

BSE Limited (Through BSE Listing Centre) 1 st Floor, New Trade Wing, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street Fort, Mumbai-400001 Scrip Code: 542649 /RVNL	National Stock Exchange of India Ltd. (Through NEAPS) National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400051 Scrip Code: RVNL
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Sub: Consideration and Approval of Financial Statements for the quarter/year ended March 31, 2019 and Recommendation of Final Dividend on equity shares.

Dear Sir/Madam,

We wish to inform that at the Meeting of the Board of Directors held on May 29, 2019 the Board has considered and approved the Audited Financial Statements (Standalone and Consolidated) for the year ended March 31, 2019 as reviewed and recommended by the Audit Committee. Pursuant to Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the said Financial Results along with the Auditors Report thereon are attached herewith.

Further, in Compliance with the Regulation 30 read with Regulation 43 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 we write to inform that at the said Board Meeting, the Board has also recommended Final Dividend of Rs. **0.09/-** per Equity share of face value of Rs. 10/- each, for the financial year 2018-2019 for the consideration and approval of the shareholders at the ensuing Annual General Meeting. The Dividend is proposed to be paid within 30 days from the date of approval by the shareholders in the ensuing Annual General Meeting. This final dividend is in addition to an interim dividend of Rs. 0.80 per share already paid for the financial year 2018-19.

The Meeting of the Board of Directors commenced at **1400 hours** and concluded at **1800 hours**

This is for your Information and record.

Thanking You,

Yours faithfully,

For Rail Vikas Nigam Limited

Kalpana
29/5/2019
(Kalpana Dubey)

Company Secretary & Compliance Officer
Membership No. F7396



RAIL VIKAS NIGAM LIMITED

(A Govt. of India Enterprise)

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

CIN: L74999DL2003G00118633 Email: investors@rvnl.org

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED 31ST MARCH, 2019

Sl. NO.	Particulars	Standalone Results				Consolidated Results	
		3 Months Ended 31.03.2019 (Unaudited)	Corresponding 3 Months Ended 31.03.2018 (Unaudited)	Current Year Ended 31.03.2019 (Audited)	Previous Year Ended 31.03.2018 (Audited)	For the Year ended 31.03.2019 (Audited)	For the Year ended 31.03.2018 (Audited)
		(₹ in lakh)					
1	Income						
a	Revenue from Operation	341,844.49	265,017.01	1,006,007.06	755,655.93	1,006,858.13	759,735.77
b	Other Income	6,219.09	5,578.55	27,263.21	22,480.27	27,274.19	22,493.20
	Total Income	348,063.57	270,595.56	1,033,270.27	778,136.20	1,034,142.32	782,228.97
2	Expenses						
a	Expenses on Operations	317,180.85	244,449.89	929,904.50	668,318.67	930,765.57	702,396.51
b	Employee benefits expenses	4,887.88	4,354.33	16,200.88	14,034.44	16,209.88	14,034.44
c	Finance Costs	2,208.03	1,175.59	5,197.58	4,472.48	5,197.98	4,465.89
d	Depreciation, amortization and impairment	176.78	117.25	573.68	483.49	573.72	483.52
e	Other Expenses	2,332.61	1,239.41	5,646.86	4,282.48	5,652.81	4,294.05
f	GSR Expenses	4.45	248.23	1,148.46	767.35	1,148.46	767.35
	Total Expenses	326,490.60	251,584.62	958,681.37	722,356.88	959,548.42	726,441.76
3	Profit/(loss) before exceptional items and tax(1-2)	21,572.97	19,010.95	74,588.90	55,779.32	74,593.90	55,787.21
4	Exceptional items	1,242.35	(0.15)	1,242.35	835.60	1,242.35	635.60
5	Share in Profit/Loss of Joint Ventures)	-	-	-	-	9,661.99	9,980.54
6	Profit/(Loss) before tax (3+4+5)	22,815.32	19,010.82	75,831.25	56,614.92	85,698.24	65,403.35
7	Tax expense:						
a	Current tax	4,850.26	3,927.74	15,997.39	11,903.69	15,098.69	11,905.20
b	Deferred tax (net)	(618.87)	(1,267.68)	(824.77)	(2,454.50)	(824.79)	(2,454.50)
	Total Tax Expenses	4,231.39	2,660.06	15,172.63	9,449.19	15,173.91	9,461.70
8	Profit/(loss) for the period from continuing operation (6-7)	18,583.93	16,350.76	60,658.62	46,965.73	70,524.33	56,951.65
9	Profit/(loss) from discontinued operations	-	-	-	-	-	-
10	Tax Expense of discontinued operations	-	-	-	-	-	-
11	Profit/(loss) from discontinued operations (after tax)	-	-	-	-	-	-
12	Profit/(loss) for the period (8+9+10+11)	18,583.93	16,350.76	60,658.62	46,965.73	70,524.33	56,951.65
13	Other Comprehensive Income						
14	Items that will not be reclassified to profit or loss						
a	Remeasurement gains (losses) on defined benefit plans	(169.76)	8.93	(166.60)	(61.55)	(166.45)	(61.87)
b	Income tax effect on Remeasurement gains (losses) on defined benefit plans	15.39	(0.83)	15.09	5.73	15.08	5.77
c	Investment in equity instruments net of income Tax effect	(0.00)	-	(2.55)	-	(2.55)	-
	Total Comprehensive Income for the period (Comprehensive profit and other comprehensive income for the period)(12+13+14)	18,429.57	16,358.86	60,504.46	46,905.91	70,370.31	56,895.75
15	Paid up Equity Share Capital (Face value Rs. 10/- each)	208,502.01	208,502.01	208,502.01	208,502.01	208,502.01	208,502.01
17	Other Equity excluding Revaluation Reserve	8,329.42	3,781.48	165,373.40	128,646.14	231,054.94	183,900.17
18	Basic & Diluted Earnings Per Share	0.89	0.78	2.91	2.25	3.39	2.73
	(1) Basic	0.89	0.78	2.91	2.25	3.38	2.73
	(2) Diluted	0.89	0.78	2.91	2.25	3.38	2.73

NOTES

subject to audit u/s 143 (6) of the companies Act, 2013 by the C & AG of India

1 The figures have been regrouped, wherever necessary.

2 The audited accounts of the subsidiary company, High Speed Rail Corporation of India Limited and audited accounts of Joint Venture companies, Krishnapatanam Railway Company Limited (KRCL), Angul Sukinda Railway Limited (ASRL), Dighi Rona Rail Limited, Haldaspur Paradip Railway Company Limited (HPRCL), Kutch Railway Company Limited and unaudited accounts of Joint Venture company Bharuch Dahanu Railway Company Limited (BDRCL) have been consolidated in accordance with the Indian Accounting Standard 110 'Consolidated Financial Statement', Indian Accounting Standard 111 'Joint Arrangements' and Indian Accounting Standard 28 'Investments in Associates and Joint Ventures.

3 The above results have been reviewed by the audit committee and approved by the Board of Directors in their meeting held on 29.05.2019

4 The company has prepared these consolidated and standalone financial statements in accordance with the companies (Indian Accounting Standards) Rules, 2015, (Ind AS) prescribed under section 133 of the companies Act, 2013

5 Effective April 1, 2018 the company has adopted Ind AS 115 "Revenue from contracts with customers". The effect of adoption of IND AS 115 is insignificant on the financial results. Contract assets are included in other current assets.

6 In addition to interim dividend of ₹ 0.80 per share already paid, the Board of directors has recommended a final dividend of ₹ 0.09 Per share (Face value ₹ 10 Per share)

7 Figures for the quarter ended 31st March 2019 and 31st March 2018 are derived by deducting the reviewed year to date figures for the period ended 31st December 2018 and 31st December 2017 from the audited figures for the year ended 31st March 2019 and 31st March 2018 respectively.

8 In compliance to Ministry of Railway (MoR), Govt. of India, decision (March 2019) to divest 12.16% of the equity of the company. The Company invited Initial Public Offer on 29.03.2019. IPO was closed on 04.04.2019 and the company was listed on 11.04.2019. The company opened an escrow account and received ₹ 47686.09 lakh during the period 01.04.2019 to 11.04.2019 towards application money.

9 The additional information as required under Regulation 52 (4) of SEBI (Listing obligations and Disclosure requirements) Regulations, 2015 is as below:

Particulars	As at 31st March 2019		
	Unit	Standalone	Consolidated
Net worth	₹ in Crores	3,730.75	4,365.57
Debt - Equity Ratio	Times	0.81	0.99

Place: New Delhi
Dated : 29.05.2019



For Rail Vikas Nigam Limited

Pradeep Gaur
Pradeep Gaur

Chairman and Managing Director
DIN: 07243086



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: L74999DL2003GO1118633 Email: investors@rvnl.org

STATEMENT OF ASSETS AND LIABILITIES

(₹ in lakh)

Particulars	Standalone		Consolidated	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
I. ASSETS				
1 Non-current assets				
(a) Property Plant and equipment	25,082.24	24,875.89	25,082.30	24,875.99
(b) Capital work-in-progress	895.03	-	895.03	-
(c) Other Intangible assets	2,840.52	11.08	2,840.52	11.08
(d) Intangible assets under development	247.75	2,113.58	247.75	2,113.58
(e) Investments in Joint Ventures (Equity Method)			157,560.53	122,116.89
(f) Financial Assets -				
(i) Investments	92,884.35	85,867.35	997.00	1,000.00
(ii) Lease Receivables	154,194.63	171,952.77	154,194.63	171,952.77
(iii) Loans	944.33	647.56	944.33	647.56
(iv) Others	44,421.71	46,263.24	44,421.71	48,283.24
(g) Deferred tax assets (Net)	7,396.49	6,556.28	7,396.49	6,556.28
(h) Other non-current assets	23.61	27.00	23.61	27.00
Sub-Total Non-Current Assets	328,931.67	318,314.75	394,604.90	375,554.39
2 Current assets				
(a) Project-Work-in-Progress	448.02	192.46	448.02	192.46
(b) Financial Assets				
(i) Trade Receivables	63,991.12	71,484.26	63,801.33	71,289.42
(ii) Lease Receivables	26,264.56	24,132.50	26,264.56	24,132.50
(iii) Cash and cash equivalents	28,322.35	33,960.48	28,523.37	34,162.20
(iv) Bank Balances other than (iii) above	65,916.52	106,123.01	65,916.52	106,123.01
(v) Loans	1,190.56	741.74	1,190.56	741.74
(vi) Others	47,450.94	39,137.53	47,450.94	39,137.96
(c) Current Tax Asset (Net)	453.39	987.56	454.58	988.76
(d) Other current assets	577,348.36	176,108.69	577,348.36	176,108.79
Sub-Total Current Assets	811,385.81	452,858.23	811,398.23	452,876.84
Total Assets	1,140,317.48	771,182.99	1,206,003.13	828,441.23
II. EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share Capital	208,502.01	208,502.01	208,502.01	208,502.01
(b) Other Equity	165,373.49	126,646.14	231,054.84	183,900.17
Sub-Total Equity	373,875.50	335,148.15	439,556.85	392,402.18
2 Liabilities				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowing	302,419.71	225,914.87	302,419.71	225,914.87
(ii) Other financial liabilities	22,952.13	37,482.80	22,952.13	37,482.80
(b) Provisions	1,391.19	916.12	1,391.19	916.12
(c) Other Non current liabilities	2,230.93	4,008.35	2,230.93	4,008.35
Sub-Total Non-Current Liabilities	328,993.96	268,322.14	328,993.96	268,322.14
Current liabilities				
(a) Financial Liabilities				
(i) Trade payables				
i. total outstanding dues of micro enterprises and small enterprises				
ii. total outstanding dues of creditors other than micro enterprises and small enterprises	14,004.66	6,844.75	14,004.66	6,844.75
(ii) Other financial liabilities	118,040.85	89,124.83	118,045.03	89,127.54
(b) Other current liabilities	299,526.14	65,921.71	299,526.63	65,923.20
(c) Provisions	4,861.74	4,511.31	4,861.74	4,511.31
(d) Current Tax liability (Net)	1,014.63	1,310.11	1,014.26	1,310.11
Sub-Total Current Liabilities	437,448.02	167,712.70	437,452.32	167,716.91
Total Equity and Liabilities	1,140,317.48	771,182.99	1,206,003.13	828,441.23



Praveen





INDEPENDENT AUDITORS' REPORT

To

**The Members
Rail Vikas Nigam Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Rail Vikas Nigam Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, 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 a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone 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, 2019, 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 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 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)

- Without qualifying our report attention is invited to note no. 10.1 and 10.6 of Standalone Ind As financial statement Trade Receivable from Related Party. RVNL receives advance payment from SPVs for incurring expenditures on their projects. However, in case of Krishnapatnam Railway Company Limited, RVNL is incurring project expenditures on a regular basis but insignificant amount is being received from Krishnapatnam Railway Company Limited as advance payment. During the financial year 2018-19, RVNL has incurred project expenditures amounting to Rs. 38026.60 lacs on Krishnapatnam Railway Company Limited (KRCL). KRCL has not paid the amount dues due to some dispute and Trade Receivable from Krishnapatnam Railway Company Limited as on 31st March, 2019 is Rs. 63,146.28 lacs and Interest receivables amount of Rs. 21,833.97 lacs i.e. total Receivable from Krishnapatnam Railway Company Limited amounting to Rs. 84,980.25 Lakhs.
- Without qualifying our report attention is invited to Note No. 12(a) regarding Advance to Zonal Railways, Advance to Sleepers, Utility Advance and Advance Released for Supply of Rail. No balance confirmation has been received relating to Advance to Zonal Railways, Advance to Sleepers, Utility Advance and Advance Released for Supply of Rail of Rs. 56,654.70 lacs, Rs. 15,506.96 lacs, Rs. 25,752.43 lacs and Rs. 4,712.49 lacs as on 31st March, 2019.
- Without qualifying our report attention is invited to Note No. 6.1 regarding, The financial statements include investment in Bharuch Dahej Railway Company Limited (BDRCL), a jointly controlled entity based on its unaudited financial statements as approved by Board of the company.

Key Audit Matters

Key audit matters are those matters that in our professional judgment were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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 new Ind AS 115</u></p> <p>The application of the new Ind AS 115 from current year 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 49 to the standalone financial statements</p>	<p>We assessed the company's internal process for adoption and evaluating the impact of new 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 the new 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.63,991.12 lakhs and contract assets of Rs. 347,318.57 lakhs at the end of March 31, 2019</p> <p>These balances are related to revenue recognized in line with</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> <ul style="list-style-type: none"> ▪ Evaluated the process of invoicing, verifications, and reconciliations with customers.



<p>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 consolidated financial statements.</p>	<p>mechanism by the management</p> <ul style="list-style-type: none"> ▪ 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.
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Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company Management 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 financial statements and our auditor's report thereon.

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

Management's Responsibility for the Financial Statements

The Management of company is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and changes in equity (reserves) of the Unit 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management of company 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 the Management of company either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit 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 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:

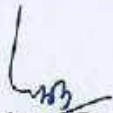
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income and Statement of Changes in Equity (reserves) dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid 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 financial statements. Refer Note 37 A. and 37 B. to the financial statements.
 - ii. The unit 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.



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


Gopal Krishna Gupta
Partner
Membership No.081085



Place: New Delhi
Date: May 29, 2019

“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 31,2019, 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, 2019 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. 15.28 lacs 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:



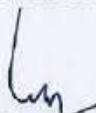
Assessment Year	Amounts (Rs. In lacs)	Forum where pending
2008-09	15.17	Assessing officer u/s 154
2012-13	0.06	CPC u/s 220(2)
2014-15	0.02	Assessing officer u/s 143(3)
2015-16	0.03	CPC u/s 143(1a)
Total	15.28	

- 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, government or debenture holders.
- ix) Provisions of clause no. (ix) relating to utilization of moneys raised by way of Initial Public Offer or Further Public Offer including debt instruments and term loans, as per information and explanations given to us, the company, In compliance to Ministry of Railway (MOR), Govt. of India, decision (March 2019) to disinvest 12.16% of the equity of the company, The Company invited Initial Public Offer on 29.03.2019, IPO was closed on 04.04.2019 and the company was listed on 11.04.2019. The company opened an escrow account and received Rs. 47,686.09 lakh during the period 01.04.2019 to 11.04.2019 towards application money and the proceeds have been applied by the company for the purpose they were raised.
- 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.



- 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 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 Unit 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


Gopal Krishan Gupta
Partner
Membership No.081085



Place: New Delhi
Date: May 29, 2019

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE 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, 2019 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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



including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

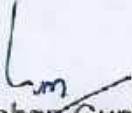
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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



Opinion

In our opinion, the company 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, 2019, 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


Gopal Krishan Gupta
Partner
Membership No. 081085



Place: New Delhi
Date: May, 29, 2019

“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 2018-19

Sl 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


Gopal Krishan Gupta
Partner
Membership No. 081085
Place: New Delhi
Date: May 29, 2019

