



INDEPENDENT AUDITORS' REPORT

To

**The Members
Rail Vikas Nigam Limited**

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of **Rail Vikas Nigam Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and Notes to the Standalone Ind AS Financial Statements, and a summary of the Significant Accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flow for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other

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ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Emphasis of Matter (EOM)

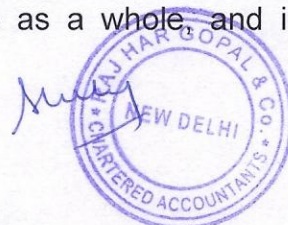
We draw attention to the following matters to the Standalone Ind AS Financial Statements :

1. Without qualifying our report attention is invited to note no. 10.1 and 10.6 of Standalone Ind As financial statement regarding Trade Receivable. RVNL receives advance payment from SPVs for incurring expenditures on their projects. However, in case of Krishnapatnam Railway Company Limited (KPRCL), RVNL is incurring project expenditures on regular basis but no amount is being received from Krishnapatnam Railway Company Limited as advance payment. During the financial year 2020-21, RVNL has incurred project expenditures amounting to Rs. 31.46 crore on Krishnapatnam Railway Company Limited (KPRCL). KPRCL has not paid the amount dues due to some dispute and Trade Receivable from Krishnapatnam Railway Company Limited as on 31st March, 2021 is Rs. 863.82 crore and Interest Receivables amount of Rs. 415.99 crore i.e. total Receivable from Krishnapatnam Railways Company Limited amounting to Rs. 1279.81 crore.
2. Without qualifying our report attention is invited to note no. 12(a) of Standalone Ind As financial statement regarding Advance to Zonal Railways, Advance to Sleepers, Utility Advances and Advances Released for Supply of Rail. No balance confirmation has been received relating to Advances to Zonal Railways Rs. 584.13 crores, Advance to Sleepers Rs. 133.64 crores, Utility Advances Rs. 355.98 crores and Advance Released for Supply of Rail Rs. 46.23 crores as on 31st March, 2021.
3. Without qualifying our report attention is invited to note no. 44 regarding the impact arising from the Covid-19 pandemic.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that in our professional judgment were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our



opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<p><u>Recognition, measurement, estimation, presentation and disclosures in respect of "Revenue from contracts with Customers" under Ind AS 115</u></p> <p>The application of this Ind AS 115 involves certain key judgments, estimation, identification of distinct performance obligations, determination of transaction price, measurement of revenue recognition and disclosures including presentations of balances in the financial statements.</p> <p>Refer Note 34 to the standalone financial statements</p>	<p>We assessed the company's internal process for adoption and evaluating the impact of this Ind AS. Our audit approach consisted design and testing of effectiveness of internal controls and procedures as follows:</p> <p>Evaluated the process of implementation of this Ind AS on revenue recognition and effectiveness of controls over the preparation of information that are designed to ensure the completeness and accuracy.</p> <p>Selected a sample of existing continuing contracts and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price.</p> <p>Tested the relevant information accounting systems and change relating to contracts and related information used in recording and disclosing revenue and presentation of contract balances and trade receivables in accordance with the Ind AS.</p> <p>We have performed analytical procedure including comparison of the financial information and other related items considering materiality.</p>
<p><u>Assessment and recoverability of Trade Receivables and Contract Assets</u></p> <p>The Company have trade receivables outstanding of Rs. 981.87 crore and unbilled contract assets of Rs. 3022.76 crore at the end of March 31,</p>	<p><u>Principal Audit Procedures</u></p> <p>We have assessed the Company's internal process to recognize the revenue and review mechanism of trade receivables and contract assets. Our audit approach consisted testing of the design and operating effectiveness of internal controls and procedures as follows:</p>



<p>2021.</p> <p>These balances are related to revenue recognized in line with Ind AS 115 “Revenue from contracts with customers” for ongoing contracts and completed contracts. The assessment of its recoverability is a key audit matters in the audit due to its size and high level of management judgment</p> <p>Refer Notes 10.1, 12(b) to the standalone financial statements.</p>	<ul style="list-style-type: none"> ▪ Evaluated the process of invoicing, verifications, and reconciliations with customers. ▪ Obtained the list of project wise outstanding details and its review mechanism by the management. ▪ Reviewed the guidelines and policies of the Company on impairment of trade receivables and contract assets. ▪ Tested the accuracy of aging of trade receivables and contract assets at the year end on sample basis. ▪ Performed analytical procedures and test of details for reasonableness, recoverability and other related material items.
<p><u>Ind As 116</u></p> <p>As described in Note 3.2 to the Standalone financial statements, the Company has followed Ind AS 116 Leases (Ind AS 116). The application of this accounting standard is complex and is an area of focus in our audit since the Company has a number of leases with different contractual terms.</p> <p>Ind AS 116 introduces a new lease accounting model, wherein lessees are required to recognize a right-of-use (ROU) asset and a lease liability arising from a lease on the balance sheet. The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract/arrangement. Ind AS 116 involves significant</p>	<p>Our audit procedures with respect to Ind As 116 include:</p> <ul style="list-style-type: none"> • Assessed and tested processes and controls in respect of the lease accounting standard (Ind As 116); • Assessed the company’s evaluation on the identification of leases based on the contractual agreements and our knowledge of the business; • Involved our specialist to evaluate the reasonableness of the discount rate applied in determining the lease liabilities; • On a statistical sample, we performed the following procedures; <ul style="list-style-type: none"> ➤ Assessed the key terms and conditions of each lease with the underlying lease contracts; and ➤ Evaluated computation of lease liabilities and challenged the key estimated such as, discount rates and the lease term. • Assessed and tested the presentation and disclosures relating to Ind As 116.



judgments and estimates including, determination of the discount rates and the lease term.

Refer Note no. 3.2 and Note no. 45 to the Standalone financial statements.

Information Other than the Standalone Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in management analysis, company performance report but does not include the Standalone Ind AS Financial Statements and our auditor's report thereon.

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

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income and changes in equity (reserves) & cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and



maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

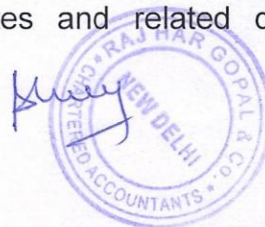
That Board of Directors are also responsible for overseeing the company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatement in the Standalone Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication



Report on Other Legal and Regulatory Requirements



- (1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143 (3) of the Act, based on our audit we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income and the Statement of Changes in Equity (reserves) & Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015.
 - (e) Being a Government Company, Section 164(2) of the Companies Act, 2013 regarding 'whether any director is disqualified from being appointed as a director' is not applicable to the Company in view of Notification no. G.S.R. 463(E) dated. 05-06-2015 issued by Ministry of Corporate Affairs.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**", and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS Financial Statements. Refer Note 37 A. and 37 B. to the financial statements.
 - ii. The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.



iii. Compliance in respect of transfer to Investor Education and Protection fund, required to be transferred in accordance with relevant statutes, there were no amount which were required to be transferred to the Investor Education and Protection Fund by the company.

(3) As required by section 143(5) of the Act, we have considered the directions issued by the Comptroller and Auditor General of India, the action taken thereon and its impact on the accounts and financial statements of the company - Refer "**Annexure C**" attached.

For M/S Raj Har Gopal & Co.
Chartered Accountants
Firm Registration No. 002074N



Shrey Gupta
Partner
Membership No.522315

Place: New Delhi
Date: June 29, 2021

Udin: 21522315AAAAEQ9117

“Annexure A” to Independent Auditors’ Report

(Referred to in Paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date on the accounts of Rail Vikas Nigam Limited, for the year ended March 31, 2021, we report that :

- i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets
- (b) The fixed assets have been physically verified by the management during the year at reasonable interval. No material discrepancies were noticed on such verification.

According to the information and explanations given to us, physical verification of property, plant & equipment is being conducted in a phased manner by the management including intangible assets over a period of three years, which, in our opinion, is reasonable having regard to the size of the company and nature of its business and no material discrepancies were noticed on such verification to the extent verification was made during the year.

- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the Conveyance Deeds provided to us, we report that, the Lease Deed, comprising all the immovable properties of land & buildings which are leasehold, are held in the name of the company as at the balance sheet date. The company does not own any freehold land or building.
- ii) The company is in business of implementing railway infrastructure projects and the inventory primarily consists of project work in progress. The inventories are physically verified during the year and the same is recorded in the measurement book. Keeping in view the nature of business and inventory, the frequency of physical verification in our opinion is reasonable.
- iii) In our opinion and according to the information & explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, clauses (iii) (a), (iii) (b) and (iii)(c) of Paragraph 3 of the Order are not applicable to the company.



- iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of the section 185 and 186 of the Companies Act, 2013 in respect of loans and investments made.
- v) According to the information and explanations given to us, the company has not accepted any deposits from public during the year within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014 and rules framed there under as applicable.
- vi) According to the information and explanation given to us as regards reviewing the books of accounts and records maintained by the company pursuant to the rule made by the Central Government for the maintenance of cost records under section 148 (1) of the Companies Act, 2013 is not applicable since the company is not a manufacturing concern.
- vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, and records, the company has been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Goods & Service Tax, Cess and any other material statutory dues as applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues were outstanding as at 31st March, 2021 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are disputed dues of income tax amounting to Rs. 24.31 crores. No dues of Sales Tax or Wealth Tax or Service Tax or Custom Duty or Excise Duty or Value Added Tax or Cess or Goods & Services Tax which have not been deposited on account of dispute. The details of unpaid disputed income tax liability are as under:




Assessment Year	Amounts (Rs. In crores)	Amounts paid / adjusted from Refund (Rs. in crores)	Forum where pending
2014-2015 to 2018-19	0.02	0.02	CPC u/s 143(3)
2019-20	24.29	10.11	CPC u/s 1150
Total	24.31	10.13	

- viii) According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks, governments or debenture holders.
- ix) In our opinion and according to the information and explanation given by the management, the company has not raised any money by way of Initial Public Offer or Further Public Offer (including debt instruments) and term loan during the year. Accordingly, clause (ix) of paragraph of the Companies (Auditor's Report) Order 2016 is not applicable to the company.
- x) During the course of our examination of the books 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 by the management, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year that causes the financial statements to be materially misstated.
- xi) Being a Government Company, provision of clause no. (xi) regarding section 197 of the Companies Act, 2013 relating to managerial remuneration is not applicable to the company in view of Notification no. G.S.R. 463(E) dtd. 05-06-2015.
- xii) Provisions of clause no. (xii) of the order regarding Nidhi Company is not applicable to the company.
- xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with the provisions of section 177 & 188 of the Companies Act, 2013 as applicable and adequate disclosures have been made in the standalone financial statements as required by the applicable accounting standards.



- xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with them under the provisions of section 192 of the Companies Act, 2013.
- xvi) In our opinion and according to the information and explanation given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For M/S Raj Har Gopal & Co.
Chartered Accountants
Firm Registration No. 002074N



Shrey Gupta
Partner
Membership No. 522315

Place: New Delhi
Date: June 29, 2021

Udin: 21522315AAAAEQ8117

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF ‘RAIL VIKAS NIGAM LIMITED’

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

We have audited the internal financial controls over financial reporting of RAIL VIKAS NIGAM LIMITED as of March 31, 2021 in conjunction with our audit of the standalone Ind AS Financial Statements of the company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing



and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M/S Raj Har Gopal & Co.
Chartered Accountants
Firm Registration No.: 002074N



Shrey Gupta
Partner
Membership No.522315

Place: New Delhi
Date: June 29, 2021


Udin: 21522315AAAAE08117

“Annexure C” to Independent Auditors’ Report

Directions issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013 indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of Rail Vikas Nigam Limited (Standalone) for the year 2020-21

SI No	Areas Examined	Suggested Replies
1	Whether the company has system in place to process all the accounting transactions through IT system. If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any may be stated.	Yes, the Company has system in place to process all the accounting transactions through IT system.
2	Whether there is any restructuring of an existing loan or cases of waiver / write off of debts / loans / interest etc. made by a lender due to the company’s inability to repay the loan? If yes, the financial impact may be stated.	According to the information and explanations given to us and based on our examination of the records of the company, there has been no restructuring/ waiver/ write off of debts/loans/interest etc. made by a lender due to the company’s inability to repay the loan
3	Whether fund received / receivable for specific schemes from Central / State agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation.	Fund received / receivable for specific schemes from Central / State agencies were properly accounted for /utilized as per its term and conditions

For M/S Raj Har Gopal & Co.
Chartered Accountants
Firm Registration No.002074N


Shrey Gupta
Partner
Membership No.522315
Place: New Delhi
Date: June 29, 2021

Udin: 21522315AAAAEQ8117



INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS

Rail Vikas Nigam Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS Financial Statements of **Rail Vikas Nigam Limited** hereinafter referred to as “the holding company”) and its subsidiary (the holding Company and its one subsidiary collectively referred to as “the Group”) and six jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2021, the consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the Consolidated Ind AS Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of management certificate on separate Ind AS financial statements and on the other financial information of Subsidiary and jointly controlled entity, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the consolidated profit and total consolidated comprehensive income, consolidated Statement of changes in equity and its consolidated cash flow statement for the year ended on that date.



Basis for Opinion

We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Ind AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Ind AS Financial Statements.

Emphasis of Matter

I. RAIL VIKAS NIGAM LIMITED

1. Without qualifying our report attention is invited to note no. 10.1 and 10.6 of Standalone Ind As financial statement regarding Trade Receivable. RVNL receives advance payment from SPVs for incurring expenditures on their projects. However, in case of Krishnapatnam Railway Company Limited (KPRCL), RVNL is incurring project expenditures on regular basis but no amount is being received from Krishnapatnam Railway Company Limited as advance payment. During the financial year 2020-21, RVNL has incurred project expenditures amounting to Rs. 31.46 crore on Krishnapatnam Railway Company Limited (KPRCL). KPRCL has not paid the amount dues due to some dispute and Trade Receivable from Krishnapatnam Railway Company Limited as on 31st March, 2021 is Rs. 863.82 crore and Interest Receivables amount of Rs. 415.99 crore i.e. total Receivable from Krishnapatnam Railways Company Limited amounting to Rs. 1279.81 crore.
2. Without qualifying our report attention is invited to note no. 12(a) of Standalone Ind AS Financial Statement regarding Advance to Zonal Railways, Advance to Sleepers, Utility Advances and Advances Released for Supply of Rail. No balance confirmation has been received relating to Advances to Zonal Railways Rs. 584.13 crores, Advance to Sleepers Rs. 133.64 crores, Utility Advances Rs. 355.98 crores and Advance Released for Supply of Rail Rs. 46.23 crores as on 31st March, 2021.



3. Without qualifying our report attention is invited to note no. 44 regarding the impact arising from the Covid-19 pandemic.

Our Report is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that in our professional judgment were of most significance in our audit of the Consolidated Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<p><i>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from contracts with Customers".</i></p> <p>The application of this revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period, and disclosures including presentations of balances in the financial statements.</p> <p>Estimated efforts is a critical estimate to determine revenue,</p>	<p><u><i>Principal Audit Procedures</i></u></p> <p>We assessed the company's internal process for adoption and evaluating the impact of this Ind AS. Our audit approach consisted design and testing of effectiveness of internal controls and procedures as follows:</p> <p>Evaluated the process of implementation of this Ind AS on revenue recognition and effectiveness of controls over the preparation of information that are designed to ensure the completeness and accuracy.</p> <p>Selected a sample of existing continuing contracts and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price.</p> <p>Tested the relevant information accounting systems and change relating to contracts and related information used in recording and disclosing revenue and presentation of contract balances and trade receivables in accordance with the Ind AS.</p> <p>We have performed analytical procedure including comparison of the financial information and other related items considering materiality.</p>



as it requires consideration of progress of the contract, efforts incurred till date, efforts required to complete the remaining performance obligation.

Refer Note no. 34 to the consolidated financial statements.

Assessment and recoverability of Trade Receivables and Contract Assets

The Group have trade receivables outstanding of Rs. 979.83 crores and contract assets of Rs. 3022.86 crores at the end of March 31, 2021

These balances are related to revenue recognized in line with Ind AS 115 "Revenue from contracts with customers" for ongoing contracts and completed contracts. The assessment of its recoverability is a key audit matters in the audit due to its size and high level of management judgment

Refer Notes 10.1, 12(b) to the consolidated financial statements.

Principal Audit Procedures

We have assessed the Company's internal process to recognize the revenue and review mechanism of trade receivables and contract assets. Our audit approach consisted testing of the design and operating effectiveness of internal controls and procedures as follows:

- Evaluated the process of invoicing, verifications, and reconciliations with customers.
- Obtained the list of project wise outstanding details and its review mechanism by the management.
- Reviewed the guidelines and policies of the Company on impairment of trade receivables and contract assets.
- Tested the accuracy of aging of trade receivables and contract assets at the year end on sample basis.
- Performed analytical procedures and test of details for reasonableness, recoverability and other related material items.



Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's information, but does not include the Consolidated Ind AS Financial Statements and our auditors' report thereon.

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

In connection with our audit of the Consolidated Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of the Consolidated Ind AS Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated statement of change in equity and consolidated cash flow statement of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that



give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the company included in the group are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the companies have adequate internal



financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and jointly controlled entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS Financial Statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- (a) We did not audit the Ind AS financial statements / financial information of one subsidiary HSRC Infra Services Limited whose financial statements / financial information reflect total assets Rs. 5.30 crores and net assets of Rs. 2.42 crores as at 31st March, 2021, total revenues of Rs. 1.39 crores and net Cash Flows of Rs. 2.87 crores for the year ended on that date as considered in the Consolidated Ind AS Financial Statements.
- (b) We did not audit the Ind AS Financial Statements / financial information of six jointly controlled entities whose financial statements reflects group share of net profit / (loss) of Rs. (0.44 crores) for the year ended March 31, 2021 as considered in the consolidated Ind AS Financial Statements.
- (c) These financial statements / financial information are unaudited and have been furnished to us by the management, and our report in terms of sub section (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary and jointly controlled entities, is based solely on such unaudited Ind AS financial statements / financial information. In our opinion and according to the information and explanation given to us by the management, these Ind As financial statements / financial information are not material to the group.

Our opinion on the Consolidated Ind AS Financial Statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance and the Ind As financial statements / financial information certified by the management.

Our opinion is not modified in respect of these matters.



Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report, to the extent applicable that :

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books;

(c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including other comprehensive income), consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flow dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements;

(d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India;

(e) In terms Notification no. G.S.R. 463(E) dtd. 05-06-2015 issued by the Ministry of Corporate Affairs, the provision of Section 164(2) of the Companies Act, 2013 in respect of disqualification of directors are not applicable to the Group and jointly controlled entities;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the holding company, its subsidiary company and jointly controlled entities incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 to the extent applicable, in our opinion and to the best of our information and according to the explanations given to us;




i. The Consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and jointly controlled entities - Refer Note 37 to the consolidated financial statements;

ii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding company and its subsidiary company and jointly controlled entities incorporated in India.

Place: New Delhi
Date: June 29, 2021

For Raj Har Gopal & Co.
Chartered Accountants

(FRN: 002074N)


Shrey Gupta
(Partner)

M. No. 522315

UDIN: 21522315AAAAER9346



ANNEXURE "A"

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF RAIL VIKAS NIGAM LIMITED

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

In conjunction with our audit of the consolidated Ind AS Financial Statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Rail Vikas Nigam Limited (hereinafter referred to as "the Holding Company") as of that date. We did not audit the financial statements of one Subsidiary and Six Jointly controlled entities and all of them, are unaudited.

Management's Responsibility for Internal Financial Controls

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



Auditor's Responsibility

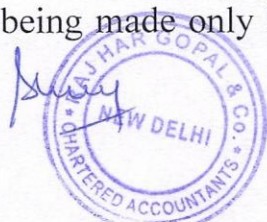
Our responsibility is to express an opinion on the Company's, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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



of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company and six jointly controlled entities, which are companies incorporated in India, is based on the management certificate of one subsidiary company and all the six jointly controlled entities, incorporated in India.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Our opinion is subject to one subsidiary company HSRC Infra Services Limited and six



jointly controlled entities Bharuch Dahej Railway Company Limited (BDRCL), Kutch Railway Company Limited (KRCL), Haridaspur Paradip Railway Company Limited (HPRCL), Angul Sukinda Railway Limited (ASRL), Krishnapatnam Railway Company Limited (KPRCL) and Digi Roha Rail Limited (DRRL), whose accounts are consolidated based on unaudited financial statements as approved by their management.

Place: New Delhi
Date: June 29, 2021

For Raj Har Gopal & Co.
Chartered Accountants
(FRN: 002074N)


Shrey Gupta
(Partner)

M. No. 522315

UDIN: 21522315AAAAER9346



RAIL VIKAS NIGAM LIMITED (A Govt. of India Enterprise) Registered office: 1st Floor, August Kranti Bhawan, Bhikaji Cama Place, R. K. Puram, New Delhi, South Delhi - 110066 CIN: L74999DL2003GOI118633 Email: investors@rvnl.org					
STATEMENT OF STANDALONE/CONSOLIDATED ASSETS AND LIABILITIES					
(Rs. In crore)					
	Particulars	Standalone		Consolidated	
		As at 31 March 2021 Audited	As at 31 March 2020 Audited	As at 31 March 2021 Audited	As at 31 March 2020 Audited
I.	Assets				
1	Non-current assets:				
(a)	Property Plant and Equipment	19.22	16.56	19.22	16.56
(b)	Right-of-use Assets	253.05	265.09	253.05	265.09
(c)	Capital work in progress	47.07	18.36	47.07	18.36
(d)	Intangible assets	19.88	23.65	19.87	23.64
(e)	Intangible assets under development	6.37	6.37	6.37	6.37
(f)	Investments accounted for using the equity method	-	-	1,650.95	1,578.32
(g)	Financial Assets				
(i)	Investments	1,062.03	968.93	10.00	9.97
(ii)	Lease Receivables	1,262.95	1,386.14	1,262.95	1,386.14
(iii)	Loans	15.44	9.12	15.44	9.12
(iv)	Others	737.04	520.88	737.04	520.88
(h)	Deferred tax assets (Net)	43.13	42.78	43.13	42.78
(i)	Other non-current assets	102.32	1.47	102.32	1.47
	Total Non Current Assets	3,568.50	3,259.35	4,167.41	3,878.70
2	Current assets:				
(a)	Project -Work- in -Progress	23.49	9.18	23.49	9.18
(b)	Financial Assets				
(i)	Trade Receivables	981.87	836.65	979.83	834.76
(ii)	Lease Receivables	230.29	265.74	230.29	265.74
(iii)	Cash and cash equivalents	1,416.35	271.76	1,421.40	273.81
(iv)	Bank Balances other than (ii) above	625.57	708.01	625.57	708.01
(v)	Loans	10.76	9.75	10.76	9.75
(vi)	Others	650.12	2,557.32	650.12	2,557.32
(c)	Current Tax Asset (Net)	-	24.64	-	24.64
(d)	Other current assets	6,042.90	3,832.66	6,043.04	3,832.66
	Total Current Assets	9,981.35	8,515.72	9,984.50	8,515.87
	Total-Assets	13,549.85	11,775.07	14,151.91	12,394.57
II.	EQUITY AND LIABILITIES				
1	Equity:				
(a)	Equity Share Capital	2,085.02	2,085.02	2,085.02	2,085.02
(b)	Other Equity	2,880.56	2,414.76	3,481.87	3,034.22
	Equity attributable to owners	4,965.58	4,499.78	5,566.89	5,119.24
	Non controlling Interest	-	-	-	-
	Total Equity	4,965.58	4,499.78	5,566.89	5,119.24
2	Liabilities				
	Non-current liabilities:				
(a)	Financial Liabilities				
(i)	Borrowings	5,671.51	4,256.65	5,671.51	4,256.65
(ii)	Other financial liabilities	345.77	256.78	345.77	256.78
(b)	Provisions	27.09	21.67	27.09	21.67
(c)	Other Non current liabilities	32.01	43.09	32.01	43.09
	Total Non- Current liabilities	6,076.38	4,578.19	6,076.38	4,578.19
	Current liabilities:				
(a)	Financial Liabilities				
(i)	Trade payables				
	-Micro and Small Enterprises	0.45	1.18	0.45	1.18
	-Creditors Other than of Micro and Small Enterprises	270.52	698.06	271.28	698.06
(ii)	Other Financial Liabilities	1,445.06	1,454.88	1,445.11	1,454.91
(b)	Other Current Liabilities	701.99	472.61	702.03	472.61
(c)	Provisions	82.13	70.37	82.13	70.37
(d)	Current Tax liability (Net)	7.74	-	7.64	-
	Total Current Liabilities	2,507.89	2,697.10	2,508.64	2,697.14
	Total- Equity and Liabilities	13,549.85	11,775.07	14,151.91	12,394.57

Note 1. Wherever necessary figures for the previous periods/ year have been regrouped, reclassified/recasted to conform to the classification of the current period/year.



Place : New Delhi
Date: 29.06.2021

For and on behalf of Rail Vikas Nigam Limited

Pradeep Gaur
Pradeep Gaur

Chairman & Managing Director
DIN: 07243986

RAIL VIKAS NIGAM LIMITED

Registered office: 1st Floor, August Kranti Bhawan, Bhikaji Cama Place, R. K. Puram, New Delhi, South Delhi -110066

STATEMENT OF STANDALONE/CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021

(Rs. in crore)

Particulars	Standalone					Consolidated					
	Quarter Ended			Year ended		Quarter Ended			Year ended		
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020	
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	
1. Income :											
(a) Revenue from operations	5,577.88	3,732.38	4,220.67	15,403.65	14,530.58	5,577.92	3,732.44	4,220.67	15,403.76	14,530.58	
(b) Other income	72.34	132.45	56.58	326.75	265.58	67.36	119.97	56.61	309.32	245.68	
Total Income	5,650.22	3,864.83	4,277.25	15,730.40	14,796.16	5,645.28	3,852.41	4,277.28	15,713.08	14,776.26	
2. Expenses											
(a) Expense on Operation	5,150.25	3,444.97	3,893.64	14,229.53	13,415.82	5,150.02	3,445.03	3,893.64	14,229.41	13,415.82	
(b) Employee benefits expenses	54.00	49.19	45.84	207.76	189.94	54.02	49.19	45.84	207.78	189.94	
(c) Finance costs	7.82	6.10	7.94	28.27	40.99	7.82	6.10	7.94	28.27	40.99	
(d) Depreciation, amortisation & impairment expense	5.16	4.35	7.78	22.92	20.29	5.16	4.35	7.78	22.92	20.29	
(e) Other expenses	19.71	16.86	71.69	64.34	119.24	19.81	17.27	71.70	64.85	119.29	
(f) CSR Expense	(0.00)	1.15	1.62	21.86	19.05	(0.00)	1.15	1.62	21.86	19.05	
Total Expenses	5,236.94	3,522.62	4,028.51	14,574.73	13,805.33	5,236.83	3,523.09	4,028.52	14,575.09	13,805.38	
3. Profit/(Loss) from operations before Share of Profit / (Loss) of Joint Ventures Exceptional items and tax (1- 2)	413.28	342.21	248.74	1,155.67	990.83	408.45	329.32	248.76	1,137.99	970.88	
4. Share of Profit / (Loss) of Joint Ventures	-	-	-	-	-	(26.41)	13.14	50.02	(0.44)	(13.23)	
5. Profit/(Loss) from operations before Exceptional items and tax (3+4)	413.28	342.21	248.74	1,155.67	990.83	382.04	342.46	298.78	1,137.55	957.65	
6. Exceptional items (Net)	-	-	-	-	-	-	-	-	-	-	
7. Profit / (Loss) from operations before Tax (5 + 6)	413.28	342.21	248.74	1,155.67	990.83	382.04	342.46	298.78	1,137.55	957.65	
8. Tax Expense											
(a) Current Tax	77.24	60.08	53.32	226.30	206.03	77.24	60.08	53.32	226.31	206.05	
(b) Earlier Year Tax	(6.44)	-	-	(6.44)	-	(6.44)	-	-	(6.44)	-	
(c) Deferred Tax	(1.39)	1.36	(1.87)	(4.73)	(5.05)	(1.39)	1.36	(1.87)	(4.73)	(5.05)	
9. Net Profit / (Loss) for the period/year (7 - 8)	343.88	280.77	197.29	940.55	789.85	312.63	281.02	247.33	922.41	756.65	
10. Other Comprehensive Income											
(a) Items that will not be reclassified to Profit and Loss	0.89	(0.09)	(1.91)	0.71	(2.42)	0.89	(0.09)	(1.91)	0.71	(2.42)	



(b)	Income tax relating to items that will not be reclassified to Profit and Loss	(0.15)	0.01	0.29	(0.12)	0.37	(0.15)	0.01	0.29	(0.12)	0.37
c)	Remeasurement of Investment of equity instrument (net of tax)	0.03	-	-	0.03	-	0.03	-	-	0.03	
d)	Share of Comprehensive income of Joint Ventures	-	-	-	-	-	0.00	-	0.01	0.00	0.01
11.	Total Comprehensive Income/(Loss) for the period/year	344.65	280.69	195.67	941.17	787.80	313.40	280.94	245.72	923.03	754.61
12.	Net Profit/(Loss) is attributable to :										
(a)	Owners of the Parent	343.88	280.77	197.29	940.55	789.85	312.63	281.02	247.33	922.41	756.65
(b)	Non Controlling Interest	-	-	-	-	-	-	-	-	-	-
13.	Other Comprehensive Income is attributable to :										
(a)	Owners of the Parent	0.77	(0.08)	(1.62)	0.62	(2.05)	0.77	(0.08)	(1.61)	0.62	(2.04)
(b)	Non Controlling Interest	-	-	-	-	-	-	-	-	-	-
14.	Total Comprehensive Income is attributable to :										
(a)	Owners of the Parent	344.65	280.69	195.67	941.17	787.80	313.40	280.94	245.72	923.03	754.61
(b)	Non Controlling Interest	-	-	-	-	-	-	-	-	-	-
15.	Paid up Equity Share Capital (Face Value of Rs. 10 per share)	2,085.02	2,085.02	2,085.02	2,085.02	2,085.02	2,085.02	2,085.02	2,085.02	2,085.02	2,085.02
16.	Other Equity (Excluding Revaluation Reserve) (As per Audited Balance Sheet)				2,880.56	2,414.75				3,481.87	3,034.22
17.	Earnings Per Equity Share (Face Value of Rs. 10 per share)										
(a)	Basic	1.65	1.35	0.95	4.51	3.79	1.50	1.35	1.19	4.42	3.63
(b)	Diluted	1.65	1.35	0.95	4.51	3.79	1.50	1.35	1.19	4.42	3.63

NOTES :

- 1) The above Standalone/ Consolidated financial results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 29.06.2021 and have been audited by statutory auditors of the company. The statutory auditors have expressed an unmodified opinion.
- 2) Figures of last quarter are balancing figures between audited figure in respect of the full financial year and the published year to date figures up to the third quarter of the relevant financial year
- 3) The Standalone/Consolidated financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standards) amendment Rules, 2016 and other recognized accounting practices and policies to the extent applicable
- 4) The Company /Group operates in a single reportable operating Segment 'Development of Rail Infrastructure', Hence there are no separate operating segments as per with Ind AS 108 -Operating Segments
- 5) Section 115BAA has been inserted in the Income Tax Act, 1961 vide Taxation laws (Amendment) Ordinance, 2019 issued all 20th September 2019 which enables domestic companies to exercise a non-reversible option to pay corporate tax at reduced rates effective 1 st April 2019 subject to certain conditions. The company has not exercised this option yet.



- 6) Company paid interim dividend of Rs. Rs. 237.69 Crores. The BoD has recommended a Final Dividend of Rs.0.44 per equity share on face value of Rs. 10/- per equity share for the financial year 2020-21, subject to the approval of the shareholders at the AGM.
- 7) The company on humanitarian grounds framed a policy and issued a circular to that effect, to provide help to workers at various worksites during COVID-19, such as arrangement for their lodging, food, separation of patients from others, moving to hospitals etc. with a view to prevent migration of workers from worksites and accordingly made a provision of Rs. 50 crores in the financial statements for year ended 31 March 2020. However, during the financial year 2020-21 it was decided that the expenditure on this account has to be borne by the contractors and hence it is concluded that there is no liability on RVNL and the provision made in previous year now written back.
- 8) Despite continuation of pandemic COVID-19 globally and in India, Company has been able to registered a growth of 6% in turnover. In view of the Management assessment, likely impact on the business of the Company is only for short term and no medium to long term risks is perceived which will have an impact on Company's ability to continue as a going concern. In FY 2020-21, there was no significant impact on financial performance of the Company. Based on the internal and external information upto the date of approval of these financial statements ,the company expects to recover the carrying amount of its assets , investments, trade receivables, contract assets . The Company has assessed the impactof COVID-19 on financial and physical performance in 2021-22, which may be due to (i) provision of inadequate funds, (ii) unavailability of labourers and goods during lock down period, (iii) impact of restrictions on transportation etc., impact so assessed is not much significant. Further, considering the Company's business plans and the assurance of the Ministry of Railways to provide adequate funds for project execution in 2021-22, the Management do not foresee any uncertainty in continuing its business operations. However, Company will continue to monitor developments to identify significant uncertainties relating to business operations in future periods
- 9) Wherever necessary figures for the previous periods/ year have been regrouped, reclassified/recasted to conform to the classification of the current period/year.
- 10) Govt of India through Department of Investment and Public Asset Management (DIPAM) O.M. dated 23.03.2021 directed the RVNL to have the Offer for Sale (OFS) of a base size of 10% of paid-up Equity Shares with an option to sell additional shares up-to 5% of paid up capital in case of over subscription. Floor price was fixed at Rs.27.50 per share. Disinvestment of 2009,33,926 equity shares (9.64%) was done from 24.03.2021 to 25.03.2021.The proceeds amounting to Rs.552.60 crore have been realised by Govt. of India. Further vide Department of Investment and Public Asset Management letter dated 31.03.2021 100,46,696 equity shares of Rs.10 each , approximately 0.48% of total paid up equity capital were to be offered to employees. Disinvestment of 127,923 equity shares was done through Employees-OFS on 08.04.2021 realising an amount of Rs. 0.35 crore (0.006% of total paid up equity capital).Total disinvestment made up to 31.03.2021 is 21.79 % (FY 2019-20 12.16%).Total disinvestment after the employee OFS on 08.04.2021 is 21.80%
- 11) The Audited Accounts are subject to review by Comptroller and Audit General of India under section 143(6) of Companies Act 20 I 3



Place: New Delhi
Date: 29.06.2021

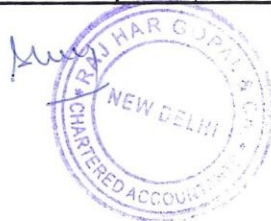
For and on behalf of Rail Vikas Nigam Limited


Pradeep Gaur
Chairman & Managing Director
DIN: 07243986

Statement of Standalone / Consolidated Cash Flow for the year ended 31 March 2021

(Rs. In crore)

PARTICULARS		Standalone		Consolidated	
		Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020
		(Audited)	(Audited)	(Audited)	(Audited)
(a) CASH FLOW FROM OPERATING ACTIVITIES:					
Net Profit Before Taxation		1,155.68	990.84	1,137.56	957.66
Adjustment for:					
Depreciation, amortization		36.67	34.88	36.67	34.88
Share in Profit/Losses of Joint Ventures		-	-	0.44	13.23
Unwinding of interest cost on Lease Obligation		3.01	3.91	3.01	3.91
Unwinding of interest cost on Retention Money		1.14	1.59	1.14	1.59
Unwinding of interest cost on Performance and Security Deposit		(7.83)	8.32	(7.83)	8.32
Loss on sale of assets (net)		0.04	(0.00)	0.04	(0.00)
Provisions/(write back) for Covid		(50.00)	50.00	(50.00)	50.00
Interest Income		(222.39)	(214.46)	(222.46)	(214.57)
Dividend Income		(17.50)	(20.71)	-	(0.71)
Other Comprehensive Income		0.74	(2.42)	0.74	(2.42)
Operating Profit Before Working Capital Changes	1	899.54	851.95	899.29	851.89
Adjustments for (Increase)/Decrease in Operating Assets:					
Trade Receivables (Current)		(145.22)	(196.74)	(145.08)	(196.74)
Lease Receivables (Non-Current)		123.19	155.81	123.19	155.81
Lease Receivables (Current)		35.46	(3.10)	35.46	(3.10)
Project work in progress (Inventory)		(14.31)	(4.70)	(14.31)	(4.70)
Other Non Current Financial Assets		213.70	261.18	213.71	261.18
Other Financial Assets		1,907.07	(2,084.44)	1,907.07	(2,084.44)
Other Non Current Assets		1.25	(0.21)	1.25	(0.21)
Other Current Assets		(2,231.02)	1,919.65	(2,231.18)	1,919.65
		(109.88)	47.45	(109.89)	47.45
(c) Adjustments for (Increase)/Decrease in Operating Liabilities:					
Trade Payables		(428.26)	522.05	(427.51)	522.05
Other Current Financial Liabilities		108.24	184.78	108.26	184.77
Other Non Current Liabilities		(11.08)	20.78	(11.08)	20.78
Other Non Current Financial Liabilities		102.07	50.91	102.08	50.91
Other Current Liabilities		229.37	(2,522.65)	229.41	(2,522.65)
Short Term Provisions		11.76	21.76	11.76	21.76
Long Term Provisions		5.41	7.76	5.41	7.76
		17.51	(1,714.61)	18.33	(1,714.62)
	2	(92.38)	(1,667.17)	(91.56)	(1,667.17)
Cash Generated from Operations	(1+2)	807.16	(815.22)	807.73	(815.28)
Income Tax Paid		(150.40)	(146.40)	(150.52)	(146.42)
NET CASH FROM OPERATING ACTIVITIES	(A)	656.76	(961.63)	657.21	(961.70)
CASH FLOW FROM INVESTING ACTIVITIES:					
Capital Expenditure on Property, Plant & Equipment/Intangible Assets/CWIP		(40.84)	(17.56)	(40.84)	(17.54)
Capital Expenditure on Intangibles Assets under Development		-	(3.89)	-	(3.89)
Sale of Property, Plant and Equipments & Intangible Assets		0.12	0.26	0.12	0.24
Advance for capital asset		(102.09)	-	(102.09)	-
Investment in Subsidiaries & Joint Ventures		(93.07)	(40.09)	(90.60)	(40.09)
Security Deposit paid		(2.46)	2.96	(2.46)	2.96
Interest Received		210.53	211.45	210.61	211.56
Dividend Received		17.50	20.71	17.50	20.71
Bank Balances other than cash and cash equivalents		82.45	(50.31)	82.45	(50.31)
NET CASH FROM INVESTING ACTIVITIES	(B)	72.14	123.53	74.69	123.64
CASH FLOW FROM FINANCING ACTIVITIES:					
Proceeds from Long Term Borrowings		1,429.69	1,407.96	1,429.69	1,407.96
Repayment of Short - Term Borrowings		(265.74)	(262.65)	(265.74)	(262.65)
Repayment of Loan to Employees		(4.88)	(0.48)	(4.88)	(0.48)
Repayment of Interest		(245.08)	(271.66)	(245.08)	(271.66)
Payment of Lease Liabilities		(22.92)	(23.20)	(22.92)	(23.20)
Dividend (Including Dividend Distribution tax) paid		(475.38)	(23.34)	(475.38)	(23.34)
NET CASH FROM FINANCING ACTIVITIES	(C)	415.69	826.63	415.69	826.63



Net Increase/ (Decrease) in Cash & Cash Equivalent	(A+B+C)	1,144.59	(11.47)	1,147.59	(11.43)
Cash & Cash Equivalent (Opening)	(E)	271.76	283.22	273.81	285.23
Cash & Cash Equivalent (Closing)	(F)	1,416.35	271.76	1,421.40	273.81
Cash and Cash Equivalents					
- Cash and Cheques in Hand					
Balance with Scheduled Banks					
- On Current Account		1,415.95	271.76	1,416.36	273.81
- Cheques in Transit		-	-	0.13	-
- On term Deposit Account		0.40	-	4.91	-
		1,416.35	271.76	1,421.40	273.81

Note 1. Wherever necessary figures for the previous periods/ year have been regrouped, reclassified/recasted to conform to the classification of the current period/year.



Place : New Delhi
Date: 29.06.2021

For and on behalf of Rail Vikas Nigam Limited


Pradeep Gaur
Chairman & Managing Director
DIN: 07243986