

RVNL/SECY/STEX/2019

19<sup>th</sup>, August, 2019

<b>BSE Limited</b> 1 <sup>st</sup> Floor, New Trade Wing, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street Fort, Mumbai-400001  Scrip Code: 542649	<b>National Stock Exchange of India Ltd.</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400051  Scrip Code: RVNL
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**Sub: 16th Annual Report for the financial year 2018-19 alongwith Annual General Meeting Notice**

Dear Sir/Madam,

Pursuant to provisions of Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, enclosed please find herewith 16<sup>th</sup> Annual Report for the financial year 2018-19.

We are also enclosing the Notice convening 16<sup>th</sup> Annual General Meeting of the members of the Company, scheduled to be held on Wednesday, 18<sup>th</sup> September, 2019 at 11:30 AM at Zoravar Hall - Manekshaw Centre, Khyber Lines, Delhi Cantonment, New Delhi - 110010, to transact the business as set out therein.

The Annual Report for the financial year 2018-19 including the Notice of the AGM is available on the company's website at the following link:

<https://www.rvnl.org/en/Pages/annualreports.aspx>

Kindly take this information on record and acknowledge the same.

Thanking You,

Yours faithfully,  
For Rail Vikas Nigam Limited



**(Kalpana Dubey)**  
Company Secretary & Compliance Officer  
Membership no. F7396

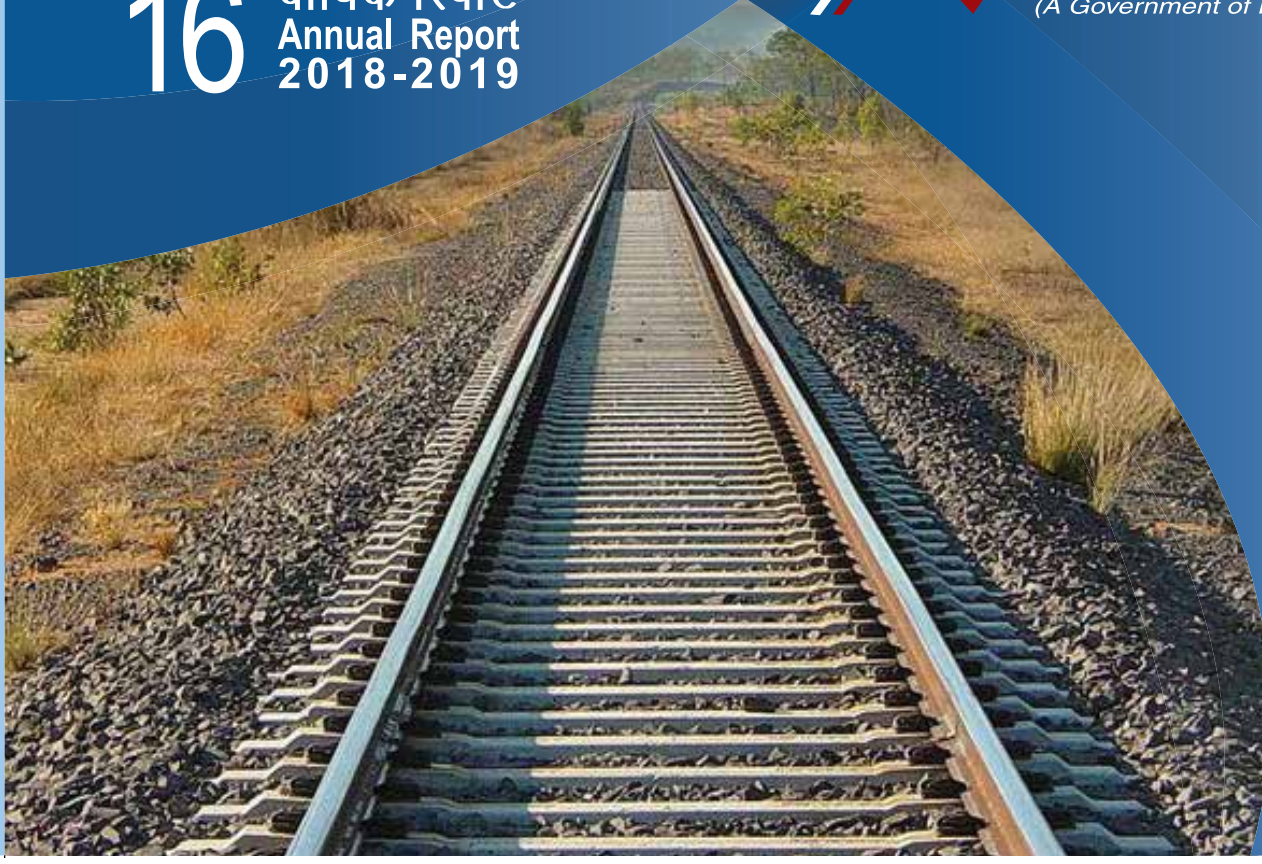






16<sup>वीं</sup> वार्षिक रिपोर्ट  
Annual Report  
2018-2019

 **रेल विकास निगम लिमिटेड**  
**Rail Vikas Nigam Limited**  
गुणवत्ता, गति एवं पारदर्शिता  
(A Government of India Enterprise)





# ***MISSION***

To create state of the art Rail transport infrastructure to meet the growing demand.

# ***VISION***

To emerge as the most efficient provider of Rail infrastructure, with a sound financial base and global construction practices, for timely completion of projects



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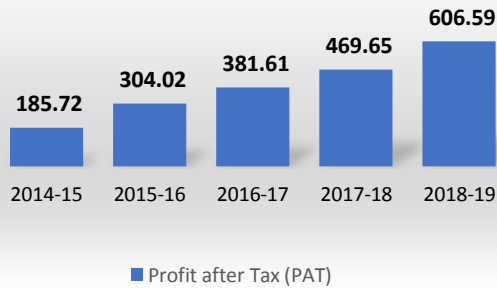
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## PERFORMANCE HIGHLIGHTS DURING LAST FIVE YEARS

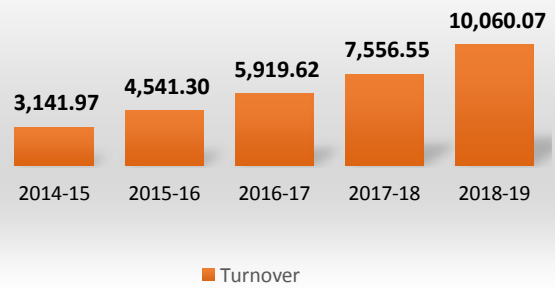
(₹ in crores except EPS)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Turnover	3,141.97	4,541.30	5,919.62	7,556.55	10,060.07
Paid-up Capital	2,085.02	2,085.02	2,085.02	2,085.02	2,085.02
Reserves and Surplus	593.84	926.55	1,001.77	1,266.46	1,653.73
Net Worth	2,678.86	3,011.57	3,083.37	3,351.48	3,738.76
Net Fixed Asset	8.87	11.55	20.29	269.99	290.67
Profit before Tax (PBT)	236.35	371.83	481.38	564.14	758.31
Provision for Tax	50.63	67.81	99.77	94.49	151.73
Profit after Tax (PAT)	185.72	304.02	381.61	469.65	606.59
Dividend	37.20	115.10	154.50	167.57	180.64
Earning Per Share (EPS)	0.89	1.46	1.83	2.25	2.91

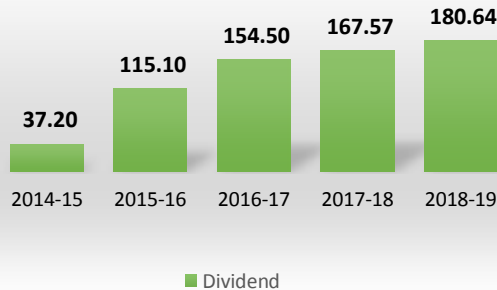
PAT (₹ in crore)



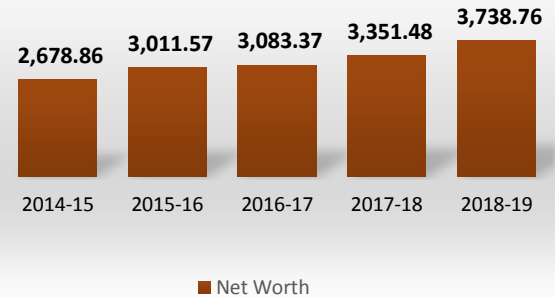
Turnover (₹ in crore)



Dividend (₹ in crore)



Net Worth (₹ in crore)



## निदेशक मंडल एवं प्रमुख प्रबंधकीय कार्मिक / Board of Directors & Key Managerial Personnels



श्री प्रदीप गौड़  
अध्यक्ष एवं प्रबंध निदेशक  
**Mr. Pradeep Gaur**  
Chairman & Managing Director



श्रीमती गीता मिश्रा  
निदेशक (कार्मिक)  
**Mrs. Gita Mishra**  
Director (Personnel)  
(Upto 12.10.2018)



श्री अजय कुमार  
निदेशक (कार्मिक)  
**Mr. Ajay Kumar**  
Director (Personnel)  
(w.e.f. 24.10.2018)



श्री विजय आनंद  
निदेशक (परियोजना)  
**Mr. Vijay Anand**  
Director (Projects)  
(Upto 31.07.2019)



श्री विनय सिंह  
निदेशक (परियोजना)  
**Mr. Vinay Singh**  
Director (Projects)  
(w.e.f. 1.8.2019)



श्री अरुण कुमार  
निदेशक (परिचालन)  
**Mr. Arun Kumar**  
Director (Operations)



श्री एस.सी. जैन  
(अंशकालिक सरकारी) निदेशक  
**Mr. S.C. Jain**  
(Part Time Official) Director  
(Upto 17.05.2019)



श्री हरि मोहन गुप्ता  
(अंशकालिक सरकारी) निदेशक  
**Mr. Hari Mohan Gupta**  
(Part Time Official) Director  
(w.e.f. 17.05.2019)



श्री ए.पी. द्विवेदी  
(अंशकालिक सरकारी) निदेशक  
**Mr. A.P. Dwivedi**  
(Part Time Official) Director



श्री शिव कुमार गुप्ता  
(अंशकालिक गैर सरकारी) निदेशक  
**Mr. Shiv Kumar Gupta**  
(Part Time Non-Official) Director



श्री विनायक भालचन्द्र करंजीकर  
(अंशकालिक गैर सरकारी) निदेशक  
**Mr. Vinayak Bhalachandra Karanjikar**  
(Part Time Non-Official) Director



श्री आर.एच. ख्वाजा  
(अंशकालिक गैर सरकारी) निदेशक  
**Mr. R.H. Khwaja**  
(Part Time Non-Official) Director



श्रीमती सबिता प्रधान  
(अंश कालिक गैर सरकारी) निदेशक  
**Mrs. Sabita Pradhan**  
(Part-Time Non-Official) Director



डा. एल.वी.एम. रेड्डी  
(अंश कालिक गैर सरकारी) निदेशक  
**Dr. L.V.M. Reddy**  
(Part-Time Non-Official) Director



श्री अनिल कुमार  
(अंश कालिक गैर सरकारी) निदेशक  
**Mr. Anil Kumar**  
(Part-Time Non-Official) Director



प्रमुख जनरल (सेवानिवृत्त) साइरस ए. पीठावाला  
(अंश कालिक गैर सरकारी) निदेशक  
**Major General (Retd.) Cyrus A. Pithawalla**  
(Part-Time Non-Official) Director  
(w.e.f. 11.07.2019)

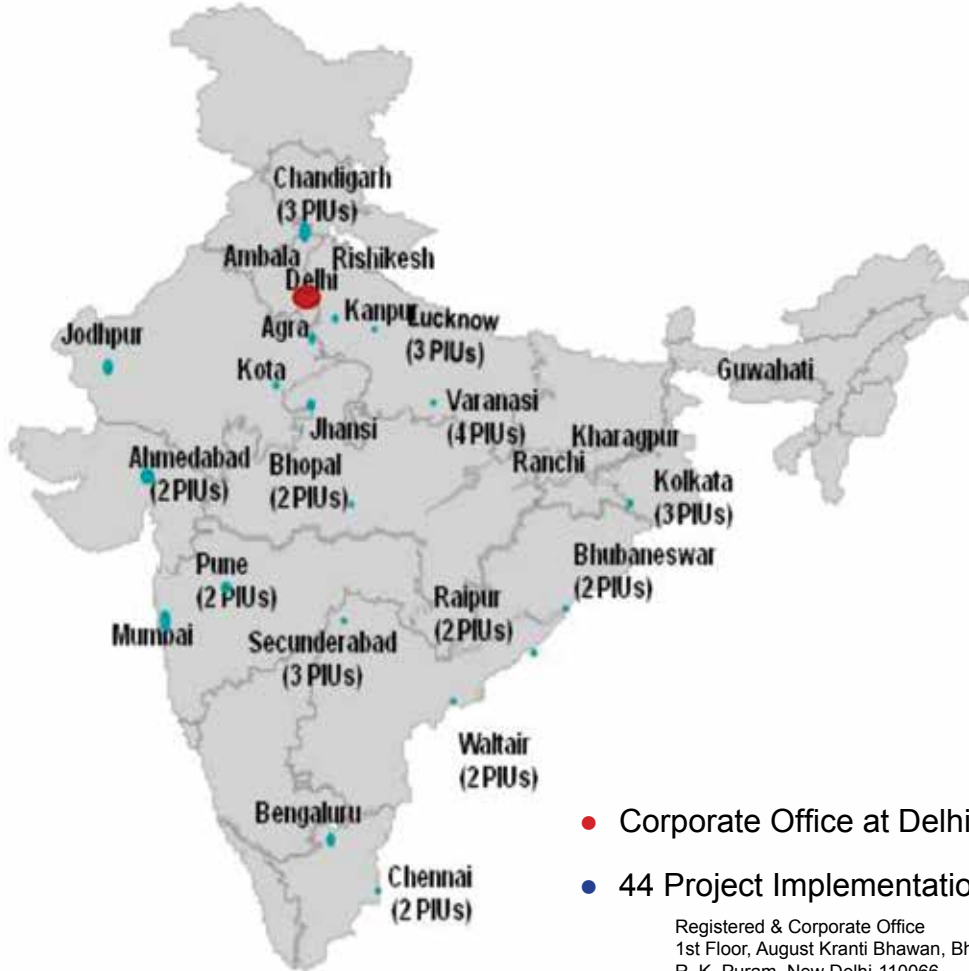


श्री ए.के. चौधरी  
मुख्य वित्तीय अधिकारी  
**Mr. A.K. Choudhary**  
Chief Financial Officer



श्रीमती कल्पना दुबे  
कम्पनी सचिव एवं अनुपालन अधिकारी  
**Mrs. Kalpana Dubey**  
CS & Compliance Officer

# Rail Vikas Nigam Limited



- Corporate Office at Delhi
- 44 Project Implementation Union

Registered & Corporate Office  
 1st Floor, August Kranti Bhawan, Bhikaji Cama Place,  
 R. K. Puram, New Delhi-110066

COMPANY SECRETARY &  
 COMPLIANCE OFFICER  
 Mrs. Kalpana Dubey

STATUTORY AUDITORS  
 Raj Har Gopal & Co.  
 412, Ansal Bhawan, 16,  
 Kasturba Gandhi Marg, New Delhi-110001.

INTERNAL AUDITORS  
 Ravi Rajan & Co.  
 505-A, 5th Floor, Rectangle-I, D-4,  
 District Centre, Saket, New Delhi-110017

SECRETARIAL AUDITOR  
 AKHIL ROHATGI & Co.  
 Company Secretaries  
 21, Shamnath Marg, Civil Lines, Delhi – 110054.

## BANKERS





## CHAIRMAN'S MESSAGE



### **Distinguished Shareholders,**

It gives me immense pleasure to present you the 16<sup>th</sup> Annual Report of your Company. The audited accounts of the Company for the financial year 2018-19, along with the Directors' Report and reports of Auditors and comments of Comptroller and Auditor General of India have already been circulated.

As we are all aware, your Company was established with the mandate of fast track implementation of rail infrastructure projects working for and on behalf of Ministry of Railways as an executing agency. The contribution of RVNL to the building of rail infrastructure in the Country is amply demonstrated by the presence of the Company in 44 Project Implementation Units established at 24 locations across the length and breadth of the Country. RVNL is executing projects in all the Zonal Railways and 19 States of the Country.

### **Financial Performance**

In 2018-19, RVNL increased its expenditure on project execution from ₹7556.56 crore to ₹10060.07 crore, which excludes the element of ₹1208.53 crore as GST. This reflects an increase of 33.13%. While the turnover from projects of the Ministry increased to ₹8454.91 crore from ₹6095.11 crore



in the previous year, the turnover from works undertaken for SPVs and other deposit works increased to ₹1605.16 crore during 2018-19 in comparison to ₹1461.45 crore in the previous year.

Profit Before Tax increased from ₹564.15 crore in 2017-18 to ₹758.31 crore in 2018-19, and Profit After Tax (PAT) of the Company is at ₹606.59 crore, showing an increase of 29.16% over the previous year.

In view of the improved financial performance, and in line with the directions of Department of Public Enterprises and the Ministry for payment of Dividend, the Directors of your Company have recommended payment of the highest ever final dividend of ₹186.94 crore for 2018-19, to the Ministry of Railways compared to ₹167.57 crore in the previous year. As a result, the effective management fee of RVNL gets reduced from an average of 8.5% to 6.05%, With the payment of final dividend, the cumulative amount paid as Dividend to the Ministry stands at ₹775 crore.

### **Physical performance**

During the year, with the focus of the Ministry on the commissioning of projects, I am happy to inform the Shareholders that your Company made 733 km of projects ready. Out of this, 93.7 km of New Line, 134.22 km of Gauge Conversion & 465.32 km of Doubling were commissioned and another 40.33 km Doubling was inspected by Commissioners for Railway Safety (CRS) which could not be opened due to operational constraints of the Railways.

In comparison to completing a total of 885.5 km of project length in 2017-18, RVNL completed 999.94 km in 2018-19. This included 263.83 km of Doubling and 500 km of Railway Electrification, 129.19 km of New Line and 106.92 km of Gauge Conversion.

During the year, Guntur-Tenali doubling, Abu Road-Sarotra Road patch doubling, Swarupganj-Abu Road patch doubling, Khodri-Anuppur doubling and Budni-Itarsi 3<sup>rd</sup> line projects were completed.

The Company has also contributed substantially to the commissioning of Railway Electrification projects during the year. In 2018-19, RVNL commissioned 1122.1 km of pure Railway Electrification works on important routes. In addition, 201.49 km of RE was completed with doubling projects. Thus, 1323 km of railway electrification was commissioned in 2018-19 as against 761 km in 2017-18 implying an increase of 74%.

In 2018-19, RVNL commissioned 186 non-interlocking of stations which is the highest till date. This included 87 stations on 4<sup>th</sup> line, 3<sup>rd</sup> line and Doubling projects, 99 stations on Railway

Electrification, 34 Mid-section Level Crossing Gates interlocking and 36 IBS/auto signal. The Company has also been able to successfully commission telecom works involving laying of optic fibre cables and 6 Quad cables of a total of 1200 km.

Progress is also being made on the new hill rail projects assigned to RVNL, that is, the Rishikesh-Karnaprayag section in Uttarakhand and Bhanupali-Bilaspur-Beri section in Himachal Pradesh.

In the past few years, RVNL has shown its capability for planning and delivery of State-of-the-Art Railway Workshops and augmentation of capacity of Production Units. Upto 2017-18, RVNL had successfully completed 6 projects and in 2018-19, work was completed on Aurnihar-DEMU Shed. At present, 02 Workshop projects are under an advanced stage of progress.

The projects related to extension of Kolkata Metro got delayed due to various issues such as non-acquisition of land, awaiting various clearances and removal of hindrances by the local authorities.

I am happy to report that with the proactive involvement of the Ministry of Railways and State Government, the projects have now been given the required push, and the commissioning of lines will commence from 2019-20 onwards.

### **Special Purpose Vehicles**

RVNL has taken the lead for establishing six joint venture Special Purpose Vehicles (SPVs) in partnership with various stakeholders including Ports, Mines, State Governments etc. for implementation of rail connectivity project. RVNL has contributed an equity of only ₹963.26 crore, against which project worth ₹8179.23 crore are being implemented with contribution of equity by the project partners and raising of funds through Financial Institutions.

The project works of the Kutch Railway Company Ltd., Bharuch Dahej Railway Company Ltd. and Krishnapatnam Railway Company Ltd. (partly) have been completed and are under operations. These SPVs are contributing substantially to the total revenues of the Railways.

In Krishnapatnam Railway, the work on the section between Venkatachalam and Obulavaripalle has been completed in June 2019. This section has two tunnels with a total length of about 7.7 km, which were completed in 2018-19 in record time of 25 months. The issue of release of due amount from Railways is under resolution. Doubling of 247 km of the Kutch Railway line between Palanpur and Samakhiali which is being funded completely by the SPV at an estimated cost of ₹1400 crore, has been taken up by RVNL on behalf of the SPV and work is proceeding satisfactorily. The physical works on Haridaspur-Paradip and Angul-Sukinda New Line projects are in progress.

## Human Resource Development

The primary focus of RVNL Management has been to not only attract highly motivated, skilled and experienced manpower but also retain them by facilitating a right environment, competitive perks and ample opportunities for a better career progression through training and support. It is worth mentioning that all the above milestones have been realized with an on-roll staff strength of only 545 regular personnel, which include 158 regular employees and 387 deputationists.

## Corporate Social Responsibility

RVNL is conscious of its Corporate Social Responsibility. During 2018-19, the Company spent ₹11.48 crore (approximately 2.45% of the average net profit of last three financial years) on CSR initiatives, compared to ₹7.7 crore in the previous year. The main focus of the Company is in the areas of education, health and sanitation, with implementation of CSR projects by Ramakrishna Mission, TERI, Sulabh International etc.

## MOU Performance

It is with a great deal of satisfaction that I can report to the Shareholders, based on the overall performance, your Company has been rated as 'Excellent' by Department of Public Enterprises for the financial year 2017-18 for the 8<sup>th</sup> consecutive year. The grading achieved by your Company was the highest among the Railway CPSEs. RVNL got 100 out of 100 marks, a distinction achieved by 6 others out of 169 CPSEs assessed by DPE.

## Corporate Governance

RVNL maintains a robust system of checks and balances to ensure that the authority of decision making is exercised with due care and responsibility to meet the aspirations of Shareholders and society. Your Company complies meticulously with all legal requirements and Government guidelines regarding Corporate Governance. A Report on Corporate Governance and Management Discussion and Analysis forms part of the Annual Report.

## Acknowledgements

Mr. Satish Agnihotri, who had been MD and CMD of the Company for 8<sup>1/2</sup> years, demitted office on superannuation on 31<sup>st</sup> August 2018. RVNL made tremendous progress during his tenure at the helm of affairs. On behalf of all of us, I place on record our sincere appreciation and gratitude for his contribution.

In the end, I would like to mention that all the achievements of RVNL, would not have been possible



without the support provided by the Zonal Railways. I am also grateful for the encouragement and confidence reposed in RVNL by the Chairman and Members of the Railway Board and other officers, so that RVNL has been able to contribute substantially to the development of rail infrastructure in the Country.

I, express my sincere thanks to our esteemed Shareholders, Ministry of Railways, Ministry of Finance, Department of Public Enterprises, Ministry of Heavy Industries, the State Governments, Zonal Railways, ADB, IRFC, Financial Institutions, C&AG's office, our bankers and stakeholders in various railway projects and national and international contractors for their unstinted cooperation to RVNL. I would also like to place on record my deep appreciation for the devotion and dedication of all my fellow RVNL employees who have been pillars of strength for the Company and have delivered their best despite various difficulties and obstacles.

**Sd/-**

**(Pradeep Gaur)**

Chairman & Managing Director

## BOARD'S REPORT

### Dear Shareholders,

Your Directors are pleased to present the 16<sup>th</sup> Annual Report and Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2019 together with the reports of Statutory Auditors and Comptroller & Auditor General of India thereon.

### Integral Reports

The "Management Discussion and Analysis Report", "Corporate Governance Report", "Corporate Social Responsibility (CSR) Report", "Secretarial Auditor Report", Extract of Annual Return and "Form AOC-2" with relevant sub-appendices form an integral part of this Board's Report and have been placed as **Annexure "A", "B", "C", "D", "E" and "F"** respectively.

The Management Discussion and Analysis Report provides an overview of the affairs of the Company, its business environment, mission and objectives, outlook, operational performance, its resources and systems, strengths, opportunities, constraints, risks and concerns, strategies, prospects, etc.

The Corporate Governance Report highlights the Company's philosophy on Corporate Governance and Key Values, Composition of Board of Directors and its Committees, attendance and remuneration of Directors etc. other relevant disclosures, CEO/CFO Certification and general information for share holders. It is supplemented by the following compliance certificates.

(i) A Certificate signed by the Chairman and Managing Director affirming receipt of compliance with the Code of Conduct from all Board members and Senior Management personnel during the year

2018-19 (**placed at Annexure "B-1"**) as per guidelines of Department of Public Enterprises on Corporate Governance;

(ii) A Certificate from the Chairman and Managing Director (CMD) and Chief Financial Officer (CFO) with regard to the authenticity of financial statements (**placed at Annexure "B-2"**); and

(iii) A Certificate of compliance of Corporate Governance signed by a Practicing Company Secretary (**placed at Annexure "B-3"**) as per guidelines of Department of Public Enterprises on Corporate Governance.

(iv) Certificate on non-disqualification of directors (**placed at Annexure "B-4"**).

The Corporate Social Responsibility (CSR) Report reflects RVNL's plans, policy, budget, expenditure, evaluation process for projects and CSR activities undertaken during the year.

Pursuant to provisions of Section 204 of Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial personnel) Rules 2014, the Company has appointed M/s Akhil Rohtagi & Co., Practicing Company Secretary, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is placed at **Annexure "D"**.

Pursuant to section 134 (3) (a) of the Companies Act, 2013 read with Rule 12 (1) of the Companies (Management and Administration) Rules 2014, the "Extract of Annual Return" is placed at **Annexure "E"**.

The disclosure of Related Party Transactions, as required under section 134 (3) (h) of Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rules, 2014 in Form "AOC-2" is placed at **Annexure "F"**.

## 1. FINANCIAL PERFORMANCE HIGHLIGHTS

The key highlights of the financial performance of the Company during FY 2018-19 along with

the corresponding performance in FY 2017-18 are mentioned below (rounded to nearest rupees/crore):

(₹ in crore)

Particulars	2018-19	2017-18	% Increase/ (Decrease)
Turnover	10060.07	7556.56	33.13%
<b>Total Income</b>	<b>10332.70</b>	<b>7781.36</b>	<b>32.79%</b>
Operating Income	761.03	573.39	32.72%
PBT(excluding other income, extraordinary and exceptional items)	523.37	377.65	38.59%
Reserves & Surplus	1653.73	1266.46	30.58%
<b>Profit Before Tax</b>	<b>758.31</b>	<b>564.15</b>	<b>34.42%</b>
<b>Profit After Tax</b>	<b>606.59</b>	<b>469.66</b>	<b>29.16%</b>
Net worth	3738.76	3351.48	11.56%
<b>Appropriations</b>			
Total Dividend (including proposed final dividend i.e. 19.36 crore)	186.94	167.57	11.56%

## 2. PHYSICAL PERFORMANCE

Your Directors are delighted to inform that the F.Y. 2018-19 has been a year of excellence and growth for the Company. Your Company surpassed all previous achievements.



Shri Vijay Anand, Director (Projects) receiving Bradstreet Infra Award for best project in Rail Metro (Obulavaripalli-Venkatchalam)



- Total project Length completed during the F. Y. 2018-19 was **999.94 km (263.83 km of Doubling, 129.19 km of New Line, 106.92 km of Gauge Conversion and 500 km of Railway Electrification)** of project length have been physically completed.

### Initial Public Offer (IPO) & Listing of Shares

During the financial year 2017-18 the Government of India (i.e. Ministry of Railways) announced the divestment of its stake of 12.16% amounting to 25,34,57,280 equity shares of the paid up equity share capital of the Company through Initial Public Offering (IPO). Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, appointed Legal Counsel (M/s. DSK Legal) and the Book Running Lead (Yes Securities, Elara Capital and IDBI Capital) to the IPO.

The Shares of the Company were listed on both the Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on 11th April, 2019. The Issue opened on 29th March, 2019 and closed on 3rd April, 2019 at an offer price of ₹19/- per share, a discount of ₹0.50 was offered to Retail Investors and Employees on the offer price. The Issue was over-subscribed by 1.76 times. The proceeds of the Issue of ₹4,76,86,09,478.50 was credited to the Government of India, PAO, DIPAM.

### Capital Structure

With an authorized share capital of the Company of ₹3000 crore, there has been no change in the Capital Structure of the Company, with the paid-up share capital of the Company remaining at ₹2085.02 crore. The Company has not issued any share during the year under consideration.

### Turnover

Your Company has achieved a highest ever turnover of ₹10060.07 crore in 2018-19 as compared to ₹7556.56 crore in 2017-18, showing an increase of 33.13%.

This became achievable mainly due to the assured availability of funds for project expenditure during the year by the Ministry of Railways, which accounts for 84.04% of the Turnover. In addition, over the years the Company has also put a large number of large value contracts in place to speed up the process of project execution. At the same time, there has also been an increase in the level of expenditure on works undertaken for SPVs and other deposit works to ₹1486.84 crore during 2018-19 in comparison to ₹1356.35 crore in the previous year.

### Profit

Profit before Tax increased from ₹564.15 crore in 2017-18 to ₹758.31 crore in 2018-19. The major increase is on account of higher gross margin from project execution from ₹377.65 crore in previous year to 523.37 crore in 2018-19. While there has been an increase in Dividend income from SPVs to ₹17.50 crore in comparison to ₹10.00 crore in previous year, the balance increase is on account of interest income.

Profit after Tax increased from ₹469.66 crore in F. Y. 2017-18 to ₹606.59 crore in F. Y. 2018-19 showing an increase of 29.16%.

### Net Worth

The Net Worth of your Company has increased over the previous year on account of transfer of

profits (after payment of Dividend) amounting to ₹388.82 crore and on account of OCI ₹(1.54) Crore to Reserves and Surplus. Accordingly, the Net Worth of the Company has increased from ₹3,351.48 crore at the end of previous year to ₹3,738.76 crore at the end of the current year.

### **Reserves**

After taking into account, payment of Interim Dividend of ₹167.57 crore (Total dividend of ₹167.57 crore for F.Y. 2017-18) and Dividend Distribution Tax of ₹34.44 crore, the balance under Reserves & Surplus at the end of 2018-19 stands at ₹1,653.73 crore in comparison to ₹1,266.46 crore in 2017-18.

### **Dividend**

As per the guidelines issued by Department of Investment and Public Asset Management (DIPAM) the minimum dividend to be paid for the year should be atleast 5% of net worth or 30% of profit after tax, whichever is higher.

### **Interim Dividend**

In F.Y. 2018-19, the Board of Directors declared an Interim Dividend of ₹167.57 crore in compliance with Guidelines on Capital Restructuring issued by the Department of Public Asset and Investment Management (DIPAM).

### **Final Dividend**

The Board recommended a Final Dividend of ₹19.36 crores (₹0.09 per share) subject to the approval of shareholders in the ensuing Annual General Meeting of the Company. The total dividend (including dividend distribution

tax) for the year 2018-19 will be ₹202.01 crore as compared to ₹185.95 crore for the financial year 2017-18, showing an increase of 8.64 % over previous year.

### **Fixed Deposits**

No deposits from the public have been accepted by the Company during the year under review.

### **Reimbursement of Expenditure**

RVNL received an amount of ₹8,126.50 crore (approx.), for project expenditure during the current year, from Ministry of Railways (MoR) for execution of various works.

### **Loans from IRFC**

During the year, an additional amount of ₹1046 crore was received as borrowings from IRFC. With this, the total amount received from IRFC is ₹4,327.43 crore. The principal and interest on the borrowings from IRFC are repaid by Ministry of Railways (MoR) as a pass through entry in the books of RVNL. During the year an amount of ₹262.65 crore was paid to IRFC on this account, leaving an outstanding loan balance of ₹2,842.63 crore.

### **CONSOLIDATED FINANCIAL STATEMENTS**

The Consolidated Financial Statements of the Company prepared in accordance with the provisions of the Companies Act, 2013 and the applicable Indian Accounting Standards (Ind-AS) for the financial year 2018-19 forms part of the Annual Report of the Company. The accounts have been consolidated based on the performance and activities of the SPVs and the share of RVNL in those entities as an

equity partner and its wholly owned subsidiary HSRC. The related entries appearing in the stand alone accounts of RVNL have been adjusted accordingly in consonance with the relevant Indian Accounting Standards (Ind AS 110 & 28). The salient features of differences in the significant entries between the Stand Alone Accounts of RVNL and the Consolidated Accounts are as under:

(₹ in crore)

Particular	Figures as on 31.3.2019 Stand Alone	Figures as on 31.3.2019 Consolidated
Turn Over	10060.07	10068.68
Other Income	272.63	272.74
Direct Expenses	9299.05	9307.66
Indirect Expenses	287.77	287.83
PBT	758.31	856.98
PAT	606.59	705.24
Reserve & Surplus	1653.73	2310.55
Net Worth	3738.76	4395.57

\* PBT includes ₹98.82 crore as proportionate share of RVNL in the profit/loss of Joint Ventures.

## SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

A report on the performance and financial position of subsidiary, associates and joint venture company as per the Companies Act 2013 is provided in Note-52 to the Consolidated Financial Statements.

### Operational Performance

### Projects Execution

#### 3.1 Physical Size of the Projects:

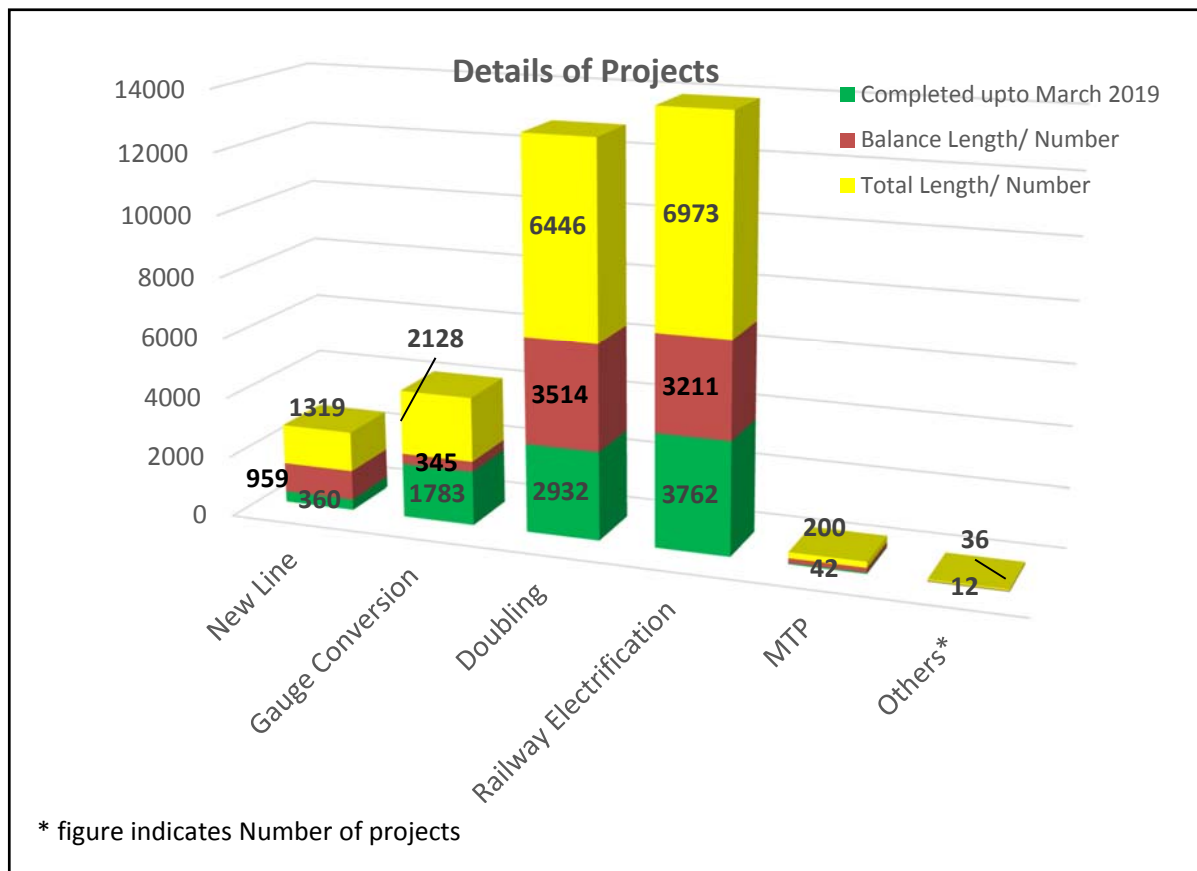
Since its establishment in 2003, Ministry of Railways has transferred 174 projects to RVNL

for execution, which may be broadly classified under the following heads:

• Doubling	70
• Gauge Conversion	11
• New Lines	15
• MTP	6
• Railway Electrification	31
• Workshops	21
• Others	20
• Unsanctioned	5 (1 Doubling, 3 GC, 1 RE)



The distribution of project length under various plan heads is shown below:



**Details of Sanctioned Projects where progress is affected:**

S. No.	Factors affecting Progress of Projects	No. of Projects	Length (km)	Cost (₹ crore)
(i)	Projects adversely affected/held up due to land acquisition, forest clearance, law and order & other issues	7	205.41	7132.72
(ii)	Projects adversely affected/held up due to clearances awaited from Central & State Governments (Metro projects)/ shifting of utilities etc.	1+2 (partly)	26.14	5719.00
(iii)	Projects under review	3	0.00	281.69
	<b>Total</b>	<b>8+2 (partly)</b>	<b>231.55</b>	<b>13133.41</b>

**3.1.2** Upto 2012, the RE works being executed by RVNL were only those where electrification was a part of some other work such as doubling, gauge conversion, etc. However, in the last 6 years, pure RE projects have also been transferred for execution.

With the transfer of projects involving construction of Workshops, Metro projects, construction of Cable Stayed Bridge etc. RVNL has diversified the nature of projects being executed by it.



Hon'ble Prime Minister, Sh. Narendra Modi and Sh. Pradeep Gaur, CMD, RVNL at Railway Coach Factory, Sonipat

These projects are spread all over the country and for efficient implementation of projects, 44 Project Implementation Units (PIUs) have been established at 24 locations to execute projects in their geographical hinterland. They are located at Ahmedabad, Agra, Ambala, Bengaluru, Bhopal (2 Units), Bhubaneshwar (2 Units), Chennai (2 Units), Chandigarh (3 Units), Guwahati, Jodhpur, Jhansi, Kanpur, Kharagpur, Kolkata (3 Units), Kota, Lucknow (3 Units), Mumbai, Pune (2 Units), Raipur (2 Units), Rishikesh, Ranchi, Secunderabad (2 Units), Varanasi (4 Units), Vijaywada, Waltair (2 Units). The PIUs are established and closed as per requirement.

### 3.2 Status of physical progress of projects

The status of the 174 projects assigned to RVNL for execution is as under: -

Projects completed up to March 2019 :	76
Projects under implementation :	98
(includes 13 projects at Para 3.1.1)	
Projects yet to be sanctioned :	5

#### 3.2.1 RVNL has so far completed 76 projects.

The list of 65 projects fully completed up to March, 2018 is as under:

S. No.	Railway	Project Name	Type of Project	Length (km)
1	Central Railway (CR)	Diva - Kalyan 5th & 6th Line	Doubling	11
2	Central Railway	Pakni - Mohol Doubling	Doubling	17
3	Central Railway	Panvel - Jasai JNPT Doubling	Doubling	28.5
4	Central Railway	Pakni - Solapur Doubling	Doubling	16.28
5	Eastern Railway (ER)	Gurup - Saktigarh Extn of 3rd Line	Doubling	26
6	East Central Railway (ECR)	Barauni - Tilrath Bypass Doubling	Doubling	8.3
7	East Coast Railway (ECoR)	Talcher-Cuttack-Paradeep Doubling with 2nd Bridge on Rivers Birupa & Mahanadi	Doubling	3

S. No.	Railway	Project Name	Type of Project	Length (km)
8	East Coast Railway	Jakhapura- Haridaspur 3rd Line	Doubling	23.3
9	East Coast Railway	Cuttack - Barang Doubling	Doubling	14.3
10	East Coast Railway	Rajatgarh-Barang Doubling	Doubling	31.3
11	East Coast Railway	Khurda-Barang - 3rd line (35 km)	Doubling	32.324
12	North Central Railway (NCR)	Palwal - Bhuteswar 3rd Line	Doubling	81
13	North Central Railway	Aligarh - Ghaziabad 3rd Line	Doubling	106.1
14	North Western Railway (NWR)	Bhagat Ki Kothi - Luni Doubling	Doubling	30.3
15	North Western Railway	Karjoda - Palanpur Doubling	Doubling	5.4
16	North Western Railway	Rewari- Manheru Doubling	Doubling	69.02
17	North Western Railway	Rani-Keshav Ganj Doubling	Doubling	59.5
18	Southern Railway (SR)	Attipattu - Korukkupet 3rd Line	Doubling	18
19	Southern Railway	Pattabiram - Tiruvallur 4th Line & Tiruvallur - Arakkonam 3rd Line	Doubling	41.89
20	Southern Railway	Tiruvallur - Arakkonam 4th Line	Doubling	28
21	Southern Railway	Villipuram-Dindigul Doubling	Doubling	273
22	Southern Railway	Thanjavur-Ponmalai - Doubling	Doubling	46.96
23	South Central Railway (SCR)	Pullampet - Balapalle Ph I of Gooty - Renigunta Doubling	Doubling	41
24	South Central Railway	Krishnapatnam - Venkatachalam Doubling with RE	Doubling	16.5
25	South Central Railway	Gooty - Renigunta Patch Doubling	Doubling	151
26	South Central Railway	Raichur - Guntakal Doubling	Doubling	81.0
27	South Eastern Railway (SER)	Tikiapara - Santragachi Doubling	Doubling	5.6
28	South Eastern Railway	Panskura - Kharagpur 3rd Line	Doubling	45
29	South Eastern Railway	Panskura - Haldia Ph 1 Doubling	Doubling	14
30	South Eastern Railway	Rajgoda - Tamluk (Jn. Cabin) Doubling	Doubling	13.5
31	South Eastern Railway	Tamluk Jn. Cabin – Basulya Sutahata Doubling	Doubling	24.23
32	South Eastern Railway	Goelkera-Monoharpur 3rd line (40 km)	Doubling	27.5
33	South East Central Railway (SECR)	Bilaspur - Urkura 3rd Line Doubling	Doubling	105
34	South East Central Railway	Salka Road- Khongsara Patch Doubling	Doubling	26
35	South Western Railway (SWR)	Hospet - Guntakal Doubling	Doubling	115
36	West Central Railway	Bhopal-Bina - 3rd line (143 km)	Doubling	144.3

S. No.	Railway	Project Name	Type of Project	Length (km)
37	North Western Railway (NWR)	Delhi - Rewari Gauge Conversion	GC	94.2
38	North Western Railway	Ajmer - Phulera - Ringus - Rewari Gauge Conversion	GC	295
39	North Western Railway	Bhildi - Samdari Gauge Conversion	GC	223
40	Southern Railway (SR)	Thanjavur - Villupuram Gauge Conversion	GC	192
41	Southern Railway	Cuddalore - Salem Gauge Conversion	GC	193
42	South Western Railway (SWR)	Arasikere-Hassan-Mangalore Gauge Conversion	GC	230
43	Western Railway (WR)	Bharuch - Samni - Dahej Gauge Conversion	GC	62
44	Western Railway	Gandhidham - Palanpur Gauge Conversion	GC	301
45	East Coast Railway (ECoR)	Daitari - Banspani New Line	NL	155
46	Southern Railway (SR)	Vallarpadam - Idapally New Line	NL	9
47	Railway Electrification (RE)	Tomka -Banspani – RE	RE	144
48	Railway Electrification	Kharagpur (Nimpura) - Bhubaneswar including Branch Line of Talcher - Cuttack - Paradeep	RE	581
49	Railway Electrification	Bhubaneswar - Kottavalasa	RE	417
50	Railway Electrification	Daund-Manmad incl. Puntamba- Shirdi - RE	RE	255
51	Railway Electrification	Reningunta - Guntakal RE	RE	308
52	Railway Electrification	Yelahanka - Dharmavaram - Gooty RE	RE	306
53	Railway Electrification	Bharuch - Samni - Dahej RE	RE	64
54	Railway Electrification	Manheru- Hissar RE	RE	74
55	Railway Electrification	Jakhal - Hisar (79 km)	RE	80.0
56	Eastern Railway (ER)	Civil Engineering Works in Connection with Diesel Loco Component Factory, Dankuni	WKSP	-
57	Eastern Railway	Dankuni - Setting Up of Electric Loco Assembly and Ancillary Unit of CLW	WKSP	-
58	East Central Railway	Barauni - 250 High Horse Power Loco Shed	WKSP	-
59	South Eastern Railway (SER)	Setting Up of Diesel Multiple Unit (DMU) Manufacturing Factory at Sankrail / Haldia	WKSP	-
60	DLW	Varanasi - Augmentation of Production Capacity from 200 to 250 High HP Locos per year	WKSP	-



S. No.	Railway	Project Name	Type of Project	Length (km)
61	South Central Railway (SCR)	Workshop for Manufacture of Flat Bogies for LHB Design Coaches, Yadgir	WKSP	-
62	Eastern Railway	Barddhaman Yard - 4-lane road over bridge in lieu of 2-lane road over bridge No. 213	ROB	-
63	Southern Railway	Srirangam-Tiruchchirapalli Town - 4-lane road over bridge in lieu of 2-lane bridge No.380-A	ROB	-
64	North Western Railway (NWR)	IOC Siding at Salawas (Deposit Work)	Others	2.82
65	South Central Railway	Secunderabad- Upgradation of facilities at Centralised Training Academy for Railway Accounts	TRG	-

The list of 11 projects completed in 2018-19 is as under:

S. No.	Railway	Project Name	Type of Project	Length (km)
1.	North Western Railway	Abu Road-Sarotra Road- Patch doubling (23.12 km)	Doubling	23.12
2.	North Western Railway	Swaruganj-Abu Road - Patch doubling (25.36 km)	Doubling	25.36
3.	South Central Railway	Guntur-Tenali - Doubling with electrification (24.38 km)	Doubling	24.38
4.	South East Central Railway	Khodri-Anuppur, with Flyover at Bilaspur (61.6 km)	Doubling	61.6
5.	West Central Railway	Itarsi-Budni - 3rd line (25.090 km)	Doubling	25.09
6.	Railway Electrification	Chhapra-Ballia-Ghazipur-Varanasi-Allahabad RE (330 rkm)	RE	330
7.	Railway Electrification	Guntakal-Kalluru RE (40 rkm)	RE	40
8.	Railway Electrification	Utretia - Rae Bareli - Amethi - Janghai RE (214 rkm)	RE	214
9.	Railway Electrification	Daund-Baramati (44 rkm)	RE	44
10.	North Eastern Railway	Aunrihar - DEMU Shed	WKSP	-
11.	North Western Railway	Madar - Palanpur - Removing of PSR (Kms 589/1 to 590/1)	Track Renewal	-

### 3.3 Total project length completed:

Cumulatively, RVNL has completed a total of **2932.35** km of doubling, **1783.22** km of gauge conversion, **360.01** km of new lines, **3762.07** km of pure Railway Electrification, **2029.41** km RE as part of NL/GC/DL and **42.0** km of Metropolitan Transport Project (MTP). Thus, as on

31.3.2019, 8879.65 km project length out of a **total length of 17066.62 km** of 174 sanctioned projects (5 projects of 733.5 km of length are yet to be sanctioned) assigned to RVNL, have been completed.

### 3.4 Project length completed during 2018-19:

During 2018-19, **999.94 km (263.83 km of Doubling, 129.19 km of New Line, 106.92 km of Gauge Conversation, 500 km of Railway Electrification, 1 Workshop project and 1 Track Renewal Work** have been physically completed. In addition, Railway Electrification of 120.41 km was also carried out in other than specific Railway Electrification projects as part of Doubling.

**3.4.1 Sections completed under New Line Plan Head:** During the year, **129.19 km of New Line** project was completed, the details are given below:

**3.4.1.1 Fatuah-Islampur incl. material modification for extension of new line from Neora to Daniawan; Daniawan to Biharsharif; Biharsharif to Barbigha; Barbigha to Sheikhpura:** During the year, 15.8 km project length was completed. Sheikhpura to Sharsa Jamalpur (11 km) was completed in July 2019 and Sharsa Jamalpur to Barbigha (excl.) (4.8 km) was completed in March 2019.

**3.4.1.2 Haridaspur-Paradeep (82 km):** During the year, 25.03 km project length was completed. Haridaspur-Chandikhole-Ratnagiri-Lalitgiri (25.03 km) was completed in December 2018.

**3.4.1.3 Obulavaripalli-Krishnapattnam (113 km):** During the year, 80.16 km project length was completed. Aduripalle-Venkatachalam Road-Vellikallu (58.50 km) and Obulavaripalli-Cherlopalle (21.66 km) were completed in October 2018.



**3.4.1.4 Dallirajhara-Rowghat New Line:** During the year, Bhanupratapur- Keoti (8.2 km) was completed in March 2019.

**3.4.2. Sections completed under Gauge Conversation Plan Head:** During the year, 106.92 km of Gauge Conversation was completed, the details are given below:

**3.4.2.1 Lucknow-Pilibhit Gauge Conversion:** During the year, Sitapur-Mailani (106.92 km) was completed in March 2019.

**3.4.3 Sections completed under Doubling Plan Head:**

During the year, 263.83 km of Doubling was completed, the details are given below:

**3.4.3.1 Guntur - Tenali - Doubling with electrification (24.38 km):** During the year completion of Doubling of 26 km was completed. Guntur - Vejendla (11 km) and Vejendla-Sangamjagarlamudi (7 km) were completed in May 2018. Sangamjagarlamudi-Tenali (8 km) was completed in July, thus completing the project.

**3.4.3.2 Raipur-Titlagarh (203 km):** During the year, 29 km of project length was completed against the MoU time line target of 24 km. Lakhna – Nawapara (13 km) and Lakhna - Harishankar Road (16 km) were completed on 05-12-2018.

#### 3.4.3.3 Bina - Kota Doubling with RE:

During the year, 26.86 km of project length was completed, against the MoU time line target of 26 km. During the year, Bijora-Sundlak (6.07 km) was completed in May 2018, Pagara-Maban (7.59 km) was completed in September 2018, Sri Kalyanpur- Bhonra (7.32 km) was completed in October 2018 and Pagara-Pilighata (5.88 km) was completed on 10-12-2018.

#### 3.4.3.4 Daund - Gulbarga Doubling:

During the year, 40.96 km of project length was completed, out of which 31.24 km was completed against the MoU time line target of 26 km. During the year, Bablad - Gulbarga (5.42 km) was completed in September 2018, Dudhani – Kulali (9.83 km) was completed in October 2018, Savalgi - Bablad (7.58 km) & Kem – Bhalwani (8.41 km) were completed in November 2018, thus totalling - 31.24 km against MoU time line parameter. In addition, Kurduwadi – Dhavlas (9.72 km) was completed in November 2018.



#### 3.4.3.5 Sambalpur - Titlagarh Doubling:

During the year, Khaliapali-Loisingha (11.15 km) was completed in November 2018.

**3.4.3.6 Utratia-Rae Bareli (65.6 km):** During the year, 29.23 km of project length was completed. Utratia-Mohanlalganj (8.6 km),

Mohanlalganj-Kankaha (7.8 km), Kankaha-Nigoha (6.92 km) & Nigoha-Sriraj Nagar (5.91 km) were completed in April 2018.

#### 3.4.3.7 Bhimsen - Jhansi Doubling with RE:

During the year, Orai-Sarsoki (7.75 km) was completed in August 2018.

#### 3.4.3.8 Abu Road-Sarotra Road - Patch doubling (23.12 km):

During the year, Abu Road – Maval (9.51 km) was completed in March 2019, thus completing the project.

#### 3.4.3.9 Swarupganj-Abu Road - Patch doubling (25.36 km):

During the year, 10.90 km project length was completed. Kiverli – Bhimana (7.84 km) was completed in November 2018 and Morthala-Abu Road (3.06 km) was completed in March 2019, thus completing the project

#### 3.4.3.10 Vijaywada-Gudivada- Bhimavaram-Narasapur, Gudivada-Machlipatnam and Bhimavaram-Nidadavolu (221 km)-Doubling with electrification:

During the year, 41.90 km project length was completed. Pedana-Machilipatnam (10.40 km) was completed in September 2018. Kaikaluru-Akividu (16.97 km) & Moturu-Mandavalli (14.53 km) were completed in March 2019.

#### 3.4.3.11 Khodri-Anuppur, with flyover at Bilaspur (61.6 km):

During the year, 13.70 km of project length was completed. Khodri-Sarbahara (6.3 km) was completed in October 2018 and Sarbahara- Pendra Road (7.40 km) was completed in November 2018, thus completing the project.

#### 3.4.3.12 Budni-Itarsi 3rd line:

During the year, Powarkhera-Hoshangabad-Budni (16.87 km) was completed in November 2018, thus completing the project.

### 3.4.4. Sections completed under Pure Railway Electrification Works:

During the year, **500 km of Railway Electrification** was completed, details are given below:

**Raipur-Titlagarh (203 rkm) RE {Part of Vizianagaram - Rayagada - Titlagarh - Raipur (465 rkm)}**: During the year, 89 km of project length was completed. Belsonda-Mahasamund (8km) was completed in August 2018, Mahasamund-Arand (9km) was completed in September 2018, Arand-Bhimkhoj (12 km) was completed in October 2018, Bhimkhoj-Bagbahra (12 km) was completed in November 2018, Bagbahra-Komakhan- Khariar (15 km) was completed in December 2018, Khariar-Lakhna (25 km) was completed in January 2019 and Belsonda-Arandmehandi (8 km) was completed in February 2019.

**3.4.4.1 Chhapra - Ballia - Ghazipur - Varanasi - Allahabad RE (330 rkm)**: During the year, 137 km of project length was completed. Gyanpur Road-Jangiganj (38 km) was completed in April 2018, Handiakhas-Saidabad (8 km) & Ballia-Reoti (27 km)- total 35 km were completed in May 2018, Saidabad-Ramnathpur (10 km) & Reoti-Suraimanpur (10 km)- total 20 km were completed in June 2018, Suraimanpur-Bakulaha (8 km) and Kataka, Madhosing & Gyanpur Road Yards (4 km- total 12 km) were completed in July 2018, Bakulaha-Gautam Asthan-Chhapara (20 km) was completed in September 2018, Gyanpur Road-Jangiganj (5 km) was completed in October 2018, Jhusi-Allahabad City (7 km) was completed in November 2018, thus completing the project.

**3.4.4.2 Utretia - Rae Bareli - Amethi - Janghai RE (214 rkm)**: During the year, 168 km of project

length was completed. Utretia-Raebareli (46 km) was completed in April 2018, Pratapgarh-Janghai (73 km) was completed in May 2018, Raebareli-Rupamau (10 km) was completed in June 2018, Rupamau-Jais (12 km) was completed in July 2018, Chilbila-Jagesarganj (9 km) was completed in August 2018. Jais-Bani-Gauriganj (11 km) was completed in September 2018. Pratapgarh Yard (2 km) was completed in October 2018, Gauriganj-Talkhajpur (5 km) was completed in November 2018, thus completing the project.



Utretia - Gauriganj Section

**3.4.4.3 Daund-Baramati (44 rkm)**: During the year, 44 km of project length was completed. Daund- Maladgaon (11 km) was completed in December 2018, Maladgaon- Kathpal (14 km) was completed in January 2019 and Kathpal-Baramati (19 km) was completed in February 2019, thus completing the project.

**3.4.4.4 Guntakal-Kalluru RE (40 rkm)**: During the year, 22 km of project length was completed. Khadarpur-Venkatampalli (6 km) was completed in April 2018, Gulapayamu-Venkatpalli (8 km) was completed in July 2018, Venkatachalam-Khadarpur (8 km) was completed in August 2018, thus completing the project.



**3.4.4.5 Obulavaripalli-Krishnapatnam (113 km):** During the year, 40 km of project length was completed. Electrification of Obulavaripalli-Rapur (40 km) New Line section was completed in August 2018.

**3.5 Workshop projects completed:** During the year, 1 Workshop project was completed, the details of which is as under:



Aunrihar DEMU Shed

**3.5.1 Aunrihar - DEMU Shed:** Aunrihar - DEMU Shed was completed in January 2019 and inaugurated by Hon'ble MoSR on 29-01-2019.

**3.6 Other projects completed:** During the year, 1 project under Plan Head Track Renewal was completed, the details of which is as under:

**3.6.1 Madar - Palanpur - Removing of PSR (Kms 589/1 to 590/1):** Madar - Palanpur - Removing of PSR (Kms 589/1 to 590/) under North Western Railway was completed in March 2019.

**3.7 Projects Fully Commissioned and Handed Over to Railways:**

Out of 76 projects completed so far, 69 projects have been fully commissioned and handed over to Railways for operations and maintenance.

The list of 60 projects commissioned till March 2018 is as under:

S. No.	Railway	Project Name	Type of Project	Length (km)
1	Central Railway (CR)	Divra - Kalyan 5th & 6th Line	Doubling	11
2	Central Railway	Pakni - Mohol Doubling	Doubling	17
3	Central Railway	Panvel - Jasai JNPT Doubling	Doubling	28.5
4	Central Railway	Pakni - Solapur Doubling	Doubling	16.28
5	Eastern Railway (ER)	Gurup - Saktigarh Extn of 3rd Line	Doubling	26
6	East Central Railway (ECR)	Barauni - Tilrath Bypass Doubling	Doubling	8.3
7	East Coast Railway (ECoR)	Talcher-Cuttack-Paradeep Doubling with 2nd Bridge on Rivers Birupa & Mahanadi	Doubling	3
8	East Coast Railway	Cuttack - Barang Doubling	Doubling	14.3
9	East Coast Railway	Jakhapura- Haridaspur 3rd Line	Doubling	23.3
10	East Coast Railway	Rajatgarh-Barang - 3rd line	Doubling	31.3
11	North Central Railway (NCR)	Palwal - Bhuteswar 3rd Line	Doubling	81
12	North Central Railway (NCR)	Aligarh - Ghaziabad 3rd Line	Doubling	106.1

S. No.	Railway	Project Name	Type of Project	Length (km)
13	North Western Railway (NWR)	Bhagat Ki Kothi - Luni Doubling	Doubling	30.3
14	North Western Railway	Rani-Keshav Ganj Doubling	Doubling	59.5
15	Southern Railway (SR)	Attipattu - Korukkupet 3rd Line	Doubling	18
16	Southern Railway	Pattabiram - Tiruvallur 4th Line & Tiruval- lur - Arakkonam 3rd Line	Doubling	41.89
17	Southern Railway	Tiruvallur - Arakkonam 4th Line	Doubling	28
18	Southern Railway	Villipuram-Dindigul Doubling	Doubling	273
19	Southern Railway	Thanjavur-Ponmalai - Doubling	Doubling	46.96
20	South Central Railway(SCR)	Pullampet - Balapalle Ph I of Gooty - Reni- gunta Doubling	Doubling	41
21	South Central Railway	Krishnapatnam - Venkatachalam Doubling With RE	Doubling	16.5
22	South Central Railway	Gooty - Renigunta Patch Doubling	Doubling	151
23	South Central Railway	Raichur - Guntakal Doubling	Doubling	81.0
24	South Eastern Railway (SER)	Panskura - Kharagpur 3rd Line	Doubling	45
25	South Eastern Railway	Panskura - Haldia Ph 1 Doubling	Doubling	14
26	South Eastern Railway	Rajgoda - Tamluk (Jn. Cabin) Doubling	Doubling	13.5
27	South Eastern Railway	Tikiapara - Santragachi Doubling	Doubling	5.6
28	South Eastern Railway	Tamluk Jn. Cabin – Basulya Sutahata Doubling	Doubling	24.23
29	South East Central Railway (SECR)	Bilaspur - Urkura 3rd Line Doubling	Doubling	105
30	South East Central Railway (SECR)	Salka Road- Khongsara Patch Doubling	Doubling	26
31	South Western Railway (SWR)	Hospet - Guntakal Doubling	Doubling	115
32	North Western Railway (NWR)	Delhi - Rewari Gauge Conversion	GC	94.2
33	North Western Railway	Ajmer - Phulera - Ringus - Rewari Gauge Conversion	GC	295
34	North Western Railway	Bhildi - Samdari Gauge Conversion	GC	223
35	Southern Railway (SR)	Thanjavur - Villupuram Gauge Conversion	GC	192
36	Southern Railway	Cuddalore - Salem Gauge Conversion	GC	193

S. No.	Railway	Project Name	Type of Project	Length (km)
37	South Western Railway (SWR)	Arasikere-Hassan-Mangalore Gauge Conversion	GC	230
38	Western Railway (WR)	Bharuch - Samni - Dahej Gauge Conversion	GC	62
39	Western Railway	Gandhidham - Palanpur Gauge Conversion	GC	301
40	East Coast Railway	Daitari - Banspani New Line	NL	155
41	Southern Railway (SR)	Vallarpadam - Idapally New Line	NL	9
42	Railway Electrification (RE)	Tomka -Banspani – RE	RE	144
43	Railway Electrification	Kharagpur (Nimpura) - Bhubaneswar Including Branch Line of Talcher - Cuttack - Paradeep	RE	581
44	Railway Electrification	Bhubaneswar - Kottavalasa	RE	417
45	Railway Electrification	Reningunta - Guntakal RE	RE	308
46	Railway Electrification	Bharuch - Samni - Dahej RE	RE	64
47	Railway Electrification	Daund-Manmad Incl. Puntamba- Shirdi - RE	RE	255
48	Railway Electrification	Yelahanka - Dharmavaram - Gooty RE	RE	306
49	Railway Electrification	Manheru- Hisar (74 km)	RE	74.0
50	Railway Electrification	Jakhal - Hisar (79 km)	RE	80.0
51	Eastern Railway (ER)	Civil Engineering Works In Connection With Diesel Loco Component Factory, Dankuni	WKSP	-
52	Eastern Railway	Dankuni - Setting Up of Electric Loco Assembly And Ancillary Unit of CLW	WKSP	-
53	East Central Railway	Barauni - 250 High Horse Power Loco Shed	WKSP	-
54	South Eastern Railway (SER)	Setting Up of Diesel Multiple Unit (DMU) Manufacturing Factory at Sankrail / Haldia	WKSP	-
55	DLW	Varanasi - Augmentation of Production Capacity from 200 To 250 High HP Locos Per Year	WKSP	-

S. No.	Railway	Project Name	Type of Project	Length (km)
56	South Central Railway (SCR)	Workshop for Manufacture of Flat Bogies for LHB Design Coaches, Yadgir	WKSP	-
57	Eastern Railway (ER)	Bardhaman Yard - 4-lane road over bridge in lieu of 2-lane road over bridge No. 213	ROB	-
58	Southern Railway	Srirangam-Tiruchchirapalli Town - 4-lane road over bridge in lieu of 2-lane bridge No.380-A	ROB	-
59	North Western Railway	IOC Siding At Salawas (Deposit Work)	Others	2.82
60	South Central Railway	Secunderabad- Upgradation of facilities at Centralised Training Academy for Railway Accounts	OSW	-

The list of 9 projects commissioned in 2018-19 is as under.

S. No.	Railway	Project Name	Type of Project	Length (km)
1.	North Western Railway	Karjoda - Palanpur Doubling	Doubling	5.4
2.	North Western Railway	Rewari- Manheru Doubling	Doubling	69.02
3.	South Central Railway	Guntur-Tenali - Doubling with electrification (24.38 km)	Doubling	25
4.	South East Central Railway	Khodri-Anuppur, with flyover at Bilaspur (61.6 km)	Doubling	61.6
5.	South Eastern Railway	Goelkera-Monoharpur 3rd line (40 km)	Doubling	27.5
6.	Railway Electrification	Chhapra-Ballia-Ghazipur-Varanasi-Allahabad (330 rkm)	RE	330
7.	Railway Electrification	Guntakal-Kalluru (40 rkm)	RE	40
8.	North Eastern Railway	Aunrihar - DEMU Shed	WKSP	-
9.	North Western Railway	Madar - Palanpur - Removing of PSR (Kms 589/1 to 590/1)	TR	-

### 3.8 Sections of Projects Commissioned and handed over to Railways in 2018-19:

In 2018-19, 1816.24 km sections were commissioned consisting of **93.7 km of New Line, 134.22 km of Gauge Conversion, 465.32 km of Doubling and 1122 km of Railway Electrification** and handed over to Zonal Railways for operations, the details are given below:



S. No.	Name of the Project	Block Section	Length (km)	Total Length (km)	Zonal Railway
<b>New Line</b>					
1	Obulavaripalli-Krishnapattnam (113 km)	Obulavaripalli-Cherlopalle	21.66	80.16	SCR
		Venkatachalam Road-Vellikallu	58.5		
2	Dallirajhara-Rowghat (90 km)	Bhanupratapur- Keoti	8.2	8.2	SECR
3	MMTS Phase-II	Telapur-Ramachandrapuram	5.34	5.34	SCR
	<b>Total</b>		<b>93.7</b>	<b>93.7</b>	
<b>Gauge Conversion</b>					
1	Lucknow-Pilibhit via Sitapur, Lakhimpur (262.76 km)	Aishbag-Sitapur	6.78	134.2	NER
			81.81		
		Sitapur-Lakhimpur	45.63		
	<b>Total</b>		<b>134.2</b>	<b>134.2</b>	
<b>Doubling</b>					
1	Daund-Gulbarga - Doubling (224.9 km)	Vakav-Madha (Mumbai)	7.2	28.98	CR & SCR
		Madha-Wadsinge	7.68		
		Akalkot Road-Nagansur	5.12		
		Nagansur-Boroti	8.98		
2	Sambalpur-Titlagarh (182 km)	Barpali-Dunguripali	14.27	44.39	ECoR
		Dunguripali-Khaliapali	12.77		
		Bolangir-Deogaon Road	17.35		
3	Banspani-Daitari-Tomka-Jakhapura (180 km)	Naranpur-Basantpur	8.59	33.39	ECoR
		Chilikadhara-Sagadpeta	12.47		
		Basantpur-Sitabinj	12.33		
4	Raipur-Titlagarh (203 km)	Arand - Bhimkhoj - Bagbahara - Komakhan	32.76	32.76	ECoR
5	Utretia-Rae Bareli (65.6 km)	Utraitia-Srirajnagar	29.27	29.27	NR
6	Bhimsen - Jhansi (206 km) with RE	Jhansi-PTSC	23.64	50.69	NCR
		Parauna-Ait-Bhua	27.05		
7	Abu Road-Sarotra Road - Patch DL (23.12 km)	Maval-Sri Amirgarh-Sarotra Road	13.61	13.61	NWR
8	Sarotra Road-Karjoda - Patch DL (23.59 km)	Sarotra Road-Iqbalgarh-Jethi	13.59	13.59	NWR

S. No.	Name of the Project	Block Section	Length (km)	Total Length (km)	Zonal Railway
9	Karjoda-Palanpur	Karjoda - Palanpur	5.93	5.93	NWR
10	Rewari-Manheru (69.02 km) with RE	Jharli-Manheru	28.03	28.03	NWR
11	Guntur-Tenali - DL with RE (24.38 km)	Guntur-Vejendla-Sangamjagarlamudi-Tenali	25.47	25.47	SCR
12	Goelkera-Manoharpur 3rd line	Goelkera-Pasoita	17.37	17.37	SER
13	Salka Road-Anuppur Doubling Doubling	Khodri-Sarbahara	6.3	13.7	SECR
		Sarbahara- Pendra Road	7.4		
14	Hospet-Hubli-Londa-Tinaighat-Vasco da Gama (352.28 km)	Devarayi - Shivathan	8.07	53.39	SWR
		Koppal-Ginigera-Munirabad-Hosapete	22.75		
			4.98		
		Annigeri-Hulkoti-Binakadkatti	17.59		
15	Bhopal-Bina - 3rd line (143 km)	Bhopal-Nishatpur	2.12	2.12	WCR
16	Bina - Kota Doubling with RE	Baran-Chhajawa - Piplod - Atru - Salpura	41.9	41.9	WCR
17	Itarsi-Budni - 3rd line (25.090 km)	Itarsi-Powarkhera-Budni	16.85	16.85	WCR
18	MMTS Phase-II	Bolarum-Medchal	13.88	13.88	SCR
			<b>465.32</b>	<b>465.32</b>	
S. No.	Name of the Project	Block Section	Length (km)	Total Length (km)	Zonal Railway
<b>Plan Head-Railway Electrification</b>					
1	Amla - Chhindwara - Kalumna (257 rkm)	Itwari-Kelod	48.02	48.02	CORE
2	Raipur-Titlagarh (203 rkm) {Part of Vizianagaram - Rayagada - Titlagarh - Raipur (465 rkm)}	Turekela-Khariar	52.79	127.11	CORE
		Khariar-Lakholi	74.33		
3	Guntakal - Bellary - Hospet incl. Tornagallu - Ranjitpura Branch Line (138 rkm)	GTL(West)-Bellary	79.61	79.61	CORE
4	Rani-Palanpur 166 rkm {Part of Delhi Sarai Rohilla - Rewari - Palanpur - Ahmedabad, incl. Kalol -Gandhinagar- Khodiyar and Alwar-Bandikui- Jaipur- Phulera (1087km)}	Palanpur-Mawal	39.08	39.08	CORE

S. No.	Name of the Project	Block Section	Length (km)	Total Length (km)	Zonal Railway
5	Jakhal-Dhuri-Ludhiana (123 km)	Dhuri-Ludhiana	59.4	59.4	CORE
6	Rajpura - Dhuri - Lehra Mohabat (151 km)	Rajpura-Patiala	23.1	23.1	CORE
7	Chhapra-Ballia-Ghazipur-Varanasi-Allahabad (330 rkm)	Sarnath-Varanasi	7.69	192.65	CORE
		Chhapara-Ballia	62.43		
		BSB-ALD	122.53		
8	Utretia - Rae Bareli - Amethi - Janghai (214 rkm)	Janghai-Gauriganj	99.13	182.89	CORE
		Gauriganj-Srirajnagar	83.76		
9	Guntakal-Kalluru (40 rkm)	Guntakal (Excl)-Kalluru (excl)	37.77	37.77	CORE
10	Guna-Gwalior (227 rkm)	Guna-Badarwas	47	47	CORE
11	Villupuram-Cuddalore Port-Mayiladuturai-Thanjavur & Mayiladuturai-Thiruvarur (228 rkm)	Villupuram-Cuddalore port	46.86	46.86	CORE
12	Daund-Baramati (44 rkm)	Daund-Baramati	44	44	CORE
13	Rewari-Manheru (69.02 km) Doubling with RE	Kosli-Manheru	42.51	42.51	NWR
14	Obulavaripalle-Krishnapattnam (113 km) New Line	Obulavaripalle-Venkatachalam	88	88	SCR
15	Hyderabad-Secunderabad - Multi modal transport system (Phase-II)	Ramchandra-Telapur	19.22	19.22	SCR
16	Haridaspur-Paradeep (82 km) New Line	Haridaspu-Kendraparara	43.01	43.01	ECOR
	<b>Total</b>		<b>1122.1</b>	<b>1122.1</b>	

### 3.9 Signalling and Telecommunication

Company has achieved commendable success in commissioning of Signalling work associated with doubling, 3<sup>rd</sup> line, intermediate block signalling, Railway electrification, interlocking of mid-section level crossings and yard re-modelling. The company has executed 186 nos. of non-interlocking of stations for commissioning of works, which is the highest till date. During the year 2018-19, RVNL has commissioned 55 new Electronic Interlocking & 6 new panel interlocking & executed alterations in existing 22 EIs and 04 existing panel interlocked stations, of 3<sup>rd</sup> line/doubling projects, 99 stations of Railway Electrification project, 34 mid-section interlocking of level crossing gates and 36 IBS/Auto signals were commissioned. Company has also been able to successfully commission Telecom work involving laying of optical fibre cable and 6 quad cable of a total of 1200 km.

### 3.10 Projects under implementation:

There are 98 projects under various stages of implementation by RVNL.

**3.10.1** The details of 83 projects assigned to RVNL till March 2018 and which are under implementation are as under:

S. No.	Railway	Name of Project	Plan Head
1	CR & SCR	Daund-Gulbarga - Doubling (224.9 km) and Pune-Guntakal -Electrification (641.37 km)	Doubling
2	ER	Nabadwipghat-Nabadwipdham upto BB loop (9.58 km) {Part of Kalinarayanpur-Krishnanagar with Krishnanagar-Shantipur Nabadwipghat-GC, Krishnanagar-Chartala, MM for Krishnanagar Chapra-NL, Naihati-Ranaghat-3rd line, Nabadwipghat-Nabadwipdham upto BB loop (9.58 km), Ranaghat-Lalgola strengthening (bridge No.2)}	Doubling
3	ECR	Patratu-Sonnagar 3rd Line	Doubling
4	ECoR	Sambalpur-Titlagarh (182 km)	Doubling
5	ECoR	Raipur-Titlagarh (203 km), incl new line Mandir Hasaud-Naya Raipur (20 km) and new MM for conversion of Raipur (Kendri)-Dhamtari & Abhanpur-Rajim branch (67.20 km)	Doubling
6	ECoR	Banspani-Daitari-Tomka-Jakhpura (180 km)	Doubling
7	ECoR	Vizianagaram-Sambhalpur (Titlagarh) 3rd line	Doubling
8	NR	New Delhi-Tilak Bridge - 5th & 6th line (2.65 km)	Doubling
9	NR	Utretia-Raebareli (65.6 km)	Doubling
10	NR	Raebareli-Amethi (60.1 km)	Doubling
11	NR	Rajpura-Bhatinda Doubling with Electrification (172.64 km)	Doubling
12	NCR	Bhimsen-Jhansi (206 km) with RE	Doubling
13	NCR	Mathura-Jhansi 3rd line	Doubling
14	NER	Varanasi-Madhosingh-Allahabad	Doubling
15	NWR	Sarotra Road-Karjoda - Patch doubling (23.59 km)	Doubling
16	SR	Madurai-Maniyachi-Tuticorin Doubling with RE (159 km)	Doubling
17	SR	Maniyachi - Nagarcoil Doubling with RE (102 km)	Doubling
18	SCR	Vijaywada-Gudivada- Bhimavaram-Narasapur, Gudivada-Machlipatnam and Bhimavaram-Nidadavolu (221 km) - Doubling with electrification	Doubling
19	SCR	Secunderabad (Falaknuma)-Mehbubnagar doubling	Doubling
20	SCR	Vijayawada-Gudur 3rd line	Doubling
21	SER	Kharagpur (Nimpura)-Adityapur 3rd line (132 km)	Doubling



S. No.	Railway	Name of Project	Plan Head
22	SWR	Hospet-Hubli-Londa-Tinaighat-Vasco da Gama (352.28 km)	Doubling
23	WR	Palanpur-Samakhiali (274.73 km)	Doubling
24	WCR	Bina-Kota (282.66 km) with RE	Doubling
25	WCR	Barkhera-Habibganj - 3rd line (41.420 km)	Doubling
26	WCR	Budni-Barkhera - 3rd line (33 km)	Doubling
27	NER	Lucknow-Pilibhit via Sitapur, Lakhimpur (262.76 km)	Gauge Conversion
28	WR	Ahmedabad-Botad (170.48 km)	Gauge Conversion
29	WR	Dhasa-Jetalsar (104.44 km)	Gauge Conversion
30	CR	Dighi Port-Roha (33.76 km)	New Line
31	ECR	Fatuah-Islampur incl. material modification for extension of new line from Neora to Daniawan; Daniawan to Biharsharif; Biharsharif to Barbigha; Barbigha to Sheikhpura	New Line
32	ER	Dankuni-Furfura Sharif NL {Part of Liluah-Dankuni - 3rd line (10.13 km) with extension to Furfura Sharif}	New Line
33	ECOR	Haridaspur-Paradeep (82 km)	New Line
34	ECOR	Angul-Sukinda Road (98.7 km)	New Line
35	NR	Rishikesh-Karnaprayag (125.09 km)	New Line
36	NR	Bhanupalli-Bilaspur-Beri (63.1 km)	New Line
37	NER	Mau-Ghazipur-Tarighat New Line	New Line
38	SCR	Obulavaripalle-Krishnapattnam (113 km)	New Line
39	SECR	Dallirajhara-Rowghat (90 km) {Part of Dallirajhara-Jagdapur (235 km)}	New Line
40	RE	Raipur-Titlagarh (203 rkm) {Part of Vizianagaram - Rayagada - Titlagarh - Raipur (465 rkm)}	RE
41	RE	Jakhal - Dhuri - Ludhiana (123 km)	RE
42	RE	Rajpura - Dhuri - Lehra Mohabat (151 km)	RE
43	RE	Chhapra-Ballia-Ghazipur-Varanasi-Allahabad (330 rkm)	RE
44	RE	Raninagar Jalpaigudi-New Bongaigaon - Guwahati (Incl) RE (382 rkm) (Part of Barauni - Katihar - Guwahati Incl. Katihar - Barsoi ( 836 km) RE	RE
45	RE	Rani-Palanpur 166 rkm {Part of Delhi Sarai Rohilla - Rewari - Palanpur - Ahmedabad, incl. Kalol - Gandhinagar-Khodiya and Alwar-Bandikui-Jaipur-Phulera (1087km)}	RE

S. No.	Railway	Name of Project	Plan Head
46	RE	Guntakal - Bellary - Hospet incl. Tornagallu - Ranjitpura Branch Line (138 rkm)	RE
47	RE	Hospet - Hubli - Vasco da Gama (346 rkm)	RE
48	RE	Yalahanka-Penukonda (120.55 km)-Doubling	RE
49	RE	Wani- Pimpalkutti RE	RE
50	RE	Kasganj-Bareilly-Bhojipura-Daliganj RE	RE
51	RE	Villupuram-Cuddalore Port-Mayiladuturai- Thanjavur & Mayiladuturai-Thiruvarur RE	RE
52	RE	Chikjajur-Bellary RE	RE
53	RE	Bengaluru-Omalur Via Hosur RE	RE
54	RE	Guna-Gwalior RE	RE
55	ECR	Barauni - New Loco Shed to Home 100 Electric Locos	WKSP
56	ECR	Gaya-Setting up of New Memu Car Shed for Maintaining 30 Rakes of 16 Coaches	WKSP
57	ECR	Saidpur Bhitri- Setting up of Electric Loco Shed to home 200 Locos	WKSP
58	ECOR	Vadlapudi - Wagon Poh Workshop Of 200 Nos Capacity Near Duvvada Station	WKSP
59	NCR	Kanpur-Construction of Memu Car Shed	WKSP
60	SCR	Kazipet - Workshop for Wagon Periodical Overhauling	WKSP
61	WCR	Misrod-Setting up of Workshop for Repair /Rehabilitation of Motorized Bogies of Electric Rolling Stock	WKSP
62	WR	Vadodara - Setting up of New PoH Shop for Electrical Locos	WKSP
63	ER	Samudragarh-Nabadwipdham - Road over bridge in lieu of level crossing No.14	RSW
64	WR	Dhasa-Jetalsar-Subways in lieu of Level Crossing-35 Nos.	RSW
65	WR	Sabarmati-Botad-Subways in lieu of Level Crossings-23 Nos.	RSW
66	WR	Sabarmati-Botad-Subways in lieu of Lcs- 14 Nos.	RSW
67	NCR	Paman-Bhimsen - New B-class station	TFC
68	NCR	Jhansi-Garhmu, Orai-Ata, Ata-Kalpi & Pokhrayan-Lalpur - Splitting of longer block sections	TFC
69	SCR	New Crossing Station Between Umdanagar-Timmarpur Stations of Secunderabad-Mahabubnagar Section	TFC
70	SR	Manamadurai-Rameswaram - Repl of Full Scherzer Lift Span (Bridge No. 346) (Pamban Viaduct)	BRGW

S. No.	Railway	Name of Project	Plan Head
71	NER	Daraganj - Rebuilding (Bridge No.111 On Ganga)	BRGW
72	SCR	Moula Ali - Setting up of Indian Railway Institute of Finance Management	TRG
73	NER	Setting Up of Centralised Training Institute For IRSME & IRSS Officers at Lucknow	TRG
74	SECR	Direct Power Supply from Central Generating Agencies	OEW
75	WCR	Provision of Addl. Traction Substation at Budhni	TRD
76	SCR	Lallaguda (Carriage Workshop)- Replacement of 100 Year Old Administrative Building	OSW
77	SCR	Multi-Modal Transport System (MMTS) - Phase-II in Hyderabad	MTP
78	SCR	Ghatkesar-Raigir (Yadadri)-Extension of multi modal transportation system Phase-II	MTP
79	MET	Baranagar-Barrackpore & Dakshineswar - Construction of Metro Railway (14.5 km)	MTP
80	MET	Dum Dum Airport-New Garia via Rajerhat - Construction of Metro Railway (32 km)	MTP
81	MET	Naupara (Ex.)-Baranagar (2.6 km) {Part of Dumdum-Baranagar Metro Railway sanctioned as MM to Dumdum-New Garia Metro Railway vide letter No. 96/Proj/C/5/1/Pt. Dated 30.10.09}	MTP
82	MET	Joka-Binoy Badal Dinesh Bagh via Majerhat - Construction of Metro railway (16.72 km) incl material modification for extension from Joka Diamond Park (Phase-I)	MTP
83	NR	Final Location Survey For New Line Connectivity To Char Dham (327 km)	FLS

**3.10.2** The list of 15 projects assigned to RVNL in 2018-19 is as under:

S. No.	Railway	Name of Project	Plan Head
1	CR	Latur- Setting up of coach manufacturing factory	WKSP
2	NER	Bhatni - Aunrihar with electrification (125 km) (excl Indara - Mau (116.95 km))	DL
3	ER	Ranaghat (EMU Car Shed)-Inspection bay for 15 coach maintenance facilities	WKSP
4	ER	Jheel Siding Coaching Depot- Infrastructure development	WKSP
5	NCR	Setting up of coach periodic overhauling and rehabilitation workshop at Jhansi	WKSP
6	NR	Setting up of coach periodic overhauling and rehabilitation workshop at Sonipat	WKSP

S. No.	Railway	Name of Project	Plan Head
7	NR	Utretia-Raebareli-Amethi 2nd line RE	RE
8	NR	Raebareli-Unchahar RE including Dalmau-Daryapur Section (63 rkm/70 rkm) of NR	RE
9	CR	Yevatmal- Nanded (206 km) NL	NL
10	WCR	Indore-Jabalpur (342 km) NL sanctioned as Budhni-Indore (205 km)	NL
11	NR	Janghai-Phaphamau DL with RE (46.79 km)	DL
12	NER	Phephna-Indara, Mau-Shahganj (excl. Indara-Mau) (150.28 km) DL	DL
13	SECR	Work of shifting of Y curve siding at Lakhanpur area of MCL on deposit basis	NL
14	NER	Provision of Tower wagon POH shed at Dullahapur yard of NER, BSB Division	WKSP
15	ECoR	RE of Sambalpur-Titlagarh Doubling project (96.596 km)	RE

### 3.11 Projects yet to be Sanctioned (included in Pink Book):

- Bhadrak-Vizianagaram 3rd Line (385 km)
- Khijadiya-Visavadar GC (91.27 km)
- Junagarh-Visavadar GC (42.28 km)
- Veraval-Talala-Visavadar GC (71.95 km)
- New Bongaigaon-Agthori Via Rangia 2nd Line RE (143 rkm)

Total 733.5 km project length is yet to be sanctioned.

### 3.12 Kolkata Metro Projects:



**3.12.1** Four major projects for extension of Kolkata Metro were transferred to RVNL in March 2010 viz.

- Joka-BBD Bag via Majerhat (16.72 km)
- Dum Dum Airport-New Garia via Rajarhat (32 km)
- Baranagar-Barrackpore & Dakshineswar (14.5 km)
- Noapara (Ex.)-Baranagar (2.6 km)

**3.12.2** RVNL was entrusted to build Metro corridors of about 62 km in Kolkata without any survey of underground utilities and without making any DPR (Detailed Project Report). DPR is a pre-requisite for planning of Metro corridors in urban areas. For constructing Metro corridors, that too in a congested and unplanned city requires a lot of meticulous planning for identification and removal of impediments. The ease of doing construction for infrastructure project is not there in West Bengal. The situation gets aggravated further when the corridor passes through the places

which are occupied by encroachers, hawkers and law and order problems, etc. The land acquisition in Kolkata/West Bengal poses a big problem causing delayed construction of Metro corridors. RVNL has taken all possible action for implementation and early commissioning of Metro projects.

**3.12.3** The foundation stone for Joka-BBD Bag project was laid by Her Excellency, President of India on 22.1.2010. Subsequently, 2 packages for viaduct and 2 packages for stations were awarded in December 2010 and April 2012 respectively. The entire Metro corridor has been planned in 2 phases i.e. in 1<sup>st</sup> phase from Joka to Majerhat elevated section and in the 2<sup>nd</sup> phase from Mominpur to BBD Bag as underground section, originally sanctioned as elevated one. Due to delay in obtaining permission of Defence for construction of the Metro underground portion, no work has commenced in Mominpur to BBD Bag corridor. In fact for construction of Mominpur station, permission from Army HQ has been received on 19.4.2017. Initially, the entire corridor i.e. from Mominpur to BBD Bag was sanctioned as elevated and for execution of the underground portion, material modification has been submitted to Railways which is yet to be sanctioned by Ministry of Railways.

**3.12.4** The Metro corridor from Joka to Majerhat (Phase-I) has made substantial progress. In fact, right from Joka Depot to Taratala (8.80 km), there is absolutely no discontinuity. Construction of stations has also progressed well. 3 station structures have already been completed. Since this is a standalone system, a Maintenance Depot over a land of 24.48 hectares is a pre-requisite. Due to non-availability of land, the tender for the depot was discharged in February 2013. At present, land to the extent of 65% in Kolkata city has been acquired and detailed estimate for the depot has been sanctioned. Some of

the following impediments like encroachments at Behala Bazar, Behala Chowrasta and Majerhat still exist. Another impediment namely, Rehabilitation India building has been dismantled and the piling work has been completed. For execution of work in front of the Mint, permission has been received from Ministry of Finance and subsequently site for about 300 m out of the total length of 400 m has been handed over by local Mint authority. The section can be commissioned only after Joka Depot land and 500 sqm at Majerhat Station land are made available.

**3.12.5.** The contracts for viaduct portion between New Garia to Rabindra Tirtha section of Dum Dum Airport-New Garia project in 4 packages have been awarded on 21.10.2011. Survey and geotechnical work have been completed. 5921 working piles, 748 pile caps, 736 piers, 646 pier caps and 5651 segments have been cast and 4055 segments have been launched. About 16 km viaduct has been completed. The contracts for 21 stations (3 packages) were awarded on 5.3.2014. Out of 21 stations, one station land (Technopolis Metro station) is yet to be handed over due to Stay Order by the Court. For construction of stations, 4577 piles, 473 pile caps 668 piers have been cast. The project got delayed because of land acquisition problem at Garia. Change of alignment proposed by State Government where unauthorized buildings were constructed after the Gazette Notification and some other impediments were shifting of markets, traffic guard, road diversion, raising of 220 KV overhead line, removal of encroachments, etc. The alignment from City Centre-II to Airport is yet to be approved by State Government.

**3.12.6** For Baranagar - Barrackpore & Dakshineswar and Noapara - Baranagar, the work has been planned in 2 parts i.e. Noapara-Baranagar-Dakshineswar and in the



second part from Baranagar-Barrackpore. From Noapara to Dakshineswar, the work is going in full swing and the section is likely to be completed and commissioned in 2019-20. Last phase of removal of encroachments was completed by the State Government on 14.02.2018 after persuasion of 7 years. For Baranagar-Barrackpore Metro corridor, an MoU was signed between State Government, Metro Railway and RVNL in October 2011 where it was decided that RVNL shall continue the work of Metro viaduct construction on BT Road after commissioning of 64" pipeline under the BT Road with the closure of 60" and 42" diameter pipelines. The work of new pipeline has been commissioned but RVNL has not been able to start the work due to non-compliance of provisions of tripartite MoU by the State Government. State Government vide letter dated 3.5.2018 has proposed for change of alignment i.e. through Kalyani Expressway. Ministry of Railways (CRB) has communicated to Chief Secretary, GoWB that under such situation, it will become a new project needing fresh sanction.

**3.12.7** Despite having a lot of impediments, problems related to encroachments, delay in shifting of utilities by the State Government etc., the work has progressed well as indicated below:

- (i) **Joka-Majerhat:** 8.80 km of viaduct in a continuous stretch from Joka Depot has been completed. Major structures and stations have been completed at Joka, Thakurpukur and Sakher Bazar and remaining works are in progress.
- (ii) **New Garia-Kavi Subhash-Biman Bandar:** 16.75 km viaduct completed, 85% substructures, 72% piers have been completed, out of 21.56 km length, 85% substructures and 85% of columns and 45% Track slab have been completed for 20 stations.

- (iii) **Noapara-Baranagar-Dakshineswar:** 1.613 km viaduct & embankment has been completed, 1.90 km Belgharia Expressway diversion work has been completed, Dakshineswar station work 90% and Baranagar station work 66% completed. Last leg of encroachments removed in February 2018.

### 3.13 Accidents

During 2018-19, no accident was reported from any of the project sites of RVNL.

### 3.14 ADB funded projects:

The first ADB loan (IND-1981) sanctioned for "Railway Sector Improvement" has been closed on 31.12.2011. A 2<sup>nd</sup> ADB Loan has also been sanctioned for funding of 5 projects, namely:

- Raipur-Titlagarh doubling
- Sambalpur-Titlagarh doubling
- Hospet-Tinaighat doubling
- Daund-Gulbarga doubling
- Pune-Guntakal Railway Electrification

The funding by ADB requires compliance of various loan covenants on resettlement and rehabilitation of project affected persons, procurement of works and stores following international competitive bidding and implementation of plans for mitigation of social and environmental impact norms. A Multi Tranche Financing Facility of \$ 500 million has been agreed to by ADB. The loan agreement for first Tranche (Loan No. 2793-IND) of this MFF for an amount of \$ 150 million was signed in July 2012 and the loan agreement for second Tranche (Loan No. 3108-IND) of this MFF for an amount of \$ 130 million was signed in February 2014. Project Agreement & Loan Agreement against ADB loan No. 3623-IND (Railway Sector Investment Program- Tranche III) have been signed on 16.3.2018.

During 2018-19, an amount of ₹ 281.51 crore

equivalent to \$ 40.07 million has been disbursed by ADB.

### 3.15 Contracting

As the size of projects being executed by RVNL is quite large, to ensure fast award and execution of projects, RVNL invites tenders consisting of multiple packages. Each tender may consist of up to 3 contract packages. This approach has a number of advantages such as:

- Multiple contracts can be awarded through one tender which saves time and effort in invitation and finalization of tenders.
- Both small and large agencies can compete for any contract package which increases competition.
- Large agencies who are capable of executing big contracts can quote for multiple packages to achieve economy of scale and pass on the benefit to RVNL by quoting discounts in case of award of more than one package.
- Smaller agencies, which would not be eligible to quote if the tender for the project was floated in a single package, are now able to compete in any of the contract packages individually as they may meet the qualification requirements of individual packages which are of comparatively smaller value.

During 2018-19 execution contracts worth ₹10931.92 crore were awarded and contracts worth ₹200 crore or more are listed below:

- Engineering, Procurement and Construction Contract (EPC) for Construction of 3rd Line between JIMIDI [ETA (incl.) - GOTLAM (incl.)] on East Coast Railway (**₹774.00 crore**)
- Provision of Doubling of track between Vanchi Maniyachchi to Nagercoil (Via

Tirunelveli) (102.49 km) – Construction of road bed, Minor bridges, Platforms, Buildings, Water and Effluent Treatment Wagon / Coaching maintenance infrastructure, Supply of ballast, Installation of track (excluding supply of rails and track sleepers), Electrical (General Electrification), Provision of OHE, Signalling and Telecommunication works in Madurai & Thiruvananthapuram divisions of Southern Railway, Tamil Nadu. (**₹712.48 crore**)

- Construction of roadbed, bridges, supply of ballast, installation of track (excluding supply of rails, and track sleepers), Electrical (General Electrification), Provision of OHE, Signalling and telecommunication works in connection with 3rd Line from Tori (excluding) 185.30 km to Patratu (including) 120.83 km (Total 64.47 km) in Dhanbad Division of East Central Railway, Jharkhand, India, Package-5 (**₹634.91 crore**)
- Package- 4 - “Construction of roadbed, bridges, supply of ballast, Installation of track (excluding supply of rails, and track sleepers), Electrical (General Electrification), Provision of OHE, Signalling and telecommunication works in connection with 3rd Line from Barwadih (excluding) 258.51 km to Tori (including) 185.30 km (Total 73.21 km) in Dhanbad Division of East Central Railway, Jharkhand, India”. (**₹595.80 crore**)
- Package- 3 - “Construction of roadbed, bridges, supply of ballast, Installation of track (excluding supply of rails, and track sleepers), Electrical (General Electrification), Provision of OHE, Signalling and telecommunication works in connection with 3rd Line from Garhwa Road (including) 319.04 km to Barwadih (including) 258.51 km (Total 60.53 km) in Dhanbad Division

- of East Central Railway, Jharkhand, India”.  
**(₹561.69 crore)**
- Construction of Formation, Bridges, Buildings, two level crossings on existing tracks, supply of ballast along with associated Signalling and General Electrical works in connection with construction of roadbed (except Tunnels) for electrified 3rd BG railway line between Barkhera (Excluding) and Budni (Excluding) stations (26.5KMs) on Bhopal-Itarsi Section in Bhopal Division of West Central Railway in Madhya Pradesh State, India.” **(₹540.66 crore)**
  - Package 2 (RBD-2) - Construction of Roadbed, minor bridges, supply of ballast, installation of track (excluding supply of rails, PSC sleepers & Thick web switches), Electrical (Railway Electrification and General Electrification), Signaling and Telecommunication works for Doubling of Track between Kakrala Halt (Excluding) and Hadiaya (Including) from 57.50 km to 115.64 km in Ambala Division of Northern Railway, Punjab, India **(₹443.23 crore)**
  - Construction of PEB sheds, structures, buildings, water supply arrangement, drainage, sewerage, road works, track works, power supply and general electrical works, telecommunication works and supply, installation and commissioning of machinery and plant in connection with setting up of Rail Coach Naveenikaran Karkhana at Sonipat, Haryana (India) **(₹431.42 crore)**
  - Railway Electrification of Dalliganj-Mallani-Bareilly-Kasganj Section (401 RKM/510 TKM) - 25 KV OHE works, Traction, substations, General Electrification, Civil Engineering works (including service buildings, quarters and track works, Signaling and Telecommunication works in Lucknow and Izzatnagar Division on North-Eastern Railway, Uttar Pradesh, India **(₹424.84 crore)**
  - Package- 2 - “Construction of roadbed, bridges, supply of ballast, Installation of track (excluding supply of rails, and track sleepers), Electrical (General Electrification), Provision of OHE, Signalling and telecommunication works in connection with 3rd Line from Japla (excluding) 366.01 km to Garhwa Road (excluding) 319.04 km (Total 46.97 km) in Mughalsarai Division of East Central Railway, Jharkhand, India”. **(₹409.51 crore)**
  - Package 1 (RBD-1) - Construction of Roadbed, minor bridges, supply of ballast, installation of track (excluding supply of rails, PSC sleepers & Thick web switches), Electrical (Railway Electrification and General Electrification), Signalling and Telecommunication works for Doubling of Track between Rajpura and Kakrala Halt (including) from 0.00 to 57.5 km in Ambala Division of Northern Railway, Punjab, India **(₹401.99 crore)**
  - Package- 1 - “Construction of roadbed, bridges, supply of ballast, Installation of track (excluding supply of rails, and track sleepers), Electrical (General Electrification), Provision of OHE, Signalling and telecommunication works in connection with 3rd Line from Sonnagar (including) 411.83 km to Japla (including) 366.01 km (Total 45.82 km) in Mughalsarai Division of East Central Railway, Bihar & Jharkhand, India” **(₹384.69 crore)**
  - Package 3 (RBD-3) - Construction of roadbed, minor bridges, supply of ballast, installation of track (excluding supply of rails, PSC sleepers & Thick web switches), Electrical (Railway Electrification and General Electrification), Signaling and

- Telecommunication works for Doubling of Track between Hadiaya (Excluding) and Bathhinda from 115.64 km to 172.64 km in Ambala Division of Northern Railway, Punjab, India (**₹384.03 crore**)
- Construction of Roadbed, Viaduct, Major & Minor Bridges, RUBs, ROBs, Track Linking (excluding supply of Rails and Main Line sleepers) and General Electrical works at both the approaches of Rail cum road Bridge at Ghazipur (18.8 km) in connection with Construction of New BG Line from Mau to Tarighat in Varanasi Division of N.E. Railway and Danapur Division of E.C. Railway in Uttar Pradesh, India 23 (a) Addendum and corrigendum dt. 03.08.2018 (**₹362.16 crore**)
  - Balance Work for Construction of Roadbed, Major and Minor Bridges and Track Linking (excluding Supply of Rails and Main Line PSC Sleepers) Outdoor S&T Works, OHE, TSS & General Electrical Works in Connection with Doubling between Bhimsen Station (including) from 1334.400 km and Usargaon Station (Excluding) 1268.109 km on Jhansi Division of North Central Railway in Uttar Pradesh, India". (**₹347.39 crore**)
  - Design, Supply, Erection, Testing and Commissioning of 25 KV, 50 Hz single phase, Traction Over Head Equipments, Switching Stations, Traction sub stations, SCADA Signalling & Telecommunications works, General Electrical service works and Civil Engineering Works i.e. Service Buildings, Quarters, Tower Wagon sidings/sheds, and other associated works between Villupuram - Cuddalore Port - Mayiladuturai - Thanjavur & Mayiladuturai - Thiruvarur Sections comprising of 228 RKM/286 TKM of Tiruchchirapalli Division, Southern Railway, Tamil Nadu (**₹323.01 crore**)
  - Construction of PEB Sheds, Structures, Buildings, Water supply arrangement, Drainage, Sewerage, Road works, Rail Track works, Signalling & Telecommunication works, OHE and Power Supply arrangements, General electrical works and supply, Installation and Commissioning of Machinery and Plant in connection with setting up of Rail coach Factory at Latur, Maharashtra, India (**₹322.51 crore**)
  - Construction of Major Bridges, Limited Height Subways in connection with doubling of track between Rajpura-Batinda from 0.00 km to 172.64 km in Ambala Division of Northern Railway, Punjab, India (**₹308.41 crore**)
  - Package 1 Bhigvan-Solapur : Design, Supply, Erection, Testing & commissioning of 25 KV, 50HZ, Single Phase, Traction Overhead Equipment, Switching Stations and other associated works i.e. TSS at PAREWADI, KURDUWADI and MOHOL, associated Signalling & Telecommunication work, Civil Engineering work i.e. Service Buildings, quarters, sidings and electrical General Services works for Railway Electrification between Bhiogvan-Solapur Section etc. 160 RKM/385 TKM of solapur Division of Central Railway, in the State of Maharashtra, India (**₹292.33 crore**)
  - Notification of Award for the work of: Design, Supply, Erection, Testing and Commissioning of 25 KV, 50 Hz single phase, Traction Over Head Equipment, Traction sub stations, Switching stations, SCADA and other associated Signalling & Telecommunication work, Civil engineering work i.e. Service Buildings, Quarters, Tower Car Sidings, sheds and electrical general services works for Railway Electrification of Baiyyappanahalli (excl.) - Omtur (excl.) single line section (195 RKM/220 TKM)



of Bangalore Division of south Western Railway in the State of Karanataka & Tamilnadu, India (**₹223.90 crore**)

- Package 2 Design, Supply, Erection, Testing and Commissioning of 25 KV, 50 Hz single phase, Traction Over Head Equipments, Traction Sub Stations, Switching Stations and other associated works, associated Signalling & Telecommunications work, Civil Engineering work i.e. Service Buildings, quarters, siding and Electrical General Services works or Railway Electrification of Hubballi (including) - Tinaighat (including) double line sections and Alnavar (excluding) - Ambewadi (including) single line section (284 TKM) of Hubli Division of South Western Railway, in the State of Karnataka, India (**₹218.73 crore**)
- Package 2 Solapur-Gulbarga : Design, Supply, Erection, Testing & commissioning of 25 KV, 50HZ, Single Phase, Traction Overhead Equipment, Switching Stations and other associated works i.e. TSS at HOTGI, and Gaudgaon, associated Signalling & Telecommunication works, Civil Engineering work i.e. Service Buildings, quarters, sidings and Electrical General

works for Railway Electrification between Solapur - GULBARGA Section etc. 113 RKM/261 TKM of Solapur Division of Central Railway, in the State of Maharashtra & Karnataka, India (**₹209.39 crore**)

#### 4. PROJECT PLANNING & DEVELOPMENT

##### 4.1 PUBLIC PRIVATE PARTNERSHIP (PPP) in Indian Railway Connectivity Projects

###### Detailed Status of SPVs

As a part of the mandate of Rail Vikas Nigam Limited (RVNL) to undertake project development, mobilization of financial resources and to implement projects pertaining to strengthening of Golden Quadrilateral and better connectivity to various ports, six Special Purpose Vehicles (SPVs) as Joint Ventures (JVs) have been created. RVNL has a minimum equity participation of 26 percent in each one of these SPVs.

Through these SPVs, RVNL has been able to mobilize a cumulative investment of ₹8179.23 crore out of which ₹2396.59 crore is equity and ₹5782.64 crore is debt. RVNL itself has invested a total of ₹963.26 crore as equity among these 6 SPVs, which is approximately 11.77% of their Gross total investment (refer to table below).

Name of SPVs	RVNL's Equity		Partners' Equity		Total Equity (₹ Crore)	Debt	Total	Ratio of Equity	Ratio of Debt
	₹ Crore	%age	₹ Crore	%age	₹ Crore	₹ Crore	₹ Crore	%	%
Kutch Railway Co Ltd.(KRC) (301 km) <sup>§</sup>	125.00	50.00%	125.00	50.00%	250.00	300.00	550.00	45.55%	54.55%
Bharuch Dahej Railway Co. Ltd. (63 km)	55.00	35.46%	100.11	64.54%	155.11	230.00	385.11	40.28%	59.72%
Krishnapatnam Railway Co. Ltd. (113 km)	311.00	49.76%	314.00	50.24%	625.00	1083.00	1708.00	36.59%	63.41%
Haridaspur Paradip Railway Co.Ltd. (82 km)	287.80	39.01%	449.99	60.99%	737.79	1861.64	2599.43	28.38%	71.62%
Angul Sukinda Railway Ltd.(102 km)	189.00	31.50%	411.00	68.50%	600.00	1600.00	2200.00	27.27%	72.73%
Dighi Roha Rail Limited (34 Km)*	0.05	50.00%	0.05	50.00%	0.10	0.00	0.10	100.00%	0.00%
<b>Total</b>	<b>967.85</b>	<b>40.87%</b>	<b>1400.15</b>	<b>59.13%</b>	<b>2368.00</b>	<b>5074.64</b>	<b>7442.64</b>	<b>31.82%</b>	<b>68.18%</b>
<b>Total Investment</b>	<b>7442.64</b>								
<b>RVNL's contribution</b>	<b>967.85</b>								

§: Equity contribution of RVNL is 100 Cr. but on 15.11.2011, Company issued bonus shares of ₹25 Cr. to RVNL and ₹25 Cr to other shareholders, hence total equity is ₹250 Cr. ₹125 Cr. of RVNL and ₹125 Cr. of others

\*: Debt for DRRL was estimated to be ₹708.15.



### Kutch Railway Company Limited (KRC)

<b>Length</b>	301.0 Km
<b>Project Type</b>	Gauge Conversion of Palanpur – Gandhidham section
<b>Division, Railway</b>	Ahmedabad, Western Railway
<b>Traffic Catchment Area</b>	Ports of Deendayal Port Trust and Mundra in Gujarat
<b>Equity Participants</b>	Rail Vikas Nigam Limited-50% Deendayal Port Trust (previously Kandla Port Trust) - 26% Govt. of Gujarat-4% Adani Port & SEZ Ltd -20%.
<b>Commercial Operations Date (COD)</b>	July 2006
<b>Turn Over 2018-19 (provisional)</b>	<b>₹731.5 Crore (Increase from ₹694.52 crore in 2017-18)</b>
* The name of Kandla Port Trust is changed to Deendayal Port Trust	

### Current Development

- a. The Company is undertaking the doubling of Samakhiali - Palanpur section (248 km) to cater to the anticipated increase in traffic flows from Mundra and Deendayal ports. The project is executed by RVNL.  
Cost: ₹1548.66 Crore: sanctioned by Ministry of Railways  
Source: Internal accruals of KRC  
Progress: Contracts awarded for Packages –I, II, III, IV and major bridges.
- b. Physical Progress: 45.00% and Financial Progress: 66.37%

### b) Krishnapatnam Railway Company Limited (KRCL)

<b>Length</b>	113 Km
<b>Project Type</b>	New line: Obulavaripalle to Krishnapatnam Port
<b>Division, Railway</b>	Vijayawada, South Central Railway
<b>Traffic Catchment Area</b>	Krishnapatnam Port in Andhra Pradesh
<b>Equity Participants</b>	Rail Vikas Nigam Limited- 49.76% Sagarmala Development Co. Ltd.- 20.00% Krishnapatnam Port- 12.96% National Mineral Development Corporation Ltd.- 6.40% Govt. of Andhra Pradesh- 5.60% Bramhani Industries Ltd.- 5.28%.
<b>Commercial Operations Date (COD)</b>	a. Venkatachalem – Nidiguntapalem – 01.10.2008 b. Nidiguntapalem – Krishnapatnam – 28.02.2009 c. Doubling of 21 km line from VKT to KAPT – 02.03.2014 d. Venkatachalem to Obulavaripalli (94 km) – 03.07.2019

Turn Over 2018-19 (provisional)	₹132 Crore (Increase from ₹70.85 crore in 2017-18)
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**Current Development:**

- Ballast, Linking of Track, OHE work and S&T work in progress and in final stage between OBVP to VRJN.
- Physical Progress: 98.00% and Financial Progress:98.00%
- Angul Sukinda Railway Limited (ASRL)**

<b>Length</b>	104 Km with Y connection
<b>Project Type</b>	New line:Angul to Sukinda
<b>Division, Railway</b>	Khurda Division, East Coast Railway
<b>Traffic Catchment Area</b>	Traffic to and from Dhamra & Paradip Ports in Odisha
<b>Equity Participants</b>	Rail Vikas Nigam Limited-31.50% Container Corporation of India-26.00% Govt. of Odisha-21.30% Odisha Mining Corporation -10.50% Jindal Steel Power Limited -10% Odisha Industrial Infrastructure Development Corporation-0.70%
<b>Commercial Operations Date (COD)</b>	Still under construction

**Current Development:**

**Land acquisition:**

**(i) Private land:**

- 1199.081 Acres (69 Villages) of private land which has been acquired.
- Additional land acquisition proposal for private land for an area of 23.412 Acres submitted to LAOs.
- 2<sup>nd</sup> additional land acquisition proposal for private land for an area of 33.665 submitted to LAOs. The proposal for direct purchase of private land is under progress.

**ii) Government land (219.145 acres):**

- Alienations of 132.025 acres sanctioned.
- Physical possession received for 40.305 acres.

**(iii) Forest Land (350.566 acres):**

- In principle Stage-I & II clearance has been received from MOEF in Oct, 2017.
- Tree felling works has been completed over the entire forest land.

**(iv) Physical Progress: 47.00% and Financial Progress: 64.82%**

- Haridaspur Paradip Railway Company Limited (HPRCL)

<b>Length</b>	82 Km
<b>Project Type</b>	New line: Haridaspur to Paradip Port
<b>Division, Railway</b>	Khurda Division, East Coast Railway
<b>Traffic Catchment Area</b>	Paradip Port in Odisha

<b>Equity Participants</b>	Rail Vikas Nigam Limited	39.01%
	Govt. of Odisha	24.91%
	Odisha Mining Corporation	12.59%
	Paradip Port Trust	11.70%
	Essel Mining & Industries Ltd	4.07%
	Rungta Mines Ltd	4.07%
	Mundra Steel Power Limited	2.03%
	Jindal Steel Power Limited	0.68%
	Steel Authority of India Limited	0.68%
	Odisha Industrial Infrastructure Development Corporation, (Govt. of Odisha)	0.26%
<b>Commercial Operations Date (COD)</b>	Still under construction	
<b>Length</b>	82 Km	
<b>Project Type</b>	New line: Haridaspur to Paradip Port	
<b>Division, Railway</b>	Khurda Division, East Coast Railway	
<b>Traffic Catchment Area</b>	Paradip Port in Odisha	
<b>Equity Participants</b>	Rail Vikas Nigam Limited	39.01%
	Govt. of Odisha	24.91%
	Odisha Mining Corporation	12.59%
	Paradip Port Trust	11.70%
	Essel Mining & Industries Ltd	4.07%
	Rungta Mines Ltd	4.07%
	Mundra Steel Power Limited	2.03%
	Jindal Steel Power Limited	0.68%
	Steel Authority of India Limited	0.68%
	Odisha Industrial Infrastructure Development Corporation, (Govt. of Odisha)	0.26%
<b>Commercial Operations Date (COD)</b>	Still under construction	

### Current Development:

- Haridaspur-Lalitgiri (25.03 km) completed in Dec-18.
  - Lalitgiri-Bajipara-Kendrapara (17.98 km) completed in March-19.
- Physical Progress: 76.21% and Financial Progress: 84.55% respectively.*
- e) Bharuch Dahej Railway Company Limited (BDRCL)**

<b>Length</b>	62 Km	
<b>Project Type</b>	Gauge Conversion	
<b>Division, Railway</b>	Vadodara, Western Railway	

<b>Traffic Catchment Area</b>	Dahej Port in South Gujarat	
<b>Equity Participants</b>	Rail Vikas Nigam Limited	35.46%
	Gujarat Maritime Board	11.51%
	Gujarat Industrial Development Corporation	11.51%
	Adani Petronet (Dahej) Port Private Limited	11.17%
	Gujarat Narmada Valley Fertilizer Company	8.72%
	Hindalco Industries Limited	8.72%
	Dahej SEZ Limited	6.45%
	Jindal Rail Infrastructure Limited	6.45%
<b>Commercial Operations Date (COD)</b>	March 2012	

**f) Dighi Roha Rail Limited (DRRL)**

<b>Length</b>	34 Km
<b>Project Type</b>	New line: Roha to Dighi Port
<b>Division, Railway</b>	Mumbai Division, Central Railway
<b>Traffic Catchment Area</b>	Traffic to and from Dighi Port in Maharashtra
<b>Equity Participants</b>	Rail Vikas Nigam Limited-26% Dighi Port Limited-52% Maharashtra Maritime Board-11%. Sagarmala Development Company-11%
<b>Commercial Operations Date (COD)</b>	Process of land acquisition initiated

**Current Development:**

- The Company's Authorized Capital is 78.69 crore.
- Till date paid up equity is ₹10 lakh. RVNL and M/s DPL have paid ₹5 lakh each.
- Ministry of shipping has conveyed in principle approval (dated 18.10.2016) to take 11% equity in Dighi Roha Rail Limited from Sagarmala Development Company.
- National Company Law Tribunal (NCLT) has initiated the corporate insolvency resolution process against Dighi Port Limited the main promoter of the SPV.

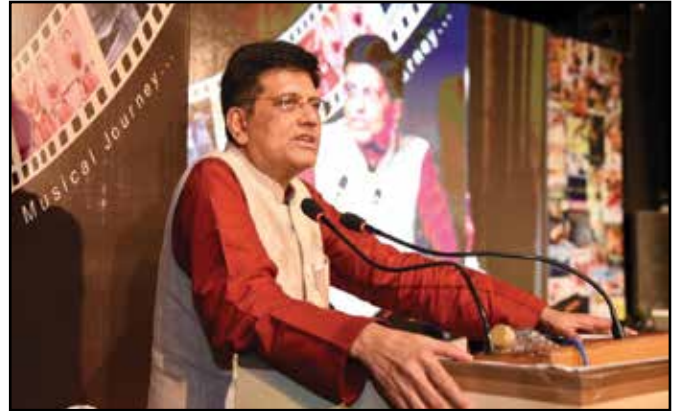
**5. PERSONNEL DEVELOPMENT**

**5.1.** RVNL considers its employees as its most valuable assets in the Company. HR policies

are meticulously crafted taking into account the short-term and long-term manpower requirements of the organization. As RVNL is mandated to execute only Railway projects for and on behalf of Ministry of Railways, persons with requisite technical expertise and knowledge of railway construction are required for smooth and timely completion of rail projects assigned to RVNL. The manpower requirement of RVNL is predominantly met by sourcing Railway employees on deputation basis. As on 31.3.2019, the manpower strength of the Company stood at 545, out of which 158 were regular employees of RVNL.

**5.2** The primary focus of the organisation has been to have not only a lean and thin cadre of highly motivated, skilled and experienced

manpower but also to retain this scarcely available resources by creating a conducive work environment. It has attractive and employee-friendly policies to boost the morale and motivate the employees to perform to the best of their abilities. Output per employee rose to ₹18.45 crores during the year 2018-19. The perks/perquisites being paid to the employees are reviewed periodically to enhance the efficiency and for adoption of latest technology tools for faster and effective communication between Corporate Office and employees working in the Project Implementation Units and for proper monitoring of the projects. Skill Development of the employees has been given special attention through in-house and external training programmes relevant to their functional area so that the employees are able to adapt to the changing technology and business needs and discharge their roles as a strategic business partner contributing in the growth of organisation. In all 89 employees in Senior Management, Middle Management and Lower Management levels were deputed for 249 mandays to attend various seminars/training programmes in Project Management, Contract Management, Railway Electrification, Finance Management, etc.



Hon'ble Minister of Railways Shri Piyush Goyal addressing the gathering at RVNL's 16<sup>th</sup> Annual Day function on 6<sup>th</sup> April, 2019

**5.3** RVNL celebrated its 16<sup>th</sup> Annual Day on 6<sup>th</sup> April, 2019 which was graced by the Hon'ble Minister of Railways. RVNL recognized the meritorious services and performance of the individual employees and the team through Individual, Group Awards and by presenting Shields and Cash Awards on the occasion of Annual Day celebrations. Besides awarding twenty-six meritorious individual employees, shields were presented by Chairman Railway Board and Member Engineering, Railway Board to the following Project Implementation Units for their excellent performance: -

S.N.	Description of Award	Awarded to
1	Best Workshop Project	Aurnihar DEMU Shed
2	Best PIU in Signalling work	PIU, Lucknow
3	Best PIU in RE Project	PIU Varanasi
4	Most Difficult Project	Goelkhera-Manoharpur Line Project
5	Special Project	Budni-Itarsi Line Project
6	Maximum Expenditure Award	PIU, Ahmedabad
7	Best PIU for Commissioning Projects	PIU, Lucknow-I
8	Best Project	RE Project (Utretia to Janghai) PIU RE-Lucknow
9	Best PIU (Runner(-up))	PIU, Chennai-II
10	Best PIU-Winner	PIU, Lucknow-I



**5.4** RVNL has a well-established internal monitoring mechanism to ensure timely career progressions of the employees so that eligible candidates are promoted to the higher grades on time. An employee grievance portal is also in operation to promptly address to their grievances, if any.

### **5.5 Industrial Relations**

Industrial relations remained cordial and harmonious throughout the year. As a welfare measure to the employees, free consultation services of Allopathic and Homeo Physicians are made available in the Corporate Office. As in the previous years, the employees in the Company observed 'Swatch Bharat Abhiyan' and 'International Yoga Day'.

### **5.6 Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.**

The Company has in place an Anti-Sexual Harassment policy in line with the requirements of the Sexual Harassment of Woman at the Workplace (Prevention Prohibition & Redressal) Act-2013. An internal Complaints Committee called Vishaka Committee has been set up in RVNL to redress complaints related to sexual harassment.

### **5.7 Right to Information Act:**

The provisions of the Right to Information Act is followed meticulously in letter and spirit and timely responses are given to all queries. The Company has nominated Appellate Authority, Central Public Information Officer and Asstt. Public Information Officer at the Corporate Office and Asstt. Public Information Officer for each PIU. During the year 2018-19, 49 applications were received and disposed off on time.

### **5.8 Rajbhasha (Official Language)**

The Company has been making concerted efforts to implement the directives of the Government of India on use of Rajbhasha (Official Language). The Rajbhasha Department of the Company has a part-time Mukhya and Up-Mukhya Rajbhasha Adhikari and a regular Senior Manager (Rajbhasha). All the computers in the Corporate Office have been provided with Unicode compliant software and fonts to facilitate access to common templates in Devnagari. To encourage use of Rajbhasha, officials who use Rajbhasha in drafting notes and letters are identified from each department and given Shankar Dayal Singh Smriti Puraskar. A competition on Hindi essay writing, Hindi noting, drafting, Hindi Shabd Gyan and Quiz Competition was organised on the occasion of Hindi Divas Pakhwara in the month of September, 2018. Cash awards of ₹53,200/- were distributed to 77 successful participants. The Company has also set up a reading room-cum-library in the Corporate Office with a good collection of books, newspapers and periodicals in Hindi. During 2018-19, 4 meetings of the Rajabhasha Implementation Committee of RVNL were held with the representatives of Rajbhasha Directorate of Railway Board.

### **5.9 Presidential Directives:**

Government of India, Ministry of Finance vide its letter No. F.No. 3/2/2017 - DIPAM-V(pt.) dated 27/3/2018 has conveyed its decision of disinvestment of its 12.16% (253457280 equity shares) of its shareholding by way of Initial Public Offering in April 2019 and the Company was listed with BSE Ltd. & NSE of India Ltd. on 11.04.2019.

## **6. Vigilance**

The Vigilance Department in RVNL is headed by a Chief Vigilance Officer (CVO), one GGM/

Vigilance (Part time), two Sr. DGM/Vigilance and one DGM/Vigilance. On superannuation of the then CVO, GGM/Corporate Cordination officer was given additional charge (from February 2018 to October 2018) of CVO till joining of new CVO. Vigilance Department of RVNL is committed in its endeavour for strengthening transparency and accountability in the Company.

### Inspections in brief:

During 2018-19, intensive examination of three selected projects under execution by Project Implementation Units was conducted. The scope of the examination covered entire contract management and compliance with corporate standards & policies. Observations made during earlier CTE/CTE Type inspections were followed up and replies on paras pertaining to various CTE inspections were sent to CTE/CVC. Vigilance Department of RVNL also facilitated an intensive examination of a doubling project (Sarotra Road-Palanpur) by the Chief Technical Examiner of CVC in September, 2018.

### System Improvements:

System improvements effected during 2018-19 due to preventive vigilance are as follows:

- Based on Vigilance's recommendation, the Management advised the field units to ensure effective implementation of the instructions regarding use of rock spoils in the field.
- During an examination, it was observed that bills were paid mostly when the value of work done was less than the stipulated threshold value and no justification was recorded bringing out the special circumstances. Based on the Vigilance recommendation, the Management reiterated instructions

that field units should ensure that proper justification is recorded bringing out the very special circumstances necessitating such payment and prior approval of Competent Authority is obtained before releasing the amount.

- Based on vigilance recommendations, instructions were issued by the Management to all the field units to ensure that manual installation is permitted only for those specific minimum segments where mechanized installation is not feasible.
- During examination of a work, it was observed that guidelines regarding proper maintenance of records, pagination of documents and merger of part files etc. were not found complied. Violation of good practices during housekeeping led to high retrieval time for records. In view of these observations, on the advice of RVNL Vigilance, Management issued the instructions to ensure proper implementations of guidelines as contained in Central Vigilance Commission's CTEO Manual dated 15.01.2002.
- Instructions were issued by RVNL Corporate Office clarifying the provisions for conducting Permeability Test for concrete (Addendum/Corrigendum Slip No. 25 dated 22.10.2018 to RVNL's specifications for Materials and Works).
- Based on the advice of RVNL Vigilance, instructions were issued to all the field units by RVNL Corporate Office to ensure strict compliance of the extant law/guidelines regarding cutting of tress during execution of projects, obtaining approval of relevant authorities, proper estimation of number of trees to be cut and to keep proper records in this regard.
- RVNL Corporate Office has reiterated the

instructions to all the PIUs for ensuring proper marking on cubes for cube tests by engraving on the cubes or through permanent marking with proper details.

- During investigation of a case by RVNL Vigilance, it came to the notice that an RVNL employee participated in Management of a Residential Welfare Society as an office bearer without prior approval of competent authority. Based on the advice of RVNL Vigilance, HR Department brought the concerned rules in this regard to the notice of all and advised all RVNL employees to follow the extant rules on the subject scrupulously.

### Investigations

The complaints received by Vigilance from time to time were dealt with as per prescribed procedure. Verifiable facts, if any, raised in the complaints were investigated and surprise checks done, as deemed fit. During the year, six complaints were taken up for investigation. Preventive Checks were also conducted with specific focus on payment of bills and some HR related issues. Vigilance has suggested/recommended remedial measures in the wake of the investigations to prevent incurrance of similar lapses.

### Disciplinary Action

During the year 2018-19, Administrative Action was taken against three officials. Out of these three cases, in two cases recommendations were received from Zonal Railways and were pertaining to the execution of work on the respective Zonal Railway. In one case, Administrative action was taken against an official who had irregularly drawn Dearness Relief on pension. Further, in a vigilance case relating to investigation done by a Zonal Railway, CVC's first stage advice for initiation

of Major Penalty proceedings against an officer was received through Railway Board Vigilance as the officer resigned from Railway service and has taken absorption in RVNL. The case has been sent to Railway Board for referring the same to CVC for their reconsideration to close the case on technical ground as well as on merit as the case has been found time-barred and no merit has been found on the basis of evidence available. Final position in the matter is awaited.

### Periodic Reports to CVC/Railway Board

The status of various matters namely inspections, complaints, disciplinary cases and miscellaneous matters was regularly apprised to CVC/Railway Board through periodic monthly, quarterly and annual reports. The progress of Vigilance work from October, 2017 to March, 2018 and from April, 2018 to September, 2018 was also reviewed by the Board of Directors.

### Vigilance Awareness Week

'Vigilance Awareness Week-2018' was celebrated by Rail Vikas Nigam Limited (RVNL) at the Corporate Office and its field units across the country from 29<sup>th</sup> October 2018 to 3<sup>rd</sup> November 2018. This year Central Vigilance Commission has adopted the theme as "Eradicate Corruption-Build a New India". In order to generate more awareness, the posters on the theme were displayed at all access points of the building and prominent locations of all RVNL offices. Besides this, banners were also displayed at the offices and in the schools, colleges etc., where various activities were held to generate awareness among people. RVNL Corporate office and some of its field units organized seminars/workshops where discussions were held on various vigilance related issues to sensitize the employees. RVNL officials and other employees in field units were encouraged to adopt transparency,

good conduct and ethical values.

The officials and staff of RVNL in Corporate Office as well as in all its Project Implementation Units (PIUs) were administered Integrity Pledge on 29.10.2018. The employees were also informed about the E-pledge link available on the CVC website.

RVNL organized an on-line painting competition where paintings on relevant theme were drawn by the students of Art Colleges & schools and 68 paintings were received. A debate competition was also organized in Hindu College (Delhi University) on this occasion in which students from other colleges also participated. A Nukkad Natak, highlighting the importance of ethical values in life and ill effects of corruption was organized by RVNL Corporate Office in the premises of August Kranti Bhawan. Other activities e.g. essay/slogan writing competition, quiz, poem, poster making/drawing competition, debate/discussion, lecture etc. were organized in 23 schools and 5 colleges by RVNL field units where about 6750 students participated.



Outreach programme at Hindu College, Delhi under Vigilance Awareness.

RVNL releases a Vigilance Bulletin every year on this occasion. 13<sup>th</sup> edition of the Vigilance Bulletin was released during Vigilance Awareness Week with informative write-ups on the subject.

## 7. MEMORANDUM OF UNDERSTANDING

The Company secured a rating of “Excellent” by Department of Public Enterprises for the year 2017-18 on the basis of the achievement of the committed targets fixed in the Memorandum of Understanding signed between RVNL and Ministry of Railways. This is the eighth consecutive year for which the Company has been rated as “Excellent”.



MOU Signing for FY 2018-19

In 2018-19, the Company has been able to achieve the targets set in the MoU and even surpassed them. RVNL completed New Line of 129.19 km, Gauge Conversion of 106.92 km and Doubling of 263.83 km, totalling to 499.94 km (124.98%) against a target of 400 km (100%) for “Excellent” under “Completion of milestone of clients orders/ agreements without time overrun” and 87.10 km against a target of 78 km under “Other sector specific result-oriented measurable parameter”. Under “Capacity Utilization” parameter, completion of 500 km Railway Electrification was achieved against a target of 400 km for “Excellent” and Guntur-Tenali - Doubling with electrification (24.38 km) under South Central Railway was completed on 25-07-2018 ahead of schedule. The Company was also able to meet the targets for all financial, enterprise specific, sectors



specific parameters set in the MoU for 2018-19. Accordingly, the Company is expecting to achieve an “Excellent” rating for 2018-19 as well.

## 8. PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO ETC.

### 8.1 Conservation of Energy and Technology Absorption

RVNL is conscious of the limited nature of conventional sources and the importance of using our energy resources wisely. Initiatives taken to create awareness on conservation of energy among employees has resulted in a steady reduction in energy consumption at Corporate Office. In addition, various state of the art systems has been installed and environment friendly technology has been adopted in the Corporate Office building.

Environment friendly equipments like solar heaters, solar lights etc are being installed in project offices of the Company.

### 8.2 Foreign Exchange Earnings and Outgo

The Foreign Exchange outgo during the year in terms of actual outflows as compared to previous year are mentioned below:

(₹ in crores)

Particulars	2018-19	2017-18
Foreign Exchange on foreign travel of Company's officials	0.58	1.07
Project Management Consultancy	--	0.79

## 9. RISK MANAGEMENT

RVNL has a formal Risk Management Policy duly approved by the Board of Directors. The Policy aims to review the exposure of RVNL to

various risks and the mitigation measures to be taken periodically. It also strives to increase awareness among its employees and other stakeholders about possible risks and measures to control the same.

The Company has a Risk Management Committee under the chairmanship of Director (Projects) with all functional Directors as members. The committee deliberated on the key challenges/critical area of potential risk to the company and the following challenges/risks were identified:

- Delay in approval of drawings and changes in drawings/scope of work.
- Delay in land acquisition.
- Aggressive bidding by contractors leading to potential non performing contractors.
- Limited contractors for S&T and Electrical portion of projects.
- Shortage of Funds
- Rates in SBOQ in some schedules specially Electrical and S&T are not as per market conditions leading to difficulty in acceptance of tenders
- With increasing workload of RVNL and non releasing of competent officers for Zonal Railway, risk of inadequate manpower with RVNL as well as PMC's is increasing which may affect progress of projects leading to delays and quality issues in project execution.

Following initiatives have been taken based on the suggestions made by the Risk Management Committee to overcome the above challenges on pilot basis:

- A portal for online approval of drawings has been developed and the same has started working in South Central Railway on pilot basis.
- Instructions have been issued to Project



Implementation Units that direct negotiations with land owners should be resorted to in case small quantity of land involving a few owners, as it may become bottleneck in commissioning of the section.

Provision for submission of additional Bank Guarantee by the contractor has been introduced in standard bidding documents of RVNL to discourage the contractors quoting abnormally low rates and later on failing to execute the project.

Evaluation of Qualification Criteria for S&T and OHE has been relaxed to develop more contractors.

Railway Board has been requested to allot more funds to RVNL.

Revision of standard bill of Quantities to take into account the market rates and requirement of new items considering changes in technology has been done and issued on 18.12.2018.

The pay packages of contract employees have been improved to make it more attractive to aspirants and to retain talented and experienced staff. Provisions of bidding document of PMC and construction contracts revised to make them suitable to the requirements of industry.

Risk Reporting & Monitoring is done as per the Enterprise Risk Management - plan approved by Board of Directors.

#### **10. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The key philosophy of CSR, as enshrined in the policy, is to meet the following broad objectives:

1. Implementation in project / programme mode;
2. Focus on periphery of project areas of RVNL;
3. Thrust areas of education and healthcare; and
4. Inclusive growth of society with emphasis on

development of weaker sections of society and in the backward districts of the country.

The Company has constituted Corporate Social Responsibility Committee (CSR) in line with the requirements of the Companies Act, 2013 and DPE Guidelines. The details with respects to composition, CSR Policy and CSR activities undertaken by the Company during FY 2018-19 are placed as **Annexure C** to this report.

#### **11. COMPLIANCE OF PROVISIONS OF COMPANIES ACT, 2013**

All the provisions of the Companies Act, 2013 and the Rules made thereunder, SEBI (LODR) Regulations, 2015 to the extent applicable to the Company as well as all relevant notifications thereon issued by the Government of India, are being strictly complied with.

#### **12. COMPLIANCE OF DPE GUIDELINES AND POLICIES**

All the guidelines and policies including guidelines having financial implications issued by Department of Public Enterprises from time to time are duly complied with by the Company.

#### **13. COMPLIANCE OF THE PUBLIC PROCUREMENT POLICY FOR MICRO AND SMALL ENTERPRISES (MSEs) ORDER, 2012**

The Government of India has notified Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 with effect from 1st April, 2012 and 20% of procurement of annual requirement of goods and services by all Central Ministries/Departments/Central Public Sector Undertakings (CPSUs) has become mandatory from the Micro and Small Enterprises (MSEs) with effect from 1st April, 2015.

Your Company has taken several steps for effective implementation of MSE policy. The benefits of waiver of cost of tender documents

and deposit of earnest money, prescribed under the Policy, have been incorporated in the tender documents for procurement of stores and obtaining services, etc.

The Annual Procurement Plan for purchases in 2018-19 was made available on the Company's website for information of MSEs to encourage their participation in the procurement of goods and services.

In 2018-19 RVNL procured goods and services amounting to a total of ₹13.36 crore. Out of this, the total value of goods and services purchased from MSEs (including MSEs owned by SC/ST entrepreneurs) was to the tune of ₹4.17 crore i.e 31.21% of the total procurement. Thus, RVNL has complied with the Public Procurement Policy related to Micro and Small Enterprises.

#### 14. RESEARCH AND DEVELOPMENT

Implementation of an Integrated IT Solution for RVNL

New processes for GST policy have been developed and implemented in the IT ERP solution, to make RVNL GST compliant and to provide GST reversal benefit to the organisation. A pilot of Online Measurement Book was successfully completed at select Project Units; the system is now set to be rolled out to all project units of RVNL. Employee performance appraisal is now 100% online for both Permanent employees as well as Deputation employees. A brand new modernised corporate website was launched. The website caters to general public as well as vendors and job candidates and an internal portal for employees which provides internal business features.

A dedicated Project Drawing Approval Monitoring System was launched to expedite approvals of project drawings among RVNL and different Railway units.

#### 15. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that -

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### 16. DIRECTORS AND KEY MANAGERIAL PERSONNEL

RVNL being a Government Company, the appointment of directors on its Board are done by the Ministry of Railways, Govt. of India from time to time. During the financial year 2018-19, ten (10) meetings of the Board of Directors

were held for transacting various businesses.

As on the date of this report, the strength of the Board of the Company comprises of thirteen (13) Directors, out of which four (4) are whole-time Directors (including Chairman and Managing Director), two (2) are Government Nominees from Administrative Ministry i.e. Ministry of Railways (MoR) as (Part-time) (official) Directors and seven (7) are Independent Directors (including one woman Director). One (1) Position of Director (Finance) is still vacant. The composition of the Board is in compliance with Regulation 17 of SEBI (LODR) Regulations, 2015.

The Ministry of Railways (MoR), Government of India vide its order no. 2009/PL/50/13/Pt. dated 11th July, 2019 has appointed Major General (Retd.) Cyrus A Pithawalla as a Non-Official Independent Director on the Board of Rail Vikas Nigam Limited for a period of three years

or until further orders, whichever is earlier.

Further, Ministry of Railway vide its order no. 2009/PL/48/1/Pt.3 dated 11th July, 2019 has also re-appointed Mr. Shiv Kumar Gupta and Mr. Vinayak Bhalachandra Karanjikar as a Non-Official Independent Directors w.e.f. 1st April, 2019 on the Board of Rail Vikas Nigam Limited for a period of one year or until further order whichever is earlier.

Furthermore, Ministry of Railway vide its Order No.2018/E(O)II/40/9 dated 11th June, 2019 has appointed Mr. Vinay Singh, Executive Director, RVNL to the post of Director (Projects), RVNL for a period of five years from the date of assumption of charge of the post on or after 01.08.2019 or till the date of his superannuation or until further orders, whichever is the earlier.

The following directors are holding office upto the date of this report:

S. No.	Name & DIN of Directors	Designation	Date of Appointment
1.	Mr. Pradeep Gaur* (07243986)	Chairman & Managing Director	from 01.09.2018 onwards
2.	Mr. Vijay Anand (01874842)	Director (Projects)	from 9.4.2011 onwards [upto 31.07.2019]
3.	Mr. Vinay Singh** (03324677)	Director (Projects)	From 01.08.2019 onwards
4.	Mr. Arun Kumar (02486535)	Director (Operations)	from 10.10.2017 onwards
5.	Mr. Ajay Kumar*** (08249293)	Director (Personnel)	from 24.10.2018 onwards
6.	Mr. A. P. Dwivedi (07122333)	Government Nominee Director	from 23.03.2018 onwards
7.	Mr. Hari Mohan Gupta**** (08453476)	Government Nominee Director	from 17.05.2019 onwards
8.	Mr. Rajen Habib Khwaja (00101884)	Independent Director	from 13.10.2017 onwards

9.	Mrs. Sabita Pradhan (07977780)	Independent Director	from 17.10.2017 onwards
10.	Dr. L. V. Muralikrishna Reddy (03316871)	Independent Director	from 15.03.2018 onwards
11.	Dr. Anil Kumar (00961397)	Independent Director	from 21.05.2018 onwards
12.	Major General (Retd.) Cyrus A Pithawalla (06507764)	Independent Director	from 11.07.2019 onwards
13.	Mr. Shiv Kumar Gupta (07391077)	Independent Director	from 01.04.2019 onwards
14.	Mr. Vinayak Bhalachandra Karanjikar (06518026)	Independent Director	from 01.04.2019 onwards

\*Mr. Pradeep Gaur was appointed as Chairman & Managing Director vice Mr. S. C. Agnihotri on 01.09.2018

\*\* Mr. Vinay Singh was appointed as Director (Projects) vice Mr. Vijay Anand w.e.f 01.08.2019

\*\*\*Mr. Ajay Kumar was appointed as Director (Personnel) vice Mrs. Gita Mishra on 24.10.2018

\*\*\*\* Mr. Hari Mohan Gupta was appointed as Govt. Nominee Director vice Mr. S. C. Jain on 17.05.2019

The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013.

### Woman Director

In terms of the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, a Company shall have at least one Woman Director on the Board of the Company. Your Company has Mrs. Sabita Pradhan as Part-time (Non-official) Director on the Board

of the Company since October 2017.

### Appointment/Resignations of Key Management Personnels

Apart from Chairman and Managing Director and Whole-time Directors, the following persons are also the Key Management Personnel of your Company in compliance with the provisions of section 2 (51) of Companies Act, 2013, SEBI (ICDR) Regulations and IND AS-24.

1. Mr. A.K. Choudhary, (Chief Financial Officer)
2. Mrs. Kalpana Dubey, (Company Secretary & Compliance Officer).

### Changes (Appointment/Cessation) in Key Management Personnels (KMP) during the year.

Name	Designation	Date of change	Reasons
Mr. S.C. Agnihotri	Chairman and Managing Director	31st August, 2018	Retirement
Mr. Pradeep Gaur	Chairman and Managing Director	1 <sup>st</sup> September, 2018	Appointed and Designated as KMP
Mrs. Gita Mishra	Director (Personnel)	12 <sup>th</sup> October, 2018	Retirement
Mr. Ajay Kumar	Director (Personnel)	24th October, 2018	Appointed and Designated as KMP

Annual evaluation by the Board of its own performance and that of its Committees and Individual Directors

RVNL being a Government Company is exempted vide notification No. F.No.1/2/2014-CL. V dated 5.6.2015 issued by Ministry of Corporate Affairs, to comply with the provisions of Sec 134(3)(p) with respect to Annual evaluation by the Board of its own performance and that of its Committees and Individual Directors. In case of RVNL, the performance evaluation of Directors is done by the Ministry of Railways.

### Number of Meetings of the Board

Pursuant to the Companies Act, 2013 and Rules framed there under, ten (10) Board Meetings were held in the F.Y.2018-19. The details of the Meetings are in the Corporate Governance Report forming part of this report.

### Audit Committee

The Audit Committee has been re-constituted on 15<sup>th</sup> May, 2019 as per Regulation 18 of SEBI (LODR) Regulations, 2015 with the following members:

S. No.	Name	Category of Director	Chairman/Member
1.	Mr. Rajen Habib Khwaja	Independent Director	Chairman
2.	Mr. Arun Kumar	Director (Operations)	Member
3.	Dr. L.V.M. Reddy	Independent Director	Member
4.	Dr. Anil Kumar	Independent Director	Member
5.	Mrs. Sabita Pradhan	Independent Director	Member

\* CFO is a permanent invitee to the meetings of the committee and Company Secretary acts as Secretary to the Committee. All recommendations made by the Audit Committee were accepted by the Board.

## 17. AUDITORS

### Statutory Auditor

The Comptroller & Auditor General of India has appointed M/s Raj Har Gopal & Co. Chartered Accountants as Statutory Auditors of the Company for the year ended 31<sup>st</sup> March, 2019. The Board would like to thank them for their valuable support and guidance during the audit of accounts under review.

### Secretarial Auditor

The Board of Directors has appointed M/s Akhil Rohtagi & Co. (Practising Company Secretaries) to conduct the Secretarial Audit for financial year 2018-19. The Secretarial Audit Report is annexed and forms part of this Annual Report in **Annexure D**.

The Secretarial Auditors in their report have

observed that the Company has not been registered under the Shops & Establishment Act. Thereafter, the Company has sought registration under Shops & Establishment Act., in the month of July 2019.

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

The Comptroller & Auditor General of India has undertaken supplementary audit on the accounts of the Company for the year ended 31<sup>st</sup> March, 2019 under Section 139(5) of the Companies Act, 2013. The comments of the C & AG on the Annual Accounts of the Company for the year ended 31<sup>st</sup> March, 2019 forms part of this report.

### 19. ACKNOWLEDGEMENTS

At the outset, the Company would also like to place on record and express their appreciation



of the special contribution of Mr. S. C. Agnihotri, Chairman & Managing Director and Mrs. Gita Mishra, Director (Personnel) who demitted office on 31<sup>st</sup> August, 2018 & 12<sup>th</sup> October, 2018 respectively. During their tenure as a Chairman & Managing Director and Director (Personnel) of your Company, they have made significant contribution in the growth & development of the Company. Company has benefitted immensely from their vast experience and knowledge.

We also take this opportunity to gratefully acknowledge the cooperation, guidance and support received from Ministry of Railways (MoR), Ministry of Finance, Department of Public Enterprises, various banks, Asian Development Bank, the Zonal Railways, IRFC and our equity partners in Joint Venture SPVs for their continued interest and support to the

Company. The Directors would like to express their thanks for the devotion, commitment and dedication of each and every employee of the Company due to which your Company could face the new challenges and opportunities and create a niche for itself as a major provider of rail infrastructure in the Country. The Directors also place on record their appreciation to the officials of Comptroller & Auditor General of India for their guidance during the year under review. Last but not the least, the Directors would like to express their deep appreciation and gratitude towards all their predecessors who have been associated with RVNL, for their invaluable contribution to the growth and development of the Company in attainment of the Company's aims and goals in all spheres.

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

Place: New Delhi  
Date: 27.07.2019

**Sd/-**  
**(Pradeep Gaur)**  
Chairman & Managing Director  
DIN: 07243986

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Industry Structure and Development:

India has the fourth largest railway network in the world with a total network of 68,442 route kilometer (rkm). It runs nearly 22,000 trains daily; i.e. approximately 13,313 passenger trains that carry more than 2.3 crore passengers and approximately 8,000 freight trains that carry around 3.3 crore tonnes of freight per day. The humungous magnitude of operations on Indian Railway can be appreciated from the fact that every day it moves people nearly equal to the population of Australia. To cope with increasing demand 26 doubling / tripling/quadrupling projects for 1865 km have been included in Budget 2018-19. Pace of construction of new lines doubling, third line and fourth line projects has significantly increased to 6.5 kms per day, Railway Electrification for 2018-19 was targeted at 6000 rkm.

Railway reforms are addressing a wide range of challenges, which includes safety, infrastructure creation, loading punctuality of passenger trains and mail express, Improved customer experience and faster/timely delivery of cargo, [introduction of high-technology trains, locomotives, improved terminals, construction of Dedicated Freight Corridors (DFCs), policy initiatives to increase freight traffic], innovative financing mechanisms [Railways of India Development Fund (RIDF), engaging state governments in participative models for rail connectivity, attracting foreign direct investment (FDI)] and ensuring financial sustainability through non-fare revenues. The focus is also on encouraging the participation of the private sector in infrastructure up gradation including station development.

New initiatives by Railways during the year 2018-19 are introduction of Indigenous semi-high speed train 'Vande Bharat Humsafar Antyodaya', "Deendayalu", "Anubhuti Coaches" and "Glass top Vistadome coaches" aimed at providing better services to passengers, Connecting North East: India's longest Rail-Road Bridge Connecting Assam and Arunachal Pradesh Transformational Reforms speeded up: Emphasis on cultural, process & structural reforms, empowerment/ strengthening of field level units Speedy and Smooth Passenger Services via Improved Coaches and Trains, UTS Mobile App, VIKALP Scheme and boosting Digital Transactions for Online Ticket Reservations Swachh Rail: Bio Toilets, Clean-My-Coach SMS Service.

Indian Railways is considered the country's lifeline for transporting passengers as well as cargo. To remain competitive vis-à-vis other transportation modes and to provide optimum level of service to passengers and for freight, there is an acute need to invest in railway infrastructure to augment capacity to expand the railway network.

### Role of Rail Vikas Nigam Limited:

RVNL was incorporated with an objective to undertake rail project development, mobilization of financial resources and implementation of rail projects pertaining to strengthening of golden quadrilateral and port connectivity and raising of extra-budgetary resources for project execution. RVNL is in the business of executing all types of railway projects including new lines, doubling, gauge conversion, railway electrification, metro projects, workshops,

major bridges, construction of cable stayed bridges, institutional buildings etc.

RVNL functions as an executing arm of Indian Railways and works for and on behalf of the Ministry for projects assigned to it for execution. It generally works on a turnkey basis and undertakes the full cycle of project development from conceptualization to commissioning including stages of design, preparation of estimates, calling and award of contracts, project and contract management, etc.

The projects are spread all over the country and for efficient implementation of projects, 44 Project Implementation Units (PIUs) have been established at 24 locations to execute projects in their geographical hinterland. They are located at Ahmedabad, Agra, Ambala, Bengaluru, Bhopal (2 Units), Bhubaneshwar (2 Units), Chennai (2 Units), Chandigarh (3 Units), Guwahati, Jodhpur, Jhansi, Kanpur, Kharagpur, Kolkata (3 Units), Kota, Lucknow (3 Units), Mumbai, Pune (2 Units), Raipur (2 Units), Rishikesh, Ranchi, Secunderabad (2 Units), Varanasi (4 Units), Vijaywada, Waltair (2 Units). The PIUs are established and closed as per requirement.

RVNL's major client is the Indian Railways and other clients include various central and state government ministries, departments, and public sector undertakings.

RVNL has also recognised the vast potential for building a High Speed Rail Network in the country and with the approval of President of India has formed High Speed Rail Corporation of India Ltd. (HSRC), as its subsidiary. It has been mandated to carry out feasibility studies for the Diamond Quadrilateral of high speed rail corridors across the Country and Delhi-Chandigarh-Amritsar corridor. Accordingly, the feasibility studies for Delhi-Kolkata, Delhi-Mumbai, Mumbai-Chennai, Mumbai-Kolkata

(upto Nagpur in 1<sup>st</sup> Phase), Delhi-Chennai and Delhi-Chandigarh-Amritsar are currently in progress.

Further, HSRC has also been entrusted with the work of conducting feasibility studies for upgradation of the existing track in the Chennai-Bengaluru-Mysore Section, to raise its maximum permissible speed for passenger trains. HSRC was also the project coordinator for raising the speed on New-Delhi Agra, New Delhi-Kanpur and New Delhi-Chandigarh sections upto 160 kmph. The work of New Delhi-Agra section has already been completed and a train running with maximum permissible speed of 160 kmph has been inaugurated.

### Strengths

- RVNL has successfully mobilized funds for the construction of new lines by creating project specific SPVs with strategic stakeholders. Its large capital base can be leveraged to raise funds as per its original mandate.
- Ministry of Railways has delegated the authority to RVNL for sanctioning of estimates within prescribed limits and for awarding contracts of any value enabling RVNL to implement projects faster.
- As RVNL can award large value contracts, it has been able to attract the best infrastructure companies in India.
- It has developed expertise in undertaking all stages of project development - from concept to commissioning.
- RVNL has developed the requisite skills and experience to follow ADB procedures for contracting and ensure Resettlement and Rehabilitation of Project Affected Persons to implement socio-economic safeguards.
- It has introduced large-scale mechanisation

in all aspects of construction to achieve high quality output.

- It has refined its tendering processes and introduced innovative concepts like multi-package tenders resulting in faster decision making and savings in overall costs
- It has a sound and robust financial management system, allowing for effective monitoring and control of expenditure.

### Weaknesses

- RVNL is dependent on the Ministry of Railways for funding of projects which may prove detrimental for the future growth of the Company and for timely implementation of projects.
- RVNL has not been notified as a Zonal Railway and accordingly does not have the authority to approve drawings, designs etc.
- The progress of projects often gets impaired on account of delays in securing the necessary approvals for plans, granting of traffic blocks, etc. from Zonal Railways.
- Changes in approved plans by the Railways, during execution of projects, result in delays.
- RVNL has to depend on Railways for traffic blocks for execution of projects which causes delays.
- RVNL does not have the freedom to plan execution of projects and has to follow priorities set by Railways.
- RVNL is dependent on Ministry of Railways for approval of projects to be taken up through SPV route and for the terms of the Concession Agreement.

### Opportunities

- With the work of execution of Kolkata Metro projects, RVNL has developed expertise for

implementation of metro projects in other cities across the Country.

- RVNL has successfully constructed major workshops for Indian Railways in fast track mode. RVNL can thus undertake implementation of large buildings, factories, townships etc. for other agencies as well.
- With RVNL's growth as a major provider of a variety of rail infrastructure, there is an opportunity of securing rail infrastructure projects overseas.
- RVNL can play a significant role in raising extra-budgetary resources for project execution as this is a specific mandate of the Company and has experience of implementation of projects in PPP mode.
- RVNL is implementing Rishikesh – Karnaprayag project in the Himalayan region and can also take up more such projects in hilly terrain.
- RVNL has formed a subsidiary company for the development and implementation of High Speed Rail projects - High Speed Rail Corporation of India Ltd. which can provide opportunities for:
  - Implementation of High Speed Corridors in the Country
  - Upgradation of some routes for semi high speed operation as planned by MoR, e.g. Chennai-Bengaluru- Mysore(130km) etc.

### Threats

- The shortage of technical manpower, with required experience in the rail sector, is a major constraint in the delivery of projects.
- A large percentage of RVNL workforce is deputationists from Indian Railways. Any adverse policy decision may result in railway officers not being available for deputation.

- Land acquisition issues require to be resolved expeditiously so that the progress of projects is not hampered.
- Delays in clearances for project execution such as tree-cutting, removal of utilities from the construction of viaducts for metro rail projects etc.
- A number of projects are being executed along existing running lines, which makes safety a serious challenge.
- Projects are adversely affected due to poor law and order conditions such as those in Left Wing Extremists affected districts.

**Industrial Relation:** Industrial Relations remained harmonious and cordial.

### Strategies

The Company is taking measures for ensuring cost control and timely delivery of projects, without any compromise on quality for the execution and delivery of rail infrastructure projects on a fast track basis. RVNL can play a significant role in Ministry of Railways' efforts of raising extra-budgetary resources for project implementation, especially through the SPV route. Innovative models for project financing will also have to be explored. RVNL has also requested Ministry of Railways' that it may be permitted to leverage its equity base to raise funds from the market as per its mandate.

RVNL has created a permanent cadre through absorption to provide institutional continuity and to reduce the dependence on seeking officers and staff on deputation from Railways. Most of the workforce consists of qualified technical staff with experience in Railways and/or its PSUs. Wherever required, RVNL has also recruited specialists to provide expert guidance in its project implementation.

A comprehensive and appropriate training programme is being implemented to develop competent, suitably skilled and qualified manpower. Efforts are also being made to transfer skills and best practices from other infrastructure sectors and acquiring skills related to execution of railway projects.

**The Mission, Vision and Objectives of the Company as per the Memorandum of Understanding (MoU) are mentioned below:**

### Mission

To create state of the art rail transport infrastructure to meet the growing demand.

### Vision

To emerge as the most efficient provider of rail infrastructure, with a sound financial base and global construction practices, for timely completion of projects.

### Objectives

- To undertake and execute successfully project development, financing and implementation of projects relating to infrastructure, especially rail infrastructure
- To mobilize financial and human resources for project implementation;
- Timely execution of projects with least cost escalation;
- To maintain a cost effective organizational set up;
- To encourage public private participation in rail related projects managed by RVNL;
- To be an infrastructure Project Execution Company committed to sustainable development and environment friendly construction practices of rail related projects in the country;



- To acquire, purchase, license, concession or assign rail infrastructure assets including contractual rights and obligation with the approval of MoR whenever required.

### Outlook

As per the MoU between RVNL and Ministry of Railways for the year 2018-19, RVNL has been assigned a target to achieve 418.4 km of Doubling/third line/GC/New Line and 425 km of Railway Electrification.

### Concerns

Over the past few years, RVNL has been augmenting its organisational capacity for project implementation and achieved a turnover of ₹10,060.07 crore in 2018-19. The Company is in a position to further increase the turnover, which however, will be dependent on the continued availability of assured funding from the Ministry or directions with regard to raising of Extra Budgetary Resources.

Delays in land acquisition, finalization of plans by users, timely clearance of permissions from other government departments (mainly Ministry of Environment and Forests), law and order problems, and the continued support from Ministry of Railways are main concern areas in project execution. The capacity constraints of agencies capable of delivery of large value rail infrastructure projects will also have to be addressed to ensure the successful and timely completion of projects.

The poor pace of supply of rails from SAIL has been a matter of concern for the last two years.

### Internal Control Systems

Effective internal control systems have been put in place for monitoring the implementation of projects including periodic reviews of the physical and financial progress, evaluation

of efficiency of cost control measures based on inputs of both the Technical and Finance Departments.

Reviews of the progress and nature of expenditure is regularly conducted by the Finance and Accounts Department and reports thereon are submitted to Management. Budgetary reviews are also conducted.

The Company has laid down and developed a framework of internal financial controls, with reference to financial statements and reporting and such controls are adequate and operating effectively. A system of internal audit by an external firm ensures the efficacy of control systems and also submission of comments on the appropriateness of incurrence of expenditure, and their accountal by the Company. The reports of the internal auditor are periodically reviewed by Audit Committee of the Board of Directors and implementation of recommendations are monitored. The Annual Accounts of the Company are also subject to scrutiny by the Statutory Auditor appointed by CAG and Audit by CAG.

### Financial Performance

RVNL has achieved all time highest turnover during the year 2018-19. The Company recorded total income of ₹10,332.70 crore compared to ₹7781.36 crore in the previous year. Profit after tax for the year 2018-19 is ₹606.59 crore as against ₹469.66 crore in the previous year. During the financial year, the Company has earned an turnover of ₹10,060.07 crore as against ₹7,556.56 crore of previous year with percentage showing an increase of 33.13%. During the year the Company has spent ₹11.48 crore as against ₹7.7 crore in the previous year towards Corporate Social Responsibilities.

## Key Financial Ratios:

S.No.	Particulars	2018-19	2017-18
(i)	Debtor Turnover (No of Days) (1)	23	35
(ii)	Inventory Turnover (2)	NA	NA
(iii)	Interest Coverage Ratio (3)	NA	NA
(iv)	Current Ratio (4)	1.85	2.70
(v)	Debt Equity Ratio (5)	45:55	40:60
(vi)	Operating Profit Margin (%)	5.22	5.00
(vii)	Net Profit Margin (%) (PAT / Total Revenue)	5.87	6.04
(viii)	Return on Net Worth (%) (PAT / Avg. Net worth ) (6)	17.11	14.60

1. Decrease in debtor turnover in 2018-19 is mainly due to reduction in the debtors on account of conversion of part of amount due from the SPV KRCL as equity in the SPV.
2. This information is not applicable as the Company does not carry any inventory.
3. Not applicable as there is no liability on RVNL to serve the debt.
4. Decrease in current ratio is on account of substantial amount received as advance as well as on account of Para (1) above resulting in to reduced trade debtors.
5. Company has borrowed the funds form IRFC for railway projects, for repayment of IRFC loan Ministry of Railways would make available to RVNL the required funds thereafter, to enable them to do the debt servicing.
6. Ratio works out to 4.70:4.41 as per DPE guidelines.
7. Increase in return on net worth during current year in comparison to previous year is mainly on account of increase in operating turnover, coupled with increase in other income.

## Human Resource Development and Industrial Relations

Rail Vikas Nigam Limited endeavors at enhancing the capabilities of the organization in acquiring, developing, motivating and retaining its human resources in an environment in which team work and cooperation among employees contributes to the growth and wellbeing of individual employees as well as the organization as a whole. Emphasis is laid on employees maintaining work life balance.

To strengthen its position, the Company has formed a nucleus of its own permanent cadre through an Absorption Policy along with a Recruitment & Promotion Policy as approved by the Board of Directors of RVNL.

## Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's strengths, strategies, projection and estimates are forward looking statements and progressive within the meaning of applicable laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, government policies and other incidental factors. Readers are cautioned and not to place undue reliance on the forward looking statements.

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE & KEY VALUES

At RVNL, Corporate Governance is not solely restricted to regulatory or structural remedies. In your Company, it is a culture, which is based on trusteeship, transparency, empowerment, accountability and corporate ethics.

Your Company has always shown commitment towards its Code of Corporate Governance, which is, **“To act in accordance with the highest standards of professional integrity, honesty, ethical conduct and to be proficient, professional and profitable by upholding and promoting transparency and accountability.”**

RVNL has taken initiatives to strengthen the Corporate Governance framework internally by implementing policies viz., Code of Conduct for Board members and Senior Management and Whistle Blower Policy. To attain the set goals and targets, your Company has been guided by the following key values:

- Zeal to attain excellence in performance;
- To act as a team;
- Honesty and justice in dealings;
- Firm obedience to commitments undertaken;
- Timely completion of work;
- Respect for dignity and potential of individuals;
- Devotion and pride towards RVNL

### 2. BOARD OF DIRECTORS

#### 2.1 Size of the Board

RVNL is a Government Company within the meaning of Section 2(45) of the Companies Act, 2013 (the Act) and the President of India presently holds 87.84% of the total paid-up share capital. As per Articles of the Association of the Company, the power to appoint Directors rests with the President of India and the strength of Board of Directors of the Company shall not be less than three (3) Directors and not more than such number as per the provisions of the Act. These Directors may be either whole-time Directors or part-time Directors (including Woman Directors, Independent Directors and Govt. Nominee Directors).

#### 2.2 Composition of the Board of Directors:

SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time, hereinafter referred as SEBI (LODR) stipulates that the Board of Directors of the Company shall have an optimum combination of executive and non-executive directors with at least one-woman director and not less than fifty percent of the Board of Directors comprising of non-executive directors and section 149 (4) of Companies Act, 2013 stipulates that every listed company should have at least one-third of the total number of directors as independent directors

The present strength of the Board of the Company comprises of thirteen (13) Directors, out of which four (4) are whole-time Directors (including Chairman and Managing Director), two (2) are Government Nominees from Administrative Ministry i.e. Ministry of Railways (MoR) as (Part-time) (official) Directors

and seven (7) are Independent Directors (including one woman Director). One (1) Position of Director (Finance) is still vacant. The composition of the Board is in compliance with Regulation 17 of SEBI (LODR) Regulations, 2015.

The Ministry of Railways (MoR), Government of India vide its order no. 2009/PL/50/13/Pt. dated 11th July, 2019 has appointed Major General (Retd.) Cyrus A Pithawalla as a Non-Official Independent Director on the Board of Rail Vikas Nigam Limited for a period of three years or until further orders, whichever is earlier and vide its order no. 2009/PL/48/1/Pt.3 dated 11th July,

2019 has re-appointed Mr. Shiv Kumar Gupta and Mr. Vinayak Bhalachandra Karanjikar as a Non-Official Independent Directors w.e.f. 1st April, 2019 on the Board of Rail Vikas Nigam Limited for a period of one year or until further order whichever is earlier.

Further, Ministry of Railway vide its Order No.2018/E(O)II/40/9 dated 11.06.2019 has appointed Mr. Vinay Singh, Executive Director, RVNL to the post of Director (Projects), RVNL for a period of five years from the date of assumption of charge of the post on or after 01.08.2019 or till the date of his superannuation or until further orders, whichever is earlier.

### Changes in our Board of Directors during the financial year 2018-19 are set forth below:

Name	Designation	Date of change	Reasons
Dr. Anil Kumar	Independent Director	21.05.2018	Appointment
Mr. S.C. Agnihotri	Chairman & Managing Director	31.08.2018	Superannuation
Mr. Pradeep Gaur	Chairman & Managing Director	01.09.2018	Appointment
Mrs. Gita Mishra	Director (Personnel)	12.10.2018	Superannuation
Mr. Ajay Kumar	Director (Personnel)	24.10.2018	Appointment
Mr. Shiv Kumar Gupta	Independent Director	31.03.2019	Cessation
Mr. Vinayak Bhalachandra Karanjikar	Independent Director	31.03.2019	Cessation

### 2.3 Age Limit and Tenure of Directors

As per the Government guidelines, the age limit for the Chairman & Managing Director and other Whole-time Directors is 60 years. The Chairman & Managing Director and other Whole-time Directors are appointed for a period of five years from the date of taking over of charge or till the date of superannuation of the incumbent or till further orders from the Government of India, whichever is earlier. On appointment by the Government of India,

as RVNL is a listed company, these directors are co-opted as Additional Directors and the appointment is regularized at the following Annual General Meeting.

Government Nominee Directors representing the Ministry of Railways, Government of India retire from the Board as per the directions of the Ministry of Railways. On appointment by the Government of India, they are appointed as Government Nominee Director by the Board of Directors.

Independent Directors are appointed by the Government of India for a period of three years or until further orders, whichever is earlier.

#### 2.4 Board Meeting & Attendance during Financial Year 2018-19

The meetings of the Board of Directors are normally held at the Registered Office of the Company. Meetings are generally scheduled well in advance and the Notice, detailed Board agenda, management reports and other explanatory Board notes are circulated to the Directors. The members of the Board have complete access to all the information of the Company. Senior management is also invited

to the Board meetings to provide additional input to the items being discussed by the Board. In case of urgency, resolutions are passed by circulation.

During the year, 10 (ten) meetings of the Board of Directors were held on 21<sup>st</sup> May, 2018, 13<sup>th</sup> August, 2018, 25<sup>th</sup> August, 2018, 18<sup>th</sup> September, 2018, 6<sup>th</sup> October, 2018, 6<sup>th</sup> December, 2018, 15<sup>th</sup> January, 2019, 28<sup>th</sup> February, 2019, 22<sup>nd</sup> March, 2019 and 28<sup>th</sup> March, 2019.

In all cases of absence of a Director, Leave of Absence is granted under Section 167 (1) (b) of the Companies Act, 2013.

#### Details of attendance of the Directors & Company Secretary during financial year 2018-19:

S.No	Name, Designation and DIN of Directors	Date of Appointment(A)/ Cessation(C)	No. of Board meetings held		Last AGM attended	No of Share held
			Held (during their respective tenure)	Attended		
1.	Mr. S.C. Agnihotri Chairman and Managing Director (01637856)	27.01.2010 (A) 31.08.2018 (C)	3	3	-	Nil
2.	Mr. Pradeep Gaur Chairman and Managing Director (07243986)	01.09.2018 (A)	7	7	Yes	Nil
3.	Ms. Gita Mishra Director (Personnel) (02382477)	13.10.2008 (A) 12.10.2018 (C)	5	5	Yes	Nil
4.	Mr. Ajay Kumar Director (Personnel) (08249293)	24.10.2018 (A)	5	5	-	Nil
5.	Mr. Arun Kumar Director (Operations) (02486535)	10.10.2017 (A)	10	10	Yes	Nil
6.	Mr. Vijay Anand Director (Projects) (01874842)	04.05.2011 (A)	10	10	Yes	Nil
7.	Mr. S.C. Jain Govt. Nominee Director (07564584)	18.01.2017 (A)	10	7	Yes	01



8.	Mr. A. P Dwivedi Govt. Nominee Director (07122333)	23.03.2018 (A)	10	10	Yes	Nil
9.	Mr. Shiv Kumar Gupta Independent Director (07391077)	01.04.2016 (A) 31.03.2019 (C)	10	9	Yes	Nil
10.	Mr. Vinayak B Karanjikar Independent Director (06518026)	01.04.2016 (A) 31.03.2019 (C)	10	9	Yes	Nil
11.	Mr. Rajen Habib Khwaja Independent Director (00101884)	13.10.2017 (A)	10	7	Yes	Nil
12.	Mrs. Sabita Pradhan Independent Director (07977780)	17.10.2017 (A)	10	5	No	Nil
13.	Dr. L V M Reddy Independent Director (03316871)	15.03.2018 (A)	10	8	Yes	Nil
14.	Mr. Anil Kumar Independent Director (00961397)	21.05.2018 (A)	10	8	Yes	Nil
15.	Ms. Kalpana Dubey (Company Secretary)	21.11.2013 (A)	10	10	Yes	Nil

\* Mr. Hari Mohan Gupta, (DIN: 08453476) appointed on 17<sup>th</sup> May, 2019 vice Mr. S. C Jain on the Board of the Company as Govt. Nominee Director

### Board of Directors and their Memberships of BoD/Committees during the year 2018-19.

Details of Directorships/Memberships/Chairmanship of Committees in Public Companies are given below:

S.No.	Name of the Director & Designation	Directorships in Public Companies (including RVNL)			Memberships/Chairmanship in Public Companies (including RVNL)*	
		No. of directorships	Name of the Company	Category	Memberships	Chairmanship
1.	Mr. Pradeep Gaur* Chairman & Managing Director	2	RVNL	CMD	-	-
			HSRC	PTC	-	-
2.	Mr. Ajay Kumar** Director (Personnel)	1	RVNL	WTD	-	-
3.	Mr. Arun Kumar Director (Operations)	2	RVNL	WTD	2	-
			HSRC	PTD	-	-

4.	Mr. Vijay Anand Director (Projects)	2	RVNL	WTD	-	-
			HSRC	PTD	-	-
5.	Mr. A.P Dwivedi Govt. Nominee Director	3	RVNL	NED- GN	-	-
			RITES	NED- GN	-	-
			KRCL	NED- GN	-	-
6.	Mr.S. C. Jain Govt. Nominee Director	3	RVNL	NED- GN	-	-
			IRCON	NED- GN	1	-
			PRCL	NED- GN	-	-
7.	Mr.R.H Khwaja Independent Director	1	RVNL	ID	-	2
8.	Mrs. Sabita Pradhan Independent Director	1	RVNL	ID	2	-
9.	Dr. L.V.M Reddy Independent Director	2	RVNL	ID	1	-
			KMML	ID	1	-
10.	Dr. Anil Kumar Independent Director	1	RVNL	ID	1	-

\*Mr. Pradeep Gaur was appointed as Chairman & Managing Director vice Mr. S. C. Agnihotri on 01.09.2018

\*\*Mr. Ajay Kumar was appointed as Director (Personnel) vice Mrs. Gita Mishra on 24.10.2018

#### Notes:

- The number of directorship(s)/ membership(s) / chairmanship(s) of all Directors is / are within the respective limits prescribed under the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and DPE's guidelines on Corporate Governance of May, 2010.
- The Committees covered under the last two columns are Audit Committee and Stakeholders Relationship Committee
- The term **"whole time"** indicates functional/executive Directors (in the whole time employment of the Company), **NED-** Non Executive Director, **GN-** Government Nominee, **CMD-** Chairman and Managing Director, **ID-** Independent Director, **PTD-** Part time Director and **PTC-** Part time Chairman.
- The Directorships and Memberships/ Chairmanships are based on the latest disclosure received.
- Apart from the remuneration to Directors as per the terms and conditions of their appointment and sitting fee to Part- Time (Non-Official) Directors, none of the Directors has any material or pecuniary relationship with the Company which can affect their independence of judgement.
- Full names of the referred companies:
  - HSRC - High Speed Rail Corporation of India Limited
  - RVNL - Rail Vikas Nigam Limited
  - KRCL - Konkan Railway Corporation Limited
  - PRCL - Pipavav Railway Corporation Limited

- v. KMML - The Kerala Minerals and Metals Limited

## 2.5 Information to be placed before Board of Directors, inter-alia includes:

The Board has complete access to all information with the Company. The information regularly supplied to the Board includes:

1. Quarterly results for the listed entity and its operating divisions or business segments.
2. Minutes of meetings of audit committee and other committees of the board of directors.
3. The information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
4. Show cause, demand, prosecution notices and penalty notices, which are materially important.
5. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
6. Any material default in financial obligations to and by the listed entity, or substantial non-payment for goods sold by the listed entity.
7. Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the listed entity or taken an adverse view regarding another enterprise that may have negative implications on the listed entity.
8. Details of any joint venture or collaboration agreement.

9. Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.

10. Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.

11. Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.

12. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.

13. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

14. Other Items requiring review or approval of the Board (like MoU with the MoRs, Govt. of India).

## 2.6 Post-meeting follow-up system

The Governance process in the Company includes an effective post-meeting follow-up, review and reporting process for action taken on decisions of the Board and the Board Committee(s).

## 3. COMMITTEES OF BOARD

The Board has constituted the following Committees:

- i. Audit Committee
- ii. Nomination and Remuneration Committee
- iii. Corporate Social Responsibility Committee
- iv. Stakeholder Relationship Committee
- v. Risk Management Committee

### 3.1 Audit Committee

The terms of reference of the Audit Committee:

The Committee acts in accordance with the Terms of Reference as per Section 177 of Companies Act, 2013, Regulation 18 of SEBI

(Listing Obligation and Disclosure Requirement) Regulations, 2015 and Guidelines of Corporate Governance laid down by Department of Public Enterprises.

Audit Committee comprised of the following Directors as on 31<sup>st</sup> March, 2019: -

S. No.	Name	Category of Director	Chairman/Member
1.	Mr. Shiv Kumar Gupta	Independent Director	Chairman
2.	Mr. A. P. Dwivedi	Govt. Nominee Director	Member
3.	Mr. Vinayak B. Karanjikar	Independent Director	Member

### Powers of Audit Committee

The audit committee has the following powers to investigate:

1. Any activity within its terms of reference;
2. Seek information from any employee;
3. Obtain outside legal or other professional advice and
4. Secure attendance of outsiders with relevant expertise if it considers necessary.

### The role of the Audit Committee shall include the following:

1. oversight of the Company (listed entity's) financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity\*;

\* (In case of Government Companies, recommendation for appointment, and the terms of appointment of Statutory Auditors

(including Casual Vacancy) shall be made by CAG and not by the Shareholders of the Company.)

3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor report thereon before submission to the board for approval, with particular reference to:
  - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;

- d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
  7. reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
  8. approval or any subsequent modification of transactions of the listed entity with related parties;
  9. scrutiny of inter-corporate loans and investments;
  10. valuation of undertakings or assets of the listed entity, wherever it is necessary;
  11. evaluation of internal financial controls and risk management systems;
  12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. discussion with internal auditors of any significant findings and follow up there on;
  15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. to review the functioning of the whistle blower mechanism;
  19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
  20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.



21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans /advances / investments existing as on the date of coming into force of this provision.
6. statement of deviations:
- a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**Review of Information:**

The audit committee shall mandatorily review the following information

1. management discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. management letters / letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses;
5. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

**Meetings of Audit Committee**

As per Regulation 18 of SEBI(LODR) Regulations, 2015 the Audit Committee is required to meet at least four times in a year and not more than one hundred twenty days shall elapse between two meetings. The quorum for the Audit Committee meetings is either two members or one-third of the members of the Audit Committee, whichever is greater, but there should be a minimum of two independent directors present.

During the year, Audit Committee met five times on 21st, May 2018, 13th August, 2018, 6th December, 2018, 20th February, 2019 and 28th February, 2019. The composition of the Audit Committee and attendance of its members during the year is given below:

Name of the Director	Status	No. of Meeting Held	No. of Meeting Attended
Mr. Shiv Kumar Gupta Independent Director	Chairman (upto 31.03.2019)	5	5
Mr. Vinayak B. Karanjikar Independent Director	Member (upto 31.03.2019)	5	5
Mr. A.P. Dwivedi Govt. Nominee Director	Member (upto 15.05.2019)	5	4

## Note:

The Audit Committee has been re-constituted on 15<sup>th</sup> May, 2019 as per Regulation 18 of SEBI (LODR) Regulations, 2015 with the following members:

S. No.	Name	Category of Director	Chairman/Member
1.	Mr. Rajen Habib Khwaja	Independent Director	Chairman
2.	Mr. Arun Kumar	Director (Operations)	Member
3.	Dr. L.V.M Reddy	Independent Director	Member
4.	Dr. Anil Kumar	Independent Director	Member
5.	Mrs. Sabita Pradhan	Independent Director	Member

\* CFO shall be permanent invitee to the meetings of the committee and Company Secretary acts as Secretary to the Committee.

## 3.2 Nomination and Remuneration Committee

### Scope of the Committee

In terms of provisions of section 178 of Companies Act, 2013 and Provisions of SEBI (LODR) Regulations 2015, your Company has a Committee of the board viz. '**Nomination and Remuneration Committee**'.

The terms of reference of the Nomination and Remuneration Committee consists of the following:

- \*Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- \*Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- \*Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- \*Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.
- Deciding the Annual Bonus/ Variable pay pool/ Performance related pay and policy for its distribution across the executives and non-unionized supervisors, within the prescribed limits and as per the guidelines issued in this regard by the Government of India.
- Formulation and modification of schemes for providing perks and allowances for executives;

9. Any new scheme of compensation to executives and non-executives as the case may be;
10. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, or
  - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003; and
11. Perform such other activities as may be delegated by the Board and/or are statutorily prescribed under the Companies Act, 2013, SEBI Regulations and DPE Guidelines or any other law in force.
- \* **Note:** - Sr. No. 1 to 3 and 5 will remain inoperative in view of exemption under Companies Act, 2013 and the fact that Directors including Independent Directors are appointed and evaluated by the Government of India.
- During the year, one meeting of the Nomination & Remuneration Committee was held on April 16, 2018. The composition of the Committee and attendance of the members during the year 2018-19 is presented below:

Name of the Director	Status	No. of Meeting Held	No. of Meeting Attended
Mr. Vinayak B. Karanjikar Independent Director	Chairman (upto 31.03.2019)	1	1
Mr. S C Jain Govt. Nominee Director	Member (upto 17.05.2019)	1	1
Mr. Shiv Kumar Gupta Independent Director	Member (upto 31.03.2019)	1	1

**Note:**

The Nomination & Remuneration Committee has been re-constituted on 29<sup>th</sup> May, 2019 as per Regulation 19 of SEBI (LODR) Regulations, 2015 with the following members:

S. No.	Name	Category of Director	Chairman/Member
1.	Dr. L V M Reddy	Independent Director	Chairman
2.	Mr. A. P. Dwivedi	Govt. Nominee Director	Member
3.	Mr. Rajen Habib Khwaja	Independent Director	Member

\* Director (Personnel) shall be permanent invitee to the meetings of the committee and Company Secretary acts as Secretary to the Committee.

## REMUNERATION OF DIRECTORS

Being a Government Company, the whole-time Directors are appointed by the President of India through Ministry of Railways and draw remuneration as per Industrial Dearness Allowance (IDA) pay scales pre-determined by the Government as per the terms and conditions of their appointment issued by the Government.

The part-time (official) Directors nominated on the Board do not draw any remuneration from the Company for their roles as Director but draw their remuneration under Central Dearness Allowance (CDA) scales from the Government as government officials.

The Independent Directors are paid a sitting fee of ₹25,000/- for attending every meeting of the Board of Directors and Committee(s) thereof.

### Disclosure on Remuneration package of Whole-Time Directors during 2018-19:

(Amount in ₹)

S. No.	Name of Directors	Salary	Lease/ Licence Fees	Perquisites	Performance Related Pay/ Ex-Gratia Payment	EPF	Retirement Benefit	Bonus/ Ex-Gratia	Stock options	Total
1.	Mr.S.C. Agnihotri (superannuated on 31.08.2018)	18,38,740	3,50,000	3,91,353	44,96,774	1,64,938	31,82,461	--	--	1,04,24,266
2.	Mr. Pradeep Gaur (Appointed on 01.09.2018)	20,70,581	4,11,600	3,07,011	1,61,000	1,92,831	-	-	-	31,43,023
3.	Smt. Gita Mishra (superannuated on 12.10.2018)	22,27,689	-	81,199	35,32,032	1,99,849	22,48,700	--	--	82,89,469
4.	Mr. Ajay Kumar (Appointed on 24.10.2018)	17,38,400	3,46,200	3,41,157	20,72,696	1,55,572	-	--	--	46,54,025
5.	Mr.Arun Kumar	38,71,248	7,42,500	8,09,564	28,95,219	3,49,131		--	--	86,67,662
6.	Mr.Vijay Anand	39,66,294	--	93,379	37,18,530	3,57,502		--	--	81,35,905
	<b>Total</b>	<b>1,57,12,952</b>	<b>18,50,300</b>	<b>20,23,662</b>	<b>1,68,76,251</b>	<b>14,20,023</b>	<b>54,31,161</b>			<b>4,33,14,349</b>

### Details of Payment made to Independent Directors/ Part-Time (Non-Official) Directors during 2018-19:

(Amount in ₹)

Sr. No.	Name of the Independent Directors / Part-Time (Non- Official) Directors	Sitting Fees			Total
		Board Meeting	Committee Meeting	Independent Directors Meeting	
1.	Mr. Shiv Kumar Gupta	1,87,000	1,87,000	25,000	3,99,000
2.	Mr. Vinayak B Karanjikar	1,87,000	1,62,000	25,000	3,74,000
3.	Mr. Rajen Habib Khwaja	1,62,000	-	25,000	1,87,000
4.	Mrs. Sabita Pradhan	87,000	-	25,000	1,12,000
5.	Mr. L.V. M Reddy	1,37,000	-	-	1,37,000
6.	Mr. Anil Kumar	1,62,000		-	1,62,000

### 3.3 Corporate Social Responsibility Committee

Your company has a two Tier system for management and implementation of CSR and sustainability activities. Tier-I CSR Committee is a board level Committee. Tier-II Committee is a below board level Committee.

The Constitution of the Committee is in accordance with the provisions of Section 135 (1) of the Companies Act, 2013 read with the Corporate Social Responsibility Rules, 2014 and the revised DPE Guidelines on CSR and Sustainability.

**The scope of the CSR Committee is as under:**

- a) formulate and recommend to the Board, a Corporate Social Responsibility Policy

which shall indicate the activities to be undertaken by the Company specified in Schedule VII;

- b) recommend the amount of expenditure to be incurred on the activities referred to in clause(a); and  
c) monitor the Corporate Social Responsibility Policy and programmes of the Company from time to time.

During the year, two meetings of CSR Committee were held on 13<sup>th</sup> August, 2018 and 20<sup>th</sup> February, 2019. The composition of the Committee and the attendance of its members during the year are given below:

Name of the Director	Status	No. of Meeting Held	No. of Meeting Attended
Mrs. Gita Mishra Director (Personnel) (Superannuated on 12.10.2018)	Chairperson	1	1
Mr. Ajay Kumar Director (Personnel) (Appointed on 24.10.2018)	Chairman	1	1
Mr. Vijay Anand Director (Projects)	Member	2	1
Mr. Shiv Kumar Gupta Independent Director	Member	2	2
Mr. Vinayak B. Karanjikar Independent Director	Member	1	1
Mr. A. K. Choudhary CFO (Induction on 28 <sup>th</sup> February 2019)	Member	-	-

**Note:**

The CSR Committee has been re-constituted on 29<sup>th</sup> May, 2019 with the following members:

S. No.	Name	Category of Director	Chairman/Member
1.	Mr. Ajay Kumar	Director (Personnel)	Chairman
2.	Mr. Vijay Anand	Director (Projects)	Member
3.	Mr. A. K. Choudhary	CFO	Member
4.	Dr. Anil Kumar	Independent Director	Member

\* Mr. D. Ghosh Roy, Pr. Advisor Mechanical acts as the nodal officer to the committee and Company Secretary acts as a secretary to the Committee.



### 3.4 Stakeholder Relationship Committee

The role of the Stakeholders Relationship Committee is as specified in Part D of the Schedule II of SEBI (LODR) Regulations, 2015, as under:

The role of the committee inter-alia includes the following:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

#### Stakeholders Relationship Composition of Committee.

Name of the Director	Status
Mr. Rajen Habib Khwaja Independent Director	Chairman
Mrs. Sabita Pradhan Independent Director	Member
Mr. Arun Kumar, Director(Operations)	Member

\*Mrs. Kalpana Dubey, Company Secretary & Compliance Officer acts as a Secretary to the Committee in compliance with the SEBI (LODR) Regulations, 2015.

**Note:** No meeting of Committee was held during the period under review. As the Company got listed on 11<sup>th</sup> April, 2019 on the Stock Exchanges (BSE and NSE Limited), No Investor Complaint was pending at the end of the F Y 2018-19.

Terms of reference of the Stakeholders' Relationship Committee are:

1. Considering and resolving grievances of shareholders', debenture holders and other security holders;
2. Redressal of grievances of the security holders of the Company, including complaints in respect of allotment of Equity Shares, transfer of Equity Shares, non-receipt of declared dividends, balance sheets of the Company, etc.;
3. Allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
4. Issue of duplicate certificates and new certificates on split/ consolidation/ renewal, etc.; and
5. Carrying out any other function contained in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time.

### 3.5 Risk Management Committee

During the year, Risk Management Committee Meetings were held on 13<sup>th</sup> June, 2018, 19<sup>th</sup> September, 2018, 21<sup>st</sup> December, 2018 and 27<sup>th</sup> March, 2019. The composition of the Committee and the attendance of its members

during the year are given below:

Name of the Director	Status	No. of Meeting Held	No. of Meeting Attended
Vijay Anand Director (Projects)	Chairman	4	4
Arun Kumar Director (Operations)	Member	4	2
Gita Mishra Director (Personnel) (Superannuated on 12.10.2018)	Member	2	2
Mr. Ajay Kumar Director (Personnel) (Appointed on 24.10.2018)	Member	2	1
A.K. Choudhary (CFO)	Member	4	3
S. K. Dhiman (Chief Risk Officer)	Member	2	2

Risk Management Committee was re-constituted on 6<sup>th</sup> December, 2018 in compliance with Regulation 21 of the SEBI (LODR) Regulations, 2015 with the following members:

S. No.	Name	Category of Director	Chairman/Member
1.	Mr. Vijay Anand	Director (Projects)	Chairman
2.	Mr. Ajay Kumar	Director (Personnel)	Member
3.	Mr. Arun Kumar	Director (Operations)	Member
4.	Mr. S.K. Dhiman	Sr. Advisor/Projects, (Chief Risk Officer)	Member
5.	Mr. A. K. Choudhary	Chief Financial Officer	Member

\* PED/Central, PED/Infra, PED/Structure, ED/P&P, PED/S&T, PED/Mechanical, PED/Elect., GGM/HR, ED/Finance shall be permanent invitees to the Committee meetings, Manager/TC acts as the Risk Manager to the Committee and the Company Secretary acts as a Secretary to the Committee.

The terms of reference of the Risk Management Committee consist of the following:

1. Ensure key risks exposure are brought down to acceptable levels and suggest newer approaches/methodologies for managing risks;
2. Recommend training programs for staff with specific risk management responsibilities;
3. Review and approve the risk assessment report including selection of critical risks to be put before the Board of Directors and Audit Committee;
4. To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof;

5. To frame and devise risk management plan and policy of the Company;
6. To review and recommend potential risk involved in any new business plans and processes;
7. To obtain outside legal or other professional advice whenever required;
8. To secure attendance of outsiders with relevant expertise, if it considers necessary;
9. Any other similar or other functions as may be laid down by Board from time to time. Any other role assigned for the Committee due to changes/modification in the Companies Act, 2013, SEBI Regulations & DPE Guidelines;
10. Ensure compliance with Risk Management Policy;
11. Review adequacy and effectiveness of business risk management;
12. Review the organization wide risk portfolio and consider it against the risk appetite;
13. Suggest improvements to risk management techniques and lift management awareness and
14. Provide updates to Board through the Audit Committee on the current risk management procedures and status of key risks.

#### 4.0 Independent Directors Meeting

As per guidelines issued by DPE on Roles and Responsibilities of Non-Official Directors (Independent Directors) of CPSEs, Code of Conduct for Independent Directors prescribed under the Companies Act, 2013 and Regulation

25 of SEBI (LODR), a separate meeting of the Independent Directors is required to be held at least once in a year to, inter-alia:

- i) review the performance of the non-independent directors and the Board as a whole;
- ii) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors; and
- iii) assess the quality, quantity and timeliness of flow of information between the Management of the Company and the board of Directors that is necessary for the Board to effectively and reasonably perform their duties.

Accordingly, a separate meeting of Independent Directors of Company was held on 9<sup>th</sup> February, 2019 without the presence of Chairman and Managing Director, Functional, Government Nominee Directors and the Management Team. The Meeting was attended by all the independent directors except Dr. L.V M Reddy and Dr. Anil Kumar.

The minutes of the said meeting of Independent Directors was placed in the meeting of Board of Directors.

#### 4.1 Familiarization Program for Independent Directors

The Company familiarizes the Independent Directors with the activities and functioning of the Company and their roles, rights, responsibilities in the Company, nature of the Industry in which the Company operates, business model of the

company through various programmes and presentations.

#### 4.2 Disclosures About Directors

As per the disclosures made by the Directors in terms of Section 184 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014, no relationship exists between Directors inter-se. Two Directors (Part-Time Official) are officials from the Ministry of Railways, and thus related to the Promoter.

The performance evaluation of Functional Directors as well as the Board of your Company is done on the basis of the achievement against the targets set in the Memorandum of Understanding entered with Ministry of Railways and submitted to Department of Public Enterprises by the Administrative Ministry.

#### 4.3 Brief Resume of Directors Who Joined the Company

##### Mr. Pradeep Gaur

Mr. Pradeep Gaur aged 53 years is the Chairman and Managing Director of our Company. He has been associated with our Company since 2005 and was appointed as a Chairman and Managing Director in September, 2018. Previously, he was working as Executive Director/Projects/South and was in-charge of our PIUs in Chennai, Bengaluru and Rishikesh. He has completed his Bachelor of Engineering in Civil Engineering from the then REC, Kurukshetra (now NIT, Kurukshetra) in 1986. He is a 1987 batch Indian Railway Service of Engineers officer. After working in Indian Railways, he has been associated with

our Company in capacities of Chief Project Manager and Executive Director since 2005.

##### Mr. Ajay Kumar

Mr. Ajay Kumar aged 56 years is the Director (Personnel) of the Company. He has been associated with our Company since 2007 in various capacities and prior to his appointment as Director (Personnel) he was working as Executive Director (HR). He holds a Masters' Degree in Geology from Patna University. After qualifying the Indian Civil Services Examination, he joined Indian Railway Personnel Service in 1988. He is responsible for looking after aspects of corporate governance and formulation and implementation of CSR policies and projects in our Company. Prior to joining our Company, he was with the Indian Railways in various capacities until 2007.

##### Mr. Hari Mohan Gupta

Mr. Hari Mohan Gupta aged 53 years was appointed as the Government Nominee Director with effect from 17.05.2019. He is 1989 batch IRSE officer and is a graduate in Civil Engineering from University of Roorkee. He has vast experience of Track Maintenance, Track Machine operation, Store Tendering system besides General Administration and Human Resource Management. He has been posted as ED(Works), Railway Board. Before the present assignment, he was on deputation to Dedicated Freight Corridor Corporation of India Limited (DFCCIL) as Chief Project Manager Noida responsible for Rewari, Dadri, Detour sections of Western Freight Corridor. He was involved right from the stage of land acquisition till the massive construction of the project.

### **Dr. Anil Kumar**

Dr. Anil Kumar aged 58 years is an independent Director of our Company. He was appointed as the Director in 2018. He holds a Master's degree in science (geology) from Ranchi University and a Doctorate of Philosophy (geology) from Patna University. He has over 26 years of experience in the field of education.

### **Mr. Shiv Kumar Gupta**

Mr. Shiv Kumar Gupta aged 51 years was first appointed as the Independent Director of Rail Vikas Nigam Limited in 2016 and re-appointed after completion of his tenure of 3 years. He is a qualified chartered accountant and holds a bachelor's degree in commerce and law from Meerut University, and master's degree in business administration from Punjab Technical University and has also done post qualification courses namely, Diploma in Information System Audit, International Financial Reporting Standards and Arbitration Concurrent Audit conducted by the Institute of Chartered Accountants of India. He has over 20 years of work experience.

### **Mr. Vinayak Bhalachandra Karanjikar**

Mr. Vinayak Bhalachandra Karanjikar aged 56 years was first appointed as the Independent Director of Rail Vikas Nigam Limited in 2016 & then re-appointed on completion of his tenure of 3 yrs. He holds a Diploma in Engineering from Government of Polytechnic, Dhule. He is an Electrical Engineer and a certified Systems, Applications, Products Platinum level consultant. He has completed a certificate course in Business Modeling from Rational

University. He has also been a lecturer in Operations & Management Information System in the Leavey School of Business at Santa Clara University, California (USA). He has been certified as an SAP R/3 Application consultant, sales and distribution by the SAP Partner Academy.

### **Major General (Retd.) Cyrus A. Pithawalla,**

Major General (Retd.) Cyrus A. Pithawalla aged 62 years is a retired Army Officer. He holds M. Phil & M.sc in Defence studies and also Masters degree in Commerce from Delhi University. Mr. Cyrus is winner of the Ashok Chakra award. The highest gallantry award in the country in peace time for displaying of outstanding and exceptional gallantry with inspiring. His area of specialisations is Security Planning, Management Administrations, HR, CSR and coordination of organizations issue with UNO. He has over 36 years of work experience.

### **Mr. Vinay Singh**

Mr. Vinay Singh aged 54 years holds a Bachelor Degree in Civil Engineering from I.I.T. Roorkee and Masters' degree in Technology from Indian I.I.T. Delhi. Mr. Vinay Singh, assumed the responsibility of Director (Projects), RVNL w.e.f. 01.08.2019. He is a 1986 Batch Indian Railway Service of Engineers (IRSE) officer. Prior to this assignment, he was working as Executive Director (Project & Planning) / Group General Manager, RVNL since 2013 and has worked on some prestigious projects. He is having extensive experience in all spheres of Railway Transport Infrastructure Sector, including



Planning, Development, Design, Construction and Maintenance of assets on Indian Railways. He has commissioned 450 Kms of New Lines, Gauge Conversion and Doubling Projects on Indian Railways.

## 5. GENERAL BODY MEETINGS

The details relating to date, time, and venue of the last three Annual General Meetings of the Company with details of special resolutions passed are placed below:

Year	AGM	Date	Time	Venue	Special Resolution passed
2017-18	15 <sup>th</sup>	18.09.2018	1100hrs	Committee Room, Rail Bhawan	None
2016-17	14 <sup>th</sup>	22.09.2017	1200hrs	Committee Room, Rail Bhawan	One – (Amendments in Articles of Association)
2015-16	13 <sup>th</sup>	22.09.2016	1030 hrs.	Committee Room, Rail Bhawan	None

## 6. MEANS OF COMMUNICATION

Apart from the Annual Reports which are sent to shareholders before the Annual General Meeting, the periodical information(s) on the physical and financial progress of the Company are regularly submitted to Ministry of Railways.

The audited annual financial results and Annual Report are displayed on the Company's website, [www.rvnl.org](http://www.rvnl.org). Tenders of various departments, details of tenders/contracts awarded, physical and financial Plan of the Company along with other official news releases are also uploaded on the website of the Company and the Central Public Procurement Portal of Government of India.

The policies and plans framed as per Companies Act, 2013, SEBI (LODR) Regulations, 2015 and Corporate Governance, namely Policy on Code of Business Conduct, Whistle Blower Policy, CSR Policy, Insider Trading Policy, Risk Management Policy, Materiality Policy, Policy for

Preservation of Documents & Archival Policy, Policy on Materiality and Disclosure, Insider Trading Policy and Training Policy are placed on the Company's website and the information uploaded on the website is updated from time to time.

## 7. GENERAL INFORMATION FOR SHAREHOLDERS

### 7.1 Annual General Meeting of the Current Year

Date : 18<sup>th</sup> September, 2019  
Time : 1130 hrs.  
Venue : Manekshaw Centre,  
Parade Road, New Delhi

### Tentative Financial Calendar

Financial Results (2019-20)	Last date for submission to Stock Exchanges
Quarter 1	14 <sup>th</sup> August, 2019
Quarter 2	14 <sup>th</sup> November, 2019
Quarter 3	14 <sup>th</sup> February, 2020
Quarter 4	30 <sup>th</sup> May, 2020

## 7.2 Financial Year: April- March

### 7.3 Dividend Policy, Book Closure and Dividend Payment Date

The Guidelines issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance on Dividend Payments are being adhered to. Further, as per the requirement of Regulation 43A of the SEBI (LODR) Regulations, 2015, a “Dividend Distribution Policy” of the Company is in place and has been hosted on the website of the Company.

Interim dividend of ₹0.80/- per share was declared for the year 2018-19 and was paid within 30 days. Further, Board has recommended a final dividend ₹0.09/- per share for the year 2018-19, subject to the approval of the shareholders.

The record date for the payment of Final Dividend is 11<sup>th</sup> September, 2019.

#### Dividend History

Year	Total Paid up Capital (as on 31 <sup>st</sup> March of the year) (₹ in crore)	Total Amount of Dividend paid for the financial year (₹ in crore)
2008-09	2085.02	8.00
2009-10	2085.02	10.00
2010-11	2085.02	12.50
2011-12	2085.02	20.00
2012-13	2085.02	27.00
2013-14	2085.02	31.50
2014-15	2085.02	37.20
2015-16	2085.02	115.10
2016-17	2085.02	154.50
2017-18	2085.02	167.57

#### Book Closure

The Register of Members and Share Transfer Books of the Company will remain closed from 11<sup>th</sup> September, 2019 to 18<sup>th</sup> September, 2019 (both days inclusive)

#### 7.4 Name and address of the Stock Exchange at which shares are listed-

The equity shares of the Company are listed on the following Stock Exchanges on 11th April, 2019:

Name & Address	Telephone / Fax / Website	Scrp Code	Listing Fees (2019-20)
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001	Tel No:022-22721233/4, 66545695 Fax: 022-22721919 Website: www.bseindia.com	542649	Paid
National Stock Exchange of India Ltd., Exchange Plaza, C-1, BlockG, Bandra Kurla Complex, Bandra(E) Mumbai-400051	Tel No: 022-26598100-8114 Fax No: 022- 26598120 Website: www.nseindia.com	RVNL	Paid

### 7.5 Registrar to the issue and Share Transfer Agent

For transfer/transmission/dematerialization of shares, payments of dividend, bonus shares and other queries relating to shares of the Company Investors are advised to contact following:

For shares held in Physical Form	For Shares held in Demat Form
Registrar and Share Transfer Agent Alankit Assignments Ltd, 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi, Delhi- 110 055 Phone No: 011- 42541954/ 022-43481293 Fax: 011 - 23552001 Email:sarunraj@alankit.com kamalarora@alankit.com, rvnigr@alankit.com Website: www.alankit.com	Concerned Depository Participant(s)

### 7.6 Transfer of Shares

Before listing of share of the Company, Transfer of shares was normally technical in nature from one Government Nominee shareholder to another upon change in incumbency, as the entire paid-up share capital of the Company was held by Government of India (Ministry of Railways). To effect the transfer, Company Secretary was authorized and no transfer is pending.

### 7.7 Distribution of Shareholding as on 31.03.2019

Category	No. of shares held	% of shareholding
Central Government (Ministry of Railways) in the name of President of India and its nominees	2085020100	100*
<b>Total</b>	<b>2085020100</b>	<b>100</b>

\* Shares of the RVNL ("the Company") has been listed on Stock Exchanges (NSE & BSE) on 11<sup>th</sup> April, 2019, as on date of report, Govt. and Public holdings are 87.14% & 12.16% respectively.

## Dematerialization of Shares

The Shares of the company are in compulsory Dematerialized segment and are available for trading system of both NSDL and CDSL.

No. of Shares held in dematerialized and physical mode as on 31<sup>st</sup> March, 2019:

S.No.	Physical/Demat	Number of Shareholders	Number of Shares	% age of total capital issued
1	Physical	NIL	NIL	NIL
2.	Held in Dematerialized Form in NSDL	2085020100	2085020100	100
3.	Held in Dematerialized Form in CDSL	NIL	NIL	NIL

### 7.8 Outstanding GDRS/ADRS/Warrants or Convertible Instrument

No GDRs/ ADRs/ Warrants or Convertible Instruments have been issued by the Company.

### 7.9 Commodity Price Risks / Foreign Exchange Risk and Hedging Activities

Risk arising out of Commodity Price fluctuations, Foreign Exchange Risk and Hedging Activities are not applicable to the Company for the Financial Year 2018-19.

### 7.10 Credit Rating

The Company has not obtained any Credit Ratings.

### 7.11 Statutory Auditors

The Statutory Auditors of your Company are appointed by the Comptroller & Auditor General of India (C&AG), M/s. Raj Har Gopal & Co. were appointed as Statutory Auditors for the financial year 2018-19. The C&AG have given nil comments on the financial statements of the Company.

Fees paid to Statutory Auditor:

Total fees paid to the statutory auditor for all services for the year ended March 31, 2019 is ₹24,79,000/-

### 7.12 Disclosure in relation to the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal)

### Act, 2013

Your Company is committed to creating and maintaining a secure work environment where its employees can work and pursue business together in an atmosphere free of harassment, exploitation and intimidation. The Company has in place an Anti-Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An internal Complaints Committee called "Vishaka Committee" has been set up in RVNL to redress complaints related to sexual harassment. All employees are covered under this policy.

Status of complaints received during the year:

Number of complaints filed during the financial year	0
Number of complaints disposed of during the financial year	0
Number of complaints pending as on end of financial year	0

### 7.13 Code of Insider Trading

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and as amended from time to time, RVNL Board has laid down "CODE OF CONDUCT FOR REGULATING & REPORTING TRADING BY DESIGNATED PERSONS &

THEIR IMMEDIATE RELATIVES” to prevent Designated persons and their immediate relatives to derive any benefit or assist others to derive any benefit from the access to and possession of Unpublished Price Sensitive Information about the Company which is not in public domain and thus constitutes insider information . Company Secretary has been designated as Compliance Officer for this Code.

**Point 7.14 Certificate for non-disqualification of Directors:**

Certificate from a Company Secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is placed as **Annexure “B-4”**.

**8. OTHER DISCLOSURE**

**8.1 Disclosure on Materially Significant Related Party Transactions that may have Potential Conflict with the Company’s interests at large**

The Company’s major related party transactions are generally with its subsidiaries and associates. The related party transactions are entered into based on considerations of various business exigencies. All the contracts / arrangements / transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm’s length basis. They were substantially on similar terms as in earlier years, as per the provisions of contract. The disclosures regarding transactions with related parties are given in the Notes to Accounts of the Financial Statements. The Policy on dealing with Related Party Transactions (RPTs) of the company is available on [www.rvnl.org/en/CodePolicies/RVNL\\_Policy\\_on\\_Related\\_Party\\_Transaction.PDF](http://www.rvnl.org/en/CodePolicies/RVNL_Policy_on_Related_Party_Transaction.PDF)

**8.2 Details of Non-Compliances penalties, strictures imposed by Stock Exchange(s) - SEBI or any statutory authority on any matter related to capital market during last three years**

The Company has complied with the applicable rules and regulations of regulatory authorities on capital market and no penalty or strictures have been imposed on the Company by any Statutory/Regulatory Authorities on any matter related to Capital Market during the last three years.

**8.3 Details of Vigil mechanism and Whistle Blower Policy**

RVNL endeavors to work against corruption in all its forms through well-defined Whistle Blower Policy. The policy provides all the employees with free access to the Management in case they observe unethical or improper practices or any other wrongful conduct in the Company and to prohibit managerial personnel from taking any adverse personal action against those employees. During the year, company has received nil protected disclosure under the Whistle blower policy which was dealt as per laid down procedure in the policy. Further, no personnel have been denied access to the Audit Committee.

**8.4 Discretionary Requirements**

As per discretionary requirements as specified in Part E of schedule II of the regulations, the Company is in the regime of unqualified financial statements. The Company has received ‘NIL’ comments on the Financial Statements from the Comptroller & Auditor General of India (C&AG).

**9. RISK MANAGEMENT**

The Company has set up a Risk Management Committee under the chairmanship of a Functional Director. The Committee meets on a quarterly basis and the recommendations of the Committee are put up to Board of Directors at regular intervals.



## 10. MONITORING OF SUBSIDIARY

The Company does not have any material listed subsidiary Company in terms of SEBI (LODR), Regulation 2015 or the subsidiary as defined under Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises, Govt. of India. However, minutes of the meeting of the Board of Directors of the subsidiary are placed before the Company's Board periodically. Further, pursuant to Regulations 16(c) and 43 of SEBI (LODR) of RVNL has formulated a policy for determining "material" Subsidiary and the policy has been disclosed on the Company's Website and a weblink thereto is also given as under: <https://www.rvnl.org/en/CodePolicies/RVNL%20Materiality%20Policies.pdf>

## 11. TRAINING OF BOARD MEMBERS

In this regard, pursuant to clause 3.7 of the guidelines released by Department of Public Enterprises on Corporate Governance, the Company has framed a Training Policy for Board of Directors of RVNL, duly approved by the Board of Directors. The Policy is also posted on the Company's website, [www.rvnl.org](http://www.rvnl.org). RVNL also takes initiatives to train its Board members about RVNL's profile, business parameters, etc. All the relevant issues and significant developments related to the working of RVNL are imparted to part-time Directors {(official) and (non-official), as the case may be} by the management of RVNL from time to time. The documents related to the Company including Annual Reports, Memorandum and Articles of Association, MoU between RVNL and Ministry of Railways etc are provided to them as per requirement.

Director(s) are nominated on training programmes organized by DPE & SCOPE from time to time.

## 12. DISPATCH OF DOCUMENTS IN

## ELECTRONIC FORM

As per Section 101 and 136 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed companies are required to supply soft copies of the said documents to all the shareholders who have registered their email address(es) for the purpose.

Accordingly, the said documents will be sent by e-mail to those members who have registered their e-mail address(es) with their DP/the Company, in terms of the said clause

## 13. CODE OF BUSINESS CONDUCT AND ETHICS

The Code of Business Conduct and Ethics as prepared in accordance with the guidelines on Corporate Governance released by Department of Public Enterprises is posted on the website of the Company, [www.rvnl.org](http://www.rvnl.org).

The Compliance of the Code of Conduct has been affirmed on the basis of confirmation received from all the Board members and senior management personnel for the financial year 2018-19. A declaration to this effect, duly signed by the Chairman and Managing Director is placed at **Annexure B-1** and forms part of this report.

## 14. DISCLOSURES

The Company has not entered into any significant related party transactions with the Directors or their relatives (Disclosure made by Directors individually pursuant to section 188 of Companies Act, 2013) having potential interest with the Company at large.

The Company has not been imposed a penalty by any statutory authority owing to non-compliance under any law, during the last three years.

The Company has complied with the guidelines

on Corporate Governance issued by Department of Public Enterprises (DPE) released in May 2010. RVNL has been including a Report on Corporate Governance and Management Discussion and Analysis Report in its Board's Report since 2007-08. The compliance to these Guidelines was also reflected in the Chairman's speech delivered at the last Annual General Meeting of the Company held on. 18.09.2018.

All items of expenditure debited in the Books of Accounts of RVNL are for the purpose of project execution entrusted to RVNL and are related to project expenditure.

There are no personal expenses incurred for the Board of Directors except which are as per terms of appointment as contractual obligations.

Details of Administrative and office expenses as a percentage of total expenses vis-à-vis financial expenses –The principles of allocation of administrative expenses in RVNL are approved by the Audit Committee. After excluding the turnover from expenditure incurred by Zonal Railways, expenditure on PMC etc. the net management fee on direct expenditure is 8.18%. The percentage of administrative expenses to direct expenses in 2018-19 was 2.54%. This was on account of the increased availability of funds and achievement of higher turnover at the end of the year, without the commensurate growth in manpower.

Your Company has filed the report on Corporate Governance with the Ministry of Railways and Department of Public Enterprises within the stipulated time.

#### **15. CEO/CFO CERTIFICATION**

As required by Regulation 17(8) of the SEBI (LODR) Regulations 2015, the Compliance Certificate as specified in Part B of Schedule II of the said Regulation duly signed by Mr. Pradeep Gaur, Chairman and Managing Director (CMD) and Mr. A K Choudhary, Chief

Financial Officer (CFO) was placed before the Board of Directors at the meeting held on 29<sup>th</sup> May, 2019, is annexed as **Annexure B-2** to the report.

#### **16. RATING ON CORPORATE GOVERNANCE BY DEPARTMENT OF PUBLIC ENTERPRISES**

Department of Public Enterprises has rated RVNL as "Excellent" under the category of Corporate Governance during 2017-18. On the basis of self-evaluation of achievement of sector specific targets in the MoU, it is expected that RVNL will achieve an "Excellent" rating for 2018-19 also.

#### **17. CODE OF CONDUCT FOR MEMBERS OF THE BOARD AND SENIOR MANAGEMENT & CODE ON INSIDER TRADING**

The Code of Conduct for the Board Members and Senior Management is available on the company's website. All members of the Board and senior management have confirmed their compliance to the Code of Conduct for the year under review. A copy of Compliance Certificate is placed at **Annexure B-1**.

#### **18. PLANT LOCATION/ OPERATION UNITS**

RVNL does not have plant locations or operating units but has its 43 Project Implementing Units in more than 19 (nineteen) States across the Country. A list of the units has been mentioned in the Report.

#### **19. COMPLIANCE ON CORPORATE GOVERNANCE**

This report duly complies with the legal requirements in respect of data to be disclosed in the Corporate Governance Report.

A Certificate obtained from a Practicing Company Secretary regarding compliance of the conditions of Corporate Governance in accordance with the guidelines issued by Department of Public Enterprises has been included as **Annexure- B-3** to the Report.

**CHAIRMAN & MANAGING DIRECTOR AND CFO CERTIFICATE**  
**[Under Regulation 17(8) of SEBI (LODR) Regulations, 2015]**

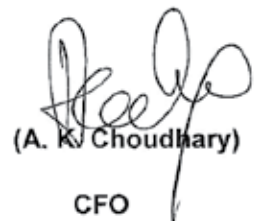
- A. We have reviewed financial statements and the cash flow statement for the financial year 2018-19 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of the internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: New Delhi

Date: 28/01/2019

  
(Pradeep Gaur)

Chairman & Managing Director

  
(A. K. Choudhary)  
CFO

**CERTIFICATE OF STATUTORY COMPLIANCE**

Based on the undertakings received from the Pr. ED/ED/General Managers of the Corporate office and from CPMs of the Project Implementation Units and Company Secretary, and to the best of my knowledge and understanding, I hereby certify, that there has been due compliance with all the applicable laws, orders, regulations and other legal requirements by Rail Vikas Nigam Limited in carrying out its business activities.

For and on behalf of Rail Vikas Nigam Limited

  
(Pradeep Gaur)

Chairman & Managing Director

**Place: New Delhi**

**Date: 23.05.2019**

## CERTIFICATE OF COMPLIANCE

WITH THE CONDITIONS OF CORPORATE GOVERNANCE IN ACCORDANCE WITH GUIDELINES ON CORPORATE GOVERNANCE ISSUED BY DEPARTMENT OF PUBLIC ENTERPRISES

To  
The Members of  
RAIL VIKAS NIGAM LIMITED  
1<sup>ST</sup> Floor, August Kranti Bhawan, Bhikaji Cama Place,  
R.K. Puram, New Delhi-110066

The Certificate is in respect of the Compliance of the conditions of corporate governance as issued by the Department of Public Enterprises on 14<sup>th</sup> May 2010, RAIL VIKAS NIGAM LIMITED, a Government Company under the Companies Act, 2013, for the year ended 31<sup>st</sup> March, 2019, as stipulated in the Company's code on corporate governance.

We have studied the Report on Corporate Governance of the said Company as approved by its Board of Directors. We have also examined the relevant records and documents maintained by the Company and furnished to us for our review in this regard.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

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

In our opinion and to the best of our information and on the basis of our review and according to the information and explanations given to us, we certify that the Company has complied with the mandatory requirements of Corporate Governance as stipulated in Company's code of corporate governance in all material respects.

**PLACE: - NEW DELHI**

**DATED: -13-06-2019**



**FOR VINOD KUMAR & CO.  
COMPANY SECRETARIES**



CS VINOD KUMAR  
(CP 5740 FCS 5740)



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
(pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
Rail Vikas Nigam Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **RAIL VIKAS NIGAM LIMITED** having CIN **L74999DL2003GOI118633** and having registered office at **1st FLOOR, AUGUST KRANTI BHAWAN BHIKAJI CAMA PLACE, R. K. PURAM, NEW DELHI-110066** (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)] as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Shri Pradeep Gaur	07243986	01-09-2018
2.	Shri Vijay Anand	01874842	04-05-2011
3.	Shri Arun Kumar	02486535	10-10-2017
4.	Shri Ajay Kumar	08249293	24-10-2018
5.	Shri Amar Prakash Dwivedi	07122333	23-03-2018
6.	Shri Sukhmal Chand Jain	07564584	18-01-2017
7.	Shri Shiv Kumar Gupta	07391077	01-04-2016
8.	Shri Vinayak Bhalachandra Karanjikar	06518026	01-04-2016
9.	Shri Anil Kumar	00961397	21-05-2018
10.	Dr. Lingireddy Venkata Muralikrishna Reddy	03316871	15-03-2018
11.	Shri Rajen Habib Khwaja	00101884	13-10-2017
12.	Smt. Sabita Pradhan	07977780	17-10-2017

Ensuring the eligibility of the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Noida  
Date: 29.05.2019

For Kumar Naresh Sinha & Associates  
Company Secretaries  
Sd/-  
CS Naresh Kumar Sinha  
(Proprietor)  
FCS: 1807  
C P No.: 14984

## Report on Corporate Social Responsibility (CSR)

### CSR Policy

In accordance with Section 135 of the Companies Act, 2013 and guidelines issued by Department of Public Enterprises (DPE), RVNL has in place a CSR Policy duly approved by the Board of Directors and the same is available on the Company's website.

### Aims & Objectives

CSR and Sustainability activities are being implemented to meet the following broad objectives underlined in the Policy:

- Implementation in project/ program mode
- Focus on periphery of project areas of RVNL
- Thrust areas of education, health care and sanitation
- Inclusive growth of society with emphasis on development of weaker sections of society and in the backward districts of the country

### Strategic Partners

RVNL has entered into a long term MoU with National CSR Hub, Tata Institute of Social Sciences, Mumbai (TISS) since 2011 for providing necessary professional support in implementation of CSR activities of RVNL.

RVNL is utilizing the services of National CSR Hub empaneled NGOs and specialized external agencies, like, Ramakrishna Mission, TERI and Sulabh International who have necessary capability, expertise and established track record in undertaking CSR projects apart from involvement of the field level Committees for close monitoring, evaluation and feedback.

### Organizational Structure

RVNL has put in place a two tier Committee Board Level and PIU Level.

#### I. CSR Committee of the Board

During the year the CSR Committee of the Board comprised of the following members:

S. No.	Name of the Director	Category of Director	Status
1.	Mrs. Gita Mishra (Superannuated on 12.10.2018)	Director (Personnel)	Chairperson
2.	Mr. Ajay Kumar (Appointed on 24.10.2018)	Director (Personnel)	Chairman
3.	Mr. Vijay Anand	Director (Projects)	Member
4.	Mr. Shiv Kumar Gupta	Independent Director	Member
5.	Mr. Vinayak B. Karanjikar	Independent Director	Member
6.	Mr. A. K. Choudhary (Inducted on 28 <sup>th</sup> February 2019)	CFO	Member

#### Note:

The CSR Committee has been re-constituted on 29<sup>th</sup> May, 2019 with the following members:

S. No.	Name	Category of Director	Chairman/Member
1.	Mr. Ajay Kumar	Director (Personnel)	Chairman
2.	Mr. Vijay Anand	Director (Projects)	Member
3.	Mr. A. K. Choudhary	CFO	Member
4.	Dr. Anil Kumar	Independent Director	Member

\*Mr. D. Ghosh Roy, Pr. Advisor Mechanical acts as the nodal officer to the committee and Company Secretary acts as a secretary to the Committee.

During the year 2018-19, the CSR Committee met two times on 13.08.2018 and 20.02.2019.

## II. CSR Committee PIU Level

CSR Committees at the field level are headed by Chief Project Manager (CPM) of Project Implementation Units (PIU).

### Budget & Expenditure

During the financial year 2018-19, ₹11.48 crore has been spent on CSR activities, which is 2.45% of average net profit made during the three immediately preceding financial years.

Out of a total CSR expenditure of ₹11.48 crore for the year 2018-19, 98.5% expenditure is on CSR projects including 41.4% on Swachh Bharat Mission and 54.1% in the Aspirational Districts of the country. Balance 1.5% expenditure is on professional charges paid to National CSR Hub (TISS).

Since, 2011 the Company has spent ₹46.5 crore on CSR activities, which is 2.7% of average net profit of the Company.

### CSR Projects

The status on various CSR projects implemented during the year 2017-18 is briefly discussed hereunder.

#### Sector: Education

#### 1. Education and development of underprivileged differently abled children

The CSR project is being implemented in the backward District of South 24 Paraganas in the state of West Bengal by the Institute for the Handicapped and Backward People (IHBP), Kolkata. A total amount of ₹1.78 crore has been spent during seven year period (FY 2012-19) and out of which, ₹23 lakhs was spent in the current year.

IHBP, a National CSR Hub empanelled NGO, is dedicated to the cause of education and development of underprivileged differently abled

children. The CSR project is in the periphery of Joka-BBD Bagh new metro line construction project of RVNL being executed by PIU Kolkata. The project was approved in 2011.

One hundred under privileged differently abled children (58 boys & 42 girls; 27% SC/ST, 20% OBC and Minority community) having three types of disabilities, namely, 38 hearing impaired children (19 boys and 19 girls), 51 mentally challenged children (35 boys and 16 girls) and 11 children with cerebral palsy (4 boys and 7 girls) have been covered in the project.

Education and development of these children are done under the close supervision of well-qualified and trained teachers with student to teacher ratio of 10:1 for hearing impaired, 6:1 for mentally challenged, 3:1 for cerebral palsy and dedicated support staff.

Children are provided with uniforms, books, stationary, educational kits, medical aid, nutritious meal, speech and occupational therapy. From the feedback obtained from parents, it is seen that parents are satisfied with the progress of the children and these children have immensely benefited with overall improvement in education, awareness and comprehension.

#### **Extract of National CSR Hub (TISS) Report December 2018**

*Under this CSR project, IHBP is providing quality education and training to 100 differently abled underprivileged children in a special school. IHBP is totally dependent on RVNL for financial support to the institute and its activities. The importance of this CSR project can be realized as it has directly benefited differently abled underprivileged children from socially and economically backward sections of society.*

*During interaction with parents, the importance of the project could be realized. Parents conveyed their request for continuation of support as they are very happy with the performance and progress of their children who are moving towards self-dependent stage.*

*In view of a very positive feedback and impact the project has generated among the stakeholders, the audit team is of the opinion that RVNL should continue this CSR project for the betterment of the differently abled underprivileged children in the backward District and should continue this project for its sustainability on the long run.*

## 2. Educational support to underprivileged children and health support

The CSR project being implemented in the backward District of South 24 Paraganas in the state of West Bengal by Ramakrishna Math, Naora and covers a population of about 85,000 people comprising 35% SC/ST and 56% minority community in three Gram Panchayats of Bhangar Block comprising 52 villages. A total amount of ₹4.85 crore has been spent during seven-year period (FY 2012-19) and out of which, ₹ 87 lakhs were spent in the current year. The CSR project is in the periphery of Joka-BBD Bagh new metro line construction project of RVNL being executed by PIU Kolkata. The project was approved the project on 19.06.2012.

400 under privileged children (189 boys and 211 girls; 78% SC/ST, 21% OBC and Minority community) are given free coaching, spoken English classes, computer and physical training, sports, yoga, music etc for 6 days in a week for overall development of the children at 5 centers, namely, Naora, Kalugachhi, Mulchutki, South Ishwaripur and South Gangachery. These children are provided with uniforms, school bags, books, stationary, nutritious meal etc. As per feedback received, parents are extremely satisfied with the overall development of the children.

Health support is provided by a team of qualified doctors and medical staff along with free medicines including homeopathy and ayurvedic at Naora dispensary, which is equipped with facilities for Dental, ENT, Ophthalmology, pathological tests. Medical service is rendered through mobile medical van and health awareness camps at Behulabari, South Gangacheri, Malampota, Shanksharand South Ishwaripur.

During the year 2018-19, average 2,642 patients

were treated in a month (625 male, 1,447 female and 570 children; 30% SC/ST, 55% OBC and Minority community). Needy people from the villages have immensely benefited from the health support provided to them.

### **Extract of National CSR Hub (TISS) Report December 2018**

*The audit team believes that this CSR project is very special in nature as beneficiaries are underprivileged children from SC/ ST category in the backward district who are also the first generation learners. The CSR project could directly target and impact the lives of intended beneficiaries from underprivileged communities in a short time frame whereas government sponsored projects takes long time.*

*The CSR project has led to all round development and value education to 400 under privileged children and provided primary health care services to the population of about 85,000 people belonging to underprivileged and weaker sections of society in the backward District.*

*In view of a very positive feedback and impact the program has generated among the stakeholders, the audit team is of the opinion that RVNL should continue this CSR project for the betterment of the underprivileged children and people in the backward District and should continue this project for its sustainability on the long run.*

## 3. Hostel facilities for 120 tribal boys in the aspirational district

The CSR project is being implemented in the Aspirational District of Purbi Singhbhum in the state of Jharkhand by Ramakrishna Mission Vivekananda Society (RKMVS), Jamshedpur. RKMVS runs 16 schools at different locations in Jamshedpur for more than 10,000 students and hostel at Sakchi since 1943 for 114 tribal boys. RKMVS provides free education including boarding, lodging, medical facility etc to these tribal boys from remote areas of Jharkhand. There is an urgent need for construction of a new hostel building in view of dilapidated condition of 75 years old building. The project entails construction of hostel facilities for 120 tribal boys at Sakchi at a



total cost of ₹2.14 crore in FY 2018-20.

The CSR project is in the periphery of Kharagpur-Adityapur third line project of RVNL being executed by PIU Kolkata. CSR Committee of the Board sanctioned the project on 13.08.2018. Implementing agency was appointed on 22.09.2018 (date of signing of MoU). Project monitoring was done by Kolkata PIU CSR Committee.

#### **Sector: Health Care**

#### **4. 180 bedded hospital facilities for treatment of female and child patients**

The CSR project is being implemented by Ramakrishna Mission Sevashrama (RKMS) Vrindaban at a total cost of project ₹12.38 crore (FY 2017-20). The project cost is shared by RVNL for ₹5.58 crore, KRC for ₹3.42 crore and RKMS for ₹3.38 crore. An amount of ₹58 lakhs has been spent in the current year.

The CSR project is in the periphery of Mathura-Jhansi third line project of RVNL being executed by PIU Delhi.

Ramakrishna Mission Sevashrama Charitable Hospital established in 1907 at Vrindaban is a 240-bedded multi-disciplinary general hospital treating about five lakh patients in a year from poor and under privileged background.

The CSR project is reconstruction of dilapidated maternity, female and pediatric wards and augmentation of health facilities from 110 to 180 beds, labor room, emergency ward, radiology department, stores, mortuary etc to meet the increasing patient load. About 16,000 patients belonging to poor and deprived section of society will get indoor treatment annually.

#### **Extract of National CSR Hub (TISS) Report April 2019**

*The state of the art facilities provided in the hospital are affordable at exceedingly subsidized rates to lower the health inequity in UP. Apart from modular operation theatre, this hospital will have ICU and general, cancer, orthopedic, gynecology wards. Also hospital will have a new natal ward in an effort to reduce infant mortality.*

#### **5. 50 bedded hospital facilities for TB patients in the Aspirational District**

The CSR project is being implemented by Ramakrishna Mission TB Sanatorium (RKMTBS), Ranchi in the Aspirational District of Ranchi in the state of Jharkhand at a total cost of ₹2.77 crore.

PIU Ranchi is engaged in execution of Patratu Sonnagar third Line project. CSR Committee of the Board sanctioned the project on 13.08.2018. Implementing agency was appointed on 02.11.2018 (date of signing of MoU). Project monitoring is being done by Ranchi PIU CSR Committee.

RKMTBS, Ranchi is running a 200 bed indoor hospital (50 bed for general and 150 bed for TB patients) for tribal and economically weaker sections of society in the Aspirational District of Ranchi. About 30,000 TB patients are treated yearly in the sanatorium including 3,000 indoor patients. Ministry of Tribal Affairs is providing grant-in-aid for running of RKMSTB Sanatorium hospital. However, it has become increasingly difficult to manage the patient load in the existing dilapidated 68 years old hospital building. The project entails construction of 50 bed hospital facilities for TB patients.

#### **Sector: Sanitation**



#### **6. Community toilet blocks under Namami Gange and Swachh Bharat Mission**

The CSR project of providing community toilet blocks has been implemented in District Ghazipur in the state of Uttar Pradesh under "Namami Gange and Swachh Bharat" mission by Sulabh International Social Service Organization. A total amount of ₹2.78 crore has been spent during four-year period (FY2015-19) and out of which, ₹ 22.4



lakhs was spent in the current year.

The CSR project is in the periphery of railway electrification project of Allahabad-Varanasi-Ghazipur-Chhapra being executed by PIU Varanasi. The CSR project was sanctioned by the CSR Committee of the Board on 06.08.2015 based on project report prepared by Sulabh. CSR project commenced on 17.08.2015. Implementing agency was appointed on 04.08.2015 (date of signing of MoU). Project monitoring is being done by Varanasi PIU CSR Committee.

The project entails construction of eight community toilet blocks at Collector Ghat, Steamer Ghat, Shamshan Ghat on 26.03.2016; Lal Darwaja on 17.08.2016; Saidpur and Kargil Market on 09.10.2016 and Kachhari on 12.01.2018 with modern amenities and facilities comprising gents and ladies sections. Septic tanks, solar powered bore well, water tanks, LED lighting etc along with upkeep and maintenance by Sulabh International for three years have been provided. About 14,000 persons inhabiting the banks of Ganges and belonging to poor strata of society are availing these toilet facilities daily.

## 7. Toilet blocks under Swachh Bharat Mission

The CSR projects of providing toilet blocks equipped with modern amenities and facilities under “Swachh Bharat” mission was implemented at various locations:

1. Railway station at Yashwanthpur in April 2018 at a total cost of ₹31.1 lakhs
2. Railway station at Mathura in August 2018 at a total cost of ₹68.9 lakhs
3. Railway station at Haridwar in January 2019 at a total cost of ₹133 lakhs
4. Railway station at Kanpur in March 2019 at a total cost of ₹51.9 lakhs
5. Railway station at Ajmer in March 2019 at a total cost of ₹38.6 lakhs
6. Ramakrishna Mission Ashrama, Bhopal in November 2018 at a total cost of ₹9.5 lakhs
7. Ramakrishna Mission, New Delhi in May 2018 at a total cost of ₹20.7 lakhs
8. Adhyatma Vidyapit Brahmachary ashram, Naimisaranyain July 2018 at a total cost of ₹61.8 lakhs

### **Extract of National CSR Hub (TISS) Report March 2018**

*The audit team was very satisfied that the toilet blocks constructed on near the riverbanks in Ghazipur District with superior quality are maintained very well. Toilets are cleaned after its use. These toilet blocks have changed perception among local people about health and hygiene. Local people now prefer to use the toilets rather than going to the riverbank as it gives them both sense of security and hygiene.*

Figures in ₹ crore

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Total	Avg
Average net profit*	66.7	87.4	120.7	160.7	199.7	265.1	361.6	468.7	-	216
Prescribed CSR expenditure (2% of average net profit*)	1.3	1.7	2.4	3.2	4.0	5.3	7.2	9.4	34.6	4.3
Total Amount Spent	1.6	3.8	5.3	4.5	5.9	6.1	7.7	11.5	46.5	5.8
% Amount Spent on CSR over average net profit*	2.5%	4.4%	4.4%	2.8%	3.0%	2.3%	2.1%	2.5%	-	2.7%

\*Profit before Tax (PBT) of three preceding financial years

## Annual Report on CSR Activities

S.No	Item	Compliance			
1	A brief outline of the RVNL's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	Discussed in detail in the Report and related web-link references on RVNL's website: <a href="http://www.rvnl.org/content.php?id=8">http://www.rvnl.org/content.php?id=8</a> <ul style="list-style-type: none"> <li>CSR Policy of RVNL issued in October 2014</li> <li>MoU with TISS dated 11.12.2017</li> <li>Impact Assessment and Midterm evaluation of CSR activities in 2018-19 by NCSR Hub (TISS)</li> </ul>			
2	The composition of the CSR Committee as on the date of this report	S. No.	Name	Category of Director	Chairman/Member
		1.	Mr. Ajay Kumar	Director (Personnel)	Chairman
		2.	Mr. Vijay Anand	Director (Projects)	Member
		3.	Mr. A. K. Choudhary	CFO	Member
		4.	Dr. Anil Kumar	Independent Director	Member
		* Mr. D. Ghosh Roy, Pr. Advisor Mechanical acts as the nodal officer to the committee and Company Secretary acts as a secretary to the Committee.			
3	Average net profit (Profit Before Tax) of RVNL for last three financial years	Year	Profit Before Tax (in ₹)		
		2015-16	3,63,65,47,312		
		2016-17	4,84,79,45,000		
		2017-18	5,57,79,32,000		
		Average	4,68,74,74,771		
4	Prescribed CSR expenditure (2% of the amount as in item # 3 above)				₹9,37,49,495
5	Details of CSR spent during the financial year 2018-19				
(a)	Total amount to be spent for the financial year				Rs 11,48,46,208
(b)	Amount unspent, if any				Nil
(c)	Manner in which the amount spent during the financial year is detailed below				

## CSR EXPENDITURE FOR FY 2018-19

Figures in ₹

No	CSR Project or activity identified	Sector in which project is covered	Project or Program local Area, State, District where project was undertaken	Amount Outlay project or program wise	Amount Spent on project or program-		Cumm Expenditure up to the reporting period	Amount Spent: Direct or through Implementing agency
					(1) Direct	(2) Overheads		
(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
1	Education & Development of 100 under privileged differently abled children	Education	Behala, Distt South 24 Paraganas (West Bengal)	23,00,000	23,00,000	(1)	1,77,53,108	Institute for the Handicapped & Backward People, Kolkata
2	Educational Support to 400 under privileged children & Health Support	Education & Health care	Naora, Distt South 24 Paraganas (West Bengal)	87,00,000	87,00,000	(1)	4,84,97,316	Ramakrishna Math, Naora
3	180 Bedded Hospital Facilities for treatment of female & child patients	Health care	Vrindavan, Distt Mathura (UP)	58,00,000	58,00,000	(1)	1,58,00,000	Ramakrishna Mission Sevashrama, Vrindavan
4	50 Bedded Hospital Facilities for tribal TB patients	Health care	Dungri, Distt Ranchi (Jharkhand)	2,77,00,000	2,77,00,000	(1)	2,77,00,000	Ramakrishna Mission Tuberculosic Sanatorium, Ranchi
5	Solar Lighting System in school, hostel & library	Environmental Sustainability	Vrindaban, Distt Mathura (UP)	4,30,000	4,30,000	(1)	43,00,000	TERI, New Delhi
6	Hostel facilities for 120 tribal boys	Education	Sakchi, Jamshedpur, Distt Purbi Singhbum, Jharkhand	2,14,00,000	2,14,00,000	(1)	2,14,00,000	Ramakrishna Mission Vivekananda Society, Jamshedpur
7	Toilet Blocks-Swachh Bharat	Sanitation	New Delhi	4,61,164	4,61,164	(1)	20,69,664	Ramakrishna Mission, New Delhi
8	Toilet Blocks-Swachh Bharat	Sanitation	Bhopal, (MP)	9,50,000	9,50,000	(1)	9,50,000	Ramakrishna Mission Ashrama, Bhopal
9	Toilet Blocks-Swachh Bharat	Sanitation	Gwalior, (MP)	1,30,00,000	1,30,00,000	(1)	1,30,00,000	Ramakrishna Mission Ashrama, Gwalior
10	Toilet Block-Swachh Bharat	Sanitation	Central Railway Station, Kanpur (UP)	32,88,019	32,88,019	(1)	51,94,981	CPM/Kanpur

11	Toilet Block-Swachh Bharat	Sanitation	Railway Station, Haridwar (Uttarakhand)	12,11,54,665	1,21,54,665	(1)	1,33,01,744	CPM/Rishikesh
12	Toilet Block-Swachh Bharat	Sanitation	Railway Station, Mathura (UP)	54,55,550	54,55,550	(1)	68,88,865	CPM/Delhi
13	Toilet Block-Swachh Bharat	Sanitation	Railway Station, Ajmer (Rajasthan)	38,56,025	38,56,025	(1)	38,56,025	CPM/Jodhpur
14	Toilet Block-Swachh Bharat	Sanitation	Railway Station, Yashwanthpur (Karnataka)	11,42,879	11,42,879	(1)	31,10,893	CPM/Bangaluru
15	Toilet Block-Swachh Bharat	Sanitation	Naimisaranya, Distt Sitapur (UP)	42,72,605	42,72,605	(1)	61,84,500	CPM/Lucknow
16	Community Toilet Blocks- Namami Gange & Swachh Bharat	Sanitation	Distt Ghazipur (UP)	22,40,386	22,40,386	(1)	2,78,05,900	Sulabh International Social Service Organisation
17	Professional charges to National CSR Hub			16,94,915	16,94,915	(2)		Tata Institute of Social Sciences, Mumbai
	<b>Total</b>			<b>11,48,46,208</b>	<b>11,48,46,208</b>			



**AKHIL ROHATGI & COMPANY**  
**Company Secretaries**

21, Shamnath Marg, Civil Lines, Delhi – 110054.

Phone : 9810690633, 8527087435

Email : rohatgi\_co\_secy@gmail.com

csdelhi84@gmail.com

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
Rail Vikas Nigam Limited,  
1st Floor, August Kranti Bhawan,  
Bhikaji Cama Place, R. K. Puram,  
New Delhi -110066

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Rail Vikas Nigam Limited (hereinafter called the Company)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Rail Vikas Nigam Limited for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment. **Not applicable;**
- (iii) The Securities Contracts (Regulations) Act, 1999 and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under are as the shares of Company are registered with any of the depository mentioned under the said Act.;



- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are **not applicable** as the shares of Company are not listed with any of the Stock Exchanges and
- (vi) Other applicable Laws, rules and Guidelines as mentioned here-in-below:
- DPE guidelines on Corporate Governance for Central Public Sector Enterprises issued by the 'Department of Public Enterprises', Ministry of Heavy Industries and Public Enterprises, Government of India;
  - Building & Other Construction Workers (Regulation of Employment & Conditions of Service) Act, 1996;
  - Right to Information Act, 2005;
  - Micro, Small & Medium Enterprises Development (MSMED) Act, 2006;
  - Sexual Harassment of Women at Workplace Act, 2013;
  - Shops and Establishment Act and
  - Labour Laws as applicable.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India from time to time.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. *except that the Company has not been registered under Shop and Establishment Act.*

We further report that the Board is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, however in certain cases meeting were convened in shorter notice in compliance of Companies Act 2013 and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision has been carried through in the meetings. It was informed by the management that there was no dissenting member on any of the agenda item put up before the Board for discussion.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Ministry of Finance (Department of Investment and Public Asset Management) vide its letter no. F. No. 3/2/2017-DIPAM-V (pt) dated 27/03/2018 has conveyed disinvestment of shareholding of Government of India through Initial Public Offering. Accordingly, the Company has disinvested 12.16% of the shareholding of Government of India by way of Initial Public Offering and the same were listed with BSE Ltd and National Stock Exchange of India Ltd. on 11/04/2019.

**For Akhil Rohatgi & Co.  
Company Secretaries**

**Sd/-  
Akhil Rohatgi  
Partner  
FCS No.: 1600  
CP No: 2317**

**Date: 12/07/2019  
Place: New Delhi**

To,  
The Members,  
Rail Vikas Nigam Limited,  
1st Floor, August Kranti Bhawan,  
Bhikaji Cama Place, R. K. Puram,  
New Delhi -110066

Our report of even date is to be read along with this letter.

Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices, we follow provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of the events etc.

The compliance of the provisions of Corporate and other applicable law, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Akhil Rohatgi & Co.**  
**Company Secretaries**

**Sd/-**  
**Akhil Rohatgi**  
**Partner**  
**FCS No.: 1600**  
**CP No: 2317**

**Date: 12/07/2019**  
**Place: New Delhi**

**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2019

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

**I REGISTRATION & OTHER DETAILS:**

i	CIN	U74999DL2003GOI118633
ii	Registration Date	24.01.2003
iii	Name of the Company	Rail Vikas Nigam Limited
iv	Category/Sub-category of the Company	Government Company
v	Address of the Registered office & contact details	1st Floor, August Kranti Bhawan, Bhikaji Cama Place, R.K. Puram, New Delhi-110 066
vi	Whether listed company	Listed (as on 11.04.2019)
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Alankit Assignments Ltd, 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi, Delhi- 110 055. Phone No: 011- 42541954/ 022-43481293 Fax: 011 - 23552001 Email:sarunraj@alankit.com/kamalarora@alankit.com; rvnigr@alankit.com Website: www.alankit.com

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	To create vital rail infrastructure and provide vital port linkage including the corridors connecting the port of Hinterlands		100%

**III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD(OF PAID UP CAPITAL)	APPLICABLE SECTION
1	Kutch Railway Company Ltd.	U45202DL2004PLC124267	Associate	50%	Section 2(6)
2	Bharuch Dahej Railway Company Ltd.	U45203DL2006PLC155511	Associate	35.46%	Section 2(6)
3	Krishnapatnam Railway Company Ltd.	U45200TG2006PLC051378	Associate	49.76%	Section 2(6)
4	Haridaspur Paradip Railway Company Ltd.	U45203OR2006PLC008959	Associate	39.01%	Section 2(6)
5	Angul Sukinda Railway Ltd.	U45203OR2009PLC010620	Associate	31.50%	Section 2(6)
6	Dighi Roha Rail Ltd.	U74140DL2015PLC285745	Associate	50%	Section 2(6)
7	High Speed Rail Corporation of India Ltd.	U45204DL2012GOI239289	Subsidiary	100%	Section 2(87)

#### IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% changeduringtheyear	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
<b>A. Promoters</b>										
(1) Indian										
a) Individual/HUF										
b) Central Govt.or State Govt.		2085020100	2085020100	100%	2085020100		2085020100	100%	N.A.	N.A.
c) Bodies Corporates										
d) Bank/FI										
e) Any other										
<b>SUB TOTAL:(A) (1)</b>		2085020100	2085020100	100%	2085020100		2085020100	100%	N.A.	N.A.
<b>(2) Foreign</b>										
a) NRI- Individuals										
b) Other Individuals										
c) Bodies Corp.										
d) Banks/FI										
e) Any other...										
<b>SUB TOTAL (A) (2)</b>	0	0	0	0	0	0	0	0	0	0
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>		2085020100	2085020100	100%	2085020100		2085020100	100%	N.A.	N.A.
<b>B. PUBLIC SHAREHOLDING</b>										
(1) Institutions										
a) Mutual Funds										
b) Banks/FI										
c) Cenntal govt										
d) State Govt.										
e) Venture Capital Fund										
f) Insurance Companies										
g) FIIS										
h) Foreign Venture Capital Funds										
i) Others (specify)										
<b>SUB TOTAL (B)(1):</b>	0	0	0	0	0	0	0	0	0	0
<b>(2) Non Institutions</b>										
a) Bodies corporates										
i) Indian										
ii) Overseas										
b) Individuals										
i) Individual shareholders holding nominal share capital upto ₹1 lakhs										
ii) Individuals shareholders holding nominal share capital in excess of ₹1 lakhs										
c) Others (specify)										
<b>SUB TOTAL (B)(2):</b>	0	0	0	0	0	0	0	0	0	0
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	0	0	0	0	0	0	0	0	0	0
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>		2085020100	2085020100	100%	2085020100		2085020100	100%	N.A.	N.A.

**(ii) SHARE HOLDING OF PROMOTERS**

SI No.	Shareholders Name	Shareholding at the beginning of the year (As on 01.04.2018)			Shareholding at the end of the year (As on 31.03.2019)			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	President of India through Chairman Railway Board	2085020100	100	0	2085020100	100	0	0
	<b>Total</b>	<b>2085020100</b>	<b>100</b>	<b>0</b>	<b>2085020100</b>	<b>100</b>	<b>0</b>	<b>0</b>

**(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)**

SI No.		Share holding at the beginning of the Year (As on 01.04.2018)		Cumulative Share holding during the year (2018-19)	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year(As on 01.04.2018)	2085020100	100	2085020100	100
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	0	0	0	0
	At the end of the year(As on 31.03.2019)	2085020100	100	2085020100	100

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

SI No		Shareholding at the end of the year (as on 31.03.2019)		Cumulative Shareholding during the year (2018-19)	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
	<b>For Each of the Top 10 Shareholders</b>				
1	At the beginning of the year(As on 01.04.2018)	0	0	0	0
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	0	0	0	0
3	At the end of the year (or on the date of separation, if separated during the year)	0	0	0	0



(v) Shareholding of Directors & KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	At the beginning of the year(As on 01.04.2018)	0	0	0	0
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	0	0	0	0
3	At the end of the year(As on 31.03.2019)	0	0	0	0

V INDEBTEDNESS

₹ in Lakhs

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year (As on 01.04.2018)</b>			-	
i) Principal Amount	0	203,795.50	0	203,795.50
ii) Interest due but not paid	0	0	0	-
iii) Interest accrued but not due	0	71,538.53	0	71,538.53
	0	-	0	-
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>275,334.03</b>	<b>0</b>	<b>275,334.03</b>
Change in Indebtedness during the financial year			0	
Additions*	0	129,175.53	0	129,175.53
Reduction**	0	-50,923.10	0	-50,923.10
<b>Net Change</b>	<b>0</b>	<b>78,252.43</b>	<b>0</b>	<b>78,252.43</b>
<b>Indebtedness at the end of the financial year(As on 31.03.2019)</b>				
i) Principal Amount	0	284,263.00	0	284,263.00
ii) Interest due but not paid	0	-	0	-
iii) Interest accrued but not due	0	69,323.46	0	69,323.46
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>353,586.46</b>	<b>0</b>	<b>353,586.46</b>

\*Principal Amount 104,600  
Interest accrued but not due 24,575.53

\*\*Principal amount 24,132.50  
Interest accrued but not due 26,790.60

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTORS AND/OR MANAGER**

Sl. No	Particulars of Remuneration		Name of the MD/WTD/Manager				
			Pradeep Gaur (Chairman and Managing Director) (from 01.09.2018)	Gita Mishra (Director Personnel) (upto 12.10.2018)	Ajay Kumar (Director Personnel) (from 24.10.2018)	Vijay Anand (Director Projects)	Arun Kumar (Director Operations)
1	<b>Gross salary</b>	<b>S C Agnihotri (Chairman and Managing Director) (up to 31.08.2018)</b>					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	10,032,913.00	2,836,012.00	8,208,270.00	4,312,868.00	8,042,526.00	7,858,098.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	391,353.00	307,011.00	81,199.00	341,157.00	93,379.00	809,564.00
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961						
2	Stock option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission	-	-	-	-	-	-
	as % of profit	-	-	-	-	-	-
	others (specify)	-	-	-	-	-	-
5	Others, please specify	-	-	-	-	-	-
	<b>Total (A)</b>	<b>10,424,266.00</b>	<b>3,143,023.00</b>	<b>8,289,469.00</b>	<b>4,654,025.00</b>	<b>8,135,905.00</b>	<b>8,667,662.00</b>

**B. REMUNERATION TO OTHER DIRECTORS**

Sl.No	Particulars of Remuneration	Name of the Directors					
		Shiv Kumar Gupta	Vinayak Karanjikar	R H khwaja	Sabita Pradhan	L. V. M. Reddy	Anil Kumar
1	<b>Independent Directors</b>						
	(a) Fee for attending board committee meetings	399,000.00	374,000.00	187,000.00	112,000.00	137,000.00	162,000.00
	(b) Commission	-	-	-	-	-	-
	(c ) Others, please specify	-	-	-	-	-	-
	Total (1)	399,000.00	374,000.00	187,000.00	112,000.00	137,000.00	162,000.00
2	<b>Other Non Executive Directors</b>						
	“(a) Fee for attending board committee meetings”	-	-	-	-	-	-
	(b) Commission	-	-	-	-	-	-
	(c ) Others, please specify.	-	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-	-
	<b>Total (B)=(1+2)</b>	<b>399,000.00</b>	<b>374,000.00</b>	<b>187,000.00</b>	<b>112,000.00</b>	<b>137,000.00</b>	<b>162,000.00</b>
	<b>Total Managerial Remuneration</b>	<b>399,000.00</b>	<b>374,000.00</b>	<b>187,000.00</b>	<b>112,000.00</b>	<b>137,000.00</b>	<b>162,000.00</b>

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary (Kalpana Dubey)	CFO (A.K. Choudhary)	Total
1	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	1,522,274.00	6,749,951.00	8,272,225.00
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	762,646.00	762,646.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others, specify	-	-	-
5	Others, please specify	-	-	-
	<b>Total</b>	<b>1,522,274.00</b>	<b>7,512,597.00</b>	<b>9,034,871.00</b>

### VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

## FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014. Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis :- NIL

2. Details of contracts or arrangements or transactions at Arm's length basis:-

S. No.	Name of the related party and nature of relationship	Nature of Contracts / arrangements / transactions	Duration of Contracts / arrangements / transactions	Salient terms of contracts / arrangements / transactions, including the value, if any	Date of approval by the BoD, if any	Amount paid as advances, if any
1.	Angul Sukinda Railway Company Limited, Associate Company	Execution of Engineering, Procurement and Construction (EPC) agency for execution of the new rail line works between Budhapank (Angul) and Baghuapal (Sukinda).	<b>Date of Agreement/ MoU:</b> 24 <sup>th</sup> day of April 2015 <b>Duration of Agreement/MoU:</b> The agreement is effective for the period beginning from the date of award of first contract related to execution of the project by RVNL and ending on the Commercial Operation date (COD)	RVNL has been appointed as an EPC Agency for execution of New Rail Line work.  The contract is in terms of the construction agreement signed between ASRL and RVNL.	Not Applicable	Nil
2.	Haridaspur Paradip Railway Company Limited (HPRCL), Associate Company	Execution of Engineering, Procurement and Construction (EPC) agency for execution of the new rail line works between Haridaspur and Paradip.	<b>Date of Agreement/MoU:</b> 11 <sup>th</sup> day of August 2009 <b>Duration of Agreement/MoU:</b> The agreement is effective for the period beginning from the date of award of first contract related to execution of the project by RVNL and ending on the Commercial Operation date (COD)	RVNL has been appointed as an EPC Agency for execution of New Rail Line work.  The contract is in terms of the construction agreement signed between HPRCL and RVNL.	Not Applicable	Nil
3.	Baruch Dahej Railway Company Limited (BDRCL), Associate Company	Execution of Engineering, Procurement and Construction (EPC) agency for execution of the Gauge Conversion (from Narrow Gauge to Broad Gauge) works between Baruch and Dahej.	<b>Date of Agreement/MoU:</b> 1 <sup>st</sup> day of July 2009 <b>Duration of Agreement/MoU:</b> The agreement is effective for the period beginning from the date of award of first contract related to execution of the project by RVNL and ending on the Commercial Operation date (COD)	RVNL has been appointed as an EPC Agency for execution of gauge conversion.  The contract is in terms of the construction agreement signed between BDRCL and RVNL.	Not Applicable	Nil
4.	Krishnapatnam Railway Company Limited (KPRCL), Associate Company	Execution of Engineering, Procurement and Construction (EPC) agency for execution of the new rail line works between Obulavaripalle to Krishnapatnam port limits and doubling of line between Vankatachalam Road station to Krishnapatnam port.	<b>Date of Agreement/MoU:</b> 29 <sup>th</sup> day of September 2011 <b>Duration of Agreement/MoU:</b> The agreement is effective for the period beginning from the date of award of first contract related to execution of the project by RVNL and ending on the Commercial Operation date (COD)	RVNL has been appointed as an EPC Agency for execution of New Rail Line work and Doubling.  The contract is in terms of the construction agreement signed between KPRCL and RVNL.	Not Applicable	Nil
5.	Kutch Railway Company Limited (KRCL), Associate Company	Execution of doubling of the Palanpur-Samkhali line	Letter of award dated 1.4.2013 have nominated RVNL as the client agency for doubling of the Palanpur-Samkhali line. Final Construction Agreement in this regard is under finalization.	RVNL has been appointed as an EPC Agency for execution of Doubling. Final Construction Agreement in this regard is under finalization.	Not Applicable	Nil

For and on behalf of the Board of Director

Sd/-

Pradeep Gaur  
Chairman & Managing Director  
DIN:07243986

Place: New Delhi  
Date: 27.07.2019

## Standalone Balance Sheet as at 31st March 2019

(₹ in Lakhs)

Particulars	Note No.	As at 31 st March 2019	As at 31 st March 2018
<b>I. ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Property Plant and equipment	3	25,082.24	24,875.89
(b) Capital work-in-progress	4	896.03	-
(c) Other Intangible assets	5	2,840.52	11.08
(d) Intangible assets under development	5	247.75	2,113.58
(e) Financial Assets	6		
(i) Investments	6.1	92,884.35	65,867.35
(ii) Lease Receivables	6.2	1,54,194.63	1,71,952.77
(iii) Loans	6.3	944.33	647.56
(iv) Others	6.4	44,421.71	46,263.24
(f) Deferred tax assets (Net)	7	7,396.49	6,556.28
(g) Other non-current assets	8	23.61	27.00
		<u>3,28,931.67</u>	<u>27.00</u>
			3,18,314.75
<b>2. Current assets</b>			
(a) Project-Work-in-Progress	9	448.02	192.46
(b) Financial Assets	10		
(i) Trade Receivables	10.1	63,991.12	71,484.26
(ii) Lease Receivables	10.2	26,264.56	24,132.50
(iii) Cash and cash equivalents	10.3	28,322.35	33,960.48
(iv) Bank Balances other than (iii) above	10.4	65,916.52	1,06,123.01
(v) Loans	10.5	1,190.56	741.74
(vi) Others	10.6	47,450.94	39,137.53
(c) Current Tax Asset (Net)	11.1	453.39	987.56
(d) Other current assets	12	5,77,348.36	1,76,108.69
		<u>8,11,385.81</u>	<u>1,76,108.69</u>
			4,52,868.23
<b>Total Assets</b>		<b><u>11,40,317.48</u></b>	<b><u>7,71,182.99</u></b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	13	2,08,502.01	2,08,502.01
(b) Other Equity	14	1,65,373.49	1,26,646.14
		<u>3,73,875.50</u>	<u>1,26,646.14</u>
			3,35,148.15
<b>2. Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities	15		
(i) Borrowing	15.1	3,02,419.71	2,25,914.87
(ii) Other financial liabilities	15.2	22,952.13	37,482.80
(b) Provisions	17	1,391.19	916.12
(c) Other Non current liabilities	16	2,230.93	4,008.35
		<u>3,28,993.96</u>	<u>4,008.35</u>
			2,68,322.14
<b>Current liabilities</b>			
(a) Financial Liabilities	18		
(i) Trade payables	18.1		
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
(ii) Other financial liabilities	18.2	1,18,040.85	89,124.83
(b) Other current liabilities	19	2,99,526.14	65,921.71
(c) Provisions	17	4,861.74	4,511.31
(d) Current Tax liability (Net)	11.2	1,014.63	1,310.11
		<u>4,37,448.02</u>	<u>1,310.11</u>
			1,67,712.70
<b>Total Equity and Liabilities</b>		<b><u>11,40,317.48</u></b>	<b><u>7,71,182.99</u></b>
III Summary of significant accounting policies (Standalone)	1 & 2		
IV See accompanying notes to the standalone financial statements from 3 to 51			
This is the Balance sheet referred to in our report of even date			

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

For and on behalf of the board

Sd/-  
**G.K. GUPTA**  
Partner  
M.No. 081085  
Place : New Delhi  
Date: 29.05.2019

Sd/-  
**Pradeep Gaur**  
Chairman and Managing Director  
DIN: 07243986

Sd/-  
**A.K. Choudhary**  
Chief Financial Officer

Sd/-  
**Kalpna Dubey**  
Company Secretary



## Standalone Statement of Profit and Loss for the year ended 31st March 2019

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
<b>Revenue :</b>			
I. Revenue from operations	20	10,06,007.06	7,55,655.93
II. Other income	21	27,263.21	22,480.28
III. Total Income (I + II)		<u>10,33,270.27</u>	<u>7,78,136.20</u>
<b>Expenses:</b>			
IV. Expenses on Operations	22	9,29,904.50	6,98,316.67
Employee benefits expenses	23	16,209.88	14,034.44
Finance Costs	24	5,197.98	4,472.48
Depreciation amortization and impairment	25	573.68	483.48
Other Expenses	26	5,646.86	4,282.46
CSR Expenses	27	1,148.46	767.35
<b>Total Expenses (IV)</b>		<u>9,58,681.37</u>	<u>7,22,356.88</u>
V. Profit/(loss) before exceptional items and tax (III-IV)		74,588.90	55,779.32
VI. Exceptional items		1,242.35	635.60
VII. Profit/(Loss) before tax (V - VI)		<u>75,831.25</u>	<u>56,414.92</u>
VIII. Tax expense:	28		
(1) Current tax		15,997.39	11,903.69
(2) Deferred tax (net)		(824.77)	(2,454.50)
Total Tax Expense (VIII)		<u>15,172.63</u>	<u>9,449.19</u>
IX. <b>Profit/(loss) for the period from continuing operation (VII - VIII)</b>		<u>60,658.62</u>	<u>46,965.72</u>
X. Profit/(loss) from discontinued operations	-	-	-
XI. Tax Expense of discontinued operations	-	-	-
XII. Profit/(loss) from discontinued operations (after tax) (X-XI)	-	-	-
XIII. <b>Profit/(loss) for the period (IX+XII)</b>		<u>60,658.62</u>	<u>46,965.72</u>
<b>XIV. Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
a) i) Remeasurement gains (losses) on defined benefit plans	29	(166.60)	(61.55)
ii) Income tax effect on Remeasurement gains (losses) on defined benefit plans		15.09	5.73
b) Re-measurement of investment in equity instruments net of Income Tax effect		(2.65)	-
XV. <b>Total Comprehensive Income for the period (XIII +XIV) (Comprehensive profit and other comprehensive income for the period)</b>		<u>60,504.46</u>	<u>46,909.91</u>
<b>XVI. Earnings Per Equity Share: (For Continuing Operation)</b>			
(1) Basic	40	2.91	2.25
(2) Diluted	40	2.91	2.25
<b>XVII. Earnings Per Equity Share: (For discontinuing Operation)</b>			
(1) Basic	40	-	-
(2) Diluted	40	-	-
<b>XVIII. Earnings Per Equity Share: (For discontinued and continuing Operation)</b>			
(1) Basic	40	2.91	2.25
(2) Diluted	40	2.91	2.25

This is the Statement of Profit and Loss referred to in our report of even date

**For Raj Har Gopal & Co.**  
Chartered Accountants  
Firm Registration No.:002074N

For and on behalf of the board

Sd/-  
**G.K. GUPTA**  
Partner  
M.No. 081085  
Place : New Delhi  
Date: 29.05.2019

Sd/-  
**Pradeep Gaur**  
Chairman and Managing Director  
DIN: 07243986

Sd/-  
**A.K. Choudhary**  
Chief Financial Officer

Sd/-  
**Kalpna Dubey**  
Company Secretary

## Standalone Statement of Changes in Equity

Statement of changes in equity for the year ended 31st March 2019

A. Equity share capital				(₹ in Lakhs)
Particulars	No of Shares		Amount	
Balance at April 1, 2018	20,850.20		2,08,502.01	
Changes in equity share capital during the year				
(a) issue of equity shares capital during the year	-		-	
<b>Balance as on 31st March, 2019</b>	<b>20,850.20</b>		<b>2,08,502.01</b>	
B. Other Equity				(₹ in Lakhs)
Particulars	Reserve & Surplus		Equity Instruments through other comprehensive Income	Total
	General Reserve	Retained Earnings		
Balance at the beginning of the reporting period	7,100.00	1,19,546.14	-	1,26,646.14
Prior period errors (refer note-33)	-	-	-	-
<b>Restated balance at the beginning of the reporting period</b>	<b>7,100.00</b>	<b>1,19,546.14</b>	<b>-</b>	<b>1,26,646.14</b>
Profit for the year	-	60,658.62	-	60,658.62
Other Comprehensive Income for the year (net of income tax)	-	(151.51)	(2.65)	(154.16)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>60,507.11</b>	<b>-2.65</b>	<b>60,504.46</b>
Dividends (including Tax thereon)	-	(21,777.11)	-	(21,777.11)
Transfer to retained earning	-	-	-	-
<b>Balance at the end of the reporting period</b>	<b>7,100.00</b>	<b>158,276.14</b>	<b>-2.65</b>	<b>1,65,373.49</b>

Statement of changes in equity for the year ended 31st March 2018

A. Equity share capital				(₹ in Lakhs)
Particulars	No of Shares		Amount	
Balance at April 1, 2017	20,850.20		208,502.01	
Changes in equity share capital during the year				
(a) issue of equity shares capital during the year	-		-	
<b>Balance at March 31, 2018</b>	<b>20,850.20</b>		<b>2,08,502.01</b>	
B. Other Equity				(₹ in Lakhs)
Particulars	Reserve & Surplus		Equity Instruments through other comprehensive Income	Total
	General Reserve	Retained Earnings		
Balance at the beginning of the reporting period	7,100.00	93,077.24	-	1,00,177.24
Prior period errors (refer note-33)	-	(341.29)	-	(341.29)
<b>Restated balance at the beginning of the period</b>	<b>7,100.00</b>	<b>92,735.95</b>	<b>-</b>	<b>99,835.95</b>
Profit for the year	-	46,965.72	-	46,965.72
Other Comprehensive Income for the year (net of income tax)	-	(55.81)	-	(55.81)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>46,909.91</b>	<b>-</b>	<b>46,909.91</b>
Dividends (including Tax thereon)	-	(20,099.73)	-	(20,099.73)
Transfer to retained earning	-	-	-	-
<b>Balance at the end of the reporting period</b>	<b>7,100.00</b>	<b>1,19,546.14</b>	<b>-2.65</b>	<b>1,26,646.14</b>

This is the Statement of Change in Equity referred to in our report of even date

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

For and on behalf of the board

Sd/-  
**G.K. GUPTA**  
Partner  
M.No. 081085  
Place : New Delhi  
Date: 29.05.2019

Sd/-  
**Pradeep Gaur**  
Chairman and Managing Director  
DIN: 07243986

Sd/-  
**A.K. Choudhary**  
Chief Financial Officer

Sd/-  
**Kaipana Dubey**  
Company Secretary

## Standalone Statement of Cash Flow For The Year Ended 31st March 2019

(₹ in Lakhs)

S.No.	Particulars	Figures For The Year Ended 31 <sup>st</sup> March 2019		Figures For The Year Ended 31 <sup>st</sup> March 2018	
		Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
<b>1. (a) Cash flow from operating activities</b>					
Net profit before taxation		75,831.25		56,414.92	
Add: adjustment for non cash items :					
Depreciation amortization and impairment		573.68		483.48	
CWIP written off		76,404.94		56,898.40	
Add: adjustment for other items		-		0.04	
Loss on sale of fixed assets		(20,404.58)		(16,719.42)	
Other income		(1,750.00)		(1,000.00)	
Dividend received		(166.60)		(61.55)	
Other comprehensive income		54,083.76		39,117.47	
<b>Operating profit before working capital changes</b>					
<b>(B) adjustments for changes in working capital:</b>					
<b>Adjustments for (increase)/decrease in operating assets:</b>					
Trade receivables (current)		7,493.14		(65,623.93)	
Lease receivables (non-current)		17,758.13		(57,276.93)	
Lease receivables (current)		(2,132.06)		(4,089.27)	
Project work in progress (inventory)		(255.56)		73,884.51	
Bank balances other than cash and cash equivalents		40,206.49		38,876.99	
Other non current financial assets		26,417.05		26,013.19	
Other financial assets		(8,313.40)		(1,088.05)	
Other non current assets		3.39		37.81	
Other current assets		(4,01,239.67)		(25,954.21)	
		(3,20,062.48)		(15,219.89)	
<b>(C) adjustments for (increase)/decrease in operating liabilities:</b>					
Trade payables		7,159.91		(4,144.46)	
Other current financial liabilities		27,168.43		(4,977.73)	
Other non current liabilities		(1,777.42)		4,008.35	
Other non current financial liabilities		(14,530.67)		37,482.80	
Other current liabilities		2,33,604.42		(82,302.32)	
Short term provisions		350.43		488.81	
Long term provisions		475.07		(38.95)	
		2,52,450.18		(49,483.50)	
Cash generated from operations		-13,528.54		(25,585.92)	
Direct taxes paid/received		(15,758.70)		10,874.03	
<b>Cash flow from operating activities (A)</b>		<b>-29,287.24</b>	<b>-29,287.24</b>	<b>(36,459.95)</b>	<b>(36,459.95)</b>
<b>2. Cash from investment activities :-</b>					
Capital expenditure on fixed assets including capital advances		(1,665.42)		(8,264.94)	
Capital expenditure on cwip		(977.26)		(853.91)	
Proceeds from sale of fixed assets		3.01		5.99	
Proceeds from loan given		(745.60)		(627.04)	
<b>Current investments not considered as cash and cash equivalents:</b>					
- Purchased		-		-	
<b>Purchase of long term investments:</b>					
- Joint venture		(27,020.00)		(4,382.61)	
<b>Interest income (revenue)</b>					
- Others		20,404.58		16,719.42	
<b>Dividend received</b>					
- Joint venture		1,750.00		1,000.00	
<b>Net cash generated from / (used in) investing activities (B)</b>		<b>-8,250.69</b>	<b>-8,250.69</b>	<b>3,596.91</b>	<b>3,596.91</b>

**Cash flow from financing activities :-**

Proceeds from issuance of share capital (including share application money)	-	-	-
Proceeds from long term borrowings	1,04,600.00		9,250.00
Repayment of short -term borrowings	(24,132.50)		(21,857.50)
Dividend and tax thereon	(21,777.11)		(20,099.73)
Interest accrued during the year			-
Repayment of interest accrued	(26,790.60)		(25,412.67)
Utilisation of reserve	-		-
<b>Net cash generated from / (used in) financing activities (C)</b>	<b>31,899.79</b>	<b>31,899.79</b>	<b>(58,119.90)</b>
<b>Net increase/(decrease) in cash &amp; cash equivalent (A+B+C)</b>		<b>(5,638.14)</b>	<b>(90,982.95)</b>
<b>Cash &amp; cash equivalent at the beginning of the year</b>		<b>33,960.48</b>	<b>1,24,943.43</b>
<b>Cash &amp; cash equivalent at the end of year</b>		<b>28,322.35</b>	<b>33,960.48</b>
<b>Cash and cash equivalents</b>			
- Cash and cheques in hand	-		-
<b>Balance with scheduled banks</b>			
- On current account	27,944.20		3,958.04
- On book overdraft	-		-
- Cheque/DD in Hand	378.15		-
- On term Deposit Account	-		30,002.44
		<b>28,322.35</b>	<b>33,960.48</b>

**Notes :**

The above Cash Flow Statement has been prepared under the indirect method setout as per Ind-AS-7 issued by The Institute of Chartered Accountants of India and notified u/s 133 of the Companies Act 2013.

This is statement of cash flow referred to in our report of even date

**For Raj Har Gopal & Co.**  
**Chartered Accountants**  
**Firm Registration No.:002074N**

**Sd/-**  
**G.K. GUPTA**  
Partner  
M.No. 081085  
Place : New Delhi  
Date: 29.05.2019

**Sd/-**  
**Pradeep Gaur**  
Chairman and Managing Director  
DIN: 07243986

**For and on behalf of the board**

**Sd/-**  
**A.K. Choudhary**  
Chief Financial Officer

**Sd/-**  
**Kalpna Dubey**  
Company Secretary

## Notes to the Standalone Financial Statements

For the year ended 31st March, 2019

### Summary of Significant Accounting Policies

#### Note 1 : Corporate Information

Rail Vikas Nigam Limited (RVNL) is a public limited company domiciled and incorporated in India the registered office of the company is located at 1st floor August Kranti Bhawan Bhikaji Cama Place New Delhi- 110066. RVNL is Public Sector Undertaking fully owned by Ministry of Railways (MoR) Government of India and was incorporated under the Companies Act, 1956 on 24th January, 2003 with an authorized share capital of ₹3,00,000.00 lakhs. The objectives of the Company include:

- (i) Fast track implementation of rail infrastructure projects
- (ii) Raising extra budgetary resources for project execution.

The Company is implementing various types of Rail infrastructure projects assigned by MoR including doubling (including 3rd/4th lines) gauge conversion new lines railway electrification major bridges workshops Production Units and extension of the Kolkata Metro Rail System. The Company has also formed six SPVs with equity participant shareholders for port and last mile connectivity projects.

#### Note 2 :

#### 2.1 Basis of Preparation

##### a) Statement of Compliance

The financial statements as at and for the year ended March 31, 2019 have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act, 2013 as Companies (Indian Accounting Standards) Rules 2015, Companies (Indian accounting standards) Amendment Rules 2016 Companies (Indian Accounting Standards) Amendment Rules 2017 and Companies (Indian Accounting Standards) Amendment Rules 2018.

##### b) Basis of Measurement

The financial statements have been prepared under the historical cost convention and on an accrual basis except for the following items that have been measured at fair value as required by relevant Ind-AS.

- i. Defined benefit Plan and other long term employee benefits
- ii. Certain financial assets and liabilities measured at fair value.

##### c) Use of estimates and judgment

The preparation of financial statements is in conformity with Ind AS requires management to make judgments estimates and assumptions that affect the application of accounting policies and the reported amounts of assets liabilities disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of income and expenses. Examples of such estimates include estimates of future obligations under employee retirement benefit plans and estimated useful life of property plant and equipment actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Future results could differ due to changes in these estimates and difference between the actual result and the estimates are recognised in the period in which the results are known /materialize.

All financial information presented in Indian rupees and all values are rounded to the nearest lakhs rupees with two decimal points except where otherwise stated. Due to rounding off the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

#### 2.2 Cash Flow Statement

Cash flow statement is reported using the indirect method whereby profit / (loss) before tax is adjusted



for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

### 2.3 Exceptional Items

On certain occasions the size type or incidence of an item of income or expense pertaining to the ordinary activities of the Company is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the Notes to Accounts.

### 2.4 Property plant and equipment

- a) Property plant and equipment are measured at cost less accumulated depreciation and impairment losses if any. Cost of asset includes the following:
- Cost directly attributable to the acquisition of the assets
  - Incidental expenditure during the construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental thereto.
  - Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.
- b) Cost of replacement major inspection repair of significant parts and borrowing costs for long-term construction projects are capitalised if the recognition criteria are met.
- c) Upon sale of assets cost and accumulated depreciation are eliminated from the financial statements and the resultant gains or losses are recognized in the statement of profit and loss.
- d) Amounts paid towards the acquisition of property plant and equipment outstanding as of each reporting date and the cost of property

plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress.

### Depreciation

a) Depreciation on Property plant and Equipment is provided on Straight Line basis (SLM) over the useful life of the assets as specified in Schedule II of the Companies Act, 2013 except in the case of (i) Furniture & Fixtures and (ii) Mobiles Phones & Tablets. In both the categories of these assets Management has estimated the useful life after taking into consideration the economic benefits embodied in these assets and other factors such as technical obsolescence and wear and tear etc. The estimated useful life of assets for current and comparative period of significant items of property plant and equipment are as follows:

<u>Particulars</u>	<u>Useful Life</u>
Furniture and fixtures	4 year
Computers	3 year
Mobile phones	2 year
Office Equipment's (excluding Mobile Phones)	5 year
(b) Each part of an item of Property Plant and Equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.	
(c) Leasehold improvements are amortized over the lower of estimated useful life and lease term.	
(d) Depreciation methods useful lives and residual values are reviewed at each reporting date.	
(e) Depreciation on individual assets acquired for ₹5000/- or less is depreciated at the rate of 100% taking in to consideration the commercial life in the year of purchase itself.	

### 2.5 Intangible Assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise

and the cost of the asset can be measured reliably. Intangible assets are stated at historical cost less accumulated amortization and impairment loss if any.

Intangible assets comprise of license fees other implementation costs for system software and other application software acquired for in-house use. The costs are capitalized in the year in which the relevant software is implemented for use. The cost of an intangible asset comprises its purchase price including any import duties and other taxes and any directly attributable expenditure on making the asset ready for its intended use. Intangible assets not ready for intended use as on reporting date is recognised as intangible assets under development.

**Amortization of Intangible Assets:** Intangible assets are amortized over their respective estimated useful life on a straight-line basis from the date that they are available for use. The estimated useful life of acquired software's are finite (3 years) estimated useful life of SAP software is estimated at 6 year. Amortisation methods useful lives and residual values are reviewed at each reporting date.

## 2.6 Impairment of non-financial assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value and impairment loss is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. At each reporting date company assesses the estimate amount of impairment loss. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount and such losses either no longer exists or has decreased. Reversal of impaired loss is recognized in the Statement of Profit & Loss.

## 2.7 Investments in subsidiaries and Joint Arrangement

- a) **Investments in subsidiaries:** are accounted for at cost less impairment loss if any in separate financial statements.
- b) **Joint Arrangement:** Investment in joint

arrangement are classified as either joint operation or joint ventures. The classification depends on the contractual rights and obligations of each investors rather than the legal structure of the joint arrangement. Company has both joint ventures and joint operations.

- i) **Joint Operations:** Company recognizes its direct right to the assets liabilities revenue and expenses of joint operations and its share of any jointly held or incurred assets liabilities revenue and expenses.
- ii) **Joint Venture:** Investments in Joint Venture are accounted for at cost less impairment loss if any in separate financial statements.

## 2.8 Inventories & Project Accounting

- (a) Project Work-in-Progress is valued at the contract rates and construction material at site is stated at cost. Payments made to Zonal Railways for acquiring land included in project Work-in-Progress is stated at cost.
- (b) **IRFC Funded Projects:** In accordance with revised Procedure Order dt. 30.12.2016 of MoR PWIP of IRFC funded projects are Shown as Lease Receivable. The amount of expenditure for the period including opening balance on IRFC funded projects are transferred from PWIP to Lease Receivable and from the subsequent financial year adjustments will be carried out periodically.
- (c) The value of projects which are transferred from the project Work in Progress (PWIP) is determined by adding direct expenditure plus management fee as agreed with MoR.
- (d) **MoR Funded Projects:** In accordance with revised Procedure Order dt. 30.12.2016 of MoR PWIP of MoR funded projects are adjusted against fund received from MoR . The amount of expenditure on MoR funded projects recognised during the year including opening balances of PWIP for MoR funded project are being adjusted as at 31.03.2017 from the fund

received from MoR and from the subsequent financial year adjustments will be carried out periodically.

## 2.9 Revenue from Contracts with Customers

**2.9.1** Company Recognises revenue from contracts with customers based on a five-step as set out in Ind AS-115:-

- (i) Identify contracts with a customer:- A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations as sets out the criteria for every contract that must be met.
- (ii) Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- (iii) Determine the transaction price: The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer excluding amounts collected on behalf of third parties.
- (iv) Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
- (v) Recognise revenue when or as the Company satisfies a performance obligation.

**2.9.2** The Company satisfies a performance obligation and recognises revenue over time if one of the following criteria is met:

- (i) The customer simultaneously receives and consumes the benefits provided by the company's performance as the company performs.
- (ii) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

- (iii) The Company's performance does not create an asset with an alternative use to the company and the company has an enforceable right to payment for performance completed to date. For performance obligations where one of the above conditions are not met revenue is recognised at the point in time at which performance obligation is satisfied.

**2.9.3** The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. Revenue is recognized based on the nature of activity when consideration can be reasonably measured and there exists reasonable certainty of its recovery. Revenue from construction/project related activity is measured at the amount company expects to be entitled taking into account contractually defined terms of payment and excluding taxes and duty as given below:-

- (a) Projects executed for Ministry of Railways (MoR): Revenue from project execution is determined by adding aggregate cost plus margin agreed with MoR and any subsequent clarifications received in this respect.
- (b) Works Executed by Zonal Railways on behalf of RVNL - Revenue from works executed by Zonal Railways on RVNL projects is determined on the basis of statement of Expenditure submitted by the respective Zonal Railways
- (c) Deposit works (cost plus contract) related to JCEs (Jointly Controlled Entities) in the form of Special Purpose Vehicles and others. Contract revenue is determined by adding the aggregate cost plus proportionate margin (Direction & General Charges) based on fixed percentage as agreed with the customer.
- (d) In case of IRFC funded projects interest component on installments received from Ministry of Railway's in netted against the interest payable on IRFC borrowings.
- (e) Claims are accounted as income in the year of acceptance by client or evidence of acceptance received.

## 2.10 Other Revenue Recognition

- i. Dividend income is recognized when the right to receive is established.
- ii. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable using Effective Interest Rate Method.

## 2.11 Employee Benefits

### a) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries wages and short-term compensated absences LTC etc. are recognized in the period in which the employee renders the related service.

### b) Long Term Employee Benefits

The obligation for long-term employee benefits such as long-term compensated absences & half pay leave is recognized in the same manner as in the case of defined benefit plans as mentioned in (c)(iii) below

### c) Post Employment Benefits

- i. Defined contribution plans: The Company makes defined contribution to the Regional Provident Fund Commissioner in respect of provident fund scheme CGIS and employee state insurance scheme. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.
- ii. Defined contribution plans: The Company makes defined contribution to the RVNL Medical and Welfare Trust in respect of RVNL Medical and Welfare Scheme. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.
- iii. Defined benefit plans: Gratuity is a post employment defined benefit plan. The liability recognized in the balance sheet is the present value of the defined benefit obligation at the

balance sheet date less fair value of plan assets. The defined benefit obligation is calculated by an independent actuary using projected unit credit (PUC) method. Actuarial gains and losses are recognised immediately in the Profit & Loss Account.

- d) Retirement benefits of the 'staff on deputation' have been accounted for on the basis of the guidelines of the Ministry of Railways.
- e) Actuarial gains or losses are recognized in Other Comprehensive Income.
- f) Re-measurements recognised in Other Comprehensive Income are comprising actuarial gains or losses that are not reclassified to profit or loss from Other Comprehensive Income in subsequent periods.

## 2.12 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. (Functional Currency) The financial statements are presented in Indian rupees which is the presentation currency of company.

### Foreign Currency Transactions

- i. All foreign currency transactions are translated into functional Currency at the rate prevalent on the date of transaction.
- ii. Non-monetary items are translated at the rate on the date of initial transaction.
- iii. Monetary items denominated in foreign currency are translated at the prevailing closing buying rate at each reporting date
- iv. Foreign exchange gain or losses in respect of monetary and non-monetary items is recognised in statement of profit and loss.

## 2.13 Borrowing Cost

Borrowing costs that are attributable to the acquisition construction or production of a qualifying asset are capitalized as part of cost of such asset till such time as the asset is ready for its intended use. A qualifying asset is an asset that necessarily

requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

## 2.14 Tax expenses represents the sum of current tax and deferred tax

### a) Current Income Tax

- i. Taxes including current income tax are computed using the applicable tax rates and tax laws.
- ii. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the company operates and generates taxable income.
- iii. Current income tax assets and liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities Liability for additional taxes if any is provided / paid as and when assessments are completed
- iv. Current tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

### b) Deferred tax

- i. Deferred income tax is recognized using balance sheet approach.
- ii. Deferred income tax assets and liabilities are recognized for temporary differences which is computed using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.
- iii. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.
- iv. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be

available to allow all or part of the deferred income tax asset to be utilized.

- v. Deferred tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

## 2.15 Leases

### a) Company as a lessee

Finance Lease:-

- (i) that transfers substantially all the risks and rewards incidental to ownership of an asset
- (ii) are capitalised at lease inception at lower of fair value or present value of minimum lease payment
- (iii) Payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.
- (iv) Finance charges are recognised in finance costs in the statement of profit and loss.
- (v) Depreciated over the useful life of the asset. However if there is no reasonable certainty to obtain ownership by the end of the lease term the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

### Operating Lease

- i. is classified as operating lease when significant portion of the risk and rewards are not transferred to the company.
- ii. payment are charged to profit and loss on straight-line basis over the lease term except where lease payment are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase

### b) Company as a lessor

#### Finance Lease

- i. is recognised when substantially all of the risks and rewards of ownership transfer from the company to the lessee.
- ii. Payment due are recorded as receivables



at the company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### Operating Lease

- i. are the leases in which the company does not transfer substantially all the risks and rewards of ownership to the lessee.
- ii. incomes are recognized as income in the statement of profit & loss on straight-line basis over the lease term except where lease payment are structured to increase in line with expected general inflation expected general inflation to compensate for the expected inflationary cost increase.

### 2.16 Provisions

#### Provision is recognised when:

- i) The Company has a present obligation as a result of a past event
- ii) A probable outflow of resources is expected to settle the obligation and
- iii) A reliable estimate of the amount of the obligation can be made. Reimbursement of the expenditure required to settle a provision is recognised as per contract provisions or when it is virtually certain that reimbursement will be received.

Provisions are reviewed at each Balance Sheet date.

#### a) Discounting of Provisions:

Provision which expected to be settled beyond 12 months are measured at the present value by using pretax discount rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

### 2.17 Contingent Liabilities and contingent Assets

- (a) Contingent Liabilities are disclosed in either of the following cases:

- i) A present obligation arising from a past event when it is not probable that an outflow of resources will be required to settle the obligation; or
- ii) A reliable estimate of the present obligation cannot be made; or
- iii) A possible obligation unless the probability of outflow of resource is remote.

(b) Contingent assets is disclosed where an inflow of economic benefits is probable.

(c) Contingent Liability and Provisions needed against Contingent Liability and Contingent Assets are reviewed at each Reporting date.

(d) Contingent Liability is net of estimated provisions considering possible outflow on settlement.

### 2.18 Earnings Per Share

In determining earnings per share the Company considers the net profit attributable to equity shareholders. The number of shares used in computing basic and diluted earnings per share is the weighted average number of shares outstanding during the year.

### 2.19 Liquidated Damages and Penalties

Credit items arising on account of Liquidated Damages and Penalties during execution of contract or due to termination of contract etc. are carried as "Retention Money" under "other Current Liabilities" until the final Closure of the Project. Thereafter, i.e. on financial closure of the Project such leftover balances of liquidity Damages and Penalties are credited to the total cost of the concerned project.

### 2.20 Stale Cheques Policy

Cheques which have not been cleared within the validity period of 3 months are credited to the stale cheque account. Items which are more than 3 yrs.' old and could not be cleared in stale cheque account are credited to the head which was earlier debited while making payments except deductions made from salary of staff which are credited to misc income.

## 2.21 Operating Segment

Operating segments are reported in the manner consistent with the internal reporting provided by the Chief Operating Decision Maker (CODM). Chairman and Managing Director of the company has been identified as CODM. Company has identified only one reportable segment i.e. "Development of Railway Infrastructure".

## 2.22 Fair Value Measurement

Company measures financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability or
- in the absence of a principal market in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability assuming that market participants act in their economic best interest. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

## 2.23 Dividend to equity holders

Dividend paid/payable shall be recognised in the year in which the related dividends are approved by shareholders or board of directors as appropriate.

## 2.24 Financial instruments:-

### (A) Initial recognition and measurement

Financial Instruments are recognized at its fair value plus or minus transaction costs that are

directly attributable to the acquisition or issue of the financial instruments.

### (B) Subsequent measurement

#### (i) Financial Assets

Financial assets are classified in following categories:

- a) At Amortised Cost
- b) Fair value through Other Comprehensive Income.
- c) Fair value through Profit and loss account.

#### a. Debt instrument at Amortised Cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- (a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets measured at amortised cost using effective interest rate method less impairment if any. The EIR amortisation is included in finance income in the statement of profit and loss.

#### b. Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However the company recognizes

interest income impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned is recognised using the EIR method.

**c. Debt instrument at FVTPL**

FVTPL is a residual category for financial Assets. Any financial assets which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as at FVTPL. In addition the company may elect to designate financial asset which otherwise meets amortized cost or FVTOCI criteria as at FVTPL. If doing so reduces or eliminates a measurement or recognition inconsistency. The company has not designated any financial asset as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the P&L. Investment in Equity instruments are measured through FVTOCI

**d. Equity Instrument at Other Comprehensive Income**

Financial Assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and setting financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and invest in the principal amount outstanding. The company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

**(ii) Financial liabilities**

**a) Financial liabilities at Amortised Cost**

Financial liabilities at amortised cost represented by trade and other payables security deposits and retention money are initially recognized at fair value and subsequently carried at amortized cost using the effective interest rate method.

**b) Financial liabilities at FVTPL**

The company has not designated in any financial liabilities at FVTPL.

**b. Derecognition**

**Financial Asset**

A financial asset (or where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

**Financial Liability**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability and the difference in the respective carrying amounts is recognised in the income statement.

**c. Impairment of financial assets:**

Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the Company to track changes in credit risk. Rather it recognises impairment loss allowance based on lifetime ECLs at each reporting date right from its initial recognition. Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applies on whether there has been significant increase in credit risk.

**2.25 Non-current Assets (or disposal groups) held for Sale**

Non-current assets (or disposal groups) are

classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition it is unlikely that the sale will be withdrawn and sale is expected within one year from the date of the classification. Disposal groups classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell. Property plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately in the statement of financial position.

If the criteria stated by IND AS 105 “Non-current Assets held for Sale and Discontinued Operations” are no longer met the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of (i) its carrying amount before the asset was classified as held for sale adjusted for depreciation that would have been recognised had that asset not been classified as held for sale and (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale.

### **Standard issued but not yet effective for the Financial Year 2018-19**

#### **IND AS 116 Leases**

On March 30, 2019 the Ministry of Corporate affairs (MCA) issued the companies (Indian Accounting Standards) Amendment rules, 2019, notifying Ind AS - 116, Lease. The Standard is applicable to the Company with effect from April 1, 2019 and will replace the existing Ind AS 17 (leases) and related

interpretations. This Ind AS sets out of the principles for the recognition, measurement, presentations and disclosure of Lease for the Lessee and the Lessor. It requires Lessee to recognise assets and liabilities for all lease transaction having lease term of more than 12 months unless the underlying asset is of low value. Under existing Ind AS 17 operating lease expenses are charged to statement of profit & loss. Further, new Ind AS requires extensive disclosure. The Standard permits retrospective approach in accordance with Ind AS 8 or retrospectively with cumulative effect of initially applying this Standard (cumulative catch-up approach).

#### **Amendment to Ind AS 12 - Income Taxes**

MCA has notified amendment to Ind AS 12 Appendix C Uncertainty over income tax treatment applicable from April 1, 2019. It prescribes uncertainty over income tax treatment is to be applied while performing the determination of taxable profit/loss. Amendment to Ind AS 12 also clarifies to recognise the income-tax consequences of dividend in profit or loss, OCI or equity where it originally recognises. The adjustment shall be retrospective in accordance with Ind AS 8 or cumulative catch-up approach.

#### **Amendment to Ind AS 19 - Employee Benefits**

On March 30, 2019 MCA notified amendment to Ind AS 19 Employee benefits requiring to use updates assumptions to determine past service cost as net interest for reminder period after a plan amendment, curtailment or settlement.

The company is in the process of examining and evaluating the impact of the said changes on the company's financial statements and will be followed from the effective date of Standards & amendments. However, no material impact is perceived.

### Note 3: Property Plant and equipment

(₹ in Lakhs)

Particulars	Land* (Lease hold Land)	Lease hold Improvements	Furniture and Fixtures	EDP Assets	Office Equipment's	Total
<b>Cost or Deemed cost</b>						
<b>At 01st April 2017</b>	-	1,122.39	814.05	1,268.31	745.36	3,950.11
Additions during the year	23,548.36	508.28	151.89	251.84	145.48	24,605.83
Disposals/Adjustments		-	(13.27)	(33.68)	(18.76)	(65.71)
<b>At 31st March 2018</b>	<b>23,548.36</b>	<b>1,630.67</b>	<b>952.67</b>	<b>1,486.47</b>	<b>872.07</b>	<b>28,490.23</b>
Additions during the period	-	71.78	237.77	278.75	181.08	769.38
Disposals/Adjustments			(2.71)	(8.88)	(4.21)	(15.80)
<b>At 31st March 2019</b>	<b>23,548.36</b>	<b>1,702.45</b>	<b>1,187.73</b>	<b>1,756.34</b>	<b>1,048.94</b>	<b>29,243.82</b>
<b>Depreciation and impairment</b>						
<b>At 01st April 2017</b>	-	<b>909.77</b>	<b>676.46</b>	<b>1,006.69</b>	<b>600.29</b>	<b>3,193.21</b>
Depreciation charge during the year	-	168.16	82.67	143.47	86.55	480.86
Disposals/Adjustments			(12.78)	(30.12)	(16.82)	(59.73)
<b>At 31 March 2018</b>	-	<b>1,077.93</b>	<b>746.35</b>	<b>1,120.04</b>	<b>670.02</b>	<b>3,614.34</b>
Depreciation charge during the period	-	169.89	109.55	194.62	85.96	560.03
Disposals/Adjustments			(1.86)	(7.74)	(3.18)	(12.78)
<b>At 31st March 2019</b>	-	<b>1,247.82</b>	<b>854.04</b>	<b>1,306.93</b>	<b>752.80</b>	<b>4,161.58</b>
<b>Net book value</b>						
<b>At 31st March 2019</b>	<b>23,548.36</b>	<b>454.63</b>	<b>333.69</b>	<b>449.41</b>	<b>296.14</b>	<b>25,082.24</b>
<b>At 31 March 2018</b>	<b>23,548.36</b>	<b>552.74</b>	<b>206.32</b>	<b>366.43</b>	<b>202.05</b>	<b>24,875.89</b>

As on 31st March, 2019 there are property plants and equipment with net carrying value of ₹25,082.24 lakhs out of which bill for assets with net carrying value of ₹294.75 lakhs are in the name of employees of RVNL. However, ownership of these assets belongs to RVNL. During the the half year company has charged depreciation of ₹137.80 Lakhs on these assets.

\* The company had purchased a lease hold land from Noida Authority amounting to ₹23,548.36 lakh and the land is for 90 years lease. In terms of lease deed company can transfer the land after five years.



## Note 4: Capital Work in Progress

(₹ in Lakhs)

Particulars	Amount
<b>At 01st April 2017</b>	-
Additions during the year	-
Adjustments	-
<b>At 31st March 2018</b>	-
Additions during the year	896.03
Adjustments	
<b>At 31st March 2019</b>	896.03

The Railway board has entrusted RVNL the work of construction of residential accommodation for Railway/PSU officers in a plot of Railway Land near Safdarjung Railway Station in accordance with its Policy No. 15/LML/181/68 dated 19.05.1998 which inter-alia stipulates that 50% of houses constructed from PSUs funds on Railway land shall be transferred to Railway and balance 50% shall be licensed to concerned PSU. Accordingly cost of RVNL's portion of flats is shown as capital work in progress (Refer Note 9 for share of other PSUs projects).

## Note 5: Intangible Assets

(₹ in Lakhs)

Particulars	Intangible assets under development (ERP)	Other Intangibles (Software)	Total
<b><u>Cost or deemed cost</u></b>			
<b>At 01st April 2017</b>	1,272.82	5.82	1,278.64
Additions during the year	840.76	13.16	853.91
<b>At 31 March 2018</b>	2,113.58	18.97	2,132.55
Additions during the year	971.61	2,843.09	3,814.70
Disposals/Adjustments	(2,837.44)		-2,837.44
<b>At 31st March 2019</b>	247.75	2,862.06	3,109.81
<b><u>Amortisation and Impairment</u></b>			
<b>At 01st April 2017</b>	-	5.26	5.26
Amortisation for the year	-	2.62	2.62
Impairment	-	-	-
Disposals/Adjustments	-	-	-
<b>At 31 March 2018</b>	-	7.89	7.89
Amortisation for the year		13.65	13.65
Impairment			-
Disposals/Adjustments			-
<b>At 31st March 2019</b>	-	21.54	21.54
<b><u>Net book value</u></b>			
<b>At 31st March 2019</b>	247.75	2,840.52	3,088.27
<b>At 31 March 2018</b>	2,113.58	11.08	2,124.66

## Note 6: Financial Assets Non Current

### 6.1 Investments

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
<b>A. Investment in Equity instruments of joint ventures (fully paid-up)</b>		
<b>Unquoted-at-cost</b>		
Kutch Railways Company Limited 10,00,00,000 Equity Share of ₹10 Each fully paid up & 2,50,00,000 Bonus Share of ₹10 Each fully paid up	10,000.00	10,000.00
Haridaspur Paradip Railways Company Limited 26,37,16,120 shares are Fully paid up @ ₹10.00/- per share (As at 31 st March 2018 : 22,35,16,120 shares @ ₹10 each)	26,371.61	22,351.61
Krishnapatnam Railways Company Limited 31,10,00,000 Equity Share of ₹10 Each fully paid-up (As at 31 st March 2018 : 8,10,00,000 Equity Share of ₹10 Each fully paid-up)	31,100.00	8,100.00
Bharuch Dahej Railways Company Limited 5,50,00,000 Equity Share of ₹10 Each fully paid up	5,500.00	5,500.00
Angul Sukinda Railways Company Limited 18,90,00,000 Equity Share of ₹10 Each fully paid up	18,900.00	18,900.00
Dighi Roha rail Limited 50,000 Equity Share of ₹10 Each fully paid up	5.00	5.00
<b>Total (Equity instruments in joint ventures)</b>	<b>91,876.61</b>	<b>64,856.61</b>
<b>B. Investment in Equity instruments of subsidiaries (fully paid-up)</b>		
<b>Unquoted-at-cost</b>		
High Speed Rail Corporation of India Limited 107411 Equity share of ₹10 Each fully paid up	10.74	10.74
<b>Total (Equity instruments in subsidiaries)</b>	<b>10.74</b>	<b>10.74</b>
<b>C. Others at Fair Value through Other Comprehensive Income</b>		
Indian Port Rail Corporation Limited 1,00,00,000 Equity Share of ₹10 Each fully paid up	997.00	1,000.00
<b>Total (Investment in equity instruments others)</b>	<b>997.00</b>	<b>1,000.00</b>
Total Non current investments	92,884.35	65,867.35
Aggregate value of unquoted investments	92,884.35	65,867.35
Aggregate amount of impairment in value of investments	-	-

- (i) Company has recognised investment in subsidiaries and joint ventures at cost in accordance with para 38 of Ind AS 27.
- (ii) Investment in Indian Port Railway Corporation Limited is fair valued refer note 31 for details.

## 6.2 Lease Receivables

(₹ in Lakhs)

Particulars	31st March 2019		31st March 2018	
<b>Unsecured considered good</b>				
Opening Balance	1,71,952.77		1,14,675.84	
Add: Transfer during the period	8,506.87		83,671.16	
Add/(less): Adjustment during the period	-		(2,261.73)	
Less: Repayment to be made within 12 months	(26,265.00)	1,54,194.63	(24,132.50)	1,71,952.77
<b>Total</b>		<b>1,54,194.63</b>		<b>1,71,952.77</b>

- (i) Lease receivable represents the amount receivable from Ministry of Railway in respect of the projects which were IRFC funded and has already been transferred to concerned zonal railways. Lease Receivable has been recognised after adjusting the funds received from MoR for the transferred amounts of the projects. {Refer Note 32 (c)}
- (ii) Lease receivables are interest bearing equal to the amount which has been charged by IRFC in respect of the borrowings outstanding for projects.

## 6.3 Loans

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
<b>Unsecured considered good</b>		
(a) Loan to employees {refer note 32 (a)}	382.42	396.13
(b) Security Deposit	561.91	251.42
<b>Total</b>	<b>944.33</b>	<b>647.56</b>

- (i) Refer note 31 for fair value measurements

## 6.4 Other Financial Assets

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
<b>Unsecured considered good</b>		
(a) Recoverable from Ministry of Railways (Interest accrued but not due on IRFC Loan)	44,421.71	46,251.87
(b) Other Receivables	-	11.37
<b>Total</b>	<b>44,421.71</b>	<b>46,263.24</b>

## Note 7 : Deferred Tax

(₹ in Lakhs)

Particulars	At 31st March 2019	31st March 2018
Deferred tax assets	7,396.49	6,556.28
Deferred tax liabilities		-
Deferred tax assets (net of deferred tax liabilities)	7,396.49	6,556.28
<b>The balance comprises to temporary differences attributable to:</b>		
<b>Deferred Tax Assets</b>		
(a) Depreciation and amortisation	368.08	293.55
(b) Employee Benefits	566.36	506.66
(c) MAT Credit Entitlement (Refer Note 7.1)	6,461.71	5,756.07
(d) Revaluation of Investment	0.35	-
	<b>7,396.49</b>	<b>6,556.28</b>

**Note 7.1** : RVNL has accumulated MAT credit of ₹9,994.25 lakhs as on 31.03.2019, considering future uncertainty of utilisation in future, amount of MAT credit has been restricted to ₹6,461.71 lakhs in financial statements. Accordingly as on 31st March 2019 accumulated MAT credit not recognised in financial statements is ₹3,532.54 lakh.

## Movement in Deferred Tax (Liability)/Asset

(₹ in Lakhs)

Particulars	Investment	Property Plant and Equipment Intangible Assets	Employee Benefits	MAT Credit	Total
<b>At 1 April 2017</b>	-	237.71	445.65	3,412.70	4,096.06
Charged/(credited)					
To Profit & Loss	-	55.84	55.28	2,343.37	2,454.49
To other comprehensive income	-	-	5.73	-	5.73
<b>At 31 March 2018</b>	-	293.55	506.66	5,756.07	6,556.28
Charged/(credited)					
To Profit & Loss	-	74.53	44.60	705.64	824.77
To other comprehensive income	0.35	-	15.09	0.00	15.44
<b>At 31st March 2019</b>	<b>0.35</b>	<b>368.08</b>	<b>566.36</b>	<b>6,461.71</b>	<b>7,396.49</b>

## Note 8 : Other Non Current Assets

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
Capital Advance*	-	-
Prepaid Expenditure (Arising on Fair Value Adjustment on Financial Assets)	23.61	27.00
	<b>23.61</b>	<b>27.00</b>

## Note 9: Project Work in Progress

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
Construction of Flats (Refer Note 4)	448.02	192.46
	<b>448.02</b>	<b>192.46</b>

## Note 10: Financial Assets Current

### 10.1 Trade Receivables

Particulars	31st March 2019	31st March 2018
<b>Unsecured considered good</b>		
Receivables from related parties (Refer Note 42)	63,413.44	70,673.96
Other Trade receivables	577.68	810.30
<b>Total Trade Receivables</b>	<b>63,991.12</b>	<b>71,484.26</b>

(i) Receivables from related parties are interest bearing at SBI Base rate +1%.

### 10.2 Lease Receivables

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
<b>Unsecured considered good</b>		
Opening Balance	24,132.50	20,043.23
Add: Transfer during the year	26,264.56	24,132.50
Less: Amount received	(24,132.50)	(20,043.23)
<b>Total Lease Receivables</b>	<b>26,264.56</b>	<b>24,132.50</b>

(i) Lease receivables-current represents receivable from railways within 12 months in respect of the cost of completed projects which has been transferred to railways. For details refer note 6.2.(i)(ii).

### 10.3 Cash and Cash equivalent

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
<b>(i) Balances with Bank</b>		
-- Current Account	27,944.20	3,958.04
-- Fixed Deposits (Maturity less than 3 Months)	-	30,002.44
(ii) Cash in hand	-	-
(iii) Cheque/DD in hand	378.15	-
<b>Total</b>	<b>28,322.35</b>	<b>33,960.48</b>

(i) There are no restrictions with regards to cash and cash equivalents as at the end of the reporting periods and earlier periods.

(ii) Amount lying in current account includes flexi deposits of ₹11,476.81 Lakhs (31st March 2018 : ₹17,200.87 Lakhs)



### 10.4 Bank Balances other than Cash and Cash equivalent

Particulars	31st March 2019	31st March 2018
<b>Other Bank Balances</b>		
(i) Balances with Bank		
Term Deposit in Schedule Bank (Maturity more than 3 Months but less than 12 months)	65,800.00	1,06,000.00
Term Deposit in Schedule Bank (Original Maturity more than 12 Months ) (Earmarked Balance for contractor's deposits)	116.52	123.01
<b>Total</b>	<b>65,916.52</b>	<b>1,06,123.01</b>

### 10.5 Loans

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
<b>Unsecured considered good</b>		
Loan to employees {Refer Note 32 (a)}	398.55	298.86
Security Deposit	792.01	442.88
<b>Total</b>	<b>1,190.56</b>	<b>741.74</b>

### 10.6 Other Financial Assets

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
<b>Unsecured considered good</b>		
Recoverable from Ministry of Railways (Interest Accrued but not due) Refer Note 6.2 (ii)	24,901.75	25,286.66
Other Receivables	22,276.61	13,524.80
Interest accrued on Fixed Deposit and others	78.49	83.07
Recoverable from Ministry of Railways-Demand No. 80 Railway Major Head 3001 (Chardham Yatra)	194.09	243.00
<b>Total</b>	<b>47,450.94</b>	<b>39,137.53</b>

### Note 11: Current Tax

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
<b>11.1 Current Tax Asset</b>		
Income Tax Refundable	453.39	987.56
<b>Total</b>	<b>453.39</b>	<b>987.56</b>

## 11.2 Current Tax Liabilities

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
Direct Tax Payable	16,011.45	11,885.16
Less : Advance Tax and TDS	(14,996.82)	(10,575.06)
<b>Total</b>	<b>1,014.63</b>	<b>1,310.11</b>

## Note 12: Other current assets

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
<b>(a) Advances Other than Capital Advances (Refer note 12.1)</b>		
Advances to Zonal Railways	56,654.70	29,962.58
Advances for Sleepers	15,506.96	24,121.08
Mobilization Advances	44,202.78	24,132.00
Other Advances (Project)	78,085.25	97,589.83
<b>(b) Others</b>		
Interest accrued on Mobilization Advance	371.12	129.22
Duties & Taxes	35,191.41	152.41
Contract Assets (Unbilled Revenue)	347,318.57	-
<b>(c) Prepaid Expenditure</b> (Arising on Fair Value Adjustment on Financial Assets)	17.56	21.56
<b>Total</b>	<b>577,348.36</b>	<b>176,108.69</b>

- (i) Advance given to Railways and Zonal Railways, Utility Advances and other Railways Advances of ₹1,02,626.58 Lakhs are subject to confirmation
- (ii) Unbilled Revenue represents work executed upto 31st March 2019, however not billed to customer as on Balance sheet date, Unbilled revenue includes ₹36,066.93 lakhs for related parties.

### Note 13: Equity Share capital

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31 March 2018
<b>Authorised share capital</b> 3,00,00,00,000.00 Equity shares of ₹10 each	300,000.00	300,000.00
	300,000.00	300,000.00
<b>Issued/Subscribed and Paid up Capital</b> 2,08,50,20,100.00 Equity shares of ₹10 each (100% shareholding of MoR)	208,502.01	208,502.01
	<b>208,502.01</b>	<b>208,502.01</b>

### Details of shareholder holding more than 5% in the Company

Name of the shareholder	As at 31st March' 2019		As at 31 March 2018	
	No in Shares (in Lakhs)	% holding in the class	No in Shares (in Lakhs)	% holding in the class
Equity shares of INR each fully paid				
Ministry of Railways (MoR)	20,850.20	100	20,850.20	100
<b>Total</b>	<b>20,850.20</b>	<b>100</b>	<b>20,850.20</b>	<b>100</b>

#### 1. Rights, Preferences and Restrictions attaching to shares

Equity Shares: The Company has one class of Equity Shares having at par value of ₹10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

### Reconciliation of the number of equity shares and share capital

Particulars	As at 31st March 2019		As at 31 March 2018	
	No in Shares (in Lakhs)	₹ in Lakhs	No in Shares (in Lakhs)	₹ in Lakhs
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	20,850.20	208,502.01	20,850.20	208,502.01
Add: Shares Issued during the year	-	-	-	-
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	20,850.20	208,502.01	20,850.20	208,502.01

## No of shares issued as Bonus Shares/ Bought back

Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
	No in Shares (in Lakhs)	No in Shares (in Lakhs)	No in Shares (in Lakhs)	No in Shares (in Lakhs)	No in Shares (in Lakhs)
No of shares issued as Bonus Shares	-	-	-	-	-
No of shares Bought back	-	-	-	-	-
	-	-	-	-	-

## Note 14: Other Equity

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
General Reserve	7,100.00	7,100.00
Retained Earnings	1,58,276.14	1,19,546.14
FVTOCI Equity Instrument	(2.65)	-
	<b>1,65,373.49</b>	<b>1,26,646.14</b>

## Note 14.1

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>(a) General Reserve</b>		
As per last Balance sheet	7,100.00	7,100.00
Add: Transfer from retained earning	-	-
	<b>7,100.00</b>	<b>7,100.00</b>
<b>(b) Retained Earnings</b>		
As per last Balance Sheet	1,19,546.14	92,735.95
Add: Profit after Tax	60,658.62	46,965.72
Less: Dividend declared and paid during the year	(1,307.00)	(1,250.00)
Less: Dividend distribution tax (DDT) on dividend declared and paid	(268.65)	(254.47)
Less: Interim Dividend paid during the year	(16,757.00)	(15,450.00)
Less: Dividend distribution tax (DDT) on Interim dividend paid	(3,444.46)	(3,145.26)
<b>Items of Other comprehensive income recognised directly in retained earnings</b>		
Remeasurements of defined benefits plans, net of tax	(151.51)	(55.81)
	<b>1,58,276.14</b>	<b>1,19,546.14</b>
<b>(c) FVTOCI Equity Instrument</b>		
Change in fair value of FVTOCI equity instrument	(3.00)	-
Deferred Taxes	0.35	-
	<b>(2.65)</b>	<b>-</b>

- (i) On 18th September 2018, the final dividend of ₹0.06 per share was approved and paid for FY 2017-18
- (ii) On 28th March 2019, an interim dividend of ₹0.40 per share and 18th September 2018 an interim dividend of ₹0.40 per share was approved and paid for FY 2018-19 (total interim dividend of ₹16,757 Lakhs) and dividend distribution tax of ₹3,444.46 Lakhs was paid for FY 2018-19.
- (iii) On 23rd March 2018, an interim dividend of ₹0.50 per share and 22nd December 2017 an interim dividend of ₹0.24 per share was approved and paid for FY 2017-18 (total interim dividend of ₹15,450 Lakhs) and dividend distribution tax of ₹3,145.26 Lakhs was paid for FY 2017-18.
- (iv) Nature and purpose of Reserves  
RVNL has elected to recognize changes in fair value of certain investment in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity investments reserves within equity. The company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognized
- (v) Proposed Final Dividend for Financial Year 2018-19 is ₹1936.00 Lakhs (₹0.09 per share), and DDT thereon is ₹297.85 Lakhs.



## Note 15: Financial Liability - Non Current

### 15.1 Borrowings

(₹ in Lakhs)

Particulars	31st March 2019		31st March 2018	
<b>Unsecured</b>				
<b>(i) Indian Railway Finance Corporation</b>				
Opening Balance	1,79,663.00		1,94,545.50	
Addition during the year	1,04,600.00		9,250.00	
Less Repayment made with in 12 months	(26,265.00)	2,57,998.00	(24,132.50)	1,79,663.00
<b>(ii) Interest accrued but not due (IRFC Loan)</b>				
Opening Balance	46,251.87		49,142.56	
Addition during the year	24,575.53		23,133.87	
Less Repayment made with in 12 months	(26,405.69)	44,421.71	(26,024.56)	46,251.87
		<b>3,02,419.71</b>		<b>2,25,914.87</b>

#### Terms of Repayment:

- (iii) There is a moratorium period of 3 years for each year's loan. During the said moratorium period, no amount on account of interest and principal shall be payable. The interest shall be charged on yearly basis and repayment of loan shall be once in a year (for a period of 12 years) after the completion of moratorium period. Ministry of Railways would make available to RVNL the required funds thereafter, to enable them to do the debt servicing . The debt servicing will pass through RVNL books.
- (iv) Company has borrowed funds ₹104,600 lakhs amount (Financial year 2017-18: ₹9,250.00 Lakhs) during the period from Indian Railway Finance Corporation (IRFC). The outstanding borrowing is ₹2,84,263 Lakhs (as at 31.03.2018 : ₹2,03,795.00 Lakhs, which includes current liability i.e. repayable in next twelve months ₹26,265.00 Lakhs (as at 31.03.2018: ₹24,132.50 Lakhs).
- (v) The Interest Liability has been assessed on the amount disbursed in the F.Y. 2005-06 to 2018-19 by applying the Interest rate as advised by the IRFC for each Financial year (2018-19: 8.75% estimated, 2017-18 : 8.75% , 2016-17 :8.19%, 2015-16:8.68%, 2014-15 :9.56%, 2013-14 :9.60%, 2012-13:9.41%, 2011-12 :10.12%, 2010-11 :9.12%, 2009-10 :8.92%, 2008-09:9.96%, 2007-08 :10.24%, 2006-07 :9.73%, 2005-06 :8.06%)

The interest accrued but not due on the IRFC loan amount has been shown in the Balance Sheet as recoverable from MoR under Current Assets & Non-Current assets (for the interest non recoverable in next 12 Months) and the interest payable but not due under the Current Liabilities and Non-Current Liabilities (for the interest not payable in next 12 Months) payable to IRFC.

## 15.2 Other Financial Liability

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
Performance and Security Deposit	12,598.97	28,553.20
Retention money	10,353.16	8,929.60
<b>Total other financial liability</b>	<b>22,952.13</b>	<b>37,482.80</b>

## Note 16: Other Non Current Liability

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
Deferred Income (Fair Value Adjustment)	2,230.93	4,008.35
	<b>2,230.93</b>	<b>4,008.35</b>

## Note 17: Provisions

(₹ in Lakhs)

Particulars	Provisions for employee benefits							Total
	Provision for Foreign Service Contribution	Provision for PRP/PLI	Provision for Retirement Benefit	Provision for LTC	Provision for Ex Gratia	Provision for 7th Pay Commission	Provision for 3rd PRC	
<b>At 31-March-2017</b>	<b>1,444.26</b>	<b>933.59</b>	<b>965.17</b>	<b>64.51</b>	<b>634.23</b>	<b>795.60</b>	<b>140.21</b>	<b>4,977.57</b>
Current	1,444.26	933.58	76.46	64.51	634.23	795.60	140.21	4,088.86
Non Current	-	-	888.71	-	-	-	-	888.71
Provisions made during the period	1,317.69	1,291.66	202.73	18.15	820.00	-	267.78	3,918.01
Utilisation during the period	(949.99)	(799.36)	(204.49)	(7.71)	(537.09)	(635.60)	(333.92)	(3,468.14)
<b>At 31-March-2018</b>	<b>1,811.96</b>	<b>1,425.88</b>	<b>963.42</b>	<b>74.95</b>	<b>917.14</b>	<b>160.00</b>	<b>74.07</b>	<b>5,427.44</b>
Current	1,811.96	1,425.88	113.66	8.59	917.14	160.00	74.07	4,511.31
Non Current	-	-	849.76	66.36	-	-	-	916.12
Provisions made (Adjusted) during the period	546.55	1,345.16	779.20	38.27	921.15	(160.00)	(74.07)	3,396.26
Utilisation during the period	(998.47)	(945.19)	(167.58)	(10.37)	(449.15)	-	-	-2,570.75
<b>At 31-March-2019</b>	<b>1,360.05</b>	<b>1,825.85</b>	<b>1,575.04</b>	<b>102.85</b>	<b>1,389.15</b>	<b>-</b>	<b>-</b>	<b>6,252.93</b>
Current	1,360.05	1,825.85	269.97	16.72	1,389.15	-	-	4,861.74
Non Current	-	-	1,305.07	86.13	-	-	-	1,391.19

### Foot Note

#### 17.1 Foreign Service Contribution :

The majority of the officers / staff employed in RVNL are on deputation from Indian Railways.

RVNL is paying Foreign Service Contribution to the Indian Railways towards retirement benefits.

## 17.2 For RVNL Employees

The disclosure required under Indian Accounting Standard-19 “Employee Benefit” in respect of defined benefit plan is:

### Reconciliation of opening and closing balances of the present value of the defined benefit obligation: (₹ in Lakhs)

Particulars	Gratuity		Leave Encashment		Half Pay Leave		LTC	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Opening Balance	595.12	411.15	272.70	471.62	109.19	78.54	74.95	64.51
Interest Cost	46.42	30.84	21.27	35.37	8.52	5.89	5.85	4.84
Current Service Cost	200.58	125.24	142.74	45.62	59.15	17.82	32.09	17.54
Benefit Paid	(61.00)	(37.89)	(106.58)	(145.46)	-	-	(10.37)	(7.71)
Actuarial (Gain)/ Loss on Obligation	166.28	65.78	114.16	(134.45)	6.49	6.94	0.32	(4.23)
<b>Closing Balance</b>	<b>947.40</b>	<b>595.12</b>	<b>444.29</b>	<b>272.70</b>	<b>183.35</b>	<b>109.19</b>	<b>102.85</b>	<b>74.95</b>

### Amount Recognised in Statement of Profit and Loss (₹ in Lakhs)

Particulars	Gratuity		Leave Encashment		Half Pay Leave		LTC	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Interest Cost	46.42	30.84	21.27	35.37	8.52	5.89	5.85	4.84
Current Service Cost	200.58	125.24	142.74	45.62	59.15	17.82	32.09	17.54
Actuarial (Gain)/ Loss on Obligation	-	-	114.16	(134.45)	6.49	6.94	-	-
	<b>247.00</b>	<b>156.07</b>	<b>278.17</b>	<b>-53.46</b>	<b>74.16</b>	<b>30.65</b>	<b>37.94</b>	<b>22.38</b>

### Amount Recognised in Other Comprehensive Income account (₹ in Lakhs)

Particulars	Gratuity		Leave Encashment		Half Pay Leave		LTC	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Actuarial (Gain)/ Loss on Obligation	166.28	65.78	-	-	-	-	0.32	(4.23)
	<b>166.28</b>	<b>65.78</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.32</b>	<b>-4.23</b>

Leave Encashment including Half pay Leave is payable to employees on retirement. The amount of Leave Encashment payable is based on past service and salary at time of retirement.

There are no Investment held against the provision for gratuity and leave encashment.

ACTUARIAL ASSUMPTIONS:	31st March' 2019	2018-19
Method Of Valuation :	Project Unit Credit Method	Project Unit Credit Method
Discount Rate :	7.75%	7.80%
Salary Escalation Rate:	6.50%	6.50%
Retirement Age:	60 Years	60 Years
Withdrawal Rate:	3% at younger ages and reducing to 1% at older ages according to graduated scale.	3% at younger ages and reducing to 1% at older ages according to graduated scale.
Mortality Rate	India Assured Lives Mortality (2006-08) Ult.	India Assured Lives Mortality (2006-08) Ult.

### Sensitivity analysis:

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the statement of financial position.

### For the year ending on 31-03-2019

Change in	Change in assumptions	Effect on Gratuity obligation	Effect on Leave Encashment	Effect on Half pay Leave	Effect on LTC
Discount Rate	+0.5%	(43.17)	(10.49)	(4.23)	(2.43)
	-0.5%	47.87	11.01	4.44	2.54
Salary Growth Rate	+0.5%	47.51	11.08	(4.23)	-
	-0.5%	(43.74)	(10.66)	4.44	-

## Note 18 Financial Liability Current

### 18.1 Trade Payables

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
- Micro, Small and medium enterprises (Refer note-35)	-	-
- Others	14,004.66	6,844.75
<b>Total</b>	<b>14,004.66</b>	<b>6,844.75</b>

### 18.2 Other Financial Liability

(₹ in lakhs)

Particulars	31st March 2019		31st March 2018	
Performance and Security Deposits		57,559.55		24,159.73
Sundry Creditors (Miscellaneous Services)		125.49		79.34
Sundry Creditors Others		82.79		366.69
Retention Money		5,238.25		6,228.18
Other Liabilities		2,765.25		8,551.34
Expenses Payable		1,102.77		320.38
<b>Indian Railway Finance Corporation *</b>				
Opening balance	24,132.50		21,857.50	
Add: Addition during the year	26,265.00		24,132.50	
Less: Repayment during the year	(24,132.50)	26,265.00	(21,857.50)	24,132.50
<b>Interest accrued but not due (IRFC Loan)</b>				
Opening balance	25,286.66		24,674.78	
Add: Addition during the year	26,405.69		26,024.56	
Less: Repayment during the year	(26,790.60)	24,901.75	(25,412.67)	25,286.66
<b>Total other financial liability</b>		<b>1,18,040.85</b>		<b>89,124.83</b>

\*For terms and conditions refer note no 15.1 and 32(c)

**Note 19: Other current Liability**

(₹ in lakhs)

Particulars	31st March 2019		31st March 2018	
<b>19.1 Other Advances</b>				
<b>i) Unsecured Fund Received from MoR and State Govt.</b>		244,696.85		45,663.55
Opening Balance	55,330.26		133,906.13	
Add: Addition during the year	788,517.05		571,763.83	
Less: Projects Transferred during the year	(5,99,150.46)		(6,60,006.40)	
<b>ii) Unsecured Advance from MoR IRFC loan Repayment</b>				
Opening Balance	-		447.15	
Add: Addition during the year	24,132.50		21,857.50	
Less: Projects Transferred during the year	(24,132.50)	-	(22,304.65)	0.00
<b>iii) HSR Studies under Demand-2</b>				
Opening Balance	300.42		-	
Add: Addition during the year	764.55		4,525.72	
Less: Projects Transferred during the year	(1,064.97)	-	(4,225.30)	300.42
<b>iv) Advance received from Customers</b>		<b>49,011.53</b>		<b>7,033.84</b>
<b>19.2 Others</b>				
Duties & Taxes		2,405.30		9,457.75
Dividend Payable		-		-
RVNL Welfare Fund		63.47		48.05
<b>RVNL Medical Scheme#</b>				
Opening Balance	-		-	
Add: Addition during the year	2.49		256.37	
Less: Adjustment during the year	-	2.49	(256.37)	-
Deferred Income (Fair Value Adjustment)		3,346.50		3,418.11
		<b>2,99,526.14</b>		<b>65,921.71</b>

**# RVNL Medical and Welfare Scheme**

Company has provided contribution of ₹2.49 Lakhs (Previous year ₹256.37 lakhs) in RVNL Medical Scheme and ₹Nil (Previous Year ₹ Nil) in RVNL Welfare Scheme of RVNL Medical and Welfare Trust.



## Note 20: Revenue from operations

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
<b>Revenue from Operation:</b>		
(Turnover from Construction Work and Project related Activity)		
- From MoR Projects	8,01,332.36	5,58,086.02
- From MoR Metro Projects	37,968.64	49,255.39
- From MoR Projects (Executed by Zonal Railways)	6,189.85	2,169.33
- From Deposit Work - Projects ( SPV)	1,39,137.38	1,16,694.11
- From Deposit Work - Project (Others)	21,378.83	29,451.08
<b>Total</b>	<b>10,06,007.06</b>	<b>7,55,655.93</b>

**20.1** In accordance with Railway Board's letter No. 2004/W-1/RVNL/15 dated 04.01.2012 RVNL has accounted Consolidated Management fee @ 9.25% in case of Metro Projects and 8.5% in case of Other Plan Heads on the expenditure incurred by RVNL on MoR projects. As per the directions of MoR, all expenditure in the nature of consultancies related to Project Management are being charged directly to project. D&G charges payable to Railway up to 0.25 % of cost of projects are allocated to the projects on actual funds released to the respective Zonal Railway, Expenditure incurred on D&G (Supervision) are being charged to the Statement of Profit & Loss account. The miscellaneous receipts from sale proceeds of Tender and other income has been credited to the Statement of Profit & Loss account.

**20.2** In respect of SPV projects, construction works have been undertaken by RVNL as per the terms and conditions of the Model Construction agreement for execution of SPV Projects issued by MoR and revenue recognised accordingly. In respect of Kutch Railways Company Limited (KRCL), revenue is recognised based on bills raised and payments received although acceptance of Formal Construction Agreement by KRCL is pending.

## Note 21: Other Income

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
(a) Interest income		
- Banks - Gross	7,330.54	11,270.33
- Others - Gross	13,074.04	5,449.10
(b) Dividend income:	1,750.00	1,000.00
(c) Misc. Income	327.78	268.90
(d) Unwinding of interest income on security deposit	1,469.63	54.41
(e) Amortisation of deferred revenue on financial liabilities		
- Performance and Security Deposit	2,515.21	3,518.35
- Retention Money	796.02	919.19
<b>Total</b>	<b>27,263.21</b>	<b>22,480.28</b>

“Interest from others” includes interest from Special Purpose Vehicles (SPVs) against balances outstanding.

## Note 22: Expenses on Operations

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
<b>Expenses on Operation:</b>		
(Direct Expenses on Construction and Project related Activity)		
- Incurred on MoR Projects	7,40,276.93	5,15,426.11
- Incurred on MoR Metro Projects	34,753.90	45,086.57
- Incurred on Projects (Zonal Railway)	6,189.85	2,169.33
- Incurred on Deposit Work - Projects (SPV)	1,28,740.60	1,08,421.09
- Incurred on Deposit Work - Projects ( Others)	19,943.22	27,213.58
<b>Total</b>	<b>9,29,904.50</b>	<b>6,98,316.67</b>

**22.1** Expenditure against contracts awarded by the Company is recognized on completion of measurements and testing certified by the Engineer.

**22.2** Expenditure of execution of projects done by the Zonal Railways on behalf of the Company on MoR projects is accounted for on the basis of statement of estimated expenditure received from respective Zonal Railways and is adjusted allocation-wise as and when the final expenditure statement is received.

**22.3** With the rationalisation of the revenue stream of RVNL, the expenses incurred on supervision and monitoring directly allocable to the projects have been reviewed in terms of Railway Board 's letter no 2004/W-1/RVNL/15 dated 04/01/2012, the pattern of booking of expenditure on Zonal Railways and general accounting practices. The expenditure incurred on this account related to execution of Deposit Works (for SPV and others) have been charged to the Statement of Profit and Loss.

### Note 23: Employee Benefit Expenses

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
(a) Salaries and Wages	14,952.38	12,976.43
(b) Contribution to Provident & Other Funds	823.75	519.11
(c) Staff Welfare Expenses	433.76	538.89
<b>Total</b>	<b>16,209.88</b>	<b>14,034.44</b>

### Note 24: Finance Costs

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
(a) Unwinding of Interest Cost Performance and Security Deposit	4,160.04	3,549.58
(b) Unwinding of Interest Cost Retention Money	850.78	916.25
(c) Interest on Loan from IRFC (Complete Project)(refer note 24.1)	7,863.74	10,043.18
Less: Interest receivable from MoR on loan from IRFC	(7,863.74)	(10,043.18)
(d) Interest on Income Tax	187.16	6.65
<b>Total</b>	<b>5,197.98</b>	<b>4,472.48</b>

**24.1** Interest payable on IRFC Loan for the above mentioned period and recoverable from MoR for completed/ transferred project has been disclosed.

## Note 25: Depreciation and Amortization

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
Depreciation on Property Plant and equipment (Refer Note 3)	560.03	480.86
Amortisation on Intangible Assets (Refer Note 5)	13.65	2.62
<b>Total</b>	<b>573.68</b>	<b>483.48</b>

## Note 26: Other Expenses

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
(a) Power & Fuel	290.25	215.36
(b) Rent (Refer note-26.1)	565.33	607.86
(c) Rates & Taxes	4.77	0.63
(d) Miscellaneous Expenditure	546.88	247.75
(e) Payment to Auditors		
(i) As Auditor	16.50	19.90
(ii) For Taxation Matters	1.46	2.72
(iii) For Other Services	3.33	1.82
(iv) For Expenses	3.50	-
(v) For Expenses-Previous Auditor	-	0.38
(f) Advertisement and Business Promotion	983.87	568.60
(g) Printing and Stationery	359.16	340.29
(h) Travelling & Local Conveyance	669.46	396.89
(i) Communication	328.71	339.79
(j) Books & Periodicals	3.58	4.74
(k) Legal and Professional Charges	639.34	509.08
(l) Consultant Fee	568.56	357.53
(m) Other expenses	662.95	668.82
(n) Short & Excess due to rounding off	(0.81)	0.30
<b>Total</b>	<b>5,646.86</b>	<b>4,282.46</b>

**26.1** The company has taken offices and residential premises under operating lease. The lease agreement are for period form 11 months to 3 years and are cancellable & renewable by consent. Rent expenses includes ₹22.87 lakhs during the year ended 31.03.2019 and ₹51.50 Lakhs during the year ended 31.03.2018 for amortisation of deferred expense recognised due to fair valuation of security deposits.

## Note 27: CSR and R&D Expenses

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
(a) CSR Expenses	1,148.46	767.35
<b>Total</b>	<b>1,148.46</b>	<b>767.35</b>

27.1 As per the Companies Act, 2013, an amount equivalent to 2% of Average PBT of immediately preceding 3 Financial Year is required to be spent during the year on Corporate Social Responsibility (CSR) Activities.

### 27.2 Amount spent during the period

(₹ in lakhs)

Particulars	In Cash	Yet to be paid in Cash	Total
<b>For the year ended 31st March 2019</b>			
(i) Construction/acquisition of any assets	-	-	-
(ii) On purpose other than (i) above			
Healthcare & Sanitation	846.71	-	846.71
Education and livelihood	280.50	-	280.50
Environment	4.30	-	4.30
Rural Development	-	-	-
Administrative	16.95	-	16.95
<b>Total Expenses (ii)</b>	<b>1,148.46</b>	-	<b>1,148.46</b>
<b>Grand Total (i) and (ii)</b>	<b>1,148.46</b>	-	<b>1,148.46</b>
<b>For the year ended 31 Mar 2018</b>			
(i) Construction/acquisition of any assets	-	-	-
(ii) On purpose other than (i) above			
Healthcare	442.03	-	442.03
Education and livelihood	266.62	-	266.62
Environment	38.70	-	38.70
Rural Development	-	-	-
Administrative	20.00	-	20.00
<b>Total Expenses (ii)</b>	<b>767.35</b>	-	<b>767.35</b>
<b>Grand Total (i) and (ii)</b>	<b>767.35</b>	-	<b>767.35</b>

**Note 28: Tax Expense**(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
<b>Current income tax:</b>		
Current income tax charge	16,011.45	11,885.16
Adjustments in respect of previous year	(14.06)	18.53
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	(824.78)	(2,454.50)
	<b>15,172.63</b>	<b>9,449.19</b>

**28.1 Other Comprehensive Income section**

Deferred tax related to items recognised in OCI during the year:

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
Net loss/(gain) on remeasurements of defined benefit plans	15.44	5.73
<b>Total</b>	<b>15.44</b>	<b>5.73</b>

**28.2 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2019 and 31 March 2018:**

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
Accounting profit before tax from continuing operations	75,831.25	56,414.92
Profit/(loss) before tax from a discontinued operation	-	-
<b>Accounting profit before income tax</b>	<b>75,831.25</b>	<b>56,414.92</b>
<b>Calculation as per MAT</b>		
At India's statutory income tax rate of 21.5488% (Previous year 21.3416%)	16,340.72	12,039.85
Less: Ind-AS Adjustment	7.50	19.22
Less: Dividend Income (Exempt)	(377.10)	(213.42)
Add: Expenditure disallowed as per Rule 8D	-	21.33
Add: Interest on TDS and Tax	40.33	18.17
<b>Tax payable as per MAT</b>	<b>16,011.45</b>	<b>11,885.16</b>
Add: Adjustments in respect of previous year	(14.06)	18.53
Less: Deferred Tax Assets (Refer note no. 7)	(824.77)	(2,454.50)
<b>Tax Expenses</b>	<b>15,172.63</b>	<b>9,449.19</b>
<b>Effective Rate of income Tax</b>	<b>20.01%</b>	<b>16.75%</b>



## Note 29: Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below (₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
Remeasurement of Defined benefit plans	(166.60)	(61.55)
Income Tax relating to Items that will not be reclassified to profit and loss	15.09	5.73
Fair valuation of investment through other comprehensive income	(3.00)	-
Tax related to Investment through Other Comprehensive Income	0.35	-
<b>Total</b>	<b>(154.16)</b>	<b>(55.81)</b>

## Note 30: Capital management

The company objective to manage its capital in a manner to ensure and safeguard their ability to continue as a going concern so that company can continue to provide maximum returns to shareholders and benefit to other stake holders. Company has paid dividend as per the guidelines issued by Department of Public Enterprises (DPE) as follows:-

### Dividends

(₹ in lakhs)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Dividend Paid	18,064.00	16,700.00
<b>Total</b>	<b>18,064.00</b>	<b>16,700.00</b>

Further, company manages its capital structure to make adjustments in light of changes in economic conditions and the requirements of the financial covenants. Company has borrowed the funds form IRFC for railway projects, for repayment of IRFC loan Ministry of Railways would make available to RVNL the required funds thereafter, to enable them to do the debt servicing. The debt servicing will pass through RVNL books.

## Debt Equity Ratio

(₹ in lakhs)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Borrowing (Note No. 15.1 )	3,02,419.71	2,25,914.87
<b>Long term debt</b>	<b>3,02,419.71</b>	<b>2,25,914.87</b>
Equity (Note No.13)	2,08,502.01	2,08,502.01
Other equity (Note No.14)	1,65,373.48	1,26,646.14
<b>Total equity</b>	<b>3,73,875.50</b>	<b>3,35,148.15</b>
<b>Debt equity Ratio</b>	<b>45:55</b>	<b>40:60</b>

In order to achieve this overall objective, the Company capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March 2019

## Note 31 : Fair Value measurements

### (i) Financial Instruments by Category

(₹ in lakhs)

Particulars	31 March 2019			31 March 2018		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>						
Loans	-	-	780.97	-	-	695.00
Lease Receivables	-	-	1,80,459.19	-	-	1,96,085.27
Trade Receivables	-	-	63,991.12			71,484.26
Investments *	-	997.00	-	-	1,000.00	-
Cash and Cash Equivalents	-	-	28,322.35	-	-	33,960.48
Bank Balances other than Cash and Cash equivalent	-	-	65,916.52	-	-	1,06,123.01
Recoverable from MoR	-	-	69,323.46	-	-	71,538.53
Security Deposit	-	-	1,353.92	-	-	646.56
Other Receivable	-	-	22,276.61			13,536.17
Other Financial Assets	-	-	272.58	-	-	373.81
<b>Total Financial Assets</b>	-	<b>997.00</b>	<b>4,32,696.73</b>	-	<b>1,000.00</b>	<b>4,94,443.09</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	3,02,419.71	-	-	2,25,914.87
Trade Payables	-	-	14,004.66	-	-	6,844.75
Earnest Money Deposits	-	-	70,158.52	-	-	52,712.93
Performance Security Deposit	-	-	-	-	-	-
Miscellaneous Deposit	-	-	-	-	-	-
Retention money	-	-	15,591.41	-	-	15,157.78
Other financial liabilities	-	-	55,243.05	-	-	58,736.92
<b>Total Financial Liabilities</b>	-	-	<b>4,57,417.35</b>	-	-	<b>3,59,367.24</b>

(ii) Fair value of financial assets and liabilities that are measured at amortised cost: (₹ in lakhs)

Particulars	31 March 2019		31 March 2018	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial Assets</b>				
Security deposits	1,353.92	781.53	646.56	703.69
<b>Total Assets</b>	<b>1,353.92</b>	<b>781.53</b>	<b>646.56</b>	<b>703.69</b>
<b>Financial Liabilities</b>				
Other financial liabilities				
Performance and Security Deposit	70,158.52	58,144.49	59,826.26	57,990.28
Retention money	15,591.41	10,504.08	15,157.78	15,572.00
<b>Total Liabilities</b>	<b>85,749.93</b>	<b>68,648.56</b>	<b>74,984.04</b>	<b>73,562.28</b>

- i) The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other short term trade receivables and payables which are due to be settled within 12 months are considered to the same as their fair values, due to short term nature.
- ii) Long term variable rate borrowings and lease receivables are evaluated by company on parameters such as interest rates, specific country risk factors and other risk factors. Based on this evaluation the fair value of such payables are not materially different from their carrying amount.
- iii) The fair value of Security Deposits and Earnest Money Deposit, Performance Security Deposit, Miscellaneous Deposit and Retention Money are calculated based on cash flows discounted using current market rate. Interest rate of fixed deposits as on the beginning of financial year is being considered as discounting rate, for F Y 2018-19 rate used is 7.31%. They are classified as level 3 fair values in fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.
- iv) Investment in unquoted equity of subsidiaries and joint ventures are stated at cost as per exemption provided by Para 10 of IND AS 27.
- v) Staff loans and advances have been continued at carrying value as measurement implications are immaterial.
- vi) RVNL has determined fair value of investment those are carried through Other Comprehensive Income based on adjusted intrinsic value, through independent value. Valuation of Investment of Indian Port Rail Corporation Limited is based on financial statements for 31st March 2018

### Fair Value hierarchy

Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived form prices)

Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at amortised cost/Fair Value:-

**As at 31-03-2019**

(₹ in lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Financial assets at Amortised Cost				
Security deposits	-	-	781.53	781.53
Investment			997.00	997.00
	-	-	<b>1,778.53</b>	<b>1,778.53</b>

**As at 31-03-2019**

(₹ in lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Financial Liabilities at Amortised Cost				
Performance and Security Deposit	-	-	58,144.49	58,144.49
Retention money	-	-	10,504.08	10,504.08
	-	-	<b>68,648.56</b>	<b>68,648.56</b>

**As at 31-03-2018**

(₹ in lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Financial assets at Amortised Cost				
Security deposits	-	-	703.69	703.69
	-	-	703.69	703.69

**As at 31-03-2018**

(₹ in lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Financial Liabilities at Amortised Cost				
Performance and Security Deposit	-	-	57,990.28	57,990.28
Retention money	-	-	15,572.00	15,572.00
	-	-	<b>73,562.28</b>	<b>73,562.28</b>

**(iii) Financial risk management**

The Company's principal financial liabilities comprise Borrowings from IRFC, trade payables and other payables. The main purpose of these financial liabilities is to finance the company's

operations. The Company's principal financial assets include trade and lease receivables and cash and cash equivalents that derive directly from its operations.

The Company's is expose to market risk, credit risk and liquidity risk. The company financial risk activities are governed by appropriated policies and procedures and that financial risk are identified, measured and managed in accordance with the companies policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risk, which are summarised below:-

#### **a) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises Interest rate risk and foreign currency risk. Financial instruments affected by market risk includes loans and borrowing, deposits and other non derivative financial instruments.

##### **i) Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate and in case of IRFC loan for payment of interest and principal Ministry of Railways would make available to RVNL the required funds therefore the risk related to IRFC loan is nil, debt servicing will pass through RVNL books only.

##### **ii) Foreign Currency Risk**

Company has to take services from outside India for project expenses and is exposed to foreign currency risk arising from such foreign currency transactions, due to immateriality of foreign exchange amount company does not hedge any risk.

#### **b) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The company is exposed to credit risk from its financial activities including deposits with banks, financial institutions and other financial instruments. There is negligible risk for receivable from Ministry of railways also company does not have any history of bad debts.

#### **Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed in accordance with the companies policy. Investment of surplus are made only with approved counterparty on the basis of the financial quotes received from the counterparty.

#### **c) Liquidity risk**

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they become due. The company manages its liquidity risk by ensuring , as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the company's reputation.

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has no bank borrowings. The company believes that the working capital is sufficient to meet its current operational requirements. Any short term-surplus cash generated, over and above the amount required for working capital management and other operational requirements, are retained as cash and investment in short term deposits with banks. The said investments are made in instruments with appropriate maturities and sufficient liquidity.

### **Note 32: Key sources of estimation uncertainty**

The followings are the key assumptions concerning the future, and the key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities with next financial year.

#### **a) Fair valuation measurement and valuation process**

Financial instruments are measured initially at fair value and subsequently at amortised cost on the basis of materiality, transaction value upto ₹12.00 lakhs are measured at fair value on initial recognition and subsequently at amortised cost on group basis by considering that the amount is recoverable or payable at a average period of 5 years and Income and amortisation on such financial instruments has been considered on yearly basis. Transaction value of ₹12.00 lakhs or more are measured at fair value at initial recognition and subsequently at amortised cost on individual transaction basis. Impact of fair valuation of Staff loans and advances are immaterial therefore it has been continuing at the carrying value.

The fair values of financial assets and financial liabilities is measured the valuation techniques including the DCF model. The inputs to these method are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 31 for further disclosures.

#### **b) Taxes**

Deferred tax assets are recognized for unused tax losses and unabsorbed depreciation to the extent that it is probable that taxable profit will be available against which losses can be utilised significant management judgment is required to determine the amount of deferred tax asset that can be recognised, based upon the likely timing and level of future taxable profit together with future tax planning strategies.

#### **c) Borrowings and Lease Receivables from Railway against Completed Projects**

Company has borrowed funds from Indian Railway Finance Corporation for the purpose of construction of railway projects. There is a moratorium period of 3 years for each year's loan. During the said moratorium period, no amount on account of interest and principal shall be payable. The interest shall be charged on yearly basis and repayment of loan along with interest shall be once in a year (for a period of 12 years) after the completion of moratorium period. Ministry of Railways would make available to RVNL the required funds thereafter, to enable them to do the



debt servicing. The debt servicing will pass through RVNL books. Accordingly, funds are received by RVNL on each year from MoR and the same is transferred to IRFC immediately. Therefore, there is no impact on Profit & Loss of RVNL i.e.. on the debit side of Profit & Loss finance cost is charged and by the same amount interest income is recognised in Statement of Profit and Loss.

### Note 33: Prior Period Errors

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
<b>Impact on equity (increase/(decrease) in equity)</b>		
Sundry Creditors	-	-
Sundry Creditors (Others)	-	(12.75)
Employee Loan and Advances	-	-
Trade Payable	-	-
Sundry Creditors (Staff)	-	-
Sundry Debtors	-	-
Financial Liabilities	-	(338.68)
Financial Assets	-	-
Property, Plant & Equipment and Intangible Assets	-	10.15
<b>Net Impact on Equity</b>	<b>-</b>	<b>(341.28)</b>

Particulars	31 March 2019	31 March 2018
<b>Impact on statement in profit and loss (increase/(decrease) in profit)</b>		
Interest Cost on Financial Liabilities	-	-
Deferred Income on Financial Liabilities	-	-
Rent Expense on Financial Assets	-	-
Depreciation and Amortisation	-	-
Attributable to Equity Holders	-	-

#### Impact on basic and diluted earnings per share (EPS) (increase (decrease) in EPS)

Particulars	31 March 2019	31 March 2018
<b>Earnings per share for continuing operation</b>		
Basic, profit from continuing operations attributable to equity holders	-	-
Diluted, profit from continuing operations attributable to equity holders	-	-

### Note 34: Deposit Works (SPVs and others)

**34.1** Works being executed for SPVs and others parties are treated as a Deposit Work. The corresponding current assets and liabilities in respect of such projects have been recognized on the basis of expenditure incurred plus supervision charges as agreed. The advance received is disclosed under Current Liabilities and the amount recoverable on account of project execution under Sundry Debtors.

### 34.2 Costs incurred on Deposit and SPV Works

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
Costs incurred for SPV/ Deposit Works	1,48,683.82	1,35,634.67
Recognized Profit/Loss	11,832.40	10,510.52
Advance received	49,011.53	7,033.84
Gross Amount due from Customers	63,991.12	71,484.26
Cumulative amount of costs incurred	6,33,063.42	4,84,379.60
<b>Cumulative amount of recognized Profit/Loss</b>	<b>52,677.16</b>	<b>40,844.76</b>

### 34.3 Costs incurred on Other Works

(₹ in lakhs)

Particulars	For the year ended  31 Mar 2019	For the year ended 31 Mar 2018
Costs incurred for Other MoR and Metro Projects	7,81,220.68	5,62,682.01
Recognized Profit/Loss	64,270.16	46,828.73
Advance received	2,44,696.85	45,663.55

### Note 35: Disclosure as required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
a. the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year: • Principal amount due to Micro, small and Medium Enterprises • Interest due on above	11.79	7.08
b. the amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil

c. the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act,2006	Nil	Nil
d. the amount of interest accrued and remaining unpaid at the end of each accounting year;	Nil	Nil
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

### Note 36: Expenditure in Foreign Currency

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
<b>A- Profit or loss (except those recognized as financial instrument and measured at fair value)</b>		
Travel and Training Expenses	58.45	106.65
Project Management Consultancy	-	79.30
B- Other Comprehensive Income	-	NIL

### Note 37 A: Contingent Liabilities

**37.A.1** In respect of claims by the contractor on account of arbitration not acknowledged as debts by the Company is ₹4,41,111.71 Lakhs (as at 31.3.2018 : ₹3,81,835.09 Lakhs) during the period contractors claims worth ₹29,994.31 lakhs were settled). A claim if any will be form part of the project cost and reimbursable by respective Clients.

**37.A.2** In respect of Income Tax Demand as reflected on the website of Income Tax Department is ₹15.28 Lakhs (as at 31.3.2018: ₹15.28 Lakhs) and company has not accepted the claim and submitted its representation to department as follows:-

(₹ in lakhs)

Sr. No.	Authority	A.Y	For the year ended 31st March 2019	For the year ended 31 Mar 2018
1	Income Tax	2008-09	15.17	15.17
2	Income Tax	2012-13	0.06	0.06
3	Income Tax	2014-15	0.02	0.02
4	Income Tax	2015-16	0.03	0.03
		<b>Total</b>	<b>15.28</b>	<b>15.28</b>

**37.B.** Contingent Liabilities in respect of Service Tax Company has received show cause notice from Director General Goods & Service Tax Intelligence, Delhi Zonal Unit showing a demand of ₹211.08 crore of non-payment of service tax for the period from July'12 to June'2017 under forward/reverse charge mechanism on services provided to Ministry of Railway and/or services received by Zonal Railways. In this regard, the company has appointed a counsel to represent the case before Adjudicating Authority, reply to show cause notice has been submitted by counsel. If the liability is decided against the company in future, the same will be borne by Ministry of Railway.

### **Note 37 C. Contingent Assets**

In respect of counter claims by the Company on account of arbitration is ₹2,08,408.29 Lakhs (as at 31.3.2018 : ₹1,14,923.41 Lakhs ).

### **Note 38: Capital Commitment**

Capital commitment towards share capital in SPV's is as at 31.03.2019 ₹2041.00 Lakhs (as at 31.03.2018: ₹2,041.00 lakhs), towards implementation of ERP is ₹3,056.53 Lakhs as at 31.03.2019 (as at 31.03.2018: ₹3,806.91 Lakhs).

### **38.1 Other Commitment**

Commitment towards Contractual Payments of Project expenditure is ₹16,38,198.55 lakhs (as at 31.3.2018: ₹10,99,836.03 lakhs).

### **Note 39: Managerial Remuneration**

(₹ in lakhs)

S.No.	Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
<b>1</b>	<b>Short Term Employee benefits</b>		
	Salary & allowances	425.09	458.53
<b>2</b>	<b>Post Employee benefits</b>		
	Retirement Benefits	54.31	52.67
	Contribution to provident fund	18.40	16.19
	<b>TOTAL</b>	<b>497.80</b>	<b>527.39</b>

## Note 40: Earnings per Share

Particulars	For the year ended 31st March 2019 (₹ per share)	For the year ended 31 Mar 2018 (₹ per share)
<b>Basic EPS</b>		
From continuing operation	2.91	2.25
From discontinuing operation		
<b>Diluted EPS</b>		
From continuing operation	2.91	2.25
From discontinuing operation		

### 40.1 Basic Earning per Share

The earnings and weighted average number of equity shares used in calculation of basic earning per share:-

Particulars	For the year ended 31st March 2019	For the year ended 31 Mar 2018
Profit attributable to equity holders of the company:		
Continuing operations	60,658.62	46,965.72
Discontinuing operations		-
Earnings used in calculation of Basic Earning Per Share	60,658.62	46,965.72
Weighted average number of shares for the purpose of basic earnings per share	20,850.20	20,850.20

### 40.2 Diluted Earning per Share

The earnings and weighted average number of equity shares used in calculation of diluted earning per share:-

Particulars	For the year ended 31st March 2019	For the year ended 31 Mar 2018
Profit attributable to equity holders of the company:		
Continuing operations	60,658.62	46,965.72
Discontinuing operations	-	-
Earnings used in calculation of diluted Earning Per Share from continuing operations	60,658.62	46,965.72

The weighted number of equity shares for the purpose of diluted earning per share reconciles to the weighted average number of equity shares used in calculation of basic earning per share as follows:

Particulars	For the year ended 31st March 2019	For the year ended 31 Mar 2018
Weighted average number of Equity shares used in calculation of basic earnings per share	20,850.20	20,850.20
Effect of dilution:		
Share Options	-	-
Weighted average number of Equity shares used in calculation of diluted earnings per share	20,850.20	20,850.20

#### Note 41: Composition of Group

Name of Company	Principal Activity	Place of Incorporation	Proportion of Ownership interest	
			As at March 31, 2019	As at March 31, 2018
<b>(i) Subsidiary company</b>				
High Speed Rail Corporation of India Limited	Build operate and transfer of Railway line	INDIA	100%	100%
<b>(ii) Joint Ventures:</b>				
Kutch Railway Company Limited	Build operate and transfer of Railway line	INDIA	50%	50%
Haridaspur Paradip Railway Company Limited		INDIA	36.95%	37.25%
Krishnapatnam Railway Company Limited		INDIA	49.76%	30%
Bharuch Dahej Railway Company Limited		INDIA	35.46%	35.46%
Angul Sukinda Railway Limited		INDIA	31.50%	31.5%
Dighi Roha Rail Limited		INDIA	50.00%	50.00%

#### Note 42: Related Party disclosures as required by Ind-AS 24 “Related party Disclosure”

##### 42.1 Key Management Personnel:

Name	Designation
Sh. Pradeep Gaur	Chairman & Managing Director (From 01st Sept , 2018)
Sh. S.C. Agnihotri	Chairman & Managing Director (upto 31st Aug 2018)
Sh. Ajay Kumar	Director Personnel (From 24th Oct 2018)
Ms. Gita Mishra	Director Personnel (Upto 12th Oct 2018)
Sh. Vijay Anand	Director Projects
Sh. Arun Kumar	Director Operation



Sh. Ashok Kumar Choudhary	Chief Financial Officer
Ms.Kalpana Dubey	Company Secretary & Compliance Officer
Sh.Vinayak Bhalchandra Karanjikar	Independent Director
Sh. Amar Prakash Dwivedi	Govt. Nominee Director
Sh.Shiv Kumar Gupta	Independent Director
Sh.Rajen Habib Khwaja	Independent Director
Ms Sabita Pradhan	Independent Director
Sh.Sukhmal Chand Jain	Govt. Nominee Director
Sh.Lingireddy Venkata Muralikrishn Reddy	Independent Director
Sh. Anil Kumar	Independent Director

## 42.2 Enterprises in which Directors interest exist:

High Speed Rail Corporation of India Limited

## 42.3 Joint Ventures

Kutch Railway Company Limited  
Haridaspur Paradip Railway Company Limited  
Krishnapatnam Railway Company Limited  
Bharuch Dahej Railway Company Limited  
Angul Sukinda Railway Limited  
Dighi Roha Rail Limited

## 42.4 Subsidiary

High Speed Rail Corporation of India Limited

## 42.5 Superannuation Trust

RVNL Medical and Welfare Trust

## 42.6 Disclosure of transactions with related parties

(₹ in lakhs)

Particulars	Transactions		Outstanding Amount* (Unsecured, Considered Good)	
	As at 31st March 2019	For the year ended 31 Mar 2018	As at 31st March 2019	As at March 31, 2018
<b>Remuneration to Key Personnel</b>	<b>Refer Note no 39</b>			
<b>Haridaspur Paradip Railway Company Limited</b>				
Investment in Shares	4,020.00	4,382.61		
Interest paid/payable for the period	-	-		

Interest on Mob. Advance Payable	14.28	67.16		
Interest on outstanding balances	-	-		
Expenditure towards project	39,060.24	27,851.53	(15,815.12)	3,569.00
<b>Bharuch Dahej Railway Company Limited</b>				
Investment in Shares	-	-		
Interest paid/payable for the period	-	-		
Interest on outstanding balances	-	-		
Expenditure of Vadodara Office apportioned	-	-		
Expenditure towards project	5.45	23.54	(0.30)	1.83
<b>Krishnapatnam Railway Company Limited</b>				
Investment in Shares	23,000.00	-		
Interest paid/payable for the period	-	-		
Interest on outstanding balances	9,261.35	2,414.55		
Interest on Mob. Advance Payable	4.89	11.70		
Expenditure towards project	38,026.60	44,654.19	84,980.25	76,363.97
<b>Angul Sukinda Railway Limited</b>				
Investment in Shares	-	-		
Interest paid/payable for the period	-	-		
Interest on Mob. Advance Payable	58.29	152.94		
Expenditure towards project	22,084.30	13,747.15	(11,529.52)	(916.25)
<b>Kutch Railway Company Limited</b>				
Investment in Shares	-	-		
Interest paid/payable for the period	-	-		
Interest on outstanding balances	-	-		
Interest on Mob. Advance Payable	-	43.23		
Dividend Received	1,750.00	1,000.00		-
Expenditure towards project	39,960.79	30,417.69	(16,958.45)	685.31
<b>Dighi Roha Rail Limited</b>				
Investment in Shares	-	-		
Interest paid/payable for the period	-	-		
Interest on Mob. Advance Payable	-	-		
Expenditure towards project	-	-	77.38	75.38
<b>High Speed Rail Corporation of India Limited</b>				
Project expenditure				
Payment towards expenses of company	861.07	4,079.84	189.79	194.84
<b>RVNL Medical and Welfare Trust</b>				
Subscription to Medical Fund		256.37		-
Other reimbursements	-	-		3.08
Employee Contribution	2.49	-	2.49	-

## 42.7 Transactions with the related Government Entities

Apart from transactions reported above, the company has transactions with related Government entities which included but not limited to the following:-

**Name of Government:-** Ministry of Railways, Government of India (Significant Control over Entity)

Certain Significant transactions & Closing Balances

### Transaction during the year

(₹ in lakhs)

S.No.	Particulars	31-Mar-19	31-Mar-18
i)	Revenue form Operation	8,45,490.85	6,09,510.74
ii)	Dividend Paid	18,064.00	16,700.00

### Closing Balances:

S.No.	Particulars	31-Mar-19	31-Mar-18
i)	Interest Accrued but not due from MoR	69,323.46	71,538.53
ii)	Lease Receivable	1,80,459.19	1,96,085.27
iii)	To other recoverable from MoR	194.09	243.00

## Note 43: Disclosure in respect of Joint Ventures/Subsidiary

(₹ in lakhs)

Name of the Joint Venture	Partner(s), Country of Origin	Proportion of Ownership Interest as at March 31, 2019*	Proportion of Ownership Interest as at March 31, 2018
Kutch Railway Company Limited	Rail Vikas Nigam Limited, India	50%	50%
	Kandla Port Trust, India	26%	26%
	Mundra Port SEZ	20%	20%
	Government of Gujarat, India	4%	4%
Haridaspur Paradip Railway Company Limited (HPRCL)	Rail Vikas Nigam Limited, India *	37.25%	37.25%
	IDCO ( Govt of Odisha)	0.32%	0.32%
	Essel Mining and Industries Ltd., India	5.00%	5.00%
	Paradeep Port Trust	8.98%	8.98%
	Rungla Mines Ltd	5.00%	5.00%
	Jindal Steel & Power Ltd	0.83%	0.83%
	Steel Authority of India Limited	0.83%	0.83%
	MSPL LTD	2.50%	2.50%
	OMC	15.49%	15.49%
	Govt of Odisha	23.80%	23.80%
Krishnapatanam Railway Company Limited (KRCL)	Rail Vikas Nigam Limited, India	49.76%	30%
	Krishnapatnam Port Corporation Limited, India	12.96%	30%
	Bramhani Industries Limited	5.28%	12%

	Sagarmala Development Company	20.00%	0%
	National Mineral Development Corporation	6.40%	15%
	Government of Andhra Pradesh	5.60%	13%
Bharuch Dahej Railway Company Limited (BDRCL)	Rail Vikas Nigam Limited, India	33.33%	33.33%
	Adani Petronet (Dahej) Port Private Limited, India	10.50%	10.50%
	Gujarat Maritime Board, India	10.82%	10.82%
	Dahej SEZ Limited, India	6.07%	6.07%
	GNFC	8.20%	8.20%
	Hindalco Industries Limited, India	8.20%	8.20%
	Jindal Rail Infrastructure Limited, India	6.06%	6.06%
	Guj. Industrial Dev. Corp Ltd	10.82%	10.82%
	Equity Gap	6.00%	6.00%
	Angul Sukinda Railway Limited (ASRL)	Rail Vikas Nigam Limited, India	31.5%
Jindal Steel and Power Limited, India		10.00%	10.00%
Govt of Odisha		21.30%	21.30%
OMC		10.50%	10.50%
IDCO ( Govt of Odisha)		0.70%	0.70%
CONCOR		26.00%	26.00%
Dighi Roha Rail Limited	Rail Vikas Nigam Limited, India	50.00%	50.00%
	DPL	50.00%	50.00%
	Maharashtra Maritime Board		
	Sagarmala Development Company		
High Speed Rail Corporation of India Limited	Rail Vikas Nigam Limited, India	100%	100%

\* Above disclosure for proportion of ownership in Joint venture has been shown as per Share Holder Agreement with the respective subscribers of SPVs, However, As per Audited balance sheet of Spv's holding in paid up capital are as follows :-

Kutch Railway Company Limited	50.00%
Haridaspur Paradip Railway Company Limited	36.95%
Bharuch Dahej Railway Company Limited	35.46%
Angul Sukinda Railway Limited	31.50%
Dighi Roha Rail Limited	50.00%
Krishnapatanam Railway Company Limited	49.76%
High Speed Rail Corporation of India Limited	100.00%

Details of the aggregate amounts of the assets, liabilities, income and expenditure related to the interest in the Jointly Controlled Entities are as under:

**a. Kutch Railway Company Limited**

(₹ in lakhs)

Particulars	As at March 31, 2019 Audited	As at March 31, 2018 Audited
Assets excluding preliminary expenditure	1,18,534.94	1,11,114.82
Liabilities	37,354.00	35,724.79
Income	63,332.48	56,630.19
Expenditure	54,285.17	44,185.47

Contingent liabilities: ₹13,724.50 Lakhs (as at 31-03-2018: ₹10,993.00 Lakhs)

Capital commitment: ₹33,663.66 Lakhs (as at 31-03-2018: ₹54,436.81 Lakhs)

**b. Haridaspur Paradip Railway Company Limited**

(₹ in lakhs)

Particulars	As at March 31, 2019 Audited	As at March 31, 2018 Audited
Assets excluding preliminary expenditure	67,205.54	47,145.68
Liabilities	40,807.12	24,782.69
Income	14,241.92	10,234.81
Expenditure	14,233.69	10,228.08

Contingent liabilities: ₹1,14,228.71 lakhs (as at 31-03-2018: ₹770.29lakhs)

Capital commitment: ₹23,824.23 Lakhs (as at 31-03-2018: ₹22,249.15 Lakhs)

**c. Krishnapatnam Railway Company Limited**

(₹ in lakhs)

Particulars	As at March 31, 2019 Audited	As at March 31, 2018 Audited
Assets excluding preliminary expenditure	1,34,511.31	60,073.10
Liabilities	99,564.27	51,837.44
Income	37,025.24	20,159.94
Expenditure	32,407.44	19,214.82

Contingent liabilities: ₹5,933.88 Lakhs (F.Y.2017-18 : ₹741.60 Lakhs)

Capital commitment: Nil Lakhs (as at 31-03-2018: ₹550.98 Lakhs)

**d. Bharuch Dahej Railway Company Limited**

(₹ in lakhs)

Particulars	As at March 31, 2019 Audited	As at March 31, 2018 Audited
Assets excluding preliminary expenditure	15,167.99	15,252.60
Liabilities	8,108.48	8,470.55
Income	3,237.90	2,538.00
Expenditure	2,508.60	2,699.39

Contingent liabilities: ₹2,702.09 Lakhs (as at 31-03-2018: ₹2,240.11 Lakhs)

Capital commitment: ₹84.75 Lakhs (as at 31-03-2018: ₹108.68 Lakhs)

**e. Angul Sukinda Railway Limited**

(₹ in lakhs)

Particulars	As at March 31, 2019 Audited	As at March 31, 2018 Audited
Assets excluding preliminary expenditure	31,519.16	22,555.74
Liabilities	10,042.00	1,149.33
Income	7,631.59	5,004.74
Expenditure	7,539.34	4,530.70

Contingent liabilities: ₹36.89 Lakhs (as at 31-03-2018: ₹36.89 Lakhs)

Capital commitment: ₹18,340.87 Lakhs (as at 31-03-2018: ₹244.33 Lakhs)

**f. High Speed Rail Corporation of India limited**

(₹ in lakhs)

Particulars	As at March 31, 2019 Audited	As at March 31, 2018 Audited
Assets excluding preliminary expenditure	202.64	203.54
Liabilities	194.46	199.05
Income	872.05	4,092.76
Expenditure	867.06	4,084.88

Contingent liabilities: ₹Nil (Financial year 2017-18 ₹Nil)

Capital commitment: ₹Nil (as at 31-03-2018: ₹Nil)

**g. Dighi Roha Rail Limited**

(₹ in lakhs)

Particulars	As at March 31, 2019 Audited	As at March 31, 2018 Audited
Assets excluding preliminary expenditure	2.95	1.98
Liabilities	43.29	41.36
Income	-	0.00
Expenditure	0.95	2.09

Contingent liabilities: ₹10.86 Lakhs (Financial year 2017-18 ₹10.86 Lakhs)

Capital commitment: ₹21.09 Lakhs (as at 31-03-2018: ₹21.09 Lakhs)

**Note 44: Lease Arrangements**

**44.1 Financial Lease**

The value of assets given on lease is reflected against contra liability payable to IRFC towards loan on completed projects as appearing in note 6, which is liquidated progressively through loan repayment to IRFC being arranged by MoR.



Future minimum lease payments of gross investment in the lease are as follow:

(₹ in lakhs)

Particulars	As at 31st March 2019	For the year ended 31 Mar 2018
Not later than one year	26,265.00	24,132.50
Later than one year and not later than five years	106,297.67	110,112.67
Later than five years	47,896.97	61,840.10
<b>Total</b>	<b>180,459.63</b>	<b>196,085.27</b>

#### Note 45: Approval of financial statement

The financial statements has been approved by the Board of Directors on 29th May 2019.

#### Note 46: Operating Cycle

Earlier, the operating cycle of the Company was more than 12 months and extends upto 5 to 6 years based on the time required from initiation of the project to completion of the project. Now the operating cycle of the Company is 12 months after change in procedure order of MoR in respects of transfer of PWIP as per the note no 9 (e).

#### Note 47: Securities released to State Electricity Board/Public Companies

Securities paid to Electricity Boards/ Public Companies towards provision of High Tension Power Lines for electricity connections are booked as project expenditure being part of the project cost.

#### Note 48: Disclosure of Operating Profit/Loss as per DPE Guidelines

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
CPSE with operating profit (Profit/ Surplus before Tax excluding Other Income, Extraordinary and Exceptional Items )	47,325.69	32,299.04

**Note 49** Company has adopted Ind AS 115 (Revenue from Contract with Customers) in accordance with requirement of applicable financial reporting framework, due to adoption of this there is no material impact on financial statements of RVNL.

**Note 50** 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 ₹47,686.09 lakh during the period 01.04.2019 to 11.04.2019 towards application money.

**Note 51** Previous year figures has been rearranged, regrouped and reclassified to make them confirmatory with current year figures.

For Raj Har Gopal & Co.

Chartered Accountants

Firm Registration No.:002074N

Sd/-

**G.K. GUPTA**

Partner

M.No. 081085

Place : New Delhi

Date: 29.05.2019

For and on behalf of the board

Sd/-

**Pradeep Gaur**

Chairman and Managing Director

DIN: 07243986

Sd/-

**A.K. Choudhary**

Chief Financial Officer

Sd/-

**Kalpna Dubey**

Company Secretary

## 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(i) 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 ₹38,026.60 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 31<sup>st</sup> March, 2019 is ₹63,146.28 lacs and Interest Receivables amount of ₹21,833.97 lacs i.e. total Receivable from Krishnapatnam Railways Company Limited amounting to ₹84,980.25 Lacs.**

- 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 ₹56,654.70 lacs, ₹15,506.96 lacs, ₹25,752.43 lacs and ₹4,712.49 lacs as on 31<sup>st</sup> 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><b><u>Recognition, measurement, estimation, presentation and disclosures in respect of "Revenue from contracts with Customers" under new Ind AS 115</u></b></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</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>recognition and disclosures including presentations of balances in the financial statements.</p> <p>Refer Note 49 to the standalone financial statements</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><b><u>Assessment and recoverability of Trade Receivables and Contract Assets</u></b></p> <p>The Company have trade receivables outstanding of ₹63,991.12 lakhs and contract assets of ₹347,318.57 lakhs at the end of March 31, 2019</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><b>Refer Notes 10.1, 12(b)</b> to the Standalone financial statements</p>	<p><b><u>Principal Audit Procedures</u></b></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"> <li>▪ Evaluated the process of invoicing, verifications, and reconciliations with customers.</li> <li>▪ Obtained the list of project wise outstanding details and its review mechanism by the management.</li> <li>▪ Reviewed the guidelines and policies of the Company on impairment of trade receivables and contract assets.</li> <li>▪ Tested the accuracy of aging of trade receivables and contract assets at the year end on sample basis.</li> <li>▪ Performed analytical procedures and test of details for reasonableness, recoverability and other related material items.</li> </ul>

### 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 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 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.
- 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**

**Sd/-  
Gopal Krishan 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 31<sup>st</sup> 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 ₹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 (₹ 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)
<b>Total</b>	<b>15.28</b>	

- 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 ₹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.
- 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**

**Sd/-  
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**

**Sd/-  
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**

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**

**Sd/-  
Gopal Krishan Gupta  
Partner  
Membership No.081085**

Place: New Delhi  
Date: May 29, 2019

Annexure-I

Management Reply to the Observations of Statutory Auditor on the Standalone Financial Statements of the Company for the F.Y. 2018-19

S.No.	Emphasis of Matter	Management Reply
1	<p>Without qualifying our report attention is invited to note no. 10.1(i) of Standalone Ind AS Financial Statement Trade Receivable from Related Party. RVNL received advance payment from SPVs for incurring expenditure 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 31<sup>st</sup> March, 2019 is Rs. 63146.28 lacs and Interest Receivables amount of Rs. 21,833.97 lacs i.e. total Receivable from Krishnapatnam Railways Company Limited amount to Rs. 84980.25 lacs.</p>	<p>M/s Krishnapatnam Railway Company Limited (KRCL) is a Special Purpose Vehicle created specifically for providing rail connectivity to Krishnapatnam Port in Andhra Pradesh. It was promoted by Railway Vikas Nigam Limited with equity share of percent. The work is to be executed in two phases, whereas phase one has already been completed and the line is already in operation. But second phase has recently been completed and full utilization for through connectivity is in process of operation.</p> <p>The execution of the construction work is being undertaken by RVNL for which contracts have already been awarded. As per the construction agreement, KRCL will pay an advance to RVNL for execution of the work. But due to financial crunch in KRCL, they are not being able to generate enough revenue to finance the construction work through RVNL. But as the contracts have already been awarded by RVNL, commitments have to be met out of its own source. However, the KRCL had paid an amount of Rs. 375 crores during the year 2018-19 out of which Rs. 230 crores was adjusted towards additional equity to RVNL.</p> <p>As the second phase of the project is already opened for traffic, it is expected that sufficient revenue will be generated and KRCL will be pay bank the balance due to RVNL along with the interest as per the construction agreement.</p>



2	<p>Without qualifying our report attention is invited to Note No. 12(a) regarding Advances 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 Rails of Rs. 56,654.70 lacs, Rs. 15,506.96 lacs, Rs. 25,752.43 lacs and Rs. 4712.49 lacs as on 31<sup>st</sup> March, 2019.</p>	<p>These are the advances to Zonal Railways were given either for execution of works on behalf of RVNL or supply of sleepers and rails for utilization in RVNL projects, which is a regular process. Zonal Railways are advised to give accountal of the advances given. But confirmations of outstanding balances from some Zonal Railways were not received in spite of repeated requests. The advances were given to Electricity Companies for either power supplies or for shifting of cables in connection with the projects. The accountal will only be received on completion of the work.</p>
3	<p>Without qualifying our report attention is invited to Note No. 6.1 regarding, the financial statements including investment in Bharuch Dahej Railway Company Limited (BDRCL), a Jointly controlled entity based on its unaudited financial statements approved by Board of Company.</p>	<p>Statutory Audit of the financial statements of BDRCL could not be completed by the time finalization of the Accounts of RVNL for the F.Y. 2018-19. However, the Accounts of BDRCL were approved by the Board of Directors for incorporation in the Accounts of RVNL. Comptroller and Auditor General of India had also took a note of this while Audit of RVNL Accounts for the F.Y. 2018-19</p>

## Consolidated Balance Sheet as at 31st March 2019

(₹ in Lakhs)

Particulars	Note No.	As at 31 st March 2019	As at 31 st March 2018
<b>I. ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Property, Plant and equipment	3	25,082.30	24,875.99
(b) Capital work-in-progress	4	896.03	-
(c) Other Intangible assets	5	2,840.52	11.08
(d) Intangible assets under development	5	247.75	2,113.58
(e) Investments in Joint Ventures (Equity Method)	6.1	1,57,560.53	1,22,116.89
(f) Financial Assets	6		
(i) Investments	6.1	997.00	1,000.00
(ii) Lease Receivables	6.2	1,54,194.63	1,71,952.77
(iii) Loans	6.3	944.33	647.56
(iv) Others	6.4	44,421.71	46,263.24
(g) Deferred tax assets (Net)	7	7,396.49	6,556.28
(h) Other non-current assets	8	23.61	27.00
		394,604.90	3,75,564.39
<b>2 Current assets</b>			
(a) Project-Work-in-Progress	9	448.02	192.46
(b) Financial Assets	10		
(i) Trade Receivables	10.1	63,801.33	71,289.42
(ii) Lease Receivables	10.2	26,264.56	24,132.50
(iii) Cash and cash equivalents	10.3	28,523.37	34,162.20
(iv) Bank Balances other than (iii) above	10.4	65,916.52	1,06,123.01
(v) Loans	10.5	1,190.56	741.74
(vi) Others	10.6	47,450.94	39,137.96
(c) Current Tax Asset (Net)	11.1	454.58	988.76
(d) Other current assets	12	5,77,348.36	1,76,108.79
		811,398.23	4,52,876.84
<b>Total Assets</b>		<b>1,206,003.13</b>	<b>8,28,441.23</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	13	2,08,502.01	2,08,502.01
(b) Other Equity	14	2,31,054.84	1,83,900.17
		4,39,556.85	3,92,402.18
<b>2. Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities	15		
(i) Borrowing	15.1	3,02,419.71	2,25,914.87
(ii) Other financial liabilities	15.2	22,952.13	37,482.80
(c) Provisions	17	1,391.19	916.12
(b) Other Non current liabilities	16	2,230.93	4,008.35
		3,28,993.96	2,68,322.14
<b>Current liabilities</b>			
(a) Financial Liabilities	18		
(i) Trade payables	18.1		
<b>i. total outstanding dues of micro enterprises and small enterprises</b>			
		-	-
<b>ii. total outstanding dues of creditors other than micro enterprises and small enterprises</b>			
		14,004.66	6,844.75
(ii) Other financial liabilities	18.2	1,18,045.03	89,127.54
(b) Other current liabilities	19	2,99,526.63	65,923.20
(c) Provisions	17	4,861.74	4,511.31
(d) Current Tax liability (Net)	11.2	1,014.26	1,310.11
		4,37,452.32	1,67,716.91
<b>Total Equity and Liabilities</b>		<b>12,06,003.13</b>	<b>8,28,441.23</b>
III Summary of significant accounting policies (Consolidated)	1 & 2		
IV See accompanying notes to the consolidated financial statements from 3 to 55			
This is the Balance sheet referred to in our report of even date			

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

For and on behalf of the board

Sd/-  
**G.K. GUPTA**  
Partner  
M.No. 081085  
Place : New Delhi  
Date: 29.05.2019

Sd/-  
**Pradeep Gaur**  
Chairman and Managing Director  
DIN: 07243986

Sd/-  
**A.K. Choudhary**  
Chief Financial Officer

Sd/-  
**Kalpna Dubey**  
Company Secretary

## Consolidated Statement of Profit and Loss for the year ended 31st March 2019

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
<b>Revenue :</b>			
I. Revenue from operations	20	10,06,868.13	7,59,735.77
II. Other income	21	27,274.19	22,493.20
III. <b>Total Income (I + II)</b>		<b>10,34,142.32</b>	<b>7,82,228.96</b>
<b>IV. Expenses:</b>			
Expenses on Operations	22	9,30,765.57	7,02,396.51
Employee benefits expenses	23	16,209.88	14,034.44
Finance Costs	24	5,197.98	4,465.89
8 Depreciation amortization and impairment	25	573.72	483.52
Other Expenses	26	5,652.79	4,294.05
CSR Expenses	27	1,148.46	767.35
<b>Total Expenses (IV)</b>		<b>9,59,548.41</b>	<b>7,26,441.76</b>
V. Profit/(loss) before exceptional items and tax (III-IV)		74,593.91	55,787.20
VI. Exceptional items		1,242.35	635.60
VII. Share in Profit/(Loss of Joint Ventures)		9,861.99	9,980.54
VIII. Profit/(Loss) before tax (V - VI)		85,698.25	66,403.34
IX. Tax expense:	28		
(1) Current tax		15,998.69	11,906.20
(2) Deferred tax (net)		(824.78)	(2,454.50)
Total Tax Expense (VIII)		15,173.91	9,451.70
X. <b>Profit/(loss) for the period from continuing operation (VII - VIII)</b>		<b>70,524.34</b>	<b>56,951.64</b>
XI. Profit/(loss) from discontinued operations	-	-	-
XII. Tax Expense of discontinued operations	-	-	-
XIII. Profit/(loss) from discontinued operations (after tax) (X-XI)	-	-	-
XIV. <b>Profit/(loss) for the period (IX+XII)</b>		<b>70,524.34</b>	<b>56,951.64</b>
<b>XV. Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>	29		
a) i) Remeasurement gains (losses) on defined benefit plans		(166.45)	(61.67)
ii) Income tax effect on Remeasurement gains (losses) on defined benefit plans		15.08	5.77
b) Re-measurement of investment in equity instruments net of Income Tax effect		(2.65)	-
XV. <b>Total Comprehensive Income for the period (XIII +XIV)</b>		<b>70,370.31</b>	<b>56,895.75</b>
<b>(Comprehensive profit and other comprehensive income for the year)</b>			
XVI. Earnings Per Equity Share: (For Continuing Operation)			
(1) Basic	40	3.38	2.73
(2) Diluted	40	3.38	2.73
XVII. Earnings Per Equity Share: (For discontinuing Operation)			
(1) Basic	40	-	-
(2) Diluted	40	-	-
XVIII. Earnings Per Equity Share: (For discontinued and continuing Operation)			
(1) Basic	40	3.38	2.73
(2) Diluted	40	3.38	2.73

This is the Statement of Profit and Loss referred to in our report of even date

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

For and on behalf of the board

Sd/-  
G.K. GUPTA  
Partner  
M.No. 081085  
Place : New Delhi  
Date: 29.05.2019

Sd/-  
Pradeep Gaur  
Chairman and Managing Director  
DIN: 07243986

Sd/-  
A.K. Choudhary  
Chief Financial Officer

Sd/-  
Kalpana Dubey  
Company Secretary



## Consolidated Statement of Changes in Equity

Statement of changes in equity for the year ended 31st March 2019

A. Equity share capital			(₹ in Lakhs)
Particulars	No of Shares	Amount	
Balance at April 1 2018	20,850.20	2,08,502.01	
Changes in equity share capital during the year			
(a) issue of equity shares capital during the year	-	-	
<b>Balance as on 31st March'2019</b>	<b>20,850.20</b>	<b>2,08,502.01</b>	

B. Other Equity					(₹ in Lakhs)
Particulars	Reserve & Surplus		Equity Instruments through other comprehensive Income	Total	
	General Reserve	Retained Earnings			
Balance at the beginning of the reporting year	7,100.00	1,76,800.17	-	1,83,900.17	
Prior period errors (refer note-33)	-	-	-	-	
<b>Restated balance at the beginning of the reporting year 7,100.00</b>		<b>1,76,800.17</b>	-	<b>18,3,900.17</b>	
Profit for the year	-	70,524.34	-	70,524.34	
Other Comprehensive Income for the year (net of income tax)	-	(151.37)	(2.65)	(154.02)	
<b>Total Comprehensive Income for the year</b>	-	<b>70,372.96</b>	<b>-2.65</b>	<b>70,370.31</b>	
Dividends (including Tax thereon)	-	(23,215.64)	-	(23,215.64)	
Transfer to retained earning	-	-	-	-	
<b>Balance at the end of the reporting year</b>	<b>7,100.00</b>	<b>2,23,957.49</b>	<b>-2.65</b>	<b>2,31,054.84</b>	

Statement of changes in equity for the year ended 31st March 2018

A. Equity share capital			(₹ in Lakhs)
Particulars	No of Shares	Amount	
Balance at April 1 2017	20,850.20	2,08,502.01	
Changes in equity share capital during the year			
(a) issue of equity shares capital during the year	-	-	
<b>Balance at March 31 2018</b>	<b>20,850.20</b>	<b>2,08,502.01</b>	

Particulars	Reserve & Surplus		Total
	General Reserve	Retained Earnings	
Balance at the beginning of the reporting year	7,100.00	1,41,024.03	1,48,124.03
Prior period errors (refer note-33)	-	(341.33)	(341.33)
<b>Restated balance at the beginning of the reporting year</b>	<b>7,100.00</b>	<b>1,40,682.70</b>	<b>1,47,782.70</b>
Profit for the year	-	56,951.64	56,951.64
Other Comprehensive Income for the year (net of income tax)	-	(55.90)	(55.90)
<b>Total Comprehensive Income for the year</b>	-	<b>56,895.74</b>	<b>56,895.74</b>
Dividends (including Tax thereon)	-	(20,099.73)	(20,099.73)
Change in value of investment in Joint Venture other than share in their Profit & Loss Account	-	(678.54)	(678.54)
Transfer to retained earning	-	-	-
<b>Balance at the end of the reporting year</b>	<b>7,100.00</b>	<b>1,76,800.17</b>	<b>1,83,900.17</b>

This is the Statement of Change in Equity referred to in our report of even date

**For Raj Har Gopal & Co.**  
Chartered Accountants  
Firm Registration No.:002074N

**For and on behalf of the board**

Sd/-  
**G.K. GUPTA**  
Partner  
M.No. 081085  
Place : New Delhi  
Date: 29.05.2019

Sd/-  
**Pradeep Gaur**  
Chairman and Managing Director  
DIN: 07243986

Sd/-  
**A.K. Choudhary**  
Chief Financial Officer

Sd/-  
**Kalpna Dubey**  
Company Secretary

## Consolidated Statement of Cash Flow for the year ended 31st March 2019

(₹ in Lakhs)

S.N.	Particulars	Figures for the year ended 31 <sup>st</sup> March 2019		Figures for the year ended 31 <sup>st</sup> March 2018	
		Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
<b>1. (a) Cash flow from Operating Activities</b>					
	Net profit before taxation	85,698.25		66,403.34	
	Add: adjustment for non cash items :				
	Depreciation amortization and impairment	573.72		483.52	
	Cwip written off				
	Share in (Profit)/Losses of Joint Ventures	-9,861.99		-9,980.54	
		<u>76,409.98</u>		<u>56,906.32</u>	
	Add: adjustment for other items				
	Loss on sale of fixed assets	-		0.04	
	Other income	(20,415.56)		(16,732.34)	
	Dividend received	(1,750.00)		(1,000.00)	
	Other comprehensive income	(166.45)		(61.67)	
	<b>Operating profit before working capital changes</b>	<u>54,077.97</u>		<u>39,112.35</u>	
<b>(b) Adjustments for changes in working capital:</b>					
<b>Adjustments for (increase)/decrease in operating assets:</b>					
	Trade receivables (Current)	7,488.09		(65,623.93)	
	Lease Receivables (Non-Current)	17,758.13		(57,276.93)	
	Lease Receivables (Current)	(2,132.06)		(4,089.27)	
	Project work in progress (Inventory)	(255.56)		76,433.66	
	Bank Balances other than cash and cash equivalents	40,206.49		38,876.99	
	Other Non Current Financial Assets	26,417.05		26,013.19	
	Other Financial Assets	(8,312.97)		(1,088.17)	
	Other Non Current Assets	3.39		37.81	
	Other Current Assets	(401,239.57)		(25,954.21)	
		<u>(3,20,067.00)</u>		<u>(12,670.85)</u>	
<b>(c) Adjustments for (increase)/decrease in operating liabilities:</b>					
	Trade Payables	7,159.91		(4,144.46)	
	Other current Financial Liabilities	27,169.72		(4,975.02)	
	Other Non current Liabilities	(1,777.42)		4,008.35	
	Other Non current Financial Liabilities	(14,530.67)		37,482.80	
	Other Current Liabilities	2,33,603.42		(84,656.15)	
	Short Term Provisions	350.43		488.81	
	Long Term Provisions	475.07		(38.95)	
		<u>252,450.47</u>		<u>(51,834.62)</u>	
	<b>Cash Generated from Operations</b>	<u>(13,538.56)</u>		<u>(25,393.13)</u>	
	Direct Taxes Paid/Received	(15,760.36)		10,874.03	
	<b>Cash Flow from Operating Activities (A)</b>	<b>-29,298.92</b>	<b>-29,298.92</b>	<b>(36,267.16)</b>	<b>(36,267.16)</b>
<b>2. Cash from investment activities :-</b>					
	Capital Expenditure on Fixed Assets, Including Capital Advances	(1,665.42)		(8,264.94)	
	Capital Expenditure on CWIP			-	
	Capital Expenditure on Intangibles	(977.26)		(853.92)	
	Proceeds from Sale of Fixed Assets	3.01		5.99	
	Proceeds from Loan given	(745.60)		(627.04)	
	<b>Current investments not considered as cash and cash equivalents:</b>				
	- Purchased	-		-	
	<b>Purchase of Long Term Investments:</b>				
	- Joint Venture	(27,020.00)		(4,386.61)	
	<b>Interest Income (Revenue)</b>				
	- Others	20,415.56		16,732.34	
	<b>Dividend Received</b>				
	- Joint Venture	1,750.00		1,000.00	
	<b>Net Cash Generated from / (used in) Investing Activities (B)</b>	<b>-8,239.71</b>	<b>-8,239.71</b>	<b>3,605.83</b>	<b>3,605.83</b>

### 3. Cash Flow from Financing Activities :-

Proceeds from issuance of share capital (including share application money)	-	-	-	-
Proceeds from long term borrowings	1,04,600.00		9,250.00	
Repayment of short -term borrowings	(24,132.50)		(21,857.50)	
Dividend and tax thereon	(21,777.11)		(20,099.73)	
Interest accrued during the year			-	
Repayment of interest accrued	(26,790.60)		(25,412.67)	
Utilisation of reserve	-		-	
<b>Net cash generated from / (used in) financing activities (C)</b>	<b>31,899.79</b>	<b>31,899.79</b>	<b>(58,119.90)</b>	<b>(58,119.90)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalent (A+B+C)</b>		<b>(5,638.83)</b>		<b>(90,781.23)</b>
<b>Cash &amp; Cash Equivalent at the beginning of the Year</b>		<b>34,162.20</b>		<b>1,24,943.43</b>
<b>Cash &amp; Cash Equivalent at the end of year</b>		<b>28,523.37</b>		<b>34,162.20</b>
<b>Cash and cash equivalents</b>				
- Cash and cheques in hand	-		-	
<b>Balance with scheduled banks</b>				
- On Current Account	28,145.22		4,159.76	
- On Book Overdraft	-		-	
- Cheque/DD in Hand	378.15			
- On term Deposit Account	-		30,002.44	
		<b>28,523.37</b>		<b>34,162.20</b>

#### Notes :

The above Cash Flow Statement has been prepared under the indirect method setout as per Ind-AS-7 issued by The Institute of Chartered Accountants of India and notified u/s 133 of the Companies Act 2013.

This is statement of cash flow referred to in our report of even date

**For Raj Har Gopal & Co.**  
**Chartered Accountants**  
 Firm Registration No.:002074N

Sd/-  
**G.K. GUPTA**  
 Partner  
 M.No. 081085  
 Place : New Delhi  
 Date: 29.05.2019

Sd/-  
**Pradeep Gaur**  
 Chairman and Managing Director  
 DIN: 07243986

**For and on behalf of the board**

Sd/-  
**A.K. Choudhary**  
 Chief Financial Officer

Sd/-  
**Kalpana Dubey**  
 Company Secretary

## Notes to the Consolidated Financial Statements

For the year ended 31st March 2019

### Summary of Significant Accounting Policies

#### Note 1 : Corporate Information

Rail Vikas Nigam Limited (“the Parent Company”), its subsidiary and Joint Ventures (collectively referred to as the “Group”) are engaged in the business of implementing various types of Rail infrastructure projects assigned by MoR including doubling (including 3rd/4th lines), gauge conversion, new lines, railway electrification, major bridges, workshops, Production Units and sharing of freight revenue with Railways as per the concession agreement entered into with Ministry of Railway.

#### Note 2 :

##### 2.1 Basis of Preparation

###### a) Statement of Compliance

The consolidated financial statements as at and for the year ended March, 31 2019 have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act 2013 as Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian accounting standards) Amendment Rules 2016, Companies (Indian Accounting Standards) Amendment Rules 2017 and Companies (Indian Accounting Standards) Amendment Rules 2018.

###### b) Basis of Measurement

The consolidated financial statements have been prepared under the historical cost convention and on an accrual basis, except for the following items that have been measured at fair value as required by relevant Ind-AS.

- i. Defined benefit Plan and other long term employee benefits

- ii. Certain financial assets and liabilities measured at fair value.

###### c) Use of estimates and judgment

The preparation of consolidated financial statements is in conformity with Ind AS, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of income and expenses. Examples of such estimates include estimates of future obligations under employee retirement benefit plans and estimated useful life of property, plant and equipment actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Future results could differ due to changes in these estimates and difference between the actual result and the estimates are recognised in the period in which the results are known /materialize.

All financial information presented in Indian rupees and all values are rounded to the nearest lakhs rupees with two decimal points except where otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

###### d) Basis of Consolidation

###### (i) Consolidation of subsidiary

The consolidated financial statements of the Group combines Standalone financial statements of the Parent Company and its

subsidiary line-by-line by adding together the like items of assets, liabilities, income and expenses.

All intra-group assets, liabilities, income, expenses and unrealised profits/losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiary have been harmonised to ensure the consistency with the policies adopted by the Parent Company.

The consolidated financial statements have been presented in the same manner as Parent Company's standalone financial statements.

## ii) Investments in Joint Ventures

“Investment in Joint Ventures has been accounted under the equity method as per Ind AS 28 - Investments in Associates and Joint Ventures. The Company accounts for its share of post acquisition changes in net assets of joint ventures, after eliminating unrealised profits and losses resulting from transactions between the Company and its joint ventures to the extent of its share, through its Consolidated Statement of Profit and Loss, to the extent such change is attributable to the associates' Statement of Profit and Loss and through its reserves for the balance based on available information. When the Group's share of losses of joint venture exceeds the Group's interest in that joint venture (which includes any long term interests that, in substance, form part of the Group's net investment joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture

## 2.2 Cash Flow Statement

Consolidated Cash flow statement is reported using the indirect method, whereby profit /

(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

## 2.3 Exceptional Items

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the group, is such that its disclosure improves an understanding of the performance of the group. Such income or expense is classified as an exceptional item and accordingly disclosed in the Notes to Accounts.

## 2.4 Property, plant and equipment

- a) Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost of asset includes the following
  - i. Cost directly attributable to the acquisition of the assets.
  - ii. Incidental expenditure during the construction period is capitalized. as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental thereto.
  - iii. Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.
- b) Cost of replacement, major inspection, repair of significant parts and borrowing costs for long-term construction projects are capitalised if the recognition criteria are met.
- c) Upon sale of assets cost and accumulated depreciation are eliminated from the

financial statements and the resultant gains or losses are recognized in the statement of profit and loss.

- d) Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress.

### Depreciation

- a) Depreciation on Property, plant and Equipment is provided on Straight Line basis (SLM) over the useful life of the assets as specified in Schedule II of the Companies Act, 2013 except in the case of (i) Furniture & Fixtures and (ii) Mobiles Phones & Tablets. In both the categories of these assets, Management has estimated the useful life after taking into consideration the economic benefits embodied in these assets and other factors such as technical obsolescence and wear and tear etc. The estimated useful life of assets for current and comparative period of significant items of property plant and equipment are as follows:

<u>Particulars</u>	<u>Useful Life</u>
Furniture and fixtures	4 year
Computers	3 year
Mobile phones	2 year
Office Equipment's (excluding Mobile Phones)	5 year

- (b) Each part of an item of Property, Plant and Equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.
- (c) Leasehold improvements are amortized over the lower of estimated useful life and lease term.
- (d) Depreciation methods, useful lives and

residual values are reviewed at each reporting date.

- (e) Depreciation on individual assets acquired for ₹5,000/- or less is depreciated at the rate of 100% taking in to consideration the commercial life in the year of purchase itself.

### 2.5 Intangible Assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at historical cost less accumulated amortization and impairment loss, if any.

Intangible assets comprise of license fees, other implementation costs for system software and other application software acquired for in-house use. The costs are capitalized in the year in which the relevant software is implemented for use. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes, and any directly attributable expenditure on making the asset ready for its intended use. intangible assets not ready for intended use as on reporting date is recognised as intangible assets under development.

**Amortization of Intangible Assets:** Intangible assets are amortized over their respective estimated useful lives on a straight- line basis from the date that they are available for use. The estimated useful life of acquired software's are finite (3 years), estimated useful life of SAP software is estimated at 6 year. Amortisation methods, useful lives and residual values are reviewed at each reporting date.

### 2.6 Impairment of non-financial assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value and impairment loss is charged to the



Statement of Profit & Loss in the year in which an asset is identified as impaired. At each reporting date group assesses the estimate amount of impairment loss. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount and such losses either no longer exists or has decreased. Reversal of impaired loss is recognized in the Statement of Profit & Loss.

## 2.7 Investments in subsidiaries, and Joint Arrangements

### a) Investment in Subsidiaries

Investments in subsidiaries are accounted for at cost less impairment loss, if any, in separate financial statements.

### b) Joint Arrangement

Investment in joint arrangement are classified as either joint operation or joint ventures. The classification depends on the contractual rights and obligations of each investors rather than the legal structure of the joint arrangement. Company has both joint ventures and joint operations.

#### i) Joint Operations

Company recognizes its direct right to the assets, liabilities, revenue and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenue and expenses.

#### ii) Joint Venture

Investments in Joint Venture are accounted for at cost less impairment loss, if any, in separate financial statements.

## 2.8 Inventories & Project Accounting

(a) Project Work-in-Progress is valued at the contract rates and construction material at

site is stated at cost. Payments made to Zonal Railways for acquiring land included in project Work-in-Progress is stated at cost.

- (b) **IRFC Funded Projects:** In accordance with revised Procedure Order dt. 30.12.2016 of MoR, PWIP of IRFC funded projects are Shown as Lease Receivable. The amount of expenditure for the period including opening balance on IRFC funded projects are transferred from PWIP to Lease Receivable and from the subsequent financial year adjustments will be carried out periodically.
- (c) The value of projects which are transferred from the project Work in Progress (PWIP) is determined by adding direct expenditure plus management fee as agreed with MoR
- (d) **MoR Funded Projects:** In accordance with revised Procedure Order dt. 30.12.2016 of MoR, PWIP of MoR funded projects are adjusted against fund received from MoR . The amount of expenditure on MoR funded projects recognised during the year including opening balances of PWIP for MoR funded project are being adjusted as at 31.03.2017 from the fund received from MoR and from the subsequent financial year adjustments will be carried out periodically.

## 2.9 Revenue from Contracts with Customers

2.9.1 Company Recognises revenue from contracts with customers based on a five-step as set out in Ind AS-115:-

- (i) *Identify contracts with a customer:-* A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations as sets out the criteria for every contract that must be met.
- (ii) *Identify performance obligations in the*

*contract:* A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

- (iii) *Determine the transaction price:* The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- (iv) *Allocate the transaction price to the performance obligations in the contract:* For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
- (v) Recognise revenue when or as the Company satisfies a performance obligation.

**2.9.2** The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- (i) The customer simultaneously receives and consumes the benefits provided by the company's performance as the company performs
- (ii) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- (iii) The Company's performance does not create an asset with an alternative use to the company and the company has an enforceable right to payment for performance completed to date. For performance obligations where one of

the above conditions are not met, revenue is recognised at the point in time at which performance obligation is satisfied.

**2.9.3** The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. Revenue is recognized based on the nature of activity, when consideration can be reasonably measured and there exists reasonable certainty of its recovery. Revenue from construction/project related activity is measured at the amount company expects to be entitled, taking into account contractually defined terms of payment and excluding taxes and duty as given below:-

- (a) Projects executed for Ministry of Railways (MOR): Revenue from project execution is determined by adding aggregate cost plus margin agreed with MOR and any subsequent clarifications received in this respect.
- (b) Works Executed by Zonal Railways on behalf of RVNL - Revenue from works executed by Zonal Railways on RVNL projects is determined on the basis of statement of Expenditure submitted by the respective Zonal Railways.
- (c) Deposit works (cost plus contract) related to JCEs (Jointly Controlled Entities) in the form of Special Purpose Vehicles and others. Contract revenue is determined by adding the aggregate cost plus proportionate margin (Direction & General Charges) based on fixed percentage as agreed with the customer.
- (d) In case of IRFC funded projects, interest component on installments received from Ministry of Railway's in netted against the interest payable on IRFC borrowings.
- (e) Claims are accounted as income in the

year of acceptance by client or evidence of acceptance received.

## 2.10 Other Revenue Recognition

- i. Dividend income is recognized when the right to receive is established.
- ii. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable using Effective Interest Rate Method.

## 2.11 Employee Benefits

### a) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages, and short-term compensated absences, LTC etc. are recognized in the period in which the employee renders the related service.

### b) Long Term Employee Benefits :

The obligation for long-term employee benefits such as long-term compensated absences & half pay leave is recognized in the same manner as in the case of defined benefit plans as mentioned in (c)(iii) below

### c) Post Employment Benefits

- i. Defined contribution plans: The Company makes defined contribution to the Regional Provident Fund Commissioner in respect of provident fund scheme, CGIS and employee state insurance scheme. The contribution paid/payable under the schemes is recognized during the year in which the employee renders the related service.
- ii. Defined contribution plans: The Company makes defined contribution to the RVNL Medical and Welfare Trust in respect

of RVNL Medical and Welfare Scheme. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.

- iii. **Defined benefit plans:** Gratuity is a post employment defined benefit plan. The liability recognized in the balance sheet is the present value of the defined benefit obligation at the balance sheet date less fair value of plan assets. The defined benefit obligation is calculated by an independent actuary using projected unit credit (PUC) method. Actuarial gains and losses are recognised immediately in the Profit & Loss Account.
- d) Retirement benefits of the 'staff on deputation' have been accounted for on the basis of the guidelines of the Ministry of Railways.
- e) Actuarial gains or losses are recognized in Other Comprehensive Income.
- f) Re-measurements recognised in Other Comprehensive Income are comprising actuarial gains or losses that are not reclassified to profit or loss from Other Comprehensive Income in subsequent periods.

## 2.12 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. (Functional Currency) The financial statements are presented in Indian rupees, which is the presentation currency of company.

### Foreign Currency Transactions

- i. All foreign currency transactions are translated into functional Currency at the rate prevalent on the date of transaction.

- ii. Non-monetary items are translated at the rate on the date of initial transaction.
- iii. Monetary items denominated in foreign currency are translated at the prevailing closing buying rate at each reporting date.
- iv. Foreign exchange gain or losses in respect of monetary and non-monetary items is recognised in statement of profit and loss.

### 2.13 Borrowing Cost

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time as the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

### 2.14 Tax expenses represents the sum of current tax and deferred tax

#### a) Current Income Tax

- i. Taxes including current income-tax are computed using the applicable tax rates and tax laws.
- ii. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.
- iii. Current income tax assets and liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities Liability for additional taxes, if any, is provided / paid as and when assessments are completed.

- iv. Current tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

#### b) Deferred tax

- i. Deferred income tax is recognized using balance sheet approach
- ii. Deferred income tax assets and liabilities are recognized for temporary differences which is computed using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.
- iii. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- iv. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.
- v. Deferred tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

### 2.15 Leases

#### a) Group as a lessee

##### Finance Lease:-

- (i) that transfers substantially all the risks and rewards incidental to ownership of an asset
- (ii) are capitalised at lease inception at lower of fair value or present value of minimum lease payment

- (iii) Payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.
- (iv) Finance charges are recognised in finance costs in the statement of profit and loss.
- (v) Depreciated over the useful life of the asset. However, if there is no reasonable certainty to obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

#### **Operating Lease:-**

- i. is classified as operating lease when significant portion of the risk and rewards are not transferred to the company.
- ii. payment are charged to profit and loss on straight-line basis over the lease term except where lease payment are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase

#### **b) Group as a lessor**

#### **Finance Lease**

- i. is recognised when substantially all of the risks and rewards of ownership transfer from the company to the lessee.
- ii. Payment due are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

#### **Operating Lease**

- i. are the leases in which the company does not transfer substantially all the risks and rewards of ownership to the lessee.
- ii. incomes are recognized as income in the statement of profit & loss on straight-line basis over the lease term except where lease payment are structured to increase in line with expected general inflation expected general inflation to compensate for the expected inflationary cost increase

#### **2.16 Provisions**

##### **Provision is recognised when:**

- i) The Company has a present obligation as a result of a past event,
- ii) A probable outflow of resources is expected to settle the obligation and
- iii) A reliable estimate of the amount of the obligation can be made. Reimbursement of the expenditure required to settle a provision is recognised as per contract provisions or when it is virtually certain that reimbursement will be received.

Provisions are reviewed at each Balance Sheet date.

##### **a) Discounting of Provisions**

Provision which expected to be settled beyond 12 months are measured at the present value by using pretax discount rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

#### **2.17 Contingent Liabilities and contingent Assets**

- (a) Contingent Liabilities are disclosed in either of the following cases:
  - i) A present obligation arising from a past



event, when it is not probable that an outflow of resources will be required to settle the obligation; or

- ii) A reliable estimate of the present obligation cannot be made; or
  - iii) A possible obligation, unless the probability of outflow of resource is remote.
- (b) Contingent assets is disclosed where an inflow of economic benefits is probable.
- (c) Contingent Liability and Provisions needed against Contingent Liability and Contingent Assets are reviewed at each Reporting date.
- (d) Contingent Liability is net of estimated provisions considering possible outflow on settlement.

### 2.18 Earnings Per Share

In determining earnings per share the Company considers the net profit attributable to equity shareholders. The number of shares used in computing basic and diluted earnings per share is the weighted average number of shares outstanding during the year.

### 2.19 Liquidated Damages and Penalties

Credit items arising on account of Liquidated Damages and Penalties during execution of contract or due to termination of contract etc. are carried as “Retention Money” under “other Current Liabilities” until the final Closure of the Project. Thereafter, i.e. on financial closure of the Project, such leftover balances of liquidity Damages and Penalties are credited to the total cost of the concerned project.

### 2.20 Stale Cheques Policy

Cheques which have not been cleared within the validity period of 3 months are credited to the stale cheque account. Items which are more than 3 years old and could not be cleared

are credited to the head stale cheque account which was earlier debited while making payments except deductions made from salary of staff which are credited to misc income.

### 2.21 Operating Segment

Operating segments are reported in the manner consistent with the internal reporting provided by the Chief Operating Decision Maker (CODM). Chairman and Managing Director of the company has been identified as CODM. Company has identified only one reportable segment i.e. “Development of Railway Infrastructure”.

### 2.22 Fair Value Measurement

Group measures financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.



## 2.23 Dividend to equity holders

Dividend paid/payable shall be recognised in the year in which the related dividends are approved by shareholders or board of directors as appropriate.

## 2.24 Financial instruments

### (A) Initial recognition and measurement

Financial Instruments are recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial instruments.

### (B) Subsequent measurement

#### (i) Financial Assets

Financial assets are classified in following categories:

- a) At Amortised Cost
- b) Fair value through Other Comprehensive Income.
- c) Fair value through Profit and loss account.

#### a. Debt instrument at Amortised Cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets measured at amortised cost using effective interest rate method less impairment if any. The EIR amortisation is included in finance income in the statement of profit and loss.

#### b. Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI

if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned is recognised using the EIR method.

#### c. Debt instrument at FVTPL

FVTPL is a residual category for financial Assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. If doing so reduces or eliminates a measurement or recognition inconsistency. The Group has not designated any financial asset as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the P&L. Investment in Equity instruments are measured through FVTOCI

#### d. Equity Instrument at Other Comprehensive Income

Financial Assets are measured at fair value through other comprehensive income if these financial assets are held within a business

whose objective is achieved by both collecting contractual cash flows and setting financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and invest in the principal amount outstanding. The company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

## (ii) Financial liabilities

### a) Financial liabilities at Amortised Cost

Financial liabilities at amortised cost represented by trade and other payables, security deposits and retention money are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

### b) Financial liabilities at FVTPL

The company has not designated in any financial liabilities at FVTPL.

## b. Derecognition Financial Asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

### Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability

and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.

## c. Impairment of financial assets

Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applies on whether there has been significant increase in credit risk.

## 2.25 Non-current Assets (or disposal groups) held for Sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn and sale is expected within one year from the date of the classification. Disposal groups classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately in the statement of financial position.

If the criteria stated by IND AS 105 “Non-current Assets Held for Sale and Discontinued Operations” are no longer met, the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of (i) its carrying amount before the asset was classified as held for sale, adjusted for depreciation that would have been recognised had that asset not been classified as held for sale, and (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale.”

**Note 2.26 Standard issued but not yet effective for the Financial Year 2018-19**

**IND AS 116 Leases**

On March 30, 2019 the Ministry of Corporate affairs (MCA) issued the companies (Indian Accounting Standards) Amendment rules, 2019, notifying Ind AS - 116, Lease. The Standard is applicable to the Company with effect from April 1, 2019 and will replace the existing Ind AS 17 (leases) and related interpretations. This Ind AS sets out of the principles for the recognition, measurement, presentations and disclosure of Lease for the Lessee and the Lessor. It requires Lessee to recognise assets and liabilities for all lease transaction having lease term of more than 12 months unless the underlying asset is of low value. Under existing Ind AS 17 operating lease expenses are charged to statement of profit & loss. Further,

new Ind AS requires extensive disclosure. The Standard permits retrospective approach in accordance with Ind AS 8 or retrospectively with cumulative effect of initially applying this Standard (cumulative catch-up approach).

**Amendment to Ind AS 12 - Income Taxes**

MCA has notified amendment to Ind AS 12 Appendix C Uncertainty over income tax treatment applicable from April 1, 2019. It prescribes uncertainty over income tax treatment is to be applied while performing the the determination of taxable profit/loss. Amendment to Ind AS 12 also clarifies to recognise the income-tax consequences of dividend in profit or loss, OCI or equity where it originally recognises. The adjustment shall be retrospective in accordance with Ind AS 8 or cumulative catch-up approach.

**Amendment to Ind AS 19 - Employee Benefits**

On March 30, 2019, MCA notified amendment to Ind AS 19 Employee benefits requiring to use updates assumptions to determine past service cost as net interest for reminder period after a plan amendment, curtailment or settlement.

The company is in the process of examining and evaluating the impact of the said changes on the company’s financial statements and will be followed from the effective date of notification of Standards & amendments. However, no material impact is perceived.

### Note 3: Property, Plant and equipment

(₹ in Lakhs)

Particulars	Land (Lease hold Land) *	Lease hold Improvements	Furniture and Fixtures	EDP Assets	Office Equipment's	Total
<b>Cost or Deemed cost</b>						
<b>At 01st April 2017</b>	-	1,122.39	814.05	1,268.31	745.58	3,950.33
Additions during the year	23,548.36	508.28	151.89	251.84	145.48	24,605.83
Disposals/Adjustments		-	(13.27)	(33.68)	(18.76)	(65.71)
<b>At 31st March 2018</b>	<b>23,548.36</b>	<b>1,630.67</b>	<b>952.67</b>	<b>1,486.47</b>	<b>872.29</b>	<b>28,490.45</b>
Additions during the period	-	71.78	237.77	278.75	181.08	769.38
Disposals/Adjustments			(2.71)	(8.88)	(4.21)	(15.80)
<b>At 31st March 2019</b>	<b>23,548.36</b>	<b>1,702.45</b>	<b>1,187.73</b>	<b>1,756.34</b>	<b>1,049.16</b>	<b>29,244.04</b>
<b>Depreciation and impairment</b>						
<b>At 01st April 2017</b>	-	<b>909.77</b>	<b>676.46</b>	<b>1,006.69</b>	<b>600.37</b>	<b>3,193.29</b>
Depreciation charge during the year	-	168.16	82.67	143.47	86.59	480.89
Disposals/Adjustments			(12.78)	(30.12)	(16.82)	(59.73)
<b>At 31st March 2018</b>	-	<b>1,077.93</b>	<b>746.35</b>	<b>1,120.04</b>	<b>670.14</b>	<b>3,614.46</b>
Depreciation charge during the period	-	169.89	109.55	194.62	86.00	560.07
Disposals/Adjustments			(1.86)	(7.74)	(3.18)	(12.78)
<b>At 31st March 2019</b>	-	<b>1,247.82</b>	<b>854.04</b>	<b>1,306.93</b>	<b>752.96</b>	<b>4,161.74</b>
<b><u>Net book value</u></b>						
<b>At 31st March 2019</b>	<b>23,548.36</b>	<b>454.63</b>	<b>333.69</b>	<b>449.41</b>	<b>296.20</b>	<b>25,082.30</b>
<b>At 31st March 2018</b>	<b>23,548.36</b>	<b>552.74</b>	<b>206.32</b>	<b>366.43</b>	<b>202.16</b>	<b>24,875.99</b>

As on 31st March 2019 there are property plants and equipment with net carrying value of ₹25,082.24 lakhs out of which bill for assets with net carrying value of ₹294.75 lakhs are in the name of employees of RVNL. However, ownership of these assets belongs to RVNL. During the year company has charged depreciation of ₹137.80 Lakhs on these assets.

\* The Company had purchased a lease hold land from Noida Authority amounting to ₹23,548.36 lakh and the land is for 90 years lease. In terms of lease deed company can transfer the land after five years.

## Note 4: Capital Work in Progress

(₹ in Lakhs)

Particulars					Amount
<b>At 01 April 2017</b>					-
Additions during the year					-
Adjustments					-
<b>At 31 March 2018</b>					-
Additions during the year					896.03
Adjustments					
<b>At 31st March 2019</b>					<b>896.03</b>

The Railway board has entrusted RVNL the work of construction of residential accommodation for Railway/PSU officers in a plot of Railway Land near Safdarjung Railway Station in accordance with its Policy No. 15/LML/181/68 dated 19.05.1998, which inter-alia stipulates that 50% of houses constructed from PSUs funds on Railway land shall be transferred to Railway and balance 50% shall be licensed to concerned PSU. Accordingly cost of RVNL's portion of flats is shown as capital work in progress (Refer Note 9 for share of other PSUs projects)

## Note 5: Intangible Assets

(₹ in Lakhs)

Particulars	Intangible assets under development (ERP)	Other Intangibles (Software)	Total
<b>Cost or deemed cost</b>			
<b>At 01st April 2017</b>	<b>1,272.82</b>	<b>5.82</b>	<b>1,278.63</b>
Additions during the year	840.76	13.16	<b>853.92</b>
<b>At 31st March 2018</b>	<b>2,113.58</b>	<b>18.97</b>	<b>2,132.55</b>
Additions during the year	971.61	2,843.09	<b>3,814.70</b>
Disposals/Adjustments	(2,837.44)		<b>-2,837.44</b>
<b>At 31st March 2019</b>	<b>247.75</b>	<b>2,862.06</b>	<b>3,109.81</b>
<b>Amortisation and Impairment</b>			
<b>At 01st April 2017</b>	-	<b>5.26</b>	<b>5.26</b>
Amortisation for the year	-	2.62	<b>2.62</b>
Impairment	-	-	-
Disposals/Adjustments	-	-	-
<b>At 31st March 2018</b>	-	<b>7.89</b>	<b>7.89</b>
Amortisation for the year		13.65	<b>13.65</b>
Impairment			-
Disposals/Adjustments			-
<b>At 31st March 2019</b>	-	<b>21.54</b>	<b>21.54</b>
<b>Net book value</b>			
<b>At 31st March 2019</b>	<b>247.75</b>	<b>2,840.52</b>	<b>3,088.27</b>
<b>At 31st March 2018</b>	<b>2,113.58</b>	<b>11.08</b>	<b>2,124.66</b>

## Note 6: Financial Assets Non Current

### 6.1 Investments

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
<b>A. Investment in Equity instruments of joint ventures (fully paid-up)</b>		
<b>Unquoted-at-cost</b>		
Kutch Railways Company Limited 10,00,00,000 Equity Share of ₹10 each fully paid up & 2,50,00,000 Bonus Share of ₹10 each fully paid up	69,044.22	64,329.74
Haridaspur Paradip Railways Company Limited 26,37,16,120 shares are Fully paid up @ ₹10.00/- per share] ( As at 31 st March 2018 : 22,35,16,120 shares @ ₹10 each)	26,393.86	22,359.76
Krishnapatnam Railways Company Limited 31,10,00,000 Equity Share of ₹10 each fully paid-up) ( As at 31 st March 2018 : 8,10,00,000 Equity Share of ₹10 each fully paid-up)	34,291.10	8,093.93
Bharuch Dahej Railways Company Limited 5,50,00,000 Equity Share of ₹10 each fully paid up	6,793.60	6,351.00
Angul Sukinda Railways Company Limited 18,90,00,000 Equity Share of ₹10 each fully paid up	21,037.74	20,982.46
Dighi Roha rail Limited 50,000 Equity Share of ₹10 each fully paid up	-	-
<b>Total (Equity instruments in joint ventures)</b>	<b>1,57,560.53</b>	<b>1,22,116.89</b>
<b>B. Investment in Equity instruments of subsidiaries (fully paid-up)</b>		
<b>Unquoted-at-cost</b>		
<b>C. Others at Fair Value through Other Comprehensive Income</b>		
Indian Port Rail Corporation Limited 1,00,00,000 Equity Share of ₹10 each fully paid up	997.00	1,000.00
<b>Total (Investment in equity instruments others)</b>	<b>997.00</b>	<b>1,000.00</b>
Total Non current investments	1,58,557.53	1,23,116.89
Aggregate value of unquoted investments	1,58,557.53	1,23,116.89
Aggregate amount of impairment in value of investments	-	-

- (i) Investment in Indian Port Railway Corporation Limited is fair valued, refer note 31 for details  
(ii) The share of loss in Dighi Roha Rail Limited is greater than investment.



## 6.2 Lease Receivables

(₹ in Lakhs)

Particulars	31st March 2019		31st March 2018	
<b>Unsecured considered good</b>				
Opening Balance	1,71,952.77		1,14,675.84	
Add: Transfer during the period	8,506.87		83,671.16	
Add/(less): Adjustment during the period	-		(2,261.73)	
Less: Repayment to be made within 12 months	(26,265.00)	1,54,194.63	(24,132.50)	1,71,952.77
<b>Total</b>		<b>1,54,194.63</b>		<b>1,71,952.77</b>

- (i) Lease receivable represents the amount receivable from Ministry of Railway in respect of the projects which was IRFC funded and has already been transferred to concerned zonal railways. Lease Receivable has been recognised after adjusting the funds received from MoR for the transferred amounts of the projects. {Refer Note 32 (c)}
- (ii) Lease receivables are interest bearing equal to the amount which has been charged by IRFC in respect of the borrowings outstanding for projects.

## 6.3 Loans

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
<b>Unsecured, considered good</b>		
(a) Loan to employees (refer note 32 (a))	382.42	396.13
(b) Security Deposit	561.91	251.42
<b>Total</b>	<b>944.33</b>	<b>647.56</b>

- (i) Refer note 31 for fair value measurements

## 6.4 Other Financial Assets

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
<b>Unsecured, considered good</b>		
(a) Recoverable from Ministry of Railways (Interest accrued but not due on IRFC Loan)	44,421.71	46,251.87
(b) Other Receivables	-	11.37
<b>Total</b>	<b>44,421.71</b>	<b>46,263.24</b>

## Note 7 : Deferred Tax

(₹ in Lakhs)

Particulars	At 31st March 2019	31st March 2018
Deferred tax assets	7,396.49	6,556.28
Deferred tax liabilities		-
<b>Deferred tax assets (net of deferred tax liabilities)</b>	<b>7,396.49</b>	<b>6,556.28</b>
<b>The balance comprises to temporary differences attributable to:</b>		
<b>Deferred Tax Assets</b>		
(a) Depreciation and amortisation	368.08	293.55
(b) Employee Benefits	566.36	506.66
(c) MAT Credit Entitlement (Refer Note 7.1)	6,461.71	5,756.07
(d) Revaluation of Investment	0.35	-
	<b>7,396.49</b>	<b>6,556.28</b>

**Note 7.1 :** RVNL has accumulated MAT credit of ₹9,994.25 lakhs As on 31.03.2019, considering future uncertainty of utilisation in future, amount of MAT credit has been restricted to ₹6,461.71 lakhs in financial statements. Accordingly as on 31st March 2019 accumulated MAT credit not recognised in financial statements is ₹3,532.54 Lakhs.

## Movement in Deferred Tax (Liability)/Asset

(₹ in Lakhs)

Particulars	Investment	Property Plant and Equipment Intangible Assets	Employee Benefits	MAT credit	Total
<b>At 01 April 2017</b>	-	237.71	445.65	3,412.70	4,096.06
Charged/(credited)					
To Profit & Loss	-	55.84	55.24	2,343.37	2,454.45
To other comprehensive income	-	-	5.77	-	5.77
<b>At 31st March 2018</b>	-	293.55	506.66	5,756.07	6,556.28
Charged/(credited)					
To Profit & Loss	-	74.53	44.62	705.64	824.78
To other comprehensive income	0.35	-	15.08	0.00	15.43
<b>At 31st March 2019</b>	<b>0.35</b>	<b>368.08</b>	<b>566.36</b>	<b>6,461.71</b>	<b>7,396.49</b>

## Note 8 : Other Non Current Assets

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
Capital Advance*	-	-
Prepaid Expenditure (Arising on Fair Value Adjustment on Financial Assets)	23.61	27.00
	<b>23.61</b>	<b>27.00</b>

## Note 9: Project Work in Progress

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
Construction of Flats (Refer Note 4)	448.02	192.46
	<b>448.02</b>	<b>192.46</b>

## Note 10: Financial Assets Current

### 10.1 Trade Receivables

Particulars	31st March 2019	31st March 2018
<b>Unsecured, considered good</b>		
Receivables from related parties (Refer Note 42)	63,223.65	70,479.12
Other Trade receivables	577.68	810.30
<b>Total Trade Receivables</b>	<b>63,801.33</b>	<b>71,289.42</b>

(i) Receivables from related parties are interest bearing at SBI Base rate +1%.

### 10.2 Lease Receivables

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
<b>Unsecured, considered good</b>		
Opening Balance	24,132.50	20,043.23
Add: Transfer during the year	26,264.56	24,132.50
Less: Amount received	(24,132.50)	(20,043.23)
<b>Total Lease Receivables</b>	<b>26,264.56</b>	<b>24,132.50</b>

(i) Lease receivables-current represents receivable from railways within 12 months in respect of the cost of completed projects which has been transferred to railways. For details refer note 6.2.(i)(ii).

### 10.3 Cash and Cash equivalent

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
(i) Balances with Bank		
-- Current Account	28,145.22	4,159.76
-- Fixed Deposits (Maturity less than 3 Months)		30,002.44
(ii) Cash in hand	-	-
(iii) Cheque/DD in Hand	378.15	-
<b>Total</b>	<b>28,523.37</b>	<b>34,162.20</b>

- (i) There are no restrictions with regards to cash and cash equivalents as at the end of the reporting periods and earlier periods.
- (ii) Amount lying in current account includes flexi deposits of ₹11,476.81 Lakh (31st March 2018 : 17,200.87 Lakhs)

#### 10.4 Bank Balances other than Cash and Cash equivalent (₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
<b>Other Bank Balances</b>		
(i) Balances with Bank		
Term Deposit in Schedule Bank (Maturity more than 3 Months but less than 12 months)	65,800.00	1,06,000.00
Term Deposit in Schedule Bank (Original Maturity more than 12 Months ) (Earmarked Balance for contractor's deposits)	116.52	123.01
<b>Total</b>	<b>65,916.52</b>	<b>1,06,123.01</b>

#### 10.5 Loans (₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
<b>Unsecured, considered good</b>		
Loan to employees {Refer Note 32 (a)}	398.55	298.86
Security Deposit	792.01	442.88
<b>Total</b>	<b>1,190.56</b>	<b>741.74</b>

#### 10.6 Other Financial Assets (₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
<b>Unsecured, considered good</b>		
Recoverable from Ministry of Railways (Interest Accrued but not due) Refer Note 6.2 (ii)	24,901.75	25,286.66
Other Receivables	22,276.61	13,524.80
Interest accrued on Fixed Deposit and others	78.49	83.50
Recoverable from Ministry of Railways-Demand No. 80 Railway Major Head 3001 (Chardham Yatra)	194.09	243.00
<b>Total</b>	<b>47,450.94</b>	<b>39,137.96</b>

#### Note 11: Current Tax (₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
<b>11.1 Current Tax Asset</b>		
Income Tax Refundable	454.58	988.76
<b>Total</b>	<b>454.58</b>	<b>988.76</b>

## 11.2 Current Tax Liabilities

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
Direct Tax Payable	16,012.75	11,885.16
Less : Advance Tax and TDS	(14,998.49)	(10,575.06)
<b>Total</b>	<b>1,014.26</b>	<b>1,310.11</b>

## Note 12: Other Current Assets

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
<b>(a) Advances Other than Capital Advances (Refer note 12.1)</b>		
Advances to Zonal Railways	56,654.70	29,962.58
Advances for Sleepers	15,506.96	24,121.08
Mobilization Advances	44,202.78	24,132.00
Other Advances (Project)	78,085.25	97,589.93
<b>(b) Others</b>		
Interest accrued on Mobilization Advance	371.12	129.22
Duties & Taxes	35,191.41	152.41
<b>(c) Contract Assets</b>		
(Unbilled Revenue)	3,47,318.57	-
<b>(d) Prepaid Expenditure</b> (Arising on Fair Value Adjustment on Financial Assets)	17.56	21.56
<b>Total</b>	<b>5,77,348.36</b>	<b>1,76,108.79</b>

- (i) Advance given to Railways and Zonal Railways, Utility Advances and other Railways Advances of ₹1,02,626.58 Lakhs are subject to confirmation
- (ii) Unbilled Revenue represents work executed upto 31st March 2019, however not billed to customer as on Balance sheet date, Unbilled revenue includes ₹36,066.93 lakhs for related parties.

### Note 13: Equity Share capital

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31 March 2018
Authorised share capital 3,00,00,00,000.00 Equity shares of ₹10 each	3,00,000.00	3,00,000.00
	<b>3,00,000.00</b>	<b>3,00,000.00</b>
Issued/Subscribed and Paid up Capital		
2,08,50,20,100.00 Equity shares of ₹10 each (100% shareholding of MoR)	2,08,502.01	2,08,502.01
	<b>2,08,502.01</b>	<b>2,08,502.01</b>

### Details of shareholder holding more than 5% in the Company

Name of the shareholder	As at 31st March 2019		As at 31st March 2018	
	No in Shares (in Lakhs)	% holding in the class	No in Shares (in Lakhs)	% holding in the class
Equity shares of INR each fully paid				
Ministry of Railways (MoR)	20,850.20	100	20,850.20	100
<b>Total</b>	<b>20,850.20</b>	<b>100</b>	<b>20,850.20</b>	<b>100</b>

#### 1. Rights, Preferences and Restrictions attaching to shares

Equity Shares: The Company has one class of Equity Shares having at par value of ₹10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

### Reconciliation of the number of equity shares and share capital

Particulars	As at 31st March 2019		As at 31st March 2018	
	No in Shares (in Lakhs)	₹ in Lakhs	No in Shares (in Lakhs)	₹ in Lakhs
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	20,850.20	208,502.01	20,850.20	208,502.01
Add: Shares Issued during the year	-	-	-	-
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	<b>20,850.20</b>	<b>208,502.01</b>	<b>20,850.20</b>	<b>208,502.01</b>



## No of shares issued as Bonus Shares/ Bought back

Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
	No in Shares (in Lakhs)	No in Shares (in Lakhs)	No in Shares (in Lakhs)	No in Shares (in Lakhs)	No in Shares (in Lakhs)
No of shares issued as Bonus Shares	-	-	-	-	-
No of shares Bought back	-	-	-	-	-

## Note 14: Other Equity

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
General Reserve	7,100.00	7,100.00
Retained Earnings	2,23,957.49	1,76,800.17
FVTOCI Equity Instrument	(2.65)	-
	<b>2,31,054.84</b>	<b>1,83,900.17</b>

## Note 14.1

(₹ in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>(a) General Reserve</b>		
As per last Balance sheet	7,100.00	7,100.00
Add: Transfer from retained earning	-	-
	<b>7,100.00</b>	<b>7,100.00</b>
<b>(b) Retained Earnings</b>		
As per last Balance Sheet	1,76,800.17	1,40,682.69
Add: Profit after Tax	70,524.34	56,951.64
Less: Dividend declared and paid during the year	(1,307.00)	(1,250.00)
Less: Dividend distribution tax (DDT) on dividend declared and paid	(268.65)	(254.47)
Less: Interim Dividend paid during the year	(16,757.00)	(15,450.00)
Less: Dividend distribution tax (DDT) on Interim dividend paid	(3,444.46)	(3,145.26)
Add/Less: Changes in carrying value of Investment in Joint Ventures other than share in profit/(loss)	(1,438.53)	(678.54)
<b>Items of Other comprehensive income recognised directly in retained earnings</b>		
Remeasurements of defined benefits plans, net of tax	(151.37)	(55.89)
	<b>2,23,957.49</b>	<b>1,76,800.17</b>
<b>(c) FVTOCI Equity Instrument</b>		
Change in fair value of FVTOCI equity instrument	(3.00)	-
Deferred Taxes	0.35	-
	<b>(2.65)</b>	<b>-</b>

- (i) On 18th September 2018, the final dividend of ₹0.06 per share was approved and paid for FY 2017-18
- (ii) On 28th March 2019, an interim dividend of ₹0.40 per share and 18th September 2018 an interim dividend of ₹0.40 per share was approved and paid for FY 2018-19 (total interim dividend of ₹16,757 Lakhs) and dividend distribution tax of ₹3,444.46 Lakhs was paid for FY 2018-19.
- (iii) On 23rd March 2018, an interim dividend of ₹0.50 per share and 22nd December 2017 an interim dividend of ₹0.24 per share was approved and paid for FY 2017-18 (total interim dividend of ₹15,450 Lakhs) and dividend distribution tax of ₹3,145.26 Lakhs was paid for FY 2017-18.

(iv) **Nature and purpose of Reserves**

RVNL has elected to recognize changes in fair value of certain investment in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity investments reserves within equity. The company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognized

- (v) Proposed Final Dividend for Financial Year 2018-19 is ₹1,936.00 Lakhs (₹0.09 per share) and DDT thereon is ₹297.85 Lakhs.

## Note 15: Financial Liability - Non Current

### 15.1 Borrowings

(₹ in Lakhs)

Particulars	31st March 2019		31st March 2018	
<b>Unsecured</b>				
<b>(i) Indian Railway Finance Corporation</b>				
Opening Balance	1,79,663.00		1,94,545.50	
Addition during the year	1,04,600.00		9,250.00	
Less Repayment made with in 12 months	(26,265.00)	2,57,998.00	(24,132.50)	1,79,663.00
<b>(ii) Interest accrued but not due (IRFC Loan)</b>				
Opening Balance	46,251.87		49,142.56	
Addition during the year	24,575.53		23,133.87	
Less Repayment made with in 12 months	(26,405.69)	44,421.71	(26,024.56)	46,251.87
		<b>3,02,419.71</b>		<b>2,25,914.87</b>

#### Terms of Repayment:

- (iii) There is a moratorium period of 3 years for each year's loan. During the said moratorium period, no amount on account of interest and principal shall be payable. The interest shall be charged on yearly basis and repayment of loan shall be once in a year (for a period of 12 years) after the completion of moratorium period. Ministry of Railways would make available to RVNL the required funds thereafter, to enable them to do the debt servicing . The debt servicing will pass through RVNL books.
- (iv) Company has borrowed funds ₹104,600 lakhs amount (Financial year 2017-18: ₹9250.00 Lakhs) during the period from Indian Railway Finance Corporation (IRFC). The outstanding borrowing is ₹2,84,263 Lakhs (as at 31.03.2018 : ₹2,03,795.00 Lakhs, which includes current liability i.e. repayable in next twelve months ₹26,265.00 Lakhs (as at 31.03.2018: ₹24,132.50 Lakhs).
- (v) The Interest Liability has been assessed on the amount disbursed in the F.Y. 2005-06 to 2018-19 by applying the Interest rate as advised by the IRFC for each Financial year  
(2018-19: 8.75% estimated, 2017-18:8.75%, 2016-17:8.19%, 2015-16:8.68%, 2014-15:9.56%, 2013-14:9.60%, 2012-13:9.41%, 2011-12 :10.12%, 2010-11:9.12%, 2009-10:8.92%, 2008-09:9.96%, 2007-08:10.24%, 2006-07:9.73%, 2005-06:8.06%)

The interest accrued but not due on the IRFC loan amount has been shown in the Balance Sheet as recoverable from MoR under Current Assets & Non-Current assets (for the interest non recoverable in next 12 Months) and the interest payable but not due under the Current Liabilities and Non-Current Liabilities (for the interest not payable in next 12 Months) payable to IRFC.

## 15.2 Other Financial Liability

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
Performance and Security Deposit	12,598.97	28,553.20
Retention money	10,353.16	8,929.60
<b>Total other financial liability</b>	<b>22,952.13</b>	<b>37,482.80</b>

## Note 16: Other Non Current Liability

(₹ in Lakhs)

Particulars	31st March 2019	31st March 2018
Deferred Income (Fair Value Adjustment)	2,230.93	4,008.35
	<b>2,230.93</b>	<b>4,008.35</b>

## Note 17: Provisions

(₹ in Lakhs)

Particulars	Provisions for employee benefits							Total
	Provision for Foreign Service Contribution	Provision for PRP/PLI	Provision for Retirement Benefit	Provision for LTC	Provision for Ex Gratia	Provision for 7th Pay Commission	Provision for 3rd PRC	
<b>At 31-March-2017</b>	<b>1,444.26</b>	<b>933.59</b>	<b>965.17</b>	<b>64.51</b>	<b>634.23</b>	<b>795.60</b>	<b>140.21</b>	<b>4,977.57</b>
Current	1,444.26	933.58	76.46	64.51	634.23	795.60	140.21	4,088.86
Non Current	-	-	888.71	-	-	-	-	888.71
Provisions made during the period	1,317.69	1,291.66	202.73	18.15	820.00	-	267.78	3,918.01
Utilisation during the period	(949.99)	(799.36)	(204.49)	(7.71)	(537.09)	(635.60)	(333.92)	(3,468.14)
<b>At 31-March-2018</b>	<b>1,811.96</b>	<b>1,425.88</b>	<b>963.42</b>	<b>74.95</b>	<b>917.14</b>	<b>160.00</b>	<b>74.07</b>	<b>5,427.44</b>
Current	1,811.96	1,425.88	113.66	8.59	917.14	160.00	74.07	4,511.31
Non Current	-	-	849.76	66.36	-	-	-	916.12
Provisions made (Adjusted) during the period	546.55	1,345.16	779.20	38.27	921.15	(160.00)	(74.07)	3,396.26
Utilisation during the period	(998.47)	(945.19)	(167.58)	(10.37)	(449.15)	-	-	-2,570.75
<b>At 31-March-2019</b>	<b>1,360.05</b>	<b>1,825.85</b>	<b>1,575.04</b>	<b>102.85</b>	<b>1,389.15</b>	<b>-</b>	<b>-</b>	<b>6,252.93</b>
Current	1,360.05	1,825.85	269.97	16.72	1,389.15	-	-	4,861.74
Non Current	-	-	1,305.07	86.13	-	-	-	1,391.19

### Foot Note

#### 17.1 Foreign Service Contribution :

The majority of the officers / staff employed in RVNL are on deputation from Indian Railways. RVNL is paying Foreign Service Contribution to the Indian Railways towards retirement benefits.

## 17.2 For RVNL Employees

The disclosure required under Indian Accounting Standard-19 "Employee Benefit" in respect of defined benefit plan is:

### Reconciliation of opening and closing balances of the present value of the defined benefit obligation: (₹ in Lakhs)

Particulars	Gratuity		Leave Encashment		Half Pay Leave		LTC	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Opening Balance	595.12	411.15	272.70	471.62	109.19	78.54	74.95	64.51
Interest Cost	46.42	30.84	21.27	35.37	8.52	5.89	5.85	4.84
Current Service Cost	200.58	125.24	142.74	45.62	59.15	17.82	32.09	17.54
Benefit Paid	(61.00)	(37.89)	(106.58)	(145.46)	-	-	(10.37)	(7.71)
Actuarial (Gain)/ Loss on Obligation	166.28	65.78	114.16	(134.45)	6.49	6.94	0.32	(4.23)
<b>Closing Balance</b>	<b>947.40</b>	<b>595.12</b>	<b>444.29</b>	<b>272.70</b>	<b>183.35</b>	<b>109.19</b>	<b>102.85</b>	<b>74.95</b>

### Amount Recognised in Statement of Profit and Loss (₹ in Lakhs)

Particulars	Gratuity		Leave Encashment		Half Pay Leave		LTC	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Interest Cost	46.42	30.84	21.27	35.37	8.52	5.89	5.85	4.84
Current Service Cost	200.58	125.24	142.74	45.62	59.15	17.82	32.09	17.54
Actuarial (Gain)/ Loss on Obligation	-	-	114.16	(134.45)	6.49	6.94	-	-
	<b>247.00</b>	<b>156.07</b>	<b>278.17</b>	<b>-53.46</b>	<b>74.16</b>	<b>30.65</b>	<b>37.94</b>	<b>22.38</b>

### Amount Recognised in Other Comprehensive Income account (₹ in Lakhs)

Particulars	Gratuity		Leave Encashment		Half Pay Leave		LTC	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Actuarial (Gain)/ Loss on Obligation	166.28	65.78	-	-	-	-	0.32	(4.23)
	<b>166.28</b>	<b>65.78</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.32</b>	<b>-4.23</b>

Leave Encashment including Half pay Leave is payable to employees on retirement. The amount of Leave Encashment payable is based on past service and salary at time of retirement.

There are no Investment held against the provision for gratuity and leave encashment.

ACTUARIAL ASSUMPTIONS:	31st March 2019	2018-19
Method Of Valuation :	Project Unit Credit Method	Project Unit Credit Method
Discount Rate :	7.75%	7.80%
Salary Escalation Rate:	6.50%	6.50%
Retirement Age:	60 Years	60 Years
Withdrawal Rate:	3% at younger ages and reducing to 1% at older ages according to graduated scale.	3% at younger ages and reducing to 1% at older ages according to graduated scale.
Mortality Rate	India Assured Lives Mortality (2006-08) Ult.	India Assured Lives Mortality (2006-08) Ult.

### Sensitivity analysis:

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the statement of financial position.

### For the year ending on 31-03-2019

Change in	Change in assumptions	Effect on Gratuity obligation	Effect on Leave Encashment	Effect on Half pay Leave	Effect on LTC
Discount Rate	+0.5%	(43.17)	(10.49)	(4.23)	(2.43)
	-0.5%	47.87	11.01	4.44	2.54
Salary Growth Rate	+0.5%	47.51	11.08	(4.23)	-
	-0.5%	(43.74)	(10.66)	4.44	



## Note 18 Financial Liability Current

### 18.1 Trade Payables

(₹ in lakhs)

Particulars	31st March 2019	31st March 2018
- Micro, Small and medium enterprises (Refer note-35)	-	-
- Others	14,004.66	6,844.75
<b>Total</b>	<b>14,004.66</b>	<b>6,844.75</b>

### 18.2 Other Financial Liability

(₹ in lakhs)

Particulars	31st March 2019		31st March 2018	
Performance and Security Deposits		57,559.55		24,159.73
Sundry Creditors (Miscellaneous Services)		125.49		79.34
Sundry Creditors Others		82.79		366.69
Retention Money		5,238.25		6,228.18
Other Liabilities		2,769.43		8,551.34
Expenses Payable		1,102.77		323.09
<b>Indian Railway Finance Corporation *</b>				
Opening balance	24,132.50		21,857.50	
Add: Addition during the year	26,265.00		24,132.50	
Less: Repayment during the year	(24,132.50)	26,265.00	(21,857.50)	24,132.50
<b>Interest accrued but not due (IRFC Loan)</b>				
Opening balance	25,286.66		24,674.78	
Add: Addition during the year	26,405.69		26,024.56	
Less: Repayment during the year	(26,790.60)	24,901.75	(25,412.67)	25,286.66
<b>Total other financial liability</b>		<b>1,18,045.03</b>		<b>89,127.54</b>

\*For terms and conditions refer note no 15.1 and 32(c)

**Note 19: Other current Liability**

(₹ in lakhs)

Particulars	31st March 2019		31st March 2018	
<b>19.1 Other Advances</b>				
<b>i) Unsecured Fund Received from MoR and State Govt.</b>		2,44,696.85		45,663.55
Opening Balance	55,330.26		1,33,906.13	
Add: Addition during the year	7,88,517.05		5,71,763.83	
Less: Projects Transferred during the year	(5,99,150.46)		(6,60,006.40)	
<b>ii) Unsecured Advance from MoR IRFC loan Repayment</b>				
Opening Balance	-		447.15	
Add: Addition during the year	24,132.50		21,857.50	
Less: Projects Transferred during the year	(24,132.50)	-	(22,304.65)	0.00
<b>iii) HSR Studies under Demand-2</b>				
Opening Balance	300.42		-	
Add: Addition during the year	764.55		4,525.72	
Less: Projects Transferred during the year	(1,064.97)	-	(4,225.30)	300.42
<b>iv) Advance received from Customers</b>		<b>49,011.53</b>		<b>7,033.84</b>
<b>19.2 Others</b>				
Duties & Taxes		2,405.79		9,459.24
Dividend Payable		-		-
RVNL Welfare Fund		63.47		48.05
<b>RVNL Medical Scheme#</b>				
Opening Balance	-		-	
Add: Addition during the year	2.49		256.37	
Less: Adjustment during the year	-	2.49	(256.37)	-
Deferred Income (Fair Value Adjustment)		3,346.50		3,418.11
		<b>2,99,526.63</b>		<b>65,923.20</b>

**# RVNL Medical and Welfare Scheme**

Company has provided contribution of ₹2.49 Lakhs (Previous year ₹256.37 lakhs) in RVNL Medical Scheme and Nil (Previous Year Nil) in RVNL Welfare Scheme of RVNL Medical and Welfare Trust.

## Note 20: Revenue from operations

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
<b>Revenue from Operation:</b>		
(Turnover from Construction Work and Project related Activity)		
- From MoR Projects	8,02,193.43	5,62,165.86
- From MoR Metro Projects	37,968.64	49,255.39
- From MoR Projects (Executed by Zonal Railways)	6,189.85	2,169.33
- From Deposit Work - Projects ( SPV)	1,39,137.38	1,16,694.11
- From Deposit Work - Project (Others)	21,378.83	29,451.08
<b>Total</b>	<b>10,06,868.13</b>	<b>7,59,735.77</b>

**20.1** In accordance with Railway Board's letter No. 2004/W-1/RVNL/15 dated 04.01.2012 RVNL has accounted Consolidated Management fee @ 9.25% in case of Metro Projects and 8.5% in case of Other Plan Heads on the expenditure incurred by RVNL on MoR projects. As per the directions of MoR, all expenditure in the nature of consultancies related to Project Management are being charged directly to project. D&G charges payable to Railway up to 0.25 % of cost of projects are allocated to the projects on actual funds released to the respective Zonal Railway, Expenditure incurred on D&G (Supervision) are being charged to the Statement of Profit & Loss account. The miscellaneous receipts from sale proceeds of Tender and other income has been credited to the Statement of Profit & Loss account.

**20.2** In respect of SPV projects, construction works have been undertaken by RVNL as per the terms and conditions of the Model Construction agreement for execution of SPV Projects issued by MoR and revenue recognised accordingly. In respect of Kutch Railways Company Limited (KRCL), revenue is recognised based on bills raised and payments received although acceptance of Formal Construction Agreement by KRCL is pending.

## Note 21: Other Income

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
(a) Interest income		
- Banks - Gross	7,341.52	11,283.25
- Others - Gross	13,074.04	5,449.10
(b) Dividend income:	1,750.00	1,000.00

(c) Misc. Income	327.78	268.90
(d) Unwinding of interest income on security deposit	1,469.63	54.41
(e) Amortisation of deferred revenue on financial liabilities		
- Performance and Security Deposit	2,515.21	3,518.35
- Retention Money	796.02	919.19
<b>Total</b>	<b>27,274.19</b>	<b>22,493.20</b>

“Interest from others” includes interest from Special Purpose Vehicles (SPVs) against balances outstanding.

## Note 22: Expenses on Operations

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
Expenses on Operation:		
(Direct Expenses on Construction and Project related Activity)		
- Incurred on MoR Projects	7,41,138.00	5,19,505.95
- Incurred on MoR Metro Projects	34,753.90	45,086.57
- Incurred on Projects (Zonal Railway)	6,189.85	2,169.33
- Incurred on Deposit Work - Projects (SPV)	1,28,740.60	1,08,421.09
- Incurred on Deposit Work - Projects ( Others)	19,943.22	27,213.58
<b>Total</b>	<b>9,30,765.57</b>	<b>7,02,396.51</b>

**22.1** Expenditure against contracts awarded by the Company is recognized on completion of measurements and testing certified by the Engineer.

**22.2** Expenditure of execution of projects done by the Zonal Railways on behalf of the Company on MoR projects is accounted for on the basis of statement of estimated expenditure received from respective Zonal Railways and is adjusted allocation-wise as and when the final expenditure statement is received.

**22.3** With the rationalisation of the revenue stream of RVNL, the expenses incurred on supervision and monitoring directly allocable to the projects have been reviewed in terms of Railway Board’s letter no 2004/W-1/RVNL/15 dated 04/01/2012, the pattern of booking of expenditure

on Zonal Railways and general accounting practices. The expenditure incurred on this account related to execution of Deposit Works (for SPV and others) have been charged to the Statement of Profit and Loss.

### Note 23: Employee Benefit Expenses

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
(a) Salaries and Wages	14,952.38	12,976.43
(b) Contribution to Provident & Other Funds	823.75	519.11
(c) Staff Welfare Expenses.	433.76	538.89
<b>Total</b>	<b>16,209.88</b>	<b>14,034.44</b>

### Note 24: Finance Costs

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
(a) Unwinding of Interest Cost Performance and Security Deposit	4,160.04	3,549.58
(b) Unwinding of Interest Cost Retention Money	850.78	916.25
(c) Interest on Loan from IRFC ( Compete Project)(refer note 24.1)	7,863.74	10,043.18
Less: Interest receivable from MoR on loan from IRFC	(7,863.74)	(10,043.18)
(d) Interest on Income Tax	187.16	0.06
<b>Total</b>	<b>5,197.98</b>	<b>4,465.89</b>

24.1 Interest payable on IRFC Loan for the above mentioned period and recoverable from MoR for completed/ transferred project has been disclosed.

### Note 25: Depreciation and Amortization

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
Depreciation on Property, Plant and equipment (Refer Note 3)	560.07	480.89
Amortisation on Intangible Assets (Refer Note 5)	13.65	2.62
<b>Total</b>	<b>573.72</b>	<b>483.52</b>

**Note 26: Other Expenses**

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
(a) Power & Fuel	290.25	215.36
(b) Rent (Refer note-26.1)	565.33	607.86
(c) Rates & Taxes	4.77	0.63
(d) Miscellaneous Expenditure	546.88	254.40
(e) Payment to Auditors		
(i) As Auditor	18.20	21.20
(ii) For Taxation Matters	2.36	2.72
(iii) For Other Services	3.33	1.82
(iv) For Expenses	3.50	-
(v) For Expenses-Previous Auditor	-	0.46
(f) Advertisement and Business Promotion	983.87	568.60
(g) Printing and Stationery	359.16	340.29
(h) Travelling & Local Conveyance	669.46	396.89
(i) Communication	328.71	339.79
(j) Books & Periodicals	3.58	4.74
(k) Legal and Professional Charges	640.80	511.96
(l) Consultant Fee	568.56	357.53
(m) Other expenses	664.84	669.50
(n) Short & Excess due to rounding off	(0.82)	0.30
<b>Total</b>	<b>5,652.79</b>	<b>4,294.05</b>

**26.1** The company has taken offices and residential premises under operating lease. The lease agreement are for period form 11 months to 3 years and are cancellable & renewable by consent. Rent expenses includes ₹22.87 lakhs during the year ended 31.03.2019 and ₹51.50 Lakhs during the year ended 31.03.2018 for amortisation of deferred expense recognised due to fair valuation of security deposits.



## Note 27: CSR and R&D Expenses

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
CSR Expenses	1,148.46	767.35
<b>Total</b>	<b>1,148.46</b>	<b>767.35</b>

**27.1** As per the Companies Act, 2013, an amount equivalent to 2% of Average PBT of immediately preceding 3 Financial Year is required to be spent during the year on Corporate Social Responsibility (CSR) Activities.

**27.2** Amount spent during the period

Particulars	In Cash	Yet to be paid in Cash	Total
<b>For the year ended 31st March 2019</b>			
<b>(i) Construction/acquisition of any assets</b>	-	-	-
<b>(ii) On purpose other than (i) above</b>			
Healthcare & Sanitation	846.71	-	846.71
Education and livelihood	280.50	-	280.50
Environment	4.30	-	4.30
Rural Development	-	-	-
Administrative	16.95	-	16.95
<b>Total Expenses (ii)</b>	<b>1,148.46</b>	-	<b>1,148.46</b>
<b>Grand Total (i) and (ii)</b>	<b>1,148.46</b>	-	<b>1,148.46</b>
<b>For the year ended 31st Mar 2018</b>			
<b>(i) Construction/acquisition of any assets</b>	-	-	-
<b>(ii) On purpose other than (i) above</b>			
Healthcare	442.03	-	442.03
Education and livelihood	266.62	-	266.62
Environment	38.70	-	38.70
Rural Development	-	-	-
Administrative	20.00	-	20.00
<b>Total Expenses (ii)</b>	<b>767.35</b>	-	<b>767.35</b>
<b>Grand Total (i) and (ii)</b>	<b>767.35</b>	-	<b>767.35</b>

## Note 28: Tax Expense

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
<b>Current income tax:</b>		
Current income tax charge	16,012.75	11,887.21
Adjustments in respect of previous year	-14.06	18.99
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	(824.78)	(2,454.50)
	<b>15,173.91</b>	<b>9,451.70</b>

### 28.1 Other Comprehensive Income section

Deferred tax related to items recognised in OCI during the year:

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
Net loss/(gain) on remeasurements of defined benefit plans	15.43	5.77
<b>Total</b>	<b>15.43</b>	<b>5.77</b>

**28.2** Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2019 and 31st March 2018:

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
Accounting profit before tax from continuing operations	85,698.25	66,403.34
Profit/(loss) before tax from a discontinued operation	-	-
<b>Accounting profit before income tax</b>	<b>85,698.25</b>	<b>66,403.34</b>
<b>Calculation as per MAT</b>		
At India's statutory income tax rate	16,342.02	12,041.88
Less: Ind-AS Adjustment	7.50	19.24
Less: Dividend Income (Exempt)	(377.10)	(213.42)
Add: Expenditure disallowed as per Rule 8D	-	21.33
Add: Interest on TDS and Tax	40.33	18.17
<b>Tax payable as per MAT</b>	<b>16,012.75</b>	<b>11,887.21</b>
Adjustments in respect of previous year	(14.06)	18.99
Less: Deferred Tax Assets (Refer note no. 7)	(824.78)	(2,454.50)
<b>Tax Expenses</b>	<b>15,173.91</b>	<b>9,451.70</b>
<b>Effective Rate of income Tax</b>	<b>17.71%</b>	<b>14.23%</b>

## Note 29: Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below (₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
Remeasurement of Defined benefit plans	(166.45)	(61.67)
Income Tax relating to Items that will not be reclassified to profit and loss	15.08	5.77
Fair valuation of investment through other comprehensive income	(3.00)	-
Tax related to Investment Through Other Comprehensive Income	0.35	-
<b>Total</b>	<b>(154.02)</b>	<b>(55.89)</b>

## Note 30: Capital management

The company objective to manage its capital in a manner to ensure and safeguard their ability to continue as a going concern so that company can continue to provide maximum returns to shareholders and benefit to other stake holders. Company has paid dividend as per the guidelines issued by Department of Public Enterprises (DPE) as follows:-

### Dividends

(₹ in lakhs)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Dividend Paid	18,064.00	16,700.00
<b>Total</b>	<b>18,064.00</b>	<b>16,700.00</b>

Further, company manages its capital structure to make adjustments in light of changes in economic conditions and the requirements of the financial covenants. Company has borrowed the funds form IRFC for railway projects, for repayment of IRFC loan Ministry of Railways would make available to RVNL the required funds thereafter, to enable them to do the debt servicing . The debt servicing will pass through RVNL books.

## Debt Equity Ratio

(₹ in lakhs)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Borrowing (Note No. 15.1 )	3,02,419.71	2,25,914.87
<b>Long term debt</b>	<b>3,02,419.71</b>	<b>2,25,914.87</b>
Equity (Note No.13)	2,08,502.01	2,08,502.01
Other equity (Note No.14)	231,054.84	1,83,900.17
<b>Total equity</b>	<b>4,39,556.85</b>	<b>3,92,402.18</b>
<b>Debt equity Ratio</b>	<b>41:59</b>	<b>37:63</b>

In order to achieve this overall objective, the Company capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March 2019

### Note 31 : Fair Value measurements

#### (i) Financial Instruments by Category

(₹ in lakhs)

Particulars	31 March 2019			31 March 2018		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>						
Loans	-	-	780.97	-	-	695.00
Lease Receivables	-	-	1,80,459.19	-	-	1,96,085.27
Trade Receivables	-	-	63,801.33			71,289.42
Investments	-	997.00	-	-	1,000.00	-
Cash and Cash Equivalents	-	-	28,523.37	-	-	34,162.20
Bank Balances other than Cash and Cash equivalent	-	-	65,916.52	-	-	1,06,123.01
Recoverable from MOR	-	-	69,323.46	-	-	71,538.53
Security Deposit	-	-	1,353.92	-	-	646.56
Other Receivable	-	-	22,276.61			13,536.17
Other Financial Assets	-	-	272.58	-	-	374.24
<b>Total Financial Assets</b>	-	<b>997.00</b>	<b>4,32,707.96</b>	-	<b>1,000.00</b>	<b>4,94,450.40</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	3,02,419.71	-	-	2,25,914.87
Trade Payables	-	-	14,004.66	-	-	6,844.75
Earnest Money Deposits	-	-	70,158.52	-	-	52,712.93
Performance Security Deposit	-	-	-	-	-	-
Miscellaneous Deposit	-	-	-	-	-	-
Retention money	-	-	15,591.41	-	-	15,157.78
Other financial liabilities	-	-	55,247.23	-	-	58,739.63
<b>Total Financial Liabilities</b>	-	-	<b>4,57,421.53</b>	-	-	<b>3,59,369.95</b>

(ii) Fair value of financial assets and liabilities that are measured at amortised cost: (₹ in lakhs)

Particulars	31 March 2019		31 March 2018	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial Assets</b>				
Security deposits	1,353.92	781.53	646.56	703.69
<b>Total Assets</b>	<b>1,353.92</b>	<b>781.53</b>	<b>646.56</b>	<b>703.69</b>
<b>Financial Liabilities</b>				
Other financial liabilities				
Performance and Security Deposit	70,158.52	58,144.49	59,826.26	57,990.28
Retention money	15,591.41	10,504.08	15,157.78	15,572.00
<b>Total Liabilities</b>	<b>85,749.93</b>	<b>68,648.56</b>	<b>74,984.04</b>	<b>73,562.28</b>

- i) The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other short term trade receivables and payables which are due to be settled within 12 months are considered to be the same as their fair values, due to short term nature.
- ii) Long term variable rate borrowings and lease receivables are evaluated by company on parameters such as interest rates, specific country risk factors and other risk factors. Based on this evaluation the fair value of such payables are not materially different from their carrying amount.
- iii) The fair value of Security Deposits and Earnest Money Deposit, Performance Security Deposit, Miscellaneous Deposit and Retention Money are calculated based on cash flows discounted using current market rate. Interest rate of fixed deposits as on the beginning of financial year is being considered as discounting rate, for F Y 2018-19 rate used is 7.31%. They are classified as level 3 fair values in fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.
- iv) Investment in unquoted equity of subsidiaries and joint ventures are stated at cost as per exemption provided by Para 10 of IND AS 27.
- v) Staff loans and advances have been continued at carrying value as measurement implications are immaterial.
- vi) RVNL has determined fair value of investment those are carried through Other Comprehensive Income based on adjusted intrinsic value, through independent value. Valuation of Investment of Indian Port Rail Corporation Limited is based on financial statements for 31st March 2018.

### Fair Value hierarchy

**Level 1-** Quoted prices (unadjusted) in active markets for identical assets or liabilities

**Level 2-** Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived form prices)

**Level 3-** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at amortised cost/Fair Value:-

**As at 31-03-2019**

(₹ in lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Financial assets at Amortised Cost				
Security deposits	-	-	781.53	781.53
Investment			997.00	997.00
	-	-	<b>1,778.53</b>	<b>1,778.53</b>

**As at 31-03-2019**

(₹ in lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Financial Liabilities at Amortised Cost				
Performance and Security Deposit	-	-	58,144.49	58,144.49
Retention money	-	-	10,504.08	10,504.08
	-	-	<b>68,648.56</b>	<b>68,648.56</b>

**As at 31-03-2018**

(₹ in lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Financial assets at Amortised Cost				
Security deposits	-	-	703.69	703.69
	-	-	<b>703.69</b>	<b>703.69</b>

**As at 31-03-2018**

(₹ in lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Financial Liabilities at Amortised Cost				
Performance and Security Deposit	-	-	57,990.28	57,990.28
Retention money	-	-	15,572.00	15,572.00
	-	-	<b>73,562.28</b>	<b>73,562.28</b>



### (iii) Financial risk management

The Company's principal financial liabilities comprise Borrowings from IRFC, trade payables and other payables. The main purpose of these financial liabilities is to finance the company's operations. The Company's principal financial assets include trade and lease receivables and cash and cash equivalents that derive directly from its operations.

The Company's is expose to market risk, credit risk and liquidity risk. The company financial risk activities are governed by appropriated policies and procedures and that financial risk are identified, measured and managed in accordance with the companies policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risk, which are summarised below:-

#### a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises Interest rate risk and foreign currency risk. Financial instruments affected by market risk includes loans and borrowing, deposits and other non derivative financial instruments.

##### i) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate and in case of IRFC loan for payment of interest and principal Ministry of Railways would make available to RVNL the required funds therefore the risk related to IRFC loan is nil, debt servicing will pass through RVNL books only.

##### ii) Foreign Currency Risk

Company has taken services from outside India for project expenses and is exposed to foreign currency risk arising from such foreign currency transactions, due to immateriality of foreign exchange amount company does not hedge any risk.

#### b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The company is exposed to credit risk from its financial activities including deposits with banks, financial institutions and other financial instruments. There is negligible risk for receivable from Ministry of railways also company does not have any history of bad debts.

#### Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed in accordance with the companies policy. Investment of surplus are made only with approved counterparty on the basis of the financial quotes received from the counterparty.

#### c) Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they

become due. The company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the company's reputation

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has no bank borrowings. The company believes that the working capital is sufficient to meet its current operational requirements. Any short term-surplus cash generated, over and above the amount required for working capital management and other operational requirements, are retained as cash and investment in short term deposits with banks. The said investments are made in instruments with appropriate maturities and sufficient liquidity.

### **Note 32 Key sources of estimation uncertainty**

The followings are the key assumptions concerning the future, and the key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities with next financial year.

#### **a) Fair valuation measurement and valuation process**

Financial instruments are measured initially at fair value and subsequently at amortised cost on the basis of materiality, transaction value up to ₹12.00 lakhs are measured at fair value on initial recognition and subsequently at amortised cost on group basis by considering that the amount is recoverable or payable at a average period of 5 years and Income and amortisation on such financial instruments has been considered on yearly basis. Transaction value of ₹12.00 lakhs or more are measured at fair value at initial recognition and subsequently at amortised cost on individual transaction basis. Impact of fair valuation of Staff loans and advances are immaterial therefore it has been continuing at the carrying value.

The fair values of financial assets and financial liabilities is measured the valuation techniques including the DCF model. The inputs to these method are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 31 for further disclosures.

#### **b) Taxes**

Deferred tax assets are recognized for unused tax losses and unabsorbed depreciation to the extent that it is probable that taxable profit will be available against which losses can be utilized significant management judgment is required to determine the amount of deferred tax asset that can be recognised, based upon the likely timing and level of future taxable profit together with future tax planning strategies.

#### **c) Borrowings and Lease Receivables from Railway against Completed Projects**

Company has borrowed funds from Indian Railway Finance Corporation for the purpose of construction of railway projects. There is a moratorium period of 3 years for each year's loan.

During the said moratorium period, no amount on account of interest and principal shall be payable. The interest shall be charged on yearly basis and repayment of loan along with interest shall be once in a year (for a period of 12 years) after the completion of moratorium period. Ministry of Railways would make available to RVNL the required funds thereafter, to enable them to do the debt servicing. The debt servicing will pass through RVNL books. Accordingly, funds are received by RVNL on each year from MoR and the same is transferred to IRFC immediately. Therefore, there is no impact on Profit & Loss of RVNL i.e. on the debit side of Profit & Loss finance cost is charged and by the same amount interest income is recognised in Statement of Profit and Loss.

### Note 33: Prior Period Errors

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
<b>Impact on equity increase/(decrease) in equity</b>		
Sundry Creditors	-	-
Sundry Creditors (Others)	-	(12.75)
Employee Loan and Advances	-	-
Trade Payable	-	-
Sundry Creditors (Staff)	-	-
Sundry Debtors	-	-
Financial Liabilities	-	(338.68)
Financial Assets	-	-
Property, Plant & Equipment and Intangible Assets	-	10.15
<b>Net Impact on Equity</b>	-	<b>(341.28)</b>

Particulars	31 March 2019	31 March 2018
<b>Impact on statement in profit and loss increase/(decrease) in profit</b>		
Interest Cost on Financial Liabilities	-	-
Deferred Income on Financial Liabilities	-	-
Rent Expense on Financial Assets	-	-
Depreciation and Amortisation	-	-
Attributable to Equity Holders	-	-

### Impact on basic and diluted earnings per share (EPS) increase (decrease) in EPS

Particulars	31 March 2019	31 March 2018
<b>Earnings per share for continuing operation</b>		
Basic, profit from continuing operations attributable to equity holders	-	-
Diluted, profit from continuing operations attributable to equity holders	-	-

### Note 34: Deposit Works (SPVs and others)

34.1 Works being executed for SPVs and others parties are treated as a Deposit Work. The corresponding current assets and liabilities in respect of such projects have been recognized on the basis of expenditure incurred plus supervision charges as agreed. The advance received is disclosed under Current Liabilities and the amount recoverable on account of project execution under Sundry Debtors.

### 34.2 Costs incurred on Deposit and SPV Works

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
Costs incurred for SPV/ Deposit Works	1,48,683.82	1,35,634.67
Recognized Profit/Loss	11,832.40	10,510.52
Advance received	49,011.53	7,033.84
Gross Amount due from Customers	63,801.33	71,289.42
Cumulative amount of costs incurred	6,33,063.42	4,84,379.60
<b>Cumulative amount of recognized Profit/Loss</b>	<b>52,677.16</b>	<b>40,844.76</b>

### 34.3 Costs incurred on Other Works

(₹ in lakhs)

Particulars	For the year ended  31 Mar 2019	For the year ended 31 Mar 2018
Costs incurred for Other MoR and Metro Projects	7,82,081.75	5,66,761.85
Recognized Profit/Loss	64,270.16	46,828.73
Advance received	2,44,696.85	45,663.55

### Note 35: Disclosure as required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
a. the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year: • Principal amount due to Micro, small and Medium Enterprises • Interest due on above	11.79	7.08
b. the amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
c. the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

d. the amount of interest accrued and remaining unpaid at the end of each accounting year;	Nil	Nil
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

### Note 36: Expenditure in Foreign Currency

(₹ in lakhs)

Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
<b>A- Profit or loss (except those recognized as financial instrument and measured at fair value)</b>		
Travel and Training Expenses	58.45	106.65
Project Management Consultancy	-	79.30
<b>B- Other Comprehensive Income</b>	-	<b>NIL</b>

### Note 37 A: Contingent Liabilities

**37.A.1** In respect of claims by the contractor on account of arbitration not acknowledged as debts by the Company is ₹4,41,111.71 Lakhs (as at 31.3.2018 : ₹3,81,835.09 Lakhs) during the period contractors claims worth ₹29,994.31 lakhs were settled. A claim if any will be form part of the project cost and reimbursable by respective Clients.

**37.A.2** In respect of Income Tax Demand as reflected on the website of Income Tax Department is ₹15.28 Lakhs (as at 31.3.2018: ₹15.28 Lakhs) and company has not accepted the claim and submitted its representation to department as follows:-

(₹ in lakhs)

Sr. No.	Authority	A.Y	For the year ended 31st March 2019	For the year ended 31 Mar 2018
1	Income Tax	2008-09	15.17	15.17
2	Income Tax	2012-13	0.06	0.06
3	Income Tax	2014-15	0.02	0.02
4	Income Tax	2015-16	0.03	0.03
		<b>Total</b>	<b>15.28</b>	<b>15.28</b>

**37. B. Contingent Liabilities in respect of Service Tax:** Company has received show cause notice from Director General Goods & Service Tax Intelligence, Delhi Zonal Unit showing a demand of ₹ 211.08 crore of non-payment of service tax for the period from July'12 to June'2017 under forward/reverse charge mechanism on services provided to Ministry of Railway and/or services received by Zonal Railways. In this regard, the company has appointed a counsel to represent the

case before Adjudicating Authority, reply to show cause notice has been submitted by counsel. If the liability is decided against the company in future, the same will be borne by Ministry of Railway.

**Note 37 C. Contingent Assets**

In respect of counter claims by the Company on account of arbitration is ₹2,08,408.29 Lakhs (as at 31.3.2018 : ₹1,14,923.41 Lakhs).

**Note 38. Capital Commitment**

Capital commitment towards share capital in SPV's is as at 31.03.2019 ₹2,041.00 Lakhs (as at 31.03.2018: ₹2,041.00 lakhs), towards implementation of ERP is ₹3,056.53 Lakhs as at 31.03.2019 (as at 31.03.2018: ₹3,806.91 Lakhs).

**38.1 Other Commitment**

Commitment towards Contractual Payments of Project expenditure is ₹16,38,198.55 lakhs (as at 31.3.2018: ₹10,99,836.03 lakhs).

**Note 39: Managerial Remuneration**

(₹ in lakhs)

S.No.	Particulars	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
<b>1</b>	<b>Short Term Employee benefits</b>		
	Salary & allowances	425.09	458.53
<b>2</b>	<b>Post Employee benefits</b>		
	Retirement Benefits	54.31	52.67
	Contribution to provident fund	18.40	16.19
	<b>TOTAL</b>	<b>497.80</b>	<b>527.39</b>

**Note 40: Earnings per Share**

(₹ in lakhs)

Particulars	For the year ended 31st March 2019 (₹ per share)	For the year ended 31 Mar 2018 (₹ per share)
<b>Basic EPS</b>		
From continuing operation	3.38	2.73
From discontinuing operation		
<b>Diluted EPS</b>		
From continuing operation	3.38	2.73
From discontinuing operation		



## 40.1 Basic Earning per Share

The earnings and weighted average number of equity shares used in calculation of basic earning per share:-

(₹ in lakhs)

Particulars	For the year ended 31st March 2019	For the year ended 31 Mar 2018
Profit attributable to equity holders of the company:		
Continuing operations	70,524.34	56,951.64
Discontinuing operations		-
Earnings used in calculation of Basic Earning Per Share	70,524.34	56,951.64
Weighted average number of shares for the purpose of basic earnings per share	20,850.20	20,850.20

## 40.2 Diluted Earning per Share

The earnings and weighted average number of equity shares used in calculation of diluted earning per share:-

(₹ in lakhs)

Particulars	For the year ended 31st March 2019	For the year ended 31 Mar 2018
Profit attributable to equity holders of the company:		
Continuing operations	70,524.34	56,951.64
Discontinuing operations	-	-
Earnings used in calculation of diluted Earning Per Share from continuing operations	70,524.34	56,951.64

The weighted number of equity shares for the purpose of diluted earning per share reconciles to the weighted average number of equity shares used in calculation of basic earning per share as follows:

Particulars	For the year ended 31st March 2019	For the year ended 31 Mar 2018
Weighted average number of Equity shares used in calculation of basic earnings per share	20,850.20	20,850.20
Effect of dilution:		
Share Options	-	-
Weighted average number of Equity shares used in calculation of diluted earnings per share	20,850.20	20,850.20

## Note 41: Composition of Group

Name of Company	Principal Activity	Place of Incorporation and Operation	Proportion of Ownership interest and voting power held by company	
			As at March 31, 2019	As at March 31, 2018
<b>(i) Subsidiary company</b>				
High Speed Rail Corporation of India Limited	Build operate and transfer of Railway line	INDIA	100%	100%
<b>(ii) Joint Ventures:</b>				
Kutch Railway Company Limited	Build operate and transfer of Railway line	INDIA	50%	50%
Haridaspur Paradip Railway Company Limited		INDIA	36.95%	37.25%
Krishnapatnam Railway Company Limited		INDIA	49.76%	30%
Bharuch Dahej Railway Company Limited		INDIA	35.46%	35.46%
Angul Sukinda Railway Limited		INDIA	31.50%	31.5%
Dighi Roha Rail Limited		INDIA	50.00%	50.00%

## Note 42: Related Party disclosures as required by Ind-AS 24 “Related party Disclosure”

### 42.1 Key Management Personnel:

Name	Designation
Sh. Pradeep Gaur	Chairman & Managing Director (From 01st Sept 2018)
Sh. S.C. Agnihotri	Chairman & Managing Director (upto 31st Aug 2018)
Sh. Ajay Kumar	Director Personnel (From 24th Oct 2018)
Ms. Gita Mishra	Director Personnel (Upto 12th Oct 2018)
Sh. Vijay Anand	Director Projects
Sh. Arun Kumar	Director Operation
Sh. Ashok Kumar Choudhary	Chief Financial Officer
Ms. Kalpana Dubey	Company Secretary & Compliance Officer
Sh. Vinayak Bhalchandra Karanjikar	Independent Director
Sh. Amar Prakash Dwivedi	Govt. Nominee Director
Sh. Shiv Kumar Gupta	Independent Director
Sh. Rajen Habib Khwaja	Independent Director
Ms. Sabita Pradhan	Independent Director
Sh. Sukhmal Chand Jain	Govt. Nominee Director

Sh. Lingireddy Venkata Muralikrishn Reddy Independent Director  
Sh. Anil Kumar Independent Director

## 42.2 Enterprises in which Directors interest exist

High Speed Rail Corporation of India Limited

## 42.3 Joint Ventures

Kutch Railway Company Limited  
Haridaspur Paradip Railway Company Limited  
Krishnapatnam Railway Company Limited  
Bharuch Dahej Railway Company Limited  
Angul Sukinda Railway Limited  
Dighi Roha Rail Limited

## 42.4 Subsidiary

High Speed Rail Corporation of India Limited

## 42.5 Superannuation Trust

RVNL Medical and Welfare Trust

## 42.6 Disclosure of transactions with related parties

(₹ in lakhs)

Particulars	Transactions		Outstanding Amount* (Unsecured, Considered Good)	
	As at 31st March 2019	For the year ended 31 Mar 2018	As at 31st March 2019	As at March 31, 2018
Remuneration to Key Personnel	Refer Note no 39			
Haridaspur Paradip Railway Company Limited				
Investment in Shares	4,020.00	4,382.61		
Interest paid/payable for the period	-	-		
Interest on Mob. Advance Payable	14.28	67.16		
Interest on outstanding balances	-	-		
Expenditure towards project	39,060.24	27,851.53	(15,815.12)	3,569.00

<b>Bharuch Dahej Railway Company Limited</b>				
Investment in Shares	-	-		
Interest paid/payable for the period	-	-		
Interest on outstanding balances	-	-		
Expenditure of Vadodara Office apportioned	-	-		
Expenditure towards project	5.45	23.54	(0.30)	1.83
<b>Krishnapatnam Railway Company Limited</b>				
Investment in Shares	23,000.00	-		
Interest paid/payable for the period	-	-		
Interest on outstanding balances	9,261.35	2,414.55		
Interest on Mob. Advance Payable	4.89	11.70		
Expenditure towards project	38,026.60	44,654.19	84,980.25	76,363.97
<b>Angul Sukinda Railway Limited</b>				
Investment in Shares	-			
Interest paid/payable for the period	-			
Interest on Mob. Advance Payable	58.29	152.94		
Expenditure towards project	22,084.30	13,747.15	(11,529.52)	(916.25)
<b>Kutch Railway Company Limited</b>				
Investment in Shares	-			
Interest paid/payable for the period	-			
Interest on outstanding balances	-			
Interest on Mob. Advance Payable	-	43.23		
Dividend Received	1,750.00	1,000.00		-
Expenditure towards project	39,960.79	30,417.69	(16,958.45)	685.31
<b>Dighi Roha Rail Limited</b>				
Investment in Shares	-	-		
Interest paid/payable for the period	-	-		
Interest on Mob. Advance Payable	-	-		
Expenditure towards project	-	-	77.38	75.38
<b>High Speed Rail Corporation of India Limited</b>				
Project expenditure	861.07	4,079.84		
Payment towards expenses of company	-	-	189.79	194.84
<b>RVNL Medical and Welfare Trust</b>				
Subscription to Medical Fund		256.37		-
Other reimbursements	-	-		3.08
Employee Contribution	2.49	-	2.49	-

## 42.7 Transactions with the related Government Entities

Apart from transactions reported above, the company has transactions with related Government entities

which included but not limited to the following:-

**Name of Government:-** Ministry of Railways, Government of India (Significant Control over Entity)

Certain Significant transactions & Closing Balances

**Transaction during the year**

(₹ in lakhs)

S.No.	Particulars	31-Mar-19	31-Mar-18
i)	Revenue form Operation	8,46,351.92	6,13,590.58
iii)	Dividend Paid	18,064.00	16,700.00

**Closing Balances:**

(₹ in lakhs)

S.No.	Particulars	31-Mar-19	31-Mar-18
i)	Interest Accrued but not due from MoR	69,323.46	71,538.53
ii)	Lease Receivable	1,80,459.19	1,96,085.27

**Note 43: Disclosure in respect of Joint Ventures/Subsidiary**

Name of the Joint Venture	Partner(s), Country of Origin	Proportion of Ownership Interest as at March 31, 2019*	Proportion of Ownership Interest as at March 31, 2018
Kutch Railway Company Limited	Rail Vikas Nigam Limited, India	50%	50%
	Kandla Port Trust, India	26%	26%
	Mundra Port SEZ	20%	20%
	Government of Gujarat, India	4%	4%
Haridaspur Paradip Railway Company Limited (HPRCL)	Rail Vikas Nigam Limited, India *	37.25%	37.25%
	IDCO ( Govt of Odisha)	0.32%	0.32%
	Essel Mining and Industries Ltd., India	5.00%	5.00%
	Paradeep Port Trust	8.98%	8.98%
	Rungla Mines Ltd	5.00%	5.00%
	Jindal Steel & Power Ltd	0.83%	0.83%
	Steel Authority of India Limited	0.83%	0.83%
	MSPL LTD	2.50%	2.50%
	OMC	15.49%	15.49%
	Govt of Odisha	23.80%	23.80%
Krishnapatanam Railway Company Limited (KRCL)	Rail Vikas Nigam Limited, India	49.76%	30%
	Krishnapatanam Port Corporation Limited, India	12.96%	30%
	Bramhani Industries Limited	5.28%	12%
	Sagarmala Development Company	20.00%	0%
	National Mineral Development Corporation	6.40%	15%
	Government of Andhra Pradesh	5.60%	13%

Bharuch Dahej Railway Company Limited (BDRCL)	Rail Vikas Nigam Limited, India	33.33%	33.33%
	Adani Petronet (Dahej) Port Private Limited, India	10.50%	10.50%
	Gujarat Maritime Board, India	10.82%	10.82%
	Dahej SEZ Limited, India	6.07%	6.07%
	GNFC	8.20%	8.20%
	Hindalco Industries Limited, India	8.20%	8.20%
	Jindal Rail Infrastructure Limited, India	6.06%	6.06%
	Guj. Industrial Dev. Corp Ltd	10.82%	10.82%
	Equity Gap	6.00%	6.00%
Angul Sukinda Railway Limited (ASRL)	Rail Vikas Nigam Limited, India	31.5%	31.5%
	Jindal Steel and Power Limited, India	10.00%	10.00%
	Govt of Odisha	21.30%	21.30%
	OMC	10.50%	10.50%
	IDCO ( Govt of Odisha)	0.70%	0.70%
	CONCOR	26.00%	26.00%
Dighi Roha Rail Limited	Rail Vikas Nigam Limited, India	50.00%	50.00%
	DPL	50.00%	50.00%
	Maharashtra Maritime Board		
	Sagarmala Development Company		
High Speed Rail Corporation of India Limited	Rail Vikas Nigam Limited, India	100%	100%

\* Above disclosure for proportion of ownership in Joint venture has been shown as per Share Holder Agreement with the respective subscribers of SPVs, However, As per Audited balance sheet of SPV's holding in paid up capital are as follows :-

Kutch Railway Company Limited	50.00%
Haridaspur Paradip Railway Company Limited	36.95%
Bharuch Dahej Railway Company Limited	35.46%
Angul Sukinda Railway Limited	31.50%
Dighi Roha Rail Limited	50.00%
Krishnapatanam Railway Company Limited	49.76%
High Speed Rail Corporation of India Limited	100.00%



Details of the aggregate amounts of the assets, liabilities, income and expenditure related to the interest in the Jointly Controlled Entities are as under:

### a. Kutch Railway Company Limited

(₹ in lakhs)

Particulars	As at March 31, 2019 Audited	As at March 31, 2018 Audited
Assets excluding preliminary expenditure	1,18,534.94	1,11,114.82
Liabilities	37,354.00	35,724.79
Income	63,332.48	56,630.19
Expenditure	54,285.17	44,185.47

Contingent liabilities: ₹13724.50 Lakhs (as at 31-03-2018: ₹10993.00 Lakhs)

Capital commitment: ₹33663.66 Lakhs (as at 31-03-2018: ₹54436.81 Lakhs)

### b. Haridaspur Paradip Railway Company Limited

(₹ in lakhs)

Particulars	As at March 31, 2019 Audited	As at March 31, 2018 Audited
Assets excluding preliminary expenditure	67,205.54	47,145.68
Liabilities	40,807.12	24,782.69
Income	14,241.92	10,234.81
Expenditure	14,233.69	10,228.08

Contingent liabilities: ₹114228.71 lakhs ( as at 31-03-2018: ₹770.29lakhs )

Capital commitment: ₹23824.23 Lakhs (as at 31-03-2018: ₹22249.15 Lakhs)

### c. Krishnapatnam Railway Company Limited

(₹ in lakhs)

Particulars	As at March 31, 2019 Audited	As at March 31, 2018 Audited
Assets excluding preliminary expenditure	134,511.31	60,073.10
Liabilities	99,564.27	51,837.44
Income	37,025.24	20,159.94
Expenditure	32,407.44	19,214.82

Contingent liabilities: ₹5933.88 Lakhs (F.Y.2017-18 : ₹741.60 Lakhs)

Capital commitment: Nil Lakhs (as at 31-03-2018: ₹550.98 Lakhs)

### d. Bharuch Dahej Railway Company Limited

(₹ in lakhs)

Particulars	As at March 31, 2019 Unaudited	As at March 31, 2018 Audited
Assets excluding preliminary expenditure	15,167.99	15,252.60
Liabilities	8,108.48	8,470.55
Income	3,237.90	2,538.00
Expenditure	2,508.60	2,699.39

Contingent liabilities: ₹2702.09 Lakhs (as at 31-03-2018: ₹2240.11 Lakhs)

Capital commitment: ₹84.75 Lakhs (as at 31-03-2018: ₹108.68 Lakhs)

**e. Angul Sukinda Railway Limited**

(₹ in lakhs)

Particulars	As at March 31, 2019 Audited	As at March 31, 2018 Audited
Assets excluding preliminary expenditure	31,519.16	22,555.74
Liabilities	10,042.00	1,149.33
Income	7,631.59	5,004.74
Expenditure	7,539.34	4,530.70

Contingent liabilities: ₹36.89 Lakhs (as at 31-03-2018: ₹36.89 Lakhs)

Capital commitment: ₹18340.87 Lakhs (as at 31-03-2018: ₹244.33 Lakhs)

**f. High Speed Rail Corporation of India limited**

(₹ in lakhs)

Particulars	As at March 31, 2019 Audited	As at March 31, 2018 Audited
Assets excluding preliminary expenditure	202.64	203.54
Liabilities	194.46	199.05
Income	872.05	4,092.76
Expenditure	867.06	4,084.88

Contingent liabilities: ₹ Nil (Financial year 2017-18 ₹ Nil)

Capital commitment: ₹ Nil (as at 31-03-2018: ₹ Nil)

**g. Dighi Roha Rail Limited**

(₹ in lakhs)

Particulars	As at March 31, 2019 Audited	As at March 31, 2018 Audited
Assets excluding preliminary expenditure	2.95	1.98
Liabilities	43.29	41.36
Income	-	0.00
Expenditure	0.95	2.09

Contingent liabilities: ₹10.86 Lakhs (Financial year 2017-18 ₹10.86 Lakhs)

Capital commitment: ₹21.09 lakhs (as at 31-03-2018: ₹21.09 lakhs )

**Note 44: Lease Arrangements**

**44.1 Financial Lease**

The value of assets given on lease is reflected against contra liability payable to IRFC towards loan on completed projects as appearing in note 6, which is liquidated progressively through loan repayment to IRFC being arranged by MoR.

Future minimum lease payments of gross investment in the lease are as follow:

Particulars	(₹ in lakhs)	
	As at 31st March 2019	For the year ended 31 Mar 2018
Not later than one year	26,265.00	24,132.50
Later than one year and not later than five years	1,06,297.67	1,10,112.67
Later than five years	47,896.97	61,840.10
<b>Total</b>	<b>1,80,459.63</b>	<b>1,96,085.27</b>

#### Note 45: Approval of financial statement

The financial statements has been approved by the Board of Directors on 29th May, 2019.

#### Note 46: Operating Cycle

Earlier, the operating cycle of the Company was more than 12 months and extends upto 5 to 6 years based on the time required from initiation of the project to completion of the project. Now the operating cycle of the Company is 12 months after change in procedure order of MoR in respects of transfer of PWIP as per the note no 9 (e).

#### Note 47: Securities released to State Electricity Board/Public Companies

Securities paid to Electricity Boards/ Public Companies towards provision of High Tension Power Lines for electricity connections are booked as project expenditure being part of the project cost.

#### Note 48: Disclosure of Operating Profit/Loss as per DPE Guidelines (₹ in lakhs)

Particulars	(₹ in lakhs)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
CPSE with operating profit (Profit/Surplus before Tax excluding Other Income, Extraordinary and Exceptional Items)	57,181.71	43,274.55

**Note 49** 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 ₹47,686.09 lakh during the period 01.04.2019 to 11.04.2019 towards application money.

**Note 50** Company has adopted IndAS 115 (Revenue from Contract with Customers) in accordance with requirement of applicable financial reporting framework, due to addition of this there is no material impact on financial statements of RVNL.

**Note 51** Previous year figures has been rearranged, regrouped and reclassified to make them confirmatory with current year figures.

## Notes to the Consolidated financial statements

### Note 52:- Statement containing salient feature of Financial Statements of Subsidiaries/Joint venture

#### Part A “Subsidiaries” [ as per section 2(87) of the Companies Act, 2013]

(₹ in Lakhs)

S.No.	Particulars	High Speed Rail Corporation of India Limited	High Speed Rail Corporation of India Limited
	Financial Year ending on	31st March 2019	31st March 2018
	Date of acquisition	13 August 2012	13 August 2012
	Principal Place of Business	India	India
1	Share Capital (Including share application money pending allotment)	10.75	10.75
2	Other equity/Reserves & surplus (as applicable)	(2.57)	(6.25)
3	Liabilities	194.46	199.05
4	Total Equity and Liability	202.64	203.54
5	Total assets	202.64	203.54
6	Investments	-	-
7	Turnover	861.07	4,079.84
8	Profit before taxation	4.99	7.88
9	Provision for taxation	1.30	2.51
10	Profit after taxation	3.69	5.36
11	Interim Dividend - Equity	-	-
12	Interim Dividend - Preference	-	-
13	Proposed Dividend - Equity	-	-
14	Proposed Dividend - Preference	-	-
15	% of share holding	100%	100%

## Notes to the Consolidated financial statements

### Statement Containing salient features of financial statement of Associate Companies and Joint Ventures

#### Part “B”: Associates and Joint Ventures [as per Section 2(6) of the Companies Act, 2013]

(₹ in Lakhs)

S. No.	Particulars	Kutch Railway Company Limited	Haridaspur Paradip Railways Company Limited	Krishna-patnam Railways Company Limited	Bharuch Dahej Railways Company Limited *	Angul Sukinda Railways Company Limited	Dighi Roha rail Limited
1	Principal Place of Business	India	India	India	India	India	India
2	Latest audited Balance Sheet Date	31-Mar-19	31-Mar-19	31-Mar-19	31-Mar-19	31-Mar-19	31-Mar-19
3	Shares of Associate/Joint Ventures held by the company on the year end						
	Number of shares held (in numbers)	1,250.00	2,637.16	3,110.00	550.00	1,890.00	0.50
	Amount of Investment in Associates/ Joint Venture	10,000.00	26,371.61	31,100.00	5,500.00	18,900.00	5.00
	Total No of Shares (in numbers)	2,500.00	7,137.10	6,250.00	1,551.10	6,000.00	1.00
	Extend of Holding %	50.00%	36.95%	49.76%	35.46%	31.50%	50.00%
4	Description of how there is significant influence	Refer note 1					
5	Reason why the associate/joint venture is not consolidated	NA	NA	NA	NA	NA	NA
6	Net worth attributable to share holders as per latest audited balance sheet (In lakhs)	162,361.87	71,443.64	70,231.20	19,908.37	68,181.44	-80.68
7	Profit/ (loss) for the year ( In lakhs)						
	Considered in consolidation	15,794.33	42.03	7,291.96	782.44	224.60	(1.90)
	Not considered in consolidation	-	-	-	-	-	-

#### Notes

1. Significant influence is demonstrated by holding 20% or more of the voting power of the investee.

## Notes to the Consolidated financial statements

### For the year ended March 31st, 2019

#### Note 53:-Additional information pursuant to Schedule III to the Companies Act, 2013

(₹ in Lakhs)

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ Lakhs)	As % of consolidated profit or loss	Amount (₹ Lakhs)	As % of consolidated other comprehensive income	Amount (₹ Lakhs)	As % of consolidated total comprehensive income	Amount (₹ Lakhs)
<b>Parent Company</b>								
Rail Vikas Nigam limited	64.16%	2,81,998.89	86.01%	60,658.61	100.10%	(154.16)	85.98%	60,504.45
<b>Subsidiaries</b>								
1. High Speed Rail Corporation of India Limited	0.00%	8.17	0.01%	3.69	0.00%	-	0.01%	3.69
<b>Total Subsidiaries</b>		<b>8.17</b>		<b>3.69</b>		<b>-</b>		<b>3.69</b>
<b>Joint Ventures</b>								
1. Kutch railway company limited	15.71%	69,044.22	9.29%	6,550.31	-0.23%	0.35	9.31%	6,550.66
2. Haridaspur paradip railway company limited	6.00%	26,393.86	0.02%	12.88	0.00%	-	0.02%	12.88
3. Krishnapatnam railway company limited	7.80%	34,291.10	4.27%	3,009.80	0.00%	-	4.28%	3,009.80
4. Bharuch Dahej Railways Company Limited	1.55%	6,793.60	0.33%	230.31	0.13%	(0.20)	0.33%	230.11
5. Angul sukinda railway limited	4.79%	21,037.74	0.08%	58.69	0.00%	-	0.08%	58.69
6. Dighi roha rail limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Total Joint Ventures</b>		<b>1,57,560.53</b>		<b>9,861.99</b>	<b>-0.10%</b>	<b>0.15</b>		<b>9,862.14</b>
CFS adjustments and elimination	0.00%	(10.74)	0.00%	-	0.00%	-	0.00%	
<b>Net Total</b>	<b>100%</b>	<b>4,39,556.85</b>	<b>100%</b>	<b>70,524.29</b>	<b>100%</b>	<b>(154.01)</b>	<b>100%</b>	<b>70,370.28</b>



## Notes to the Consolidated financial statements

### For the year ended March 31st, 2019

#### Note 54 :- Disclosure pursuant to Indian Account Standard (IND AS-112): Disclosure of interest in Other Entities:- Joint Ventures

##### (a) Summarised Balance Sheet for material joint venture(s)

(₹ in Lakhs)

Particulars	Kutch Railway Company Limited		Haridaspur Paradip Railway Company Limited		Krishnapatnam Railway Company Limited	
	As at 31-3-2019	As at 31-3-2018	As at 31-3-2019	As at 31-3-2018	As at 31-3-2019	As at 31-03-2018
<b>Current assets</b>						
Cash and cash equivalents	83.97	64.27	2,876.26	1,956.08	5,781.44	633.69
Other assets	70,144.35	1,05,940.14	52.64	112.51	7,068.94	2,168.34
<b>Total current assets</b>	<b>70,228.32</b>	<b>1,06,004.41</b>	<b>2,928.90</b>	<b>2,068.59</b>	<b>12,850.38</b>	<b>2,802.03</b>
<b>Total non-current assets</b>	<b>1,66,841.56</b>	<b>1,16,225.24</b>	<b>1,78,953.45</b>	<b>124,497.00</b>	<b>2,57,469.78</b>	<b>1,97,441.63</b>
<b>Current liabilities</b>						
Financial liabilities (excluding trade payables and other payables)	21.78	23.40	529.97	92.80	88,465.84	76,428.06
Other liabilities (including trade payables and other payables)	13,332.47	7,908.33	474.18	221.93	3,923.56	689.10
<b>Total current liabilities</b>	<b>13,354.25</b>	<b>7,931.73</b>	<b>1,004.15</b>	<b>314.73</b>	<b>92,389.40</b>	<b>77,117.16</b>
<b>Non-current liabilities</b>						
Financial liabilities (excluding trade payables and other payables)	-	-	1,09,434.60	66,216.00	1,04,271.97	92,996.88
Other liabilities (including trade payables and other payables)	61,353.76	63,517.85	-	-	3,427.59	2,677.43
<b>Total non-current liabilities</b>	<b>61,353.76</b>	<b>63,517.85</b>	<b>109,434.60</b>	<b>66,216.00</b>	<b>1,07,699.56</b>	<b>95,674.31</b>
Non-controlling interest	-	-	-	-	-	-
<b>Net assets</b>	<b>1,62,361.87</b>	<b>1,50,780.07</b>	<b>71,443.60</b>	<b>60,034.86</b>	<b>70,231.20</b>	<b>27,452.19</b>

(a) Summarised Balance Sheet for material joint venture(s)

(₹ in Lakhs)

Particulars	Bharuch Dahej Railway Company Limited		Angul Sukinda Railway Limited		Dighi Roha Rail Limited	
	As at 31-3-2019	As at 31-3-2018	As at 31-3-2019	As at 31-3-2018	As at 31-3-2019	As at 31-03-2018
<b>Current assets</b>						
Cash and cash equivalents	652.83	1,509.51	3,530.77	2,696.00	4.31	2.37
Other assets	11,644.64	9,772.14	13,148.04	11,632.32	-	-
<b>Total current assets</b>	<b>12,297.47</b>	<b>11,281.65</b>	<b>16,678.81</b>	<b>14,328.32</b>	<b>4.31</b>	<b>2.37</b>
<b>Total non-current assets</b>	<b>30,477.46</b>	<b>31,731.90</b>	<b>83,382.00</b>	<b>57,277.20</b>	<b>1.58</b>	<b>1.58</b>
<b>Current liabilities</b>						
Financial liabilities (excluding trade payables and other payables)	2,872.99	2,860.52	1.51	4.73	86.07	82.73
Other liabilities (including trade payables and other payables)	1,934.97	1,763.08	3,260.12	3,113.98	0.50	-
<b>Total current liabilities</b>	<b>4,807.96</b>	<b>4,623.60</b>	<b>3,261.63</b>	<b>3,118.71</b>	<b>86.57</b>	<b>82.73</b>
<b>Non-current liabilities</b>						
Financial liabilities (excluding trade payables and other payables)	10,590.48	13,352.86	28,261.00	-	-	-
Other liabilities (including trade payables and other payables)	7,467.11	5,911.16	356.74	529.97	-	-
<b>Total non-current liabilities</b>	<b>18,057.59</b>	<b>19,264.02</b>	<b>28,617.74</b>	<b>529.97</b>	<b>-</b>	<b>-</b>
Non-controlling interest	-	-	-	-	-	-
<b>Net assets</b>	<b>19,908.97</b>	<b>19,125.93</b>	<b>68,181.44</b>	<b>67,956.84</b>	<b>-80.68</b>	<b>-78.78</b>

## Notes to the Consolidated financial statements

### For the year ended March 31st, 2019

#### (b) Summarised Statement of Profit and Loss of material Joint Ventures:

(₹ in Lakhs)

Particulars	Kutch Railway Company Limited		Haridaspur Paradip Railway Company Limited		Krishnapatnam Railway Company Limited	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Revenue	1,18,803.23	1,02,546.22	38,457.28	27,398.83	74,209.41	67,019.19
Interest Income	6,151.94	7,543.65	-	-	-	-
Depreciation and amortisation	1,890.29	1,846.43	5.55	4.22	700.82	704.46
Interest expense	-	-	-	-	-	-
Income tax expenses	2,301.13	2,678.75	(19.75)	(14.51)	1,988.19	570.48
Profit from continuing operations	15,793.49	22,210.70	42.03	32.59	7,291.96	2,566.97
Profit for the year	15,793.49	22,210.70	42.03	32.59	7,291.96	2,566.97
Other comprehensive income	0.84	(0.35)	-	-	-	-
Total comprehensive income	15,794.33	22,210.35	42.03	32.59	7,291.96	2,566.97

Particulars	Bharuch Dahej Railway Company Limited		Angul Sukinda Railway Limited		Dighi Roha Rail Limited	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Revenue	8,718.31	6,657.44	23,821.67	14,293.55	-	-
Interest Income	197.53	317.78	314.32	1,518.96	-	-
Depreciation and amortisation	1,337.50	1,284.35	7.31	8.00	-	-
Interest expense	1,186.60	1,454.43	-	-	-	-
Income tax expenses	1,273.68	2,706.00	68.25	321.16	-	-
Profit from continuing operations	783.00	2,683.54	224.60	1,183.72	(1.90)	(4.18)
Profit for the year	783.00	2,683.54	224.60	1,183.72	(1.90)	(4.18)
Other comprehensive income	(0.56)	0.33	-	-	-	-
Total comprehensive income	782.44	2,683.87	224.60	1,183.72	(1.90)	(4.18)

## Notes to the Consolidated financial statements

### For the year ended March 31st, 2019

#### (c) Reconciliation of carrying amounts of material joint ventures:

(₹ in Lakhs)

Particulars	Kutch Railway Company Limited		Haridaspur Paradip Railway Company Limited		Krishnapatnam Railway Company Limited	
	As at 31-3-2019	As at 31-3-2018	As at 31-3-2019	As at 31-3-2018	As at 31-3-2019	As at 31-03-2018
Opening net assets	1,50,780.07	1,30,976.87	60,034.87	50,997.67	27,452.21	24,872.29
Profit for the year	15,793.49	22,210.70	42.03	32.59	7,291.96	2,579.92
Adjustment in opening retained earnings due to stake dilution	-	-	-	-	(12.97)	-
Other Comprehensive Income	0.84	(0.35)	-	-	-	-
Dividends paid	(4,212.52)	(2,407.15)	-	-	-	-
Equity component of other financial instruments	-	-	-	-	-	-
Other Adjustment	-	-	11,366.75	9,004.61	35,500.00	-
<b>Closing net assets</b>	<b>1,62,361.88</b>	<b>1,50,780.07</b>	<b>71,443.65</b>	<b>60,034.87</b>	<b>70,231.20</b>	<b>27,452.21</b>
Group's share in %	50.00%	50.00%	36.95%	37.25%	49.76%	30.00%
Group's share	81,180.94	75,390.04	26,398.44	22,363.02	34,947.04	8,235.66
Other Adjustments	(12,136.71)	(11,060.30)	(4.57)	(3.26)	(655.95)	(141.73)
<b>Carrying amount</b>	<b>69,044.23</b>	<b>64,329.74</b>	<b>26,393.87</b>	<b>22,359.76</b>	<b>34,291.10</b>	<b>8,093.93</b>

Particulars	Bharuch Dahej Railway Company Limited		Angul Sukinda Railway Limited		Dighi Roha Rail Limited	
	As at 31-3-2019	As at 31-3-2018	As at 31-3-2019	As at 31-3-2018	As at 31-3-2019	As at 31-03-2018
Opening net assets	19,125.93	18,356.34	67,956.83	66,773.12	(78.78)	(74.60)
Profit for the year	783.00	2,683.54	224.60	1,183.72	(1.90)	(4.18)
Adjustment in opening retained earnings due to stake dilution	-	-	-	-	-	-
Other Comprehensive Income	(0.56)	0.33	-	-	-	-
Dividends paid	-	-	-	-	-	-
Equity component of other financial instruments	-	-	-	-	-	-
Other Adjustment	-	(1,914.27)	-	-	-	-
<b>Closing net assets</b>	<b>19,908.37</b>	<b>19,125.93</b>	<b>68,181.43</b>	<b>67,956.83</b>	<b>(80.68)</b>	<b>(78.78)</b>
Group's share in %	35.46%	35.46%	31.50%	31.50%	50.00%	50.00%
Group's share	7,059.51	6,782.05	21,477.15	21,406.40	(5.00)	(5.00)
Other adjustments	(265.90)	(431.05)	(439.42)	(423.94)	5.00	5.00
<b>Carrying amount</b>	<b>6,793.60</b>	<b>6,351.00</b>	<b>21,037.73</b>	<b>20,982.46</b>	-	-

\* Corresponding amount of carrying net assets as on 31st March 2018 has been restated based on audited financial statements.

**(d) Carrying amount of investments in joint ventures/associates:**

Particulars	As at 31-03-19	As at 31-03-2018 *
Non-material associates	-	-
Non-material joint ventures	-	-
Sub-total	-	-
Material joint ventures	1,57,560.53	1,22,116.89
<b>Total</b>	<b>1,57,560.53</b>	<b>1,22,116.89</b>

**55. Notes of the Joint ventures consolidated by applying equity method**

**55.1 KUTCH RAILWAY COMPANY LIMITED**

**Note 55.1.1:** The project of Gauge Conversion work completed by WR has been dully capitalized under different heads of fixed assets on the basis of advices received from WR on year to year basis. Besides that the Company has also supplied material to WR to the tune of ₹11,997.00 Lakhs for completion of project (capitalized under other Intangible assets / Permanent Way) which is subject to verification and reconciliation with WR.

An amount of ₹502.56 Lakhs is also outstanding as on 31st March 2019 to WR for the project work which is also subject to verification and reconciliation with WR.

**Note 55.1.2 :** Advances given to Western Railway for Capital expenditure has not been adjusted during the year in absence of advice received from Western Railways.

**Note 55.1.3 :** The capital cost incurred and advised by WR to the tune of ₹904.19 Lakhs during the year ended 31, March 2019 (FY 17-18, ₹861.13 Lakhs) has been debited in Intangible assets (Freight sharing right) i.e -Permanent Way only.

**Note 55.1.4:** Western Railway (WR) has provided the consolidated figures in respect of deletion during the F.Y 2017-18 amounting to ₹2.41 lakh in Intangible assets (Freight sharing right) i.e Bridges & Buildings, Formation, Plant & Machinery (Project) and Permanent Way. They have expressed their inability to provide assets wise break up of deletion. In absence of the same, the total deletion has been divided in proportion of gross opening balance of these assets. There is no addition/deletion as advised by the WR during the F.Y 2018-19.

**Note 55.1.5:** All receivables including advances and payables are subject to confirmation, reconciliation and consequential adjustments, if any.

**Note 55.1.6:** The Company has a system of obtaining periodical written confirmation from most of its suppliers to identify Micro Enterprises and Small enterprises. Based on such identification the company makes provision for unpaid dues under section 16 of Micro, small and medium enterprises development Act 2006 and its disclosures required under section 22 of the said Act. The amount due to Micro Enterprises & Small Enterprises for more than 30 days is Nil (Previous Year Nil)

**Note 55.1.7** Expenses incurred by RVNL on behalf of the Company on Samakhiali-Palanpur doubling projects are being accounted for based on advice of RVNL without verification thereof for the period ending 31-03-2019. Discrepancies pointed out by consultant for verification of the same upto 31st March 2018, are subject to confirmation from RVNL and adjustment in Books accordingly.

**Note 55.1.8**

The Company is required to spend ₹1,536.79 Lakhs on Corporate Social Responsibility (CSR) as follows:-

Year	Amount Required to Spend (₹ in Lakhs)	Amount Spent (₹ In lakhs)	Unspent (₹ in lakhs)
2014-15	316	-	
2015-16	431	150	
2016-17	506	345	
2017-18	519	10.13	
Upto 30.09.2018	488	-	
2018-19	488	706.08	
<b>Total</b>	<b>2,748.00</b>	<b>1,211.21</b>	<b>1,536.79</b>

The Company has paid ₹ 31.37 Lakhs to Western Railway for provision of lift under CSR on 17.09.2017. However, work is still progress and will be accounted for on completion.

The amount due could not be expended as the Company could not identify the agency to execute the useful projects pertaining to CSR in the operational area of the Company. The Company is finalising the viable projects for CSR and during the next financial years it is expected to incur substantial amount on CSR.

**Note 55.1.9 Carried Route and Booked Route**

Since the financial year i.e. 2013-14, Western Railway has computed Company's share of apportioned earnings on the basis of 'carried route' instead of 'booked route'. Accordingly, apportioned earnings have been reduced by ₹4,120.22 Lakhs for the Year ending 31.03.2019. The Company has contested against this method of calculation of apportioned earnings at various levels in Railways. The approximate amount of ₹2550.00 Lakhs may be deducted by on this account for earlier financial years (from 2006-07 to 2008-09). The same has been estimated as follows:-



Financial Year	Loaded Trains (no.)	Approx deduction in Apportioned Earning on the basis of No. of loaded trains (₹ in Lakhs)	NTKM (Lakhs)	Approx. deduction in Apportioned Earnings on the basis NTKM (₹ in Lakhs)
2006-07	3166	500.00	1,345.00	500.00
2007-08	6617	1,100.00	21,229.00	800.00
2008-09	7696	1,200.00	24,842.00	1,000.00
<b>Total</b>		<b>2,800.00</b>		<b>2,300.00</b>

The average amount of both of above methods works out to be ₹2,550.00 Lakhs (approx.). The impact of the same will be reduction in Reserves and Sundry Debtors by ₹2,550.00 Lakhs (approx.) in the subsequent years as and when advised by the Western Railway.

**Note 55.1.10** During the Financial year 2017-18 Goods and Service Tax(GST) has subsumed the Service Tax with effect from 1st July 2017. The Company has maintained same stand, as was taken in the matter of Service Tax, with respect to applicability of the taxes on the share of the freight received by the company from Indian Railways and the operation & maintenance cost recovered by Railways from the company. The company is of the view that no supply is involved by the company to Railway and visa-versa in sharing of freight revenue & cost by Railways with the company. Therefore there are no GST obligations on the company in respect of sharing of the freight revenue & cost by Railway with the Company including furnishing of the particulars/Details for the same. However, Ministry of Railways has taken up the issue with Finance Ministry for issuing clarification/exemption.

**Note 55.1.11** Western Railway has given the estimate of ₹2,125.00 lakhs for elimination of 30 unmanned level crossings and expenditure of ₹48.15 Lakhs has been incurred for which company has deposited ₹1,085 lakhs which has been shown as capital advances, since this liability is disputed the same has not been provided in Intangible Assets Under Development.

## 55.2 KRISHNAPATNAM RAILWAY COMPANY LIMITED

### 55.2.1 Revenue from Operation

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2019	For the year ended March 31st, 2018
Sale/Rendering of services	13,417.56	7,085.58
Construction contract revenue under SCA	60,791.85	59,933.61
<b>Total</b>	<b>74,209.41</b>	<b>67,019.19</b>

**Note (i) : Operating Income:**

- a) After completion of the Phase-I of the project on 15th November 2008, same is being operated by South Central Railway (SCR) and revenue is being collected by SCR which has been apportioned between the company and various Zonal Railways from 15th November 2008 in terms of Operation and Maintenance Agreement dated 6th, January 2012 signed detailing the modalities of revenue and cost sharing between the company and SCR. Phase 3 of the project is being operated from 2nd March 2014.

Revenue is based on the Calculation sheets received from SCR showing Apportioned Revenue and O&M expenses on Provisional basis. Also the Figures intimated by SCR are provisional and Subject to Confirmation. Hence any Impact arising out of Confirmation of the Figures will be accounted for in the year in which it is finalized.

- b) Krishnapatnam Railway Company Limited (KRCL) is anticipating earnings on Length of about 14.45 Km section from Krishnapatnam Railway Station to the Buffer of Port from South Central Railway and O&M Cost. Decision of Ministry of Railway is pending. Hence, the revenue reported is subject to the same.
- c) KRCL has been earning revenue on account of Apportioned Terminal Cost from South Central Railway (SCR) from 11th August 2017 onwards. The company has been claiming for the similar apportionment of Terminal Cost during the period of operation from beginning i.e. for the period 15th November 2008 to 10th August 2017. But it has been able to get the Apportioned Revenue from Railways for the said period so far, pending due to Railway Board decision which is not quantified yet. Hence, the revenue reported is subject to the same.
- d) Further all supporting evidences related to revenue bookings are being controlled and managed by SCR only and not made available for verification
- e) Also the Income pertaining to Phase-1 and Phase -3 is not made available for segregation.

**55.2.2** Contingent liability in respect of departmental charges not claimed by RVNL @ 5% of project cost is estimated at ₹105.85 Crore.

**For Raj Har Gopal & Co.**  
**Chartered Accountants**  
**Firm Registration No.:002074N**

**For and on behalf of the board**

**Sd/-**  
**G.K. GUPTA**  
Partner  
M.No. 081085

**Sd/-**  
**Pradeep Gaur**  
Chairman and Managing Director  
DIN: 07243986

**Sd/-**  
**A.K. Choudhary**  
Chief Financial Officer

**Sd/-**  
**Kalpna Dubey**  
Company Secretary

Place : New Delhi  
Date: 29.05.2019

## INDEPENDENT AUDITOR'S REPORT

To  
The Members,  
Rail Vikas Nigam Limited  
Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated 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 three jointly controlled entities, comprising of the consolidated balance sheet as at 31<sup>st</sup> March, 2019, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated 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 consolidated profit and total consolidated comprehensive income, consolidated statement of change 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 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 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 consolidated 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 financial statements.

I. As reported by respective jointly controlled entities Statutory Auditors:

**i. KRISHNAPATNAM RAILWAY COMPANY LIMITED(KPRCL)**

- a. Reference is drawn to Note No. 55.2.1 regarding the Company's revenue is carried in the Statement of Profit & Loss a/c under Note-55.2.1, Revenue from Operation of ₹13417.56 lakhs. Monthly revenue bills/ apportionment sheet of revenue are received from the South Central Railway (SCR). All these bills are marked '**Provisional**'. The outcomes of the provisional bills are not known at subsequent dates. Further, supporting documents of the monthly revenue bills are not available. As stated, in note-55.2.1.(1)(d), all supporting evidences related to revenue bookings are being controlled and managed by the SCR only and not made available for verification. The monthly revenue statements are not checked and certified by the Company. Thus, the operating revenue statement could not be verified. In view of these, leakage in the operating revenue cannot be ruled out. Financial impact, if any, cannot be ascertained.
- b. The company has not provided for Departmental charges of ₹105.85 crore. Reference is drawn regarding Note no-55.2.2- Contingent liability in respect of Departmental charges on construction of project. A departmental charge @5% would be payable by the company to RVNL on the total cost of work as per detailed estimate/revised estimate/ completion estimate in the books of accounts of the company. The total charges have been estimated by the company at ₹105.85 crore. In our opinion, a provision for liability should have been made on the best estimated basis for the departmental charges on year to year on accrual basis. Instead, a contingent liability has been disclosed. Thus, the cost of the project should have gone up by ₹105.85 crore and so the provision for liability for the same amount.
- c. The Company has not provided for liability to pay GST under the reverse charge mechanism in respect of operation & maintenance costs incurred by the company as billed by SCR. Thus, there is an understatement of O&M Expenses and overstatement of profit by ₹3.63 crore.
- d. The company has not provided for CSR liability in accordance with the provision of Section 135 of the Companies Act, 2013. The company is required to spend ₹15.80 lakhs, but the said amount has not been spent so far for CSR activities. Thus, there is an understatement of liability by ₹15.80 lakhs.
- e. The company has provided an amount of ₹32.16 lakhs towards depreciation of office building which is not correct, as per Para no.55 of the IND AS 16 on property plant equipment. Depreciation of assets begin when it is available for use when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management, as the above office building were ready to be used by the company. Hence the office building cannot be capitalized under PPE and accordingly depreciation cannot be charged. This has resulted in overstatement of depreciation to the extent of ₹32.16 lakhs and understatement of profit to that extent.
- f. The company has shown an amount of ₹306.38 lakhs towards office building which is not correct, as per para no.55 of the IND AS 16 on property plant equipment (PPE). Depreciation of assets begin when it is available for use when it is in the location and

condition necessary for it to be capable of operating in the manner intended by the management, as the above office building were ready to be used by the company. Hence the office building cannot be capitalized under PPE. Non-compliance of IND AS has resulted in overstatement of PPE to the extent of ₹306.38 lakhs and understatement of 'CWIP' to that extent.

## ii. Kutch Railway Company Limited (KRCL)

- a. Note No. 55.1.1 regarding fixed assets capitalized by the Company year after year (based on advices received from the Western Railway) and subject to verification by the company. Similarly, material supplied by the Company and balances outstanding as advances to Western Railway are subject to reconciliation with Western Railway. The Impact of the same is unascertainable and consequent impact on depreciation is also unascertainable.
- b. Note No. 55.1.2 regarding Capital expenditure incurred by Western Railway on behalf of the Company for the year ended 31st March, 2019 has not been adjusted in absence of advice from the Western Railway. The impact of the same is unascertainable.
- c. Note No. 55.1.3 and 55.1.4 regarding division of addition and deletion in Bridges, Building, Formation, Plant & Machinery (Project) and Permanent Way (Classified in other intangible assets), if any is being made year after year in proportion of their gross opening balances instead of asset wise breakup. The impact of the same and consequent impact on depreciation is unascertainable. However, no addition/deletion has been advised by Western Railway for the FY 2018-19.
- d. Note No. 55.1.5 and 55.1.6 regarding non confirmation of receivable including advances and payables, the impact of the same is unascertainable.
- e. Note No. 55.1.7, regarding one of the joint venture of the Company (RVNL) is incurring expenditure on behalf of the company under the contract and the same are being accounted for based on its advices without verification the correctness thereof. The impact of the same is unascertainable.

Assignment of verification was outsourced for the previous year (FY 2017-18) in which variations were pointed out in several advices / vouchers apart from missing of original supporting documents. Out of which certain have been settled and adjusted in the year under audit and others remained pending.

- f. Note No. 55.1.8 regarding CSR expenses, the company is required to spend arrears of ₹1536.79 Lakhs of the earlier years on CSR activities. The company executed MOU with RVNL (Joint Venture). The Company has made payments of ₹4.56 Crore has been accounted for as CSR expenditure without any supporting evidences. The variation in amount, if any, is unascertainable.

## 2. Emphasis of Matter

### I. RAIL VIKAS NIGAM LIMITED

- a. 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 ₹38,026.60 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 ₹63,146.28 lacs and Interest receivables amount of ₹21,833.97 lacs i.e. total Receivable from Krishnapatnam Railway Company Limited amounting to ₹84,980.25 Lakhs.

- b. 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 ₹56,654.70 lacs, ₹15,506.96 lacs, ₹25,752.43 lacs and ₹4,712.49 lacs respectively as on 31st March, 2019.
- c. Without qualifying our report attention is invited to Note No. 6.1 regarding, The Consolidated financial statements include share in Bharuch Dahej Railway Company Limited (BDRCL), a jointly controlled entity based on its unaudited financial statements as approved by Board of the company.

## II. As reported by respective jointly controlled entities statutory Auditors:

### Kutch Railway Company Limited (KRCL)

Without qualifying our report we draw attention to

- a. Note No-55.1.9 to the financial statements which may effect of reduction in the reserves and sundry debtors by ₹2550 lakhs (approx) in the subsequent years as and when advised by the Western Railway.
- b. Note No 55.1.10 to the Financial Statements regarding applicability of GST, the Company has sought exemption/ clarification from GST council through MOR in respect of transactions with Railway on freight sharing revenue (the only source of revenue) and operation and maintenance cost to Western Railway for the period from 1.07.2017, which is pending. The company's presumption is that GST is not applicable.
- c. Note No. 55.1.11 regarding cost for elimination of 30 unmaned level crossing as well as expenditure incurred by Western Railway. Western Railway has given estimate for this work of ₹2125 lakhs and expenditure of ₹48.15 lakhs has been incurred against which ₹1085 lakh recovered. The company has shown the same as contingent liability with the contention that the same shall be borne by Western Railway.
- d. The Company has engaged consultants / advisors from time to time based on contracts/ agreements executed with them. There was neither any terms / condition for payment



of incentive based on their performance nor otherwise payable to consultants based on performance. However, incentive of ₹42,000 ( 42,000\*3 = 126,000) has been paid during the year under audit for the earlier year i.e. FY 2017-18 by passing resolution by the board of directors at par with MD and regular employees. Further in the resolution ₹42,000 has been sanctioned to consultants / advisors but the amount has been paid @ ₹42,000 to each of them.

- e. RVNL has not charged contingencies provision @ 3% while calculating total cost in quarterly statement of expenditure on behalf of the company in terms of schedule to the agreement executed with them for which no provision has been made. It was informed that clarification has been sought from RVNL but the same has not yet responded.

### Key Audit Matters

Key audit matters are those matters that in our professional judgment were of most significance in our audit of the consolidated 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><b>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" (Revenue Accounting Standard) applicable from 1<sup>st</sup> April 2018.</b></p> <p>The application of the new revenue accounting standard from current financial year 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><b>Principal Audit Procedures</b></p> <p>We assessed the Group's Company's internal process to identify the impact of adoption of the new revenue accounting standard. 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"> <li>▪ Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.</li> <li>▪ 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.</li> <li>▪ Tested the relevant information, accounting systems and change relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.</li> </ul>

<p>Estimated efforts is a critical estimate to determine revenue, as it requires consideration of progress of the contract, efforts incurred till date, efforts required to complete the remaining performance obligation.</p> <p><b>Refer Notes 50</b> to the consolidated financial statements.</p>	<ul style="list-style-type: none"> <li>▪ Reviewed a sample of contracts to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations.</li> <li>▪ Performed analytical procedures and test of details for reasonableness and other related material items.</li> </ul>
<p><b><i>Assessment and recoverability of Trade Receivables and Contract Assets</i></b></p> <p>The Group have trade receivables outstanding of ₹63,801.33 lakhs and contract assets of ₹3,47,318.57 crore at the end of March 31, 2019</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(c) to the consolidated financial statements.</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>We have assessed the Group’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"> <li>▪ Evaluated the process of invoicing, verifications, and reconciliations with customers.</li> <li>▪ Obtained the list of project wise outstanding details and its review mechanism by the management.</li> <li>▪ Reviewed the guidelines and policies of the Company on impairment of trade receivables and contract assets.</li> <li>▪ Tested the accuracy of aging of trade receivables and contract assets at the year end on sample basis.</li> <li>▪ Performed analytical procedures and test of details for reasonableness, recoverability and other related material items.</li> </ul>

### **Information Other than the Consolidated 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 financial statements and our auditor’s report thereon.

Our opinion on the consolidated 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 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 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 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 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 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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated 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 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 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 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 financial statements of one subsidiary and 6 Jointly Controlled entity, whose financial statements reflect total share of assets ₹3,67,144.54 lakhs and share in net assets of ₹1,71,071.25 lakhs as at 31st March, 2019, share in total revenues of ₹1,21,994.60 lakhs for the year ended on that date as considered in the consolidated financial statements.

This includes the unaudited financial statements of one jointly controlled entity (Bharuch Dahej Railway Company Limited) whose Share of total assets ₹15,167.99 Lakhs, Share of Net Assets ₹7,059.51 Lakhs, Share of total Revenues of ₹3,237.90 Lakhs and Share of net Cash Flows of ₹ (303.78) Lakhs is based on management accounts. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entities, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid jointly controlled entities, is based solely on such unaudited financial statements.

Our opinion on the consolidated 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 on the work done and the reports of the other auditors and the financial statements 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 based on our audit and on the consideration of audit report of subsidiary, jointly controlled entities as referred in "Other Matters" paragraph, 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 financial statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
  - (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 cash flow statement dealt with by this report are in agreement with the

relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

- (d) In our opinion, the aforesaid consolidated 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 Company;
- (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 and based on the consideration of the report of other auditors on separate financial statements as also the other financial information of the subsidiary company and jointly controlled entities, as noted in “Other Matters” paragraph;
  - i. The consolidated 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 companies and jointly controlled companies incorporated in India.

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

**Gopal Krishan Gupta**  
(Partner)  
**M. No 081085**

Place: New Delhi  
Date: 29<sup>th</sup> May, 2019



## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE 5 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, 2019, 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 Control Entities all of them have been audited by the other Auditor and one (Bharuch Dahej Railway Company Limited) Jointly Control Entities is 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, 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 corresponding report of the auditor of five jointly controlled entity and one subsidiary company incorporated in India and management certificate of other one jointly controlled entity (Bharuch Dahej Railway Company Limited) 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, 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.

Our opinion is subject to following observations as given by the respective statutory auditors of these jointly controlled companies (one jointly controlled entity Bharuch Dahej Railway Company Limited is consolidated based on unaudited financial statements)

### **In case of Krishnapatnam Railway Company Limited**

Internal Control requires improvements in following areas:

- i. The operations of the company's business are solely controlled by the South Central Railway (SCR). All supporting evidences related to revenue booking are being controlled and managed by SCR only and not made available for verification.
- ii. There is no control over the revenue apportionment of South Central Railway (SCR) as the revenue sheets are sent by SCR to the company only on provisional basis and collateral records neither supplied by the SCR nor maintained by the company. As a result, there is no basis to verify the same.
- iii. There is no control over the operation and maintenance (O&M) expense, overhead charges, indirect cost etc. billed by the South Central Railway and deducted from the revenue dues to the company.
- iv. Absence of Internal Financial Control has been felt in the booking of expenditure for the construction of phase-II of the project of the company. It is observed that the bills for construction of the project by the contractor (RVNL) were sent from time to time to the company for payment, but such bills were only Xerox copies and not the original ones. These bills are not checked by the company and thus, payments are made to RVNL without any checking and certification.
- v. As informed to us, there is no methodology on the part of the management to ensure the up to date progress of expenditure on construction projects, including bills which are already in the pipeline and also which are awaiting dispatch by the contractors for the construction.

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

Place: New Delhi  
Date: 29.05.2019

**Sd/-**  
**Gopal Krishan Gupta**  
**(Partner)**  
**M. No 081085**



भारतीय लेखा विभाग, भारत सरकार  
ऑडिट विभाग; भारतीय लेखा विभाग  
जयसोक.कॉ.टी.डी. भवन  
INDIAN AUDIT AND ACCOUNTS DEPARTMENT  
OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT  
RAILWAY COMMERCIAL, NEW DELHI



संख्या: पी.डी.ए./आर.सी./53-03/AA-RVNL/2019-10/26

दिनांक: 17/07/19

To

The Chairman and Managing Director,  
Rail Vikas Nigam Limited,  
1st Floor, August Kranti Bhavan, Bhikaji Cama Place,  
R.K. Puram, New Delhi-10066

**Subject: Comments of the Comptroller and Auditor General of India on the Standalone Financial Statements and Consolidated Financial Statements u/s 143(6)(b) read with Section 129(4) of the Companies Act, 2013 of Rail Vikas Nigam Limited for the year ended 31 March 2019.**

Sir,

I am enclosing herewith the Comments of the Comptroller and Auditor General of India on the Standalone Financial Statements and Consolidated Financial Statements u/s 143(6)(b) read with Section 129(4) of the Companies Act, 2013 of **Rail Vikas Nigam Limited** for the year ended 31 March 2019.

The receipts of the letter may kindly be acknowledged.

Yours faithfully,

Encl: As above

Sd/-  
(B.R. Mondal)  
Principal Director of Audit  
Railway Commercial

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF RAIL VIKAS NIGAM LIMITED FOR THE YEAR ENDED 31 MARCH, 2019.**

The preparation of financial statements of **RAIL VIKAS NIGAM LIMITED** for the year ended 31 March, 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 May, 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the Financial Statements of **RAIL VIKAS NIGAN LIMITED** for the period ended 31 March, 2019 under section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and Company personnel and a selective examination of some of the accounting records.

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

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

Sd/-

(B.R. Mondal)

Principal Director of Audit  
Railway Commercial, New Delhi

Place: New Delhi  
Dated: 17 July, 2019

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RAIL VIKAS NIGAM LIMITED FOR THE YEAR ENDED 31 MARCH, 2019.**

The preparation of financial statements of **RAIL VIKAS NIGAM LIMITED** for the year ended 31 March, 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under Section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 May 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of **RAIL VIKAS NIGAM LIMITED** for the period ended 31 March, 2019 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of Joint Ventures namely Kutch Railway Company Limited, Krishnapatnam Railway Company Limited and Angul Sukinda Railway Limited but did not conduct supplementary audit of the financial statements of Jointly Controlled Entities (as per Annexure) for the year ended on that date. Further, section 139(5) and 143(6)(a) of the Act are not applicable to Dighi Roha Rail Limited (Joint Venture) being private entity. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary of this company. This supplementary has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' Report under section 143(6)(b) of the Act.

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

Sd/-

(B.R. Mondal)

Principal Director of Audit  
Railway Commercial, New Delhi

Place: New Delhi

Dated: 17 July, 2019



## ANNEXURE

**List of Joint Ventures of Rail Vikas Nigam Limited, New Delhi for which supplementary audit was not conducted under section 143(6)(a) read with section 129(4) of the Companies Act, 2013 for the year 2018-19.**

### **Subsidiaries**

1. High Speed Rail Corporation of India Limited

### **Joint Ventures**

1. Haridaspur Paradip Railway Company Limited
2. Bharuch Dahej Railway Company Limited

**Sd/-**

**Sr. Audit Officer (Co-ordination)  
Railway Commercial**

## HIGH SPEED RAIL CORPORATION OF INDIA LIMITED

(A Wholly owned Subsidiary of Rail Vikas Nigam Limited)

### BOARDS' REPORT

#### Distinguished Shareholders,

The Directors of your Company are privileged in presenting the 7<sup>th</sup> Annual Report of the Company together with the Audited Statements of Accounts and Auditors' Report for the year ended 31st March, 2019.

The Company is a wholly-owned Subsidiary of Rail Vikas Nigam Limited a Schedule-A Mini Ratna-I CPSE under the Ministry of Railways. Your Company is currently engaged in conducting of pre-feasibility studies of dedicated High Speed Corridors for Diamond Quadrilateral. The business and financial performance of the Company during the year 2018-19 was as under: -

#### BUSINESS PERFORMANCE

##### 1. Signing of Collaboration Agreement between HSRC and Administrator DE Infrastructure as Ferroviari as (ADIF):

Based on MOU signed between Indian Railways of the Republic of India and two Spanish Public Corporate Companies ADIF and RENFE-OPERADORA for the cooperation in Railway related technology developments, a Collaboration Agreement was signed on 15.09.2016 between High Speed Rail Corporation of India Ltd. (HSRC) and Administrator DE Infrastructure as Ferroviari as (ADIF) on conducting Feasibility Study of Mumbai-Kolkata High Speed Rail Corridor taking into account the experience acquired by M/s ADIF. The Consultant submitted the Stage-I report of the Feasibility study in December, 2016 with recommendation to

take up the detailed study of most preferred route passing through Mumbai-Thane-Nasik-Aurangabad-Akola-Amravati-Nagpur for developing in next stage. This report was accepted by HSRC/RVNL in consultation with Ministry of Railways on 31.1.2017. The consultant has submitted the DFR of stage-II on 5.2.2018 and given presentation on DFR on 22.02.2018 at Railway Board. The observation/remark on DFR has been sent to the consultant for incorporation in DFR on 26.3.18. Consultant has submitted Final Report of this feasibility studies to Railway Board on 24.10.2018.

##### 2. Upgrading of Chennai-Bangalore-Mysore section:

The work of feasibility study on upgrading of Chennai-Bangalore-Mysore section for Speed Raising up to 160 kmph was given to M/s CREEC (China Railway Eryuan Engineering Group Company Limited) under Government to Government co-operation. The Consultant has submitted the Interim Final Report (IFR) on 07.11.2016. The detailed observation on this IFR has been submitted by HSRC to M/s CREEC (Consultant) on 26.12.2016. M/s CREEC has given their reply on the observations and requested a meeting. A face to face meeting was held at Railway Board on 20.03.2018 with the officials of M/s ERYUAN which was attended by Chinese side and Mobility Directorate of Railway Board and HSRC/RVNL from Indian side. The report has been accepted and on 01.06.2018, M/s ERYUAN were duly informed.

### 3. Delhi-Chennai High Speed Corridor Feasibility Study Report (Detailed Project Report):

China Railway Siyuan Survey and Design Group (CRSSDG) & HSRC signed TERMS OF AGREEMENT AND WORK PLAN at SIYUAN Headquarter, Wuhan, China on 28.11.2014 for preparation of a Project Feasibility Study Report (Detailed Project Report) for a high speed rail corridor between Delhi and Chennai. It has been agreed that the Project Feasibility Study Report will be taken up with financing by the Chinese side. Ministry of Railways has approved on 31.03.2015 that the Study will be done for only Delhi-Nagpur section instead of the complete Delhi-Chennai section, as it is a very long corridor and not only will the construction cost of the project be high but the Feasibility Study will involve considerable cost and time.

CRSSDG carried out an on-the-spot survey in India in March, 2015 and visited Agra, Bhopal, Nagpur, Hyderabad, Vijayawada and Chennai, and has submitted the Planning Report on 17.07.2015 and the Inception report during March 2016. Subsequently, one more Action Plan was signed between Government of India and Government of China in May 2015, in which some of the works related to Feasibility study has been agreed to be done by Indian side i.e. HSRC. It has been made clear by Ministry of Railways and HSRC to Chinese side that the study has to be done out of Chinese funding. Subsequently it was decided by Ministry of Railways that HSRC will only provide limited data in form of Geological Maps and Topo sheets. The Terms of Reference was planned to be signed between CRSSDG and HSRC in July 2017. Final agreement (Terms of

Reference) has been signed and Data as requested by Chinese side was handed over to them by HSRC on 11.07.2017. A letter from Chairman, HSRC to Chairman, Railway Board (Ministry of Railways) has been written on 13.11.2017 to look into possibility of transferring the work to some other agency as this feasibility study is not progressing well.

In the 5<sup>th</sup> SED meeting held on 13.04.18 at Beijing it was decided that M/s SIYUAN, China will prepare the technical proposal for Delhi-Agra section and submit to Indian Side. A meeting between M/s SIYUAN and HSRC was held on 22.11.2018 in which M/s SIYUAN was requested to confirm the next stage of work so that the Pilot Study between Delhi-Agra could be taken up.

M/s SIYUAN were asked to resubmit the Technical Proposal as per Terms of Reference and decision on next stage of work can be taken by Ministry of Railways. Ministry of Railways were issued on 22.11.2018 and circulated to all concerned.

### 4. Feasibility Study for Diamond Quadrilateral Network of High Speed Rail Corridors connecting four major metros i.e. New Delhi-Mumbai-Chennai-Kolkata-New Delhi:

Ministry of Railways (MoR) has entrusted RVNL/HSRC the work of carrying out the Feasibility Study for Diamond Quadrilateral Network of High Speed Rail Corridors connecting four major metros i.e. New Delhi-Mumbai-Chennai-Kolkata-New Delhi through an open global tender. Work has been awarded to (1) M/s TSDI-LAHMEYER (China) for New Delhi-Mumbai Corridor (ii) M/s SYSTRA-RITES-EY (France) for Mumbai-Chennai and (iii) M/s INECO-TYPSA-ICT for Delhi-Kolkata. One of the

Feasibility study of Delhi-Kolkata corridor has been completed.

**Delhi-Mumbai HSR Corridor:** The Consultant has submitted Final Report on 27.11.2008, which is under consideration with Railway Board for final approval.

**Mumbai-Chennai HSR Corridor:** The Draft Final report was submitted by the consultant on 31.08.2018 which was sent to Railway Board for observation and remarks. A presentation meeting was held with Railway Board on 27.11.2018. Observations of Railway Board on DFR are awaited.

**Delhi-Kolkata HSR Corridor:** The study was completed on 26.11.2018.

All the studies are programmed to be completed in FY 2019-20.

## FINANCIAL HIGHLIGHTS

The significant indicators of financial performance of the Company for the financial year 2018-19 are given below:

Amount (₹ in Lakhs)

S. No	Particulars	FY 2018-19	FY 2017-18
1	Authorized Share Capital	500	500
2.	Subscribed & Paid-up share Capital	10.74	10.74
3.	Total Income	872.05	4092.76
4.	Revenue from operation	861.07	4079.84
5.	Profit before Tax	4.99	7.88
6.	Net Worth	8.18	4.49
7.	Earnings Per Share	3.43	5.01

During the year, Paid-up Share Capital of the Company was ₹10.74 Lakhs. The Current Liabilities for the F.Y. 2018-19 were ₹194.46 Lakhs which shows a decrease of ₹4.59 Lakhs over the previous year. The current assets for

the F.Y. 2018-19 were ₹202.58 Lakhs which shows a decrease of ₹0.86 Lakhs over the previous year. The decrease in current Assets and current liabilities has been on account of completion of Projects in progress and transfer to RVNL.

Now, the current liabilities mainly consist of ₹194.46 Lakhs received from Rail Vikas Nigam Limited towards project execution and the current assets mainly consist of cash balance of ₹201.02 Lakhs.

During the year, revenue from operations was ₹861.07 Lakhs showing a decrease of ₹3,218.77 Lakhs due to transfer of feasibility studies works (including opening amount laying in PWIP) to RVNL, the other income has decreased to ₹10.98 Lakhs from ₹12.92 Lakhs the previous year on account of interest income. After offsetting an expenditure of ₹861.06 Lakhs and meeting tax liabilities of ₹1.30 Lakhs the Profit after tax (PAT) is ₹3.69 Lakhs.

## Capital Structure

The Paid-up Share Capital of the Company is ₹10.74 Lakhs against the Authorized Share Capital of ₹500 Lakhs.

## Dividend

the Board Since the company has not yet started its commercial activities, and the limited financial transaction, the Company has not declared any dividend for the financial year 2018-19.

## Fixed Deposits

The Company has not accepted any fixed deposits from public during the year under review.

## Reserves

As the Company is yet to commence its operational activities the Company has not transferred any amount to General Reserves.

## Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo

The provisions of conservation of energy, technology absorption are not applicable to the Company. During the year under review, there is no foreign exchange earnings and outgo.

## Presidential Directive

No Presidential Directive was received during the year.

## Integral Reports

“Management Discussion and Analysis Report” and “Corporate Governance Report” forms an integral part of this Board’s Report, which are placed at **Annexure-I & II.**

## Board of Directors

The Board of Directors consists of four (4) Part-time Directors nominated by the Holding Company, Rail Vikas Nigam Limited as on the date of this report is as follows: -

Sr. No.	Name of Director	Designation	Date of Joining
1.	*Mr. Pradeep Gaur, (DIN:07243986)	Chairman	10.09.2018
2.	Mr. Arun Kumar, (DIN: 02486535)	Director	16.11.2017
3.	Mr. Vijay Anand, (DIN: 01874842)	Director	25.07.2012
4.	Mr. A. K. Choudhary, (DIN: 05166458)	Director	17.11.2017

The following directors ceased to hold office during the year 2018-19:

Sr. No.	Name of Director	Date of Joining	Date of Cessation
1.	Mr S. C. Agnihotri		10.09.2018

\* Mr. Pradeep Gaur was appointed as Chairman vice Mr S. C. Agnihotri on September 10, 2018.

## Number of Board Meetings

The Board of Directors met five (5) times during the financial year 2018-19:

Sr. No.	Number of Meetings	Date of Meeting
1.	27 <sup>th</sup> Board Meeting	16 <sup>th</sup> April, 2018
2.	28 <sup>th</sup> Board Meeting	18 <sup>th</sup> July, 2018
3.	29 <sup>th</sup> Board Meeting	13 <sup>th</sup> November, 2018
4.	30 <sup>th</sup> Board Meeting	7 <sup>th</sup> February, 2019

## Directors’ Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, Directors confirm that -

- In the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the company of that year;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities;

- d) The directors had prepared the annual accounts on a going concern basis; and
- e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### Extract of Annual Return

Extract of Annual Return of Company is annexed herewith as **Annexure III** to this report.

### Auditors

The Comptroller & Auditor General of India appointed M/s B.K Gupta & Associates, Chartered Accountants as Company's Statutory Auditors for the Year 2018-19. The Board would like to place on record their sincere thanks for the valuable services rendered by Statutory Auditors.

### Comments of Comptroller & Auditor General of India

The Comptroller & Auditor General of India has undertaken supplementary audit on the accounts of the Company for the year ended 31<sup>st</sup> March, 2019 under Section 139 (5) of the Companies Act, 2013. The comments of the C& AG on the Annual Accounts of the Company for the year ended 31<sup>st</sup> March, 2019 forms part of this report.

### Acknowledgements

We record our appreciation and thanks to the Ministry of Railways and Holding Company, RVNL for their continued support to the Company, and also the employees of the Holding Company for their efforts to take the company forward.

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

Sd/-  
A.K.Choudhary  
Director  
(DIN 05166458)

Sd/-  
Arun Kumar  
Director  
(DIN 02486535)

Place: New Delhi  
Dated: 16.07.2019



## MANAGEMENT DISCUSSION AND ANALYSIS

### An Overview

The company was incorporated on 25<sup>th</sup> July, 2012 as a wholly owned Subsidiary (WoS) of Rail Vikas Nigam Limited, Mini Ratna-I & Schedule 'A' CPSE under Ministry of Railways.

### Mission

Creation and operation of state-of-the-art High Speed Rail Systems in India and abroad.

### Vision

To emerge as project developer for implementation of high speed rail projects with a sound financial base and to build a pool of expertise in global construction, maintenance and operational practices.

### Objectives

- To develop human resources for project implementation by skill development training and developing expertise for specific areas of rail infrastructure in general and high speed rail in particular.
- To develop and improve existing knowledge base in-house to provide consulting services.
- To develop expertise and knowledge base for optimum utilization of existing assets and up-grading them for higher speed potential.
- To maintain a cost effective organizational set up.
- To undertake the project development and

implementation of identified High Speed projects.

- To be a rail infrastructure Project Management Company committed to sustainable development and environment friendly construction of high speed rail related projects in the country and abroad.
- To ensure efficient and timely execution of projects as per International norms.
- To mobilize financial resources for project implementation.
- To encourage public private participation in rail related projects.

### Strengths

- The organization is developing expertise in undertaking all stages of project development - from concept to commissioning – including feasibility/bankability studies, DPR (detailed project report), financing/structuring of project specific SPVs, tendering for EPC contractors, project supervision, commissioning etc.
- HSRC is working with multiple study teams consisting of international experts involved in conducting Feasibility studies of various High Speed Rail corridors of Diamond Quadrilateral.
- HSRC can develop Private Public Partnership (PPP) models for implementation and financing of High Speed Rail infrastructure projects

- HSRC is working and learning with international teams having the requisite skills and experience to implement projects following ADB procedures and ensuring Resettlement and Rehabilitation of Project Affected Persons displaced by land acquisition and implementing socio-economic safeguards.
- It has a sound and robust financial management system, which allows for effective monitoring and control of expenditure.

### **Weaknesses**

- HSRC has a very small team and has to depend on the parent organization for manpower.
- HSR is a new subject for officers and staff of even Indian Railways. Trained People are not available in the market. Officers/ staff deployed need to be trained on the job which is a time consuming process.
- HSRC has not been empowered to take decisions on all issues relevant to implementation of the High Speed rail projects.
- HSR projects are highly capital intensive and have long gestation period and are not favoured by private equity. Thus, such projects will be few in number and predominantly funded by public money.

### **Opportunities**

- High speed rail project is a niche area and position of HSRC is unique.
- HSR projects are priority projects for the Government of India.
- Feasibility studies for corridors of Diamond Quadrilateral and Delhi-Chandigarh-Amritsar have been taken up, the feasibility

study of Delhi-Chandigarh-Amritsar has been completed and balance corridors are expected to be completed by March 2019. These projects can be taken up for execution at short notice.

- HSRC has been working as Project Integrator for up-gradation of identified existing rail sections to 160 kmph, and has successfully completed one such up gradation in Delhi-Agra section.
- Implementation of projects for Kolkata Metro. This will give HSRC an opportunity to develop expertise for implementation of metro projects in new cities across the country.

### **Threats**

- Projects are yet to be sanctioned by the Ministry of Railways.
- The shortage of technical manpower with required experience will be a major constraint in the delivery of projects.
- Availability of funds is a critical requirement for implementation of projects.
- This over-dependence for sourcing of funds for implementation of projects may create a financial crisis at any time which may prove detrimental in the long term for the company.
- Land acquisition issues require to be resolved expeditiously so that the progress of projects is not hampered.
- Delays in clearances for project execution, such as forest clearance, tree cutting permission, approvals of various departments for diversion of utilities etc.
- Delays in project delivery may have an adverse impact on the image of HSRC.

- The Government has established a new company, viz National High Speed Rail Corporation which may impede HSRC in fulfilling its objectives

### **Risks and Concerns**

High Speed Rail projects are highly capital intensive. The implementation of these projects will depend on specific policy directives of the Government of India.

### **Internal Control Systems**

The internal control system of the Company will be established with the taking up of operational activities.

### **Human Resources**

The Company has no personnel on its rolls. At present, all activities of the Company are being managed by personnel of RVNL as additional responsibilities/duties and based on utilization their part salary is paid by the Company.

### **Financial Performance**

The company has recorded operating turnover of ₹861.07 lakhs during the year, and Company, earned an interest on deposits amounting to ₹10.98 lakhs.

## REPORT ON CORPORATE GOVERNANCE

### 1. Company's Philosophy on Corporate Governance

Initiatives are being taken to implement Corporate Governance principles and measures as contained in the Guidelines on Corporate Governance for Central Public Sector Enterprises May, 2010 issued by the Department of Public Enterprises.

### 2. Incorporation

The Company was incorporated on 25<sup>th</sup> July, 2012 as a Wholly owned Subsidiary of RVNL Ltd. with an Authorized Share Capital of ₹500 lakhs and paid up share capital of ₹10.74 lakhs. The Holding Company, RVNL, holds the entire paid-up share capital of the Company.

### 3. Board of Directors

The Board of the Company comprises of four directors namely Shri Pradeep Gaur, Chairman, Shri Vijay Anand, Director, Shri Arun Kumar, Director, and Shri A.K. Choudhary, Director.

Shri. Pradeep Gaur was appointed as Chairman vice Shri S. C. Agnihotri on September 10, 2018.

The names and categories of Directors on the Board as on the date of report, number of Directorships and Committee Chairmanship/ Membership held by them in other companies is as under:

S. No.	Name and Designation	Category of Directors Whole Time / Part Time	No. of Directorships/ Chairmanships held in public limited companies excluding HSRC*	No. of Committee Membership**	
				As Chairman	As Member
1.	Pradeep Gaur	Part-time Chairman	1	-	-
2.	Vijay Anand	Part-time Director	1	-	-
3.	Arun Kumar	Part-time Director	1	-	2
4.	A.K Choudhary	Part-time Director	2	-	-

\* Does not include Directorship in Private Companies, Section 8 Companies and Foreign Companies.

\*\* Does not include Chairmanship / Membership in the Board of Committees other than the Audit Committee and

Shareholders'/Grievance Committees.

### 3.1 Board Meetings with date and attendance at the Board meetings and Annual General Meeting.

The Board of Directors met 4 times during the year to discuss the operational activities of the Company.

S. No.	Name and Designation	Board Meetings During the Year 27 <sup>th</sup> Board meeting – 16 <sup>th</sup> April, 2018 28 <sup>th</sup> Board Meeting – 18 <sup>th</sup> July, 2018 29 <sup>th</sup> Board Meeting – 13 <sup>th</sup> Nov, 2018 30 <sup>th</sup> Board Meeting – 7 <sup>th</sup> February, 2019		Attendance at AGM
		Held during tenure	Attended	
1.	Pradeep Gaur (w.e.f 10th Sept. 2018)	2	2	Yes
2.	S. C. Agnihotri (up to 10th Sep, 2018)	2	2	No
3.	Arun Kumar	4	4	Yes
4.	A.K Choudhary	4	4	Yes
5.	Vijay Anand	4	4	Yes

### 4. Remuneration of Directors

No sitting fee is paid to the part – time Directors.

### 5. Code of Conduct

All Directors of the company are whole-time Directors of the holding Company, RVNL. They have been following the Code of Conduct laid down by RVNL.

### 6. Committees of the Board of Directors

Audit committee, Remuneration committee etc. will be constituted as and when the need arises.

### 7. Annual General Meeting

The Company will hold its 7<sup>th</sup> Annual General meeting in accordance with the provisions of section 96 of the Companies Act, 2013.

### 8. Means of Communication

All important information pertaining to the Company has been mentioned in the Annual Report of the Company containing inter-alia Audited Financial Statement, Boards' Report, Report on Corporate Governance which is being circulated to the members and others entitled thereto.

**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2019

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

**I REGISTRATION & OTHER DETAILS:**

i	CIN	U45204DL2012GOI239289
ii	Registration Date	25.07.2012
iii	Name of the Company	High Speed Rail Corporation of India Limited
iv	Category/Sub-category of the Company	Government Company
v	Address of the Registered office & contact details	Room No.260,1st Floor, August Kranti Bhawan, Bhikaji Cama Place, R.K. Puram, New Delhi-110066.
vi	Whether listed company	Unlisted
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	All the business activities contributing 10% or more of the total turnover of the company shall be stated		100%

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	RAIL VIKAS NIGAM LIMITED	L74999DL2003GOI118633	HOLDING COMPANY	100%	2(46)



#### IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
<b>A. Promoters</b>										
(1) Indian		-	-	-	-	-	-	-		
a) Individual/HUF		-	-	-	-	-	-	-		
b) Central Govt.or State Govt.		-	-	-	-	-	-	-		
c) Bodies Corporates		107,411		100		107,411		100		
d) Bank/FI		-	-	-	-	-	-	-		
e) Any other		-	-	-	-	-	-	-		
<b>SUB TOTAL:(A) (1)</b>										
<b>(2) Foreign</b>										
a) NRI- Individuals		-	-	-	-	-	-	-		
b) Other Individuals		-	-	-	-	-	-	-		
c) Bodies Corp.		-	-	-	-	-	-	-		
d) Banks/FI		-	-	-	-	-	-	-		
e) Any other...		-	-	-	-	-	-	-		
<b>SUB TOTAL (A) (2)</b>		0	0	0	0	0	0	0		
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>		107,411		100		107,411		100		
<b>B. PUBLIC SHAREHOLDING</b>										
(1) Institutions		-	-	-	-	-	-	-		
a) Mutual Funds		-	-	-	-	-	-	-		
b) Banks/FI		-	-	-	-	-	-	-		
C) Central govt		-	-	-	-	-	-	-		
d) State Govt.		-	-	-	-	-	-	-		
e) Venture Capital Fund		-	-	-	-	-	-	-		
f) Insurance Companies		-	-	-	-	-	-	-		
g) FIIS		-	-	-	-	-	-	-		
h) Foreign Venture Capital Funds		-	-	-	-	-	-	-		
i) Others (specify)		-	-	-	-	-	-	-		
<b>SUB TOTAL (B)(1):</b>		0	0	0	0	0	0	0		
<b>(2) Non Institutions</b>		-	-	-	-	-	-	-		
a) Bodies corporates		-	-	-	-	-	-	-		
i) Indian		-	-	-	-	-	-	-		
ii) Overseas		-	-	-	-	-	-	-		
b) Individuals		-	-	-	-	-	-	-		
i) Individual shareholders holding nominal share capital upto ₹1 lakhs		-	-	-	-	-	-	-		
ii) Individuals shareholders holding nominal share capital in excess of ₹1 lakhs		-	-	-	-	-	-	-		
c) Others (specify)		-	-	-	-	-	-	-		
<b>SUB TOTAL (B)(2):</b>		0	0	0	0	0	0	0		
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>		0	0	0	0	0	0	0		
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>		0	0	0	0	0	0	0		
<b>Grand Total (A+B+C)</b>		107,411		100		107,411		100		

**(ii) SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholders Name	Shareholding at the beginning of the year(As on 01.04.2018)			Shareholding at the end of the year(As on 31.03.2019)			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	RAIL VIKAS NIGAM LIMITED	107411	100	0	107411	100	0	0
	<b>Total</b>	<b>107411</b>	<b>100</b>	<b>0</b>	<b>107411</b>	<b>100</b>	<b>0</b>	<b>0</b>

**(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)**

Sl. No.		Share holding at the beginning of the Year (As on 01.04.2018)		Cumulative Share holding during the year (2018-19)	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year (As on 01.04.2018)	107411	100	107411	100
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase due to allotment.	0	100	0	0
	At the end of the year (As on 31.03.2019)	107411	0	107411	100

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

Sl. No		Shareholding at the end of the year(as on 31.03.2019)		Cumulative Shareholding during the year(2018-19)	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
	<b>For Each of the Top 10 Shareholders</b>				
1	At the beginning of the year (As on 01.04.2018)	0	0	0	0
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	0	0	0	0
3	At the end of the year (or on the date of separation, if separated during the year)	0	0	0	0

(v) Shareholding of Directors & KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	At the beginning of the year (As on 01.04.2018)	0	0	0	0
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
3	At the end of the year (As on 31.03.2019)	0	0	0	0

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year (As on 01.04.2018)</b>			
i) Principal Amount	-	-	-
ii) Interest due but not paid		-	
iii) Interest accrued but not due	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-
<b>Change in Indebtedness during the financial year</b>			
Additions	-	-	-
Reduction	-	-	-
<b>Net Change</b>		-	-
<b>Indebtedness at the end of the financial year (As on 31.03.2019)</b>			
i) Principal Amount	-	-	-
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

Sl. No	Particulars of Remuneration	Name of the MD/WTD/ Manager
<b>1</b>	<b>Gross salary</b>	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-
2	Stock option	-
3	Sweat Equity	-
4	Commission	-
	as % of profit	-
	others (specify)	-
5	Others, please specify	-
	<b>Total (A)</b>	-

**B. Remuneration to other Directors**

Sl.No	Particulars of Remuneration	Name of the Directors		
1	Independent Directors			Total Amount
	(a) Fee for attending board committee meetings	0	0	0
	(b) Commission	0	0	0
	(c ) Others, please specify	0	0	0
	Total (1)	0	0	0
<b>2</b>	<b>Other Non Executive Directors</b>	0	0	0
	“(a) Fee for attending board committee meetings”	0	0	0
	(b) Commission	0	0	0
	(c ) Others, please specify.	0	0	0
	<b>Total (2)</b>	0	0	0
	<b>Total (B)=(1+2)</b>	0	0	0
	<b>Total Managerial Remuneration</b>	0	0	0

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Company Secretary	CFO
1	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	0	0	0
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	as % of profit	0	0	0
	others, specify	0	0	0
5	Others, please specify	0	0	0
	<b>Total</b>	0	0	0

### VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

**HIGH SPEED RAIL CORPORATION OF INDIA LIMITED**  
**Balance Sheet as on 31st March 2019**

(₹ in Lakhs)

Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
<b>I. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment	3	0.06	0.10
		0.06	0.10
<b>2 Current assets</b>			
(a) Financial Assets			
(i) Cash and Cash equivalents	4	201.02	201.82
(b) Other current assets	5	-	0.43
(c) Project work in Progress	6	-	-
(d) Current Tax Asset (Net)	11	1.56	1.19
		202.58	203.44
<b>Total Assets</b>		<b>202.64</b>	<b>203.54</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity Share Capital	7	10.74	10.74
(b) Other Equity	8	(2.57)	(6.25)
		8.18	4.49
<b>Liabilities</b>			
<b>2 Non-current liabilities</b>			
<b>3 Current liabilities</b>			
(a) Financial Liabilities			
(i) Other financial liabilities	9	193.97	197.56
(b) Other current liabilities	10	0.49	1.49
(c) Current Tax Liability	11	-	-
		194.46	199.05
<b>TOTAL Equity and Liabilities</b>		<b>202.64</b>	<b>203.54</b>
III. See accompanying notes to the financial statements (1-23)			

As per our Report of even date attached

For and on behalf of Board of Directors

**For B.K. Gupta & Associates**

Chartered Accountants

FRN : 002128N

Sd/-

**B.K. Gupta**

Partner

M. No. 080753

Place : New Delhi

Date : 16.07.2019

Sd/-

**A. K. Choudhary**

Director

DIN:05166458

Sd/-

**Arun Kumar**

Director

DIN:02486535



**HIGH SPEED RAIL CORPORATION OF INDIA LIMITED**  
**Statement of Profit and Loss for the Year ended 31st March, 2019**

(₹ in Lakhs)

Particulars	Note No.	For the year ended on 31st March 2019	For the year ended on 31st March 2018
I Revenue from operation	12	861.07	4,079.84
Other income	13	10.98	12.92
<b>Total Income</b>		<b>872.05</b>	<b>4,092.76</b>
II <b>Expenses:</b>			
Expenses on operation	14	861.07	4,079.84
Finance Cost	15	-	0.06
Depreciation, amortization and impairment	16	0.04	0.04
Other Expenses	17	5.95	4.94
<b>Total Expenses</b>		<b>867.06</b>	<b>4,084.88</b>
III <b>Profit/loss Before exceptional items and Tax (I-II)</b>		4.99	7.88
IV Exceptional items		-	-
V Profit/(Loss) before tax (III-IV)		4.99	7.88
VI Tax expense:			
(1) Current tax			
- For the year	18	1.30	2.05
- For earlier years (net)	18	-	0.46
(2) Deferred tax (net)			
Total Tax Expense (VI)		1.30	2.51
VII <b>Profit/(loss) for the period from continuing operation (V-VI)</b>		3.69	5.36
VIII Profit/(loss) from discontinued operations		-	-
IX Tax Expense of discontinued operations		-	-
X Profit/(loss) from discontinued operations (after tax) (VIII-IX)		-	-
XI Profit/(loss) for the period (VII+X)		3.69	5.36
XII <b>Other Comprehensive Income</b>			
A. (i) Items that will not be reclassified to profit and loss		-	-
(ii) Income Tax relating to Items that will not be reclassified to profit and loss	-	-	-
B. (i) Items that will be reclassified to profit and loss		-	-
(ii) Income Tax relating to Items that will be reclassified to profit and loss	-	-	-
XIII <b>Total Comprehensive Income for the period (XI +XII)</b> (Comprehensive profit and other comprehensive income for the period)		3.69	5.36
XIV Earnings Per Equity Share: (For Continuing Operation)			
(1) Basic	19	3.43	4.99
(2) Diluted	19	3.43	4.99
XV Earnings Per Equity Share: (For discontinuing Operation)			
(1) Basic		-	-
(2) Diluted		-	-
XIV Earnings Per Equity Share: (For discontinued and continuing Operation)			
(1) Basic	19	3.43	4.99
(2) Diluted	19	3.43	4.99

As per our Report of even date attached  
For B.K. Gupta & Associates

Chartered Accountants  
FRN : 002128N

Sd/-  
**B.K. Gupta**  
Partner  
M. No. 080753  
Place : New Delhi  
Date : 16.07.2019

For and on behalf of Board of Directors

Sd/-  
**A. K. Choudhary**  
Director  
DIN:05166458

Sd/-  
**Arun Kumar**  
Director  
DIN:02486535

**HIGH SPEED RAIL CORPORATION OF INDIA LIMITED**  
**Statement of Cash Flow for the Year ended on 31st March 2019**

( ₹ in Lakhs)

Particulars	Note No.	For the year ended on 31st March 2019	For the year ended on 31st March 2018
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before taxation		4.99	7.88
<b>Adjustment for :</b>			
Depreciation, amortization and impairment		0.04	0.04
Interest Income		(10.98)	(12.92)
Provisions - (Additions - Write back) (Net)			
<b>Operating Profit before working capital changes</b>	<b>(1)</b>	<b>(5.95)</b>	<b>(5.00)</b>
<b>Adjustment for :</b>			
Decrease / (Increase) in Project Work in progress		-	2,549.15
Decrease / (Increase) in Other Current Assets		0.43	(0.12)
(Decrease) / Increase in Other Financial Liabilities		(3.59)	(10.67)
(Decrease) / Increase in Other Liabilities & Provisions		(1.00)	(2,857.45)
	<b>(2)</b>	<b>(4.16)</b>	<b>(319.09)</b>
<b>Cash generated from operation</b>	<b>(1+2)</b>	<b>(10.11)</b>	<b>(324.09)</b>
Income Tax Paid (Net of refunds)		(1.67)	(3.30)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(A)</b>	<b>(11.78)</b>	<b>(327.39)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets including Capital WIP		-	-
Interest Received		10.98	12.92
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>(B)</b>	<b>10.98</b>	<b>12.92</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Dividend ( including Dividend Distribution Tax) paid		-	-
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>(C)</b>	<b>-</b>	<b>-</b>
Effect of Exchange differences on translation of Foreign Currency Cash & Cash Equivalents	<b>(D)</b>		
<b>NET DECREASE IN CASH &amp; CASH EQUIVALENT</b>	<b>(A+B+C+D)</b>	<b>(0.80)</b>	<b>(314.47)</b>
<b>CASH AND CASH EQUIVALENT (OPENING)</b>			
Cash Balances	<b>(E)</b>	<b>201.82</b>	<b>516.29</b>
Balance with Banks		-	-
Short term investments		201.82	516.29
<b>CASH AND CASH EQUIVALENT (CLOSING)</b>	<b>(F)</b>	<b>201.02</b>	<b>201.82</b>
Cash Balances		-	-
Balance in Banks		164.42	201.82
Fixed Deposits		36.50	
Imprest Account		0.10	
Short term investments		-	
<b>NET DECREASE IN CASH &amp; CASH EQUIVALENT</b>	<b>(F - E)</b>	<b>(0.80)</b>	<b>(314.47)</b>

Cash Flow Statement has been prepared under indirect method as set out in IND AS-7 (Cash Flow Statements)

**As per our Report of even date attached**  
**For B.K. Gupta & Associates**

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

Chartered Accountants  
 FRN : 002128N

**Sd/-**  
**B.K. Gupta**  
 Partner  
 M. No. 080753  
 Place : New Delhi  
 Date : 16.07.2019

**Sd/-**  
**A. K. Choudhary**  
 Director  
 DIN:05166458

**Sd/-**  
**Arun Kumar**  
 Director  
 DIN:02486535

**STATEMENT OF CHANGES IN EQUITY**  
**HIGH SPEED RAIL CORPORATION OF INDIA LIMITED**  
Statement of changes in equity for the Year ended 31st March 2019

**A. Equity share capital** (₹ in Lakhs)

Particulars	Number of Share in Lakhs	Amount
<b>Balance at April 1, 2017</b>	1.07	10.74
Changes in equity share capital during the year		
Issue of equity shares capital during the year	-	-
<b>Balance at March 31, 2018</b>	<b>1.07</b>	<b>10.74</b>
Changes in equity share capital during the year		
Issue of equity shares capital during the year	-	-
<b>Balance at March 31, 2019</b>	<b>1.07</b>	<b>10.74</b>

**B. Other Equity** (₹ in Lakhs)

Particulars	Reserve & Surplus	Total
	Retained Earnings	
<b>Balance at April 1, 2017</b>	(11.62)	(11.62)
Changes in accounting policy or prior period errors	-	-
<b>Restated Balance at April 1, 2017</b>	<b>(11.62)</b>	<b>(11.62)</b>
Profit for the year	5.36	5.36
Other Comprehensive Income for the year (net of income tax)	-	-
<b>Total Comprehensive Income for the year</b>	<b>5.36</b>	<b>5.36</b>
Dividends paid	-	-
<b>Balance at March 31, 2018</b>	<b>(6.25)</b>	<b>(6.25)</b>
Changes in accounting policy or prior period errors	-	-
<b>Restated Balance as at April 1, 2018</b>	<b>(6.25)</b>	<b>(6.25)</b>
Profit for the year	3.69	3.69
Other Comprehensive Income for the year (net of income tax)	-	-
<b>Total Comprehensive Income for the year</b>	<b>3.69</b>	<b>3.69</b>
Dividends paid	-	-
<b>Balance at March 31, 2019</b>	<b>(2.57)</b>	<b>(2.57)</b>

The accompanying notes are integral part of financial statements.

As per our Report of even date attached  
For B.K. Gupta & Associates

Chartered Accountants  
FRN : 002128N

Sd/-  
B.K. Gupta  
Partner  
M. No. 080753  
Place : New Delhi  
Date : 16.07.2019

For and on behalf of Board of Directors

Sd/-  
A. K. Choudhary  
Director  
DIN:05166458

Sd/-  
Arun Kumar  
Director  
DIN:02486535

**Notes- 1 & 2**

**1. General Information**

High Speed Rail Corporation of India Limited is public limited company incorporated in India under the Provisions of the Company Act, 1956 on July 25, 2012 with the Object of carrying out Business related to Planning, designing, development, construction, manufacturing, assembling, fabricating, processing, installing, maintenance, operation, and financing of Railway Infrastructure and related logistic support systems, including rolling stock, of all types in India and abroad of High Speed Rail Projects and other rail based traffic, as may be approved by Government of India or Rail Vikas Nigam limited or any other such Competent Authority. The registered office of the company is located at 1st Floor August Kranti Bhawan, Bhikaji Cama Place, New Delhi-110066, India.

**2.1 Basis of Preparation**

**a) Statement of Compliance**

The financial statements as at March 31, 2019 have been prepared in accordance with Indian Accounting Standards Changed (Ind-AS) notified under section 133 of the Companies Act, 2013 as companies (Indian Accounting Standards) Rules, 2015, Companies (Indian accounting standards) Amendment Rules 2016, Companies (Indian accounting standards) Amendment Rules 2017 and Companies (Indian accounting standards) Amendment Rules 2018 Changed

**b) Basis of Measurement**

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following items that have been measured at fair value as required by relevant Ind AS:

i. Certain financial assets and liabilities measured at fair value.

**c) Use of estimates and judgement Primary Estimates**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of income and expenses. Examples of such estimates includes estimates of provision for doubtful debts, future obligations under employee retirement benefit plans and estimated useful life of property, plant and equipment. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Future results could differ due to changes in these estimates and difference between the actual result and the estimates are recognised in the period in which the results are known/ materialize.

All financial information presented in Indian rupees and all values are rounded to the nearest lakhs except where otherwise stated.

**d) Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, cash at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand are considered part of the Company's cash management system.

### e) Functional and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates (Functional Currency). The financial statements are presented in Indian rupees, which is presentation currency of company.

### f) Property, Plant and Equipment

1. Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any Cost of asset includes the following
  - i. Cost directly attributable to the acquisition of the assets
  - ii. Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.
2. Cost of replacement, major inspection, repair of significant parts are capitalized if the recognition criteria are met.
3. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of assets. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in statement of profit or loss.

### g) Intangible Assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated

at historical cost less accumulated amortization and impairment loss, if any.

Intangible assets comprise of license fees, other implementation costs for system software and other application software acquired for in-house use. The costs are capitalized in the year in which the relevant software is implemented for use. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes, and any directly attributable expenditure on making the asset ready for its intended use.

### h) Depreciation

- (a) Depreciation on Property, plant and Equipment is provided on Straight Line basis (SLM) over the useful life of the assets as specified in Schedule II of the Companies Act, 2013.
- (b) Each part of an item of Property, Plant and Equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.

The estimated useful life of assets for current and comparative period of significant items of property plant and equipment are as follows:

Particulars	Useful Life (Years)
Office Equipments	5

- (c) Depreciation methods, useful lives and residual values are reviewed at each reporting date, with the effect of change in estimate accounted for on a prospective basis.

### i) Provisions

Provision is recognised when:

- i) The Company has a present obligation as a result of a past event,
- ii) A probable outflow of resources is expected to settle the obligation and

- iii) A reliable estimate of the amount of the obligation can be made. Reimbursement of the expenditure required to settle a provision is recognised as per contract provisions or when it is virtually certain that reimbursement will be received

Provisions are reviewed at each Balance Sheet date.

Provision which expected to be settled beyond 12 months are measured at the present value by using pre-tax discount rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expenses.

**j) Revenue Recognition**

**a) Revenue from Contracts with Customers**

Company recognises revenue when it satisfies a performance obligation by transferring a promised good or service (ie an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. At the contract inception company determines for each performance obligations whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If the performance obligation does not satisfies at over time, the performance obligation is satisfied at a point in time.

**b) Other Revenue Recognition**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable using Effective Interest rate Method.

**k) Impairment of non-financial assets**

In accordance with Indian Accounting Standard-36 Impairment of Assets, the carrying

amounts of Company's assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated as the higher of the net selling price or the value in use. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount.

On the basis of review, the management is of the opinion that the economic performance of Fixed Assets of the Company is not lower than expected and therefore there is no impairment of any assets as on the Balance Sheet date.

**l) Taxes.**

**a) Current income tax**

- i. Taxes including current income-tax are computed using the applicable tax rates and tax laws.
- ii. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.
- iii. Current income tax assets and liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, liability for additional taxes if any, is provided / paid as and when assessments are completed.
- iv. Current tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

**b) Deferred tax**

- i. Deferred income tax is recognized using balance sheet approach.
- ii. Deferred income tax assets and liabilities are recognized for temporary differences which is computed using the tax rates



and tax laws that have been enacted or substantively enacted at the reporting date.

- iii. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- iv. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.
- v. Deferred tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

#### m) Earnings Per Share.

In determining basic earnings per share, the company considers the net profit attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. In determining diluted earnings per share, the net profit attributable to equity shareholders and weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

#### n) Contingent Liabilities and contingent Assets

- (a) Contingent Liabilities are disclosed in either of the following case
  - i) A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation; or
  - ii) A reliable estimate of the present obligation cannot be made; or

iii) A possible obligation, unless the probability of outflow of resource is remote.

- (b) Contingent assets is disclosed where an inflow of economic benefits is probable.
- (c) Contingent Liability and Provisions needed against Contingent Liability and Contingent Assets are reviewed at each Reporting date.
- (d) Contingent Liability is net of estimated provisions considering possible outflow on settlement.

#### o) Fair Value Measurement

Company measures financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

#### p) Financial Instruments

Initial recognition and measurement of Financial Instruments is recognized at its fair

value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial instruments.

**a. Subsequent measurement**

**Financial Assets**

Financial assets are classified in following categories:

- a) At Amortised Cost
- b) Fair value through Other Comprehensive Income.
- c) Fair value through Profit and loss account.

**b. Debt instrument at Amortised Cost**

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets measured at amortised cost using effective interest rate method less impairment if any. The EIR amortisation is included in finance income in the statement of profit and loss.

**c. Debt instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI. Debt

instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned is recognised using the EIR method.

**d. Debt instrument at FVTPL**

FVTPL is a residual category for financial Assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the company may elect to designate financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. If doing so reduces or eliminates a measurement or recognition inconsistency. The company has not designated any financial asset as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

**Financial liabilities**

- a) Financial liabilities at Amortised Cost Financial liabilities at amortised cost represented by trade and other payables, security deposits and retention money are initially recognized at fair value and subsequently carried at amortized cost using the effective interest rate method.
- b) Financial liabilities at FVTPL The company has not designated any financial liabilities at FVTPL.

**e. Derecognition**

**Financial Asset**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

**Financial Liability**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability and the difference in the respective carrying amounts is recognised in the income statement.

**f. Impairment of financial assets**

Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

Company assesses on a forward looking basis the expected credit losses associated

with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applies on whether there has been significant increase in credit risk.

**g) Project Transfer**

MoR Funded Projects through RVNL: PWIP of MoR funded projects are adjusted against fund received from MoR through RVNL. The amount of expenditure incurred on projects recognised during the period including opening balance of PWIP for MoR funded projects are being adjusted as at 31.03.2019 from the fund received from MoR through RVNL and from subsequent year adjustment are carried out on annualy basis.

**IND AS 116 Leases**

On March 30,2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace Ind AS- 17 and related interpretations from its proposed effective date, being annual periods beginning on or after 1 April 2019. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. Ind AS 116 requires the identification of leases and introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Standard also contains enhanced disclosure requirements for lessees. The Company as a lessee, would be required to account for the assets on lease and corresponding liability for all leases in its Balance Sheet.

**Note: 3**

**Property, Plant and equipment**

(₹ in Lakhs)

	Office Equipments	Total
<b>Cost or valuation</b>		
At 1 April 2017	0.22	0.22
Additions	-	-
Disposals/Adjustments	-	-
<b>At 31 March 2018</b>	<b>0.22</b>	<b>0.22</b>
Additions	-	-
Disposals/Adjustments	-	-
<b>At 31 March 2019</b>	<b>0.22</b>	<b>0.22</b>
Depreciation and impairment		
<b>At 1 April 2017</b>	<b>0.08</b>	<b>0.08</b>
Depreciation charge for the year	0.04	0.04
Disposals/Adjustments	-	-
<b>At 31 March 2018</b>	<b>0.12</b>	<b>0.12</b>
Depreciation charge for the year	0.04	0.04
Disposals/Adjustments	-	-
<b>At 31 March 2019</b>	<b>0.16</b>	<b>0.16</b>
<b>Net book value</b>		
<b>At 31 March 2019</b>	<b>0.06</b>	<b>0.06</b>
<b>At 31 March 2018</b>	<b>0.10</b>	<b>0.10</b>

**Note: 4**

**Financial Assets**

**Cash and Cash equivalent**

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
Balances with banks:		
– On Current accounts	164.42	10.98
– Flexi Accounts	36.50	190.74
Other Advance (Imprest)	0.10	0.10
	<b>201.02</b>	<b>201.82</b>

Amount of ₹0.10 Lakhs represents Imprest Balance

## Note: 5

### Other Financial Assets

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
<b>i) Accrued Interest</b>		
Accrued Interest on Flexi deposits	-	0.43
	-	<b>0.43</b>

## Note: 6

### Project Work in Progress

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
PPE (Incidental Expenses)	-	8.87
Preliminary Project Expenditure	861.07	4,111.12
Less:		
Sale of Tender	-	(2.80)
Liquidated Damages	-	(37.35)
	<b>861.07</b>	<b>4,079.84</b>
<b>Less: Project Transferred to RVNL [refer note. 12 (1) (a)]</b>	861.07	4,079.84
	-	-

## Note: 7

### Equity Share capital

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
<b>Authorised share capital</b>		
March 31, 2019 50,00,000 (March 31, 2018: 50,00,000 Equity share of ₹10 each	500.00	500.00
	<b>500.00</b>	<b>500.00</b>
<b>Issued/Subscribed and Paid up Capital</b>		
March 31, 2019 1,07,411 (March 31, 2018: 1,07,411) Equity share of ₹10 each	10.74	10.74
	<b>10.74</b>	<b>10.74</b>

**Note: 7.1**

**Reconciliation of the number of equity shares and share capital**

Particulars	As at 31 March 2019		As at 31 March 2018	
	No of shares	(Amount ₹)	No of shares	(Amount ₹)
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	1.07	10.74	1.07	10.74
Add: Shares Issued during the year	-	-	-	-
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	<b>1.07</b>	<b>10.74</b>	<b>1.07</b>	<b>10.74</b>

**Terms/Rights attached to Equity Shares**

The Company has only one class of equity shares referred to as equity shares having at par value of ₹10/-. Each holder of one equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares shall be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts.

**Shares held by Holding Company**

The Company is a 100% Wholly Owned Subsidiary of Rail Vikas Nigam Limited (along with 4 Nominees of Holding Company). Rail Vikas Nigam Limited holds 1,07,405 shares & its Nominee holds 6 shares, Face value of share is ₹10 each.

**Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of the shareholder	As at 31 March 2019		As at 31 March 2018	
	No of shares	% holding in the class	No of shares	% holding in the class
Rail Vikas Nigam Limited (along with 6 Nominees) -Holding Company (1,07,411 shares fully paid up @ ₹ 10/- per share)	1.07	100.00%	1.07	100.00%
<b>Total</b>	<b>1.07</b>	<b>100.00%</b>	<b>1.07</b>	<b>100.00%</b>

**Aggregate no. of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

Particulars	As at 31 March 2019	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
	Number	Number	Number	Number	Number
Equity shares allotted other than cash	-	-	-	-	-
Equity shares issue as bonus	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Note: 8

### Other Equity

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
(a) Retained Earnings		
Opening Balance	(6.25)	(11.62)
Add: Profit/(Loss) for the Year	3.69	5.36
Closing Balance	(2.57)	(6.25)

## Note: 9

### Financial Liability

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
(i) Other Financial Liability		
Other Payables	193.97	197.56
<b>Total</b>	<b>193.97</b>	<b>197.56</b>

## Note: 10

### Other current Liability

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
i) Other Advances		
Advance from Ministry of Railways for Project feasibility study	-	2,858.70
Less:		
Advance transferred to RVNL	-	2,858.70
	-	-
ii) Others		
Statutory Liabilities		
Tax Deducted at Source	0.49	0.29
GST	-	1.20
<b>Total</b>	<b>0.49</b>	<b>1.49</b>

**Note: 11**

**Current Tax**

( ₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
Current Tax Assets		
Income Tax refundable	1.19	-
Prepaid taxes	1.67	3.24
Provision for Current Tax	(1.30)	(2.05)
<b>Total</b>	<b>1.56</b>	<b>1.19</b>
<b>Net Current Asset/ (Liability)</b>	<b>1.56</b>	<b>1.19</b>

**Note: 12**

**Revenue from Operation**

( ₹ in Lakhs)

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Revenue from transfer Projects to RVNL.	861.07	4,079.84
	<b>861.07</b>	<b>4,079.84</b>

**Note (1) : Operating Income:**

(a). Project expenditure amounting to ₹861.07 Lakhs (Previous Year : ₹4079.84 lakhs ) incurred on MoR funded projects through RVNL are transferred to RVNL and recognised as revenue.

(b). High Speed Rail Corporation of India Limited (HSRCL) is anticipating earnings on account of D & G charges from MoR through RVNL on transfer of Projects. Amount of D&G charges is yet to be approved by Ministry of Railways (MoR). Hence, the revenue on account of D&G charges has not been recognised.

**Note: 13**

**Other Income**

( ₹ in Lakhs)

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Interest on Flexi Account	10.98	12.92
	<b>10.98</b>	<b>12.92</b>

**Note: 14**

**Expenses on Operation**

( ₹ in Lakhs)

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Expense on transfer of Projects	861.07	4,079.84
<b>Total</b>	<b>861.07</b>	<b>4,079.84</b>

**Note:-** Project expenditure amounting to ₹861.07 Lakhs (Previous Year ₹4079.84 lakhs) incurred on MoR funded projects through RVNL and recognised as expenditure .

## Note: 15

### Finance Cost

(₹ in Lakhs)

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Interest Expenses on Income tax	-	0.06
<b>Total</b>	<b>-</b>	<b>0.06</b>

## Note: 16

### Depreciation, amortization and impairment (₹ in Lakhs)

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Property Plant and equipment	0.04	0.04
<b>Total</b>	<b>0.04</b>	<b>0.04</b>

## Note: 17

### Other Expenses

(₹ in Lakhs)

Particulars	For the period ended 31st March 2019	For the period ended 31st March 2018
Legal & Professional Fees	1.46	1.48
Office Expenses	1.44	1.45
Payment to Auditors:		
As Auditors - Statutory Audit	1.70	1.50
Tax Audit	0.50	
GST Audit	0.40	
Out of pocket Expenses	-	0.08
Bank charges	-	0.01
Website Maintenance charges	0.44	0.41
ROC Fee Expenses	0.01	0.01
<b>Total</b>	<b>5.95</b>	<b>4.94</b>

**Note: 18**

**Tax Expense**

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
<b>Current income tax:</b>		
Current income tax charge	1.30	2.05
Adjustments in respect of current income tax of <b>previous year</b>	-	0.46
Deferred tax:		
Relating to origination and reversal of temporary differences	-	-
<b>Income tax expense reported in the statement of profit or loss</b>	<b>1.30</b>	<b>2.51</b>

**Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate  
for period ended 31st March 2019.**

Particulars	31 March 2019	31 March 2018
Accounting profit before tax from continuing operations	4.99	7.88
Profit/(loss) before tax from a discontinued operation		-
<b>Accounting profit before income tax</b>	<b>4.99</b>	<b>7.88</b>
At India's statutory income tax rate of 26% (31 March 2018: 25.75%)	1.30	2.03
Adjustments in respect of current income tax of previous years	-	0.46
Expenses Not deductible for Income Tax Purpose	0.01	0.02
Non-deductible expenses for tax purposes:		
Other non-deductible expenses	-	
Income Tax expenses reported in Statement of profit and loss	1.30	2.51
Effective tax Rate	26.10%	31.88%
Income tax expense reported in the statement of profit and loss	1.30	2.51
Income tax attributable to a discontinued operation	-	-
	<b>1.30</b>	<b>2.51</b>

## Note: 19

### Earnings per share (EPS)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
	(₹ per Share)	(₹ per Share)
<b>Basic EPS</b>		
From continuing operation	3.43	4.99
From discontinuing operation	-	-
<b>Diluted EPS</b>		
From continuing operation	3.43	4.99
From discontinuing operation	-	-

### 19.1 Basic Earning per Share

Basic EPS amounts are calculated by dividing the profit for the period attributable to equity holders of the company by weighted average number of equity shares outstanding during the period

The earnings and weighted average number of equity shares used in calculation of basic earning per share:-

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
	(₹ per Share)	(₹ per Share)
Profit attributable to equity holders of the company:		
Continuing operations	3.69	5.36
Discontinuing operations		
Earnings used in calculation of Basic Earning Per Share	3.69	5.36
Weighted average number of shares for the purpose of basic earnings per share	1.07	1.07

## 19.2 Diluted Earning per Share

The earnings and weighted average number of equity shares used in calculation of diluted earning per share:-

Particulars	Year ended 31st March 2019 (₹ per Share)	Year ended 31st March 2018 (₹ per Share)
Profit attributable to equity holders of the company:		
Continuing operations	3.69	5.36
Discontinuing operations		
Earnings used in calculation of diluted Earning Per Share from continuing operations	3.69	5.36

The weighted number of equity shares for the purpose of diluted earning per share reconciles to the weighted average number of equity shares used in calculation of basic earning per share as follows:

Particulars	Year ended 31st March 2019 (₹ per Share)	Year ended 31st March 2018 (₹ per Share)
Weighted average number of Equity shares used in calculation of basic earnings per share	1.07	1.07
Effect of dilution:		
Share Options	-	-
Weighted average number of Equity shares used in calculation of diluted earnings per share	1.07	1.07

### Note: 20

#### Related Party Disclosures:

**a) Parent Company**

- (i) Rail Vikas Nigam Limited

**b) Key Managerial personnel of the entity**

- (i) Pradeep Gaur : Chairman (w.e.f. 10.09.2018)  
(ii) Satish Chandra Agnihotri: (Chairman upto 31st August 2018)  
(iii) Vijay Anand :Director  
(iv) Arun Kumar: Director  
(v) Ashok Kumar Choudhary: Director



c) Disclosure of transactions with related parties:

(₹ in Lakhs)

Particulars	Transactions during the year 2018-19	Transactions during the year 2017-18	Particulars of contracts/Arrangements
			Nature of Transaction
Transactions with Rail Vikas Nigam Limited	-	-	Expenditure Incurred by RVNL on behalf of HSRC (Net)
	-	-	Expenditure Incurred by HSRCL on behalf of RVNL
	1,011.00	1,356.83	Advance received from RVNL (Net)
			Advance for Project work received
	-	2,858.70	Advance received from MoR transferred to RVNL.
	861.07	4,079.84	Project expenditure incurred transferred to RVNL.

d) Amount of outstanding balance

(₹ in Lakhs)

Particulars	Amount outstanding as on 31-03-19	Amount outstanding as on 31-03-18
Rail Vikas Nigam Limited	189.79	194.84

The amount outstanding are unsecured and will be settled in cash. There have been no guarantees provided or received for any related party receivable or payable.

Sub-contract work have been received from Ministry of Railways which has been made at the price prevailing in market.

**Note: 21**

**Fair Value measurements**

(i) Financial Instruments by Category

(₹ in Lakhs)

Particulars	31 March 2019			31 March 2018		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Cash and Cash Equivalents			201.02			201.82
<b>Total Financial Assets</b>			<b>201.02</b>	-	-	<b>201.82</b>
<b>Financial Liabilities</b>	<b>FVTOCI</b>	<b>FVTOCI</b>	<b>Amortised Cost</b>	<b>FVTPL</b>	<b>FVTOCI</b>	<b>Amortised Cost</b>
Other Payables			193.97			197.56
<b>Total Financial Liabilities</b>	-	-	<b>193.97</b>	-	-	<b>197.56</b>

## Financial risk management

The Company's principal financial liabilities comprise other payables. The main purpose of these financial liabilities is to finance the company's operations. The Company's principal financial assets include cash. The Company's activities expose it to a variety of financial risks: Market risk, credit risk and liquidity risk. Company has not hedged its Financial risks. All risks are uncovered risk.

### Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Company take care for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

### Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed in accordance with the companies policy. Investment of surplus are made only with approved with counterparty on the basis of the financial quotes received from the counterparty.

#### d) Liquidity risk

Ultimate responsibility for liquidity risk management rest with the board of directors the company manages maintaining adequate banking facilities and reserves borrowing facilities by continuously monitoring forecast and actual cash flows and by matching the maturities of financial liabilities

#### Note : 22

Previous Year figures has been rearranged, reclassified and regrouped wherever necessary to make them confirmatry with current year figures

#### Note: 23 Approval of Financial Statements

The financial statements were approved for issue by the Board of Directors on 16.07.2019.



लोकहितार्थं सत्यनिष्ठा  
Dedicated to Truth in Public Interest

**AUDIT**

**INDIAN AUDIT AND ACCOUNTS DEPARTMENT  
OFFICE OF THE PRINCIPAL DIRECTOR OF**

**RAILWAY-COMMERCIAL, NEW DELHI**



सत्यमेव जयते

संख्या: पी.डी.ए./आर. सी./53-04/ AA-HSRCL/ 2019-10 /164  
सेवा में,

दिनांक: 09.07.2019

प्रबंध निदेशक,

हाई स्पीड रेल कारपोरेशन ऑफ़ इंडिया लिमिटेड,  
रूम संख्या 260, पहला फ्लोर, अगस्त क्रान्ति भवन,  
बीकाजी कामा प्लेस, आर.के पुरम,  
नई दिल्ली - 110 066.

विषय: 31 मार्च 2019 को समाप्त वर्ष के लिए हाई स्पीड रेल कारपोरेशन ऑफ़ इंडिया लिमिटेड के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143 (6) (b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ ।

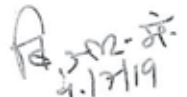
महोदय,

मैं, हाई स्पीड रेल कारपोरेशन ऑफ़ इंडिया लिमिटेड के 31 मार्च 2019 को समाप्त वर्ष के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143 (6) (b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रोषित कर रहा हूँ ।

कृपया इस पत्र की संलग्नको सहित प्राप्त की पावती भेजी जाए ।

संलग्न: यथोपरी

भवदीय,

  
(बि. आर. मण्डल)

प्रधान निदेशक / आर. सी

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF HIGH SPEED RAIL CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2019.**

The preparation of financial statements of **HIGH SPEED RAIL CORPORATION OF INDIA LIMITED** for the period ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 15.05.2019.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of **HIGH SPEED RAIL CORPORATION OF INDIA LIMITED** for the period ended 31 March 2019 under section 143(6)(a) of the Act.

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



(B.R.Mondal)

**Principal Director of Audit  
Railway Commercial, New Delhi**

Place: New Delhi  
Dated: 09 July, 2019







**रेल विकास निगम लिमिटेड**  
**Rail Vikas Nigam Limited**

**गुणवत्ता, गति एवं पारदर्शिता**

**(A Government of India Enterprise)**

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1<sup>st</sup> Floor, August Kranti Bhawan, Bhikaji Cama Place, New Delhi - 110066  
Tel.: +91-26738299, Fax: +91-11-26182957, Website: [www.rvni.org](http://www.rvni.org)



**RAIL VIKAS NIGAM LIMITED**  
**(A Government of India Undertaking)**

**Registered office: 1st Floor, August Kranti Bhawan, Bhikaji Cama Place,  
R. K. Puram, New Delhi, South Delhi- 110066  
CIN: L74999DL2003GOI118633  
Email:investors@rvnl.org, Website: www.rvnl.org,  
Phone No.: 011-26738299, Fax: 011-26182957**

**NOTICE**

Notice is hereby given that the **16<sup>th</sup>Annual General Meeting** of the Members of **RAIL VIKAS NIGAM LIMITED** will be held on **Wednesday, 18<sup>th</sup> September, 2019** at **1130 hrs** at Zoravar Hall, Manekshaw Auditorium, Khyber Lines, Delhi Cantonment, New Delhi- **110010** to transact, the following business(s):

**ORDINARY BUSINESS:**

To consider, and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without modification(s):

1. To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the Financial Year ended on 31<sup>st</sup> March, 2019 along with the Board's Report and Auditor's thereon and comments of the Comptroller and Auditors-General of India.
2. To confirm the first and second interim dividends declared for the Financial Year 2018-19 and to declare the final dividend on equity shares for the financial year ended 31<sup>st</sup> March, 2019.
3. To appoint a director in place of Shri Arun Kumar, Director (Operations) (DIN: 02486535), who retires by rotation and being eligible offers himself for re-appointment.
4. To authorize Board of Directors of the Company to fix remuneration of the Statutory Auditors of the Company in terms of the provisions of Section 142 of the Companies Act, 2013 appointed by Comptroller and Auditor General of India for the financial year 2019-20 and to pass the following resolution as **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to provisions of Section 142 of the Companies Act, 2013 Board of Directors of the Company be and is hereby

authorized to decide and fix remuneration of Statutory Auditors of the Company appointed by Comptroller and Auditor General of India for the financial year 2019-20."

**SPECIAL BUSINESS:**

To consider and if thought fit, to pass the following Resolution with or without modification(s), as an **Ordinary Resolution:**

5. To appoint Shri Hari Mohan Gupta, as Part-time Government Nominee Director (DIN: 08453476), on the Board of the Company.

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, rules made thereunder, Shri Hari Mohan Gupta (DIN: 08453476), who was appointed as a Part-time Government Nominee Director by the President of India vide Ministry of Railways Order No. 2003/PL/92/1 dated 14<sup>th</sup> May, 2019, and subsequently appointed as an Additional Director and designated as Part-time Government Nominee Director by the Board of Directors with effect from 17<sup>th</sup> May, 2019 to hold office until the date of ensuing Annual General Meeting under Section 161 of the Companies Act, 2013 and who has consented to act as Part-time Government Nominee Director of the Company be and is hereby appointed as Part-time Government Nominee Director of the Company, liable to retire

by rotation on terms & conditions as may be fixed by the Government of India.”

6. To appoint Shri Vinay Singh (DIN: 03324677), as Director (Projects) of the Company:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, rules made thereunder, Shri Vinay Singh (DIN:03324677), who was appointed as a Director (Projects) by the President of India vide Ministry of Railways Office Order no 2018/E(O)II/40/9 dated 11.06.2019, w.e.f. 01.08.2019 and subsequently appointed as an Additional Director and designated as Director (Projects) by the Board of Directors with effect from 01.08.2019 to holds office until the date of ensuing Annual General Meeting, under Section 161 of the Companies Act, 2013 and who has consented to act as Whole Time Director, be and is hereby appointed as Director (Projects) of the Company liable to retire by rotation on the terms and conditions, remuneration & tenure as may be determined by the President of India, Government of India from time to time.

7. To appoint Shri Shiv Kumar Gupta (DIN: 07391077) as Independent Director of the Company

“ **RESOLVED THAT** pursuant to the provisions of Section 149,152 & 161 and other applicable provisions of the Company Act, 2013. Mr. Shiv Kumar Gupta (DIN: 07391077) who was nominated as Independent Director by the President of India, Ministry of Railways vide Order no. 2009/PL/48/1 (Pt.3) dated 11.07.2019 appointed as Additional Director w.e.f. 01.04.2019 be and is hereby appointed as Independent Director of the Company as per terms & conditions mentioned in the said letter not liable to retire by rotation.”

8. To appoint Shri Vinayak Bhalachandra Karanjikar (DIN:06518026) as Independent Director of the

Company

“ **RESOLVED THAT** pursuant to the provisions of Section 149,152 & 161 and other applicable provisions of the Company Act, 2013. Shri Vinayak Bhalachandra Karanjikar (DIN: 06518026) who was nominated as Independent Director by the President of India, Ministry of Railways vide Order no 2009/PL/48/1 (Pt.3) dated 11.07.2019 appointed as Additional Director w.e.f. 01.04.2019 be and is hereby appointed as Independent Director of the Company as per terms & conditions mentioned in the said letter not liable to retire by rotation.”

9. To appoint Major General (Retd.) Cyrus Addie Pithawalla (DIN: 06507764) as Independent Director of the Company

“ **RESOLVED THAT** pursuant to the provisions of Section 149,152 & 161 and other applicable provisions of the Company Act, 2013 Major General (Retd.) Cyrus Addie Pithawalla (DIN: 06507764) who was nominated as Independent Director by the President of India, Ministry of Railways vide Order no. 2009/PL/50/13/Pt. dated 11.07.2019 appointed as Additional Director w.e.f. 11.07.2019 be and is hereby appointed as Independent Director of the Company as per terms & conditions mentioned in the said letter not liable to retire by rotation.”

**By Order of the Board of Directors**  
Sd/-

(Kalpana Dubey)

**CS & Compliance Officer**

**Place: New Delhi**

**Date: 05.08.2019**

**Regd. Office:**

1<sup>st</sup>Floor, August Kranti Bhawan,

Bhikaji Cama Place,

R.K. Puram, New Delhi – 110066.

CIN: L74999DL2003GOI118633

## NOTES:

1. **A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY IN WRITING DULY SIGNED BY HIM/HER TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. In order to be effective, proxy form duly completed should be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting. A blank proxy form is enclosed herewith and can also be obtained from the registered office of the Company free of charge.
3. As per the provisions of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
4. Corporate members are requested to send a duly certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote on their behalf at the Annual General Meeting. Alternatively, such an authority duly certified should be brought by the representative attending on behalf of the corporate body, at the meeting.
5. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of meeting, a member would be entitled to inspect the proxies lodged during the business hours of the Company, provided that not less than three days' notice in writing is given to the Company.
6. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Businesses to be transacted at the Meeting is annexed hereto.
7. The Register of Members and Share Transfer books of the Company will remain closed from 11.09.2019 to 18.09.2019 (both days inclusive).
8. Brief resume of the Directors seeking appointment and re-appointment as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with the Secretarial Standards issued by the Institute of Company Secretaries of India is annexed hereto and forms part of the notice.
9. Members are requested to: -
  - (i) note that copies of Annual Report shall not be made available at the venue of the Meeting.
  - (ii) bring their copies of Annual report, Notes and Attendance Slip duly completed and signed at the meeting.
  - (iii) deliver duly completed and signed attendance slip at the entrance of the venue of the meeting as entry to the Hall will be strictly on the basis of the Entry Slip available at the counter at the venue to be exchanged with the Attendance Slip. Photocopies of Attendance Slip will not be entertained for issuing Entry Slip for attending Annual General Meeting.
  - (iv) quote their Folio /Client ID & DP ID Nos. in all correspondence.
  - (v) note that due to strict security reasons brief cases, eatables and other belongings will not be allowed inside the Auditorium.
  - (vi) note that in case of joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.
  - (vii) note that no gifts/coupons will be distributed at the Annual General Meeting.
  - (viii) entry is restricted to members or registered proxy holders. Accordingly, persons(s) other than members are requested to register their proxies before stipulated time.
10. The Annual Report of the Company is also available on the company's website i.e. <https://www.rvnl.org>
11. None of the Directors of the Company is in any way related to each other.
12. Members are advised to submit their Electronic Clearing System (ECS) mandates to enable the

- Company to make remittance by means of ECS. Those holding shares in dematerialized form may send the ECS Mandate in the enclosed format directly to their Depository Participants (DP). Those who have already furnished the ECS Mandate Form to the Company/ Depository Participant/ Registrar & Share Transfer Agent with complete details need not send it again. Members holding shares in physical form may send the ECS Mandate form to the RTA of the Company.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/RTA.
  14. Non-Resident Indian members are requested to inform Company/RTA, regarding:
    - i) Change in their residential status on return to India for permanent settlement.
    - ii) Particulars of their bank account maintained in India with complete name, branch, account type, account number, IFSC Code and address of the Bank with pin code number, if not furnished earlier.
  15. The Board of directors of the Company in their meetings held on 18.09.2018 and 28.03.2019 declared first and second Interim Dividend of ₹83.79 (₹0.40 per equity share of ₹10 each) and 83.79 crores (₹0.40 per equity share of ₹10 each respectively which has already been paid. Final Dividend of ₹19.36 crore (₹0.09 per equity share of ₹10 each) recommended by Board of Directors in their Meeting held on 29.05.2019 for the year ended 31.03.2019, if approved by the members at the Annual General Meeting, will be paid to the shareholders holding shares as on the Record Date fixed by the Company.
  16. Pursuant to Section 139(5) of the Companies Act, 2013, the Statutory Auditors of a Government Company are to be appointed/ re-appointed by the Comptroller and Auditor General (C&AG) of India and, in terms of provisions contained in Section 142 of the Companies Act 2013, their remuneration shall be fixed by the company in a General Meeting or in such manner as the company in a General Meeting may determine. As the appointment/reappointment of statutory auditors is yet to be done by CAG, the members may authorize Board of Directors to confirm the appointment/reappointment and fix their remuneration as per the communication to be received from CAG.
  17. Pursuant to Section 101 of the Companies Act, 2013 read with the relevant Rules, the Company has implemented the "Green Initiative" which enables the Company to serve documents like notices, annual reports, etc., in electronic form to its members. It also facilitates prompt receipt of communications and thereby reduces postal transit losses. Accordingly, copy of the Annual Report is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes through e-mail unless any member has requested for a hard copy of the same. Members holding shares in electronic mode are, therefore, requested to ensure to keep their e-mail addresses updated with the Depository Participant. Members who hold shares in physical form are requested to get their e-mail id registered with RTA of the Company.
  18. All relevant documents referred to in the Notice will be available for inspection by the Members at the Registered Office of the Company on all working days (except Saturdays, Sundays and Public Holidays) during working hours upto the date of Annual General Meeting and the same along with other documents as required under the applicable law will also be available for inspection at the time of AGM of the Company.
  19. Members desiring any information as regards the Financial Statements are requested to write to the Company at least 7 days before the date of the meeting to enable the management to keep the information readily available at the meeting.
  20. Members desirous of making a nomination in respect of their shareholding in the company, as permitted under Section 72 of the Companies Act, 2013, are requested to write to RTA of the Company in prescribed format as per the Companies (Share Capital and Debentures) Rules, 2014. In case of shares held in dematerialized form, the nomination form has to be lodged directly with the respective

- Depository Participant (DP). The Company's Registrar & Transfer Agent (RTA) is M/s Alankit Assignments Limited. The Communication address of the RTA is 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi -110055 Please write Unit: RVNL.
21. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company is pleased to provide members the facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited.
22. Kindly note that the members can opt for only one mode of voting i.e. either through remote e-voting or voting at the AGM. Therefore, members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their vote again. If a member casts vote by both modes, then voting done through remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
23. Members desiring to exercise their vote by e-voting are requested to carefully read the enclosed instructions which inter alia provide the process and manner for e-voting, login ID, generating password and time schedule, including the time period during which the votes may be cast etc.
24. In order to scrutinize the e-voting process in a fair and transparent manner and to carry out the required activities, the Company has appointed M/s. A.K.U. & Associates, Company Secretaries, as the Scrutinizer.
25. Members who have not registered their e-mail address, so far, are requested to register their e-mail addresses, in respect of dematerialized shares with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the e-communication registration form and hand over the same along with attendance slip at the registration counter of the venue of the Annual General Meeting for registration of Email address for receiving notice/ documents including Annual Report.
26. Annual listing fee for the year 2019-20 has been paid to the Stock Exchanges wherein shares of the company are listed.
27. Members are requested to notify immediately any change in their address:
- to their Depository Participants (DP) in respect of shares held in dematerialized form, and
  - to the company at its registered office or its Registrar and Share Transfer Agent, Alankit Assignments Limited in respect of their physical shares, if any, quoting their Folio Number.
28. A route map to reach the venue of the Annual General Meeting, including prominent landmark for easy location, is attached along with the notice.
29. Information and other instructions relating to e-voting are given with e-voting communication. The remote e-voting facility will be available during the following voting period:
- Commencement of remote e-voting: From 9.00 a.m. (IST) on 14th September, 2019.
  - End of remote e-voting: Up to 5:00 p.m. (IST) on 17<sup>th</sup> September, 2019.



## INSTRUCTIONS FOR REMOTE E-VOTING

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

**Step 1:** Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>

**Step 2:** Cast your vote electronically on NSDL e-Voting system.

**Step 1: Log-in to NSDL e-Voting system** at <https://www.evoting.nsdl.com/>

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com> either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

For Members who hold shares in Demat Account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
For Members who hold shares in Demat account with CDSL. 16 Digit Beneficiary ID	For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
For Members holding shares in Physical Form. EVEN Number followed by Folio Number registered with the company	For example, if folio number is 001*** and EVEN is 101456 then User ID is 101456001***.

5. Your password details are given below:
  - a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, your ‘initial password’ is communicated to you on our postal address.
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).



- b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the checkbox.
  8. Now, you will have to click on “Login” button.
  9. After you click on the “Login” button, Home page of e-Voting will open.

### Step 2 : Cast your vote electronically on NSDL e-Voting system

1. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-voting as the voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with

- attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer (Mr. Arun Kumar, M/s. A.K.U. & Associates, Company Secretaries) by e-mail to [csarunkumar10@gmail.com](mailto:csarunkumar10@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com)
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsd.com](http://www.evoting.nsd.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the download section of [www.evoting.nsd.com](http://www.evoting.nsd.com) or call on toll free no.: 1800- 222-990 or send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com)
4. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of i.e. 23rd July, 2019. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) or Issuer/RTA.
5. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the company i.e. [www.rvnl.org](http://www.rvnl.org) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the NSE and BSE, Mumbai.

## IMPORTANT COMMUNICATION TO MEMBERS

As per the provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014. Company may give notice etc. through electronic mode i.e., by e-mail as a text or as attachment to e-mail or as a notification providing electronic link. Your Company has sent the notification providing electronic link of notice of AGM to entitled members and the same is also hosted on the website of the Company along with Annual Report at <https://www.rvnl.org/en/Pages/annualreports.aspx>

Members who have not yet registered their e-mail id or who want to change their e-mail id are requested to approach their respective DP (for electronic holding) or with R&TA/Company (for physical holding), so as to receive all communications electronically including annual report, notices, circulars, NACH intimation etc. sent by the Company from time to time.

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH SECRETARIAL STANDARD ON GENERAL MEETINGS

#### Item No.:- 5

Shri Hari Mohan Gupta was appointed as part time Government Nominee Director of the Company by the President of India vide Ministry of Railways Order no 2003/PL/92/1 dated 14.05.2019. He was appointed as an Additional Director w.e.f. 17.05.2019 as per provisions of Section 161 and other applicable provisions of the Companies Act, 2013 on the Board of Directors of your Company up to the date of this AGM.

The Board recommends that Shri Hari Mohan Gupta may be appointed as Part Time Government Nominee Director of the Company, liable to retire by rotation on such terms and conditions as may be determined by President of India, Government of India from time to time.

Shri Hari Mohan Gupta is interested in this resolution to the extent of his appointment as a Director / Shareholder of the Company.

No Director, KMP and or their relatives, is /are interested or concerned, financially or otherwise in the resolution except may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company.

The Board of Directors of the Company recommends the resolution(s) as set out at item no. 5 as an Ordinary Resolution for approval of Shareholders.

Brief resume of Shri Hari Mohan Gupta is **annexed**.

#### Item No.: - 6

Shri Vinay Singh, was appointed as Director (Projects) of the Company by the President of India vide Ministry of Railways Order no 2018/E(O)II/40/9 dated 11.06.2019. He was appointed as an Additional Director w.e.f. 01.08.2019 as per provisions of Section 161 and other applicable provisions of the Companies Act, 2013 on the Board of Directors of your Company up to the date of this AGM.

The Board recommends that Shri Vinay Singh may be appointed as Director (Projects) of the Company, liable to retire by rotation on such terms and conditions as may be determined by President of India, Government of India from time to time.

Shri Vinay Singh is interested in this resolution to the extent of his appointment as a Director / Shareholder of the Company.

No Director, KMP and or their relatives, is /are interested or concerned, financially or otherwise in the resolution except may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company.

The Board of Directors of the Company recommends the resolution(s) as set out at item no. 6 as an Ordinary Reso-

lution for approval of Shareholders.

Brief resume of Shri Vinay Singh is **annexed**.

**Item No.: - 7**

Shri Shiv Kumar Gupta was re-appointed as Independent Director of the Company by the President of India vide Ministry of Railways Order no. 2009/PL/48/1 (Pt.3) dated 11.07.2019. He was appointed as an Additional Director w.e.f.01.04.2019 as per provisions of Section 161 and other applicable provisions of the Companies Act, 2013 on the Board of Directors of your Company up to the date of this AGM.

The Board recommends that Shri Shiv Kumar Gupta may be appointed as Independent Director of the Company, not liable to retire by rotation on such terms and conditions as may be determined by President of India, Government of India from time to time.

Shri Shiv Kumar Gupta is interested in this resolution to the extent of his appointment as a Director / Shareholder of the Company.

No Director, KMP and or their relatives, is /are interested or concerned, financially or otherwise in the resolution except may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company.

The Board of Directors of the Company recommends the resolution(s) as set out at item no. 7 as an Ordinary Resolution for approval of Shareholders.

Brief resume of Shri Shiv Kumar Gupta is **annexed**.

**Item No.: - 8**

Shri Vinayak Bhalachandra Karanjikar was re-appointed as Independent Director of the Company by the President of India vide Ministry of Railways Order no.2009/PL/48/1 (Pt.3) dated 11.07.2019. He was appointed as an Additional Director w.e.f.01.4.2019 as per provisions of Section 161 and other applicable provisions of the Companies Act, 2013 on the Board of Directors of your Company up to the date of this AGM.

The Board recommends that Shri Vinayak Bhalachandra Karanjikar may be appointed as Independent Director of the Company, not liable to retire by rotation on such terms and conditions as may be determined by President of India, Government of India from time to time.

Shri Vinayak Bhalachandra Karanjikar is interested in this resolution to the extent of his appointment as a Director / Shareholder of the Company.

No Director, KMP and or their relatives, is /are interested or concerned, financially or otherwise in the resolution except may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company.

The Board of Directors of the Company recommends the resolution(s) as set out at item no. 8 as an Ordinary Resolution for approval of Shareholders.

Brief resume of Shri Vinayak Bhalachandra Karanjikar is **annexed**.

**Item No.: - 9**

Major General (Retd.) Cyrus Addie Pithawalla was appointed as Independent Director of the Company by the President of India vide Ministry of Railways Order no. 2009/PL/50/13/Pt. dated 11.07.2019. He was appointed as an Additional Director w.e.f.11.07.2019 as per provisions of Section 161 and other applicable provisions of the Companies Act, 2013 on the Board of Directors of your Company up to the date of this AGM.

The Board recommends that Major General (Retd.) Cyrus Addie Pithawalla may be appointed as Part Time Government Nominee Director of the Company, not liable to retire by rotation on such terms and conditions as may be determined by President of India, Government of India from time to time.

Major General (Retd.) Cyrus Addie Pithawalla is interested in this resolution to the extent of his appointment as a Director / Shareholder of the Company.

No Director, KMP and or their relatives, is /are interested or concerned, financially or otherwise in the resolution

except may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company.

The Board of Directors of the Company recommends the resolution(s) as set out at item no. 9 as an Ordinary Resolution for approval of Shareholders.

Brief resume of Major General (Retd.) Cyrus Addie Pithawalla is **annexed**.

**A Brief Profile and Information of Directors Being Appointed/Re-appointed**

Name of the Director	Shri Hari Mohan Gupta	Shri Vinay Singh
<b>Category</b>	Part-time (official) Director	Director (Projects)
<b>Date of Birth</b>	01-07-1966	30-06-1965
<b>Date of Appointment</b>	17-05-2019	01-08-2019
<b>No. of share held</b>	Nil	Nil
<b>Qualification (s) and Experience in Specific Functional Areas</b>	<p>Mr. Hari Mohan Gupta aged 53 years was appointed as the Government Nominee Director with effect from 17.05.2019.</p> <p>He is 1989 batch IRSE officer and is a graduate in Civil Engineering from University of Roorkee. He has vast experience of Track Maintenance, Track Machine operation, Store Tendering system besides General Administration and Human Resource Management. He has been posted as ED(Works), Railway Board. Before the present assignment, he was on deputation to Dedicated Freight Corridor Corporation of India Limited (DFCCIL) as Chief Project Manager Noida responsible for Rewari, Dadri, Detour sections of Western Freight Corridor. He was involved right from the stage of land acquisition till the massive construction of the project.</p>	<p>Mr. Vinay Singh aged 54 years holds a Bachelor Degree in Civil Engineering from I.I.T. Roorkee and Masters' degree in Technology from Indian I.I.T. Delhi. Mr. Vinay Singh, assumed the responsibility of Director (Projects), RVNL w.e.f. 01.08.2019. He is a 1986 Batch Indian Railway Service of Engineers (IRSE) officer. Prior to this assignment, he was working as Executive Director (Project &amp; Planning) / Group General Manager, RVNL since 2013 and has worked on some prestigious projects. He is having extensive experience in all spheres of Railway Transport Infrastructure Sector, including Planning, Development, Design, Construction and Maintenance of assets on Indian Railways. He has commissioned 450 Kms of New Lines, Gauge Conversion and Doubling Projects on Indian Railways.</p>

Name of the Directors	Shri Shiv Kumar Gupta	Shri Vinayak Bhalachandra Karanjikar	Major General (Retd.) Cyrus Addie Pithawalla
Category	Part-time (non-official) Director	Part-time (non-official) Director	Part-time (non-official) Director
Date of Birth	12-11-1967	20-09-1962	13-01-1957
Date of Appointment	01-04-2019	01-04-2019	11-07-2019
No. of share held	Nil	Nil	Nil
Qualification (s) and Experience in Specific Functional Areas	<p>Shiv Kumar Gupta, aged 51 years, He was appointed as the Independent Director of Rail Vikas Nigam Limited in 2016.</p> <p>He is a qualified chartered accountant and holds a bachelor's degree in commerce and law from Meerut University, and Masters' degree in business administration from Punjab Technical University and also done post qualification courses viz. Diploma in Information System Audit, International Financial Reporting Standards and Arbitration Concurrent Audit conducted by the Institute of Chartered Accountants of India. He has over 20 years of work experience.</p>	<p>Vinayak Bhalachandra Karanjikar, aged 56 years, He was appointed as the Independent Director of Rail Vikas Nigam Limited in 2016.</p> <p>He holds a Diploma in Engineering from Government of Polytechnic, Dhule. He is an electrical engineer and a certified Systems, Applications, Products Platinum level consultant. He has completed a certificate course in Business Modeling from Rational University.</p> <p>He has also been a lecturer in Operations &amp; Management Information System in the Leavey School of Business at Santa Clara University, California (USA). He has been certified as an SAP R/3 Application consultant, sales and distribution by the SAP Partner Academy.</p>	<p>Major General (Retd.) Cyrus A. Pithawalla, aged 62 years, He was retired from Indian Army as the Major General. He holds M. Phil &amp; M.sc in Defence studies and also Master degree in Commerce from Delhi University.</p> <p>Mr. Cyrus is winner of the Ashok Chakra award. The highest gallantry award in the country in peace time for displaying of outstanding and exceptional gallantry with inspiring.</p> <p>His area of specialisations in Security Planning, Management Administrations, HR, CSR and coordination of organizations issue with UNO.</p> <p>He has over 36 years of work experience.</p>



Registered office: 1st Floor, August Kranti Bhawan, Bhikaji Cama Place,  
R. K. Puram, New Delhi, South Delhi- 110066  
CIN: L74999DL2003GOI118633  
Email:investors@rvnl.org, Website: www.rvnl.org,  
Phone No.: 011-26738299, Fax: 011-26182957

## 16th ANNUAL GENERAL MEETING ATTENDANCE SLIP

(This Attendance slip duly filled in to be handed over at the entrance of the meeting Venue)

Folio No.	DP ID*:	Client ID*:
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I/We hereby record my/our presence at the 16th Annual General Meeting of the Company at Zoravar Hall, Manekshaw Auditorium, Khyber Lines, Delhi Cantonment, New Delhi- 110010 at 11:30 A.M on Wednesday, 18th September, 2019.

Name of the Member:	Signature: _____
Name of the Proxyholder:	Signature: _____
No. of Shares held:	
Email:	

### Notes:

- Attendance slip should be signed as per the specimen signature registered with the R&TA/Depository Participant (DP). Such duly completed and signed Attendance slip(s) should be handed over at the R&TA counter (s) at the venue against which R&TA will provide admission card. Entry to the hall will be strictly on the basis of admission card as provide by R&TA. Members in person and proxy holder may **please carry photo-ID card for identification/verification purposes**;
- Member (s) present in person or through registered proxy shall only be entertained;
- Briefcase, eatable, helmets and other belongings **will not be allowed** to be taken inside the venue of the meeting for security purposes and member(s)/proxy holder(s) will be required to take care belonging (s);
- No gifts** will be distributed at the Annual General Meeting;
- A member/proxy holder attending the meeting should bring copy of the Annual Report for reference at the meeting.

\*Applicable for investors holding share(s) in electronic form.





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## PROXY FORM

Name of the Member(s): Registered Address:	Email ID: Folio No/ *Client ID: *DP ID:	
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I/ We being members of Rail Vikas Nigam Limited holding \_\_\_\_\_ shares hereby appoint Shri/Smt. \_\_\_\_\_ Or failing him Shri/Smt. \_\_\_\_\_ as my proxy to vote for me and on my behalf at the 16th Annual General Meeting of the company scheduled to be held on Tuesday, 18th September 2019 at 1130 Hrs at Zoravar Hall, Manekshaw Centre, Khyber Lines, Delhi Cantonment, New Delhi 110010 and at any adjournment thereof.

Signed on this \_\_\_\_\_ day of \_\_\_\_\_ 2019

Folio No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_

### Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- For the resolutions, explanatory statements and Notes please refer to the Notice of 16th Annual General Meeting.
- Please complete all details including details of member(s) in the above box before submission.
- 4. \*Applicable for investors holding share(s) in dematerialized form.

## E-COMMUNICATION REGISTRATION FORM

Folio No. / DP ID & Client ID: \_\_\_\_\_

Name of 1st Registered Holder: \_\_\_\_\_

Name of Joint Holder(s): \_\_\_\_\_

Registered Address: \_\_\_\_\_

E-mail ID (to be registered): \_\_\_\_\_

I/we shareholder(s) of RVNL agree to receive communication from the Company in electronic mode. Please register my above e-mail in your records for sending communication through e-mail.

Date: \_\_\_\_\_ Signature \_\_\_\_\_  
(First Holder)

Note: Shareholder(s) are requested to keep the Company informed as and when there is any change in the e-mail

## Route Map-Venue of AGM

