Committee, the remuneration of the Statutory Auditors of the Company to be appointed by the office of the Comptroller & Auditor General of India for audit of annual accounts of the Company for the year 2018-19.”		

Signed thisday of2018

Signature of Shareholder.....

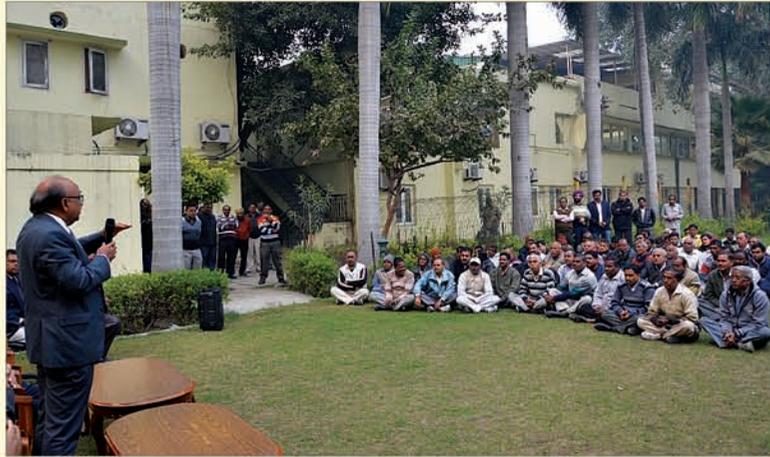
Signature of Proxy holder(s).....

Notes:

- 1 This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- 2 For the Resolutions, please refer to the Notice of the 65th Annual General Meeting.
- 3 This is only optional. Please put ‘(✓)’ in the appropriate column against the resolutions indicated in the Box. If you leave the ‘For’ or ‘Against’ column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- 4 Please complete all details including details of member(s) in above box before submission.

*Applicable for investors holding shares in electronic form.

ACTIVITIES IN HPL



CMD, HPL addressing to employees



Hindi Pakhvara



Hindi Karyashalla



Sadbhawana Diwas



Ram Navmi Pooja



Ambedekar Jayanti



Holi Milan



Japanese delegation visited HPL



ICEM student visited HPL



Student of Vastu Kala Academy visited at HPL



Hindustan Prefab Limited

(A Government of India Enterprise)

(Under Ministry of Housing & Urban Affairs)

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