

# 17<sup>वीं</sup> वार्षिक रिपोर्ट th Annual Report 2011 - 2012



ब्रॉडकास्ट इंजीनियरिंग कंसल्टेंट्स इंडिया लिमिटेड  
(भारत सरकार का उद्यम- सूचना एवं प्रसारण मंत्रालय के अन्तर्गत)  
**BROADCAST ENGINEERING CONSULTANTS INDIA LIMITED**  
(A Government of India Enterprises- under Ministry of Information & Broadcasting)

*A  
"Mini Ratna"  
Company*



BROADCAST ENGINEERING  
CONSULTANTS INDIA LIMITED

*A Mini Ratna Company*

17th ANNUAL REPORT 2011-2012

## *Vision*

*To be a world class consultancy organization  
recognized as a "BRAND" in the specialized fields of  
Broadcast Engineering & Information Technology and  
Infrastructure development for total project solution in  
India and Abroad..*

## *Mission*

*To play a pivotal role in Modernization and Growth of  
Radio and Television Broadcasting through  
Terrestrial, Cable and Satellite Transmission in India  
and abroad and achieve excellence.*





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## BECIL PROFILE

**Broadcast Engineering Consultants India Limited (BECIL)**, an **ISO 9001:2008 certified**, Mini Ratna, public sector enterprise of Government of India under Ministry of Information & Broadcasting was established on 24 March 1995 and it provides project consultancy services and turnkey solutions encompassing the entire gamut of Radio and Television Broadcast Engineering viz content production facilities, terrestrial broadcasting, transmission and satellite & cable broadcasting in India and abroad. It also provides associated services as human resource related activities like training, providing man power etc. It has diversified and is undertaking supply of specialized communication, monitoring, security and surveillance systems to Defence, Police department and various Para-military forces. BECIL has its headquarter in New Delhi, the Corporate office is located in Noida and has a Regional Office in Bangalore.

Over the years, BECIL has groomed and developed a team of in-house and dedicated engineers and also harnessed a vast reservoir of professionals drawn from various fields of broadcasting industry which includes public and private broadcasters, defence and cable industry. Through this network of resourceful technical professionals, BECIL has established its PAN India presence to serve the needs of the industry.

BECIL has a vast reservoir of experts and integrates the expertise of All India Radio (AIR) and Doordarshan (DD), the national broadcaster of India, which has built one of the largest Radio Network catering to nearly one billion people and the world's largest Terrestrial Television Network supplemented by Analogue and Digital satellite Broadcasting services reaching out to millions of TV homes in India and Overseas.

BECIL works as consultancy agency, as a system integrator and as a turnkey solution provider in the fields of Broadcast Engineering and Information Technology.

### OBJECTIVES:

1. To enhance the present share in the market by providing specialized and customized solutions to a wider range of clients.
2. To provide technical input and Consultancy to Ministry of Information & Broadcasting in policy, regulatory & formulation of various papers pertaining to Broadcasting.
3. To explore new avenues in other allied areas like Monitoring & Surveillance.
4. To explore the opportunities in overseas market on a continual basis.
5. To conduct Market Survey & product development.
6. To establish Satellite uplink & downlink Systems for TV Channels & also for Distance Education.
7. To establish and Maintain the Operation of Broadcasting centers.
8. To constantly endeavor to enhance customer satisfaction through services.
9. Training & Placement of Broadcast Professionals.
10. To Design, Develop and Manufacture specialized broadcast equipments.

***BECIL is managed by an eminent team of experts, having rich experience in different fields of broadcast industry like***

- Establishment of FM Radio Stations
- Satellite Systems
- Terrestrial Transmitters
- Setting up of TV Channels
- Digital addressable system of Cable Television.

Our team of richly experienced professionals offers technological expertise as per the client requirements that are innovative as well as robust. A total quality approach with frequent reviews and monitoring facilitates efficient and cost effective completion of every project on schedule.



## BROADCAST ENGINEERING CONSULTANTS INDIA LIMITED

*A Mini Ratna Company*

17th ANNUAL REPORT 2011-2012

BECIL is the professional platform which caters to all aspects of TV and Radio projects **from concept to completion** and **from regulatory to realization**. BECIL services are reliable and transparent (no hidden cost). Adding to this, BECIL is proud to be an able interface to the Government. We believe in providing perfect professional solutions. We specialize in:

- FM Broadcasting
- Establishment of TV Channels
- Installation of Teleports
- Design of Digital Newsroom Systems
- DTH (Direct to Home) system
- Conformity of Wire-line Broadcasting networks to Indian standards
- Distance Education Systems through Satellite
- Community Radio Stations
- Acoustics, Stage lighting, sound reinforcement system
- Training/up-skilling in wire-line networking

### OUR KEY OBJECTIVES IN EVERY PROJECT PURSUED ARE:

- Maintenance of highest quality.
- Flexible, tailor-made cost effective solutions to every customer's unique requirements.
- Emphasis on a professional, total quality approach with frequent reviews and monitoring for efficient and cost-effective completion of every project on schedule.
- Independence from suppliers in order to select appropriate equipment in customer's best interest.
- Keep abreast of technical advancements and their practical utility to broadcasters.
- Give the customers complete satisfaction and peace of mind.

### BECIL Performance for last 10 years

(₹ in lakhs)

S. No.	Particulars	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
1	Paid Up Equity	136.50	136.50	136.50	136.50	136.50	136.50	136.50	136.50	136.50	136.50
2	Turnover (Including Deposit Work)	1755.12	1683.64	3773.32	3152.39	9867.84	11988.81	7808.35	3061.77	13156.07	14694.94
3	Profit Before Tax	156.05	173.20	201.25	227.95	792.95	1358.20	778.76	236.47	802.58	271.93
4	Profit After Tax	97.95	108.61	130.14	140.68	524.37	1403.25	507.67	151.72	529.06	203.17
5	Dividend	27.30	27.30	27.30	27.30	104.24	280.65	100.00	28.61	102.36	42.36
6	Reserves & Surplus	287.10	364.81	464.03	572.03	811.81	1888.53	2279.21	2397.56	2807.65	2960.24
7	Capital Employed	423.60	501.31	600.53	708.53	948.31	2025.03	2415.71	2534.06	2944.15	3096.74
8	Net Worth	422.62	494.41	591.15	692.75	929.34	2008.84	2391.35	2501.02	2893.86	3056.21



**BOARD OF DIRECTORS**  
(AS ON 8TH OCTOBER, 2012)

Chairman and Managing Director  
**Shri K.Subramanian,**

Directors  
**Shri Ishwar Singh Mehla, Ms. Supriya Sahu, Ms. C. Sailaja**

Part Time Non-Official Director :  
**Sh. R.R. Prasad**

*Statutory Auditors*

**ATJ & ASSOCIATES**  
Chartered Accountant

204, Mandir Commercial Complex, Masjid Mod  
South Extension, Part - II, New Delhi - 110 049

*Bankers*

**Corporation Bank**  
Overseas Branch, Kasturba Gandhi Marg, New Delhi

**Corporation Bank**  
CGO Complex Branch, Lodhi Road, New Delhi-110 003

**Corporation Bank**  
Sector-26, Noida, G.B.Nagar-201 301 (UP)

**State Bank of India**  
CGO Complex Branch, Lodhi Road, New Delhi-110 003



BECIL/AGM/2012

## NOTICE TO THE MEMBERS

Notice is hereby given that the 17th Annual General Meeting of the Company will be held at 1600 hrs on Monday, 15th October 2012 at: C-56/A17, Sector-62, NOIDA- 201307 to transact the following business:

### Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2012 and Profit & Loss Account for the year ended on that date along with the Directors' Report thereon.
2. To declare dividend.

By Order of the Board  
for Broadcast Engineering Consultants India Limited

Sd/-  
(M. Jayaraman)  
Secretary to the Board

Place: Noida

Date: 11th October 2012

To

1. To the Members of the Company
2. Directors of the Company
3. Statutory Auditors





## REPORT OF THE DIRECTORS

To

### The Members

Your Directors have the pleasure in presenting the 17th Annual Report and the Audited Statement of Accounts of the Company for the financial year ended 31st March, 2012.

### 1.1 FINANCIAL PERFORMANCE

The Financial Performance of the Company for the year 2011-2012, along with the comparative figures for 2010-2011, is indicated below:

(₹ in Lakh)			
A	Particulars	Year 2011 -12	Year 2010 -11
	<b>Result of Operations</b>		
	Income from operations	11146.17	9278.43
	Value of Deposit work	3548.76	3877.63
	<b>Total business during the year</b>	<b>14694.93</b>	<b>13156.06</b>
	Expenditure (including Deposit work)	14125.02	12166.26
	<b>Profit before Interest, Depreciation and Exceptional Items</b>	<b>569.91</b>	<b>989.80</b>
	Interest Cost	187.21	116.81
	Depreciation & Amortization	41.01	44.97
	Prior Period Adjustment & Extra ordinary items	69.76	25.44
	<b>Profit before Tax</b>	<b>271.93</b>	<b>802.58</b>
	Provision for Tax	68.76	273.53
	<b>Profit after Tax</b>	<b>203.17</b>	<b>529.05</b>
	Proposed Dividend	42.60	102.36
	Tax on Dividend	6.91	16.60
	Transfer to General Reserve	21.29	52.90
	<b>Earning Per Share(203.17/1.365)</b>	<b>₹ 148.85</b>	<b>₹ 387.59</b>
<b>B</b>	<b>Authorized Capital</b>	<b>250.00</b>	<b>250.00</b>
	Sources of Fund		
	Issued, Subscribed and Paid up Capital Reserve & Surplus	136.50	136.50
	Reserve & Surplus	2960.24	2807.64
	Non - Current Liabilities	773.77	452.10
	Current Liabilities	7158.85	9945.87
	<b>Total</b>	<b>11029.36</b>	<b>13342.11</b>
	Uses of Funds		
	Differed Tax	40.53	50.29
	Other non Current Assets	1472.6	898.25
	Current Asset	9516.23	12393.57
	<b>Total</b>	<b>11029.36</b>	<b>13342.11</b>
<b>C</b>	<b>Other Information</b>		
	Capital Employed	3096.74	2944.14
	Net worth	3056.21	2893.85



## **REPORT OF THE DIRECTORS**

### **1.2 Business Turnover, Dividend & Network**

We are pleased to inform that during the year under consideration your company has achieved highest ever turnover of ₹ 146.95 Crore since its incorporation. This turnover is inclusive of deposit work done during the year. During the year under consideration, a growth of 11.70% in the turnover has been achieved. This achievement is due to execution of a number of projects of national importance which includes:-

- Supply of 1 Mega Watt Medium Wave Transmitter for All India Radio Chinsurah & Rajkot,
- Supply of VMAS I & II to M/s. Antrix Corporation and Defence Electronics Research Laboratory,
- SITC of Broadcast Equipment of CEC, EMMRC-Hyderabad & EMMRC-Patiala,
- Supply of additional equipment to Lok Sabha Television,
- Up-gradation of TV Studio at Jamia Milia Islamia University
- Supply of Equipment to Bangladesh Television.
- SITC of C-band Satellite Uplink Project for Maldives National Broadcasting Corporation.

The company has posted a Profit Before Tax of ₹ 2.72 Crore in the current year as against ₹ 8.03 Crore in the previous year. This decrease in the profit is due to competitive bidding, low revenue margin, increased cost of material consumed, increased finance cost as well as increase in employee cost due to new recruitments.

During the year under consideration the company has transferred a sum of ₹ 21.29 Lakh to the General Reserve, taking the progressive total to ₹ 413.94 Lakh and the Networth of the Company has grown to ₹ 3056.21 Lakh as on 31st March 2012.

The Directors are pleased to recommend a dividend of ₹ 42.60 Lakh for the period 2011-12.

## **2. BUSINESS ACTIVITIES DURING THE YEAR**

During the year under consideration your company has carried out the following projects:-

### **2.1 OVERSEAS PROJECTS**

#### **2.1.2 Bangladesh TV**

BECIL has established two TV (News & Talk) Studios for Bangladesh TV on turnkey basis. The contract was bagged by BECIL in an open international competitive bidding. The scope of the project consisted of Supply, Installation, Testing, Commissioning (SITC) of TV Broadcasting equipment and related services required to update the TV studio facilities at their Dhaka TV complex, for which an agreement was executed between Director General, Bangladesh Television and BECIL.

Training was also imparted to the staff of Bangladesh Television for operation and maintenance of the equipment installed and commissioned by BECIL.

After successful completion of supply, installation, testing commissioning and imparting training to the staff of Bangladesh Television, BECIL is in the process of handing over the entire project to Bangladesh Television.

#### **2.1.3 Maldives National Broadcast Corporation (MNBC)**

BECIL has won Global Tender for C-band Satellite Uplink Project (Acquisition, Installation, and Integration & Commissioning) for Maldives National Broadcasting Corporation (MNBC). Execution of this project is under progress. Almost 80% supply of the material has been successfully completed.

The project includes a complete set-up (Teleport) for 3 TV & 3 Radio Channels concurrently with a provision of 2 backup channels (TV & Radio each) along with Conditional Access System (CAS). TV Channels configured in SD or HD format. The set-up includes RF & Antenna System, Compression Chain with NMS, Rx Set-up, CAS etc. with complete redundancy.



## **REPORT OF THE DIRECTORS**

### **2.2 PROJECTS IN INDIA**

#### **2.2.1 Supply of 1000 kW MW Transmitter for AIR at Chinsurah & Rajkot**

BECIL won Global tender issued by ALL India Radio for Supply, Testing and Commissioning of 1000 kW Digital Mode (DRM) operational Medium Wave Super Power Transmitter for Rajkot and Chinsurah.

BECIL has supplied, tested, commissioned and handed over the 1000 kW Transmitter set-up of AIR Rajkot. BECIL has also imparted training of 4 weeks to 10 AIR Engineers at SPT site Rajkot on operation, maintenance and trouble shooting of transmitter.

The 1000 kW Medium Wave transmitter and accessories for Chinsurah have already been supplied. Since installations of all equipments have just been completed by AIR, its testing and commissioning shall begin on in October 2012.

This is very prestigious project for BECIL, due to fact that supply, testing and commissioning of Supper Power Transmitters of 1000 kW Power have been executed by BECIL to AIR for the first time. The project involved the integration of the indigenesouly manufactured accessories with the transmitter equipments, which has been successfully executed and the transmitter setup at Rajkot is functioning as per specifications and as envisaged by AIR.

#### **2.2.2 V-SAT Monitoring & Analysis System Commissioned by BECIL for M/s Antrix Corporation Limited (ISRO)**

- BECIL has successfully integrated and implemented VSAT Monitoring and Analysis Systems.
- The VMAS System is a technologically advanced State-Of-the-art system. VMAS aims at Monitoring and Analysis of Communication Channels of the VSAT Networks of Interest (NOIs) from all the Satellites which have their Footprint on the Indian Subcontinent.
- The system is able to automatically carry out Signal Analysis and ascertain the type of VSAT satellite network by analysis of IF traffic parameters for continuous monitoring using a set of demodulators. The System produces Signals (massages) in a user friendly manner to provide necessary intelligence to the Customer.
- The system enables the user to establish a monitoring system for most of the VSAT satellite networks of HNS, Gilat, DVB, I Direct and SCPC mode.

#### **2.2.3 Lok Sabha TV Channel Project for Supply of Additional Equipment:**

BECIL has supplied Additional Equipment at Lok Sabha TV Channel, New Delhi. The scope of the project consisted of Supply, Installation, Testing and Commissioning (SITC) of a few additional Broadcaster equipment and related services required to update the TV Studio facilities with latest technologies at their complex.

#### **2.2.4 Up gradation of TV Studio/Community Radio Project at AJK MCRC Jamia Millia Islamia, New Delhi**

BECIL has carried out a TV project for Jamia Millia Islamia, New Delhi on the turnkey basis. The scope of the project consisted of Supply, Installation, Testing & Commissioning (SITC) of TV Broadcasting equipment and related services required to update the TV studio facilities with the latest technology at their MCRC complex. *BECIL had provided SAN Solution with Fiber connectivity, final cut Pro NLE, Automated Ingest & Playout Facility in Tape less Environment in full High Definition in Education Institute. Training was also imparted to the staff of MCRC Jamia Millia Islamia for operation and maintenance of the equipment that was installed by BECIL.*

#### **2.2.5 Setting Up of 24x7 Vyas Higher Education Channel for CEC.**

BECIL has successfully installed & commissioned 24x7 Vyas Higher Education Channel at Consortium for Educational Communication (CEC). BECIL has executed the project on SITC (Supply, Installation, Testing & Commissioning) basis for which the agreement was, between CEC & BECIL. With the Up gradation of the existing system and setting up of new broadcast equipments by BECIL, CEC is delivering wide ranges of Cultural Programs and lecturers focused on health, philosophy, history, and economics all over the India to empower the people of India with Knowledge.

Training was also imparted to the staff of CEC for operation and maintenance of the equipment that was installed by BECIL.



## **REPORT OF THE DIRECTORS**

### **2.2.6 Digital Media Asset Management (MAM) System for Content Storage and Distribution**

BECIL has introduced the concept of Digital Media Asset Management (MAM) System in CEC, a first of its own kind application in Education Sector for Content Storage upto 40,000 Hrs in digital format and distribution of the same. The main feature of the system is the content (Storage) in digital format which is far more reliable compared to analog information stored in tapes etc.

BECIL has handed over the MAM to CEC with full satisfaction to the user BECIL has also imparted training to the CEC Staff in the operation of the system.

### **2.2.7 SITC of Broadcast Equipments at EMMRC-Patiala & Hyderabad**

BECIL has successfully installed & commissioned the broadcast equipment at various facilities of EMMRC all across India like Patiala, Hyderabad, etc. BECIL has executed the project on SITC (Supply, Installation, Testing & Commissioning) basis for which the agreement was executed between BECIL & EMMRC's.

Training was also imparted to the staff of EMMRC's for operation and maintenance of the equipment that was installed by BECIL up to the satisfaction of the Client.

### **2.2.8 Multi channel FM Transmission facility for 10 channels at Mumbai with excellent coverage**

BECIL, as an integrator, completed a Project related to multiplexing 10 channels at Doordarshan Complex, Mumbai with transmitters of 10 KW output power each, amidst all-odds, which included the impediment of clearance of FAR.

BECIL has successfully tested and commissioned this prestigious project in August, 2011. With commissioning of the transmissions from CTI, Broadcasters have observed a distinct improvement in coverage with 10 KW power instead of 20 KW, which was being used in Interim set up, because of height advantage and better gain antenna employed in CTI. Spot objective listening tests have shown excellent coverage over a wider range.

This CTI has been created by designing and constructing a permanent 3 storey building with stilt and three floors in the campus of Doordarshan.

### **2.2.9 State of the Art Wireless Equipments and Audio / Sound And Video Facilities at Gaiety Theatre Complex.**

BECIL has introduced the following state of the art wireless equipments as well as audio / video facilities.

- Installed and tested basic sound system for old theatre without disturbing basic aesthetics of the world heritage site.
- The facility of complete wireless system and delegate chairman unit have been installed in the conference room and multipurpose hall.
- The Complex has been provided with very sleek and state of the art speakers with best sound quality / level.
- For stage performance at open theatre, different kind of audio facility has been provided with all weather speakers.
- BECIL has supplied, Installed, and tested a video projection system for multipurpose hall at Gaiety theatre complex including customized 16:9 format screen with DLP projector including Ceiling Mount Kit and Lamp, Blue Ray Disc Player etc.

### **2.2.10 Audio Studio At National Institute of Open Schooling, NOIDA**

BECIL has entered into an agreement with NIOS for establishment of audio studio on deposit work basis in its main campus at Noida;

- BECIL has supplied, Installed, tested and commissioned audio studio facility with the state of the art technology.
- The facility of audio studio chain comprises of main "On Air Studio" with a Backup cum Production Studio as well as "Voice over Booth", which satisfies the basic requirement of NIOS.
- BECIL under took Civil, Electrical, works and Acoustics treatment in the production as well as post production areas.



## **REPORT OF THE DIRECTORS**

### **2.2.11 Supply of LCD/TFT Monitors**

BECIL participated in a global tender for supply of 93 No's of 8.4"9" LCD/TFT Monitors published by DG; Doordarshan in 2010 and won the order. Subsequently DG; Doordarshan issued a repeat order to BECIL for the supply of additional 26 No's of LCD/Monitors. BECIL successfully completed the supplies as per DG; Doordarshan orders.

### **2.2.12 FM & Monitoring Business**

During the year under consideration your company has completed some of the balance works for establishment of Common Transmission Infrastructure (CTI). BECIL has installed monitoring system for monitoring content of FM station. Monitoring of content is the administrative responsibility given to BECIL by the Ministry of I&B. Monitoring business is an important activity of the company and it generates good revenue. The work for CTI Kolkata could not be started due to non availability of PB infrastructure (land). But management is hopeful that with the intervention and support from the Ministry, Prasar Bharati Infrastructure (land) would be made available soon and work will start in the current financial year.

### **2.2.13 Placement of Broadcast Professionals and Operation & Maintenance**

Your company is continuing to provide Broadcast Professionals to various organizations. This is one of the major source of regular revenue for your company. The broadcast professionals are placed as per the requirement of the organization. Operation & Maintenance of Broadcast setups is yet another activity carried on by the company during the year under consideration.

## **3. FUTURE BUSINESS ACTIVITY**

### **3.1 Television Business**

The company has already signed agreement with Rajya Sabha Secretariat for establishing their TV Channel. Besides this your company in the financial year signed an agreement with Consortium of Educational Consultants, AJK MCRC Jamia Millia Islamia, National Institute of Open Schooling(NIOS), EMMRC Roorkee, Jodhpur, Indore for setting up Studio facilities. BECIL is hoping that in the current financial year all the projects will be commissioned and is also trying to get new projects from various educational institutions.

### **3.2 FM Phase-III**

After the success of FM Phase - II, in which 245 channels got operationalized in a short-time, the Government has issued new policy guidelines for Phase - III on 25th July, 2011. Phase - III would be offering 830 channels in 290 cities across the country. Without waiting for the e-auction process to commence, BECIL has already initiated system design process for these channels so that they can be brought up in the shortest possible time-frame.

Phase -III would bring into ambit 218 new cities. Unlike Phase-II Scheme, Prasar Bharati's Land & Tower Infrastructure (LTI) is not likely to be available at many places. In order to meet this challenge, BECIL has taken advance action to identify LTIs of other Government organizations and has already signed MOUs with them for large number of cities to be included in Phase - III. With these initiatives, BECIL has kept itself in readiness to take up the Phase - III Scheme and serve the private radio broadcasters including its old clients and prospective ones through a single window approach.

### **3.3 Project related to internal security of the country**

BECIL has been actively involved in providing Internal Security related end to end solutions on turnkey basis to various law enforcing agencies in the country. In this regard BECIL has successfully integrated and implemented a VSAT Monitoring and Analysis System. Additionally, BECIL has developed competencies in the areas of Cellular Surveillance System including Interception, Monitoring and Analysis. BECIL has tied up with some of the best Original Equipment Manufacturers in the areas of Signal Intelligence and Electronic Warfare Systems. BECIL has been able to establish itself as a reputed system integrator and a single point solution provider for all kinds of internal security related and access control requirements.



## **REPORT OF THE DIRECTORS**

### **3.4 SITC of Broadcast Equipments at EMMRC-Roorkee, Jodhpur, Indore**

Based on successful completion of the projects of EMMRC-Hyderabad, Patiala, BECIL would execute projects of different EMMRC's on SITC (Supply, Installation, Testing & Commissioning) basis of Broadcast Equipments.

### **3.5 Technical Audit / Certification of Cable Head Ends and CATV Training**

Telecom Regulatory Authority of India (TRAI) has authorized BECIL to conduct technical audit of the Conditional Access System (CAS) and subscriber management system (SMS) of the digital cable TV distribution Head-Ends and issue certification on compliance with TRAI guidelines. BECIL has also established training facilities in Digital CATV Systems and, it will be able to generate good business in this area.

In addition to these activities in the Cable TV field, BECIL has established Call- Center with a Toll-Free Telephone number to respond to various queries from the citizens on the matter related to Digitalization of Cable TV. BECIL has also established a website digital India MIB and opened a Facebook Account in this context. All these activities were taken up on behalf of Ministry of Information & Broadcasting, in connection with the Government Policy on Digital Addressable System (DAS) for Cable TV.

## **4. MOU WITH MINISTRY OF INFORMATION & BROADCASTING**

Your company has signed Memorandum of Understanding (MOU) with Ministry of Information & Broadcasting for the Financial Year 2011-12. The Financial as well as other targets are given for the company. For the Financial Year 2010-11 Company has posted Very Good rating based upon its performance.

## **5. HUMAN RESOURCES DEVELOPMENT**

Human Resources Development is an integral part of the overall management. The employees being the most valuable assets of the Company are continuously trained to keep pace with the fast changing technological advancements. An induction program for new entrants has been introduced first time in BECIL to appraise them about the various activities of the company.

Faculties from BECIL and outsourced experts etc. provide training to new entrants. Review of manpower upto the level of Management Trainees is conducted for optimum utilization of Human Resources. Officers across all ranks with judicious mix of senior, middle level and young professionals are nominated for various training programmes through a roster depending on the training needs.

During the year company has provided 146 man days training to its employee and achieved excellent target as per MoU.

### **5.1 Appointment of Candidates Belonging To SC/ST/OBC/Minority**

The Company follows Government's guidelines/instructions on reservation policies. Accordingly, the guidelines/instructions of the Government on reservation matters in respect of SCs/STs/ OBCs and for appointment of Minority have been/are taken care of while making recruitments and promotions in the Company. Relevant Rosters are maintained as per guidelines for proper projection of reservation quota fixed for these categories.

Due consideration has been given to the representation of Minorities and Weaker Sections in Selection Committees. *During the year company has recruited one man power from minority and achieved the excellent target as per MoU.*

Periodical check-up/inspections are carried out by the HR Officer and reports/suggestions are given by them to the Competent Authority for consideration. Periodical reports/returns are also sent to the Ministry of Information & Broadcasting, Department of Public Enterprises and other Government Departments periodically on action taken for the implementation of reservation policies.



## REPORT OF THE DIRECTORS

### 5.2 Training Related Business Activities

#### Training on CATV/Digital Wireline Broadcasting under "Mission Digitalization":

As per the advice of Ministry of Information & Broadcasting and as a business venture for meeting the requirements for training of manpower to meet the targets of 1st phase of digitalization of cable TV following programmes were conducted :

- i) 5 Day Course from 19th to 23rd December, 2011 for 21 participants from CATV industry i.e. 105 man days
- ii) 5 Day Course from 31st January to 03rd February, 2012 for 6 participants from CATV industry i.e. 30 man days  
BECIL has planned more training programmes in this area.

### 5.3 Training of BECIL Staff

**Employee Training & Motivation :** BECIL has achieved the target of 146 Man-days training in four courses against our MoU Target of 130 Man-days of training in financial year 2011-12. This includes :

- a) Professional training of 3 officers on Soft Skills at New Delhi (6 man days)
- b) CATV/ DWB Orientation Course at Pune for 13 BECIL Officers (39 man days)
- c) Preparatory Workshop at BECIL for Training of Trainers at CTTS, UK for 9 BECIL Officers (9 man days)
- d) Training To Trainers (TTT) Course at CTTS, UK for 10 BECIL Officers (110 man days)

### 5.4 Training Under Corporate Social Responsibility

*BECIL has conducted training for 303 Man-days for SC/ST/OBC/PC category Students from ITIs/Polytechnic College under Corporate Social Responsibility (CSR).*

Under this scheme two training courses on Digital Wireline Broadcasting (DWB) installation techniques were conducted in which around 100 trainees from ITIs/Polytechnic being from SC/ST/OBC/PC category were trained.

## 6. CORPORATE SOCIAL RESPONSIBILITY

During the year under review, the company remained focused towards its social obligations and the following activities were taken up:

- 6.1 The company has incurred an expenditure ₹ 10.01 lakh for providing vocational & Specialized Training in the field of Broadcasting and providing Scholarship to meritorious students belonging to SC, ST, OBC and disabled categories in the field of Broadcasting
- 6.2 Free Consultancy Services are provided for filing of online SACFA Application (25 numbers) for Community Radio Stations.
- 6.3 BECIL has funded and commissioned Community Radio Stations for Prajapita *Brahma Kumari Iswariya Vishwavidyalaya Mount Abu*, & *Viveka School of Excellence Mysore* and incurred ₹ 25.47 lakh for Establishment & Maintenance of Community Radio Stations.

## 7. RESEARCH & DEVELOPMENT

The Research & Development activity is one of the important activity and need of today. R&D not only provides the low cost substitute for the imported equipment, but also helps in developing in-house capacity. We are pleased to inform that BECIL has also developed in house a FM Content Monitor for monitoring the content of FM stations. BECIL has also developed a number of ancillary equipment for broadcast transmitters successfully, which are working satisfactorily in Prasar Bharati Network, saving valuable foreign exchange besides developing local competence. The management has drawn up an ambitious plan for R&D activities covering various business areas of the company such as:



## REPORT OF THE DIRECTORS

### 7.1 Low cost Audio Codec for use in Radio Broadcast Stations

BECIL has designed & developed a low cost Audio Codec, named "**StreamX**" for use in Radio broadcast stations for audio streaming application like distribution of audio over IP networks, networking of Studios and broadcast stations, outside broadcasts over LAN/WAN, conventional Studio to transmitter link, leased lines, internet etc. Depending on the application, the equipment can be configured by selecting either Encoder or decoder - operating in simplex mode or containing both the functionalities resulting in full fledged Codec for duplex operations. The equipment is provided with on board power supply but can also be operated on +12V supply for portable operations. It also has audio line In/Out terminated on XLR connector for professional connectivity. Even though one can think of a number of applications for utilizing Audio over IP, it can be employed in applications like Interfacing of digital or analog audio signals to TCP/IP, web, Intranet and Internet, Intercom systems, Paging systems, Broadcast equipment, Audio monitoring, Audio distribution, Updatable, standalone player, Alarm systems, Audio recording (Live audio transmission).

*During the year company has developed a cost encoder within time and excellent performance as per MOU.*

### 7.2 50 Watt FM Transmitter- for Community Radio Stations (CRS)

Keeping in view the requirement of Community Radio Station operators for indigenously developed, robust and simple FM transmitter with credible after sales support, BECIL has designed and developed a 50 Watt, FM transmitter, type CRS-FM50 with in-house efforts. Considering that, CRS is being operated and maintained by NGOs belonging to Civil Society and Educational institutions, the transmitter is simple in design, easy to operate and maintain resulting in practically plug and broadcast type of equipment. The transmitter meets the audio and RF specification of a professional grade broadcast transmitter and complies with the ITU norms on RF emission standards. The transmitter employs in-house developed robust micro-controller based Control, monitoring and supervision system to safeguard the transmitter against abnormal operating conditions arising due to problems in abnormal ambient conditions, power supply, antenna etc. Another notable feature is that, the transmitter has a built-in FM demodulator and its output is available on the back panel for monitoring and also as visual bargraph display for indicating the frequency deviation (depth of modulation). Important parameters of the transmitter can be remotely logged with time stamping on a system for monitoring the health of the transmitter. The transmitter is completely modular in construction and hence can be field serviced with ease by qualified technicians.

### 7.3 FM Antenna for Community Radio Stations (CRS)

In order to meet the growing demand of Community Radio Stations, which are basically low budget projects, BECIL has designed and developed a double stacked vertically polarized, antenna. The antenna has a gain of 3.7 dBi and can be designed for any frequency in the FM Band.

This is achieved using a specially designed splitter box to feed each dipole antenna with the correct RF signal phase. This antenna system does not need tuning in the field and can be supplied for any desired frequency from 87 to 108 MHz.

The dipole system needs to be clamped as high off the ground as possible to a mounting pole of at least 4 meters in length and 1 1/4" in diameter.

The RF field strength directly below this antenna is lower than that of a single dipole. The built in balun provides a truly unbalanced input and prevents any RF currents traveling down the outer of the feeder cable. These design considerations reduce the chances of audio and TV interference considerably and maximizes RF power in the desired direction.

In order to keep the coaxial line losses in long run of lines to minimum, it is advisable to use good quality cable such as RG 213 or better quality for connecting the antenna system to the transmitter.

## 8. SUSTAINED & CONTINUOUS INNOVATION

### 8.1 Energy Conservation

BECIL being a consultancy organization has no significant consumption of energy in its operations however following methods were adopted for conservation of energy in BECIL Corporate Building (Compound Lighting):

- a) *Use of LED Lights for Energy Conservation*
- b) *Use of Sensor for Lights for Energy Conservation in BECIL Corporate Building*





## REPORT OF THE DIRECTORS

### 8.1.1 Reduction / Reuse of Waste Paper ,

The Company has formulated Sustained Development policy for re-use of waste paper and reduced and reused 303 rims of waste papers during the financial year 2011-12.

### 8.1.2 Technology Conservation

Research and Development (R&D) The company carries out R&D as per Specific requirement in which projects implementation can be carried out by the company.

Efforts are made towards conducting Regular Training programme for technology absorption and innovation for BECIL personnel through sponsored/in-house training for upgrading their skills.

## 9. CORPORATE GOVERNANCE

The Company recognizes the importance of Corporate Governance and has been complying with not only the statutory requirements but also complying with guidelines on Corporate Governance issued by the Department of Public Enterprises (DPE), Government of India.

During the year under consideration your company has formulated:-

- (a) *the guideline to develop and implement ethics and code of conduct for top management for strong emphasis on transparency, accountability and integrity.*
- (b) *prepare the Internal Audit manual and special audit programme in consultation with Statutory Auditor*

Further company has submitted all Statutory returns and remittance as required by various regulations, by in force including MoU and data submission for PE as per the guidelines of DPE

The company has completed all the target of Corporate Governance within time and achieved excellent performance as per MoU.

## 10. RIGHT TO INFORMATION ACT, 2005

In order to promote transparency and accountability ,appropriate action is taken to reply to queries from any source whenever received, on time. In compliance to the provisions of the Right to Information Act, 2005, Central Public Information Officer (CPIO) have been appointed and utmost care is being taken for timely compliance and dissemination of information.

During the Financial year 2011-12, the company had received 65 of applications under RTI Act, 2005 and all had been responded within the statutory time limit. As on 31.3.2012, no application is pending under RTI Act, 2005.

## 11. VIGILANCE

Vigilance Section in BECIL has been regularly issuing norms and guidelines as issued by the Central Vigilance Commission, Department of Public Enterprises, Ministry of Information & Broadcasting regarding measures to strengthen all aspects of preventive vigilance for compliance in BECIL.

Periodical returns are being submitted regularly to Central Vigilance Commission, Central Bureau of Investigation, Ministry of Information & Broadcasting and inquiries are properly and promptly attended. Besides, surprise checks/inspections are carried out from time to time and constant vigil is kept.

## 12. PROGRESSIVE USE OF HINDI

Required action/updated status of compliance by BECIL on the recommendations made in the various parts of the Report on Official Language were furnished to the Ministry of Information & Broadcasting. Hindi Fortnight was observed from 14th September to 28th September 2011 in BECIL.



## REPORT OF THE DIRECTORS

During the fortnight, competitions of Rajbhasha Niti Gyan, Hindi Essay Writing and Hindi debate were organized. Necessary help material like Dictionaries & Technical glossaries were made available to all the officers/employees to motivate them to do their official work in Hindi.

### 13. PARTICULARS OF EMPLOYEES

None of the employees of the company have received remuneration in excess of the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975

### 14. INFORMATION U/S 217(1) (E)

Report on conservation of energy, technology, absorption & foreign exchange earning and outflow information, in accordance with the provisions of section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors), Rules 1988.

#### 14.1 Conservation of Energy

The company is not a manufacturing company; as such the provisions under this section do not apply.

#### 14.2 Technology Absorption

The company is not a manufacturing company; as such the provisions under this section do not apply.

#### 14.3 Foreign Exchange Earning and outflow Information

Foreign Exchange outflow

Imports	:	₹ 7565.87 Lakhs
Others	:	₹ 45.67 Lakhs
		<hr/>
Total	:	₹ 7611.54 Lakhs
		<hr/> <hr/>
Foreign Exchange Inflow	:	₹ 392.62 Lakhs
		<hr/> <hr/>

### 15. DIRECTORS RESPONSIBILITY STATEMENTS

As required under section 217(2AA) of the Companies Act, your Directors state:

- While preparing annual accounts, the applicable accounting standards have been followed.
- The Company had selected such accounting policies and applied them consistently and made judgments that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit or loss of the Company for the period.
- That the Company had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- That the Company had prepared the annual accounts ongoing concern basis.



## REPORT OF THE DIRECTORS

### 16. AUDITORS

The Comptroller and Auditor General of India appointed M/s ATJ & Associates, Chartered Accountants, New Delhi as the Statutory Auditors of the Company under 619 of the Companies Act, 1956. M/s ATJ & Associates, Chartered Accountants, New Delhi were appointed as Statutory Auditors for the financial year ended 31.3.2012. The Board places on record its appreciation for the prompt and effective services rendered by them.

#### 16.1 Auditors' Report

The observations of the Auditors and related notes on accounts are self-explanatory and do not require any further clarification.

The Management reply to the comments and observation of the statutory auditors on the accounts for the financial year 2011-12 are given below:

**Para No. 5(a):** All steps have been taken to obtain confirmation of balances from all Sundry Debtors Creditors and loans & advances. Many clients are Government client, no confirmation could be obtained.

**Para No. 5(b):** Host Broadcaster (HB) placed order on BECIL for setting up Broadcast facility. BECIL executed work based upon order placed and additional items were based upon site requirement and discussion with higher authorities of HB. There is delay in receipt of payment from HB but management is hopeful that payment will done by HB soon.

### 17. COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

The accounts for the year ended March 31, 2012 reviewed by the Comptroller and Auditor General of India and Report is annexed.

### 18. SECRETARIAL COMPLIANCE CERTIFICATE

Pursuant to The Companies (Compliance Certificate) Rules, 2001, issued under section 383A of The Companies Act, 1956, M/s Hemant Paliwal & Associates, Company Secretaries, has issued the above Compliance Certificate in terms of the above said Rules and the same is enclosed with this report and which is self-explanatory.

### 19. ACKNOWLEDGMENTS

The Board places on record its sincere appreciation toward(s) the Company's customers/clients for their support and confidence reposed by them in the organization and look forward to the continuance of this relationship in future.

The Board also acknowledges the support and guidance received from Government of India, particularly the Ministry of Information & Broadcasting for supporting the operation plans of the company. The Board also wishes to put on record its deep gratitude to all the members of BECIL family whose enthusiasm, dedication and Co-operation not only contributed to the growth and development, but has also put the company on the path of rapid progress.

For and on behalf of the Board of Directors

Sd/  
**(K. Subramanian)**  
Chairman & Managing Director

Place: New Delhi

Date: 15th October 2012



## HEMANT PALIWAL & ASSOCIATES

### Company Secretaries

709, New Delhi Apartments, 7- Vasundhra Enclave Delhi-110096 (India)  
Phone : 011-42401310, Fax : +91-11-43034750, Web : www.hpacs.com  
E-mail : hemant @hpacs.com

Company No. U32301UP1995GOI017744  
Nominal Capital: Rs. 2, 50,00,000/-  
Paid-up capital: Rs. 1, 36,50,000/-

### FORM (See Rule 3) COMPLIANCE CERTIFICATE

To,

The Members  
M/s Broadcast Engineering Consultants India Ltd.  
56A/ 17, Block -C,  
Sector -62,  
Noida - 201 307 (U.P.)

We have examined the registers, records, books and papers of M/s Broadcast Engineering Consultants India Ltd., Regd. Office 56 A/ 17, Block C, Sector 62, Noida - 201 301 (U.P.) as required to be maintained under The Companies Act, 1956, (The Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March, 2012. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in *Annexure "A"* to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in *Annexure "B"* with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The company being private limited company has the minimum prescribed paid-up capital and its maximum number of members during the said financial year was to excluding its present and past employees and the company during the year under scrutiny:
  - (i) has not invited public to subscribe for its shares or debentures; and
  - (ii) has not invited or accepted any deposits from persons other than its members, directors or their relatives.
4. The Board of Directors duly met 5 times on 15-06-2011 / 16-08-2011 / 26-09-2011 / 27-12-2011 and 29-03-2012, in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Books maintained for the purpose.
5. The company has not closed its Register of Members, during the financial year.
6. The annual general meeting for the financial year ended on 31-03-2012 was held on 28-09-2011 after giving due notice to the members of the company.
7. No extra ordinary general meeting was held during the financial year.



8. The company has not advanced any loan to its directors and / or persons or firms or companies referred in the section 295 of the Act.
9. The company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The company was not required to make entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approval from Board of Directors, members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The company :
  - (i) has neither made any allotments / transfers or transmissions of securities during the year, barring the change of nominated individuals, as beneficial holders of shares.
  - (ii) has not deposited any amount in a separate Bank Account for dividend declared during the financial year, as the Company, being a Government Company, is exempted from the provisions of Section 205A of the Companies Act 1956 vide Notification No. GSR 580(E) issued by the Department of Company Affairs on 16<sup>th</sup> July 1985.
  - (iii) paid dividend to all the members within 30 days from the date of declaration and there was no unpaid/unclaimed dividend outstanding, hence no need to transfer in "Unpaid Dividend Account" of the company.
  - (iv) need not to transfer the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund, as the events did not occur;
  - (v) duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the company is duly constituted and the appointments of directors, additional directors, alternate directors and directors to fill casual vacancy have been duly made during the financial year.
15. The Company has not appointed Managing Director/ Whole Time Director/ Manager during the financial year, as the Company, being a Government Company, is exempted from the provisions of Section 269 read with Schedule XIII of the Companies Act 1956 vide Notification No. GSR 235 issued by the Department of Company Affairs on 31<sup>st</sup> January 1978.
16. The company has not appointed any sole selling agents during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and or such authorities prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any shares, debentures or other securities during the financial year.
20. The company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has not invited / accepted deposits including unsecured loans falling within the purview of section 58A and section 58AA during the financial year.
24. The company has not made any borrowings during the financial year ended 31-03-2012 except the temporary working capital limits.



25. The company has not made any loans and investments, or given guarantees or provided securities to other bodies corporate and consequently no entries has been made in the registers kept for the purpose.
26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.
27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its articles of Association during the financial year.
31. There were no prosecutions initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
32. The company has not received any money as security from its employees during the year.
33. The company has not constituted a separate provident fund trust for its employees or class of its employees as contemplated under section 418 of the Act.

**For Hemant Paliwal & Associates**  
Company Secretaries

Place: Delhi  
Date: 25-09-2012

sd/-  
(Hemant Paliwal)  
C.P.No. 3062



### Annexure "A"\*\*\*

Registers as maintained by the company :

1. Register of members u/s 150
2. Minutes of meetings of Board of Directors and Shareholders Meetings u/s 193
3. Books of Accounts u/s 209
4. Register of Directors, Managing Director and Company Secretary u/s 303
5. Register of Directors attendance
6. Register of shareholders attendance
7. Register of Transfer of Shares
8. Register of Charges u/s 143

### Annexure "B"\*\*\*

Forms and Returns as filed by the Company with The Registrar of Companies, Regional Directors, Central Government or other authorities during the financial year ending on 31<sup>st</sup> March, 2012.

S. No.	Form No/ Return	Filed under section	For	ROC Receipt No. / Date of Filing	Whether filed within prescribed time Yes / No	If delay in filing whether requisite additional fee paid Yes / No
1.	Form 32	303 (2)	Two directors	B20915088 21-09-2011	NO	YES
2.	Form 32	303 (2)	Two directors	B20917647 21-09-2011	NO	YES
3.	Form 23AC & From 23ACA (FY 2010-11)	220	Balance Sheet	P72224124 11-10-2011	YES	---
4.	Form 66 (FY 2010-11)	383A	Compliance Certificate	P72194772 11-10-2011	YES	---
5.	Form 20B (FY 2010-11)	159	Annual Return	P72311475 12-10-2011	YES	---
6.	Form 8	135	Modification of charge	N.A. 18-11-2011	YES	---
7.	Form 32	303(2)	Appointment of one director and resignation of two directors	B29799921 17-01-2012	YES	---
8.	Form 32	303(2)	Resignation of CMD	B32309718 18-02-2012	NO	YES
9.	Form 32	303(2)	Appointment of new CMD	B32309239 18-02-2012	NO	YES



BROADCAST ENGINEERING  
CONSULTANTS INDIA LIMITED

*A Mini Ratna Company*

17th ANNUAL REPORT 2011-2012

# **ANNUAL ACCOUNTS**

## **1<sup>st</sup> April, 2011 - 31<sup>st</sup> March, 2012**







## AUDITORS' REPORT

### TO THE MEMBERS OF BROADCAST ENGINEERING CONSULTANTS INDIA LIMITED

1. We have audited the attached Balance Sheet of **BROADCAST ENGINEERING CONSULTANTS INDIA LIMITED**, as at 31<sup>st</sup> March, 2012 and the statement Profit and Loss Account and Cash Flow Statement for the year ended annexed thereto. These financial statements are the responsibility of the management of the Company's management. Our responsibility is to express as opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan & perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on test check basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 [as amended by the Companies (Auditors' Report) (Amendment) order, 2004] issued by the Central Government of India in terms of sub-section (4A) of section 227 of 'The Companies Act, 1956', we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the annexure referred to above, we report that:
  - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of accounts, as required by law, have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, and Profit & Loss and Cash Flow Statement dealt to in this report are in agreement with the books of account.
  - d. In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report, comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
  - e. Being a Government Company, pursuant to the Notification No. GSR 829(E) dated 17.07.2003 issued by Government of India, provisions of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 regarding obtaining written representations from the Directors of the Company are not applicable to the Company.
  - f. In our Opinion and to best of our information and according to the explanations given to us, the said accounts, subject to and read with the "Notes to the Accounts", give the information required by the companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
    - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2012 and
    - (ii) In the case of the Statement of Profit & Loss, of the *Profit* of the Company for the year ended on that date.
    - (iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.
5. (a) Non confirmation of balances of sundry debtors, sundry creditors, loans & Advances, security deposits (refer note no. 46).  
(b) Booking of Income of ₹ 25,65,02,561/- towards setting of Broadcast Facility and other services provided to Prasar Bharti in respect of Common Wealth Games 2010 out of which ₹ 14,28,98,659/- is subject to acceptance and final settlement (refer to note no. 32).  
The overall impact of matters referred to in the preceding paras on the profit for the year is unascertainable.

FOR ATJ & ASSOCIATES  
Chartered Accountants  
Firm Regn. No. 08648N

Place: New Delhi  
Dated: 29.08.2012

Sd/-  
(Jagvinder Bir Singh)  
Partner  
M. No. 086787



### **ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE :**

- 1)
  - (a) The company has maintained proper records showing full particulars including quantitative details and situations of fixed assets.
  - (b) As explained to us, all the fixed assets have been physically verified by the management at regular interval. In our opinion the frequency of such verification is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on such verification as compared to the books of account.
  - (c) During the year, the company has not disposed off substantial part of fixed assets and which as per our opinion and knowledge does not have any effect on the going concern status of the Company.
- 2)
  - (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - (b) According to the information and explanations given to us, we are of the opinion that the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the books records were not material.
- 3)
  - (a) The Company has not granted any loans, secured or unsecured to Companies, firms or other parties concern covered under the register maintained under section 301 of the Companies Act, 1956. Paragraphs (b), (c) and (d) are hence not applicable.
  - (b) The company has not taken any loans, secured or unsecured from Companies, firms or other parties concern covered under the register maintained under section 301 of the Companies Act, 1956. Paragraphs (b), (c) and (d) are hence not applicable.
- 4) In our opinion, and according to the information and explanations given to us, although there is some improvement in internal control systems but it needs to be intensified to make commensurate with the size of the company and the nature of its business with regard to purchase of inventory, rendering of services and purchase of fixed assets and with regards to sale of goods and services.

Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of continuing failure to correct major weakness in the aforesaid internal controls during the course of the audit.

- 5) In our opinion, and according to the information and explanations given to us, there are no transactions, contracts and arrangements referred to in section 301 of the Companies Act, 1956 that needs to be entered in the register maintained under that section.
- 6) The Company has not accepted any deposit during the year from the public and consequently, the directives issued by the Reserve Bank of India, and the other relevant provisions of Section 58A and 58AA of the Companies Act, 1956 and the rules framed thereunder are not applicable.
- 7) In our opinion and according to information and explanations given to us, the internal audit system of the Company is grossly inadequate and not commensurate with the size and nature of its business.



- 8) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 in respect of services carried out by the Company.
- 9) (a) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax and other material statutory dues as applicable with the appropriate authorities except in the following cases :
- i) The Uttar Pradesh Trade Tax Department has raised demand of ₹ 62,92,750/- for the year 2003-04 on account of non submission of FORM D. As per the management, the Company has submitted FORM D to the Sales Tax Department. The final status on the demand is yet to be ascertained as no final assessment order is received from Uttar Pradesh Trade Tax Department, NOIDA. However the Company has deposited ₹ 18,19,563/- with the Uttar Pradesh Trade Tax Department against the pending demand.
- (b) According to Information & explanation given to us, there are disputed dues with respect to following cases:
- i) According to the information and explanations given to us, there are disputed dues with respect to Sales Tax amounting to ₹ 89,60,155 (total demand is ₹ 1,63,05,846/- and paid ₹ 73,45,691/-) for the Assessment Year 2004-05. The Company has filed appeal with the Joint Commissioner (Appeals), Uttar Pradesh Trade Tax Department, NOIDA and it has been accepted in favour of company redirecting the Sales Tax Officer to recompute the demand/refund after giving effect to the submitted Form D.
- ii) There is disputed liability in respect of Income Tax amounting to ₹ 1,70,060/- for Assessment Year 2004-05. The Appeal is pending with Commissioner (Appeal), Ghaziabad and with the Deputy Commissioner of Income Tax (Appeal), ACIT Circle, NOIDA respectively.
- 10) In our opinion and according to information and explanations given to us, the company has neither accumulated losses as at 31<sup>st</sup> March, 2012 nor has it incurred cash loss either during the financial year ended on that date or in the immediately preceding financial year.
- 11) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has not defaulted in repayment of dues to the Bank and other Financial Institutions.
- 12) According to the information and explanations given to us, and on the basis of our examination of the books of account, we are of the opinion that the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion, and according and explanations given to us, the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to Company. Hence the provisions of clause 4 (xiii) of the Companies (Auditor's Report) order, 2003 (as amended) is not applicable to the Company.
- 14) According to the information and explanations given to us, The Company is not dealing or trading in shares, securities, debentures and investments. Accordingly, clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.



- 15) As per information and explanations given to us, the company has not given guarantees for loans taken by others from banks or financial institutions.
- 16) On the basis of overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short term basis which have been used for long term investment, and vice versa.
- 17) The Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under Section 301 of the Act during the Year.
- 18) As per information and explanations given to us, during the period covered by our audit report, the company has not issued any debentures.
- 19) The Company has not raised any money by public issue during the Year.
- 20) During the course of our examination of the books of accounts and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have not come across any instance of fraud on or by the Company, noticed or reported during the year, nor have informed of such case by the management.

**FOR ATJ & ASSOCIATES**  
Chartered Accountants  
Firm Regn. No. 08648N

Sd/-  
**(Jagvinder Bir Singh)**  
Partner  
M. No. 086787

Place: New Delhi  
Dated: 29.08.2012



**BALANCE SHEET AS AT 31ST MARCH, 2012**

<b>PARTICULARS</b>	<b>Note No.</b>	<b>As at 31.03.2012 Amount (In ₹)</b>	<b>As at 31.03.2011 Amount (In ₹)</b>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholder's Funds</b>			
Share Capital	3	1,36,50,000	1,36,50,000
Reserves & Surplus	4	29,60,24,113	28,07,64,977
		<u>30,96,74,113</u>	<u>29,44,14,977</u>
<b>Non-current Liabilities</b>			
Long term Provisions	5	67,97,118	39,52,922
Other Long Term Liabilities	6	7,05,79,925	4,12,57,342
		<u>7,73,77,043</u>	<u>4,52,10,264</u>
<b>Current Liabilities</b>			
Trade Payable		28,35,85,319	14,28,96,456
Short Term Borrowings	7	3,70,53,330	18,79,35,948
Other Current Liabilities	8	38,42,53,190	62,11,17,145
Short Term Provisions	9	1,09,93,438	4,26,38,274
		<u>71,58,85,277</u>	<u>99,45,87,823</u>
<b>TOTAL</b>		<b><u>1,10,29,36,433</u></b>	<b><u>1,33,42,13,064</u></b>
<b><u>ASSETS</u></b>			
<b>Non-current assets</b>			
Fixed Assets	10		
- Tangible Assets		14,71,13,693	2,01,90,483
- Intangible Assets		1,45,831	-
- Capital Work in Progress		-	6,96,35,776
Deferred Tax Assets (Net)	11	40,53,434	50,29,434
		<u>15,13,12,958</u>	<u>9,48,55,693</u>
<b>Current Assets</b>			
Inventories	12	2,88,17,451	1,59,01,666
Trade Receivable	13	69,37,92,961	43,16,36,309
Cash and Bank Balances	14	10,43,81,490	47,49,57,994
Short Term loans and advances	15	11,98,94,558	31,18,98,593
Other Current Assets	16	47,37,015	49,62,809
		<u>95,16,23,475</u>	<u>1,23,93,57,371</u>
<b>TOTAL</b>		<b><u>1,10,29,36,433</u></b>	<b><u>1,33,42,13,064</u></b>
Significant Accounting Policies	2		
The accompanying notes from 2 to 47 are integral part of the financial statements.			

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

**For ATJ Associates**  
Chartered Accountants  
Firm Regn. No. 08648N

**(George Kuruvilla)**  
General Manager

**(Awadhesh Pandit)**  
Manager (Finance)

**(Jagvinder Bir Singh)**  
Partner  
M.No. 086787

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

Place : New Delhi  
Dated : 29.08.2012

**(K.Subramanian)**  
Chairman & Managing Director

**(Ishwar Singh Mehla)**  
Director (O&M)



**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2012**

PARTICULARS	Note No.	As at 31.03.2012 Amount (In ₹)	As at 31.03.2011 Amount (In ₹)
<b>REVENUE</b>			
Revenue from Operations	17	1,09,04,26,251	90,79,21,542
Other Income	18	2,41,91,584	1,99,21,842
<b>Total Revenue</b>		<b>1,11,46,17,835</b>	<b>92,78,43,384</b>
<b>EXPENDITURE</b>			
Cost of Material Consumed	19	94,74,04,948	55,32,37,857
Job Work & Related Cost	20	3,13,46,914	21,16,83,890
Employee Benefits Expenses	21	3,55,81,927	2,60,61,217
Operation Expenses	22	3,13,46,078	3,13,07,201
Finance Cost	23	1,87,20,678	1,16,81,327
Other Expenses	24	76,43,354	49,51,975
Depreciation & Amortisation Expense	25	41,01,266	44,96,630
Corporate Social Responsibility Expenses		35,48,066	16,20,337
Research & Development Expenditure		7,54,737	-
<b>Total Expenditure</b>		<b>1,08,04,47,968</b>	<b>84,50,40,434</b>
<b>PROFIT BEFORE EXCEPTIONAL ITEMS</b>		<b>3,41,69,867</b>	<b>8,28,02,950</b>
Prior Period Adjustment & Extra Ordinary Item	26	69,76,496	25,44,926
<b>PROFIT BEFORE TAX</b>		<b>2,71,93,371</b>	<b>8,02,58,024</b>
<b>Tax Expense</b>			
Current		59,00,000	2,90,78,200
Deferred		9,76,000	(17,25,694)
		68,76,000	2,73,52,506
<b>PROFIT FOR THE YEAR</b>		<b>2,03,17,371</b>	<b>5,29,05,518</b>
Earning per share - Bais & Diluted (₹)		148.85	387.59

Significant Accounting Polices 2  
The accompanying notes from 2 to 47 are integral part of the financial statements.

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

**For ATJ Associates**  
Chartered Accountants  
Firm Regn. No. 08648N

**(George Kuruvilla)**  
General Manager

**(Awadhesh Pandit)**  
Manager (Finance)

**(Jagvinder Bir Singh)**  
Partner  
M.No. 086787

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

Place : New Delhi  
Dated : 29.08.2012

**(K.Subramanian)**  
Chairman & Manging Director

**(Ishwar Singh Mehla)**  
Director (O&M)



**CONSOLIDATE CASH FLOW STATEMENT FOR YEAR ENDING 31 st MARCH, 2012**

Particulars	For the Year Ending 31st March 2012 Amount (In ₹)	For the Year Ending 31st March 2011 Amount (In ₹)
<b>1. CASH FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before Tax</b>	2,71,93,371	8,02,58,024
<b>Add : Losses/Non Cash Expenditure</b>		
Depreciation	40,93,747	44,15,932
Amortization	7,519	80,698
Provision for Retirement Benefit	28,44,196	16,04,406
Interest on Overdraft	1,87,20,678	26,45,562
Loss on Sale of Fixed Assets	1,12,787	29,695
Misc Expenses Written Off	-	-
<b>Less : Gain/Non Cash Income</b>	2,57,78,927	87,76,293
Interest Income	(1,88,38,116)	(1,55,01,939)
Gain of Sale of Fixed Assets	- (1,88,38,116)	(34,781) (1,55,36,720)
<b>Add/(Less) : Charges in Trade Current Assets</b>		
Add/(Less) : (Increase)/Decrease in Inventories	(1,29,15,785)	(55,21,618)
Add/(Less) : (Increase)/Decrease in Debtors	(26,34,08,965)	(25,39,10,239)
Add/(Less) : (Increase)/Decrease in Loans & Advances	19,20,04,035	(9,65,13,289)
Add/(Less) : (Increase)/Decrease in Current Assets	2,25,794 (8,40,94,921)	21,138 (35,59,24,008)
Add/(Less) : (Increase)/Decrease in Creditors	20,31,445 20,31,445	26,54,45,726 26,54,45,726
<b>Cash Generated from Operation</b>	(7,51,22,665)	(9,72,38,709)
Less : Taxes paid	(3,03,62,836)	(4,55,84,472)
Less : Dividend Paid	(1,02,36,000)	(28,61,000)
<b>Net Cash Flow from Operating Activities</b>	(11,57,21,501)	(14,56,84,181)
<b>2. CASH FLOW INVESTING ACTIVITIES</b>		
Interest Income	1,88,38,116	1,55,01,939
Purchase of Fixed Assets	(13,20,83,094)	(39,41,575)
Sale of Fixed Assets	8,00,000	1,02,000
Increase in Capital WIP	-	(4,06,43,909)
<b>Net Cash Used in Investing Activities</b>	(11,24,44,978)	(2,89,81,545)
<b>3. CASH FROM FINANCIAL ACTIVITIES</b>		
Secured Loan	(6,33,49,641)	6,33,49,641
Interest on Overdraft	(1,87,20,678)	(26,45,662)
<b>Net Cash for Financial Activities</b>	(8,20,70,319)	6,07,03,979
<b>Net Changes in Cash and Cash Equivalent</b>	(28,30,43,427)	(3,37,03,723)
<b>Add : Opening Cash and Cash Equivalent</b>	35,03,71,587	38,40,75,310
<b>Closing Cash and Cash Equivalent</b>	6,73,28,160	35,03,71,587

Significant Accounting Policies

The Accompanying notes from 2 to 47 are integral part of the financial statements.

Note :

- The above Cash Flow Statement has been prepared under the Indirect Method as per Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountant of India.
- Cash and Cash Equivalents consist of Cash on Hand, Balances with Banks and Fixed Deposits with Bank adjusted with overdraft balance in current account and balance in overdraft account.

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

**For ATJ Associates**  
Chartered Accountants  
Firm Regn. No. 08648N

**(George Kuruvilla)**  
General Manager

**(Awadhesh Pandit)**  
Manager (Finance)

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

**(Jagvinder Bir Singh)**  
Partner  
M.No. 086787

Place : New Delhi  
Dated : 29.08.2012

**(K.Subramanian)**  
Chairman & Managing Director

**(Ishwar Singh Mehla)**  
Director (O&M)





## NOTES ON FINANCIAL STATEMENTS

### 1. **Nature of Operations**

Broadcast Engineering Consultants India Limited (the "Company") was set up by the Government of India in 24th March, 1995 as a Government company under the Companies Act, 1956. The Company was set up for providing project consultancy services and turnkey solutions encompassing the entire gamut of radio and television broadcast engineering i.e. content production facilities, terrestrial, like satellite and cable broadcasting in India and abroad.

### 2. **Significant Accounting Policies**

#### 2.1 **Accounting Conventions**

The financial statements are prepared under the historical cost convention on an accrual basis and in accordance with the requirements of the Companies Act, 1956 and in compliance with the applicable accounting standards referred to in sub-section (3C) of Section 211 of the said Act. The accounting Policies have been consistently applied by the Company.

#### 2.2. **Revenue/Expenditure Recognition**

##### a) **Service/Consultancy Contracts**

- i) Revenue is recognised on the basis of percentage of completion method. If contract envisages a channel or series of activities, the revenue is recognised upto the extent of completion of the activities as per the terms of the agreement/contract.
- ii) No revenue is recognised/accounted for the incomplete portion of contract when estimate of progress of completion are not available with reasonable accuracy, in such cases, revenue are deferred till the time such estimates of progress of completion are available with reasonable accuracy.

##### b) **Project/Contract**

- i) The revenue is recognised on the basis of percentage of completion method as determined by the management only on the basis of estimate of cost and progress of completion, which are available with reasonable accuracy. However, Revenues are not recognised where the work performed/ completed are less 25% of the total value of the contract.
- ii) Treatment of expenditure on incomplete contracts : Contract in progress against which revenue could not be recognised as estimates or progress of completion are not available with reasonable accuracy or the contract is completed to the extent of less than 25% of the total contract, in such case the expenditure incurred on such contracts are treated as Work in Progress.

#### 2.3 **Recording of Sales**

Sales are net of Sales tax and freight charges

#### 2.4 **Valuation of Inventories**

- i) Stores are valued at cost.
- ii) Stock in trade is valued at cost or net realizable value whichever is lower.
- iii) Work in Progress is valued as follows :
  - a) 100% of the cost of material issued/supplied.
  - b) All other direct expenses attributable to the project/contract till the end of the financial year.
- iv) Stock-in-transit is recognized for goods shipped up to year end.



## NOTES ON FINANCIAL STATEMENTS

### 2.5 Fixed Assets

#### a) Tangible Assets

- i) Fixed Assets owned by the Company are stated at cost of acquisition less accumulated Depreciation. All costs relating to the acquisition and installation incurred to bring the fixed assets into a condition of use are capitalized.
- ii) Depreciation on Fixed assets is provided on Written Down Method on pro rata basis, at the rates specified in Schedule XIV of the Companies (Amendment) Act, 1988.
- iii) Depreciation on additions/deductions is provided from the date of assets being put to use for their intended purpose upto the date of their disposal.
- iv) Assets individually costing below ₹ 5000/- are fully depreciated during the year they are put to use.
- v) Premium on leasehold land is amortized over the period of lease.

#### b) Intangible Assets

- i) In respect of the Computer Software not forming integral part of hardware equipments; software development and related expenditure resulting into successful deployment of the developed software, is recognised at cost and being amortized over a period of 3 years thereof w.e.f. financial year 2011-12 onwards.

### 2.6 Impairment of Assets

- i) The carrying amounts of the assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date.
- ii) An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account.
- iii) An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognised.

### 2.7 Employee Benefits

#### a) Defined Contribution Plans

Defined Contribution Plans such as Provident Fund and Pension Employees Deposit Linked Insurance are recognized as an expense and charged to the Profit & Loss Account. The Company makes defined contribution to the Regional Provident Fund Commissioner in respect of provident fund. The Company does not have further obligation in this respect beyond its contribution which expensed off when they become due.

#### b) Defined Benefit Plans

- i) **Gratuity** - The Company has determined the liabilities towards employee Gratuity by getting on independent valuation done from an Actuary as per the requirements of Accounting Standard - 15



## NOTES ON FINANCIAL STATEMENTS

(Revised 2005) on employee benefits except for the liability on account of ex-employees which have been valued as per earlier policy

- ii) **Leave Benefit** - The Company operates a defined benefit plan covering employees based on the respective employees salary and the tenure of employment as per the leave rules of the Company. Leave benefits such as leave Encashment, etc. are recognised on the basis of actuarial valuation made as at the end of the year.
- iii) **Performance Related Pay (PRP)** - Pay scales of the employees has been revised w.e.f. 01.01.2007 in accordance with the DPE directions. In pursuance of the Presidential Directives a remuneration committee has been constituted. The Remuneration Committee consider the performance management system of the Company in terms of DPE guidelines. The Performance Related Pay shall be accounted for on accrual basis w.e.f. 01.04.2011.

**2.8** Bank Gurantee charges and letter of credit charges have been accounted for in the year of charge by the Bank

### **2.9 Accounting for Foreign Exchange Transactions**

- i) Balance in Bank Account & Liabilities denominated in a foreign currency are converted at the prevailing closing rate as on 31st March.
- ii) Exchange difference arising on Liabilities incurred for deposit works is adjusted in the account of respective parties/recoverable from parties.

### **2.10 Taxation**

- a) **Current Tax** - Provision for Income tax is ascertained on the basis of assessable profit computed in accordance with the provisions of the Income Tax Act, 1961.
- b) **Deferred Tax** - Deferred Income tax is recognised on timing difference between the accounting income and the taxable income for the year, originate in one period and are capable of reversal in one or more subsequent period. Such deferred tax is quantified using the tax rates and laws enacted or substantively enacted as at the balance sheet date. Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be relize.



## NOTES ON FINANCIAL STATEMENTS

### 3. Share Capital

Particulars	As at 31.03.2012 Amount (In ₹)	As at 31.03.2011 Amount (In ₹)
<b>Authorised</b>		
2,50,000 Equity Shares of Rs. 100/- each (March 31, 2011 : 2,50,000 Equity Shares of ₹ 100/- each)	2,50,00,000	2,50,00,000
<b>Issued, Subscribed &amp; Paid up</b>		
1,36,500 Equity Shares of Rs. 100/- each fully paid up (March 31, 2011 : 1,36,500 Equity Shares of ₹ 100/- each)	1,36,50,000	1,36,50,000
<b>TOTAL</b>	<b>1,36,50,000</b>	<b>1,36,50,000</b>

### 3.1. Reconciliation Number of Shares

Particulars	As at 31.03.2012	As at 31.03.2011
<b>Equity Shares</b>		
Opening Balance	No of. Shares Amount (In ₹)	1,36,500 1,36,50,000
Changes during the Year	No of. Shares Amount (In ₹)	- -
Closing Balance	No of. Shares Amount (In ₹)	1,36,500 1,36,50,000

### 3.2. Details of Shareholders holding more than 5% in equity shares of the company

Name of the Shareholder	As at 31.03.2012	As at 31.03.2011
President of India	- No. of shares held - % of holding	1,36,500 100%
		1,36,500 100%

### 4. Reserves & Surplus

Particulars	As at 31.03.2012 Amount (In ₹)	As at 31.03.2011 Amount (In ₹)
a) General Reserve		
As per Last Balance Sheet	3,92,64,482	3,39,73,930
Add : Transfer from P& L A/c	21,29,337	52,90,552
	<b>4,13,93,819</b>	<b>3,92,64,482</b>
b) Foreign Exchange Fluctuation Reserve		
As per Last Balance Sheet	-	-
Add : Transfer from P& L A/c	1,72,211	-
	<b>1,72,211</b>	<b>-</b>
c) Surplus in statement of Profit & Loss		
Opening Balance	24,15,00,495	20,57,82,064
Add : Profit for the year	2,03,17,371	5,29,05,518
Less : IT provision for earlier years (Net)	(1,07,156)	-
	<b>26,17,10,710</b>	<b>25,86,87,582</b>
Less : Appropriations		
i) Proposed Dividend	42,60,000	1,02,36,000
ii) Tax on Dividend	6,91,079	16,60,535
iii) Transfer to General Reserve	21,29,337	52,90,552
iv) Transfer to Foreign Exchange Fluctuation Reserve	1,72,211	-
	<b>72,52,627</b>	<b>1,71,87,087</b>
	<b>25,44,58,083</b>	<b>24,15,00,495</b>
<b>TOTAL (a) + (b) + (c)</b>	<b>29,60,24,113</b>	<b>28,07,64,977</b>



## NOTES ON FINANCIAL STATEMENTS

### 5. Long Term Provisions

Particulars	As at 31.03.2012 Amount (In ₹)	As at 31.03.2011 Amount (In ₹)
Provision for Employees Benefits		
i) Gratuity	23,78,034	14,87,825
ii) Leave Encashment	44,19,084	24,65,097
	<u>67,97,118</u>	<u>39,52,922</u>

### 6. Other Long Term Liabilities

Particulars	As at 31.03.2012 Amount (In ₹)	As at 31.03.2011 Amount (In ₹)
Trade Payable	6,97,35,658	4,06,56,721
Other Liabilities - Capital Creditors	8,44,267	6,00,621
	<u>7,05,79,925</u>	<u>4,12,57,342</u>

### 7. Short Term Borrowings

Particulars	As at 31.03.2012 Amount (In ₹)	As at 31.03.2011 Amount (In ₹)
Import Loan from Bank	-	6,33,49,641
Overdraft from Bank	3,70,53,330	12,45,86,307
	<u>3,70,53,330</u>	<u>18,79,35,948</u>

Note : Both secured by exclusive charge on the entire current assets of the Company and further secured by charge on Fixed Assets.

### 8. Other Current Liabilities

Particulars	As at 31.03.2012 Amount (In ₹)	As at 31.03.2011 Amount (In ₹)
Advance from Customers	24,97,98,141	48,92,09,256
Tower Rent payable to MI&B	6,19,75,991	4,09,63,545
Security Deposit and Retention Money	3,66,56,137	1,67,61,723
Earnest Money Deposit from Supplies	1,05,38,755	1,65,62,117
TDS Payable	32,95,767	45,41,165
Employee Provident Fund Payable	2,60,428	1,70,182
Sales Tax Payable	42,87,947	3,25,16,332
Service Tax Payable	26,80,756	40,32,697
Other Liabilities	1,16,25,676	1,55,15,861
Other Payable - Capital Creditors	31,33,592	8,44,267
	<u>38,42,53,190</u>	<u>62,11,17,145</u>

### 9. Short Term Provisions

Particulars	As at 31.03.2012 Amount (In ₹)	As at 31.03.2011 Amount (In ₹)
a) Provision for employee benefits		
i) Gratuity	48,584	5,86,132
ii) Leave Encashment	93,775	10,47,407
b) Others		
i) Proposed Dividend	42,60,000	1,02,36,000
ii) Tax on Dividend	6,91,079	16,60,535
iii) Current Income Tax (Net)	59,00,000	2,91,08,200
	<u>1,09,93,438</u>	<u>4,26,38,274</u>



**10. FIXED ASSETS**

DESCRIPTION	GROSS BLOCK ₹			DEPRECIATION ₹			NET BLOCK ₹			
	As at 01.04.2011	Additions During the Year	Deductions/ Adjustments	As at 31.03.2012	Upto 31.03.2011	For the Year	Reversal on Disposal	Upto 31.03.2012	As at 31.03.2012	As At 31.03.2011
<b>TANGIBLE ASSETS</b>										
<b>LAND &amp; BUILDING</b>										
Land	72,56,506	-	-	72,56,506	6,38,793	80,698	-	7,19,491	65,37,015	66,17,713
Office Building	-	7,80,23,729	-	7,80,23,729	-	3,95,463	-	3,95,463	7,76,28,266	-
Temporary Structure	29,11,958	-	23,28,587	5,83,371	29,11,958	-	23,28,587	5,83,371	-	-
<b>PLANT &amp; MACHINERY</b>										
Plant & Machinery	1,13,96,071	26,43,522	-	1,40,39,593	53,65,905	9,06,791	-	62,72,696	77,66,897	60,30,166
Airconditioning & Refrigeration	16,08,361	1,22,58,223	5,87,258	1,32,79,326	9,63,181	2,61,189	3,54,219	8,70,151	1,24,09,175	6,45,180
Office Equipment	54,34,661	1,68,48,721	11,63,026	2,11,20,356	32,36,297	5,76,616	7,16,094	30,96,819	1,80,23,537	21,98,364
Electrical Appliances & Fittings	3,67,947	1,19,84,673	1,81,512	1,21,71,108	3,04,421	1,77,481	1,26,477	3,55,425	1,18,15,683	63,526
<b>COMPUTER</b>										
Computer	1,29,19,794	10,23,772	-	1,39,43,566	1,10,44,402	8,44,205	-	1,18,88,607	20,54,959	18,75,392
<b>FURNITURE &amp; FIXTURE</b>										
Furniture & Fixture	31,41,616	91,47,104	9,38,521	1,13,50,199	20,88,944	4,09,240	7,60,740	17,37,444	96,12,755	10,52,672
<b>VEHICLES</b>										
Vehicles	37,54,935	-	-	37,54,935	20,47,465	4,42,064	-	24,89,529	12,65,406	17,07,470
<b>TOTAL</b>	4,87,91,849	13,19,29,744	51,98,904	17,55,22,689	2,86,01,366	40,93,747	42,86,117	2,84,08,996	14,71,13,693	2,01,90,483
Previous Year	4,55,59,592	39,41,575	7,09,318	4,87,91,849	2,47,17,140	44,15,932	5,31,706	2,86,01,366	2,01,90,483	-
<b>INTANGIBLE ASSETS</b>										
Computer Softwares	-	1,53,350	-	1,53,350	-	7,519	-	7,519	1,45,831	-
<b>TOTAL</b>	-	1,53,350	-	1,53,350	-	7,519	-	7,519	1,45,831	-
Previous Year	-	-	-	-	-	-	-	-	-	-



## NOTES ON FINANCIAL STATEMENTS

Particulars	As at 31.03.2012 Amount (In ₹)	As at 31.03.2011 Amount (In ₹)
<b>11. Deferred Tax Assets (Net)</b>		
a) Depreciation and Amortisation	(13,18,297)	67,993
b) Employees Benefit	22,65,973	18,55,683
c) Provision for Doubtful Debts	29,74,449	29,74,449
d) Provision for Security	1,31,309	1,31,309
	40,53,434	50,29,434
<b>12. Inventories</b>		
a) Material & Stores	32,480	32,480
b) Work in Proges - Material Cost	2,87,84,971	1,47,43,677
c) Work in Proges - Other Expenes	-	11,25,509
	2,88,17,451	1,59,01,666
<b>13. Trade Receivables</b>		
Trade receivables outstanding for a period more than six months from the date they are due for payment		
- Considered good	31,27,97,141	15,45,85,329
- Considered Doubtful	89,54,464	89,54,464
Trade receivables outstanding for a period less than six months from the date they are due for payment		
- Considered good	38,09,95,820	27,70,50,980
- Considered Doubtful	-	-
	70,27,47,425	44,05,90,773
Less : Provision for Doubtful Receivables	(89,54,464)	(89,54,464)
	69,37,92,961	43,16,36,309
<b>14. Cash and Bank Balances</b>		
<b>a) Cash and Cash Equivalents</b>		
Cash in Hand	1,320	29,766
Cash in Hand (US \$)	32,121	2,39,351
In Current Account	30,12,860	2,70,32,392
In Fixed Deposit with maturity of Less than 3 months	2,97,977	3,75,000
Cheques in Hand	-	27,22,97,129
<b>b) Other Bank Balances</b>		
In Fixed Deposits* (Maturity within 12 months of reporting date)	10,10,37,212	17,49,84,356
	10,43,81,490	47,49,57,994

\* Out of Fixed Deposit of ₹ 17,49,84,356/-, Fixed Deposit worth ₹ 16,82,70,295/- was Pledged as Margin Money against Letter of Credit/Bank Guarantee with Corporation Bank and State Bank of India



**NOTES ON FINANCIAL STATEMENTS**

Particulars	As at 31.03.2012 Amount (In ₹)	As at 31.03.2011 Amount (In ₹)
<b>15. Short Term Loans and Advances</b>		
<b>a) Unsecured, Considered Good</b>		
Tax Deducted at Source	1,24,36,837	4,70,50,379
Advance Tax	1,10,00,000	81,00,000
Income Tax Refund Due	4,51,72,321	1,92,37,298
Prepaid Expenses	4,44,634	3,78,549
Sales Tax Refundable	91,01,751	98,10,417
Staff Advance	6,38,326	6,93,501
Other Advances	2,93,10,333	21,44,99,711
EMD Given to Clients	1,17,90,356	1,21,28,738
<b>b) Unsecured, Considered Doubtful</b>		
Sales Tax Refundable	1,28,600	1,28,600
Other Advances	2,66,700	2,66,700
Less : Provision for Doubtful Loans & Advances	(3,95,300)	(3,95,300)
	11,98,94,558	31,18,98,593
<b>16. Other Current Assets</b>		
Interest receivable	47,37,015	49,62,809
	47,37,015	49,62,809
<b>17. Revenue from Operations</b>		
Sale	1,01,05,73,328	61,93,01,130
Consultancy Income	6,94,81,463	6,03,08,593
Income from Maintenance of Towers for MI&B	29,78,087	32,69,433
Income from Contracts	69,00,928	22,50,42,386
Income from BECIL Training Centre	4,92,445	-
	1,09,04,26,251	90,79,21,542
<b>18. Other Income</b>		
Interest Income - on FDR	1,56,59,929	1,55,01,939
Interest on Income Tax Refund	-	14,13,376
Penal Charges & Interest Recovered	31,78,187	-
Miscellaneous Income	53,53,468	30,06,527
	2,41,91,584	1,99,21,842
<b>19. Cost of Material Consumed</b>		
Opening Stock	1,47,76,157	75,06,995
Add : Purchases during the year	96,14,46,242	56,06,95,066
	97,62,22,399	56,82,02,061
Less : Amount Adjusted	-	(1,88,047)
Less : Closing Stock	(2,88,17,451)	(1,47,76,157)
<b>TOTAL</b>	94,74,04,948	55,32,37,857





**NOTES ON FINANCIAL STATEMENTS**

<b>Particulars</b>	<b>As at 31.03.2012 Amount (In ₹)</b>	<b>As at 31.03.2011 Amount (In ₹)</b>
<b>20. Job Work &amp; Related Expenses</b>		
Job Work	50,71,187	18,52,85,179
Labour Charges	34,27,827	41,33,320
Remuneration of Contract Personnel	2,24,60,442	2,22,65,391
Training Centre Overhead Expenses	3,87,458	-
	<b>3,13,46,914</b>	<b>21,16,83,890</b>
<b>21. Employee Benefit Expenses</b>		
Salary & Wages	2,87,32,035	2,13,83,050
Contribution to :		
- Employees Provident Fund	25,87,867	21,84,979
- Leave Encashment	19,18,580	6,26,297
Gratuity	8,80,127	4,83,193
Staff Welfare	14,63,318	13,83,698
<b>TOTAL</b>	<b>3,55,81,927</b>	<b>2,60,61,217</b>
<b>22. Operations Expenses</b>		
Legal & Professional Charges	25,91,031	21,17,068
Conveyance	26,48,446	22,34,224
Travelling	82,63,893	59,68,896
Printing & Stationery	17,98,153	16,13,677
Rent Paid	33,84,249	34,38,879
Hire Charges	11,96,087	18,85,211
Communication Expenses	26,40,186	22,97,058
Postage & Courier Expenses	3,35,029	4,45,430
Repair & Maintenance - Office	48,93,867	20,36,639
Repair & Maintenance - Other	2,57,587	2,65,891
Repair & Maintenance - Electrical	8,842	17,624
Repair & Maintenance - Equipments	9,87,459	11,73,437
Electricity & Water Charges	7,03,928	2,87,479
Diwali Expenses	5,54,603	7,83,976
Books & Periodicals	38,471	78,528
Filing Fees	-	8,004
Miscellaneous Expenses	2,33,748	5,05,546
Payment to Auditors	2,84,850	3,43,000
Provision for Doubtful Debts	-	30,64,608
Amount Written Off	-	2,20,435
Tender Purchase Expenses	1,22,472	1,93,447
Payment of Sales Tax	70,794	8,000
Insurance	3,27,383	4,34,563
ISO Certification Charges	5,000	20,000
Late Delivery Charges	-	18,65,581
<b>TOTAL</b>	<b>3,13,46,078</b>	<b>3,13,07,201</b>
<b>23. Finance Cost</b>		
Interest Paid on Overdraft	1,87,20,678	95,67,796
Loss on Foreign Currency Transactions	-	21,13,531
<b>TOTAL</b>	<b>1,87,20,678</b>	<b>1,16,81,327</b>



## NOTES ON FINANCIAL STATEMENTS

Particulars	As at 31.03.2012 Amount (In ₹)	As at 31.03.2011 Amount (In ₹)
<b>24. <u>Selling &amp; Publicity Expenses</u></b>		
Business Promotion	15,32,233	8,75,273
Publicity & Advertisement	11,68,526	19,08,061
Exhibition Expenses	19,83,672	17,00,386
Annual Membership Fees	65,188	2,15,549
Training & Seminar	28,93,735	2,52,706
<b>TOTAL</b>	<b>76,43,354</b>	<b>49,51,975</b>
<b>25. <u>Depreciation &amp; Amortisation</u></b>		
Depreciation	40,93,747	44,96,630
Amortisation	7,519	-
<b>TOTAL</b>	<b>41,01,266</b>	<b>44,96,630</b>
<b>26. <u>Prior Period Adjustments &amp; Extra Ordinary Items</u></b>		
<b>a) <u>Prior Period Adjustments</u></b>		
Fees for Services Payable	-	22,096
Bank Charges	-	6,21,506
Medical Expenses	-	1,600
Salary & Wages	-	15,592
Electricity Charges	-	11,746
Casual Labour	-	12,000
Communication Expenses	16,125	2,416
Conveyance to Staff	800	-
Postage & Courier	10,162	-
Office Maintenance	2,455	86,970
Legal & Professional Expenses	20,000	-
Rent	15,000	-
Travel Expense	30,107	-
Sub Total (a)	94,649	7,73,926
<b>b) <u>Extra Ordinary Items</u></b>		
Profit on Sales of Fixed Assets	-	(34,781)
Loss on Sales of Fixed Assets	1,12,787	29,695
Unclaimed Credits	(38,60,396)	-
Interest on Project Advance - CTI & Others	2,94,603	12,89,687
Liquidated Damages on CTI	-	4,86,399
Performance Related Pay	1,03,34,853	-
Sub Total (b)	68,81,847	17,71,000
<b>TOTAL (a) + (b)</b>	<b>69,76,496</b>	<b>25,44,926</b>



## NOTES ON FINANCIAL STATEMENTS

### 27. Related Party Disclosures

- i) In accordance with the requirements of Accounting Standard - 18 on Related Party Disclosure, the name of the related parties where control exists and with whom transactions have taken place during the year and description of relationships as identified and certified by the management are given below :
- a) Key Management Personnel
- |                    |   |
|--------------------|---|
| Sh. K. Subramanian | - Chairman & Managing Director (w.e.f. 05.01.2012)                |
| Sh. Harkesh Gupta  | - Chairman & Managing Director (Upto 31.12.2011)                  |
| Sh. I. S. Mehla    | - Director (O&M)  |
| Sh. D. M. Tangri   | - Part Time Non-Official Director (Independent) (Upto 30.11.2011) |
- b) Relatives of key managerial Personnel NIL
- c) Enterprises owned or significantly influenced by key management personnel of their relatives (either individually or with others) NIL

ii)	Particulars	Name	Key managerial Personnel	Relatives of Key Managerial Personnel	Enterprises owned Significantly influenced by key personnel	Previous Year
a)	Remuneration Paid	Sh. K. Subramanian	4,81,731	-	-	-
b)	Remuneration Paid	Sh. Harkesh Gupta	65,82,038	-	-	22,24,616
c)	Remuneration Paid	Sh. I. S. Mehla	34,16,555	-	-	18,38,950
d)	Sitting Fee Paid	Sh. D. M. Tangri	-	-	-	15,000

### 28. Earning Per Share

Particulars	As at 31.03.2012	As at 31.03.2011
Calculation of Weighted Average number of Equity Shares of ₹ 100 each		
- No. of Shares at the beginning of the year	1,36,500	1,36,500
- Total Equity Shares Outstanding at the end of year	1,36,500	1,36,500
- Weighted Average number of Equity Shares during the year	1,36,500	1,36,500
- Weighted Average number of Diluted Equity Shares during they year	1,36,500	1,36,500
Net Profit after tax available for Equity shareholders	2,03,17,371	5,29,05,518
Basic Earning Per Share	148.85	387.59
Diluted Earning Per Share	148.85	387.59



## NOTES ON FINANCIAL STATEMENTS

### 29. Auditor's Remuneration

Particulars	As at 31.03.2012	As at 31.03.2011
Statutory Audit Fee	88,000	50,000
Tax Audit Fee	44,000	25,000
Taxation Matters	35,000	35,000
Certification Work	98,000	1,71,000
Professional Opinion	-	45,000
Reimbursement of Expenses	19,850	17,000
	<b>2,84,850</b>	<b>3,43,000</b>

### 30. Contingent Liabilities

Particulars	As at 31.03.2012	As at 31.03.2011
i) Gurantees given by the Company		
a) Bank Guarantees	27,76,39,643	29,57,70,640
b) Foreign Letter of Credit	12,36,66,213	21,56,43,015
ii) Income Tax Demands	1,70,060	1,70,060
iii) Indirect Tax Demands	2,25,98,596	2,25,98,596

i) ₹ 27,76,39,643/- Being the amount of Bank Guarantees obtained by the Company (Previous Year ₹ 29,57,70,640/-) and ₹ 12,36,66,213/- being the amount outstanding on account of Foreign letters of Credit (Previous Year ₹ 21,56,43,015/-). Both of these are secured by Temporary Fixed Deposits.

ii) The Income tax department (NOIDA) has raised a demand of ₹ 1,70,060/- for the Assessment Year 2004-05. The Company has gone into appeal and accordingly no provision has been made.

iii) a) The Uttar Pradesh Trade Tax Department has raised demand of ₹ 62,92,750/- for the year 2003-2004 on account of non submission of Form D. As per the Management, Company has submitted Form D to the Sales Tax Department. The final status on the demand is yet to be ascertained as no final assessment order is received from Uttar Pradesh Trade Tax Department, NOIDA. However the Company has deposited ₹ 18,19,563/- with the Uttar Pradesh Trade Tax Department against the pending demand.

b) With regard to assessment for financial Year 2004-05, Uttar Pradesh Trade Tax Department has raised a demand of ₹ 1,63,05,846/- against Form D from All India Radio & Doordarshan. The Company had filled an appeal with Joint Commissioner Appeal, Uttar Pradesh Trade Tax Department in NOIDA and it has been accepted in favour of BECIL redirecting the Sales Tax Officer to recompute the demand / refund after giving the effect to the submitted Form D. However, final assessment Order of Sales Tax Officer, Uttar Pradesh Trade Tax Department has not been received as yet and accordingly no provision made. Further, before the appeal order was passed by Joint Commissioner (Appeals), the Uttar Pradesh Trade Tax Department encashed Bank Guarantees worth ₹ 54,58,691/- and DD Worth ₹ 18,87,000/-. The above stated amount has been shown as Deposit with Trade Tax Department under the head other advances in Note 15.

31. During the year, the construction work of the BECIL Bhawan was completed. The completion Certificate from the authorities was received on 24.02.2012. An amount of ₹ 6,96,35,776/- was expended upto 31.03.2011 and ₹ 5,82,22,460/- during the current year. The capitalisation of the BECIL Bhawan amounting to ₹ 12,78,58,236/- was done during the year. As against the capitalisation of ₹ 12,78,58,236/-, initial approval for ₹ 5,01,00,000/- was received from the Ministry of Information & Broadcasting on 22.06.2005 towards construction of Building. The increase in the construction cost of Building was due to change in the Civil Contractor, increase in construction area, construction of the basement and Price Escalation. The approval for the esclated amount is yet to be obtained from competent



## NOTES ON FINANCIAL STATEMENTS

authorities. The details of the amount capitalised are as follows :

Building	₹ 7,80,23,729
Computers	₹ 4,96,125
Electrical Appliances	₹ 1,19,84,673
Air Conditioners	₹ 1,21,99,569
Furniture & Fittings	₹ 89,86,248
Office Equipments	₹ 1,61,67,892
TOTAL	<u>₹ 12,78,58,236</u>

Further, BECIL has rescinded construction contracts of M/s Jagannath Constructions. He has filed an Arbitration case alleging that the rescission of contract by BECIL was illegal and uncontractual. The award was decided in favour of the Contractor for ₹ 13,73,307/- alongwith Interest, for which no provision has been made by the Company in the Books of accounts. This has resulted in under capitalisation of Fixed assets and non provision of liability of capital nature.

32. a) BECIL executed work worth ₹ 25,65,02,561/- for Prasar Bharti pertaining to Setting of Broadcast Facility for Host Broadcaster (HB) for Common Wealth Games Delhi 2010 on nomination basis. Out of the above stated figure Prasar Bharti did not place confirmed work order of ₹ 4,08,50,000/- on BECIL and subsequently BECIL did not place confirmed order against some of these works on M/s Kingsmen Fairtech International Limited for ₹ 2,61,82,000/-.
- b) Out of total invoicing of ₹ 25,65,02,561/-, the host broadcaster had made payment of ₹ 11,10,03,634/- after deducting tax at Source of ₹ 26,00,268/-. Balance payment of Rs. 14,28,98,659/- is subject to acceptance and final settlement by Prasar Bharati as no inspection certificates were received from Host Broadcaster.
33. The Honourable Supreme Court of India in its decision in case of M/s BECIL v/s M/s Clear Media (India) Pvt. Ltd. & others, has upheld the verdict of TDSAT for awarding payment of liquidated damages and interest on advance for CTI Deposit. Accordingly provision of ₹ 4,86,399/- on account of Liquidated damages and ₹ 12,89,687/- as Interest is provided in books of accounts. However, no liability for other broadcaster had been identified and provided in Books of Accounts.
34. During the financial year, the Company has recognized Income of ₹ 29,78,087/- (Previous Year ₹ 32,69,433/-) as Tower Rental & Collection Charges Income and STL Charges. The Company is still in the process of signing agreement with Private FM Broadcasters and has not executed agreement with all of them. However some of the Private Broadcasters have already released payment to the Company. Further, none of the Broadcasters in Chennai are making payment towards Tower Rental Charges to BECIL for Towers at Chennai stating poor signal at the site.
35. With respect to Common Transmission Infrastructure (CTI-Phase II), 6 Broadcasters has filed a petition with Hon'ble High Court of Delhi and has challenged the non-settlement of accounts in case of uncompleted sites. The Broadcasters filed a claim of deposit and interest thereon, amounting ₹ 40,96,67,177/-. In reply to the above cases, BECIL has filled a counter claim amounting to ₹ 12,19,63,317/- towards Tower Rental and Monitoring Charges alongwith applicable Interest. Currently the matter is being negotiated to arrive at mutual settlement. No Liability for the amount payable to the Broadcasters has been identified and provided in the Books of Accounts.
36. Performance Related Pay (PRP) - As per directions of DPE, the Remuneration Committee consider the performance management system of the Corporation and finalise the amount payable as Performance Related Pay (PRP) to all the employees from financial year 2007-08 onwards. These amount has been shown as Prior Period Expenses. The year-wise break up of the PRP are as follows :

For Financial Year 2007 - 08	₹ 33,28,063
For Financial Year 2008 - 09	₹ 22,84,492
For Financial Year 2009 - 10	₹ 7,09,398
For Financial Year 2010 - 11	₹ 40,12,900
TOTAL	<u>₹ 1,03,34,853</u>



## NOTES ON FINANCIAL STATEMENTS

Payment of PRP to Sh. K.R.P. Verma, Ex Chairman & Managing Director, for FY 2007-08 amounting to ₹ 4,52,969/- has not been paid/provided as his APAR has not been received so far.

37. **Unclaimed Credits** - During the financial year ₹ 38,60,396/- (Previous Year ₹ Nil) has been transferred from Sundry Creditors to Unclaimed credits as these amount has not been claimed by the parties for long time and hence written back. This amount has been shown in Extraordinary items.

38. **Income in Foreign Exchange**

Particulars	As at 31.03.2012	As at 31.03.2011
Consultancy Income *	-	23,97,550
Sale	3,46,65,076	6,99,52,792
Other Income	45,97,382	-
* Amount Received		

39. **Expenditure in Foreign Exchange \***

Particulars	As at 31.03.2012	As at 31.03.2011
Payment for Equipment, Material, Job Work & Labour (Inclusive of Turnkey projects)	75,65,87,517	17,82,63,561
Travelling - Directors	7,88,545	1,88,200
Travelling - Others	37,79,317	7,86,118

\* This is actual inward or outward Remittance of forex and not the Income or expense.

40. **Disclosure under Accounting Standard - 15 (Revised) on Employee Benefits**

As per the requirements of Accounting Standard - 15 (Revised - 2005) issued by the Institute of Chartered Accountants of India the management has determined the liability towards employee benefits such as Gratuity and Leave Encashment as at 31 March 2012 on the basis of an independent Actuarial Valuation. The summary of key results and assumptions are as under :

1) i) **Assets & Liabilities**

	Particulars	Leave Encashment Liabilities		Gratuity Liabilities	
		31/03/2012	31/03/2011	31/03/2012	31/03/2011
a)	PBO (C)	40,23,484	32,77,054	22,92,968	20,48,783
b)	Plan Assets	-	-	-	-
c)	Net Assets/(Liability)	(40,23,484)	(32,77,054)	(22,92,968)	(20,48,783)

ii) **Experience on actuarial Gain/(loss) for PBO and Plan Assets**

	On Plan PBO	(1,39,052)	(42,935)	(19,227)	(1,36,734)
	On Plan Assets	-	-	-	-

- iii) Enterprise best estimate of contribution during next year is ₹ 9,90,139/- (Previous Year ₹ 5,33,533/-) for Leave Encashment and ₹ 9,97,057/- (Previous Year ₹ 5,59,484/-) for Gratuity liability

## NOTES ON FINANCIAL STATEMENTS

### 2) Summary of Membership data

	Particulars	Leave Encashment Liabilities		Gratuity Liabilities	
		31/03/2012	31/03/2011	31/03/2012	31/03/2011
	<b>As on</b>				
a)	Number of employees	70	32	70	32
b)	Total Monthly Salary (In Lacs)	18.76	10.20	18.76	10.20
c)	Total Monthly for leave availment (In Lacs)	28.28	15.67	28.28	15.67
d)	Average Past Services (Years)	2.35	3.54	2.35	3.54
e)	Average Age (Years)	35.67	39.06	35.67	39.06
f)	Average remaining working life (Years)	24.33	20.94	24.33	20.94

### 3) Actuarial Assumptions

- a) **Economic Assumptions** - The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been agreed by the Company:

	Particulars		31/03/2012	31/03/2011
i)	Discounting Rate		8.50	8.00
ii)	Future Salary Increase		6.00	5.50
iii)	Expected Rate of Return on Plan assets		0.00	0.00

### b) Demographic Assumption

i)	Retirement Age (Years)		60	60
ii)	Mortality Table		LIC (1994-96)	
iii)	Ages		Withdrawal rate (%)	Withdrawal rate (%)
	Upto 30 Years		3.00	3.00
	From 31 to 44 Years		2.00	2.00
	Above 44 Years		1.00	1.00

### 4) Change in present value of obligation

	Particulars	Leave Encashment Liabilities		Gratuity Liabilities	
		31/03/2012	31/03/2011	31/03/2012	31/03/2011
	<b>As on</b>				
a)	Present value of obligation as at the beginning of the year	32,77,054	23,40,626	20,48,783	13,80,805
b)	Acquisition adjustment	-	-	-	-
c)	Interest cost	2,78,550	1,87,250	1,74,147	1,10,464
d)	Past Service Cost	-	-	-	-
e)	Current Service Cost	12,83,597	7,16,452	5,86,920	4,26,529
f)	Curtailment Cost/(Credit)	-	-	-	-
g)	Settlement Cost/(Credit)	-	-	-	-
h)	Benefits paid	(9,40,685)	-	(5,27,466)	-
i)	Actuarial (gain)/loss on obligation	1,24,968	32,726	10,584	1,30,985
j)	Present value of obligation as at the end of the year	40,23,484	32,77,054	22,92,968	20,48,783

## NOTES ON FINANCIAL STATEMENTS

### 5) Fair Value of plan assets

	Particulars	Leave Encashment Liabilities		Gratuity Liabilities	
		31/03/2012	31/03/2011	31/03/2012	31/03/2011
	<b>As on</b>				
a)	Fair Value of plan assets at the beginning of the period	-	-	-	-
b)	Acquisition adjustment	-	-	-	-
c)	Expected return on plan assets	-	-	-	-
d)	Contributions	-	-	-	-
e)	Benefits paid	-	-	-	-
f)	Fair Value of plan assets at the end of the period	-	-	-	-
g)	Funded Status	(40,23,484)	(32,77,054)	(22,92,968)	(20,48,783)
h)	Excess of actual over estimated return on plan assets	-	-	-	-

### 6) Actuarial gain/loss recognized

	Particulars	Leave Encashment Liabilities		Gratuity Liabilities	
		31/03/2012	31/03/2011	31/03/2012	31/03/2011
a)	Actuarial gain/(loss) for the period obligation	(1,24,968)	(32,726)	(10,584)	(1,30,985)
b)	Actuarial (gain)/loss for the period - plan assets	-	-	-	-
c)	Total (gain)/loss for the period	1,24,968	32,726	10,584	1,30,985
d)	Actuarial (gain)/loss recognized in the period	1,24,968	32,726	10,584	1,30,985
e)	Unrecognized actuarial (gains)/losses at the end of the period	-	-	-	-

### 7) The amount to be recognised in balance sheet and related analysis

	Particulars	Leave Encashment Liabilities		Gratuity Liabilities	
		31/03/2012	31/03/2011	31/03/2012	31/03/2011
a)	Present value of obligation as at the end of the year	40,23,484	32,77,054	22,92,968	20,48,783
b)	Fair value of plan assets as at the end of the period.	-	-	-	-
c)	Funded Status/Difference	(40,23,484)	(32,77,054)	(22,92,968)	(20,48,783)
d)	Excess of actual over estimated	-	-	-	-
e)	Unrecognized actuarial (gains)/Losses	-	-	-	-
f)	Net asset/(liability) recognized in balance sheet	(40,23,484)	(32,77,054)	(22,92,968)	(20,48,783)

### 8) Expense recognised in the Statement of Profit and Loss

	Particulars	Leave Encashment Liabilities		Gratuity Liabilities	
		31/03/2012	31/03/2011	31/03/2012	31/03/2011
a)	Current Service Cost	12,83,597	7,16,452	5,86,920	4,26,529
b)	Past Service Cost	-	-	-	-
c)	Interest Cost	2,78,550	1,87,250	1,74,147	1,10,464
d)	Expected return on plan assets	-	-	-	-
e)	Curtailment Cost/(Credit)	-	-	-	-
f)	Settlement Cost/ (Credit)	-	-	-	-
g)	Net actuarial (gain)/Loss recognised in the period.	1,24,968	32,726	10,584	1,30,985
h)	Expenses recognized in the statement of Profit & losses	16,87,115	9,36,428	7,71,651	6,67,978



## NOTES ON FINANCIAL STATEMENTS

### 9) Reconciliation statement of expense in the Statement of Profit

	Particulars	Leave Encashment Liabilities		Gratuity Liabilities	
		31/03/2012	31/03/2011	31/03/2012	31/03/2011
	<b>As on</b>				
a)	Present value of obligation as at the end of the period	40,23,484	32,77,054	22,92,968	20,48,783
b)	Present value of obligation as at the beginning of the period	32,77,054	23,40,626	20,48,783	13,80,805
c)	Benefits paid	9,40,685	-	5,27,466	-
d)	Actual return on plan assets	-	-	-	-
e)	Acquisition adjustment	-	-	-	-
f)	Expenses recognized in the statement of profit & losses	16,87,115	9,36,428	7,71,651	6,67,978

### 10) Amount for the current period

	Particulars	Leave Encashment Liabilities		Gratuity Liabilities	
		31/03/2012	31/03/2011	31/03/2012	31/03/2011
	<b>As on</b>				
a)	Present value of obligation as at the end of the year	40,23,484	32,77,054	22,92,968	20,48,783
b)	Fair value of plan assets at the end of the period	-	-	-	-
c)	Surplus/(Deficit)	(40,23,484)	(32,77,054)	(22,92,968)	(20,48,783)
d)	Experience adjustment on plan Liabilities (loss)/gain	(1,39,052)	(42,935)	(19,227)	(1,36,734)
e)	Experience adjustment on plan Liabilities Assets/(Loss)	-	-	-	-

### 11) Movement in the liability recognized in the Balance Sheet

	Particulars	Leave Encashment Liabilities		Gratuity Liabilities	
		31/03/2012	31/03/2011	31/03/2012	31/03/2011
	<b>As on</b>				
a)	Opening net Liability	32,77,054	23,40,626	20,48,783	13,80,805
b)	Expenses as above	16,87,115	9,36,428	7,71,651	6,67,978
c)	Benefits paid	(9,40,685)	-	(5,27,466)	-
d)	Actual return on plan assets	-	-	-	-
e)	Acquisition adjustment	-	-	-	-
f)	Closing net Liability	40,23,484	32,77,054	22,92,968	20,48,783

### 12) Bifurcation of PBO at the end of year as per Revised Schedule VI of the Companies Act.

	Particulars	Leave Encashment Liabilities		Gratuity Liabilities	
		31/03/2012	31/03/2011	31/03/2012	31/03/2011
	<b>As on</b>				
a)	Current Liability	93,775	10,47,407	48,584	5,86,132
b)	Non-Current Liability	39,29,709	22,29,647	22,44,384	14,62,651
c)	Total BPO at the end of the year	40,23,484	32,77,054	22,92,968	20,48,783

\* The balance of Gratuity excludes of ₹ 25,174/- on account of payable to ex-employee

\*\* The balance of Leave Encashment excludes provision of ₹ 2,35,450/- on account of payable to ex-employee



## NOTES ON FINANCIAL STATEMENTS

### 41. SEGMENT REPORTING

The Company has identified business segments as its primary segment.

Business segments are primarily to provide Consultancy & Turnkey Solution, Supply Integration Testing & Commissioning of the Project such as Sales of Products, Income from Consultancy, Income from Maintenance of Tower, Income from Contract, Income from BECIL Training Centre, Deposit Work and Others.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allotted on the basis of associated revenues of the segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

Particulars	Sale	Income from Consultancy	Income from Maintenance of Tower	Income from Contract	Income from BECIL Training Centre	Deposit Work	Others	TOTAL
<b>Revenue</b>								
<b>Income from Operations</b>	<b>1,01,05,73,328</b>	<b>3,66,94,038</b>	<b>29,78,087</b>	<b>69,00,928</b>	<b>4,92,445</b>	<b>3,27,87,425</b>	<b>2,41,91,594</b>	<b>1,11,46,17,845</b>
	61,93,01,130	2,45,18,030	32,69,433	22,50,42,386	-	3,57,90,563	1,99,21,842	92,78,43,384
<b>Value of Deposit Work</b>	-	-	-	-	-	<b>35,48,76,356</b>	-	<b>35,48,76,356</b>
	-	-	-	-	-	38,77,63,414	-	38,77,63,414
<b>TOTAL Business</b>	<b>1,01,05,73,328</b>	<b>3,66,94,038</b>	<b>29,78,087</b>	<b>69,00,928</b>	<b>4,92,445</b>	<b>38,76,63,781</b>	<b>2,41,91,594</b>	<b>1,46,94,94,201</b>
	61,93,01,130	2,45,18,030	32,69,433	22,50,42,386	-	42,35,53,977	1,99,21,842	1,31,56,06,798
<b>Less : Expenses</b>								
<b>Cost of Material Consumed</b>	<b>94,74,04,948</b>	-	-	-	-	-	-	<b>94,74,04,948</b>
	55,32,37,857	-	-	-	-	-	-	55,32,37,857
<b>Value of Deposit Work</b>	-	-	-	-	-	<b>35,48,76,356</b>	-	<b>35,48,76,356</b>
	-	-	-	-	-	38,77,63,414	-	38,77,63,414
<b>Job Work Related Cost</b>	-	<b>2,58,88,269</b>	-	<b>50,71,187</b>	<b>3,87,458</b>	-	-	<b>3,13,46,914</b>
	-	2,63,98,711	-	18,52,85,179	-	-	-	21,16,83,890
<b>Unallocable Expenses</b>	-	-	-	-	-	-	-	<b>10,16,96,116</b>
	-	-	-	-	-	-	-	8,01,18,687
<b>Total Expenses</b>	<b>94,74,04,948</b>	<b>2,58,88,269</b>	-	<b>50,71,187</b>	<b>3,87,458</b>	<b>35,48,76,356</b>	-	<b>1,43,53,24,334</b>
	55,32,37,857	2,63,98,711	-	18,52,85,179	-	38,77,63,414	-	1,23,28,03,848
<b>Profit before Exceptional Itmes</b>	-	-	-	-	-	-	-	<b>3,41,69,867</b>
	-	-	-	-	-	-	-	8,28,02,950
<b>Prior Period Adjustments</b>	-	-	-	-	-	-	-	<b>69,76,496</b>
	-	-	-	-	-	-	-	25,44,926
<b>Profit Before Tax</b>	-	-	-	-	-	-	-	<b>2,71,93,371</b>
	-	-	-	-	-	-	-	8,02,58,024
<b>Tax Expense</b>	-	-	-	-	-	-	-	<b>68,76,000</b>
	-	-	-	-	-	-	-	2,73,52,506
<b>Profit After Tax</b>	-	-	-	-	-	-	-	<b>2,03,17,371</b>
	-	-	-	-	-	-	-	5,29,05,518



## NOTES ON FINANCIAL STATEMENTS

**42. Corporate Social Responsibility Expenses (CSR)**

The Company during the year has incurred ₹ 10,00,579/- for providing Vocational & Specialized Training and Providing Scholarship to meritorious students and ₹ 25,47,487/- for establishing & Maintenance of Community Radio Stations.

**43. Micro and Small Enterprise**

None of the Sundry Creditors is registered under Micro, Small and Other Enterprises as required in the MSMED Act 2006.

**44. Impaired Assets**

As per the management, there are no impaired assets.

**45.** In the opinion of Board of Directors, the Current Assets, Loans & Advances have a value on realisation of which, in ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet unless specified otherwise. The provision for all the known liabilities is adequate and not in excess of the amount considered reasonable necessary.

**46.** Balances standing to the debit/credit of parties, Debtors, Creditors, Advances, and Security Deposit are subject to the confirmations from the respective parties.

**47.** These financial statements have been prepared in the format prescribed by the Revised Schedule VI to the Companies Act 1956. Previous year's figures have been appropriately regrouped/reclassified to confirm to the current year's presentation.

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

**For ATJ Associates**  
Chartered Accountants  
Firm Regn. No. 08648N

**(George Kuruvilla)**  
General Manager

**(Awadhesh Pandit)**  
Manager (Finance)

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

**(Jagvinder Bir Singh)**  
Partner  
M.No. 086787

Place : New Delhi  
Dated : 29.08.2012

**(K.Subramanian)**  
Chairman & Manging Director

**(Ishwar Singh Mehla)**  
Director (O&M)



**BROADCAST ENGINEERING  
CONSULTANTS INDIA LIMITED**

*A Mini Ratna Company*

17th ANNUAL REPORT 2011-2012



कार्यालय प्रधान निदेशक वाणिज्यिक लेखा परीक्षा  
एवं पदेन सदस्य, लेखा परीक्षा बोर्ड—IV, नई दिल्ली  
Office of the Principal Director of Commercial  
Audit & Ex-officio Member, Audit Board-IV, New Delhi  
No.56-PDCA/HS/MAB-IV/BECIL/A/cs/12-13/1523  
Date : 24.09.2012

**Confidential**

To,

**The Chairman & Managing Director,  
Broadcast Engineering Consultants India Limited,  
56-A/17, Block-C, Sector-62,  
Noida-201307(U.P.)**

**Sub: Comments of the Comptroller & Auditor General of India under Section 619(9994) of the Companies Act, 1956 on the accounts of Broadcast Engineering Consultants India Limited for the year ended 31st March 2012.**

Sir,

I am to enclosed herewith the comments of the Comptroller and Auditor General of India under Section 619(4) of the Companies Act, 1956 on the accounts of **Broadcast Engineering Consultants India Limited** for the year ended 31st March 2012.

The receipt of the letter may kindly be acknowledged.

Yours faithfully,

sd/-

**(John K. Sellate)**

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

Encl : As above



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF THE M/S BROADCAST ENGINEERING CONSULTANTS INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2012.**

The preparation of financial statements of **Broadcast Engineering Consultants India Limited** for the year ended 31 March, 2012 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on the independent audit in accordance with the Auditing and Assurance Standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated **29.08.2012**.

I on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 619 (3) (b) of the Companies Act, 1956 of the financial statements of **Broadcast Engineering Consultants India Limited** for the year ended 31 March 2012. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and Company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditor,s report under Section 619 (4) of the Companies Act, 1956.

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

Sd/-  
**(John K. Sellate)**  
**Principal Director of Commercial Audit &  
Ex-Officio Member, Audit Board-IV,  
New Delhi**

**Place : New Delhi  
Dated : 24.09.2012**



**ISO 9001 : 2000**

*A  
"Mini Ratna"  
Company*



**बेसिल**

**ब्रॉडकास्ट इंजीनियरिंग कंसल्टेंट्स इंडिया लिमिटेड**

(भारत सरकार का उद्यम- सूचना एवं प्रसारण मंत्रालय के अन्तर्गत)

**BROADCAST ENGINEERING CONSULTANTS INDIA LIMITED**

(A Government of India Enterprises- under Ministry of Information & Broadcasting)

**REGISTERED & CORPORATE OFFICE :**

C-56/A-17, Sector-62, Noida-201307, U.P.,  
Tel : 0120-4177850, Fax : 0120-4177879

**HEAD OFFICE :**

14-B, Ring Road, Indraprastha Estate, New Delhi - 110 002,  
Tel. : +91(11) 2337 8823/24/25, Fax : +91(11) 2337 9885,  
E-mail : becil@vsnl.net, Website : www.becil.com

**REGIONAL OFFICE :**

Villa A-7, Ranka Colony, Off Bannerghatta Main Road, Bilekahalli,  
Bangalore – 560076, Tel. : 080-26685853