

13^{वीं} वार्षिक रिपोर्ट **ANNUAL REPORT** 2015-2016



रेल विकास निगम लिमिटेड
Rail Vikas Nigam Limited
(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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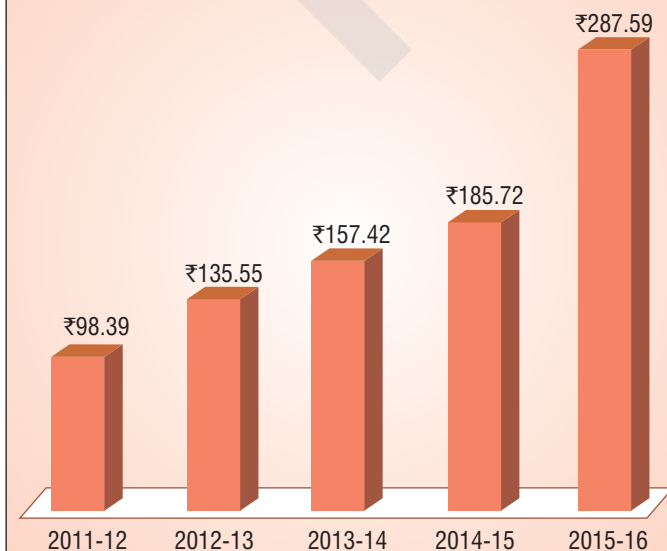


Performance During Last Five Years

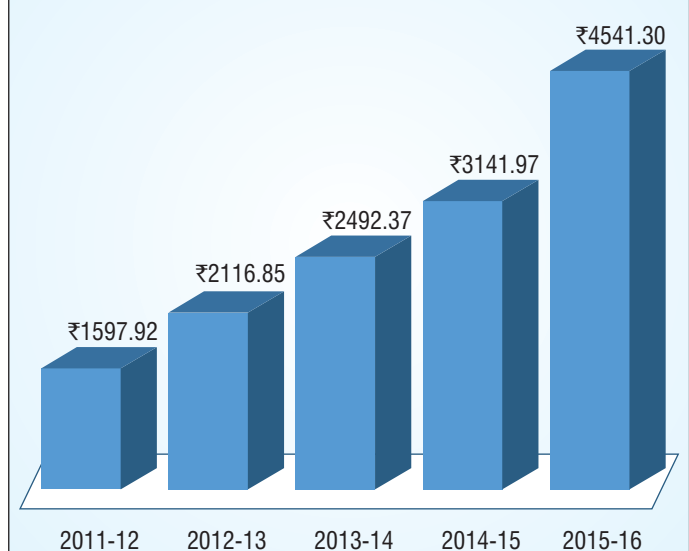
(₹ in Crore except EPS)

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
Turnover	1597.92	2116.85	2492.37	3141.97	4541.30
Total Income	177.19	255.92	287.24	347.21	509.84
Paid up Capital	2085.02	2085.02	2085.02	2085.02	2085.02
Reserves and Surplus	222.79	329.32	451.05	593.84	742.81
Net Worth	2307.81	2414.34	2536.07	2678.86	2827.83
Net Fixed Assets	4.83	7.75	8.99	8.87	11.60
Profit before Tax	119.33	167.46	195.17	236.35	363.65
Provision for Tax	20.94	31.91	37.75	50.63	76.06
Profit after Tax	98.39	135.55	157.42	185.72	287.59
Dividend	20.00	27.00	31.50	37.20	115.10
Earnings Per Share(EPS)	0.47	0.65	0.76	0.89	1.38

Profit After Tax (₹ in crore)



Turnover (₹ in crore)





निदेशक मंडल / Board of Directors



श्री एस.सी. अग्निहोत्री
अध्यक्ष एवं प्रबंध निदेशक
Mr. S.C. Agnihotri
Chairman & Managing Director



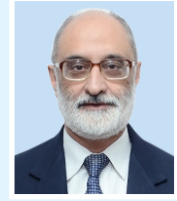
श्रीमती गीता मिश्रा
निदेशक (कार्मिक)
Smt. Gita Mishra
Director (Personnel)



श्री मुकुल जैन
निदेशक (परिचालन)
Mr. Mukul Jain
Director (Operations)



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



श्री अशोक कृ. गंजू
निदेशक (वित्त)
Mr. Ashok K. Ganju
Director (Finance)



श्री अंजुम परवेज
कार्यकारी निदेशक प्रोजेक्ट्स (निगरानी),
रेलवे बोर्ड, (अंशकालिक सरकारी) निदेशक
Mr. Anjum Pervez
ED Proj. (Monitoring),
Railway Board, (Part-time Official) Director



श्री के.के. अग्रवाल
कार्यपालक निदेशक (नि. एवं परि.),
रेलवे बोर्ड, (अंशकालिक सरकारी) निदेशक
Mr. K.K. Aggarwal
ED (W&P),
Railway Board, (Part-time Official) Director



श्री शिव कुमार गुप्ता
(अंशकालिक गैर सरकारी) निदेशक
Mr. Shiv Kumar Gupta
(Part-time non-Official) Director

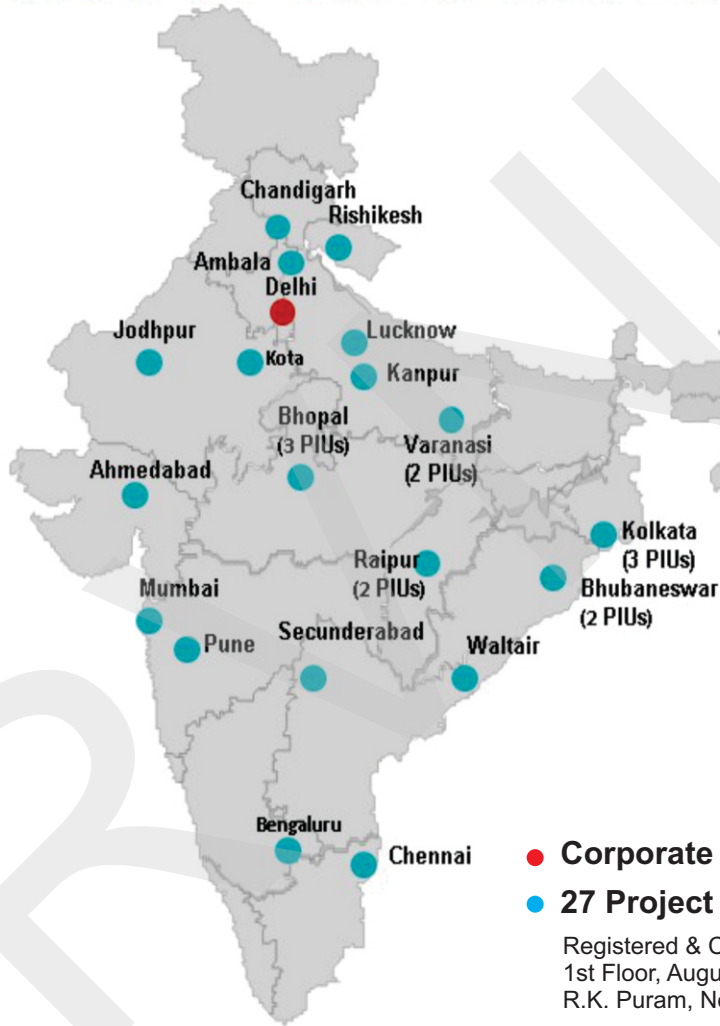


श्री विनायक भालाचन्द्र करंजीकर
(अंशकालिक गैर सरकारी) निदेशक
Mr. Vinayak Bhalachandra karanjkar
(Part-time non-Official) Director



रेल विकास निगम लिमिटेड
Rail Vikas Nigam Limited

RAIL VIKAS NIGAM LIMITED



● **Corporate Office at Delhi**

● **27 Project Implementation Units**

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

Company Secretary
Mrs. Kalpana Dubey
Statutory Auditors
Kumar Ghopra & Associates
B-12, (G.F.), Kalindi Colony,
Near Maharani Bagh, New Delhi - 110065

Secretarial Auditor
P.C. Jain & Co.,
Company Secretaries
H.O.: 2382, 1st Floor, Sector-16,
Faridabad-121002

Internal Auditors
K.K. Goel & Associates
204, A.J. Chamber, Naiwala, 4th Street,
Karol Bagh, New Delhi - 110005

BANKERS





CHAIRMAN'S ADDRESS



Distinguished Shareholders,

On behalf of the Board of Directors of Rail Vikas Nigam Limited, I extend a very warm welcome to all of you on the occasion of the 13th Annual General Meeting of the Company. The audited accounts of the Company for the financial year 2015-16, along with the Directors' Report and reports of Auditors and comments of Comptroller and Auditor General of India have already been circulated and with your permission, I take them as read.

I would like to extend a very warm welcome to Shri A K Mital, Chairman, Railway Board, Shri Pradeep Kumar, Member Staff, Shri Mohd. Jamshed, Member Traffic, Shri Hemant Kumar, Member Rolling Stock and Shri K B Nanda, Financial Commissioner (Railways) and all RVNL's Shareholders and invitees. Shri Aditya Kumar Mittal, Member Engineering - the Administrative Secretary of the Ministry for the Company is not present here as he is travelling overseas. I would like to take this opportunity to thank all of you for the unstinted support and encouragement to the functioning of the Company

As you are all aware, RVNL, as per its mandate, has a special status and relationship with the Ministry of Railways, vis- a- vis it's other sister Railway PSUs. Your Company is an extended arm of Indian Railways working solely for and on behalf of the Ministry for the fast track implementation of capacity augmentation works and technologically challenging and other priority projects related to rail infrastructure. I would like to take this opportunity to assure the esteemed Shareholders that the Company is fully aware and committed to discharge the onerous responsibilities placed upon it and it is in this background that the continued support of the Ministry is even more valuable to ensure that RVNL is able to build on its inherent potential of improving its performance year on year.

While presenting the Railway Budget for 2015-16, Hon'ble Minister for Railways gave a clarion call for augmenting the transport capacity of Indian Railways and several innovative measures were taken to ensure that the availability of funds would not be a constraint for project execution. RVNL was also allocated funds in excess of its initial budgetary projections and it is with a great sense of achievement and satisfaction that I can inform the Shareholders that RVNL rose to meet the challenge and in 2015-16, RVNL further consolidated its position as a major provider of rail infrastructure in the country by exceeding all previous physical and financial achievements.

Physical performance

During the year, the Ministry laid a special focus on the commissioning of lines to ensure that the assets created were put to productive use for railway operations and I am happy to inform the Shareholders that Your Company exceeded the target of getting 417 km of track ready for commissioning. Out of this 242 km of doubling and 17 km of New Lines were commissioned and train operations could commence on these sections. Another 120 km was inspected by Commissioners for Railway Safety (CRS) which could not be opened due to operational constraints of the Railways. An additional 68 km of doubling was offered to CRS for inspection, which could not be carried out. One of the most noteworthy achievements was the commissioning of Dallirajhara-Dondi (17 km) section on Dallirajhara-Raohat New Line project in May, 2015, in the difficult working conditions in LWE affected areas in Chattisgarh.

RVNL also met its targets of completion of sections by surpassing all previous achievements and completing a total of 698 km of project length (353 km of Doubling, 17 km of New Line and 328 km of Railway Electrification), compared to 476 km (259 km of Doubling and 217 km of Railway Electrification) of project length in the previous year, i.e. an increase of approximately 52%. RVNL's contribution to the doubling projects is more than 50% of the total 695 km done by IR.

On behalf of the Board of Directors of the Company, I would like to place on record our deep appreciation for the proactive support extended by Chairman, Railway Board without which commissioning of railway projects done by your Company in 2015-16 would not have been possible.



The completed sections of important doubling projects include Rajatgarh - Barang, Khurda - Barang, Hospet-Tinaighat, Jaroli (Banspani) - Jakhapura, Villupuram - Dindigul, Abu Road - Sarotra Road, Rani-Keshavganj, Swaroopganj-Abu Road, Karjoda-Palanpur, Daund-Gulbarga, Raipur-Titlagarh, Sambalpur-Titlagarh, and Rewari-Manheru, Bhimsen-Jhansi, Bina-Kota etc.

The achievements of Railway Electrification projects have also been noteworthy. In 2015-16, RVNL commissioned 266 rkm of pure Railway Electrification works on important routes, including 174 rkm between Daund-Manmad and 92 rkm between Gooty-Dharmavaram of Pune-Guntakal RE project. In addition to the RE works carried out along with doubling, a total of 328 rkm of pure RE projects were completed including Pune-Wadi-Guntakal (288 rkm) and Amala-Chhindwara-Kalumna etc. The commissioning of RE projects could have improved, but for the delay in laying of transmission lines for connecting the grid to the railway distribution sub-station by State Electricity Agencies.

Your Company has achieved commendable success in commissioning of signalling works associated with Doubling, third line, Intermediate Block Signalling and yard remodelling. During the year 2015-16, RVNL commissioned 54 stations on 3rd line and Doubling projects, 40 stations on Railway Electrification, 10 Mid-section Level Crossing Gates and 7 IBS. 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 726 rkm.

Your Company, also willingly takes up technologically challenging works which it executes with due diligence and research, and I am happy to report completion of the four-lane Cable Stayed Road Overbridge over Bardhaman Yard, one of the busiest sections of Eastern Railway on the Howrah-Delhi Rajdhani route. The entire erection of the super structure over the yard was completed in a record time of 200 days, without any disruption to rail traffic. The methodology of execution and use of latest technology for this difficult work has been appreciated by all those who visited the site, including the former Financial Commissioner, Railways and other senior officers. RVNL has used ROBO Control System of Mageba for the monitoring of structural health of Cable Stayed Bridge. The forces in critical cables can be seen online through this instrumentation. This is the first railway bridge on IR where live monitoring system has been installed. Acknowledging RVNL's expertise in this field, the work of replacement of full scherzer lift span on Pamban bridge in Manamadurai-Rameswaram section has been assigned to the Company.

Progress was also made in the new hill rail projects assigned to RVNL, that is, the Rishikesh-Karnprayag section in Uttarakhand and Bhanupalli-Bilaspur-Beri section in Himachal Pradesh. With the finalisation of the alignment in the former, the process of land acquisition and environmental clearance is in an advanced stage. The sanction of the revised estimate is under consideration of the Government. The finalisation of alignment of the Bhanupalli-Bilaspur-Beri section, using the latest DEM technology, is under progress.

In December, 2014, Hon'ble Prime Minister of India commenced the work of the project for augmentation of capacity of Diesel Locomotive works at Varanasi. The project is expected to be completed as planned within a period of 24 months, i.e. by December 2016.

The construction of the Indian Railway Institute of Financial Management at Secunderabad, the first institutional building being constructed by RVNL, has also commenced and is progressing satisfactorily.

The projects related to extension of Kolkata Metro have not been progressing as planned due to non-acquisition of land, awaiting various clearances and removal of hindrances by the local authorities. However, the State Government has recently assured full cooperation in this regard, and it is expected that the pace of execution will show improvement in the current year.

Financial Performance

With the assured availability of funds, your Company achieved the highest ever Turnover of ₹4541.30 crore in 2015-16 as compared to ₹3141.97 crore in 2014-15, i.e. an increase of 44.54%. While the turnover from projects of the Ministry increased to ₹3864.98 crore from ₹2789.13 crore in the previous year, the expenditure on works undertaken for SPVs and other deposit works increased to ₹661 crore during 2015-16 in comparison to ₹325 crore in the previous year.

Profit Before Tax increased from ₹236.35 crore in 2014-15 to ₹363.65 crore in 2015-16, and Profit After Tax (PAT) of the Company is at ₹287.59 crore, showing an increase of 54.86% over the previous year.

In view of the improved financial performance, and in line with the directions of the Ministry for payment of 40 per cent of PAT as Dividend, the Directors of your Company have recommended payment of the highest ever dividend of ₹115.10 crore in 2015-16, to the Ministry of Railways compared to ₹37.50 crore in the previous year. The total amount paid as Dividend to the Ministry is now



₹266.30 crore

The sustainability and continued growth of both the financial performance of the Company, and physical progress of projects, are extremely sensitive to the timely release of funds and the continued assignment of projects by the Ministry to the Company. We urge Ministry of Railway, for their continued support in this regard.

ADB projects

ADB has agreed to provide a multi-tranche financing facility of US \$ 500 million for funding of 5 projects. While the Loan Agreement for the 1st Tranche for an amount of US \$ 150 million was signed in July 2012, the Loan Agreement for the 2nd Tranche of US \$ 130 million was signed in February 2014. During the year 2015-16, an amount of ₹378.84 crore equivalent to \$ 57.83 million has been claimed for reimbursement from the ADB. Execution of the funded projects is in progress.

Special Purpose Vehicles

One of the main objectives for setting up RVNL was to mobilise extra budgetary resources from the market for port connectivity and hinterland rail projects. Accordingly, RVNL took the lead to create five joint venture Special Purpose Vehicles (SPVs) for implementation of projects worth ₹6139 crore with a contribution of only ₹615 crore, which is approximately only 10% of the total investment.

Kutch Railway Company Ltd., Krishnapatnam Railway Company Ltd. and Bharuch Dahej Railway Company Ltd have commenced their operations. These SPVs are contributing substantially to the total revenues of the Railways. However, certain issues affecting the financial position and operations of the SPVs are under consideration of the Ministry of Railways for resolution.

In Krishnapatnam Railway, the work on the section between Venkatachalam and Obulavaripalle is in progress. This section has two tunnels with a total length of about 7.8 km, out of which the boring of one 1.2 km tunnel has been completed. Doubling of 270 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. The physical works on Haridaspur-Paradip and Angul-Sukinda New Line projects are in progress.

Newly formed SPVs

During 2015-16, a new SPV was formed by RVNL in partnership with Dighi Port Limited for linking Dighi Port to the main rail line at Roha. During the year, Ministry of Railways has also approved the formation of a new SPV with RVNL and Rewas Port Limited as promoters to link Rewas Port on the Konkan Coast in Maharashtra to Central Railway. An MoU between Rewas Port and your Company is being entered shortly.

RVNL has also decided to participate as a stakeholder in an SPV, Indian Port Rail Corporation Limited, under Ministry of Shipping. The stakeholders are 12 Major Ports and RVNL. RVNL's equity participation is limited to ₹10 crore i.e. 10% of the initial subscribed share capital. The SPV has been formed to undertake maintenance, upgradation and modernisation of the Port Railways and also provide capacity augmentation wherever required.

High Speed Rail Projects

RVNL has formed High Speed Rail Corporation of India Ltd. (HSRC), a fully owned subsidiary, for development and implementation of High Speed Rail projects in India, in July 2012. HSRC is undertaking pre-feasibility studies for High Speed Corridors connecting the major metropolitan cities including Delhi-Chandigarh-Amritsar, Delhi-Mumbai, Mumbai-Chennai, Delhi-Kolkata, Mumbai-Kolkata and Delhi-Chennai.

The studies are being carried out by various international consultants. Two studies viz the first phase between Mumbai and Nagpur (of Mumbai-Kolkata Corridor) and Delhi-Nagpur (of Delhi-Chennai Corridor) are being done under technical collaboration agreements with the Governments of Spain and China respectively.

HSRC has also been associated as a Project Integrator to facilitate implementation of projects related to upgrading the speed potential on certain existing tracks upto 160 kmph. Work taken up on the New Delhi-Agra section was completed and the first train to run at 160 kmph was flagged off in April 2016.

Human Resource Development

It is with some degree of satisfaction, that I can inform the Shareholders, that these achievements were realized with an on-roll staff



strength of only 446 regular personnel. To maintain a lean and thin organizational structure and to assist this highly motivated team, systems and procedures have been streamlined through various measures, such as introducing Standard Bill of Quantities for different types of works, awarding composite contracts incorporating all aspects of Civil, Electrical and S&T works, floating multi-package tenders to reduce multiple evaluations etc. These initiatives have greatly reduced the period between assignment of the work to RVNL and actual commencement of work. The task of implementation of an Integrated IT solution for the Company, which is in progress, will further improve productivity and transparency.

Corporate Social Responsibility

RVNL is conscious of its Corporate Social Responsibility. During 2015-16, the Company spent ₹5.94 crore (around 2.98% of the average net profit of last three financial years) on CSR initiatives, compared to ₹4.54 crore in the previous year. RVNL is contributing substantially in the areas of education, health and sanitation, with implementation of CSR projects by Ramakrishna Mission and Sulabh International. Some of the significant projects undertaken under CSR are 'Education for under privileged differently abled children in extremely poor areas of West Bengal, providing operation theatre complex with 50 bed post-operative care unit in Uttarakhand, providing community toilet blocks under "Namami Gange & Swachh Bharat mission" and at Chennai Railway Station. At Chennai, world class maintenance practices with imported German cleaning machines (steam vacuum and jet cleaning) have been adopted, no chemicals are used. Incinerators have been provided for disposal of sanitary napkins. The initiative at Chennai has become a truly successful model, which many are in the process of emulating.

Your Company's CSR initiatives have been well appreciated by the Parliamentary Committee on CSR, the target population and lauded by the Tata Institute of Social Science, the CSR hub, in its social audit.

MOU Performance

Based on overall performance, your Company has been rated as 'Excellent' by Department of Public Enterprises for the financial year 2014-15. The grading achieved by your company was highest among the Railway CPSEs.

It is with a feeling of satisfaction that I can inform the Shareholders that all the performance targets for 2015-16, set under various parameters in the Memorandum of Understanding with Ministry of Railways, and Department of Public Enterprises, Ministry of Heavy Industries, have been achieved. Based on the overall performance, it is expected that your Company will achieve an 'Excellent' rating for the financial year 2015-16 also, for the sixth consecutive year.

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.

In the end, I would like to mention that the final integration of doubling, 3rd and 4th line projects being executed by RVNL with the existing running railway system requires meticulous planning and close coordination with the Zonal Railways to ensure availability of blocks, manpower and movement of materials. It is only with the active cooperation of the Zonal Railways, and complete support from the Chairman and Members of the Railway Board and other officers, that RVNL has been able to pursue its mission to ramp up 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.

I am confident that the Company will continue to get the required support and cooperation to achieve the overall objectives of the Company.

New Delhi

Date: 22nd September, 2016

Satish Agnihotri

Chairman & Managing Director



DIRECTORS' REPORT

Distinguished Shareholders,

The Directors of your Company are privileged to present the Annual Report on the performance of your Company, along with the Audited Statement of Accounts, Auditors' Report and the Review of Accounts by the Comptroller & Auditor General of India for the financial year ended 31st March 2016.

Integral Reports

The "Management Discussion and Analysis Report", "Corporate Governance Report", "Corporate Social Responsibility (CSR) and Sustainability Report", "Secretarial Auditor Report", "Extract of Annual Return" and "Form AOC-2" with relevant sub-appendices form an integral part of this Directors' 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 Value(s), 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 2015-16 (**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 and Director Finance 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.

The Corporate Social Responsibility (CSR) and Sustainability Report reflects RVNL's plans, policy, budget, expenditure, evaluation process for projects and CSR & Sustainability 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 P. C. Jain & Co., Practising Company Secretary, to undertake the secretarial audit of the Company. The Secretarial Audit Report is placed at **Annexure "D"**.

Pursuant to section 134 (3) (2) 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. PERFORMANCE HIGHLIGHTS

Your Directors are happy to inform you that 2015-16 has been a year in which your Company has exceeded all previous performance parameters. The significant milestones achieved include:

- ❖ Highest ever turnover of ₹4541.30 crore has been achieved.
- ❖ **(697.66 km (352.59 km of Doubling, 17 km of New**



Line and 328.07 km of Railway Electrification) of project length have been physically completed.

- ❖ Increase in Profit Before Tax to ₹363.65 crore;
- ❖ Profit After Tax (PAT) of the Company is at ₹287.59 crore, showing an increase of 54.86 % over the previous year;
- ❖ The Directors of your Company have recommended a highest ever Dividend of ₹115.10 crore to the Ministry of Railways;

Your Company has once again surpassed its performance

targets set for Excellent in the Memorandum of Understanding (MoU) entered into with Ministry of Railways (MoR), Government of India in consultation with Department of Public Enterprises. Based on the overall performance, your Company has achieved 'Excellent' rating for the financial year 2014-15, as in previous years.

2. FINANCIAL HIGHLIGHTS

Important indicators of the financial performance of RVNL of 2015-16 as compared to 2014-15 are mentioned below (rounded to nearest Rupees/crore):

(₹ in crores)

Particulars	2015-16	2014-15
Turnover	4541	3142
Total Income	4690	3238
Operating Income	361	251
Gross Margin (from operations)	225	150
Reserves & Surplus	743	594
Profit Before Tax	364	236
Profit After Tax	288	186
Net worth	2828	2679
Appropriations		
Proposed Final Dividend	115.10	37.20

Turnover

The Company achieved a highest ever Turnover of ₹4541.30 crore in 2015-16 as compared to ₹3141.97 crore in 2014-15, i.e. an increase of 44.54%.

This was achievable mainly due to the assured availability of funds for project expenditure during the year by the Ministry of Railways, which accounts for 85.45% 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 ₹661 crore during 2015-16 in comparison to ₹325 crore in the previous year.

Profit

Profit Before Tax increased from ₹236.35 crore in 2014-15 to ₹363.65 crore in 2015-16. The major increase is on account of higher gross margin from project execution from ₹150.09 crore in previous year to ₹225.63 crore in 2015-16. While there has been a decrease in Dividend income from SPVs to ₹2.50 crore in comparison to ₹5.00 crore in previous year, the balance increase is from interest income. Profit After Tax increased from ₹186 crore to ₹288 crore.

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. Ministry of Railways, Government of India holds the entire share capital of the Company.

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 ₹148.97 crore to Reserves and Surplus. Accordingly, the Net Worth of the Company has increased from ₹2678.86 crore at the end of previous year to ₹2827.83 crore at the end of the current year.

Reserves

After taking into account, the proposed Dividend of ₹115.10 crore and Dividend Distribution Tax of ₹23.57 crore, the balance under Reserves & Surplus at the end of 2015-16 stands at ₹742.81 crore in comparison to ₹593.84 crore in 2014-15.

Dividend

As a result of improved financial performance of the Company and in compliance of directions of the Ministry of Railways, the Board of Directors have recommended a final Dividend of 40% of Net Profit After tax ₹115.10 crore for the year 2015-16 as compared to ₹37.20 crore in 2014-15 for consideration of the shareholders. At the end of the year the cumulative Dividend paid to Ministry of Railways by RVNL will amount to ₹266.30 crore.

Fixed Deposits

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

Project Advance/Loans

RVNL received an amount of ₹4024.17 crore, as project advance for the current year, from Ministry of Railways (MoR) during the year for execution of various works. In addition, ₹1490.02 crore was received towards expenditure incurred in previous years from the Company's own funds.

Loans from IRFC: During the year, an additional amount of ₹255.90 crore was received as borrowings from IRFC. With this, the total amount received from IRFC is ₹3151.80 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 ₹173.24 crore was paid to IRFC on this account, leaving an outstanding loan balance of ₹2308.81 crore.

CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the requirements of Companies Act, 2013 the Consolidated Financial Statements of RVNL have been prepared for the Financial Year 2015-16, which are presented in the Report. 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 accounting standards (AS 21 & 27). The salient features of differences in the significant entries between the Stand Alone Accounts of RVNL and the Consolidated Accounts are as under:

(₹ in crores)

Item	Figures as on 31.3.2016 Stand Alone	Figures as on 31.3.2016 Consolidated
Turnover	4541.30	4735.52
Other Income	148.96	182.99
Direct Expenses	4180.42	4230.13
Indirect Expenses	146.18	184.12



Item	Figures as on 31.3.2016 Stand Alone	Figures as on 31.3.2016 Consolidated
PBT	363.65	504.28
PAT	287.59	407.87
Reserve & Surplus	742.81	1203.38
Net Worth	2827.83	3288.40

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

A report on the performance and financial position of subsidiary, associates and joint venture Company as per Companies Act 2013 is provided as **Annexure- G** to the Consolidated financial statement.

OPERATIONAL PERFORMANCE:

3. Projects Execution

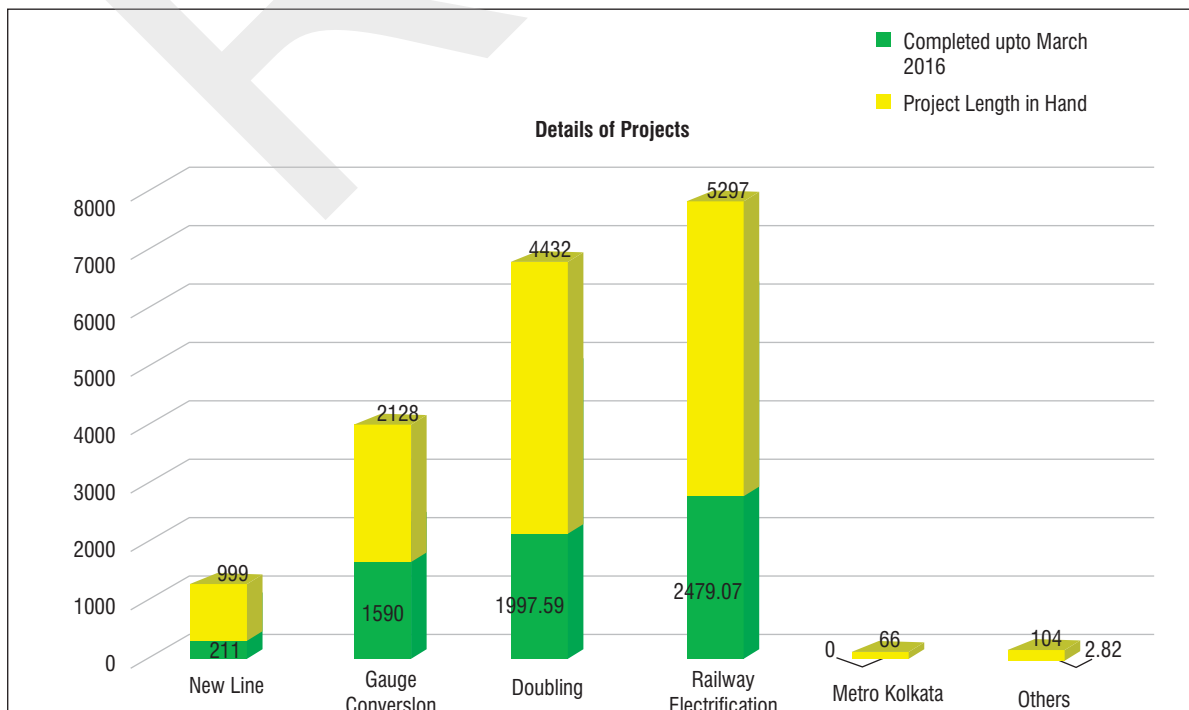
3.1 Physical Size of the Projects:

Since its establishment in 2003, Ministry of Railways has transferred 146 projects to RVNL for execution, which may be broadly classified under the following heads:

• Doubling	58
• Gauge Conversion	11
• New Lines	13
• Kolkata Metro Rail	4
• Railway Electrification	23
• Workshops	15
• Others	13
• Unsanctioned	9

(7 Doubling, 2 New Line)

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





Cutting work in Progress at Km 304-305



Tunnel work being executed by PIU/Chennai



Inaguration of Chappra - Allahabad RE Works on 17.08.2015



New Garia - Airport Metro Corridor



Cable Stayed Bridge at Bardhaman



Opening of New UP Main Line between Hotgi & Tilati (New)
Section of Solapur Division, Central Railway



CIU AND OC



DLW VARANASI



Container Train on Vembanad Bridge Cochin



OHE wiring works in Daund-Patas Section (72 RKM)



Casting of I-Girder at Casting Yard



3.1.1 Details of Projects Where Progress is affected:

S. No.	Factors affecting Progress of Projects	No. of Projects	Length (km)	Cost (Rs crore)
(i)	Projects adversely affected/held up due to land acquisition, forest clearance, law and order & other issues	7	429.57	8035.01
(ii)	Projects adversely affected/held up due to clearances awaited from Central & State Governments (Metro projects)/ shifting of utilities etc.	1 + 2 (partly)	28.50	4876.00
(iii)	Projects on hold due to constraint of funds	4	0.00	328.72
(iv)	Under Planning & Development	14 + 1 (partly)	1099.00	6695.11
	Total	26 + 3 (partly)	1557.07	19934.84

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. being executed by RVNL. However, in the last 4 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.

These projects are spread all over the country and for efficient implementation of projects, Project Implementation Units (PIUs) have been established at 27 locations i.e. New Delhi, Mumbai, Kolkata (3 Units), Chennai, Secunderabad,

Bhubaneswar (2 Units), Bhopal (3 Units), Kota, Jodhpur, Waltair, Bengaluru, Pune, Raipur (2 Units), Lucknow, Rishikesh, Ahmedabad, Kanpur, Varanasi (2 Units), Chandigarh & Ambala to execute projects in their geographical hinterland. The PIUs are established and closed as per requirement.

3.2 Status of physical progress of projects

The status of the 146 projects assigned to RVNL for execution is as under: -

Projects completed up to March 2016	: 49
Projects under implementation	: 88
Project yet to be sanctioned	: 9

3.2.1 The list of 49 projects fully completed up to March, 2016 is as under:

(₹ in crores)

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	East Coast Railway	Jakhapura- Haridaspur 3rd Line	Doubling	23.3
6	East Coast Railway (ECoR)	Talcher-Cuttack-Paradeep Doubling with	Doubling	3



S. No.	Railway	Project Name	Type of Project	Length (km)
7	East Coast Railway	2nd Bridge on Rivers Birupa & Mahanadi Cuttack - Barang Doubling	Doubling	14.3
8	East Coast Railway	Rajatgarh-Barang Doubling	Doubling	31.3
9	East Central Railway (ECR)	Barauni - Tilrath Bypass Doubling	Doubling	8.3
10	Eastern Railway (ER)	Gurup - Saktigarh Extn of 3rd Line	Doubling	26
11	Eastern Railway	Barddhaman Yard - 4-lane road over bridge in lieu of 2-lane road over bridge No. 213	ROB	0
12	North Central Railway	Palwal - Bhuteswar 3rd Line	Doubling	81
13	North Central Railway	Aligarh - Ghaziabad 3rd Line	Doubling	106.1
14	South Central Railway (SCR)	Pullampet - Balapalle Ph I of Gooty - Renigunta Doubling	Doubling	41
15	South Central Railway(SCR)	Krishnapatnam - Venkatachalam Doubling With RE	Doubling	16.5
16	South Central Railway (SCR)	Gooty - Renigunta Patch Doubling	Doubling	151
17	South East Central Railway (SECR)	Bilaspur - Urkura 3rd Line Doubling	Doubling	105
18	South Eastern Railway	Panskura - Kharagpur 3rd Line	Doubling	45
19	South Eastern Railway (SER)	Panskura - Haldia Ph 1 Doubling	Doubling	14
20	South Eastern Railway (SER)	Rajgoda - Tamluk (Jn. Cabin) Doubling	Doubling	13.5
21	South Eastern Railway (SER)	Tamluk Jn. Cabin – Basulya Sutahata Doubling	Doubling	24.23
22	South Eastern Railway	Tikiapara - Santragachi Doubling	Doubling	5.6
23	Southern Railway (SR)	Attipattu - Korukkupet 3rd Line	Doubling	18
24	Southern Railway (SR)	Pattabiram - Tiruvallur 4th Line & Tiruvallur - Arakkonam 3rd Line	Doubling	41.89
25	Southern Railway (SR)	Tiruvallur - Arakkonam 4th Line	Doubling	28
26	South Western Railway (SWR)	Hospet - Guntakal Doubling	Doubling	115
27	North Western Railway (NWR)	Bhagat Ki Kothi - Luni Doubling	Doubling	30.3
28	North Western Railway (NWR)	Karjoda - Palanpur Doubling	Doubling	5.4
29	North Western Railway (NWR)	Delhi - Rewari Gauge Conversion	GC	94.2
30	North Western Railway (NWR)	Ajmer - Phulera - Ringus - Rewari Gauge Conversion	GC	295
31	North Western Railway (NWR)	Bhildi - Samdari Gauge Conversion	GC	223
32	Southern Railway (SR)	Thanjavur - Villupuram Gauge Conversion	GC	192



S. No.	Railway	Project Name	Type of Project	Length (km)
33	Southern Railway (SR)	Cuddalore - Salem Gauge Conversion	GC	193
34	South Western Railway (SWR)	Arasikere-Hassan-Mangalore Gauge Conversion	GC	230
35	Western Railway (WR)	Bharuch - Samni - Dahej Gauge Conversion	GC	62
36	Western Railway (WR)	Gandhidham - Palanpur Gauge Conversion	GC	301
37	East Coast Railway (ECoR)	Daitari - Banspani New Line	NL	155
38	Southern Railway (SR)	Vallarpadam - Idapally New Line	NL	9
39	East Coast Railway	Tomka -Banspani – RE	RE	144
40	Railway Electrification (RE)	Kharagpur (Nimpura) - Bhubaneswar Including Branch Line of Talcher - Cuttack - Paradeep	RE	581
41	Railway Electrification (RE)	Bhubaneswar - Kottavalasa	RE	417
42	South Central Railway (SCR)	Reningunta - Guntakal RE	RE	308
43	South Central Railway (SCR)	Yelahanka - Dharmavaram - Gooty RE	RE	306
44	Western Railway (WR)	Bharuch - Samni - Dahej RE	RE	64
45	Central Railway (CR)	Daund-Manmad Incl. Puntamba- Shirdi - RE	RE	255
46	Eastern Railway (ER)	Civil Engineering Works In Connection With Diesel Loco Component Factory, Dankuni	WKSP	
47	Eastern Railway (ER)	Dankuni - Setting Up of Electric Loco Assembly And Ancillary Unit of CLW	WKSP	
48	South Eastern Railway (SER)	Setting Up of Diesel Multiple Unit (DMU) Manufacturing Factory at Sankrail / Haldia	WKSP	
49	NWR	IOC Siding At Salawas (Deposit Work)	Others	2.82

Cumulatively, RVNL has till now completed a total of **1997.59 km** of doubling, **1590 km** of gauge conversion, **213.82 km** of new lines and **2479.07 km** of Railway Electrification. Thus, as on **31.03.16**, **6280.48 km** out of a total length of **13026 km** of 137 sanctioned projects (9 are yet to be sanctioned) assigned to RVNL, have been completed.

3.3 Project length completed during 2015-16

During 2015-16, **697.66 km (352.59 km of Doubling, 17 km of New Line and 328.07 km of Railway Electrification)** of project length have been physically completed including sections of important projects such as Rajatgarg - Barang Doubling, Khurda - Barang Doubling, Hospet-Tinaighat Doubling, Jaroli (Banspani) - Jakhapura Doubling, Villupuram - Dindigul Doubling, Abu Road - Sarotra Road

Patch Doubling, Rani-Keshavganj Doubling, Swaroopganj- Abu Road Patch Doubling, Karjoda- Palanpur Doubling, Rewari-Manheru Doubling With RE, Daund - Gulbarga Doubling, Raipur - Titlagarh Doubling, Bhimsen - Jhansi Doubling with RE, Sambalpur-Titlagarh Doubling, Bina - Kota Doubling with RE, Dallirajhara-Raoghat New Line, Pune –Wadi-Guntakal RE, Amala-Chhindwara-Kalumna RE etc. In addition, Railway Electrification of 230.14 km was also



carried out in other than specific Railway Electrification projects as part of Doubling and New Line Works. RVNL's efforts towards capacity building in execution of signaling and telecommunication works have paid dividends and during the year important doubling, 3rd line projects have been commissioned involving large scale Solid State Interlocking and NIs of major yards on busy routes.

3.3.1 Sections completed under Doubling Plan Head:

3.3.1.1 Rajatgarg - Barang Doubling: During the year, with completion of 12.3 km sections of Chudanga Garh-Bhubaneswar New (7.3 km) in November, 2015 & Naraj-Chudanga Garh (5 km) in March, 2016, the entire project has been completed.

3.3.1.2 Khurda - Barang Doubling: During the year, Bhubneshwar New-Mancheswar (6.66 km) section was completed in November, 2015.

3.3.1.3 Hospet-Tinaighat Doubling: During the year, 78.04 km of project length was completed. Kambarganvi-Alnavar (11.57 km) was completed in May, 2015 under MoU time line target, Banapur-Koppal (12.23 km) was completed in June, 2015, Binkadkatti-Gadag (4.98 km) in July, 2015, Devrayi-Shivthan (7.97 km) in August, 2015, Hulkoti-Binkadkatti (7.62 km) in November, 2015, Koppal-Ginigera (11.08 km) in December, 2015, Alnavar-Tavargatti (8.81 km) in January, 2016 and Shivthan-Londa (4.83 km) in March, 2016.

3.3.1.4 Jaroli (Banspani) - Jakhapura Doubling: During the year, Chilikidhara – Sagadapeta (11.2 km) was completed in November, 2015 under MoU time line target and Keonjhar - Naranpur (5.6 km) was completed in June, 2015.

3.3.1.5 Villupuram - Dindigul Doubling: During the year, 69.5 km of project length was completed. Chettiyapatti – Vaiyampatti (7 km) & Ayyalur-Kalpattichatram (9 km) were completed in June 2015 and July 2015 respectively under the MoU time line target. Sendurai-Mathur (8 km), Vridhachallam-Tallanallur (8.86 km), Ariyalur-Sillakkudi (6.76) were completed in April, 2015, Tiruchchirappalli Jn.

to Srirangam (12 km) in May, 2015, Ichchangadu-Mathur (6.11 km) & Kandambakkam-Villupuram (8 km) in September, 2015, Tiruvennainallur-Kandambakkam (8 km) in October, 2015 and Srirangam to Valadi (9 km) in December, 2015.

3.3.1.6 Abu Road - Sarotra Road Patch Doubling: Sri Amirgarh-Sarotra Road (5.4 km) was completed in March, 2016.

3.3.1.7 Rani-Keshavganj Doubling: During the year, Khimel-Falna (8.13 km) and Biroliya-Jawai Bandh (8.22 km) sections were completed under Mou time line targets in April 2015 and October, 2015 respectively. Rani-Khimel (5.5 km) was also completed in April, 2015.

3.3.1.8 Swaroopganj-Abu Road Patch Doubling: Swaroopganj-Bhimana (8.59 km) was completed in December, 2015.

3.3.1.9 Karjoda- Palanpur Doubling: With completion of Karjoda- Palanpur Section (5.4 km), the entire project was completed in March, 2016.

3.3.1.10 Rewari-Manheru Doubling with RE: During the year, 47.19 km project length was completed. Kisargarh Balawas-Jatusana (8.84 km) was completed in June, 2015, Jatusana-Kosli (10.64 km) in July, 2015, Kosli-Sudhrana (5.35 km) in August, 2015, Jharli-Charkhi Dadri (13.78 km) in November, 2015 and Sudhrana-Jharli (8.58 km) in January, 2016.

3.3.1.11 Daund - Gulbarga Doubling: During the year, 20.57 km project length was completed. Malikpeth- Angar (7.06 km) was completed in May, 2015, Vakav-Madha (7.2 km) in July, 2015 and Anger-Vakav (9.0 km) in December, 2015.

3.3.1.12 Raipur -Titlagarh Doubling: Titlagarh-Rahenbhata (7 km) & Rahenbhata-Muribahal (10 km) sections were completed under MoU time line targets in June, 2015 and September, 2015 respectively. Muribahal-Kantabanji section (14.0 km) was completed in March, 2016.

3.3.1.13 Bhimsen - Jhansi Doubling with RE: Pokhrayan-Malasa section (9.8 km) was completed in February, 2016.



3.3.1.14 Sambalpur-Titlagarh Doubling: Hirakud-Godbhaga section (8.59 km) was completed in February, 2016.

3.3.1.15 Bina - Kota Doubling with RE: Piplod Road-Atru section (6.92 km) was completed in February, 2016.

3.3.2 Sections completed under New Line Plan Head:

3.3.2.1 Dallirajhara-Raoghat New Line: During the year,

Dallirajhara- Dondi (17 km) New Line was completed in May, 2015.

3.3.3 Sections completed under Railway Electrification Plan Head:

3.3.3.1 Pune - Wadi-Guntakal RE: During the year, 288.07 km of project length was completed as per details given below:

Section	Length	Month of Completion
Yevat-Kedgaon	20.33	April 2015
Wadi-Sahabad	11.00	May 2015
Guntakal-Nemkallu	13.00	June 2015
Keadethan-Patas (10.63 km) and Nalwar-Shampinahalli (5 km)	15.63	July 2015
Nemkallu-Molagavalli (5.0 km) and Pune-Hadapsar (3.8 km) & Daund-Boribia (1.31 km)	10.11	August 2015
Nalwar (Excl)-Yadgir	15.00	September 2015
Nemkallu (Excl)-Aspari	15.00	October 2015
DD-MMR Link Line & DD yard	5.00	November 2015
Yadgir(Excl)-Lingeri (Excl) (15 km), Aspari (Excl)-Adoni (Excl) (15 km) & Daund-Boribial (10 km)	40.00	December 2015
Lingeri(Excl)-Narayanpet Road (Excl) (9 km), Adoni-Isivi(Excl) (8 km) & Boribial-Malthan (9 km)	26.00	January 2016
Saidapur (Incl)- Krishna (Excl) (15 km), Isivi-Kuppagal (10 km), Raichur-Yermaras (10 km) & Kosgi-Mantralayam Road (13 km)	48.00	February 2016
Krishna-Chiksugur (10 km), Isivi-Kosgi (23 km), RTPS siding (4 km), Yermaras-Chiksuglur (7 km), Narayanpet- Chenguta (6 km) and Matmari-Raichur (19 km)	69.00	March 2016
Total	288.07	

3.3.3.2 Amala-Chhindwara-Kalumna RE: During the year, 30 km of project length was completed. Navegaon-Hirdagarh (20 km) was completed in May, 2015 and Hirdagarh-Junnardeo (10.0 km) in August, 2015.

3.3.3.3 Rewari-Manheru RE: Jatusana-Kosli (10.0 km) was completed in December, 2015.

3.3.4 Barddhaman Yard - 4-lane Road Over Bridge in lieu of 2-lane Road Over Bridge No. 213: An old multi span ROB carrying a large number of fast and slow moving vehicles along with pedestrian traffic which was connecting G.T. Road side of Barddhaman town with Kalna-Katwa Road has been replaced by a four lane Cable Stayed Road Over Bridge



over Barddhaman Yard. The entire execution was done over busy yard on Howrah- Delhi Rajdhani route comprising of 10 Nos. of tracks and 8 Nos. of platforms and entire erection was done in a record time of 200 days. The RoB was completed on 29.02.2016. The Barddhaman Yard is one of the busiest yard of Eastern Railway The bridge was

commissioned without disturbing the railway traffic on this route in the month of March 2016.

3.4 Projects Fully Commissioned and Handed Over to Railways:

Out of 49 projects completed so far, following 41 projects have been fully commissioned and handed over to Railways for Operations and maintenance:

S. No.	Railway	Project Name	Type of Project	Length (km)
1.	Central Railway	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.	East Coast Railway (ECoR)	Talcher-Cuttack-Paradeep Doubling with 2nd Bridge on Rivers Birupa & Mahanadi	Doubling	3
6.	East Coast Railway	Cuttack - Barang Doubling	Doubling	14.3
7.	East Central Railway (ECR)	Barauni - Tilrath Bypass Doubling	Doubling	8.3
8.	Eastern Railway (ER)	Gurup - Saktigarh Extn of 3rd Line	Doubling	26
9.	Eastern Railway (ER)	Barddhaman Yard - 4-lane road over bridge in lieu of 2-lane road over bridge No. 213	ROB	0
10.	North Central Railway (NCR)	Palwal - Bhuteswar 3rd Line	Doubling	81
11.	North Central Railway (NCR)	Aligarh - Ghaziabad 3rd Line	Doubling	106.1
12.	South Central Railway(SCR)	Pullampet - Balapalle Ph I of Gooty - Renigunta Doubling	Doubling	41
13.	South Central Railway(SCR)	Krishnapatnam - Venkatachalam Doubling With RE	Doubling	16.5
14.	South Central Railway(SCR)	Gooty - Renigunta Patch Doubling	Doubling	151
15.	South Eastern Railway (SER)	Panskura - Kharagpur 3rd Line	Doubling	45
16.	South Eastern Railway (SER)	Panskura - Haldia Ph 1 Doubling	Doubling	14
17.	South Eastern Railway (SER)	Rajgoda - Tamluk (Jn. Cabin) Doubling	Doubling	13.5
18.	South Eastern Railway (SER)	Tikiapara - Santragachi Doubling	Doubling	5.6
19.	Southern Railway	Attipattu - Korukkupet 3rd Line	Doubling	18
20.	Southern Railway (SR)	Pattabiram - Tiruvallur 4th Line & Tiruvallur - Arakkonam 3rd Line	Doubling	41.89
21.	South Western Railway (SWR)	Hospet - Guntakal Doubling	Doubling	115



S. No.	Railway	Project Name	Type of Project	Length (km)
22.	North Western Railway (NWR)	Bhagat Ki Kothi - Luni Doubling	Doubling	30.3
23.	North Western Railway (NWR)	Delhi - Rewari Gauge Conversion	GC	94.2
24.	North Western Railway (NWR)	Ajmer - Phulera - Ringus - Rewari Gauge Conversion	GC	295
25.	North Western Railway (NWR)	Bhildi - Samdari Gauge Conversion	GC	223
26.	Southern Railway (SR)	Thanjavur - Villupuram Gauge Conversion	GC	192
27.	Southern Railway (SR)	Cuddalore - Salem Gauge Conversion	GC	193
28.	South Western Railway (SWR)	Arasikere-Hassan-Mangalore Gauge Conversion	GC	230
29.	Western Railway (WR)	Bharuch - Samni - Dahej Gauge Conversion	GC	62
30.	Western Railway (WR)	Gandhidham - Palanpur Gauge Conversion	GC	301
31.	East Coast Railway	Daitari - Banspani New Line	NL	155
32.	Southern Railway (SR)	Vallarpadam - Idapally New Line	NL	9
33.	East Coast Railway	Tomka -Banspani – RE	RE	144
34.	Railway Electrification (RE)	Kharagpur (Nimpura) - Bhubaneswar Including Branch Line of Talcher - Cuttack - Paradeep	RE	581
35.	Railway Electrification (RE)	Bhubaneswar - Kottavalasa	RE	417
36.	South Central Railway (SCR)	Reningunta - Guntakal RE	RE	308
37.	Western Railway	Bharuch - Samni - Dahej RE	RE	64
38.	Eastern Railway (ER)	Civil Engineering Works In Connection With Diesel Loco Component Factory, Dankuni	WKSP	-
39.	Eastern Railway (ER)	Dankuni - Setting Up of Electric Loco Assembly And Ancillary Unit of CLW	WKSP	-
40.	South Eastern Railway (SER)	Setting Up of Diesel Multiple Unit (DMU) Manufacturing Factory at Sankrail / Haldia	WKSP	-
41.	NWR	IOC Siding At Salawas (Deposit Work)	Others	2.82



3.5 Sections of Projects Commissioned and handed over to Railways in 2015-16:

In 2015-16, 525.25 km following sections have been

commissioned consisting of 242.25 km of Doubling, 17 km of New Line and 266 km of Railway Electrification and handed over to Zonal Railways for operations:

S. No.	Details of Project/Section	Plan Head	Length Commissioned in 2015-16 (km)	Zonal Railway
1.	Vridhachalam Jn to Ulundurpet section (19 km), Ulundurpet – Parikkal section (11km), Parikkal - Tiruvennainallur Rd. section (9 km), Manaparai-Samudaram section (10 km), Samudram-Kolatur section (7 km), Kolatur-Pungudi section (10 km) & Pungudi-Tiruchchirappalli (9 km) of Villupuram-Dindigul Doubling	Doubling	75	SR
2.	Barda- Basulya Sutahata section (5.9 km), Mahisadal-Barda (8.5 km) section & Tamluk-Keshabpur (2.5 km) section of Tamluk Jn. Cabin - Basulya Sutahata Doubling	Doubling	16.9	SER
3.	Mandi Bamora- Kalhar section (8.8 km), Kalhar-Bareth section (9.6 km), Sukhi Sewaniyan-Nishatpura (9.6 km), Gulabganj- Sumer section (7.4 km) & Sumer- Sorai (8.3 km) section of Bhopal-Bina 3rd line	Doubling	43.7	WCR
4.	Cuttak-Barang (14.3 km) (entire project)	Doubling	14.3	ECOR
5.	Harlapur-Sompur section (8.83 km), Sompur-Bannikoppa section (7.65 km) of Hospet-Tinaighat Doubling	Doubling	16.48	SWR
6.	Sukinda Road- Baghuapal section (8.5 km), Baghuapal - Tomka section (8.5 km) of Jaroli-Jakhpura Doubling	Doubling	17	ECOR
7.	Hotgi-New Tilati section (9.35 km) of Daund-Gulbarga Doubling	Doubling	9.35	CR
8.	Mori Bera-Kothar section (9.35 km), Kothar-Nana section (6.3 km) & Nana-Keshavganj section (8.7 km) of Rani - Keshavganj Doubling	Doubling	21.32	NWR
9.	Jaithari- Nigaura section (10.1 km), Nigaura-Venkatnagar section (7.3 km), Venkatnagar-Harri (10.8 km)of Salka Road-Anuppur Doubling	Doubling	28.2	SECR
	Total (Doubling)		242.25	



S. No.	Details of Project/Section	Plan Head	Length Commissioned in 2015-16 (km)	Zonal Railway
10.	Dallirajhara- Dondi section (17 km) of Dallirajhara- Raoghat New Line	New Line	17	SECR
11.	Puntamba- Sarola section (98 km) & Sarola- Daund section (76 km) of Daund- Manmad RE	RE	174	CR
12.	Gooty- Dharamavaram section (92 km) of Pune- Guntakal RE	RE	92	CR & SCR
	Total (RE)		266	

3.6 Signalling and Telecommunication

3.6.1 The Company has achieved commendable success in commissioning of signalling works associated with Doubling, third line, Intermediate Block Signalling and yard remodelling. During the year 2015-16, RVNL commissioned 54 stations on 3rd line and Doubling projects, 40 stations on Railway Electrification, 10 Mid-section Level Crossing

Gates and 7 IBS. 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 726 km.

3.7 Projects under implementation:

The list of 88 projects under various stages of implementation is as under:

S. No.	Railway	Name of Project	Type of Project
1.	CR	Daund - Gulbarga Doubling	Doubling
2.	CR & SCR	Pune - Guntakal Rly Elect.	RE
3.	CR	Dighi Port New Line	New Line
4.	CR	Connectivity to Rewas Port	New Line
5.	CR	Augmentation of Administrative / Office Infrastructure, Solapur Division, Gulbarga	OSW
6.	DLW	Varanasi - Augmentation of Production Capacity from 200 To 250 High HP Locos Per Year	WKSP
7.	ECoR	Khurda Road - Barang 3rd Line	Doubling
8.	ECoR	Haridaspur - Paradeep New Line	New Line
9.	ECoR	Angul - Sukinda New Line	New Line
10.	ECoR	Sambalpur - Titlagarh Doubling	Doubling
11.	ECoR	Raipur - Titlagarh Doubling	Doubling
12.	ECoR	Banspani - Jakhapura Doubling	Doubling
13.	ECoR	Titlagarh (Excl) - Raipur RE	RE
14.	ECoR	Vadlapudi - Wagon Poh Workshop Of 200 Nos Capacity Near	WKSP



S. No.	Railway	Name of Project	Type of Project
15.	ECR	Duvvada Station 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
16.	ECR	Barauni - 250 High Horse Power Loco Shed	WKSP
17.	ECR	Barauni - New Loco Shed to Home 100 Electric Locos	WKSP
18.	ER	Dankuni - Furfura New Line	New Line
19.	ER	Nabadwipghat - Nabadwipdham	Doubling
20.	ER	Samudragarh- Nabadwipdham- ROB in lieu of LC No. 14	ROB
21.	NR	New Delhi - Tilak Bridge 5th & 6th Line	Doubling
22.	NR	Utretia- Rae Bareli Doubling	Doubling
23.	NR	Rae Bareli - Amethi Doubling	Doubling
24.	NR	Rishikesh - Karnaprayag New Line	New Line
25.	NR	Bhanupalli - Bilaspur - Beri New Line (Hill portion)	New Line
26.	NR	Jakhal - Hisar Railway Electrification	RE
27.	NR	Jakhal - Dhuri- Ludhiana Railway Electrification	RE
28.	NR	Rajpura - Dhuri - Lehra Mohabat Railway Electrification	RE
29.	NR	Utretia - Rae Bareli - Amethi - Janghai RE (214 rkm)	RE
30.	NCR	Bhimsen - Jhansi Doubling With Electrification	Doubling
31.	NCR	Paman-Bhimsen - New B-Class Station	TFC
32.	NCR	Jhansi-Garhmau, Orai-Ata, Ata-Kalpi & Pokhrayan-Lalpur – Splitting Of Longer Block Sections	TFC
33.	NER	Lucknow- Pilibhit Via Sitapur, Lakhimpur GC	Gauge Conversion
34.	NER	Chhapra - Ballia - Ghazipur - Varansi - Allahabad RE	RE
35.	NER	Ghazipur - Aunrihar - Manduadih RE (78 rkm)	RE
36.	NER	Varanasi-Modhosingh-Allahabad Doubling	Doubling
37.	NER	Mau-Ghazipur-Tarighat New Line	New Line
38.	NER	Aunrihar - Demu Shed	WKSP
39.	NFR	Raninagar Jalpaigudi-New Bongaigaon - Guwahati (Incl) RE (382 rkm) (Part of Barauni - Katihar - Guwahati Incl. Katihar - Barsoi (836 km) RE	RE
40.	NWR	Abu Road - Sarotra Road Patch Doubling	Doubling
41.	NWR	Sarotra Road - Karjoda Patch Doubling	Doubling



S. No.	Railway	Name of Project	Type of Project
42.	NWR	Abu Roard - Swaroopganj Doubling	Doubling
43.	NWR	Rani - Keshav Ganj Doubling	Doubling
44.	NWR	Rewari- Manheru Doubling	Doubling
45.	NWR	Manheru - Hissar Railway Electrification	RE
46.	NWR	Rani - Palanpur Railway Electrification	RE
47.	NWR	Phulera- Broad Gauge Diesel Locomotive Shed	WKSP
48.	SCR	Balance Section of Obulavaripalle - Krishnapattnam New Line	New Line
49.	SCR	Balance Section of Raichur - Guntakal Doubling	Doubling
50.	SCR	Guntur - Tenali Doubling With Electrification	Doubling
51.	SCR	Vijaywada-Gudivada- Bhimavaram-Narasapur, Gudivada- Machlipatnam and Bhimavaram-Nidadavolu Doubling with electrification	Doubling
52.	SCR	Secunderabad-Mahabubnagar Doubling	Doubling
53.	SCR	Hospet - Guntakal And Tomagallu – Ranjithpura RE	RE
54.	SCR	Guntakal-Kalluru RE (40 rkm)	RE
55.	SCR	Multi-Modal Transport System (MMTS) - Phase-II in Hyderabad	MTP
56.	SCR	Secunderabad- Upgradation of facilities at Centralised Training Academy for Railway Accounts	OSW
57.	SCR	Moula Ali - Setting up of Indian Railway Institute of Finance Management	OSW
58.	SCR	Workshop for Manufacture of Flat Bogies for LHB Design Coaches, Yadgir	WKSP
59.	SCR	Kazipet - Workshop For Wagon Periodical Overhauling	WKSP
60.	SER	Goelkera - Manoharpur 3rd Line	Doubling
61.	SER	Kharagpur Workshop - Setting up of centre of Excellence for Wagon Prototyping	WKSP
62.	SER	Anara (Adra) Setting up of Mid-Life Rehabilitation Workshop for Coaches	WKSP
63.	SECR	Amla - Chhindwara - Kalumna Railway Electrification	RE
64.	SECR	Salka Road-Khongsara - Patch doubling (26 km)	Doubling
65.	SECR	Khodri-Anuppur, with flyover at Bilaspur (61.6 km)	Doubling
66.	SECR	Dallirajhara - Raoghat New Line	New Line
67.	SECR	Direct Power Supply from Central Generating Agencies	OSW
68.	SR	Villupuram - Dindigul Doubling	Doubling
69.	SR	Thanjavur - Ponmalai Doubling With Bypass Line Before Ponmalai	Doubling
70.	SR	Srirangam - Tiruchchirapalli Town - 4 Lane ROB in lieu of 2 - Lane Bridge No. 380-A	ROB



S. No.	Railway	Name of Project	Type of Project
71.	SR	Manamadurai-Rameswaram - Repl of Full Scherzer Lift Span (Bridge No.346) (Pamban Viaduct)	Bridge
72.	SWR	Hospet-Hubli-Londa-Tinaighat-Vasco da Gama Doubling	Doubling
73.	SWR	Hospet - Hubli - Vasco da Gama RE (346 rkm)	RE
74.	WCR	Bhopal - Bina 3rd Line	Doubling
75.	WCR	Bina - Kota Doubling	Doubling
76.	WCR	Habibganj - Barkhera 3rd Line	Doubling
77.	WCR	Barkhera- Budni 3rd Line	Doubling
78.	WCR	Budni - Itarsi 3rd Line	Doubling
79.	WCR	Misrod-Setting up of Workshop for Repair /Rehabilitation of Motorized Bogies of Electric Rolling Stock	WKSP
80.	WCR	Provision of Addl. Traction Substation at Budhni	OSW
81.	WR	Ahmedabad - Botad Gauge Conversion	Gauge Conversion
82.	WR	Dhasa - Jetalsar Gauge Conversion	Gauge Conversion
83.	WR	Palanpur - Samakhiali Doubling	Doubling
84.	WR	Vadodara - Setting up of New PoH Shop for Electrical Locos	WKSP
85.	MET	Baranagar - Barrackpore & Dakshineswar	METRO
86.	MET	Dum Dum Airport - New Garia Via Rajerhat	METRO
87.	MET	Joka - Binoy Badal Dinesh Bagh Via Majerhat	METRO
88.	MET	Naupara (Ex.) - Baranagar (Extension of Dum Dum – Naupara Metro Line)	METRO

3.8 Kolkata Metro Projects

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

- Baranagar - Barrackpore & Dakshineswar (14.5 Km);
- Dum Dum Airport - New Garia Via Rajerhat (32 Km);
- Joka - Binoy Badal Dinesh Bagh Via Majerhat (16.72 Km);
- Naopara (Ex.) - Baranagar (2.6 Km).

RVNL has processed these projects at a good pace for their early execution, despite the fact that no detailed project report (DPR) was prepared at the time of sanctioning of these projects by the Government.

The foundation stone for Joka - Binoy Badal Dinesh Bagh project, was laid by Her Excellency, President of India on 22.09.2010. The contract for execution of works was awarded in December 2010. 1276 piles, 299 pile caps, 278 piers, 273 pier caps and 268 segment erection has been completed on the Joka - Mominpur section of the project. Work for construction of stations at Joka, Thakurpukur, Sakherbazar, Behala Bazar and Tartala has been awarded in April 2012. 1409 piles, 247 pile caps, 249 piers and 6 Pier Caps have also been completed for stations. Structures for stations at Joka, Sakherbazar and Thakurpukur are in an advanced stage of completion.

The contracts for viaduct portion between New Garia to



Rabindra Tirtha section of Dum Dum Airport - New Garia project in 4 packages have also been awarded on 21.10.2011. Survey and Geotechnical work have been completed. 5105 working piles, 596 pile caps, 565 piers, 442 pier caps and 4209 segments have been cast and 2929 segments have been launched. The contracts for 21 stations (3 Packages) have also been awarded on 05.03.2014. The Survey, Geotechnical work and Utility diversion are completed for all the stations. For construction of stations 1920 piles, 188 pile caps, 184 piers have been cast.

The contract for Naupara - Baranagar (2.6 km) and Baranagar - Dakshineswar (2 km) including 2 station buildings was awarded in September 2010 which had to be terminated in November 2010 as the contractor did not start work. The tender was reinvited and fresh contract was awarded in February 2011. After detailed designing of corridor, 514 piles, 35 pile caps, 20 piers, 01 pier caps and 74 I girders have been cast. Construction of station at Dakshineswar has again started despite of severe problems of encroachments. A 195 m diversion of express way to facilitate construction of via duct has also been completed. There are about 500 encroachments which have to be relocated/removed. The second contract has also been terminated due to poor performance of the contractor. Tender for balance work has been awarded on 27.10.2014.

In Baranagar- Barrackpore, tender for road widening was awarded, 100% of the utility identification work has been completed and 100% geotechnical investigation work has been completed. The tenders for viaduct and stations will be invited only after the water pipe lines are closed by the State Government. This decision is pending and assistance is needed from Government of West Bengal.

3.9 Projects yet to be Sanctioned:

- (i) Surat - Hajira New Line
- (ii) Rail Connectivity to Vizhinjam International Seaport Limited (VISL)
- (iii) Vizianagaram - Samabalpur 3rd Line
- (iv) Bhadrak-Vizianagaram 3rd Line

- (v) Mathura-Jhansi 3rd Line
- (vi) Vijayawada - Gudur 3rd Line
- (vii) Kharagpur-Adityapur 3rd Line
- (viii) Madurai-Maniyachi-Tuticorin Doubling with RE
- (ix) Maniyachi - Nagarcoil Doubling with RE

3.10 Accidents

During the year 2015-16, no accident was reported from any of the project sites on RVNL account.

3.11 ADB funded projects:

The first ADB loan (IND-1981) sanctioned for "Railway Sector Improvement" has been closed on 31.12.2011. A 2nd 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. 16 of the total 18 contracts have been awarded and tenders for remaining 2 RE packages have been invited. Of these 16 contracts, 2 contracts were terminated and new contracts were fixed. The contract for General Consultants for these 5 projects were awarded in May 2013. The loan agreement for second Tranche (Loan No. 3108-IND) of this MFF for an amount of \$ 130 million was signed in February 2014. The contracts for supply of 60 kg Rails & 52 kg Rails were awarded in March, 2014. The contract for supply of Thick Web Switches was awarded in December, 2014. Contracts for appointment of NGOs to implement the rehabilitation and



resettlement policies of the ADB were finalised and the work of R&R is in an advanced stage.

During the year 2015-16, an amount of ₹378.84 crore equivalent to \$ 57.83 million has been disbursed by ADB.

3.12 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 economies 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 2015-16, contracts worth approximately ₹3432.41 crore were awarded.

The following major contracts were awarded by the Company during the year:

- Package 1 - Execution of Gauge Conversion of existing Meter Gauge track between Sabarmati (incl.) & Kothgangad (incl.) stations (77.00 Kms) : Construction of Roadbed, Bridges, Supply of Ballast, Dismantling of existing MG track, Installation of track (excluding supply of Rails and Ordinary PSC line Sleepers), Electrical (General Electrification, Signalling and Telecommunication works between

Sabarmati (Incl.) & Kothgangad (incl.) in Ahmedabad & Bhavnagar Divisions of Western Railway, Gujarat, India (₹301.94 crore)

- Execution of Roadbed with earthwork and minor bridges between km.0 to km.19 and km.47 to km.97 for 76 Route km. including tie lines at both ends, laying of blanket in entire length of 104 Route km. between Budhapank to Baghuapal under Angul to Sukinda New BG Rail line in state of Odisha, India. (₹295.33 crore)
- Package 1 - Habibganj to Barkhera against the Bid invited for "Construction of Roadbed, bridges, installation of track (excluding supply of rails & PSC sleepers), Modification to stations yards, Construction of passenger amenities, Signalling & Telecommunication works (Indoor & outdoor), Railway Electrification and General Electrical works for third track between Habibganj to Barkhera and Budni to Itarsi (except Narmada Bedige) on Bhopal-Itarsi Section of Bhopal Division of West Central Railway, Madhya Pradesh, India" in two packages (₹287.83 crore)
- Package 2 - Execution of Gauge Conversion of existing Meter Gauge track between Kothgangad (Excl.) & Botad (88.40 Kms) stations: Construction of Roadbed, Bridges, Supply of Ballast, Dismantling of existing MG track, Installation of track (excluding supply of Rails and Ordinary PSC line Sleepers), Electrical (General Electrification), Signalling and Telecommunication works between Kothgangad (Excl.) & Botad in Ahmedabad & Bhavnagar Divisions of Western Railway, Gujarat, India (₹283.21 crore)
- Balance works for construction of Roadbed, Major & Minor Bridges, Track Linking (excluding supply of rails, ordinary track sleepers and thick web switches), Outdoor Signalling and Electrical (General) works in connection with Doubling of Akalkot Road- Gulbarga section (78 kms) of Hotgi



Gulbarga Section in Solapur Division of Central Railway in the State of Maharashtra and Karnatakam India (₹238.15 crore)

- Package 2 - Budni to Itarsi (excluding Narmada Bridges) against the bids invited for "Construction of Roadbed, bridges, installation of track (excluding supply of rails & PSC sleepers), Modification to stations yards, Construction of passenger amenities, Sginalling & Telecommunication works (Indoor & outdoor), Railway Electrification and General Electrical works for third track between Habibganj to Barkhera and Budni to Itarsi (except Narmada Bridge) on Bhopal-Itarsi Section of Bhopal Division of West Central Railway, Madhya Pradesh, India" in two packages (₹201.01 crore)
- Package- 2 - Aunrihar-Allahabad (Excl.) for "Railway Electrification of Aunrihar (incl.)-Varanasi-Allahabad(Excl.) Section – 25 KV OHE Works, Traction substations, General Electrification, Civil engineering works (including service buildings, Quarters and track works), Signaling and Telecommunication works in Varanasi Division of North Eastern Railway, Uttar Pradesh (₹199.84 crore)
- Package- 1 - Chhapra (Excl.)-Aunrihar for "Railway Electrification of Chhapra (Excl.)-Ballia-Varanasi-Akllahabad (Excl) Section – 25 KV OHE Works, Traction substations, General Electrification, Civil engineering works (including service buildings, Quarters and track works), Signaling and Telecommunication works in Varanasi Division of North Eastern Railway, Uttar Pradesh, India in two packages (₹169.75 crore)
- Design, Supply, Erection, Testing & commissioning of 25KV 50HZ Single Phase Traction Overhead Equipment, Switching Stations, Traction sub-stations, SCADA, General electrical Services works along with civil Engineering I.e. Service Buildings, quarters and other associated works between Dhuri (Excl.) - Lehramohabat (Incl.) (151RKM/264TKM) in Ambala Division of Northern Railway in the State of Punjab, India (₹155.8 crore)
- Construction of Roadbed, Station Buildings, Passenger Amenities, Minor Bridges, General Electrical Works in connection with new BG Rail Line from Jendrapara (Incl.) Km 42.040 to KM 81.200 Package II in Khurda Road Division of East Coast Railway in the State of Odisha, India in three packages (2A, 2B & 2C) - Package 2C (Construction of Roadbed, Station Buildings, Passenger Amenities, Minor Bridges, General electrical Works in connection with new BG Rail Line from Nuagaon km 68.300 to Paradeep km 81.200 on Khurda Road Division of East Coast Railway in the State of Odisha, Indfia" (₹142.8 crore)
- Construction of sheds, Structurers, Water Supply Arrangements, Drainage, Road, Power Supply Arrangement, General Electrical works and supply, Erection & Commissioning of Machinery & Plant in connection with Augmentation of Production Capacity (Part II) of diesel Locomotive Works, Varanasi, Uttar Pradesh, India. (₹ 137.8 crore)
- Construction of Roadbed, Station Buildings, Passenger Amenities, Minor Bridges, General Electrical Works in connection with new BG Rail Line from Jendrapara (Incl.) Km 42.040 to KM 81.200 Package II in Khurda Road Division of East Coast Railway in the State of Odisha, India in three packages (2A, 2B & 2C) - Package 2A (Construction of Roadbed, Station Buildings, Passenger Amenities, Minor Bridges, General electrical Works in connection with new BG Rail Line from Kendrapara (Incl.) Km 42.040 to Dumuka Km 57.000 on Khurda Road Division of East Coast Railway in the State of Odisha, India" (₹137.73 crore)
- Package 1 : Design, Supply, Erection, testing & commissioning of 25 KV, 50 HZ, Single phase, traction Over Head Equipments, Switching Stations,



Traction Sub-Station, SCADA, General electrical Service works along with Civil Engineering work i.e. Service Buildings, quarters Tower Car Sheds and other associated works between Sections Hospet (Including) - Kudatini (including) and Tornagallu (including) - Ranjitpura (including) and Siding comprising of 67 RKM/187 TKM along with Signaling & Telecommunication works between Sections Hospet (including) - Bellary Junction (including) and Toranagallu (including) - Ranjitpura (including) of Hubli Division of Southern Western Railway, India" (₹125.12 crore)

- Construction of Roadbed, Station Buildings, Passenger Amenities, Minor Bridges, General Electrical Works in connection with new BG Rail Line from Jendrapara (Incl.) Km 42.040 to KM 81.200 Package II in Khurda Road Division of East Coast Railway in the State of Odisha, India in three packages (2A, 2B & 2C) - Package 2B (Construction of Roadbed, Station Buildings, Passenger Amenities, Minor Bridges, General electrical Works in connection with new BG Rail Line from Dumuka Km 57.000 to Nuagaon Km 68.300 on Khurda Road Division of East Coast Railway in the State of Odisha, India" (₹114.82 crore)
- Construction of approach ramps including connecting road and diversion road for the re-building of existing ROB at Bardhaman, over the Bardhaman-Durgapur Railway line, connecting Kalna Link road and Katwa Road with G.T. Road in the District of Bardhaman, West Bengal, India (₹114.31 crore)
- Design, Supply, Erection, Testing & commissioning of 25KV 50HZ Single Phase Traction Overhead Equipment, Switching Stations, Traction sub-stations, SCADA, General electrical Services works along with civil Engineering i.e. Service Buildings, Quarters & other associated works between Section Jakhal (Excl.) - Dhuri (Incl.) - Ludhiana (Excl.) (123

RKM/178 TKM) Section in Ambala Division of Northern Railway in the State of Punjab, India (₹98.59 crore)

- Package 2 : Design, Supply, Erection, testing & commissioning of 25 KV, 50 HZ, Single phase, High Rise Traction Over Head Equipments, Switching Stations, Traction Sub- Stations, SCADA, General electrical Services works along with Civil Engineering work i.e. Service Buildings, quarters and other associated works and Signaling & Telecommunication works between Swarupganj (Incl.) to Palanpur (Excl.) 80 RKM/184 TKM Section in Ajmer Division of North Western Railway in the States of Rajasthan Gujarat. (₹97.32 crore)
- Package 1: Design, Supply, Erection, testing & commissioning of 25 KV, 50 HZ, Single phase, High Rise Traction Over Head Equipments, Switching Stations, Traction Sub-Stations, SCADA, General electrical Services works along with Civil Engineering work i.e. Service Buildings, quarters and other associated works and Signaling & Telecommunication works between Rani (Excl.) 86 RKM/198 TKM Section in Ajmer Division of North Western Railway in the States of Rajasthan. (₹95.61 crore)
- Package 2: Design, Supply, Erection, testing & commissioning of 25 KV, 50 HZ, Single phase, traction Over Head Equipments, Switching Stations, Traction Sub-Station, SCADA, General electrical Service works along with Civil Engineering work i.e. Service Buildings, quarters Tower Car Sheds and other associated works between Sections Kudatini (including) - Guntakal (Including) Section and Siding comprising of 71 RKM/178 TKM of Guntakal Division of South Central Railway and Hubli Division of South Western Railway along with Signaling & Telecommunication works between Sections Bellary Junction (including) - Guntakal (including) of Guntakal Division of South Central Railway, India" (₹92.84 crore)



- Design, Supply, Erection, Testing & commissioning of 25KV 50HZ Single Phase Traction Overhead Equipment, Switching Stations, Traction sub-stations, SCADA, General electrical Services works along with civil Engineering i.e. Service Buildings, Quarters & other associated works and Signal and Telecommunication works between Section Jakhal (Excl.) - Hisar (Excl.) (79 RKM/92 TKM) Section in Ambala Division of Northern Railway in the State of Haryana, India (₹76.25 crore)
- Package 3: Construction of major steel girder bridges, along with foundation, substructure and related protection works on permanent diversion, strengthening of the sub structure of existing bridges along with provision of new steel plate girder, protection work, Casting of RCC Box bridges, Earth work & Blanketing on approaches, and other allied works in connection with Gauge conversion of Sabarmati-Botad Section in Bhavnagar Division of Western Railway, Gujarat, India. (₹66.36 crore)
- Beside these works contracts, ₹86.81 crore value of FLS, DDE & PMC contracts have also been awarded during the financial year 2015-16.

3.13 Final Location Survey (FLS)

During 2015-16, 125 km of Final Location Survey (FLS) was carried out in Rishikesh- Karnaprayag New Line (125 km) project.

PROJECT PLANNING & DEVELOPMENT

A. PUBLIC PRIVATE PARTNERSHIP (PPP) in Indian Railway Connectivity Projects

In fulfillment 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 ₹6139 crore out of which ₹1824 crore is equity and ₹4315 crore is debt. The total investment of RVNL in the equity of these SPVs is ₹615 crore, which is approximately 10% of their Gross total investment (refer to table below).

Name of SPV	Total Authorized Equity Capital	RVNL's Equity		Partners' Equity		Debt	Total
	₹ Cr	₹ Cr	%age	₹ Cr	%age	₹ Cr	₹ Cr
Kutch Railway Co Ltd.(KRC) (301 km)	200	100	50.0%	100	50.0%	300	500
Bharuch Dahej Railway Co. Ltd. (63 km)*	165	55	33.33%	100	60.7%	230	395
Krishnapatnam Railway Co. Ltd. (113 km)	270	81	30.0%	189	70.0%	933	1203
Haridaspur Paradip Railway Co. Ltd. (82 km)**	510	170	33.33%	312.50	61.33%	1092	1602
Angul Sukinda Railway Ltd. (102 km)	600	189	31.5%	411	68.5%	1052	1652
Dighi Roha Rail Limited (34 Km)	79	20	26%	59	74%	708	787
Total	1824	615	33.7%	1171.5	64.3%	4315	6139
*Equity gap of ₹9.89 Cr							
**Equity gap of ₹27.50 Cr							



Salient features of SPVs:

1. Kutch Railway Company Limited (KRC)

Details of KRC	
Length	248 Km
Project Type	Gauge Conversion
Division, Railway	Ahmedabad, Western Railway
Traffic Catchment Area	Ports of Kandla and Mundra in Gujarat
Equity Participants	Rail Vikas Nigam Limited-50% Kandla Port Trust-26% Govt. of Gujarat-4% Mundra Port SEZ-20%.
Commercial Operations Date (COD)	Year 2006
Turn Over 2015-16 (provisional)	₹682 Crore (up from ₹664 Crore in 2014-15)

Current Developments:

- The Company is undertaking the doubling of Samakhiali - Palanpur section (248 km) to cater to the anticipated increase in traffic flows from Mundra and Kandla ports.
Cost ₹1548.66 Crore; sanctioned by Ministry of Railways
Source: Internal accruals of KRC
Progress: Contracts awarded for Packages - I & II of stretches 34.6 km & 29.48 km respectively.
- Feasibility study for a 3rd line between Samakhiali - Gandhidham (53 km) section of KRC has been completed. The project has been found bankable and will be taken up for implementation.

2. Bharuch Dahej Railway Company Limited (BDRCL)

Details of BDRCL	
Length	62 Km
Project Type	Gauge Conversion
Division, Railway	Vadodara, Western Railway
Traffic Catchment Area	Dahej Port in South Gujarat
Equity Participants	Rail Vikas Nigam Limited -33.33% Dahej SEZ Ltd.-6.06% Gujarat Maritime Board-10.82% Adani Petronet (Dahej)-10.50% Gujarat Narmada Valley Fertilizer Company-8.20% HINDALCO Industries Ltd.-8.20%



Details of BDRCL	
	Jindal Rail Infra-Structure- 6.06% Gujarat Industrial Development Corporation Ltd.-10.82% Equity Gap-6%.
Commercial Operations Date (COD)	Year 2012
Turn Over 2015-16 (provisional)	₹89 Crore (down from ₹132 Crore in 2014-15)

Current Developments:

- a. Maintenance of the line had been temporarily taken over by the SPV on directives of Western Railway. The same has now been taken over by Western Railway.

3. Krishnapatnam Railway Company Limited (KRCL)

Details of KRCL	
Length	113 Km
Project Type	New line: Obulavaripalle to Krishnapatnam Port
Division, Railway	Vijayawada, South Central Railway
Traffic Catchment Area	Krishnapatnam Port in Andhra Pradesh
Equity Participants	Rail Vikas Nigam Limited -30% Govt. of Andhra Pradesh-13% Krishnapatnam Port-30% National Mineral Development Corporation Ltd.-15% Bramhani Industries Ltd.-12%.
Commercial Operations Date (COD)	Year 2008 for Phase I: 20 km line from Venkatachalam Station with Krishnapatnam Port
Turn Over 2015-16 (provisional)	₹41.4 Crore (a decline from ₹62.6 Crore in 2014-15)

Current Developments:

- a. Doubling of the section from Venkatachalam to Krishnapatnam was completed and opened for traffic on 2nd March 2014.
- b. For Phase II i.e. construction of new line from Obulavaripalle to Venkatachalam involving construction of a tunnel is in progress.



4. Haridaspur Paradip Railway Company Limited (HPRCL)

Details of HPRCL(incorporated in 2006)	
Length	82 Km
Project Type	New line: Haridaspur to Paradip Port
Division, Railway	Khurda Division, East Coast Railway
Traffic Catchment Area	Paradip Port in Odisha
Equity Participants	Rail Vikas Nigam Limited -33.33% Odisha Industrial Infrastructure Development Corporation, (Govt. of Odisha)-0.35% Paradeep Port Trust-10% Essel Mining & Industries Ltd.-5.88% Rungta Mines Ltd. – 5.88% Jindal Steel Power Limited- 0.98% Steel Authority of India Limited- 0.98% Mundra Steel Power Limited- 2.94% Odisha Mining Corporation-14.66% Govt. of Odisha – 19.60% Equity Gap- 5.40%.
Commercial Operations Date (COD)	Still under construction

Current Developments:

- Land has been acquired for 68 km out of the total project length of 82 km.
- POSCO Ltd. which was one of the original equity partners in the SPV withdrew in 2015. Due to the return of its application money of ₹27.50 crore, an equity gap has arisen and the remaining partners of the SPV have been requested to fill up the same.
- Physical and Financial progress for the project are 53% and 52.28% respectively.

5. Angul Sukinda Railway Limited (ASRL)

Details of ASRL (incorporated in 2009)	
Length	102 Km
Project Type	New line: Angul to Sukinda
Division, Railway	Khurda Division, East Coast Railway
Traffic Catchment Area	Traffic to and from Dhamra & Paradip Ports in Odisha
Equity Participants	Rail Vikas Nigam Limited -31.50% Jindal Steel Power Limited -10% Govt. of Odisha-21.30%



Hon'ble CM of Maharashtra, Shri Devendra Fadnavis at MOU Signing Ceremony of Dighi Port Rail Link Project on 18.04.2015



Agreement signed between China Railway Eryuan Engineering Group and High Speed Rail Corporation of India Ltd. on Feasibility Study for Speed raising on Chennai-Bangaluri-Mysore Section



Details of ASRL (incorporated in 2009)	
	Odisha Mining Corporation -10.50% Odisha Industrial Infrastructure Development Corporation-0.70% Container Corporation of India-26.00%.
Commercial Operations Date (COD)	Still under construction

Current Developments:

- CONCOR has joined as a new equity partner in the project contributing ₹156 crore (26%) equity.

6. Dighi Roha Rail Limited (DRRL)

Details of DRRL (incorporated in 2015)	
Length	34 Km
Project Type	New line: Roha to Dighi Port
Division, Railway	Mumbai Division, Central Railway
Traffic Catchment Area	Traffic to and from Dighi Port in Maharashtra
Equity Participants	Rail Vikas Nigam Limited -26% Dighi Port Limited-63% Maharashtra Maritime Board-11%.
Commercial Operations Date (COD)	Process of land acquisition initiated

Current Development:

- The Company's Authorized Capital has been increased to ₹78.69 crore.
- Share Holder's Agreement is under finalization.

7. New SPV under formation

a. Rail connectivity to REWAS Port in Maharashtra

The bankability report of Rewas Port was submitted by RVNL to Railway Board in the financial year 2014-15. Subsequently Railway Board has given its approval for implementation of the project through JV route. Formation of the SPV is under process.

Strategic Partnership with Ministry of Shipping for development of rail connectivity and rail infrastructure of Ports

Formation of Indian Port Rail Corporation Limited (IPRCL): RVNL has decided to participate in an SPV formed

by Ministry of Shipping with the mandate of taking up projects for strengthening of rail evacuation network and the last mile connectivity to the ports.

Salient features:

- Initial Authorised Capital of IPRCL is ₹500 crore. Initial subscribed capital is ₹100 crore.
- The stakeholders are 12 Major Ports and RVNL.
- RVNL's equity participation is limited to ₹10 crore only i.e. 10% of the initial subscribed share capital.
- Mandate of SPV: to undertake maintenance, up gradation and modernisation of the Port Railways and also provide capacity augmentation wherever required.

Current Development:

- Work for undertaking Consultancy Services for preparation of Detailed Project Reports and Project



Management of some of the projects have been awarded to RVNL by Ministry of Shipping.

- All Detailed Project Reports viz. for New Mangalore Port Trust, Kandla Port Trust & Haldia Dock Complex have been submitted to Managing Director / IPRCL within the target time by RVNL.

B. Bankability studies

During 2015-16, Bankability reports for the following projects, which were assigned to RVNL, have been completed and submitted to Ministry of Railways for taking further action:

- (i) Rail connectivity to Cement plants from Sanjamala station on South Central Railway: The Ministry of Railways has sanctioned the project which is to be developed under the Joint Venture model of Participative Policy of Indian Railways, 2012.
- (ii) Following Bankability studies are in Progress:
 - (a) Rail Connectivity to Karaikal Port in Southern Railway
 - (b) Milavittan to Melamarudur BG Line in Southern Railway
 - (c) Cumbum to Proddatur BG Line in South Central Railway

SUBSIDIARY:

High Speed Rail Corporation of India Limited (HSRC)

High Speed Rail Corporation of India Ltd. (HSRC) has been formed as a wholly owned subsidiary of Rail Vikas Nigam Ltd. (RVNL), with the approval of President of India, to develop High Speed Rail (HSRC) Corridors in India to run passenger trains at speed of upto 350 km per hour. The details of Corporation and Projects being undertaken by HSRC may be seen in the Directors Report included as Part 'I' of the Report.

PERSONNEL DEVELOPMENT:

Long-term success of the business can only be achieved by an organization that recognizes its human resources as part of the process of wealth creation and as a source of competitive advantage. Acquiring talented and experienced

manpower, developing and retaining them have been the key focus area of HR for achieving the corporate objectives. RVNL envisages a lean organization with need-based deployment of staff. The manpower requirement is largely met through deputation of employees from Railways and other Government Departments/PSUs, besides keeping a small but effective cadre of its own. The RVNL cadre is also made up of largely ex-railway servants who have been permanently absorbed. As on 31-3-2016, the on-roll strength of RVNL stood at 121 regular employees and 325 deputationists.

The main thrust of the HR policy is to ensure that the manpower resource is able to adapt to the changing business priorities and to play a role as a strategic business partner in the growth of the organization. This has been made possible by meticulous selection of employees with relevant experience and capabilities and further development through intensive training programmes. As a part of this philosophy, employees have been nominated to various training programmes and seminars not only relevant to their job requirements but also to enhance their overall capabilities. During the year 2015-16, 583 mandays of trainings in Project Management, Tunnelling, Quality Control and Quality Assurances, Contract Management, Railway Electrification, Concrete Technology, Building Competency in CSR, etc. were imparted to the employees at various levels. Out of total training mandays of 583, senior management i.e. DGM and above level has been imparted training for 349 mandays and below DGM staff for 234 mandays.

RVNL recognizes the services of meritorious employees through individual/ group awards by presenting shields and cash awards on the occasion of Annual Foundation Day celebrations held on 9th April 2016. Besides awarding twenty-one meritorious employees, eight shields were presented by Member Engineering, Railway Board to the following Project Implementation Units for their excellent performance:



Annual Day Celebration





- | | |
|--|--|
| 1. Best PIU (Winner) | - PIU, Chennai |
| 2. Best PIU (Runner up) | - PIU, Jodhpur |
| 3. Best Project | - Hospect-Tinaighat
(PIU, Hubli) |
| 4. Maximum Turnover | - PIU, Chennai |
| 5. Best PIU for commissioning Projects | - PIU (Line), Kolkata |
| 6. Best Innovative Project | - Barddhaman Cable
Stayed Bridge
(PIU, Majerhat) |
| 7. Best PIU in RE project | - PIU, Secunderabad |
| 8. Best PIU in Signalling Work | - PIU, Bhopal |

As a welfare measure, the Company provides free consultation services of doctors in Allopathy and Homeopathy systems of treatment in the Corporate Office premises to cater to the medical needs of the employees and their families.

The employees of the Company conducted Swacch Bharat Abhiyaan engaging themselves in the cleaning of office premises. International Yoga Day was also observed on 21st June, 2015 and motivated employees to practice Yoga for leading a healthy life.

Industrial Relations:

Cordial industrial relations have been maintained throughout the year without any untowards incident.

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

The RVNL Conduct Discipline rules are 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 received regarding sexual harassment. All employees are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the calendar year.

Number of Complaints received : NIL

Number of Complaints disposed off : NIL

The Right to Information Act

The provisions of the Right to Information Act are followed meticulously in letter and spirit and timely responses are given to all queries. The Company has nominated an Appellate Authority, Central Public Information Officer and Asstt. Public Information Officer at the Corporate Office and Asstt. Public Information Officers for each PIU. During the year 2015-16, 28 applications were received and disposed off on time.

Rajbhasha (Official Language)

The company has been making concerted efforts in implementing 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 Manager (Rajbhasha). The website of the company is bilingual and is updated frequently. 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 are using Rajbhasha in drafting notes and letters were identified and given cash awards. A Hindi essay writing competition, Hindi noting and drafting competition, Hindi Shabd Gyan Competition and Shankar Dayal Singh Smriti Puraskar competitions were held on the occasion of Hindi Divas Pakhwara in the month of September, 2015 and cash awards totalling to ₹60,200/- have been distributed to 31 successful participants. The Company has set up a reading room-cum-library in the corporate office with a large collection of books, newspapers and periodicals in Hindi. During the year 2015-16, four meetings of Rajbhasha Implementation Committee of RVNL with the representatives of Railway Board's Rajbhasha Directorate, have been held. The Committee of Parliament on Official Language inspected the use of Rajbhasha in official working in RVNL on 29.05.2015 and expressed their satisfaction.



The assurances to the various observations of the committee have also been duly complied with. Two officers RVNL's Secunderabad Unit participated in the Rajbhasha Conference held in the month of November, 2015 at Vishakhapatnam organised by Viswamukti.

Presidential Directive

The Company did not receive any Presidential Directive from Ministry of Railways during 2015-16.

4. VIGILANCE

The Vigilance department in RVNL is manned by a Chief Vigilance Officer, one GM/Vigilance (Part time), two DGMs/Vigilance and one Sr. Manager/Vigilance (temporary).

RVNL Vigilance functions with a principal focus on aiding management in bringing about system improvements, as needed, for strengthening transparency and accountability. For this purpose, Action Plan 2015-16 was approved incorporating a preventive approach for performing vigilance checks of ongoing works and miscellaneous establishment matters to address compliance issues and system corrections, if required.

Inspections in brief:

During 2015-16, intensive scrutiny of four selected projects under execution by Project Implementation Units was conducted to evaluate the entire process of contract management with specific focus on tendering and compliance with works standards, specifications and quality control as per contractual provisions and corporate policies. In addition, two preventive checks were also conducted, on a case basis, on tendering and procurement of specific items during project execution. Preventive check on rotational transfer of RVNL personnel was also conducted to assess compliance with stated corporate policy.

Some major system improvements effected during 2015-16 covered the following areas: -

- Frequency of checks of attendance of PMC personnel by RVNL officials.

- Amendment of parameters for testing of water for washing of aggregates and for mixing and curing concrete, in conformity with IS Code.
- Amendment of SOP Para-8 w.r.t. requirement of finance concurrence in quotation based contracts.
- Amendment of SBD w.r.t. Contractors' All Risk policy – 100% CAR policy for single and multiple packages.
- Procedure for Measurement and Payments – Provision for minimum 1% spot checks by RVNL officials.
- Certification of authenticity of CV of personnel proposed to be deployed by PMC.
- Quotation based contracts.

Besides, institution of corrective measures, an amount of ₹87,554/- was recovered from the contractors for deficiencies in performance.

Compliance of MSME Policy in RVNL:

Vigilance Department had taken up the issue of compliance of Public Procurement Policy under MSME with RVNL Management since the year 2015, when procurement of certain percentage of the total purchases of products and services rendered by Micro and Small Enterprises (MSEs) became mandatory from 01.04.2015 in terms of the MSME Policy 2012. During discussion with RVNL Management it was explained that RVNL has a limited role in procurement of materials as the projects assigned to RVNL are being executed through large value composite contracts, involving both procurement of materials and execution, which are awarded through an open tendering process. However, RVNL has incorporated certain clauses in the bid document for service contracts to allow benefits to Micro and Small Enterprises as per MSME guidelines such as waiver of tender document costs and deposit of earnest money etc. wherever applicable.

In addition, with regard to minor procurements for office use, supplies are being sourced through DGS&D/Kendriya Bhandar etc.



Investigation:

The complaints received by Vigilance from time to time were dealt with as per prescribed procedure and surprise checks done as deemed fit. The verifiable facts, if any, raised in the complaints were investigated and surprise checks done, as deemed fit. During the year, five complaints were taken up for investigation.

These included one complaint regarding fraudulent withdrawal of Dearness Relief on Pension by absorbed personnel in RVNL whereby the relevant documents in respect of all absorbed personnel were called for. Available records of 21 cases revealed that in eight cases, there was no drawal of Dearness Relief on pension and in another five cases, dearness relief was being drawn as per extant instructions. In the remaining eight cases, the officials requested their Pension Disbursing Authorities to discontinue Dearness Relief on pension and recover the excess so drawn. As such, an amount of ₹ 23,99,941/- has since been recovered by the Pension Disbursing Authorities from four officials of RVNL.

Disciplinary Action:

During the year 2015-16, one Administrative Action case and two minor penalty cases were concluded.

Periodic reports to CVC/ Railway Board:

The status of pendency 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. Half-yearly reports for the period April-September 2015 and October 2015-March 2016 on work status of Vigilance Wing were submitted to Board of Directors during Board meetings for review.

Vigilance Awareness Week:

The Vigilance Awareness Week was celebrated in RVNL offices across the country with focus on the theme – “Preventive vigilance is a tool of good governance” from 26th to 31st October 2015. On the occasion, an interactive session among the officers of RVNL Corporate office was

organized on 26th October 2015 during which two presentations – (i) Precautions to be taken in execution of Electrical Works and (ii) Irregularities being observed during Vigilance Checks – were made and the tenth issue of RVNL Vigilance Bulletin incorporating contributions from officers of RVNL released.

For raising wider awareness among the youth, a Poster Making Competition under the aegis of Central Vigilance Commission, was organized among students of Class-IX to Class-XII in Delhi and NCR in the premises of Corporate Office of RVNL. Some eighty students from 22 schools participated in the competition. Twelve chosen entries depicting importance of ethics and integrity in everyday life were incorporated in Desk Calendar 2016 and widely distributed to CVC, Railway Board, Officers and staff of RVNL and its subsidiaries. In addition, a discussion on ‘Preventive vigilance to ensure proper utilization of aid for development in the North-east’ was organized in Kirori Mal College, University of Delhi, Delhi.

5. MEMORANDUM OF UNDERSTANDING

The Company secured “Excellent” rating by Department of Public Enterprises for the year 2014-15 on the basis of the Memorandum of Understanding signed between RVNL and Ministry of Railways and achievement of the committed targets. This is the fifth consecutive year for which the Company has been rated as “Excellent”.

In 2015-16, the Company has been able to achieve the targets set in the MoU and even surpassed them. RVNL completed Doubling of 280.47 km against an “Excellent” target of 279 km under project implementation and 72.12 km against a target of 71.2 km under time line completion of projects. Completion of 328.07 km Railway Electrification was achieved against an excellent target of 325 km. Completion of 17 km of New Line was also achieved. The Company was also able to meet the targets for all financial, enterprise specific, sectors specific parameters set in the MoU for 2015-16. Accordingly, the Company is expecting to achieve an “Excellent” rating for 2015-16 as well.



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

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 have 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.

Implementation of an Integrated IT Solution for RVNL

RVNL is undertaking implementation of an Integrated IT Solution for Corporate Office as well as all the Project Implementing Units. The proposed solution will cover computerization of all the core business processes including project planning, e-tendering, monitoring of project execution, associated finance functions and personnel management etc. In this regard, M/s Accenture have been appointed as Consultants for the system, and the main solution is being developed and implemented by M/s L&T Infotech Ltd. During 2015-16, the System Integrator completed implementation of HR –Payroll module of all RVNL employees in Quality Server as on 31st January, 2016, and salary slips are now being generated through the system.

RVNL portal has been implemented on Quality Server with effect from 10th February, 2016. The functionality of the Portal is under review and improvement.

Foreign Exchange Earnings and Outgo

During the financial year 2015-16, the Company spent ₹40.71 lakh in foreign exchange on foreign travel of Company's officials etc. & ₹4.19 crore on Project Management Consultancy. The Company, however, did not earn any Foreign Exchange.

7. 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 (Operations) with ED (Projects), ED (HR), GM (Business Developments) and GM (Finance) as members.

The committee deliberated on the key challenges/critical area of potential risk to the company in the light of increase in fund allotments to RVNL and transfer of additional projects to RVNL recently. Committee identified the following major challenges/risk to the company:

- a) Requirement of additional manpower for new projects
- b) Retention of skilled, trained and experienced manpower.

To overcome the same, Committee recommended that terms and conditions of deputationists be made attractive to get the required additional manpower. Similarly, care needs to be taken of existing RVNL employees by effective Employee Grievance Redressal and providing incentives to work in difficult areas to keep them motivated to continue to perform in difficult circumstances.

A professional firm engaged for preparing a detailed document on Enterprise Risk Assessment and Management in RVNL, submitted the final report and the same was put up for approval of Board after recommendation of the Risk Management Committee. The report has been approved by the Board in its 77th Board meeting held on 24th May, 2016. The report has identified 16 risks at Corporate level and 13 risks at PIU level. The report also contains compliance checklist regarding Corporate laws, Labour laws, Environment laws, Finance and Taxation laws and other laws for guidance of RVNL officials.



8. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility Committee comprises of Mrs. Gita Mishra, Director (Personnel), Mr. Vijay Anand, Director (Projects), Mr. Ashok K. Ganju, Director (Finance) and Mr. Shiv Kumar Gupta, Part time (Non-Official) Director. The Committee has formulated and recommended a Corporate Social Responsibility policy (CSR policy) to the Board for approval indicating the nature of activities to be undertaken by the Company and process for implementation of the same.

The key philosophy of CSR and Sustainability, 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
4. Inclusive growth of society with emphasis on development of weaker sections of society and in the backward districts of the country

During 2015-16, the Company has spent ₹5.94 crore (around 2.98% of the average net profit of last three financial years) on CSR initiatives.

The CSR policy may be accessed on the Company's website at the link http://www.rvnl.org/admin/uploaded1/leftdocument/20141117161351_CSR%20Policy%20Oct%202014.pdf.

A report on CSR activities is annexed as **Annexure - C**.

9. RESEARCH AND DEVELOPMENT

- (a) A project of Bridge Instrumentation System Design for bridges of various Spans and Age was assigned to RVNL vide Railway Board letter No.2014/PL/44/11 dated 27.4.2015. RVNL worked on the project by engaging Indian Institute of Technology (IIT) Kanpur, Department of Civil Engineering. The final report on the project has been submitted to Railway Board on 30.3.2016.
- (b) An expenditure of ₹81.78 Lakhs has been incurred during the year 2015-16.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) 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;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis.
- 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.

10. DIRECTORS AND KEY MANAGERIAL PERSONNELS

At the beginning of the year (1.4.2015), there was only one Independent Director, Mr. R.S. Sharma on the Board of the Company. Mr. R.S. Sharma completed his tenure of 3 years as Independent Director on the Board of RVNL on 10.6.2015.

Mr. Anjum Pervez, ED (Project Monitoring)/ Railway Board was appointed as Part-Time Official Director vice Mr. V.P. Dudeja, ED (Works)/ Railway Board by the Ministry of Railways on 28.08.2015.

On the date of report, the strength of the Board of Directors of the Company is nine Directors out of the approved

strength of 11 Directors comprising of five functional Directors including Chairman and Managing Director and two part-time official Directors and two part-time (non-

official) Directors. Two positions of part-time (non-official) Directors are still vacant.

The following Directors are holding office as on the date of the report:-

1.	Mr. S.C. Agnihotri Chairman and Managing Director	--	from 27.1.2010 as Managing Director and from 5.3.2013 onwards as CMD [Extended upto 31.8.2018]
2.	Mrs. Gita Mishra Director (Personnel)	--	from 13.10.2008 onwards [Extended upto 12.10.2018]
3.	Mr. Mukul Jain Director (Operations)	--	from 16.6.2010 onwards [Extended upto 31.12.2016]
4.	Mr. Vijay Anand Director (Projects)	--	from 9.4.2011 onwards [Extended upto 08.04.2018]
5.	Mr. Ashok K. Ganju, Director (Finance)	--	from 12.9.2011 onwards [Extended upto 31.10.2017]
6.	Mr. Anjum Pervez, ED (Project Monitoring)/ Railway Board, Part-time (official) Director	--	from 28.8.2015 onwards
7.	Mr. K.K. Aggarwal, ED (WP)/Railway Board, Part-time (official) Director	--	from 22.1.2014 onwards
8.	Mr. Vinayak B. Karanjikar	--	from 01.04.2016 onwards
9.	Mr. Shiv Kumar Gupta	--	from 01.04.2016 onwards

The Company had 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. Gita Mishra as Director (Personnel) on the Board of the Company since October 2008.

Appointment/Resignations of Key Managerial Personnels

Mr. S.C. Agnihotri, Chairman & Managing Director, Mr. Ashok K. Ganju, Director (Finance) & CFO and Mrs. Kalpana Dubey, Company Secretary are Key Managerial Personnels (KMP) as per the provisions of the Companies Act, 2013.

None of the KMP has resigned or been appointed during the year under review.

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) of the Companies Act, 2013 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

The Board of Directors met six times during the Financial Year 2015-16 on:

9th June, 2015, 11th August, 2015, 31st August, 2015, 6th November, 2015, 3rd February, 2016 and 17th March, 2016.

Audit Committee

The Audit Committee as on the date of the report comprises of Mr. Shiv Kumar Gupta, Part time (Non-Official) Director, Mr. Vinayak B. Karanjikar, Part time (Non-Official) Director and Mr. K.K. Aggarwal, Part time Official Director. All recommendations made by the Audit Committee were accepted by the Board.

11. AUDITORS

a) Statutory Auditor

The Comptroller & Auditor General of India has appointed M/s Kumar Chopra & Associates Chartered Accountants as Statutory Auditors of the Company for the year ended 31st March, 2016. The Board would like to thank them for their valuable support and guidance during the audit of accounts under review.

b) Secretarial Auditor

The Board of Directors has appointed M/s P. C. Jain & Co. (Practicing Company Secretary) to conduct Secretarial Audit for financial year 2015-16.

The Secretarial Auditor had observed that the Company does not have adequate number of Independent Directors on

Board. Your Directors state that your company being a government company, the appointment of all directors on the board made by government of India through the Ministry of Railways and the company has no role in the appointment of Directors. The Company has been following up with the Ministry for appointment of Independent Directors.

12. 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 31st March, 2016 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 31st March, 2016 shall also form part of this report.

13. ACKNOWLEDGEMENTS

We 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, RITES, IRCON, RLDA 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

(S. C. Agnihotri)

Chairman and Managing Director

New Delhi

Dt: 31.8.2016



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development:

Indian Railways, being the life line of the nation, has an extremely critical role to ensure the sustainable economic development of the country.

The growth of Indian Railways network since 1950-51 has not been able to keep pace with the increased demand for freight and passenger traffic. This has resulted in a large scale congestion on the system. The sluggish pace of network expansion and modernization is a manifestation of significant under-investment which has resulted in sharp decline of the rail share of the overall freight and passenger traffic of the country. Thus there is an acute need for infusing efficiency in operations of Indian Railways by means of removing capacity bottlenecks. At the same time there is a need to build new infrastructure to link unconnected parts of the country to the Railway network.

During presentation of the Railway Budget for 2015-16 Shri Suresh Prabhu, Hon'ble Minister for Railways, emphasized the need to ramp up capital expenditure (CAPEX) to remove the huge backlog of the past projects as well as to provide for the current and future needs of the organisation. This trend has been continued for 2016-17 and CAPEX has been targetted at ₹1.21 lakh crore, which is a quantum jump over the average annual capital expenditure of ₹48,100 crore over the period 2009-14. The focus is also on implementation of infrastructure investment models through joint ventures with states and by developing new frameworks for PPP. As a preliminary initiative, the Ministry of Railways (MoR) has entered in a MoU with Life Insurance Corporation (LIC) for leveraging ₹1.5 lakh crore of investment during the next 5 years.

Role of Rail Vikas Nigam Limited:

RVNL was formed in 2002 as a result of an initiative called National Rail Vikas Yojana (NRVY) for the creation and augmentation of rail infrastructure. Accordingly, it has played a significant role in the raising of funds for project implementation through the SPV route. RVNL has established

six SPVs for the implementation of projects, mainly related to providing port connectivity, which have generated substantial revenues with only a limited contribution of equity by Indian Railways/RVNL. However, the company's role in raising Extra Budgetary Resources (EBR) from market borrowings has been limited to projects financed by IRFC, as decided by the Ministry of Railways. With the policy thrust of the Ministry for a major investment in rail infrastructure and fast track implementation of projects, RVNL anticipates that it will have a major role to play as per its original mandate in the leveraging of EBR for development of the rail network of the country.

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. RVNL works on a turnkey basis and undertakes the full cycle of project development from concept to commissioning. Over the years, RVNL has successfully established its credentials for fast track delivery of Railway infrastructure projects. Initially RVNL had started with the execution of doubling, gauge conversion, new lines and Railway electrification projects. Having established itself in the area of execution of conventional type of projects, the Company has now diversified and is executing projects of varied types including construction of Metro lines and workshops. RVNL has also been assigned the execution of the technically challenging Rishikesh Karanprayag new line in Himalayas. The alignment has been finalised after detailed geo-technical and other studies. Recently another challenging project in Himachal Pradesh, namely Bhanupalli-Bilaspur new line, has also been assigned to RVNL for execution. RVNL is also emerging as a major provider in increasing the Railway Electrification network.

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 1st 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/Weaknesses / Opportunities/Threats

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, results 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 (130 km) 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 is largely dependent on 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 Relations

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 2016-17, RVNL has been assigned a target to achieve 410 km of Doubling/third line and 375 km of Railway Electrification in comparison with 261 km and 210 km respectively in the previous the year.

Concerns

Over the past few years RVNL has been augmenting its organisational capacity for project implementation and achieved a turnover of ₹4541 crore in 2015-16. 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. In the long term, as project development requires a lead time of approximately 18 months, the Ministry will have to consider the regular assigning of additional projects to RVNL for execution so that the momentum of growth can be sustained.

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.

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.

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 Composition of the Board of Directors:

The present strength of the Board of RVNL comprises of nine (9) Directors. The composition of the Board includes five (5) whole-time Directors including Chairman and Managing Director, and two (2) Government Nominees (on behalf of Ministry of Railways) as (part-time) (official) Director and two (2) Independent Directors.

During 2015-16, the tenure of one Independent Director on the Board of RVNL (i.e. Mr. R.S. Sharma) concluded on 10.06.2015. Representations were made to the Ministry of Railways for appointing the requisite number of Independent Directors on the Board of RVNL. In addition, a monthly report on the position of vacancies at Board level is regularly sent to the Ministry of Railways with special request to expedite appointment of requisite Independent Directors.

The Ministry of Railways has appointed two Independent Directors (Mr. Vinayak Bhalachandra Karanjikar and Mr. Shiv Kumar Gupta) on 1.04.2016.

2.2 The details of Directors as on the date of this report are given below:



Board of Directors and their Memberships of BOD/Committees
(As on the date of this report)

S.No.	Name of Directors	Category of Directors (Whole-time/Part-time (Official)/ Independent	Number of Directorships/ Chairmanships in public limited companies excluding RVNL	Total No. of Committee Memberships/ Chairmanships in public limited companies including RVNL	
				As Chairman	As Member
1.	Mr. S.C. Agnihotri [DIN-01637856]	Chairman and Managing Director-Whole Time	1 {Chairman - HSRC}	Nil	Nil
2.	Mr. Ashok K. Ganju [DIN-01970462]	Director (Finance) - Whole Time	1 {Director - HSRC}	Nil	1
3.	Mr. Mukul Jain [DIN-03121180]	Director (Operations) - Whole Time	1 {Director - HSRC}	Nil	Nil
4.	Mrs. Gita Mishra [DIN-02382477]	Director (Personnel) - Whole Time	Nil	1	1
5.	Mr. Vijay Anand [DIN-01874842]	Director (Projects) - Whole Time	1 {Director - HSRC}	Nil	1
6.	Mr. K. K. Aggarwal [DIN-06589635]	Part-time(Official)	4 {Director-BMRCL} {Director-KMRCL} {Director-CMRL} {Director-NCRTC}	Nil	1
7.	Mr. Anjum Pervez [DIN-06682287]	Part-time(Official)	1 {Director - IRCON}	Nil	1
8.	Mr. Shiv Kumar Gupta [DIN-07391077]	Independent (Part – time Non-Official)	Nil	1	3
9.	Mr. Vinayak B. Karanjikar [DIN-06518026]	Independent (Part – time Non-Official)	1 {Director- TERAICON}	Nil	2

Directors who ceased to hold office
(During 2015-16 and thereafter till the date of this Report)

1.	Mr. V.P. Dudeja [DIN- 06491496]	Independent (Part – time-Official)	3 {Director-Pipavav Rly. Co. Ltd.} {Director-Rail Infra. NiStructure} {Director-Kutch Railway Co. Ltd.}	Nil	2
2.	Mr. R.S. Sharma [DIN-00013208]	Independent (Part – time Non-Official)	4 {Director – CCPL} {Director-ACPL} {Director-Hinduja Leyland Fin. Ltd.} {Director-Jubilant Energy}	Nil	4



Notes:

- 1 The number of directorships is within the maximum limit of 10 Public Companies (within the overall maximum limit of 20 Companies) in accordance with the Companies Act, 2013 and it does not include Directorships of Foreign Companies, Section 8 Companies and Private Limited Companies.
- 2 The Committees covered under the last two Columns are Audit Committee, Nomination and Remuneration Committee and CSR Committee.
- 3 None of the Directors are member of more than 10 committees or Chairman of more than 5 committees as laid down in DPE's guidelines on Corporate Governance of May, 2010. Only Audit Committee has been counted for the said limit.
- 4 The term "whole time" indicates functional/executive Directors (in the whole time employment of the Company).
- 5 The term "part-time official" indicates the Directors nominated by Government (Ministry of Railways) on the Board of RVNL who are officials of the Ministry of Railways.
- 6 The term "part-time non-official" indicates the Directors who are Independent and do not hold any office in the Government, and are appointed by the Ministry of Railways.
- 7 The Directorships and Memberships/Chairmanships are based on the latest disclosure received.
- 8 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.
- 9 Full names of the referred companies:
 - i. HSRC – High Speed Rail Corporation of India Limited
 - ii. BMRC – Bangalore Metro Rail Corporation Limited
 - iii. KMRCL- Kolkata Metro Rail Corporation Limited
 - iv. NCRTC- National Capital Region Transport Corporation
 - v. CMRL – Chennai Metro Rail Limited
 - vi. CCPL – Corevalues Consulting (P) Limited
 - vii. ACPL- Avendus Capital (P) Limited

3. 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.

Since appointment of all the Directors including Part-Time Directors is done by the Government in the name of the President of India, it has not been possible to have an item in the notice of AGM for appointment of Directors as per Section 152 of the Companies Act, 2013, which requires determining not less than 2/3 of the Directors liable to retire

by rotation at the General Meeting. Further, Government appoints (not the Company) the Part-Time Directors including Independent Directors with the fixed tenure due to which there is no scope for actually retiring any Director by rotation every year. Hence it is not possible to apply Section 152 of the Companies Act, 2013.

The performance evaluation of Functional Directors as well as the Board of your Company is done through Memorandum of Understanding entered with Ministry of Railways and submitted to Department of Public Enterprises by the Administrative Ministry.

3.1 Brief Resume of Directors Who Joined the Company

Mr. Anjum Pervez joined the Company as Part-Time



Official-Director w.e.f 31.08.2015 (date of consent) in terms of the Presidential Order dated 28.08.2015 issued by Ministry of Railways.

However, after the close of the year, two Independent Directors were appointed in terms of the Presidential Order dated 01.04.2016 issued by Ministry of Railways named, Mr. Shiv Kumar Gupta and Mr. Vinayak Bhalachandra Karanjikar.

Mr. Shiv Kumar Gupta born on 12th November 1967 is a B-Com (Hons.), a law graduate and a renowned Practicing Chartered Accountant at Meerut. He specializes in the field of Auditing & Taxation. He is also an MBA and an alumni of Punjab Technical University. He has also done post qualification courses viz DISA, IFRS, ARBITRATION, CONCURRENT AUDIT conducted by the Institute of Chartered Accountants of India. He has also served the Meerut Branch of CIRC of ICAI as a treasurer, secretary and the vice-chairman in the year 2000-03. He is also associated with various social organizations engaged in philanthropic activities.

Mr. Vinayak Bhalachandra Karanjikar popularly known as Deepak Karanjikar born on 20th September, 1962 is an

Electrical Engineer and a certified SAP AG Platinum level consultant. He has 28 years of rich experience in Management and Business Consultation. He is an expert in process engineering, Reverse Business Engineering and Work Flow Management. He is a multi-faceted personality, a renowned Management Trainer a writer, socio economic expert and an actor of Hindi and Marathi cinema.

4. 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 ₹12000/- for attending every meeting of the Board of Directors and Committee(s) thereof.

4.1 Disclosure on Remuneration package of Whole-Time Directors during 2015-16:

(Figures in ₹)

S. No.	Name of Directors	Salary	Lease/ Licence Fees)	Per- quisites	Performance Related Pay/ Ex-Gratia Payment	Retirement Benefit (EPF or FSC)	Bonus/ Ex-gratia	Stock options	Total
1.	S.C Agnihotri	2,983,695	750,000	132,593	-	288,084	-	-	41,54,372
2.	A.K Ganju	2,644,988	600,000	109,000	-	255,384	-	-	36,09,372
3.	Gita Mishra	2,791,968	-	254,198	-	269,577	-	-	33,15,743
4.	Mukul Jain	2,657,121	600,000	117,917	-	256,548	-	-	36,31,586
5.	Vijay Anand	2,591,862	-	280,980	-	250,239	-	-	31,23,081



4.2 Details of Payment made to Independent Directors/ Part-Time (Non-Official) Directors during 2015-16: (Figures in ₹)

Sr. No.	Name of the Independent Directors / Part-Time (Non- Official) Directors	Sitting Fees		Total
		Board Meeting	Committee Meeting	
1.	Mr. R.S. Sharma	12000	12000	24000

5. BOARD MEETINGS & PROCEDURES

5.1 Board Meeting

a. Scheduling and selection of agenda for Board/Committee meetings

- The meetings are convened by giving appropriate advance notice after obtaining the approval of the Chairman of the Board/ Committee. Detailed agenda notes, along with other explanatory statements, are circulated in advance among the members for focused discussion and effective decision- making during the meeting. When urgent issues need to be addressed, meetings are called at shorter notice or resolutions are passed by circulation, which are put up in the next meeting of the Board of Directors for ratification.
- Wherever it is not practical to attach a document to the agenda item, being confidential in nature, the same is tabled at the meeting with approval of Chairman of the Board/Committee
- In special and exceptional circumstances, additional or supplementary items are placed on table during the meeting
- The agenda papers are prepared by the concerned officials, sponsored by the concerned Functional Director and approved by the Chairman and Managing Director.
- Duly approved Agenda papers are circulated amongst the members of the Board/Committee by the Company Secretary or the convener of the Committee.

- The meetings are usually held at the Company's registered office.
- The members of the Board have complete access to all information of the Company. The Board is also, free to recommend any issue that it may consider important for inclusion in the agenda.
- Presentations are made to the Board/Committee covering Finance, Operations, Human Resources, Joint Venture operations, whenever required.

b. Recording of minutes of the Board/Committee meeting

Minutes of the proceedings of each Board/Committee meeting are duly recorded. Draft minutes are circulated amongst all members of the Board/Committee for their suggestions and comments. The comments received by the members are incorporated in the minutes, which are finally approved by the Chairman of the Board/Committee. The finalized minutes are entered in the Minutes Book. The minutes of the Board meeting are confirmed in the next meeting. Minutes of the meetings of the committees are included in the agenda of the Board meeting for information of the Directors.

c. Compliance of laws

RVNL endeavours that all provisions of laws, rules and guidelines applicable to it are complied with. To ensure the same, a duly signed Statutory Compliance Certificate is obtained from all the Departments at Corporate Office level and all the Project Implementing Units which is consolidated by Company Secretary and put up to Board of Directors with



the signature of Chairman and Managing Director on an annual basis.

5.2 Board Meeting & Attendance during 2015-16

The Board of Directors met six time during the Financial Year 2015-16 on:

9th June, 2015, 11th August, 2015, 31st August, 2015, 6th November, 2015, 3rd February, 2016 and 17th March, 2016.

In all cases of absence of a Director, Leave of Absence was granted under clause (b) of sub-section (1) of section 167 of the Companies Act, 2013.

Details of attendance of the Directors & Company Secretary during 2015-16.

S.No	Name & Directors	No. of Board meetings held		Last AGM attended
		Held (during their respective tenure)	Attended	
1.	Mr. S.C. Agnihotri	6	6	Yes
2.	Ms. Gita Mishra	6	6	Yes
3.	Mr. Ashok K. Ganju	6	6	Yes
4.	Mr. Mukul Jain	6	5	Yes
5.	Mr. Vijay Anand	6	6	Yes
6.	Mr. R.S. Sharma (since retired on 10.06.2015)	6	1	N.A
7.	Mr. V.P. Dudeja (upto 28.8.2015)	6	0	No
8.	Mr. K.K. Aggarwal	6	6	Yes
9.	Mr. Anjum Pervez (from 31.8.2015)	6	2	Yes
10.	Ms. Kalpana Dubey (Company Secretary)	6	6	Yes

6. COMMITTEES OF BOARD

6.1 Audit Committee

Terms of Reference

The Committee acts in accordance with the Terms of Reference as per Section 177 of Companies Act, 2013 and Guidelines of Corporate Governance laid down by Department of Public Enterprises in May, 2010. The scope of the Committee is:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board the fixation of audit fees.

- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the "Directors Responsibility Statement" to be included in the Board's report under section 134 (5) of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;



- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with legal requirements relating to financial statements;
- Disclosure of any related party transactions; and
- Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, performance of internal auditors and adequacy of the internal control systems.
- 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.
- Discussion with internal auditors and/or auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors/auditors/agencies 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.
- 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.
- 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.
- To review the functioning of the Whistle Blower Mechanism.
- To review the follow up action on the audit observations of the C&AG audit.
- To review the follow up action taken on the recommendations of Committee on Public Undertaking (COPU) of the Parliament.
- Provide an open avenue of communication between the statutory auditor, internal auditor and the Board of Directors.
- Review all related party transactions in the company. For this purpose, the Audit Committee may designate a member who shall be responsible for reviewing related party transactions.
- Review with the statutory auditor the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.
- Consider and review the following with the Statutory auditor and the management:
 - The adequacy of internal controls including computerized information system controls and security, and
 - Related findings and recommendations of the Statutory Auditor and Internal Auditor, together with the management response.
- Consider and review the following with the management, internal auditors and the Statutory auditor:
 - Significant findings during the year, including the status of previous audit recommendations
 - Any difficulties encountered during audit work including any restrictions on the activities or access to required information.
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters.



Composition & Attendance

The Company has in place an Audit Committee of the Board of Directors pursuant to Section 177 of the Companies Act, 2013 and the Guidelines on Corporate Governance issued by the Department of Public Enterprises in May, 2010. The Committee is reconstituted as and when there has been

change in the Independent or part time Directors of the Company. In absence of nomination of Independent Directors from the Administrative Ministry, the Audit Committee was last re- constituted in August, 2015 as under with two Part-Time (Official) Director and one Whole-Time Director:

Name of the Director	Status
Mr. Mukul Jain, Director (Operations)	Chairman
Mr. K.K. Aggarwal, Part-time official Director	Member
Mr. Anjum Pervez, Part-time official Director	Member

The Audit Committee met Five times during the Financial Year 2015-16 on:

9th June, 2015, 11th August, 2015, 31st August, 2015, 6th November, 2015 and 3rd February, 2016.

The attendance details of Meetings held during 2015-16 are as under:

Name of the Member with Status	Meetings held during their respective tenure	Attendance
Mr. Mukul Jain, Member	5	5
Mr. R.S. Sharma, Member (since retired on 10.06.2015)	5	1
Mr. V.P. Dudeja, Member (tenure upto 28.08.2015)	5	0
Mr. K.K. Aggarwal	5	4
Mr. Anjum Pervez (from 31.8.2015)	5	2

Company Secretary RVNL acts as Secretary to this Committee and all meetings were attended by the Company Secretary.

With the induction of two Independent Directors on 1st April, 2016 the composition of Audit Committee on the date of the report is as under:

Name of the Director	Status
Mr. Shiv Kumar Gupta, Part-Time Non-Official Director	Chairman
Mr. K.K. Aggarwal, Part-time official Director	Member
Mr. Vinayak Karanjikar, Part-Time Non-Official Director	Member

6.2 Nomination and Remuneration Committee

Scope of the Committee:

The Remuneration Committee has been constituted pursuant to clause 5.1 of the guidelines on Corporate Governance issued by Department of Public Enterprises, to decide the annual bonus/PRP pay pool and policy for its

distribution as per the recommendations of 2nd IDA Pay Revision Committee. The nomenclature of the Committee was changed to "Nomination and Remuneration Committee" pursuant to section 178 (1) of the Companies Act, 2013. The Company being a Government Company is exempted from compliance of the provisions of section



178(2)/ (3)/ (4) vide Notification No. F.No.1/2/2014-CL. V dated 5-6-2015 issued by the Ministry of Corporate Affairs.

Composition of the Committee:

In accordance with the DPE's guidelines on Corporate Governance released in May 2010, the Committee was constituted with an Independent Director as Chairman. As per Section 178(1) of the Companies Act, 2013 the Nomination and Remuneration Committee shall constitute of three or more non-executive Directors out of which not less than one half shall be independent directors. In absence of nomination of Independent directors by the Administrative Ministry, after the retirement of Shri R.S. Sharma as independent Director, the Committee comprised of following Directors during the year:

Name of the Director	Status
Mr. K K Aggarwal , Part Time Official Director	Chairman
Mr. Anjum Pervez, Part Time Official Director	Member
Mr. A K Ganju, Director Finance(without voting rights)	Member

Mr. S.C. Agnihotri, Chairman and Managing Director and Ms. Gita Mishra, Director Personnel are permanent invitees for the meetings of the Committee.

Mr. Ajay Kumar, ED (HR) is Secretary to the Committee.

Meetings and Attendance during the year:

No meeting of the Committee was held during the year.

With the induction of two Independent Directors on 1st April, 2016 the composition of Nomination & Remuneration Committee on the date of the report is as under:

Name of the Director	Status
Mr. Vinayak B. Karanjikar, Part-Time Non-Official Director	Chairman
Mr. Anjum Pervez, Part-time official Director	Member
Mr. Shiv Kumar Gupta, Part-Time Non-Official Director	Member

6.3 Corporate Social Responsibility Committee

The Committee on CSR and Sustainability was reconstituted pursuant to provisions of Section 135 (1) of the Companies Act, 2013 read with the Companies Social Responsibility Rules, 2014 and the DPE Guidelines on CSR and Sustainability issued on 01.04.2014.

The scope of the CSR Committee is as under:

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

As nomination of Independent Directors by the Administrative Ministry on the Board of the company was pending, the composition of the Committee during the year was as under:

Name of the Director	Status
Mrs. Gita Mishra, Director (Personnel)	Chairperson
Mr. Ashok K. Ganju, Director (Finance)	Member
Mr. Vijay Anand, Director (Projects)	Member
Mr. K.K Aggarwal	Member

Meetings and attendance of the Committee

The Committee met four times during the year on:

6th August, 2015, 14th September, 2015, 6th November, 2015 and 3rd February, 2016.



Name of the Member with Status	Meetings held during their respective tenure	Attendance
Mrs Gita Mishra, Director (Personnel)	4	4
Mr. Ashok K Ganju, Director (Finance)	4	4
Mr. Vijay Anand	4	4
Mr. K.K Aggarwal	4	4

With the induction of two Independent Directors on 1st April, 2016 the composition of Corporate Social Responsibility Committee on the date of the report is as under:

Name of the Director	Status
Mrs. Gita Mishra, Director (Personnel)	Chairperson
Mr. Ashok K. Ganju, Director (Finance)	Member
Mr. Vijay Anand, Director (Projects)	Member
Mr. Shiv Kumar Gupta, Part-Time Non-Official Director	Member

Shareholders' Grievance Committee

The Company has not constituted a Shareholders Grievance Committee as the entire-paid up share capital is held by Ministry of Railways and its nominees.

7. 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.

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 2015-16. 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.

8. SUBSIDIARY INFORMATION

High Speed Rail Corporation of India Limited is a 100% wholly owned subsidiary company of RVNL. Chapter 6 of the guidelines issued by Department of Public Enterprises in May 2010 on Corporate Governance covers only those subsidiaries, whose turnover or net worth is not less than 20% of the turnover/networth of the Holding Company. Since, the turnover / networth of HSRC did not exceed 20% of the turnover or net worth of RVNL (Holding company) during 2015-16, HSRC is not a 'subsidiary' under the above-mentioned DPE's guidelines. Therefore, provisions relating to subsidiary companies are not applicable to RVNL. However, the minutes of the Board meetings of HSRC, subsidiary of RVNL are invariably placed before the Board of Directors of RVNL.

9. GENERAL BODY MEETINGS

The details relating to date, time, venue and the Special Resolutions passed at the last three Annual General Meetings of the Company are placed below:

Year	AGM/EGM	Date	Time	Venue	Special Resolution passed
2014-15	12th	22.09.2015	1230 hrs.	Committee Room, Rail Bhawan	No
2013-14	11th	10.09.2014	1200 hrs	Committee Room, Rail Bhawan	No
2012-13	10th	18.09.2013	1200 hrs	Committee Room, Rail Bhawan	No



10. 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 Directors 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 22.09.2015.
- The Company has not received any Presidential directive during the financial year 2015-16.
- 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 – During the year, Ministry of Railways has rationalised the revenue stream of RVNL. The principles of allocation of administrative expenses in RVNL are approved by the Audit Committee. The percentage of administrative expenses to total turnover was 3.22 in 2015-16.
- Your Company has filed the report on Corporate Governance with the Ministry of Railways and

Department of Public Enterprises in the stipulated time.

- 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.
- Audit Qualifications- The Company has been putting all efforts towards ensuring a regime of unqualified financial statements and there have been no significant qualifications.
- Whistle Blower Policy- RVNL, being a Government Company under Ministry of Railways, is covered by the Chief Vigilance Commission (CVC) and as per CVC guidelines, a mechanism is established for all its employees and clients to report on any unethical behaviour, actual or suspected fraud to the CVO or the Chairman and Managing Director directly. However, to encourage best Corporate Governance practices within the Company, a Whistle-blower Policy of RVNL has been prepared and after approval of the Board of Directors, is placed on the Company's website, www.rvnl.org.

No employee has been denied access to the Audit Committee of the Board of Directors.

11. CEO/CFO CERTIFICATION

The certificate duly signed by Mr. S.C. Agnihotri, Chairman and Managing Director {CEO} and Mr. Ashok K. Ganju, Director (Finance) {CFO}, as presented to Board of Directors, is annexed as **Annexure "B-2"** to the report.

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 2014-15. On the basis of self-evaluation of achievement of sector specific targets in the MoU, it is



13th Annual General Meeting





expected that RVNL will achieve an “Excellent” rating for 2015-16 also.

12. GENERAL INFORMATION FOR SHAREHOLDERS

12.1 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 sole shareholder of RVNL.

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

The policies and plans framed under Corporate Governance, viz., Code of Business Conduct, Whistle Blower Policy and CSR Policy are placed on the Company's website. The information uploaded on the website of RVNL is updated from time to time according to the information provided. A Hindi Version of the website is also available.

12.2 Annual General Meeting of the Current Year

Date : 22nd September, 2016

Time : 1030 hrs

Venue : Committee Room (Room No. 237), 2nd Floor,
Rail Bhawan, New Delhi-110001

12.3 Record Date for payment of dividend

The record date for the payment of Dividend would be Date of Annual General Meeting. Dividend declared is paid within 5 days of declaration.

12.4 Distribution of Shareholding

Category	No. of shares held	% of share holding
Central Government (Ministry of Railways) in the name of President of India and its nominees	2085020100	100
Total	2085020100	100

12.5 Plant Location/ Operation Units

RVNL does not have plant locations or operating units but has its Project Implementing Units in more than fifteen states across the Country. A list of the units has been mentioned in the Report.

12.6 Transfer of Shares

Transfer of shares is 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 is held by Government of India (Ministry of Railways). To effect the transfer, Company Secretary has been authorized and no transfer is pending.

13. 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.

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.

14. 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.



Annexure “B-1”

Declaration by Chairman and Managing Director regarding compliance with the Code of Conduct by Board Members and Senior Management for the Financial Year 2015-16

I, S.C. Agnihotri, Chairman and Managing Director, Rail Vikas Nigam Limited, do hereby declare that all the members of the Board of Directors and the Senior Management team of the Company have affirmed their compliance with the Code of Conduct and key values of the Company during 2015-16.


(S.C. Agnihotri)

Chairman and Managing Director

Place: New Delhi

Date: 30.05.2016

Annexure “B-2”

Chairman and Managing Director and Finance Head Certification

We have reviewed financial statements and the cash flow statement for the financial year 2015-16 and to the best of our knowledge and belief:

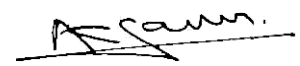
- i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- iii) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are illegal or violative of the Company's code of conduct.
- iv) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed, to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls of which we are aware and the steps we have taken or propose to take or rectify these deficiencies.
- v) We have discussed with the auditors and the Audit Committee
 - (a) Significant changes in internal control over financial reporting during the year.
 - (b) Significant changes in accounting policies during the year, and that the same have been disclosed in the notes to the financial statements; and
- vi) There was no instance of significant fraud of which we are not aware nor there has been involvement of management or an employee having significant role in the Company's under internal control system over financial reporting.


S.C. Agnihotri

Chairman and Managing Director

Place: New Delhi

Date: 03.08.2016


Ashok K. Ganju
Director (Finance)/CFO



रेल विकास निगम लिमिटेड
Rail Vikas Nigam Limited

Annexure "B-3"

VINOD KUMAR & CO.
Company Secretaries
CS Vinod Kumar M.Com, FCS, LL.B.

#343, AJAY PARK, STREET NO. 10-11, NAYA BAZAR, NAJAFGARH NEW DELHI-110043
CELL NO. 9212477250. 8800497844, vkaneja2001@gmail.com, fcsvinod@gmail.com
PNB ACCOUNT NUMBER 0120002100742799, IFS CODE : PUNB0152200
PAN :- AGEPA2325G

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
1st Floor, August Kranti Bhawan, Bhikaji Cama Place,
R.K. Puram, New Delhi-I 10066

The Certificate is in respect of the Compliance of the conditions of corporate governance as issued by the Department of Public Enterprises on 14th May 2010, RAIL VIKAS NIGAM LIMITED, a Government Company under the Companies Act, 2013, for the year ended 31st March, 2016, 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.

FOR VINOD KUMAR & CO.
COMPANY SECRETARIES

Places: New Delhi
Dated: 06.05.2016

Sd/-
CS VINOD KUMAR
(CP 5740 FCS 5740)



Corporate Social Responsibility & Sustainability

CSR Policy

In accordance with Section 135 of the Companies Act, 2013 and guidelines issued by Department of Public Enterprises (DPE), RVNL has formulated its CSR Policy duly approved by the Board of Directors (BoD) of RVNL in October 2014. The CSR policy has been uploaded on RVNL'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
- 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 MoU on 11.12.2014 with NCSR Hub, *Tata Institute of Social Sciences, Mumbai (TISS)* for a period of three years (FY 2015-18) to provide necessary support in implementation of CSR activities of RVNL. The MoU signed earlier with TISS was valid up to FY 2014-15.

RVNL is utilizing the services of NCSR Hub empanelled NGOs and specialized external agencies like TISS, TERI, Ramakrishna Mission and Sulabh International for baseline surveys, needs assessment studies, preparation of project reports, project implementation, monitoring, evaluation, audit and social impact assessment studies apart from involvement of the field level Committees for close monitoring, evaluation and feedback.

Reporting & disclosures

A comprehensive report on CSR & Sustainability activities of RVNL has been made in the *12th Annual Report* of RVNL for the year 2014-15. With effect from 15.04.2013, a

separate head of CSR & Sustainability has been created on RVNL's website <http://www.rvnl.org> and all information related to CSR & Sustainability is being uploaded on the website on regular basis.

Organizational structure

As per the approved CSR Policy, RVNL has put in place a two tier organizational structure to steer the CSR agenda of RVNL.

Tier	Structure
I	CSR Committee of the Board
II	CSR Committee PIU Level

CSR Committee of the Board

The CSR Committee of the Board comprises the following members as on the date of the report:

1. Mrs. Gita Mishra, Director Personnel, Chairperson
2. Mr. Ashok K. Ganju, Director Finance, Member
3. Mr. Vijay Anand, Director Projects, Member
4. Mr. Shiv Kumar Gupta, Director Part Time (Non-Official), Member

The Committee is assisted by Executive Director (Mech) who is the Nodal Officer for implementation of CSR in RVNL.

CSR Committee PIU Level

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

Committee meetings

During the year 2015-16, the CSR Committee of the Board held four meetings on 06.08.2015, 14.09.2015, 06.11.2015 and 03.02.2016.

Budget & expenditure

During the financial year 2015-16, ₹5.94 crore has been spent on CSR & Sustainability activities, which is 2.98% of average net profit made during the three immediately preceding financial years.



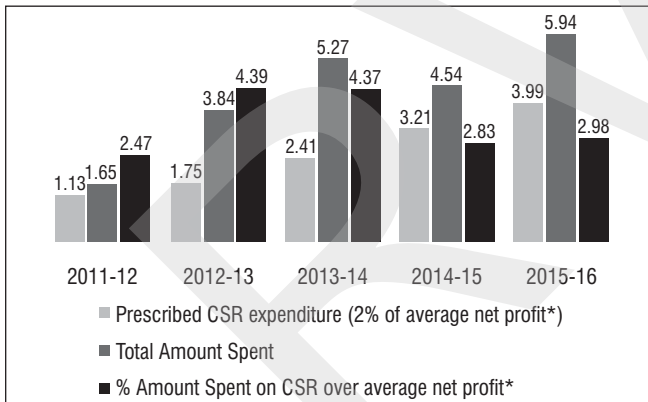
(Figure in ₹ Crore)

	2011-12	2012-13	2013-14	2014-15	2015-16	Total	Avg
Average net Profit*	66.7	87.4	120.7	160.7	199.7		127
Prescribed CSR expenditure (2% of average net profit*)	1.33	1.75	2.41	3.21	3.99	12.7	2.54
Total Amount Spent	1.65	3.84	5.27	4.54	5.94	21.2	4.25
% Total Amount Spent on CSR over average net profit*	2.47	4.39	4.37	2.83	2.98		3.34

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

Out of a total CSR & Sustainability expenditure of ₹5.94 crore for the year 2015-16, 96.6% expenditure is on CSR projects and balance 3.4% expenditure is due to professional charges made to NCSR Hub (TISS).

During the last five year period FY 2011-16, RVNL has spent ₹21.2 crore on CSR & Sustainability activities which is 3.34% of average net profit.



Capacity building

A three day training programme on Capacity building on CSR & Sustainability was conducted by NCSR Hub (TISS) & TERI for 31 officials of RVNL from 3rd to 5th December 2015 at Kolkata. The training programme included site visit of CSR projects and interaction with stakeholders.

CSR & Sustainability projects

Status on the various CSR & Sustainability projects implemented during the year 2015-16 is briefly discussed hereunder.

Sector: Education

(1) CSR project “Education & development of under

privileged differently abled children” 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 at a total cost of ₹1.28 crore for a period of five years (FY 2012-17). ₹22 lakhs was spent in the year 2015-16.

IHBP, a NCSR Hub empanelled NGO, is dedicated to the cause of education and development of underprivileged differently abled children. The CSR project is in the vicinity of Joka-BBD Bagh new metro line construction project of RVNL being executed by PIU Kolkata.

The project report was prepared by IHBP and approval of NCSR Hub was received on 29.02.2012. The project was sanctioned by the RVNL CSR Committee on 06.03.2012 and the project commenced on 01.04.2012. Implementing agency was appointed on 28.03.2012 (date of signing of MoU). Project monitoring is being done by Tier-II Kolkata PIU CSR Committee.

One hundred under privileged differently abled children (54 boys & 46 girls; 32% SC/ST, 1% OBC, 14% Minority community) having three types of disabilities, namely, 41 hearing impaired children (18 boys & 23 girls), 45 mentally challenged children (30 boys & 15 girls) and 14 children with cerebral palsy (6 boys & 8 girls) have been covered in the project.

Education and development of these children are being 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 have been provided with school uniforms, books, stationary, educational kits, medical aid and nutritious meal. 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 Mid-Term Social Audit Report of NCSR Hub (TISS) February 2016

“Under this special CSR initiative of RVNL, IHBP is providing quality education and training to 100 differently abled children from underprivileged, backward & weaker section of the society in a special school and thus, giving quality service to the differently abled children and society in general.

According to the head of IHBP, they are totally dependent on RVNL for the financial support as they are the only long term investor to the institute and majority of activities are done with the help of RVNL. The project is for socially and economically backward section of society which leads to increased importance of the project. In view of special kind of work being performed by the institute, IHBP needs the support of RVNL for three more years.

During the interaction with parents, the importance of RVNL was realized the most. Each and every parent requested for continued support from RVNL as they were very happy with the performance and progress of their child who are moving towards self dependent stage. Audit team is of the opinion that RVNL should continue to support IHBP in order to get positive impact in the weaker section of the society from the project”.

(2) CSR project “**Providing educational support to under privileged children & health support**” is being implemented in the backward District of South 24 Paraganas in the state of West Bengal 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.

The CSR project is being implemented by Ramakrishna Math, Naora for a total project cost of ₹3.95 crore for a

period of six years (FY 2012-18). ₹75 lakhs has been spent in the year 2015-16.

The CSR project is in the vicinity of Joka-BBD Bagh new metro line construction project of RVNL being executed by PIU Kolkata. Approval of CSR project was received from NCSR Hub on 19.06.2012. The project was sanctioned by the RVNL CSR Committee on 22.08.2012 and the project commenced on 01.10.2012. Implementing agency was appointed on 27.08.2012 (date of signing of MoU). Project monitoring is being done by Tier-II Kolkata PIU CSR Committee.

Four hundred under privileged children (202 boys & 198 girls; 67% SC/ST, 9% OBC & 20% minority community) are given free coaching classes, physical training, sports, yoga training etc for 6 days in a week for overall development of the children at three centers- Naora, Behulabari & Mulchutki. These children are provided with uniforms, school bags, books, stationary, nutritious meal etc. Computer literacy and spoken English classes are also provided to the children. The teachers taking the tuition classes follow the same course pattern as followed in the school. The nutritious food which is provided to the children is prepared by a group of local women. From the feedback obtained from parents, it is seen that parents are extremely satisfied with the overall development of the children.

Health support is provided by a team of qualified doctors and medical staff covering periodic health checks up at seven centers (Naora, Behulabari, Malampota, Rajendrapur, Hedia, Sundiya & Taplakusangra) along with free medicine.

Medical treatment facilities for Dental, ENT, Ophthalmology, as well as pathological tests, homeopathy & ayurvedic have been set up at Naora center. Medical service is also rendered through mobile medical van and health awareness camps.

During the year 2015-16, average 2,800 patients were treated in a month (840 male, 1535 female & 425 children; 28% SC/ST, 14% OBC & 47% minority community). Needy people from the villages have immensely benefited from the health support provided to them.



Extract of Mid-Term Social Audit Report of NCSR Hub (TISS) February 2016

“At present RKM, Naora is imparting quality education for overall development and growth of 400 children belonging to underprivileged and backward, SC/ST communities in the backward District under CSR initiative of RVNL. RKM is also providing free medical check-up, free medicines to the underprivileged people of three gram panchayats of Bhangar-I & Canning-II blocks in the backward district of South 24 Paraganas, West Bengal by establishing six health centers in various places. Qualified Doctors and Para medical assistants/ nurses are looking after all these health centers. There is a great zeal and enthusiasm amongst the deprived and underprivileged people towards the CSR project. The audit team noted that RVNL has been a very cooperating and supporting partner in this CSR project through close monitoring, periodical visits, and interactions and follow up. In view of 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”.

Sector: Health care

(3) CSR project “**Providing health support facilities to the under privileged people**” from the backward districts in the state of Uttarakhand is being implemented by *Ramakrishna Mission Sevashrama, Kankhal* for a total project cost of ₹7 crore for a period of four years (2013-17). ₹2.25 crore has been spent in the year 2015-16.

The CSR project is in the vicinity of Rishikesh Karnaprayag new line construction project of RVNL being executed by PIU Rishikesh. The CSR project was sanctioned by the Board Level Committee on 26.11.2013 based on project report prepared by TISS and the project commenced on 25.12.2013. Implementing agency was appointed on 20.12.2013 (date of signing of MoU). Project monitoring is being done by Tier-II Rishikesh PIU CSR Committee.

Ramakrishna Mission Sevashrama Hospital, Kankhal is a 150 bedded multi-specialty charitable hospital founded in 1901 to cater medical need of this region. Due to non-availability of hospital/ medical facilities, the under privileged people from backward Districts of Pauri Garhwal, Tehri Garhwal, Chamoli, Champawat and Pithoragarh are availing the privilege of medical facilities of this hospital in addition to the people of Haridwar District. The CSR project envisages augmentation of health support facilities at its hospital, Kankhal in order to meet the increasing patient load.

The CSR project involves construction of 4th and 5th floors in the existing OPD Building. The proposed 4th floor will have fully equipped operation theatres complex and 5th floor will have fully furnished 50 bedded post operative care ward which will augment the capacity of hospital from 150 to 200 beds, facilitate in handling additional surgeries and post operative care unit will resolve the issue of transferring surgical cases to adjacent building.

Extract of Mid-Term Social Audit Report by NCSR Hub (TISS) December 2014

“The RK Mission at Kankhal is working for the betterment of society & is working on a major issue that is health. Providing health facilities to the society at minimum cost is a matter of high investments, so for that RVNL is a supporting element in providing health facilities to the public.

The medical facilities at Haridwar is a major issue as it is a tourist place and people from all over India visit it every day. RK Mission with the support of RVNL is addressing the issue in a very effective manner which is leading to minimizing of health problems among the people”.

Sector: Sanitation

(4) CSR project “**Providing community toilet blocks**” is being implemented in Ghazipur District in the state of Uttar Pradesh under “*Namami Gange & Swachh Bharat*” mission initiative of Government of India.

The project is being implemented by Sulabh International Social Service Organization for a total cost of ₹3.42 crore in



CSR Activities





the year 2015-19. ₹1.71 crore has been spent in the year 2015-16.

Community toilet blocks at Collector Ghat, Steamer Ghat (Sarai Pokhta) & Shamshan Ghat were inaugurated on 26.03.2016 by Hon'ble Minister of State for Railways. Balance toilet blocks will be commissioned in the year 2016-17.

The CSR project is in the vicinity of railway electrification project of RVNL in Allahabad – Varanasi – Ghazipur – Chhapra being executed by PIU Varanasi. The CSR project was sanctioned by the Board Level Committee on 06.08.2015 based on project report prepared by Sulabh and the 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 Tier-II Varanasi PIU CSR Committee.

The project entails construction of fully furnished community toilet blocks at eight locations in Ghazipur with septic tanks, solar powered bore well, water tanks, lighting etc along with maintenance and upkeep by Sulabh for three years.

(5) CSR project **“Up-gradation of passenger amenities-toilet block”** has been successfully implemented at Chennai Railway station. The project has been implemented by PIU/Chennai for a total cost of ₹50 lakhs (FY 2015-17) and was inaugurated by General Manager, Southern Railway on 30.03.2016. ₹48.48 lakhs has been spent in the year 2015-16.

As directed by Railway Board, one toilet block at Chennai railway station was completely renovated with modern amenities and facilities comprising 15 urinals, 9 toilets, 6 wash basins in gents section and 9 toilets, 6 wash basins in ladies section including one toilet in each section for disabled persons, sanitary napkin dispenser and incinerator, LED illumination, air curtains, exhaust ducting system for stink free environment etc.

Sector: Environmental Sustainability

(6) Sustainability project **“Providing solar home lighting system”** has been successfully implemented in 350 households in Jalangi block in the backward District of Murshidabad in the state of West Bengal.

The project has been implemented by TERI for a total cost of ₹32.29 lakhs in the year 2015-16. Ramakrishna Math, Naora is the monitoring and sustainability partner for this project. Out of the project cost, an amount of ₹6 lakhs has been paid to Ramakrishna Math, Naora as sustainability fund. Solar home lighting system comprises 2W+2W LED lamps for households.

Extract of Mid-Term Social Audit Report of NCSR Hub (TISS) February 2016

“Under CSR & Sustainability project of RVNL, solar home lighting systems has successfully installed and commissioned by TERI in 350 households in the year 2015-16 belonging to the unprivileged and weaker sections of society in Jalangi block in the backward District of Murshidabad, West Bengal. Jalangi Block is situated in a very remote area of India-Bangladesh border where there is no supply of electricity. 15 solar street lights & solar power system in the local health centre for freezer etc has also been provided. In previous year 2014-15, solar home lighting systems was successfully installed by TERI in 300 households. Thus, in total 650 households has been covered in Jalangi Block of Murshidabad District.

This project has proved to be a great boon to school going children who used to study under kerosene lamps. In view of great support provided by RKM, Naora for sustainability of the project, positive impact and demand from the stakeholders, the audit team is of the opinion that RVNL should continue the project in the ensuing year”.



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 are available on RVNL's web-site: http://www.rvnl.org/content.php?id=8 1. Mid Term Social Audit Report of CSR & Sustainability Projects for the year 2015-16 by NCSR Hub (TISS) 2. CSR & Sustainability Policy of RVNL-October 2014 3. Reconstitution of the CSR Committee of the Board vide Item No 17/15B of 71st Meeting of the BoD of RVNL held on 09.06.2015 4. MoU with TISS dated 11.12.2014		
2	The composition of the CSR Committee	Discussed in detail in the Report and related web-link references are available on RVNL's web-site: http://www.rvnl.org/content.php?id=8 : Reconstitution of the CSR Committee of the Board vide Item No 17/15B of 71st Meeting of the BoD of RVNL held on 09.06.2015		
3	Average net profit (Profit Before Tax) of RVNL for last three financial years	Year		Profit Before Tax in ₹
		2012-13		1,67,46,19,735
		2013-14		1,95,17,21,555
		2014-15		2,36,34,91,828
		Average		1,99,66,11,039
4	Prescribed CSR expenditure (2% of the amount as in item # 3 above)		₹3,99,32,221	
5	Details of CSR spent during the financial year 2015-16			
(a)	Total amount to be spent for the financial year		₹5,94,01,992	
(b)	Amount unspent, if any		Nil	
(c)	Manner in which the amount spent during the financial year is detailed below			



DETAILS OF EXPENDITURE ON CSR & SUSTAINABILITY DURING THE FINANCIAL YEAR 2015-16

(Figure 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 - (1) Direct (2) overheads	Cumm Expenditure upto the reporting period	Amount Spent: Director or through Implementing agency	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1	Education & Development of under privileged differently abled children	Education	Backward District of South 24 paragans (West bengal)	22,00,000	2,200,000	(1)	1,03,71,108	Institute for the Handicapped & Backward People, Kolkata
2	Educational Support to under providedged children & Health support	Education & Health Care	Backward District of South 24 paragans (West bengal)	75,00,000	75,00,000	(1)	2,23,21,166	Ramkrishna Math, Naora
3	Providing health support to the under privileged people	Health Care	Backward District of Uttarakhand	2,25,00,000	2,25,00,000	(1)	5,00,00,000	Ramkrishna Mission Serashrama, Kankhal
4	Providing Community Toilet Blocks-Namagi Gange & Swachh Bharat Mission of Gol	Sanitation	District of Ghazipur (UP)	1,71,05,050	1,71,05,050	(1)	1,71,05,050	Sulabh International Social Service Organi-sation, Lucknow
5	Upgradation of Passengers Amenities-Toilet Block	Sanitation	Chennai Central Station	48,48,417	48,48,417	(1)	48,48,417	FAMEC Tech Pvt. Ltd. Chennai
6	Providing solar home lighting system	Environmental Sustainability	Backward district of Mursidabad (West bengal)	29,66,100	29,66,100	(1)	29,66,100	TERI, New Delhi & Ramkrishna Math, Naora
7	Balance payment for completed Sustainability Project "Solar Home Lighting"	Environmental Sustainability	Backward District of South 24 paragans (West bengal)	2,82,425	2,82,425	(1)	34,24,250	TERI, New Delhi
8	Professional charges to NCSR Hub (TISS)			20,00,000	20,00,000	(2)		Tata Insitute of Social Science, Mumbai
	Total			5,94,01,992	5,94,01,992			

RESPONSIBILITY STATEMENT

The Responsibility Statement of the Corporate Social Responsibility of the Board of Directors of the Company is reproduced below:

"The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and Policy of the Company".


Gita Mishra
(Chairperson, CSR Committee)


S.C. Agnihotri
(Chairman and Managing Director)



Annexure “D”

P. C. Jain & Co.

Company Secretaries

P. C. Jain & Co.

(Company Secretaries)

H.O.: 2382, 1st Floor, Sector-16,

Faridabad-121002 (Delhi NCR)

Ph.: 0129-4043338, 9811078338

E-mail: info@cspcjain.com

Website: www.cspcjain.com

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,

M/s Rail Vikas Nigam Limited.

New Delhi

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 our opinion thereon.

Based on our verification of the 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 ended on 31st March, 2016 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 period ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (“**the Act**”) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made thereunder; - **Not Applicable.**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; - **Not Applicable.**
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **Not Applicable**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) :- **Not Applicable.**
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;



- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) and other applicable laws like Employees Provident Fund Act, Payment of Gratuity Act, Employees State Insurance Act, Minimum Wages Act, Payment of Wages Act, Payment of Bonus Act, Weekly Holidays Act, Industrial Dispute Act, Workmen Compensation Act, Contract Labour Regulation & Abolition Act and notifications issued by the labour department from time to time under the above Acts. **(The Company has provided the certificate from different project units stating that all legal compliances in respect of project workers are being made fully & timely. Thus, the observations have been given on the basis of the certification)**

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India is made applicable with effect from 1st July, 2015. The Company has generally complied all the provisions of the Secretarial Standard on Board Meeting (SS-1) & Secretarial Standard on General Meeting (SS-2) issued by ICSI.
- ii) The Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited- **Not Applicable.**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc as mentioned above **except to the extent as mentioned below-**

- (i) ***The composition of the Board, Audit Committee, CSR Committee and Nomination and Remuneration Committee is not in accordance with the provision of the Companies Act, 2013 as the Company does not have adequate number of independent directors on its Board.***
- (ii) ***On account of having one independent director on the Board, separate meeting of independent director has not been convened as required under schedule IV of the Companies Act, 2013.***
- (iii) ***The Company has filed e-Form MR-1 (i.e. the return of appointment of KMP) in respect of Company Secretary under section 203 of the Companies Act, 2013 read with rule 3 of The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 with additional fee on 21.07.2016. Whereas, in case of Government Companies, filing of MR-1 of Managing Director as KMP is exempt vide Notification GSR 463 (E) dated 05.06.2015 issued by the Ministry of Corporate Affairs with effect from 5th June, 2015.***

3. We further report that:

- i. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors **except the requisite number of independent directors, who are to be appointed by the Ministry of Railway, Govt. of India.** 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.
- ii. 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, 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.

- iii. The decision in the meeting was passed unanimously hence no dissenting member's view was required to be recorded as part of the minutes.
- iv. 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.
- v. We further report that during the period, there was no specific event/actions having a major bearing on the Company affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

P.C. JAIN & Co.
Company Secretaries
(FRN No. P2016HR051300)

Sd/-
(P. C. Jain)
Partner

M. No: F-4103
CP No: 3349

Date: 23.08.2016
Place : Faridabad

This report is to be read with our letter to even date which is annexed as **Annexure "1"** and forms as integral part of this report.



P. C. Jain & Co.

Company Secretaries

P. C. Jain & Co.

(Company Secretaries)

H.O.: 2382, 1st Floor, Sector-16,

Faridabad-121002 (Delhi NCR)

Ph.: 0129-4043338, 9811078338

E-mail: info@cspcjain.com

Website: www.cspcjain.com

To,
The Members,
Rail Vikas Nigam Limited
New Delhi- 1100 66

Dear Sir(s),

Our Secretarial Audit Report for the financial year 2015-16 of even date is to be read along with this letter:

1. 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.
2. We have followed the audit practice and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification were done on the test basis to ensure that correctness facts are reflected in secretarial records. We believe that the procedure and practice followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial laws, like direct tax laws, labour laws (unless specifically applicable to the Company), personal records of the employee(s) and books of Accounts of the Company as these do not fall under specific applicable laws.
4. Wherever required, we have obtained the Management representation about the compliances of laws, rules, and the regulations and happening of events.
5. The Compliances of the provisions of Corporate and other specific laws, rules, regulations, standard are the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The secretarial Audit Report is neither an assurance as the future viability of the Company nor the efficiency, effectiveness with which the management has conducted the affairs of the Company.

P.C. JAIN & Co.
Company Secretaries
(FRN No. P2016HR051300)

Sd/-

(P. C. Jain)

Partner

M. No: F-4103

CP No: 3349

Date: 23.08.2016

Place : Faridabad



Annexure “E”

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2016
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-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

S. 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	501	100%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD(OF PAID UP CAPITAL)	APPLICABLE SECTION
1	Kutch Railway Company Limited	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	30%	Section 2(6)
4	Haridaspur Paradip Railway Company Ltd.	U45203OR2006PLC008959	Associate	35.23%	Section 2(6)
5	Angul Sukinda Railway Limited	U45203OR2009PLC010620	Associate	31.50%	Section 2(6)
6	High Speed Rail Corporation of India Ltd.	U45204DL2012GOI239289	Subsidiary	100%	Section 2(87)
7	Dighi Roha Rail Limited	U74140DL2015PLC285745	Associate	50%	Section 2(6)



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		
A. Promoters										
(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										
SUB TOTAL: (A) (1)		2085020100	2085020100	100%		2085020100	2085020100	100%	N.A.	N.A.
(2) Foreign										
a) NRI- Individuals										
b) Other Individuals										
c) Bodies Corp.										
d) Banks/FI										
e) Any other...										
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)		2085020100	2085020100	100%		2085020100	2085020100	100%	N.A.	N.A.
B. Public Shareholding										
(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)										
SUB TOTAL (B)(1):	0	0	0	0	0	0	0	0	0	0
(2) Non Institutions										
a) Bodies corporates										
i) Indian										
ii) Overseas										
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs										
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs										
c) Others (specify)										
SUB TOTAL (B)(2):	0	0	0	0	0	0	0	0	0	0
Total Public Shareholding(B) = (B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0	0
Grand Total (A + B + C)		2085020100	2085020100	100%		2085020100	2085020100	100%	N.A.	N.A.



(ii) SHARE HOLDING OF PROMOTERS

S. No.	Shareholders Name	Shareholding at the beginning of the year(As on 01.04.2015)			Shareholding at the end of the year(As on 31.03.2016)			% 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
	Total	2085020100	100	0	2085020100	100	0	0

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

S. No.		Share holding at the beginning of the Year (As on 01.04.2015)		Cumulative Share holding during the year(2015-16)	
		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 01.04.2015)	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 31.03.2016)	2085020100	100	2085020100	100

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

S. No.		Shareholding at the end of the year (As on 01.04.2014)		Cumulative Share holding during the year (2015-16)	
		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 01.04.2015)	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

S. No.	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Share holding 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 01.04.2015)	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 31.03.2016)	0	0	0	0

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year (As on 01.04.2015)				
i) Principal Amount	0	22,261,500,002	-	22,261,500,002
ii) Interest due but not paid	0		-	
iii) Interest accrued but not due	0	6,746,875,637	-	6,746,875,637
	0			
Total (i + ii + iii)	0	29,008,375,639	-	29,008,375,639
	0			
Change in Indebtedness during the financial year				
Additions	0	5,065,366,670	-	5,065,366,670
Reduction	0	-3,933,782,834	-	-3,933,782,834
Net Change	0	1,131,583,836	-	1,131,583,836
Indebtedness at the end of the financial year (As on 31.03.2016)				
i) Principal Amount	0	23,088,083,335	-	23,088,083,335
ii) Interest due but not paid	0	-	-	-
iii) Interest accrued but not due	0	51,949,816,140	-	51,949,816,140
Total (i + ii + iii)	0	30,139,959,475	-	30,139,959,475



VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No	Particulars of Remuneration				Name of the MD/WTD/Manager		Total Amount
1	Gross salary	S C Agnihotri (Chairman and Managing Director)	Ashok K Ganju (Director Finance/CFO)	Gita Mishra (Director Personnel)	Mukul Jain (Director Operations)	Vijay Anand (Director Projects)	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	2,983,695.00	2,644,988.00	2,791,968.00	2,657,121.00	2,591,862.00	13,669,634.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	882,593.00	709,000.00	254,198.00	717,917.00	280,980.00	2,844,688.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	288,084.00	255,384.00	269,577.00	256,548.00	250,239.00	1,319,832.00
2	Stock option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission	-	-	-	-	-	-
	as % of profit	-	-	-	-	-	-
	others (specify)	-	-	-	-	-	-
5	Others, please specify	-	-	-	-	-	-
	Total (A)	4,154,372.00	3,609,372.00	3,315,743.00	3,631,586.00	3,123,081.00	17,834,154.00

B. Remuneration to other directors:

S. No	Particulars of Remuneration	Name of the Directors	
1	Independent Directors	R S Sharma	Total Amount
	(a) Fee for attending board committee meetings	24000	
	(b) Commission		
	(c) Others, please specify		
	Total (1)	24000	24000
2	Other Non Executive Directors		
	(a) Fee for attending board committee meetings"		
	(b) Commission		
	(c) Others, please specify.		
	Total (2)	0	0
	Total (B)=(1+2)		
	Total Managerial Remuneration	24000	24000



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

S. No.	Particulars of Remuneration	Key Managerial Personnel	
1	Gross Salary	Company Secretary	Total
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	805,123.00	805,123.00
	(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	63,713.00	63,713.00
2	Stock Option		-
3	Sweat Equity		-
4	Commission		-
	as % of profit		-
	others, specify		-
5	Others, please specify	51,000.00	51,000.00
	Total	919,836.00	919,836.00

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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



Annexure “F”

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.

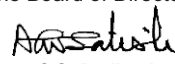
Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

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).	Date of Agreement/ MoU: 24th day of April 2015 Duration of Agreement/MoU: 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.	Date of Agreement/MoU: 11th day of August 2009 Duration of Agreement/MoU: 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.	Date of Agreement/MoU: 1st day of July 2009 Duration of Agreement/MoU: 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.	Date of Agreement/MoU: 29th day of September 2011 Duration of Agreement/MoU: 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


S.C. Agnihotri

(Chairman and Managing Director)

Place: New Delhi
Date: 31.08.2016



Balance Sheet as at 31st March 2016

Particulars	Notes	Balances As at 31.03.2016		Balances As at 31.03.2015	
		Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	3	2085,02,01,000		2085,02,01,000	
(b) Reserves and Surplus	4	742,81,02,379	2827,83,03,379	593,84,26,907	2678,86,27,907
(2) Share Application Money Pending Allotment					
(3) Non-Current Liabilities	5				
(a) Long-Term Borrowings		2126,90,00,002		2052,90,83,335	
(b) Other Long Term Liabilities		497,18,34,259		461,06,25,063	
(c) Long-Term Provisions		7,50,47,548	2631,58,81,809	5,08,10,375	2519,05,18,773
(4) Current Liabilities	6				
(a) Short Term Borrowings		15218,59,33,257		9864,93,03,848	
(b) Trade Payables		98,52,79,811		44,96,65,543	
(c) Other Current Liabilities		798,96,09,597		626,52,30,098	
(d) Short-Term Provisions		198,48,61,532	16314,56,84,197	83,10,63,499	10619,52,62,988
TOTAL			21773,98,69,385		15817,44,09,668
II. ASSETS					
(1) Non-Current Assets					
(a) Fixed Assets	7				
(i) Tangible Assets		59,513,089		57,622,667	
(ii) Intangible Assets		143,239		259,820	
(iii) Capital Work in Progress		-		14,244,837	
(iv) Intangible Assets under development		56,312,018		16,575,496	
(b) Non-Current Investments	8	605,15,74,110		595,10,74,110	
(c) Long-Term Loans and Advances	9	503,05,25,228		465,38,74,527	
(d) Other Non-Current Assets	10	636,76,80,835	1756,57,48,519	498,46,38,611	1567,82,90,068
(2) Current Assets					
(a) Project-Work-in-Progress	11	14811,50,03,143		11564,75,73,252	
(b) Trade Receivables	12	483,35,28,764		190,92,06,553	
(c) Cash and Bank Balances	13	3031,01,63,322		1289,88,73,693	
(d) Short-Term Loans and Advances	14	272,51,96,915		264,67,25,107	
(e) Advances for Project Work	15	1310,03,95,864		864,15,69,683	
(f) Other Current Assets	16	108,98,32,859	20017,41,20,866	752,171,313	14249,61,19,600
TOTAL			21773,98,69,385		15817,44,09,668
General Information	1				
Summary of Significant Accounting Policies	2				

The notes 1 to 38 form an integral part of the Financial Statements

This is the Balance Sheet referred to in our report of even date

For Kumar Chopra & Associates

Chartered Accountants

Firm Registration Number.: 000131N

Sunil Jain

Partner

M. No. 080990

Place: New Delhi

Date: 11.08.2016

S.C. Agnihotri

S.C. Agnihotri

Chairman and Managing Director

DIN : 01637856

FOR AND ON BEHALF OF THE BOARD

Ashok K. Ganju

Ashok K. Ganju

Director Finance

DIN : 01970462

Kalpna Dubey

Kalpna Dubey

Company Secretary



Statement of Profit and Loss for the year ended 31st March 2016

Particulars	Notes	Figures for the Year Ended 31.03.2016		Figures for the Year Ended 31.03.2015	
		Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
I. Revenue from Operations (Turnover)	17		4541,30,08,003		3141,96,94,938
II. Other Income	18		148,95,97,486		96,05,10,638
III. Total Revenue (I + II)			4690,26,05,489		3238,02,05,576
IV. Expenses:					
Expenses on Operations	19		4180,42,47,531		2890,81,14,306
Employee Benefits Expenses	20		95,71,13,460		74,85,88,571
Other Expenses	21		39,53,90,151		26,21,15,433
CSR and R&D Expenses	22		6,26,13,891		4,66,87,497
Total Expenses			4321,93,65,033		2996,55,05,807
V. Profit Before Depreciation and Tax (III-IV)			368,32,40,456		241,46,99,769
VI. Depreciation and Amortisation Expense	7		46,693,144		5,12,07,942
VII. Profit Before Tax (V - VI)			363,65,47,312		236,34,91,827
VIII. Tax Expense:					
(1) Income Tax					
(a) Current Tax		77,71,62,154		48,97,51,973	
(b) Earlier Years		(16,518,678)		1,65,93,232	
(2) Deferred Tax			76,06,43,476	-	50,63,45,205
IX Profit (Loss) for the Year (VII - VIII)			287,59,03,836		185,71,46,622
X Earnings Per Equity Share:					
Basic			1.38		0.89

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

The notes 1 to 38 form an integral part of the Financial Statements

For Kumar Chopra & Associates
Chartered Accountants

Firm Registration Number.: 000131N

Sunil Jain
Partner

M. No. 080990

Place: New Delhi
Date: 11.08.2016

S.C. Agnihotri
Chairman and Managing Director
DIN : 01637856

FOR AND ON BEHALF OF THE BOARD

Ashok K. Ganju
Director Finance
DIN : 01970462

Kalpana Dubey
Company Secretary



Cash Flow Statement for the Year Ended 31st March 2016

S. No.	Particulars	Figures for the period ended 31.03.2016		Figures for the period ended 31.03.2015	
		Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
1	(a) Cash Flow from Operating Activities				
	Net Profit Before Taxation, and Extraordinary Items	363,65,47,312		236,34,91,827	
	Add: Adjustment for :				
	Depreciation	4,66,93,144		5,12,07,942	
	Other Income	(1,415,197,850)		(893,320,296)	
	Dividend Received	(25,000,000)		(50,000,000)	
	Preliminary expenses written off	-		-	
	Operating Profit Before Working Capital Changes	224,30,42,606		147,13,79,473	
	(b) Adjustments for Changes in Working Capital:				
	Adjustments for (Increase)/Decrease in Operating Assets:				
	Trade Receivables	(2,924,322,211)		(1,283,962,458)	
	Short-Term Loans and Advances	(78,471,808)		(66,298,156)	
	Long-Term Loans and Advances	(376,650,701)		(207,395,311)	
	Other Current Assets	(37,263,917,618)		(24,614,552,560)	
	Other Non- Current Assets	(1,383,042,224)		(200,268,708)	
		(42,026,404,562)		(26,372,477,193)	
	(c) Adjustments for (Increase)/Decrease in Operating Liabilities:				
	Trade Payables	535,614,268		(78,731,395)	
	Other Current Liabilities	1,724,379,499		(251,457,711)	
	Other Long -Term Liabilities	361,209,196		235,847,349	
	Short Term Provisions	(58,862,034)		(87,452,655)	
	Long Term Provisions	24,237,173		15,222,484	
		2,586,578,101		(166,571,927)	
	Cash Generated from Operations	(37,196,783,854)		(25,067,669,647)	
	Direct Taxes Paid/Received (Net of TDS)	(486,481,322)		(318,000,000)	
	Cash Flow from Operating Activities (A)	(37,683,265,177)	(37,683,265,177)	(25,385,669,647)	(25,385,669,647)
2	Cash from Investment Activities :-				
	Capital Expenditure on Fixed Assets, Including Capital Advances	(91,375,468)		(51,491,634)	
	Proceeds from Sale of Fixed Assets	17,416,799		1,410,873	
	Bank Balances not Considered as Cash and Cash Equivalents	(16,550,000,000)		(4,850,000,000)	
	Current Investments not Considered as Cash and Cash Equivalents:				
	- Purchased	-		-	
	Purchase of Long Term Investments:				
	- Joint Venture	(100,500,000)		(1,083,400,860)	
	Interest Income (Revenue)				
	- Others	141,51,97,850		89,33,20,296	
	Dividend Received				
	- Joint Venture	2,50,00,000		5,00,00,000	
	Net Cash Generated from / (used in) Investing Activities (B)	(15,284,260,819)	-15,284,260,819	(5,040,161,325)	-5,040,161,325



Cash Flow Statement for the Year Ended 31st March 2016

S. No.	Particulars	Figures for the period ended 31.03.2016		Figures for the period ended 31.03.2015	
		Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
3	Cash Flow from Financing Activities :-				
	Proceeds from Long Term Borrowings	255,90,00,000		273,00,00,000	
	Repayment of Long -Term Borrowings	(1,819,083,333)		(1,732,416,667)	
	Proceeds from Short Term Borrowings	62,169,408,287		32,088,014,365	
	Repayment of Short -Term Borrowings	(8,632,778,876)		(6,476,646,991)	
	Dividend and Tax thereon	(447,730,452)		(368,534,250)	
	Utilisation of Reserve				
	Net Cash Generated from / (used in) Financing	5382,88,15,626	5382,88,15,626	2624,04,16,457	2624,04,16,457
	Net Increase/(Decrease) in Cash & Cash Equivalent		861,289,630		(4,185,414,515)
	Cash & Cash Equivalent at the beginning of the Year		1289,88,73693		1223,42,88,205
	Cash & Cash Equivalent at the March 31, 2016		1376,01,63,322		804,88,73,693
	Cash and Cash Equivalents				
	Cash and Cheques in Hand	7,54,18,224		9,92,932	
	Balance with Scheduled Banks				
	On Current Account	58,47,45,098		100,78,80,761	
	On term Deposit Account	1310,00,00,000		704,00,00,000	

Notes :

The above Cash flow statement has been prepared under the indirect method set out in AS-3 issued by The Institute of Chartered Accountants of India and notified u/s 133 of the Companies Act, 2013.

- Previous year's figures have been regrouped and rearranged, wherever necessary.

This is the Cash Flow Statement referred to in our report of even date

Kumar Chopra & Associates
Chartered Accountants
Firm Registration Number.:000131N

FOR AND ON BEHALF OF THE BOARD

Sunil Jain
Partner
M. No. 080990

Place: New Delhi
Date: 11.08.2016

S.C. Agnihotri
Chairman and Managing Director
DIN : 01637856

Ashok K. Ganju
Director Finance
DIN : 01970462

Kalpana Dubey
Company Secretary



1. GENERAL INFORMATION

"Rail Vikas Nigam Limited (RVNL), a fully owned Public Sector Undertaking under the Ministry of Railways (MoR), Government of India was incorporated under the Companies Act, 1956 on 24th January, 2003 with an authorised share capital of ₹3000 crore. 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 cumulatively borrowed funds aggregating to ₹3151,80,00,001 from Indian Railway Finance Corporation (IRFC). After cumulative repayment of Principal of ₹842,99,16,665/- the net borrowing is ₹2308,80,83,335/-. The total cost of projects executed for MoR by the Company is ₹19906,85,28,980/- out of this ₹1990,08,03,040/- worth of projects has been executed by Zonal Railways on behalf of the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements of Rail Vikas Nigam Limited (RVNL) have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounts) Rules, 2014 (as amended) and the relevant provisions of the Companies Act, 2013. These financial statements have been drawn up in accordance with the going-concern principle, on accrual basis and on a historical cost basis. However, certain escalation and other claims by customers, which are not ascertainable / acknowledged, are not taken into account. The significant accounting policies adopted by the Company are given below.

2.2 Use of Estimates

Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

2.3. Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard "3" on "Cash Flow Statements " and presents the cash flows by operating, investing and financing activities of the Company. Cash and bank balance that have insignificant risk of change in value, which have durations up to three months, are included in the Company's cash and cash equivalents in the cash flow statement.

2.4 Extraordinary and Exceptional Items

Income or Expenses that arise from events or transactions, that are clearly distinct from the ordinary activities of the Company, are classified as Extraordinary items. Specific disclosure of such events/transactions is made in the financial statements. Similarly, any external event beyond the control of the company, significantly impacting income or expense, is also treated as an extraordinary item and disclosed as such.

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.

2.5 Tangible Fixed Assets

Tangible Fixed Assets are stated at cost less accumulated depreciation and accumulated impairment in value. Such cost includes acquisition cost inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. The expenses also include borrowing cost attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

2.6 Intangible Assets

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.

2.7 Depreciation

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. Depreciation is provided on pro-rata basis on straight-line method over the estimated useful lives of the assets determined as follows:

Furniture and Fixture	4 Years
Computers	3 Years
Office Equipments (Excluding Mobile Phones)	5 Years
Mobile Phones	2 Years

Leasehold improvements are amortized 'over the period of lease' from the year in which such improvements are capitalized or 'over useful life' as computed under schedule II, whichever is less. Capitalized software costs are amortized @ 33.33% on pro-rata basis except where the estimated useful life is less than three years.

Depreciation on SLM method is in consonance with the useful life 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.

2.8 Impairment of Assets

All assets other than inventories, investments other than interest in Jointly Controlled Entities (JCEs) are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets, whose carrying amount value exceeds their recoverable amount, are written down to the recoverable amount.

2.9 Investments

Long-term investments, including interests in incorporated Jointly Controlled Entities (JCEs), are carried at cost, after providing for any diminution, other than temporary, in value of such investments. Short-term investments are carried at lower of cost or market value. The determination of carrying amount of such investments is done on the basis of specific identification.

2.10 Inventories

- (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) Projects completed and handed over to Railways for operations are being transferred from Project Work in Progress to the Railways. IRFC funded completed projects on transfer are shown as "Lease Receivable" under the heads Non-current/ Current assets in Compliance with AS 19.
- (c) Financial transfers of projects have been carried out in the accounts after handing over / commissioning of the full project to the Zonal Railway and where the expenditure booked against the project at the end of the financial year is at least 95 % of the latest anticipated cost of the work.
- (d) 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.

2.11 Revenue Recognition

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 recognized as follows:

- (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.
- (f) Interest on investment is accounted on accrual basis, inclusive of related tax deducted at source.
- (g) Other items of income are accounted as and when the right to receive arises.

2.12 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.

2.13 Foreign Currency Transactions

Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of transactions. Monetary items denominated in foreign currencies outstanding at the year end are restated at year end rates. In Gains / Losses arising out of settlement are charged / credited to the profit and loss account.

2.14 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.

2.15 Taxes on Income



Tax on income for the current year is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961, and based on the expected outcome of the assessment/appeals.

Minimum Alternative Tax is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the company.

Deferred tax is recognized annually on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws substantially enacted as on the balance sheet date.

2.16 Operating Lease

Operating Leases of company's offices and staff residential premises are renewable/cancelable as laid down in the respective agreements and there is no non-cancellable lease.

2.17 Financial Lease

In case of financial lease, substantially all the risks and rewards incidental to legal ownership are transferred and assets given on finance lease are capitalised at the normal sale price/contracted price and treated as sales.

2.18 Provisions and Contingencies

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of a contingent liability is made where there is a possible obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

Contingent assets are not recognised. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

2.19 Earnings Per Share

In determining earnings per share, the Company considers the Net Profit after Tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year. The dilutive earnings per share is not computed as there is no dilution involved during the year.

2.20 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."

2.21 Prior Period Policy

"Income/expenditure relating to prior period and prepaid expenses not exceeding ` 50,000/- in each case treated as income/expenditure of the current year".

2.22 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.

For Kumar Chopra & Associates

Chartered Accountants

Firm Registration Number.: 000131N

Sunil Jain

Partner

M. No. 080990

Place: New Delhi

Date: 11.08.2016

S.C. Agnihotri

Chairman and Managing Director

DIN : 01637856

Ashok K. Ganju

Director Finance

DIN : 01970462

Kalpana Dubey

Company Secretary

FOR AND ON BEHALF OF THE BOARD



S. No.	Particulars	as at March 31, 2016		as at March 31, 2015	
		Amount (₹)		Amount (₹)	
3	Share Capital:				
(a)	Authorised:				
	3,00,00,00,000 Equity Shares of ₹10 Each		3000,00,00,000		3000,00,00,000
(b)	Issued:				
	2,08,50,20,100 Equity Shares of ₹10 Each fully paid up		2085,02,01,000		2085,02,01,000
(c)	Subscribed & Fully paid up				
	2,08,50,20,100 Equity shares of ₹10 Each fully paid up (100% Shareholding with MoR)		2085,02,01,000		2085,02,01,000
	Total		2085,02,01,000		2085,02,01,000
(d)	Reconciliation of number of Shares:				
	Equity Shares:	As at March 31, 2016		As at March 31, 2015	
		No. of Shares	Amount	No. of Shares	Amount
	Balance at the beginning of the Year	2,085,020,100	20,850,201,000	2,085,020,100	20,850,201,000
	Addition during the Year	-	-	-	-
	Balance at the End of the Year	2,085,020,100	20,850,201,000	2,085,020,100	20,850,201,000
(e)	Details of shares held by each Shareholder Holding more than 5% Shares:				
		As at March 31, 2016		As at March 31, 2015	
		No. of Shares held	% holding	No. of Shares held	% holding
	Ministry of Railways (MoR)	208,50,20,100	100	208,50,20,100	100
1. Rights, Preferences and Restrictions attaching to shares					
Equity Shares: The Company has one class of Equity Shares having a 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.					
4	Reserves and Surplus				
		As at March 31, 2016		As at March 31, 2015	
		Amount (₹)		Amount (₹)	
(a)	General Reserve				
	As per last Balance Sheet		710,000,000		610,000,000
	Addition during the Year		-		100,000,000
			710,000,000		710,000,000
(b)	Statement of Profit & Loss:				
	As per last Balance Sheet		5,228,426,907		3,900,535,434
	Addition during the Year				
	Profit after Tax		2,875,903,836		1,857,146,622
	Add: Additional Tax on Dividend (Previous Year)		435,432		
	Add: Transfer from CSR Fund		-		18,910,735
	Add: Provision for Taxation		-		-
	Less: Provision for CSR Expenses		-		-
	Add: Research & Development Expenses		-		7,871,049
	Less: Provision for R&D Expenses		-		(7,871,049)
	Less: Transfer to General Reserve		-		(100,000,000)
	Less: Proposed Dividend (Rs. 0.54 Per Equity Share)	(1,151,000,000)		(372,000,000)	
	Less: Tax on Dividend	(235,663,797)		(76,165,884)	
	Net Addition during the Year	1,489,675,471	6,718,102,379	1,327,891,473	5,228,426,907



S. No.	Particulars	as at March 31, 2016 Rupees (₹)	as at March 31, 2015 Amount (₹)
(c)	Corporate Social Responsibility and Sustainability Fund		
	As per last Balance Sheet	-	18,910,735
	Add: Provision for CSR Expenses	-	-
	Less: Transfer to Retained earnings	-	(18,910,735)
(d)	Research & Development Fund		
	As per last Balance sheet	-	-
	Add: Provision for R&D Expenses	-	7,871,049
	Less: Research & Development Expenses	-	(7,871,049)
		7,428,102,379	5,938,426,907

(1)(a) As per the Companies Act, 2013 an amount equivalent to 2% of Average PBT of immediately preceding 3 Financial Year is required to be incurred till end of the financial year on Corporate Social Responsibility (CSR) Activities. The expenditure of ₹5,97,50,325/- has been incurred on CSR activities during the period ended of financial year 2015-16 in comparison to 2% of average PBT i.e. ₹3,99,16,738/- (annually) as required by the Companies Act 2013.

(b) Amount spent during the year

	In Cash	yet to be paid in Cash	Total
(i) Construction/acquisition of any assets	-	-	-
(ii) On purpose other than (i) above	59,731,992	18,333	59,750,325

5 Non-Current Liabilities

(a) Long term borrowings

(i) Indian Railway Finance Corporation (ongoing projects)

Unsecured:

Opening Balance	2052,90,83,335	1953,15,00,002	
Addition during the Year	255,90,00,000	273,00,00,000	
Less: Repayment to be made within 12 months	(1,819,083,333)	(1,732,416,667)	
less: Transfer on Completed Projects	-	2126,90,00,002	- 2052,90,83,335
	2126,90,00,002	2052,90,83,335	

Terms of Repayment:

- (1) 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.
- (2) Company has borrowed funds ₹255,90,00,000 (Financial year 2014-15 ₹273,00,00,000) during the year from Indian Railway Finance Corporation (IRFC). The outstanding borrowing is ₹2308,80,83,335/- (Financial year 2014-15 ₹2226,15,00,002), which includes current liability i.e. repayable in next twelve months ₹181,90,83,333/- (Financial year 2014-15 ₹173,24,16,667).

(b) Other Non- Current Liabilities

Interest accrued but not due (IRFC-Ongoing Projects)

Opening Balance	460,17,00,332	437,47,77,714	
Add: Interest Accrued during the Year	192,48,05,036	188,51,00,471	
Less: Repayment to be made within 12 months	(1,537,845,037)	498,86,60,331	(1,658,177,853)
			460,17,00,332

Interest accrued but not due (IRFC-Completed Projects)

Opening Balance	89,24,731		
Add: Interest Accrued during the Period	58,15,61,634	554,424,103	
Less: Repayment to be made within 12 months	(607,312,438)	(16,826,072)	(545,499,372)
			89,24,731

Total	497,18,34,259	461,06,25,063	
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S. No.	Particulars	as at March 31, 2016		as at March 31, 2015	
		Rupees (₹)	Rupees(₹)	Amount (₹)	Amount (₹)
	The interest liability has been assessed on the amount disbursed in financial year 2015-16 at the rate of 8.68% (rates applicable for the amount disbursed in the year 2014-15 is 9.56%) 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 .				
	Long-term and Short-term Interest accrued but not due from IRFC have been separately shown for 'ongoing projects' and 'completed projects transferred to MOR'				
(c)	Long term Provisions				
	Provision for Retirement Benefits				
	Opening Balance	50,810,375		3,55,87,891	
	Add: Addition during the Year	27,998,112		1,99,07,612	
	Add: Transfer from due within 12 months	-		-	
	Less: Transfer to due within next twelve months	(3,760,939)	7,50,47,548	(4,685,128)	5,08,10,375
	Total		7,50,47,548		5,08,10,375

1. Employee Benefits

" For RVNL Employees"

The disclosure required under Accounting Standard-15 "Employees Benefit" in respect of defined benefit plan is:

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

Particulars	Gratuity		Leave Encashment	
	(₹)		(₹)	
	2015-16	2014-15	2015-16	2014-15
Opening Balance	19,253,473	12,821,672	3,34,50,628	2,23,59,168
Interest Cost	1,540,278	1,000,090	26,76,050	17,44,015
Current Service Cost	7,816,461	5,220,055	96,90,143	55,56,298
Benefit Paid	(593,971)	(769,537)	(3,446,974)	(1,019,450)
Actuarial (Gain/ Loss) on Obligation	3,599,173	981,193	2,17,295	48,10,597
Closing Balance	31,615,414	19,253,473	42,587,142	33,450,628

Particulars	Half pay Leave	
	(₹)	
	2015-16	2014-15
Opening Balance	4,668,491	4,073,127
Current Service Cost	2,458,710	595,364
Closing Balance	7,127,201	4,668,491

Gratuity Benefit is payable to employees on retirement or resignation or death. The amount of gratuity payable is based on past service and salary at time of exit as per Payment of Gratuity Act, 1972.

"Company allows Half Pay Leave for every year of service and unutilized portion can be carried forward subject to restrictions on maximum accumulation. This benefit is available only in the event of employee falling sick during the tenure of his service. No encashment is allowed on accumulated Half Pay Leave on exit (retirement, withdrawal, death) from the company."

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:	2015-16	2014-15
Method Of Valuation :	Project Unit Credit Method	Project Unit Credit Method
Discount Rate :	8%	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.

S. No.	Particulars	as at March 31, 2016		as at March 31, 2015	
		Rupees (₹)	Rupees (₹)	Amount (₹)	Amount (₹)
6	Current Liabilities				
(a)	Short Term Borrowings				
(i)	Indian Railways Finance Corporation (On Going Projects)				
	Unsecured:				
	Opening Balance	173,24,16,667		164,25,00,000	
	Add: Addition during the Period	1,819,083,333		173,24,16,667	
	Less: Repayment during the Period	(1,732,416,667)	1,819,083,333	(1,642,500,000)	173,24,16,667
			1,819,083,333		173,24,16,667
(ii)	Project Advance Capital				
	Ministry of Railways				
	Unsecured:				
	Opening Balance	6101,18,22,246		4160,48,02,809	
	Addition during the Period	19,651,600,000		2283,12,00,000	
	Less: Projects Transferred during the Period	97,166,293	8056,62,55,952	3,424,180,562	6101,18,22,247
(iii)	Project Advance (Capital Fund)				
	Ministry of Railways				
	Unsecured:				
	Opening Balance	8,542,959,411		858,76,47,064	
	Addition during the Period	-		-	
	Less: Projects Transferred during the Period	56,141,116	848,68,18,295	44,687,653	854,29,59,411
(iv)	Advance from MoR IRFC loan Repayment				
	Unsecured:				
	Opening Balance	3,676,868,153		339,96,46,928	
	Addition during the Period	3,933,800,000		164,25,00,000	
	Less: Projects Transferred during the Period	4,844,392,476	2,766,275,677	1,365,278,775	3,676,868,153
(v)	Misc. Advance Capital (Metro project)				
	Unsecured:				
	Opening Balance	1563,50,00,000		1165,50,00,000	
	Addition during the Period	4,673,300,000		398,00,00,000	
	Less: Projects Transferred during the Period		2030,83,00,000		1563,50,00,000



S. No.	Particulars	as at March 31, 2016		as at March 31, 2015	
		Rupees (₹)	Rupees(₹)	Amount (₹)	Amount (₹)
(vi) Project Advance Capital Bonds					
	Opening Balance	321,79,00,000		321,79,00,000	
	Addition during the Period		-		
	Less: Projects Transferred during the Period		321,79,00,000		321,79,00,000
(vii) Project Advance Safety Fund					
	Opening Balance	725,50,000		40,54,00,000	
	Addition during the Period	139,70,000		32,01,00,000	
	Less: Projects Transferred during the Period		86,52,00,000	-	72,55,00,000
(viii) Development Fund-3					
	Opening Balance	1,118,80,000		48,00,00,000	
	Addition during the Period	260,60,000		63,88,00,000	
	Less: Projects Transferred during the Period		137,94,00,000	-	111,88,00,000
(ix) Depreciation Reserve Fund					
	Opening Balance	-		-	
	Addition during the Period	300,000		-	
	Less: Projects Transferred during the Period		300,000	-	-
(x) Project Advance EBR (IF)					
	Opening Balance	-		-	
	Addition during the Period	3041,64,00,000			
	Less: Projects Transferred during the Period	-	3041,64,00,000		
(xi) HSR Studies under Demand-2					
	Opening Balance	5,00,00,000		-	
	Addition during the Period	7,46,24,954		5,00,00,000	
	Less: Projects/Fund Transferred during the Period	(124,624,954)	-	-	5,00,00,000
(xii) Deposit Andhra Pradesh Govt.					
	Opening Balance	860,00,000		860,00,000	
	Addition during the Period	1,200,00,000		-	
	Less: Projects Transferred during the Period	-	2,060,00,000	-	860,00,000
(xiii) Deposit Telangana State Govt.					
	Opening Balance	300,00,000		-	
	Addition during the Period	-		300,00,000	
	Less: Projects Transferred during the Period	-	300,00,000	-	300,00,000
(xiv) Deposit Tamil Nadu Govt.					
	Opening Balance	1,778,037,371		1,185,039,673	
	Addition during the Period	-		592,997,698	
	Less: Projects Transferred during the Period	(1,778,037,371)	-	-	1,778,037,371
			15218,59,33,257		9864,93,03,848
(b) Trade Payable					
	Micro ,Small & Medium Enterprises		-		-
	Others		985,279,811		44,96,65,543
			98,52,79,811		44,96,65,543

Fund received from State Governments in respect of sharing projects will be adjusted at the time of financial transfer of the related projects.



S. No.	Particulars	as at March 31, 2016		as at March 31, 2015	
		Rupees (₹)	Rupees(₹)	Amount (₹)	Amount (₹)
(c) Other current liabilities					
	Earnest Money & Security Deposit		43,44,14,428		53,97,78,082
	Performance Security Deposit		291,31,32,613		226,58,93,488
	Staff Expenses Payable		4,63,17,647		3,83,67,336
	Sundry Creditors Others		6,77,71,341		5,36,48,566
	Misc. Deposit		22,47,98,142		13,60,84,904
	Retention money		81,87,11,272		55,64,47,879
	Duties & Taxes		20,35,88,022		8,14,97,943
	Advance received from Customers against Deposit Works		111,22,49,852		37,88,68,615
	Interest Accrued but not due on Loan: (IRFC)				
	Opening Balance	1,590,751,201		217,23,63,489	
	Add: Addition during the Period	153,78,45,037		165,81,77,853	
	Less: Payment during the Period	(1,634,108,985)	1,494,487,253	(2,239,790,141)	1,590,751,201
	Interest Accrued but not due on Loan: (IRFC-Completed)				
	Opening Balance	545,499,372			
	Add: Addition during the Period	607,312,438		545,499,372	
	Less: Payment during the Period	(567,257,182)	585,554,628	-	545,499,372
	Other Liabilities		7,66,97,974		7,53,13,087
	Expenses Payable		1,18,86,425		30,79,626
			798,96,09,597		626,52,30,098
(d) Short-term provision					
(i) Provision for Taxation					
	Opening Balance	188,345,205		12,74,26,969	
	Add: Addition during the Period	27,41,62,154		18,83,45,205	
	Less: Adjustment during the Period	(188,345,205)	27,41,62,154	(127,426,969)	18,83,45,205
(ii) Dividend & Dividend Tax Payable					
	Opening Balance	448,165,884		31,50,00,000	
	Add: Addition during the Period	1,386,663,797		448,165,884	
	Less: Adjustment during the Period	(448,165,884)	1,386,663,797	(315,000,000)	448,165,884
(iii) Provision for Foreign Service Contribution					
	Opening Balance	63,215,690		6,09,82,875	
	Add: Addition during the Period	4,81,00,000		2,62,43,755	
	Less: Adjustment during the Period	(59,451,106)	5,18,64,584	(24,010,940)	6,32,15,690
(iv) Provision for PRP					
	Opening Balance	43,147,626		5,01,29,145	
	Add: Addition during the Period	46,759,730		4,00,00,000	
	Less: Adjustment during the Period	(8,975,669)	8,09,31,687	(46,981,519)	4,31,47,626
(v) Provision for Ex-Gratia					
	Opening Balance	30,003,000		2,50,00,000	
	Add: Addition during the Period	53,500,000		3,00,03,000	
	Less: Adjustment during the Period	(30,093,090)	5,34,09,910	(25,000,000)	3,00,03,000



S. Particulars No.	as at March 31, 2016		as at March 31, 2015	
	Rupees (₹)	Rupees(₹)	Amount (₹)	Amount (₹)
(v) Provision for Retirement Benefit				
Opening Balance	6,562,217		36,66,076	
Less: Transfer from/to long term Provisions	3,760,939		4,685,128	
Less: Adjustment during the Period	(4,040,947)	6,282,209	(1,788,987)	6,562,217
(vi) Provision for LTC				
Opening Balance	1,623,877		12,00,000	
Add: Addition during the Period	1,598,498		5,85,971	
Less: Adjustment during the Period	(1,496,344)	17,26,031	(162,094)	16,23,877
(vii) RVNL Welfare Scheme				
Opening Balance	50,000,000		-	
Add: Addition during the Period	100,000,000		50,000,000	
Less: Adjustment during the Period	(50,000,000)	100,000,000	-	50,000,000
(viii) RVNL Medical Scheme				
Opening Balance	-		1,36,00,000	
Add: Addition during the Period	16,404,417		1,56,42,104	
Less: Adjustment during the Period	(16,404,417)	-	(29,242,104)	-
(ix) Provision for 7th Pay Commission				
Opening Balance				
Add: Addition during the Period	29,821,160			
Less: Adjustment during the Period		29,821,160		
		<u>198,48,61,532</u>		<u>83,10,63,499</u>

"Foot Note for 6(d) (i) Income Tax :"

1. Provision for Income Tax has been made as Tax computed under the Income Tax Act, 1961.

2. In compliance with provisions of Accounting Standards and based on general prudence, the Company has not recognised the Deferred Tax Assets as there is no reasonable certainty of their realisation.

"Foot Note for 6(d) (iii) 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.

"Foot Note for 6(d) (vii) & (viii) RVNL Medical and Welfare Scheme"

Company has contributed ₹1,64,04,417 during the financial year 2015-16 in the RVNL Medical Scheme.



7. Fixed Assets

Block of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost up to March 31, 2015 Rupees (₹)	Additions during the Year Rupees (₹)	Deletions / Adjustments during the Year Rupees (₹)	Cost up to 31st March 2016 Rupees (₹)	Cost up to March 31, 2015 Rupees (₹)	Depreciation during the Year Rupees (₹)	Depreciation on Sale / Adjustments Rupees (₹)	Up to 31st March, 2016 Rupees (₹)	As at March 31, 2016 Rupees (₹)	As at March 31, 2015 Rupees (₹)
A Tangible Assets										
Lease Hold Improvements	9,09,10,785	98,98,209	-	10,08,08,994	7,16,96,747	92,97,789	-	8,09,94,536	1,98,14,458	1,92,14,038
Furniture and Fixtures	6,49,84,943	1,02,65,074	1,221,882	7,40,28,135	5,57,52,430	87,24,307	9,65,643	6,35,11,094	1,05,17,041	92,32,513
EDP Assets	10,22,36,833	1,77,50,232	3,711,464	11,62,75,601	8,39,88,081	1,73,97,503	31,73,692	9,82,11,892	1,80,63,709	1,82,48,752
Office Equipments	6,72,47,105	1,16,53,800	2,152,542	7,67,48,363	5,63,19,739	1,10,47,544	17,36,801	6,56,30,482	1,11,17,881	1,09,27,366
TOTAL	32,53,79,666	4,95,67,315	70,85,888	36,78,61,093	26,77,56,997	4,64,67,143	58,76,136	30,83,48,004	5,95,13,089	5,76,22,668
B. Intangible Assets										
Softwares	1,02,88,978	1,09,420	9,892,970	5,05,428	1,00,29,158	2,26,001	9,892,970	3,62,189	1,43,239	2,59,820
TOTAL	1,02,88,978	1,09,420	9,892,970	5,05,428	1,00,29,158	226,001	9,892,970	3,62,189	1,43,239	2,59,820
C. Capital Work in Progress										
Multi Functional Complex*	14,244,837	19,62,210	16,207,047	0	-	-	-	-	0	14,244,837
TOTAL	14,244,837	1,962,210	16,207,047	-	-	-	-	-	-	14,244,837
D. Intangible Assets under Development										
Enterprise Resource Planning	16,575,496	3,92,36,522	-	5,58,12,018	-	-	-	-	5,58,12,018	16,575,496
Website under Development	-	5,00,000	-	5,00,000	-	-	-	-	5,00,000	-
TOTAL	16,575,496	39,736,522	-	56,312,018	-	-	-	-	56,312,018	16,575,496
TOTAL (A+B+C+D)	36,64,88,977	9,13,75,467	3,31,85,905	42,46,78,539	27,77,86,155	4,66,93,144	1,57,69,106	30,87,10,193	11,59,68,346	8,87,02,821
Previous Period	32,09,07,948	5,14,91,632	59,10,604	36,64,88,976	23,10,77,944	5,12,07,942	44,99,731	27,77,86,155	8,87,02,821	



S. No.	Particulars	as at March 31, 2016		as at March 31, 2015	
		Rupees (₹)	Rupees(₹)	Amount (₹)	Amount (₹)
8	Non-current investment				
	Fully paid up Equity Share in Incorporated Joint Ventures (unquoted-at-cost)				
	Kutch Railways Company Limited				
	10,00,00,000 Equity Share of ₹10 Each fully paid up & 2,50,00,000 Bonus Shares of ₹10 Each fully paid up		1,000,000,000		100,00,00,000
	Haridaspur Paradip Railways Company Limited, 17,00,00,000 Equity Share of ₹10 Each fully paid up		1,700,000,000		170,00,00,000
	Krishnapatnam Railways Company Limited, 8,10,00,000 Equity Share of ₹10 Each fully paid up		810,000,000		81,00,00,000
	Bharuch Dahej Railways Company Limited, 5,50,00,000 Equity Share of ₹10 Each fully paid up		550,000,000		55,00,00,000
	Angul Sukinda Railways Company Limited, 18,90,00,000 Equity Share of ₹10 Each fully paid up & Dighi Roha Rail Limited		1,890,000,000		189,00,00,000
	50,000 Equity Share of ₹10 Each fully paid up		500,000		
	Fully paid up Equity Share in Subsidiary Company (unquoted-at-cost)				
	High Speed Rail Corporation of India Limited		1,074,110		10,74,110
	1,07,411 Equity share of ₹10 Each fully paid up				
	Share Application Money pending Allotment				
	Indian Port Railway Company Limited		100,000,000		-
			605,15,74,110		595,10,74,110
9	Long Term Loans & Advances				
(a)	Recoverable from Ministry of Railways(For On Going Projects) (Interest Accrued but not due)(Unsecured, considered good)		4,988,660,331		4,601,700,332
(b)	Recoverable from Ministry of Railways (Completed Projects) (Interest -Completed Projects)(Unsecured, considered good)		(16,826,072)		8,924,731
(c)	Employees Loan & Advances		7,786,589		96,12,360
(d)	Security Deposits		50,904,380		3,36,37,104
			503,05,25,228		465,38,74,527
10.	Other Non-Current Assets				
	Lease Receivables				
	Opening Balance		4,984,638,611		478,43,69,903
	Add: Transfer during the Period		4,363,730,079		175,61,35,640
	Less: Adjustment during the Period		(1,890,854,996)		(792,545,051)
	Less: Repayment to be made within 12 months		(1,089,832,859)		(763,321,881)
			636,76,80,835		498,46,38,611



S. No.	Particulars	Opening Balance as at 01.04.2015 Rupees(₹)	Addition from 01.04.2015 to 31.03.2016 Rupees(₹)	Project Transferred from 1.4.2015 to 31.03.2016 Rupees(₹)	As at March 31, 2016 Rupees(₹)	As at March 31, 2015 Rupees(₹)
11	Project Work-in-Progress					
1	Civil Works					
	Bridges	2330,98,43,246	801,08,30,629	85,93,39,704	3046,13,34,171	2330,98,43,246
	Civil Works	119,44,54,941	(1,013,656,792)	(36,573,609)	21,73,71,757	119,44,54,941
	Preliminary Project Expenditure	97,61,48,093	17,77,92,497	4,24,77,736	111,14,62,854	97,61,48,093
	Tools & Plant	18,57,88,744	51,04,85,101	2,11,18,783	67,51,55,062	18,57,88,744
	Formation	1127,79,35,225	379,76,20,751	35,24,34,910	1472,31,21,066	1127,79,35,225
	Land	177,64,00,410	26,16,67,907	43,44,745	203,37,23,572	177,64,00,410
	Permanent Way	3619,04,35,420	1286,08,06,190	382,82,06,569	4522,30,35,042	3619,04,35,420
	Detailed Design & Engineering (Civil)	12,08,01,098	5,66,85,133	144	17,74,86,087	12,08,01,098
	Station Buildings	660,81,79,903	374,83,29,695	29,18,20,695	1006,46,88,904	660,81,79,903
	Total Civil Work (A)	8163,99,87,080	2841,05,61,111	5,363,169,676	10468,73,78,514	8163,99,87,080
2	S & T Work					
	Detailed Design & Engineering	24,46,28,096	13,39,195	212,983	24,57,54,308	24,46,28,096
	Signaling Arrangement	369,68,89,516	204,04,68,235	610,086,983	512,72,70,768	369,68,89,516
	Telecommunication Arrangement	10,11,44,065	64,32,486	527	10,75,76,025	10,11,44,065
	Signaling & Telecom Works	522,75,05,203	65,33,06,911	134,581,722	574,62,30,392	522,75,05,203
	Total S & T Work (B)	927,01,66,880	270,15,46,828	744,882,216	1122,68,31,493	927,01,66,880
3.	Electrical Works					
	General Electrification	459,13,04,097	76,32,68,311	11,31,68,895	524,14,03,513	459,13,04,097
	Detailed Design & Engineering (Electrical)	49,179,592.92	1,87,56,691	74,105	6,78,62,179	4,91,79,593
	Overhead Electric Equipment	1146,71,39,295	344,84,74,359	5,14,55,849	1486,41,57,805	1146,71,39,295
	Total Electrical Work (C)	1610,76,22,985	423,04,99,361	164,698,849	2017,34,23,497	1610,76,22,985
4.	Incidental Expenditure during Construction Period					
	Opening Balance	144,15,93,581	-	18,976,634	142,26,16,947	144,15,93,581
	Project related Direct Expenditure					
	Project management Consultancy	605,026,525	91,62,25,159	28,95,642	151,83,56,042	60,50,26,525
	Direction & General Charges to Railways	35,200,519	10,32,26,420	2,250,000	13,61,76,939	3,52,00,519
	Total Incidental Expenditure During Construction Period	208,18,20,625	101,94,51,579	24,122,276	3,077,149,928	208,18,20,625
	Less: Interest on Mobilisation Advance	442,152,217	47,76,69,940	-	91,98,22,157	44,21,52,217
	Net Incidental expenditure Apportioned to Projects in the ratio of spending on individual projects to project expenditure (D)	163,96,68,408	54,17,81,639	24,122,276	2,157,327,771	163,96,68,408



S. No.	Particulars	Opening Balance as at 01.04.2015	Addition from 01.04.2015 to 31.03.2016	Project Transferred from 1.4.2015 to 31.03.2016	As at March 31, 2016	As at March 31, 2015
5. Others						
	Expenditure Pending Allocation	53,08,37,178	(103,778,453)	-	42,70,58,725	53,08,37,178
	Management fees	652,68,19,390	302,19,37,724	2,73,60,158	952,13,96,956	652,68,19,390
	Total Others (E)	705,76,56,568	291,81,59,271	27,360,158	994,84,55,681	705,76,56,568
	Total Project Work in Progress	11571,51,01,921	3880,25,48,209	6,324,233,174	14819,34,16,956	11571,51,01,921
	Less: Credit from Release Material	3,50,686	-	26,556	324,130	3,50,686
	Less: Deposit (LD, Penalty & Misc Deposit)	6,71,77,983	-	12,335,458	79,513,441	6,71,77,983
	Net Project Work in Progress for MOR Projects	11564,75,73,252	3880,25,48,209	6,336,542,076	14811,35,79,385	11564,75,73,252
	Others Project work in Progress	-	14,23,758	-	14,23,758	-
	Total Work in Progress (MoR + Others)	11564,75,73,252	3880,39,71,967	6,336,542,076	14811,50,03,143	11564,75,73,252

- Land cost included in Project Work in Progress represents payments made through various Zonal Railways/ to concerned authority for the purpose of acquisition of land. The total payment made amounts to ₹203,37,23,572/- (As on 31.03.2015: ₹177,64,00,410). The land so acquired is in the name of the concerned Zonal Railway.
- The Company is executing projects assigned by MOR . In some of the projects, initially transferred to the Company, work was already in progress and some of the Zonal Railways had incurred expenditure on those projects prior to their transfer to the Company. The expenditure made by the concerned Railways prior to the formation of the Company has not been taken into account.
- In the opinion of the Management, the value of current assets, loans and advances on realization in the ordinary course of business, will not be less than the value at which these have been stated in the Balance Sheet.
- "Interest on mobilization Advance, recovered from the Contractors as per the terms and conditions of the contract, is being credited to the project."
- Financial transfers of projects have been carried out in the accounts after handing over / commissioning of the full project to the Zonal Railway and where the expenditure booked against the project at the end of the financial year is at least 95 % of the latest anticipated cost of the work.

S. Particulars No.	as at March 31, 2016 Rupees(₹)	as at March 31, 2015 Amount (₹)
12 Trade Receivables		
(a) More than 6 months		
Unsecured-Considered good	3,023,465,151	61,87,15,823
(b) Other (less than 6 months)		
Unsecured-Considered good	181,00,63,613	129,04,90,730
	483,35,28,764	190,92,06,553
13 Cash and Bank Balances		
Cash and Cash Equivalent		
(i) Balances with Bank		
-- Current Account	584,745,098	100,78,80,761
-- Fixed Deposits (Maturity less than 3 Months)	13,100,000,000	704,00,00,000
(ii) Cheque-in-Hand	74,624,954	-
(iii) Imprest	793,270	9,92,932
	1376,01,63,322	804,88,73,693



S. Particulars No.	as at March 31, 2016 Rupees(₹)	as at March 31, 2015 Amount (₹)
Other Bank Balances		
(i) (i) Balances with Bank		
Term Deposit in Schedule Bank	16,550,000,000	485,00,00,000
	<u>16,550,000,000</u>	<u>485,00,00,000</u>
	<u>3031,01,63,322</u>	<u>1289,88,73,693</u>
14 Short Term Loan & Advance		
Advance Receivable in Cash or in kind or for value to be Received: (Unsecured, considered good)		
(a) Recoverable from Ministry of Railway (Interest) (On going Projects)	1,494,487,253	159,07,51,201
(b) Recoverable from Ministry of Railway (Completed Projects)	58,55,54,628	545,499,372
(c) Interest accrued on Fixed Deposit	90,212,270	3,68,99,993
(d) Interest accrued on Mobilization Advance	59,520,929	6,99,97,065
(e) Security Deposit	4,072,878	41,80,678
(f) Advance Tax and Tax Deducted at Source	334,703,075	26,31,88,848
(g) Others	156,645,882	13,62,07,950
	<u>272,51,96,915</u>	<u>264,67,25,107</u>
15 Advances for Project Work		
(a) Advances to Zonal Railways	1,358,147,996	92,57,00,507
(b) Advances for Sleepers	2,046,101,646	124,81,36,448
(c) Mobilisation Advances	2,631,531,193	266,68,04,431
(d) Other Advances	7,064,615,029	380,09,28,297
	<u>1310,03,95,864</u>	<u>864,15,69,683</u>
16 Other Current Assets		
Lease Receivables		
Opening Balance	75,21,71,313	56,15,83,156
Add: Transfer during the Period	108,98,32,859	76,33,21,881
Less: Repayment to be made within 12 months	75,21,71,313	572,733,724
	<u>108,98,32,859</u>	<u>75,21,71,313</u>



S. No.	Particulars	Figures for the year ended 31.03.2016		Figures for the year ended 31.03.2015	
		Rupees (₹)	Rupees (₹)	Rupees (₹)	Rupees (₹)
17	Revenue from Operation:				
	(Turnover from Construction Work in Progress)				
	- From MoR Projects	3395,16,62,662		2437,23,65,210	
	- From MoR Metro Projects	469,81,44,528		351,89,33,068	
	- From MoR Projects (Executed by Zonal Railways)	15,27,41,020		27,92,51,991	
	- From Deposit Work - Projects (SPV)	582,53,96,749		273,14,22,238	
	- From Deposit Work - Project (Others)	78,50,63,044	4541,30,08,003	51,77,22,431	3141,96,94,938
			4541,30,08,003		31,419,694,938

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 Profit & Loss account. The miscellaneous receipts from sale proceeds of Tender and other income has been credited to the P&L account.

18 Other income

(a)	Interest income				
	- Banks - Gross	117,47,50,126		82,37,17,839	
	- Others - Gross	24,04,47,724	141,51,97,850	6,96,02,457	89,33,20,296
(b)	Dividend income:		2,50,00,000		5,00,00,000
(c)	Misc Income		4,93,99,636		1,71,90,342
			148,95,97,486		96,05,10,638

Interest from others" includes interest from Special Purpose Vehicles (SPVs) against balances outstanding.

19 Expenses on Operations

(Direct Expenses on Construction and Project related Activity)

	- Incurred on MoR Projects	3133,61,28,967		2249,28,62,700	
	- Incurred on MoR Metro Projects	429,17,40,498		320,97,15,718	
	- Incurred on Projects (Zonal Railway)	15,27,41,020		27,92,51,991	
	- Incurred on Deposit Work - Projects (SPV)	530,48,32,875		244,81,99,531	
	- Incurred on Deposit Work - Projects (Others)	71,88,04,170	4180,42,47,531	47,80,84,366	2890,81,14,306
			4180,42,47,531		2890,81,14,306

- Expenditure on Work in Progress against contracts awarded by the Company is recognized on completion of measurements and testing certified by the Engineer.
- 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.
- The value of projects commissioned / completed and put to use by Railways during financial year are ₹632,42,06,618 (Previous year ₹522,50,03,855). Out of the same, the value of completed projects funded through MOR sources are of ₹15,33,07,409 (previous year ₹346,88,68,216) and IRFC funded are of ₹617,08,99,209 (previous year ₹175,61,35,640). The financial adjustments for MoR projects have been carried out against Project Advance (Capital) and Project Advance (Capital Fund) respectively in the Balance Sheet leading to a reduction in Loan Funds and Project Work in Progress to the tune of ₹632,42,06,618 (previous year ₹522,50,03,855). Further with regard to IRFC funded projects, Project Work in Progress has been reduced by the amount of ₹617,11,88,124/- (Previous Year ₹175,61,35,640/-) and corresponding asset as Lease Receivable has been created in accordance with the procedure order finalized by MoR and in accordance with Accounting Standard for lease. As some minor works may still be required, the expenditure incurred on projects subsequent to the date of financial adjustments will be cleared at the time of drawing the completion reports."



S. Particulars No.	Figures for the year ended 31.03.2016		Figures for the year ended 31.03.2015	
	Rupees (₹)	Rupees (₹)	Rupees (₹)	Rupees (₹)
4. 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 practises. 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 Los				
20 Employee benefits expense				
(a) Salaries and Wages		78,27,03,479		63,28,86,427
(b) Contribution to Provident & Other Funds		3,57,71,370		3,06,35,654
(c) Staff Welfare Expenses.		13,86,38,611		8,50,66,490
		95,71,13,460		74,85,88,571
21 Other Expenses				
(a) Power & Fuel		16,598,714		1,39,19,326
(b) Rent**		49,091,366		3,46,57,105
(c) Rates & Taxes		200		10,000
(d) Miscellaneous Expenditure		6,091,872		47,53,602
(e) Payment to Auditors				
(i) As Auditor		720,150		5,05,620
(ii) For Taxation Matters		229,000		1,96,630
(iii) For Other Services		162,350		1,40,450
(iv) For Expenses		10,300		78,079
(f) Advertisement and Business Promotion		3,70,75,228		3,07,00,566
(g) Project Management Consultancy		8,21,22,783		4,63,16,130
(h) Printing and Stationery		2,29,09,016		1,95,40,309
(i) Travelling & Local Conveyance		2,51,61,706		1,93,68,810
(j) Communication		2,18,43,603		2,15,78,252
(k) Books & Periodicals		4,47,117		1,76,221
(l) Prior Period Items		881,943		-
(m) Legal and Professional Charges		2,75,85,493		1,94,07,305
(n) Consultant Fee		4,12,88,074		2,04,21,109
(o) Other expenses		4,39,74,188		2,74,45,920
(p) D & G to Zonal Railway		29,90,000		29,00,000
(q) Expenditure of Multi Functional Complex		1,62,07,047		
(r) Interest on Loan from IRFC (Compete Project)*	581,561,635		554,424,103	
Less: Interest receivable from MoR on loan from IRFC	(581,561,635)	-	(554,424,103)	-
		39,53,90,151		26,21,15,433
* Interest/ payable on IRFC Loan for the above mentioned period, recoverable from MOR/ payable to IRFC, for completed/ transferred project has been disclosed .				
** Rent relates to non -cancellable operating Lease				
22 Other Expenses as per DPE Guidelines				
(a) CSR Expenses		5,97,50,325		4,54,47,097
(b) Research & Development Expenses		2,863,566		12,40,400
		6,26,13,891		4,66,87,497
23. Deposit Works (SPVs and others)				
23.1 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.				



23.2 Costs incurred on Deposit and SPV Works:

Particulars	Year Ended March 31,2016 (₹)	Year Ended March 31,2015 (₹)
Costs incurred for Deposit Works	602,36,37,045	292,62,83,897
Recognized Profit/Loss	58,68,22,748	32,28,60,772
Advance received	111,22,49,852	37,88,68,615
Gross Amount due from Customers	483,35,28,764	190,92,06,553
Cumulative amount of costs incurred	2462,16,30,684	1859,79,93,639
Cumulative amount of recognized Profit/Loss	225,77,50,474	167,09,27,726

24. Micro, Small and Medium Enterprises

The Company has not received any intimation from "Suppliers" regarding their status under the Micro, Small and medium enterprises Development Act, 2005 and hence disclosures, if any, relating to amounts unpaid as at the year-end together with interest paid/payable as required under the said Act is not ascertainable presently.

25. Expenditure in Foreign Currency

Particulars	Year Ended March 31,2016 (₹)	Year Ended March 31,2015 (₹)
Travel expenses	40,71,006	29,86,520
Project Management Consultancy	4,19,40,605	7,30,70,467

26. Contingent Liabilities

Contingent liability in respect of claims by the contractor on account of Arbitration not acknowledged as debts by the Company is ₹3284,30,21,053/- (Financial year 2014-15 ₹682,33,39,602). A claim if any will be form part of the project cost and reimbursable by respective Clients. Contingent Liability in respect of Income Tax Demand as relected on the website of Income Tax Department is ₹70,56,434/- and company has not accepted the claim and submitted its representation to department.

Sr. No.	Authority	F.Y.	Amount of Demand
1	Income Tax	2007-08	1,517,144
2	Income Tax	2009-10	5,533,330
3	Income Tax	2011-12	5,960

27. Capital Commitment

Capital commitment towards share capital in SPV's is ₹30,10,00,000/-.

27.1 Other Commitment

Commitment towards Contractual Payments of Project expenditure is ₹10890,00,00,000/- (Financial year 2014-15 ₹11370,03,40,000).

28. Managerial Remuneration

Particulars	Year Ended March 31,2016 (₹)	Year Ended March 31,2015 (₹)
Salary & allowances	1,65,14,322	2,33,67,583
Provident fund and other fund	13,19,832	12,14,662

29. Earnings per Share:

The numerators and denominators used to calculate Basic Earnings per Share are:

Particulars	Year Ended March 31,2016 (₹)	Year Ended March 31,2015 (₹)
Profit Attributable to the shareholders (₹) (A)	287,59,03,836	185,71,46,622
Basic average number of Equity Shares outstanding at end of Year (Nos.) (B)	208,50,20,100	208,50,20,100
Weighted average number of Equity Shares outstanding at the end of Year (Nos.) (C)	208,50,20,100	208,50,20,100
Nominal value of Equity Shares (₹)	10	10
Basic Earnings per share (₹) (A/C)	1.38	0.86



30. Related Party Disclosures (AS-18) :

30.1 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

30.2 Subsidiary company

High Speed Rail Corporation of India Limited

30.3 Key Management Personnel:

Sh. S.C. Agnihotri : Managing Director
Sh. Ashok Krishna Ganju: Director Finance
Ms. Gita Mishra : Director Personnel
Sh. Mukul Jain : Director Operation
Sh. Vijay Anand : Director Projects

30.4 Enterprises in which Directors interest exist:

High Speed Rail Corporation of India Limited

30.5 Disclosure of transactions with related parties:

Particulars	Transactions (in ₹)		Outstanding Amount** (in ₹)	
	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
Remuneration to Key Personnel (28) above	*	*	*	*
HPRCL				
Investment in Shares	-	-		
Interest paid/payable for the year	-			
"Interest on Mob. Advance Payable"	4,317,784	2,01,23,883		
Interest on outstanding balances	6,198,786	33,723,639.00		
Expenditure towards project	196,55,56,679	155,50,06,315	10,07,78,687	297,264,051
BDRCL				
Investment in Shares				
Interest paid/payable for the year				
Interest on outstanding balances	(2,626,232)	56,69,786		
Expenditure of Vadodara Office apportioned		4,02,822		
Expenditure towards project	3,69,31,339	9,58,04,306	(925,033)	-18,293,527
KPRCL				
Investment in Shares		-		
Interest paid/payable for the year		29,053,607		
Interest on outstanding balances	236,875,170			
"Interest on Mob. Advance Payable"	42,029,673	11,711,570		
Expenditure towards project	3,021,726,813	84,19,00,532	454,86,78,035	156,74,03,372
ASRL				
Investment in Shares	-	108,28,26,750		
Interest paid/payable for the year	-	1,155,425.35		
"Interest on Mob. Advance Payable"	42,18,802	15,91,397		
Expenditure towards project	37,71,57,951	23,87,11,085	(30,368,462)	14,178,955



Particulars	Transactions (in ₹)		Outstanding Amount** (in ₹)	
	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
Kutch Railway Company Limited				
Investment in Shares	-	-		
Interest paid/payable for the year	-	-		
"Interest on Mob. Advance Payable"	-	-		
Expenditure towards project	42,40,23,967	-	50,007,015	-
Dighi Roha Rail Limited				
Investment in Shares	500,000	-		
Interest paid/payable for the year	-	-		
"Interest on Mob. Advance Payable"	-	-		
Expenditure towards project	-	-		-
High Speed Rail Corporation of India Limited				
Investment in Shares	-	574,110		0
Payment towards expenses of company	1,56,59,522	2,38,88,644	2,13,75,240	28,034,512

* See note No. 28

** These represent amounts recoverable on account of expenditure incurred on various projects of Joint Ventures and Misc Expenses of Subsidiary

31. Disclosure in respect of Joint Venture/Subsidiary:

Name of the Joint Venture	Partner(s), Country of Origin	Proportion of Ownership Interest as at March 31, 2016	Proportion of Ownership Interest as at March 31, 2015
Kutch Railway Company Limited	Rail Vikas Nigam Limited, India Kandla Port Trust, India Mundra Port SEZ Government of Gujarat, India	50% 26% 20% 4%	50% 26% 20% 4%
Haridaspur Paradip Railway Company Limited (HPRCL)	Rail Vikas Nigam Limited, India IDCO (Govt of Odisha) Essel Mining and Industries Ltd., India Paradeep Port Trust Rungla Mines Ltd Jindal Steel & Power Ltd Steel Authority of India Limited POSCO India Limited MSPL LTD OMC Govt of Odisha Equity Gap	33.33% 0.35% 5.88% 10.00% 5.88% 0.98% 0.98% 0.00% 2.94% 14.66% 19.60% 5.44%	33.33% 0.35% 5.88% 10.00% 5.88% 0.98% 0.98% 5.40% 2.94% 14.70% 19.60%
Krishnapatanam Railway Company Limited (KRCL)	Rail Vikas Nigam Limited, India Krishnapatanam Port Corporation Limited, India Bramhani Industries Limited National Mineral Development Corporation Government of Andhra Pradesh	30% 30% 12% 15% 13%	30% 30% 12% 15% 13%



Name of the Joint Venture	Partner(s), Country of Origin	Proportion of Ownership Interest as at March 31, 2016	Proportion of Ownership Interest as at March 31, 2015
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	6.06%	6.06%
	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	32%	32%
	Jindal Steel and Power Limited, India	10.00%	10%
	Govt of Odisha	21.30%	21%
	OMC	10.50%	11%
	IDCO (Govt of Odisha)	0.70%	1%
	CONCOR	26.00%	26%
Dighi Roha Rail Limited	Rail Vikas Nigam Limited, India	26.00%	-
	DPL	63.00%	-
	Maharashtra Maritime Board	11.00%	-
High Speed Rail Corporation of India limited	Rail Vikas Nigam Limited, India	100%	100%

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

	As at March 31, 2016 (Provisional) (in ₹)	As at March 31, 2015 (Audited) (in ₹)
Assets excluding preliminary expenditure	930,68,00,000	730,26,81,267
Liabilities	336,47,00,000	281,13,88,771
Income	381,64,50,000	361,41,25,000
Expenditure	215,01,50,000	214,06,15,171

Contingent liabilities: ₹Nil (Financial year 2015-16 ₹Nil)

Capital commitment: ₹Nil (Financial year 2015-16 ₹Nil)

(b) Haridaspur Paradip Railway Company Limited

	As at March 31, 2015 (Provisional) (in ₹)	As at March 31, 2014 (Audited) (in ₹)
Assets excluding preliminary expenditure	224,31,99,949	171,90,41,141
Liabilities	60,63,42,017	11,08,68,641
Income	Nil	Nil
Expenditure	Nil	Nil

Contingent liabilities: ₹Nil (Financial year 2015-16 ₹3178342/-)

Capital commitment: ₹Nil (Financial year 2015-16 ₹365 Cr)



(c) Krishnapatnam Railway Company Limited

	As at March 31, 2016 (Provisional) (in ₹)	As at March 31, 2015 (Audited) (in ₹)
Assets excluding preliminary expenditure	276,77,77,886	183,74,11,426
Liabilities	204,97,62,698	109,13,40,807
Income	12,44,90,260	18,38,76,369
Expenditure	15,25,45,691	20,43,73,484

Capital commitment: ₹Nil (Financial year 2015-16 ₹Nil)

Contingent liabilities: ₹crore (Financial year 2015-16 ₹5.15 crore)

(d) Bharuch Dahej Railway Company Limited

	As at March 31, 2016 (Provisional) (in ₹)	As at March 31, 2015 (Audited) (in ₹)
Assets excluding preliminary expenditure	149,72,22,278	147,18,30,726
Liabilities	88,20,79,502	91,57,28,201
Income	30,36,05,245	45,02,62,343
Expenditure	22,81,83,876	31,72,06,102

Contingent liabilities: ₹Nil (Financial year 2015-16 ₹Nil)

Capital commitment: ₹Nil (Financial year 2015-16 ₹2crore)

(e) Angul Sukinda Railway Limited

	As at March 31, 2016 (Provisional) (in ₹)	As at March 31, 2015 (Audited) (in ₹)
Assets excluding preliminary expenditure	196,36,13,459	180,53,12,073
Liabilities	4,36,13,458	4,83,54,233
Income	1,10,707	4,62,720
Expenditure	5,63,994	8,85,425

Contingent liabilities: ₹Nil (Financial year 2015-16 ₹Nil)

Capital commitment: ₹Nil (Financial year 2015-16 ₹Nil)

(f) High Speed Rail Corporation of India limited

	As at March 31, 2016 (Provisional) (in ₹)	As at March 31, 2015 (Audited) (in ₹)
Assets excluding preliminary expenditure	18,41,02,019	6,00,24,583
Liabilities	18,48,51,248	6,18,72,778
Income	20,81,106	13,33,004
Expenditure	5,03,838	5,53,808

Contingent liabilities : ₹ Nil

Capital commitment : ₹ Nil



(g) Dighi Roha Rail Limited

	As at March 31, 2016 (Provisional) (in ₹)	As at March 31, 2015 (Audited) (in ₹)
Assets excluding preliminary expenditure	2,10,229	0
Liabilities	19,32,975	0
Income	0	0
Expenditure	19,82,746	0

Contingent liabilities : ₹ Nil

Capital commitment : ₹ Nil

32. Business Segments

As the business activity of the Company falls within a single segment viz. construction of Railway projects in the domestic market, the disclosure requirement of AS-17 on 'Segment Reporting' issued by the Institute of Chartered Accountants of India (ICAI) is not applicable.

33. Lease Rentals

33.1 The company's leasing arrangements in respect of offices and residential premises are in the nature of operating lease. The rent is being charged on rates agreed to between HUDCO and RVNL based on letter of offer received from HUDCO and agreed to by RVNL. The formal lease agreement between the Company and HUDCO for lease of Corporate Office, New Delhi has not been executed and is under approval of Ministry of Urban Development.

33.2 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 5, 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:

	31st March 2016(in ₹)	31st March 2015(in ₹)
Not later than one year	1,089,832,859	733,331,563
Later than one year and not later than five years	4,641,375,588	3,458,367,272
Later than five years	1,726,305,247	792,939,776
	7,457,513,694	4,984,638,611

34. Operating Cycle

The operating cycle of the Company is based on the time required from initiation of the project to completion of the project. The period required for completion varies from project to project. However, in general, the duration is more than 12 months and may extend upto 5 to 6 years, and sometimes even beyond this period, depending on the progress of the work upto when the project is fully physically transferred to Railways for operations and financial progress to the extent of 95% of the latest anticipated cost has been achieved.

35. In accordance to procedure order no. 2011/AC-II/1/6/RVNL dated 17/12/2013 for transfer of completed projects, the company transferred projects worth ₹632,42,06,618/- (Financial year ₹522,50,03,855/-).

36. 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.

37. Current/Non current classification are based on the period from 01-04-2015 to 31-03-2016 (i.e. Liability/Assets to be paid/Recoverable upto 31-03-2017 are shown under current liability/current assets respectively accordingly liability/assets to be paid/recoverable after 31-03-2017 are shown under non current liability/non current assets respectively

38. Previous year's figures have been regrouped and rearranged, wherever necessary to make comparable with those of the current year.

For Kumar Chopra & Associates

Chartered Accountants

Firm Registration Number.: 000131N

Sunil Jain
Partner

M. No. 080990

Place: New Delhi

Date: 11.08.2016

S.C. Agnihotri
Chairman and Managing Director
DIN : 01637856

Ashok K. Ganju
Director Finance
DIN : 01970462

Kalpna Dubey
Company Secretary

FOR AND ON BEHALF OF THE BOARD



KUMAR CHOPRA & ASSOCIATES
Chartered Accountants



रेल विकास निगम लिमिटेड
Rail Vikas Nigam Limited

B-12 (G.F.), Kalindi Colony,
Near Maharani Bagh, new Delhi - 110065
Ph.: +9111-26913033, 26916363, 41627363
Fax : +91-11-26328533
E-mail : kca_delhi@yahoo.co.in
www.kcaconsultancy.com

INDEPENDENT AUDITORS' REPORT

To
The Members of
Rail Vikas Nigam Limited.

1. Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Rail Vikas Nigam Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Standalone Financial Statements

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

3. Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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



4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its PROFIT and its cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

- I. 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 **Annexure 'A'** a statement on the matters specified in paragraphs 3 and 4 of the order.
- II. As required by the directions issued by the Comptroller and Auditor-General of India, in terms of sub section (5) of section 143 of the Act, we give the compliance in **Annexure 'B'**.
- III. As required by sub-section (3) of Section 143 of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and Cash flow statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. In terms of Ministry of Company Affairs notification no. GSR 463 (E) dated 5th June 2015, Government Companies are exempt from applicability of provisions of section 164 (2) of Companies Act 2013.
 - 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 'C'**. Our report expresses an unqualified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
 - 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 financial statements-Refer Note No 26 to the financial statement.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place of signature : New Delhi
Date: 11.08.2016

For Kumar Chopra & Associates
Chartered Accountants
(FRN: 000131N)

(Sunil Jain)
Partner
(M. No 080990)



ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

Annexure to the Independent Auditors' Report referred to in paragraph 5(l) of our report of even date on the standalone financial statements of **Rail Vikas Nigam Limited**, for the Year ended 31st March, 2016

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of 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.
c) The company does not own any immovable property and as such this sub-para is not applicable.
2. 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.
3. In our opinion and according to the information and 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.
4. In our opinion and according to the information and explanations given to us, the company has not granted any loans, made investments or provided guarantees under the provisions of section 185 and 186 of Company Act, 2013.
5. According to the information and explanation given to us the company has not accepted any deposit during the year from the public
6. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the act.
7. a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanation given to us, no undisputed amount payable in respect of any statutory dues were outstanding as at 31-03-2016 for a period of more than six months from the date they become payable.
b) According to the information and explanation given to us, there are disputed dues of income tax only and no dues of sales tax or wealth tax or service tax or custom duty or excise duty or value added tax or cess which have not been deposited on account of any dispute. The detail of disputed income tax liability is as under:

Assessment Year	Amount (Rs.)	Forum where pending
2008-09	15,17,144/-	Assessing Officer u/s 154

8. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, government or bank or debenture holders.
9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Term loans have been applied by the company for the purpose for which they raised.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the company and no fraud on the company by its officers or employees has been noticed or reported during the year.
11. The provisions of sec 197 of Companies Act, 2013 are not applicable since the company is a government company.
12. The Company is not a Nidhi Company and hence Para (xii) is not applicable.



13. In our opinion and according to the information and explanations given to us, the transactions with related parties are compliance with provisions of section 177 and 188 companies Act, 2013 as applicable and adequate disclosures have been made in the financial statements as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private placement of share or fully or partly convertible debentures during the year.
15. In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transaction with the directors or persons connected with them under the provisions of section 192 of companies Act, 2013.
16. In our opinion and as per the information and explanation given to us, the company is not required to get registered under section 45-IA of RBI Act, 1934.

For Kumar Chopra & Associates

Chartered Accountants
(FRN: 000131N)

(Sunil Jain)
Partner
(M. No 080990)

Place of signature : New Delhi
Date: 11.08.2016

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

Annexure to the Independent Auditors' Report referred to in paragraph 5(II) of our report of even date on the standalone financial statements of **RAIL VIKAS NIGAM LIMITED** for the Year ended 31st March, 2016

S. No.	CAG's Directions	Our Report	Action Taken thereon	Impact on accounts and financial statements of the company
1.	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.	Company only has leasehold commercial space for which lease deed has been executed with the owner. The company does not own any freehold/leasehold land.	No Action required	NIL
2.	Please report whether there are any cases of waiver/write off of debts/loans/interest etc., if any, the reasons there for and the amount involved.	A sum of Rs. 1.62 Crores has been charged off to revenue as administrative expenditure. As per the information and explanation given by the management MoR had entrusted the work of development of MFCs at Ayodhya (NR) and Rae Bareli Jn. (NR) to RVNL & RLDA. In this regard, RVNL had sought funds from MoR to undertake the work. However, MoR had communicated that development of MFCs be undertaken by RVNL with its own resources. Subsequently, on taking up the matter further with the Ministry, it was agreed to by the MoR that funds for all non-viable MFCs would be paid back by Railways. In terms of Para 4.4 of draft lease agreement between RLDA & RVNL, it was stipulated that RVNL shall transfer all assets of such financially non-viable MFCs to the Railways after completion of the same. The marketing, operation and maintenance of such MFCs shall be the responsibility of RLDA/Railways once such MFCs are transferred by RVNL. While expenditure for construction of the MFC at Ayodhya and Rae Bareli was Rs. 1.62 crore in spite of repeated reminders, Railways have not paid for the MFCs and it is unlikely that the Railways will make any payment as no budgetary provision has been made by Indian Railways in this regard. Therefore, this amount has been charged to Administrative Expenses of RVNL in financial year 2015-16 as otherwise this amount would continue to inflate WIP by this amount without any likelihood for any realisation of the same.	No further action required.	Rs.1.62 crores charged off to revenue as administrative expense.
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gifts from Govt. or other authorities	No inventory is lying with third parties and no asset has been received as gifts from Government or any other authorities by RVNL.	No action required.	NIL

For Kumar Chopra & Associates
Chartered Accountants
(FRN: 000131N)

(Sunil Jain)
Partner
(M. No 080990)

Place of signature : New Delhi
Date: 11.08.2016



ANNEXURE “C” TO INDEPENDENT AUDITOR’S REPORT

Annexure to the Independent Auditors' Report referred to in paragraph 5(III)(f) of our report of even date on the standalone financial statements of **RAIL VIKAS NIGAM LIMITED** for the Year ended 31st March, 2016

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 (“the Company”) as of March 31, 2016 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 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.

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, 2016, 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 Kumar Chopra & Associates
Chartered Accountants
(FRN: 000131N)

(Sunil Jain)

Partner

(M. No 080990)

Place of signature : New Delhi

Date: 11.08.2016



Confidential



भारतीय लेखा परीक्षा एवम् लेखा विभाग
कार्यालय प्रधान निदेशक लेखा परीक्षा, रेलवे-वाणिज्यिक
काफमो, भारतीय रेल, तिलक ब्रिज, नई दिल्ली-110 002

INDIAN AUDIT AND ACCOUNTS DEPARTMENT
OFFICE OF THE PRINCIPAL DIRECTOR AUDIT
(RLY-COMMERCIAL) COFMOW, INDIAN RAILWAYS,
TILAK BRIDGE, NEW DELHI- 110002

No. PDA/RC/PSU/32-30/RVNL/2016-17/1227

Dated: 21.09.2016

To

The Chairman and Managing Director,
Rail Vikas Nigam Limited,
1st Floor, August Kranti Bhavan,
Bhikaji Cama Place, R.K. Puram, New Delhi - 110066

Subject: Comments of the Comptroller and Auditor General of India on the Standalone Financial Statements u/s 143(6)(b) of the Companies Act, 2013 read with Section 129(4) of the Companies Act, 2013 of RAIL VIKAS NIGAM LTD for the year ended 31 March 2016

Sir,

I am enclosing herewith the Comments of the Comptroller and Auditor General of India of the Standalone Financial Statements u/s 143(6)(b) of the Companies Act, 2013 read with Section 129(4) of the Companies Act, 2013 of RAIL VIKAS NIGAM LTD for the year ended 31 March 2016.

The Receipt of the letter may please be acknowledged.

Yours faithfully,

(Meenakshi Mishra)
Director General of Audit
(Railway Commercial)

Encl: As above



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF RAIL VIKAS NIGAM LIMITED FOR THE YEAR ENDED 31 MARCH 2016.

The preparation of financial statements of **RAIL VIKAS NIGAM LIMITED** for the year ended 31 March 2016 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 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 11-08-2016.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of **RAIL VIKAS NIGAM LIMITED** for the year ended 31 March 2016. This supplementary audit has been carried out independently without access to the working papers of the

statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act read with section 129(4) of the Act, which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

Comment on Disclosure

Accounting Policy no. 2.11 - Revenue Recognition

The Company has accounted for the contract revenue amounting to ₹42.40 crore relating to Palanpur Samakhali Project awarded by the SPV - M/s Kutch Railway Company Limited without signing of Construction agreement. The booking of the revenue is not in consonance with Company's own Accounting Policy no. 2.11 (c) on 'Revenue Recognition'. This fact should have been disclosed in the financial statement of RVNL for the year ended March, 2016.

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

(Meenakshi Mishra)
Director General of Audit
(Railway Commercial)

Place: New Delhi
Date: 21.09.2016



Management's Reply to comments of the Comptroller and Auditor General of India under Section 143(6)b of the Companies Act, 2013, on the Standalone Accounts of Rail Vikas Nigam Ltd. for the year ended 31st March 2016

S.No.	Comments of C&AG	Management Reply
1	<p>Accounting Policy No. 2.11- Revenue Recognition</p> <p>The Company has accounted for the contract revenue amounting to ₹42.40 crore relating to Palanpur Samakhiali project awarded by the SPV- M/s Kutch Railway Company Limited without signing of Construction Agreement. The booking of revenue is not in consonance with Company's own Accounting Policy No. 2.11 (C) on "Revenue Recognition". This fact should have been disclosed in the financial statements of RVNL for the year ended March 2016.</p>	<p>Board of Directors of M/s KRCL vide letter No. KRC/PNU-SOIOB/D/2009 dated 1.4.2013 nominated RVNL as the client agency for executing the doubling of Palanpur-Samkhiali line. RVNL vide letter No. PP&D Kutch/2009/Pt. II dated 29.04.2013 accepted to take up the execution of the work.</p> <p>The construction work has been undertaken by RVNL as per the terms and conditions of the Model Construction Agreement for execution of SPV projects issued by Ministry of Railways and revenue recognised accordingly. The Construction Agreement as approved by RVNL has been forwarded to M/s Kutch Railway for finalization. However, even in absence of a formal Construction Agreement, M/s Kutch Railway Corporation Limited has been accepting and making payments against the bills raised by RVNL and there is no dispute on this account.</p> <p>In future, appropriate disclosure with regard to revenue recognition will be made in the Financial Statements to cover such eventuality where work has been taken up on behalf of an entity without a formal agreement being entered into.</p>

Ashok K Ganju

Director/Finance

Dated: 21.09.2016

(S.C. Agnihotri)

Chairman and managing Director



RAIL VIKAS NIGAM LIMITED

Consolidated Balance Sheet as at 31.03.2016

Particulars	Notes	Balances As at 31.03.2016		Balances As at 31.03.2015	
		Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	2	2085,02,01,000		2085,02,01,000	
(b) Reserves and Surplus	3	1203,23,92,395	3288,25,93,395	931,98,25,515	3017,00,26,515
(2) Share Application Money Pending Allotment	4	3,03,23,384	30,323,384		-
(3) Non-Current Liabilities	5				
(a) Long-Term Borrowings		2320,25,10,241		2186,14,95,397	
(b) Other Long Term Liabilities		814,33,21,472		712,89,23,093	
(c) Long-Term Provisions		8,13,58,895		5,57,57,456	
(d) Deferred Tax Liabilities (Net)		38,32,78,185	3181,04,68,793	37,54,56,617	2942,16,32,563
(4) Current Liabilities	6				
(a) Short Term Borrowings		15224,30,21,776		9870,63,92,366	
(b) Trade Payables		106,42,29,954		50,09,28,353	
(c) Other Current Liabilities		815,25,90,293		640,21,15,579	
(d) Short-Term Provisions		199,04,55,142	16345,02,97,165	82,93,03,027	10643,87,39,325
TOTAL			22817,36,82,737		16603,03,98,403
II. ASSETS					
(1) Non-Current Assets					
(a) Fixed Assets	7				
(i) Tangible Assets		3,501,098,985		3,752,274,925	
(ii) Intangible Assets		817,570		1,241,248	
(iii) Capital Work in Progress		4,829,738,671		2,962,177,067	
(iv) Intangible Assets under development		56,312,018		16,575,496	
(v) Non-Current Investment		100,000,000		-	
(c) Long-Term Loans and Advances	8	554,72,19,041		503,06,85,882	
(d) Other Non-Current Assets	9	636,76,80,835	2040,28,67,120	498,46,38,612	1674,75,93,230
(2) Current Assets					
(a) Project-Work-in-Progress	10	14828,10,83,461		11567,38,13,300	
(b) Trade Receivables	11	439,01,74,182		213,04,23,067	
(c) Cash and Bank Balances	12	3721,97,32,050		1869,26,92,864	
(d) Short-Term Loans and Advances	13	368,95,97,202		339,21,34,946	
(e) Advances for Project Work	14	1310,03,95,864		864,15,69,683	
(f) Other Current Assets	15	108,98,32,859	20777,08,15,617	752,171,313	14928,28,05,173
TOTAL			22817,36,82,737		16603,03,98,403
Summary of Significant Accounting Policies	1				

The notes 1 to 34 form an Integral part of the Financial Statements

This is the Balance Sheet
referred to in our report of even date

For Kumar Chopra & Associates

Chartered Accountants

Firm Registration Number.: 000131N

Sunil Jain
Partner

M. No. 080990

Place: New Delhi

Date: 31.08.2016

S.C. Agnihotri
Chairman and Managing Director
DIN: 01637856

FOR AND ON BEHALF OF THE BOARD

Ashok K. Ganju
Director Finance
DIN: 01970462

Kalpna Dubey
Company Secretary



RAIL VIKAS NIGAM LIMITED

Consolidated Statement of Profit and Loss for the year ended 31st March 2016

Particulars	Notes	Figures for the Year Ended 31.03.2016 Amount (₹)	Figures for the Year Ended 31.03.2015 Amount (₹)
I. Revenue from Operations (Turnover)	16	4735,52,41,700	3447,73,06,929
II. Other Income	17	182,85,70,816	120,40,35,200
III. Total Revenue (I + II)		4918,38,12,516	3568,13,42,129
IV. Expenses:			
Expenses on Operations	18	4230,12,75,408	3025,61,31,309
Employee Benefits Expenses	19	91,25,87,839	71,93,66,606
Other Expenses	20	39,05,32,592	26,34,84,868
Finance Cost	21	8,87,52,230	9,98,28,611
CSR and R&D Expenses	22	7,02,04,396	4,66,87,497
Total Expenses		4376,33,52,465	3138,54,98,890
V. Profit Before Depreciation and Tax (III-IV)		542,04,60,051	429,58,43,239
VI. Depreciation and Amortisation Expense	7	379,088,084	37,64,37,736
VII. Profit Before Tax (V - VI)		504,13,71,967	391,94,05,503
VIII. Tax Expense:			
(1) Income Tax			
(a) Current Tax	111,63,62,464		83,75,26,643
(b) Earlier Years	(16,246,128)		2,44,91,911
(2) MAT Credit Entitlement	(143,878,130)		(209,057,042)
(3) Deferred Tax	78,21,567	96,40,59,773	3,95,68,788
IX Profit (Loss) for the Year (VII - VIII)		407,73,12,194	322,68,75,203
X Earnings Per Equity Share:			
Basic		1.96	1.55

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

The notes 1 to 34 form an integral part of the Financial Statements

For Kumar Chopra & Associates

Chartered Accountants

Firm Registration Number.: 000131N

Sunil Jain
Partner
M. No. 080990

S.C. Agnihotri
Chairman and Managing Director
DIN : 01637856

FOR AND ON BEHALF OF THE BOARD

Ashok K. Ganju
Director Finance
DIN : 01970462

Kalpana Dubey
Company Secretary

Place: New Delhi
Date: 31.08.2016



RAIL VIKAS NIGAM LIMITED

Consolidated Cash Flow Statement for the Period Ended 31.03.2016

S. No.	Particulars	Figures for the period ended 31.03.2016		Figures for the period ended 31.03.2015	
		Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
1	(a) Cash Flow from Operating Activities				
	Net Profit Before Taxation, and Extraordinary Items	504,13,71,967		391,94,05,503	
	Add: Adjustment for :				
	Depreciation	37,90,88,084		37,64,37,736	
	Other Income	(1,778,962,654)		(1,186,557,981)	
	Dividend Received	-		-	
	Preliminary expenses written off	-		-	
	Operating Profit Before Working Capital Changes	364,14,97,398		310,92,85,258	
	(b) Adjustments for Changes in Working Capital:				
	Adjustments for (Increase)/Decreases in Operating Assets:				
	Trade Receivables	(2,259,751,115)		(1,227,880,761)	
	Short-Term Loans and Advances	(297,462,256)		(351,316,395)	
	Long-Term Loans and Advances	(516,533,159)		(371,791,706)	
	Other Current Assets	(37,403,757,888)		(24,640,792,607)	
	Other Non- Current Assets	(1,383,042,223)		(200,268,708)	
		(41,860,546,641)		(26,792,050,177)	
	(c) Adjustments for (Increase)/Decrease in Operating Liabilities:				
	Trade Payables	563,301,601		(62,294,274)	
	Other Current Liabilities	1,750,474,713		349,892,477	
	Other Long -Term Liabilities	1,022,219,946		947,610,051	
	Short Term Provisions	1,161,152,115		173,049,137	
	Long Term Provisions	25,601,439		16,795,692	
		4,522,749,816		1,425,053,083	
	Cash Generated from Operations	(33,696,299,427)		(22,257,711,836)	
	Direct Taxes Paid/Received (Net of TDS)	(964,059,773)		(692,530,299)	
	Cash Flow from Operating Activities (A)	(34,660,359,200)	(34,660,359,200)	(22,950,242,135)	(22,950,242,135)
2	Cash from Investment Activities :-				
	Capital Expenditure on Fixed Assets, Including Capital Advances	(2,040,688,769)		(557,068,874)	
	Proceeds from Sale of Fixed Assets	5,902,176		10,642,937	
	Bank Balances not Considered as Cash and Cash Equivalents	(12,674,250,344)		(10,412,638,582)	
	Current Investments not Considered as Cash and Cash Equivalents:				
	- Purchased	-		-	
	Purchase of Long Term Investments:				
	- Joint Venture	(100,000,000)		849,875,000	
	Interest Income (Revenue)				
	- Others	177,89,62,654		118,65,57,981	
	Dividend Received				
	- Joint Venture	2,50,00,000			
	Net Cash Generated from / (used in)	(13,005,074,282)	(13,005,074,282)	(8,922,631,538)	(8,922,631,538)



RAIL VIKAS NIGAM LIMITED

Consolidated Cash Flow Statement for the Period Ended 31.03.2016

S. Particulars No.	Figures for the period ended 31.03.2016		Figures for the period ended 31.03.2015	
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
Investing Activities (B)				
3 Cash Flow from Financing Activities :-				
Proceeds from issuance of share capital (including share application money)	3,03,23,384			
Proceeds from Long Term Borrowings	134,10,14,844		273,00,00,000	
Repayment of Long -Term Borrowings	-		(3,211,087,233)	
Proceeds from Short Term Borrowings	53,536,629,410		31,235,794,179	
Repayment of Short -Term Borrowings	-		(6,476,646,991)	
Dividend and Tax thereon	(1,386,663,797)		(429,117,500)	
Utilisation of Reserve	(3,081,518)		112,114,794	
Net Cash Generated from / (used in) Financing Activities (C)	5351,82,22,324	5351,82,22,324	2396,10,57,249	2396,10,57,249
Net Increase/(Decrease) in Cash & Cash Equivalent (A+B+C)		5,852,788,841		(7,911,816,424)
Cash & Cash Equivalent at the beginning of the Year		828,00,54,281		1619,18,70,707
Cash & Cash Equivalent at the March 31, 2016		1413,28,43,124		828,00,54,281
Cash and Cash Equivalents				
Cash and Cheques in Hand	7,54,27,078		10,21,088	
Balance with Scheduled Banks				
On Current Account	77,96,39,835		109,80,97,338	
On term Deposit Account	1327,77,76,210		718,09,35,855	

Notes :

The above Cash flow statement has been prepared under the indirect method set out in AS-3 issued by The Institute of Chartered Accountants of India and notified u/s 133 of the Companies Act, 2013.

- Previous year's figures have been regrouped and rearranged, wherever necessary.

This is the Cash Flow Statement referred to in our report of even date

For Kumar Chopra & Associates

Chartered Accountants

Firm Registration Number.: 000131N

FOR AND ON BEHALF OF THE BOARD

Sunil Jain
Partner
M. No. 080990

Place: New Delhi
Date: 31.08.2016

S.C. Agnihotri
Chairman and Managing Director
DIN : 01637856

Ashok K. Ganju
Director Finance
DIN : 01970462

Kalpana Dubey
Company Secretary

1. Summary of Significant Consolidated Accounting Policies

1.1 Basis of Preparation

The Consolidated Financial Statements of Rail Vikas Nigam Limited (RVNL) have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the relevant provisions of section 133 the Companies Act, 2013. These financial statements have been drawn up in accordance with the going-concern principle, on accrual basis and on a historical cost basis. However, certain escalation and other claims by customers, which are not ascertainable / acknowledged, are not taken into account. The significant accounting policies adopted by Parent, its subsidiary(ies) and its Joint Ventures if otherwise applicable are given below.

1.2 Principles of Consolidation

- The Consolidated Financial Statements of Rail Vikas Nigam Limited and subsidiary have been consolidated on line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".
- The Company's Interest in Joint Ventures is consolidated by using the proportionate consolidation method as per the method given by Accounting Standard (AS) 27 - "Financial Reporting of Interest in Joint Ventures".
- As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's (RVNL) separate financial statements.
- Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on Accounting for Investments".

1.3 Use of Estimates

Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

1.4. Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standards "3" on "Cash Flow Statements" and presents the cash flows by operating, investing and financing activities. Cash and bank balance that have insignificant risk of change in value, which have durations up to three months, are included in cash and cash equivalents in the cash flow statement.

1.5 Extraordinary and Exceptional Items

Income or Expenses that arise from events or transactions, that are clearly distinct from the ordinary activities, are classified as Extraordinary items. Specific disclosure of such events/transactions is made in the financial statements. Similarly, any external event beyond the control, significantly impacting income or expense, is also treated as an extraordinary item and disclosed as such.

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities, is such that its disclosure improves an understanding of the performance. Such income or expense is classified as an exceptional



item and accordingly disclosed in the Notes to Accounts.

1.6 Tangible Fixed Assets

Tangible Fixed Assets are stated at cost less accumulated depreciation and accumulated impairment in value. Such cost includes acquisition cost inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. The expenses also include borrowing cost attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

1.7 Intangible Assets

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.

1.8 Capital Project Work in Progress:

- a) Expenditure which can be directly identified with the Projects undertaken by the JVs (Angul Sukinda Railway Co. Ltd., Krishnapatanam Railway Co. Ltd.) are debited to "Capital Project Work in Progress". The following amounts are reduced from the Capital Work in Progress:
 - (i) Interest earned on the Mobilization Advances given in respect of the project execution
 - (ii) Amount received on sale of tender
 - (iii) Interest Received from Bank on FDR (Angul Sukinda)"
- b) Projects under which assets are not ready for their intended use and other capital work in progress are carried at cost comprising direct cost, related incidental expenses and attributable interest. (Haridaspur Paradip Railway Co. Ltd.)

1.9 Depreciation

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. Depreciation is provided on pro-rata basis on straight-line method over the estimated useful lives of the assets determined as follows:

Furniture and Fixtures (RVNL/HPRCL)	4 Years
Furniture and Fixtures (other SPV's)	10 Years
Computers	3 Years
Office Equipments (Excluding Mobile Phones)	5 Years
Mobile Phones	2 Years
Station Building (other SPV's)	30 Years
Station Building (BDRCL)	60 Years
P-Way	15 Years
Formation	15 Years
Plant & Machinery (Project)	15 Years
Bridges	30 Years
Vehicles	8 Years



Leasehold improvements are amortized 'over the period of lease' from the year in which such improvements are capitalized or 'over useful life' as computed under schedule II, whichever is less. Capitalized software costs are amortized @ 33.33% on pro-rata basis except where the estimated useful life is less than three years. Capitalized cost of Logo and website are amortized over a period of five years on prorata basis

Depreciation on SLM method is in consonance with the useful life specified in Schedule II of the Companies Act, 2013, except in the case of Furniture & Fixtures and 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.

Angul Sukinda Railway Co. Ltd. (ASRL) and Krishnapatanam Railway Co. Ltd. (KPRCL) are following WDV method while charging depreciation in their stand alone Balance Sheet, however for the purpose of consolidation depreciation of above mentioned JVs have been recomputed as per Straight Line Method (SLM) and adjustments have been done accordingly.

1.10 Impairment of Assets

All assets other than inventories, investments other than interest in Jointly Controlled Entities (JCEs) are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets, whose carrying amount value exceeds their recoverable amount, are written down to the recoverable amount.

1.11 Inventories

- (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) Projects completed and handed over to Railways for operations are being transferred from Project Work in Progress to the Railways. IRFC funded completed projects on transfer are shown as "Lease Receivable" under the heads Non-current/ Current assets in Compliance with AS 19.
- (c) Financial transfers of projects have been carried out in the accounts after handing over / commissioning of the full project to the Zonal Railway and where the expenditure booked against the project at the end of the financial year is at least 95 % of the latest anticipated cost of the work.
- (d) 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.

1.12 Revenue Recognition

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 recognized as follows:

- (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 instalments received from railways is 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.
- (f) Interest on investment is accounted on accrual basis, inclusive of related tax deducted at source.
- (g) Other items of income are accounted as and when the right to receive arises.
- (h) The operating income of the JVs are recognized on accrual basis upon the information as and when received from Railways for the share of revenue due to the company for the operations. The period for which revenue is not intimated by Railway, same is recognized and accounted for on pro-rata estimated basis.

1.13 Cost Recognition

Operating revenue and Operation & Maintenance Cost are recognised as per provisional figures advised by Zonal Railways. (KPRCL, BDRCL and Kutch Railway Co. Ltd.)

1.14 Employee Benefits

a) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service 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 and half Pay Leave, is recognized in the same manner as in the case of defined benefit plans as mentioned in (c) (ii) 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.

1.15 Foreign Currency Transactions

Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of transactions. Monetary items

denominated in foreign currencies out standing at the year end are restated at year end rates. Gains / Losses arising out of settlement are charged / credited to the Profit and loss account.

1.16 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.

1.17 Taxes on Income

Tax on income for the current year is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961, and based on the expected outcome of the assessment/appeals.

Minimum Alternative Tax is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the company.

Deferred tax is recognized annually on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws substantially enacted as on the balance sheet date. Deferred tax assets in respect of unabsorbed depreciation/brought forward losses are recognized to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

1.18 Operating Lease

Operating Leases of company's offices and staff residential premises are renewable/cancellable as laid down in the respective agreements and there is no non-cancellable lease.

1.19 Financial Lease

In case of financial lease substantially all the risks and rewards incidental to legal ownership are transferred and assets given on finance lease are capitalised at the normal sale price/contracted price and treated as sales.

1.20 Provisions and Contingencies

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of a contingent liability is made where there is a possible obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made. Contingent assets are not recognised. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

1.21 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. There after, 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."

1.22 Prior Period Policy

"Income/expenditure relating to prior period and prepaid expenses not exceeding ₹50,000/- in each case treated as income/expenditure of the current year".



1.23 Stale Cheques

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.

1.24 Provision for doubtful debts

Provision is made in respect of debts/ receivable if in the opinion of the management the same are doubtful for recovery, and in respect of debts/ receivables which are more than three years old, the same are considered doubtful of recovery.

1.25 Preliminary Expenses

Preliminary expenses and other expenses incurred towards incorporation of the company, in connection with issue of shares, increase in authorized capital of the company, issue of share certificates etc are to be written off over a period of five years from the date of commencement of commercial operations . However, Preliminary Expenses of Rs 1,05,249/- are fully written off during the year in which they are incurred in respect of Dighi Roha Rail Limited.

For Kumar Chopra & Associates

Chartered Accountants

Firm Registration Number.: 000131N

FOR AND ON BEHALF OF THE BOARD

Sunil Jain

Partner

M. No. 080990

Place: New Delhi

Date: 31.08.2016

S.C. Agnihotri

Chairman and Managing Director

DIN : 01637856

Ashok K. Ganju

Director Finance

DIN : 01970462

Kalpana Dubey

Company Secretary



S. No.	Particulars	as at March 31, 2016 Amount (₹)	as at March 31, 2015 Amount (₹)
2.	Share Capital:		
(a)	Authorised:		
	3,00,00,00,000 Equity Shares of ₹10 Each	3000,00,00,000	3000,00,00,000
(b)	Issued:		
	2,08,50,20,100 Equity Shares of ₹10 Each fully paid up	2085,02,01,000	2085,02,01,000
(c)	Subscribed & Fully paid up		
	2,08,50,20,100 Equity shares of ₹10 Each fully paid up (100% Shareholding with MoR)	2085,02,01,000	2085,02,01,000
	Total	2085,02,01,000	2085,02,01,000

	as at March 31, 2016		as at March 31, 2015	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
(d) Reconciliation of number of Shares:				
Equity Shares:				
Balance at the beginning of the Year	2,085,020,100	20,850,201,000	2,085,020,100	20,850,201,000
Addition during the Year			-	-
Balance at the End of the Year	2,085,020,100	20,850,201,000	2,085,020,100	20,850,201,000

	as at March 31, 2016		as at March 31, 2015	
	No. of Shares held	% holding	No. of Shares held	% holding
(e) Details of shares held by each Shareholder				
Holding more than 5% Shares:				
Ministry of Railways (MoR)		208,50,20,100	208,50,20,100	100

1. Rights, Preferences and Restrictions attaching to shares

Equity Shares: The Company has one class of Equity Shares having a 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.

S. No.	Particulars	as at March 31, 2016 Amount (₹)	as at March 31, 2015 Amount (₹)
3	Reserves and Surplus		
(a)	General Reserve		
	As per last Balance Sheet	1,003,976,095	653,976,095
	Addition during the Year	-	350,000,000
		1,003,976,095	1,003,976,095
(b)	Statement of Profit & Loss:		
	As per last Balance Sheet	8,281,426,283	5,589,984,405
	Addition during the Year		
	Profit after Tax	4,077,312,194	3,226,875,203
	Add: Additional Tax on Dividend (Previous Year)	435,432	
	Add: Transfer from CSR Fund	-	18,910,735
	Less: Depreciation Charged to Reserve	-	(1,088,763)
	Add: Research & Development Expenses	-	7,871,049
	Less: Provision for R&D Expenses	-	(7,871,049)
	Less: Dividend Received from Kutch Railway	25,000,000	



S. No.	Particulars	as at March 31, 2016 Amount (₹)	as at March 31, 2015 Amount (₹)
	Less: Transfer to General Reserve	-	(100,000,000)
	Less: Proposed Dividend (Rs. 0.54 Per Equity Share) (1,151,000,000)		(372,000,000)
	Less: Tax on Dividend (235,663,797)		(81,255,297)
	Less: Interest charged from HPRCL in 2014-15, not eliminated (11,881,904)		
	Less: Adjustment due to change in Shareholding Pattern 11,288,091		
	Net Addition during the Year	2,715,490,016	2,691,441,878
		10,996,916,300	8,281,426,283
(c) Corporate Social Responsibility Fund			
	As per last Balance Sheet	-	18,910,735
	Add: Provision for CSR Expenses	-	-
	Less: Transfer to Retained earnings	-	(18,910,735)
			-
(d) Research & Development Fund			
	As per last Balance sheet	-	-
	Add: Provision for R&D Expenses	-	7,871,049
	Less: Research & Development Expenses	-	(7,871,049)
			-
(e) Capital Reserve			
	As per last Balance sheet	34,423,137	34,423,137
	Less: Impact of dilution in share of Angul	2,923,137	
	Closing Balance	-	34,423,137
		12,032,392,395	9,319,825,515

(1) (a) As per the Companies Act, 2013 an amount equivalent to 2% of Average PBT of immediately preceding 3 Financial Year is required to be incurred till end of the financial year on Corporate Social Responsibility (CSR) Activities. The expenditure of ₹5,97,50,325/- has been incurred on CSR activities during the period ended of financial year 2015-16 in comparison to 2% of average PBT i.e. ₹3,99,16,738/- (annually) as required by the Companies Act 2013.

(b) Amount spent during the year

	In Cash	Yet to be paid in Cash	Total
(i) Construction/acquisition of any assets		-	-
(ii) On purpose other than (i) above	59,731,992	18,333	59,750,325

(c) Bharuch Dahej Railway Company Limited: With the enactment of the Companies Act 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 read with various clarification issued by MCA, the company has undertaken activities as per CSR policy. During the financial year 2015-16, the company has incurred a sum of ₹90,508 towards CSR in accordance with Section 135 of companies Act 2013. Further in compliance of companies Act 2013, company has made payment of ₹1,67,422/- to CSR executing agency, however expenditure to the extent of funds utilised by agency is provided in statement of profit and loss and balance unutilised fund of ₹76,914/- is appearing as prepaid expenses.

(d) Kutch Railway Company Limited: The Company is required to spend ₹6.27 Crores on CSR as follows:

Year	Amount Required to Spend (Rs in Crores)	Amount Spent	Unspent (Rs in crores)
2013-14	1.58	-	1.58
2014-15	2.16	-	2.16
2015-16	2.53	0.75	1.78
Total	6.27	0.75	5.52



The amount due could not be expended as the company could not identify the agency to execute the usefull projects pertaining to CSR in the operational area of the Company. The Company is finalising the viable projects for CSR and During the next finacial years it is expected to incur substantial amount on CSR.

(e) During the year there has been change in shareholding in Angul Sukinda Railway Company Limited from 34.42% to 31.50% , consequential impact of same has been taken into reserve and surplus and other components of financial statements.

4. Share Application Money Pending Allotment

Particular	As at 31.03.2016	As at 31.03.2015
Government of Odisa	20,082,902	-
Paradip Port Trust	10,240,483	-
Total	30,323,384	-

S. No.	Particulars	as at March 31, 2016 Amount (₹)	as at March 31, 2015 Amount (₹)
5	Non-Current Liabilities		
(a)	Long term borrowings		
(i)	secured:		
	From Banks		
	Opening Balance		
	Canara Bank (Bharuch Dahej Railway Co. Ltd.)*	669,546,844	72,66,35,362
	Consortium of Bank (Krishnapatnam Railway Co. Ltd. & Haridaspur Railway Company Limited.)**	1,263,963,395	60,57,76,700
		193,35,10,239	133,24,12,062
(ii)	Unsecured:		
	Indian Railway Finance Corporation (ongoing projects)		
	Opening Balance	2052,90,83,335	1953,15,00,002
	Addition during the Period	255,90,00,000	273,00,00,000
	Less: Repayment to be made within 12 months	-1,819,083,333	(1,732,416,667)
		2126,90,00,002	-
		2320,25,10,241	2186,14,95,397

A. Terms of Loan from Banks (BDRCL)

Rate of Interest

Interest rate for FY 2015-16 was Canara Bank's base rate + 0.30% p.a (Previous Year : the interest rate was fixed by the bank @ 10.75% p.a) on balance amount due with the bank on term loan of ₹81.59 Crores.

Security

- Secured by way of first charge on all present and future immoveable and movable fixed assets of the company excluding those assets that have been leased by Ministry Of Railways as per the Concession Agreement.

- Secured by way of first charge on all the tangible movable property and plant of the company together with spares, tools, accessories and other movables both present and future.

Repayment terms:

- The annual repayment to be sub-divided into four equal quarterly installments. Interest to be served at monthly rests. Door to door tenor of 15 year for Term Loan of ₹70.92 Crores and Door to door tenor of 13 year for Term Loan of ₹10.64 Crores. Repayment due for next one year @ 7% (previous year 7%) of Total debt of ₹70.92 Crores."

B. Additional information of Consortium Loan (HPRCL)

Term Loan from consortium member banks is secured by charges on all present and future tangible & intangible assets wherever situated as per the terms and conditions of Common Loan Agreement dated 13th November 2013. The principal amounts of the loans from consortium member banks is repayable in 39 structured quarterly instalments as per the Amortization Schedule of Common Loan Agreement, commencing from 31st December 2017. However, due to various reasons, the Project is now expected to face time – overrun and the associated cost - overrun. The Company is in the process of assessing the revised DCCO and consequential shift in repayment schedule.



C. Terms of Loan from Banks (KRCL)

i) Interest Terms

The Applicable Interest rate is applicable base rate of SBI plus spread of 1.5%.

ii) Security

The Secured Obligations shall, to the satisfaction of the Secured Parties, be secured to the extent permitted under the Concession Agreement by:-

- a first mortgage and charge on all the Borrower's immovable properties, both present and future (save and except Project Site);
- a first charge on all the Borrower's tangible moveable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future (save and except the Rolling Stocks);
- a first charge on all bank accounts of the Borrower, including but not limited to the Trust and Retention Account and the Retention Accounts, or any account in substitution thereof established and opened pursuant to the provisions of the TRA Agreement or any of the Project Documents wherein all revenues, Drawdowns, Receivables and other funds of the Borrower shall be deposited from time to time and all Permitted Investments or other securities representing all amounts credited to the TRA Account;
- a first charge on all Receivables (including profits of the Borrower after provisions for Tax and dividends (if any as permitted under this Agreement)) of the Borrower pertaining to the Project;
- a first charge on all intangibles of the Borrower including but not limited to goodwill, intellectual property rights, undertakings, present and future;
- a first charge on the uncalled capital of the Borrower;
- a first charge/assignment of the security interest

iii) Terms of Repayment

The Facility shall have a door-to-door tenure of 15 (fifteen) years (including a construction period of 4 (four) years and moratorium period of 1 (one) year). The Facility shall be repaid in 40 (forty) equal quarterly installments starting from June, 2017 and ending on March, 2027.

D. Loan from IRFC (RVNL)

(1) 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.

(2) Company has borrowed funds ₹255,90,00,000 (Financial year 2014-15 ₹273,00,00,000) during the year from Indian Railway Finance Corporation (IRFC). The outstanding borrowing is ₹2308,80,83,335/- (Financial year 2014-15 ₹2226,15,00,002), which includes current liability i.e. repayable in next twelve months ₹181,90,83,333/- (Financial year 2014-15 ₹173,24,16,667).

S. No.	Particulars	as at March 31, 2016 Amount (₹)	as at March 31, 2015 Amount (₹)
(b) Other Non- Current Liabilities			
(i) Interest accrued but not due (IRFC-Ongoing Projects)			
	Opening Balance	460,17,00,332	437,47,77,714
	Add: Interest Accrued during period	192,48,05,036	188,51,00,471
	Less: Repayment to be made within 12 months	(1,537,845,037)	498,86,60,331
		(1,658,177,853)	460,17,00,332
(ii) Interest accrued but not due (IRFC-Completed Projects)			
	Opening Balance	8,924,731	
	Add: Interest Accrued during the Period	581,561,634	554,424,103
	Less: Repayment to be made within 12 months	(607,312,438)	(16,826,072)
		(545,499,372)	89,24,731
(iii) Payable to Zonal Railway)			
	Deferred Liability for Overhead Charges on Operation & Maintenance Cost	302,68,32,124	2,417,742,436
	Land Leased Rental Charges	14,46,55,088	3,171,487,213
		100,555,594	251,82,98,030
Total		814,33,21,472	712,89,23,093



The interest liability has been assessed on the amount disbursed in financial year 2015-16 at the rate of 8.68% (rates applicable for the amount disbursed in the year 2014-15 is 9.56%) 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.

Long-term and Short-term Interest accrued but not due from IRFC have been separately shown for 'ongoing projects' and 'completed projects transferred to MOR'

**The Operation & Maintenance cost includes deferred expenses on account of overhead (i.e. salary for RPF, Accounts, Medical & Personnel and corresponding retirement benefits-DCRG, Pension, Leave salary etc.) which are/were not payable to Zonal Railways as it is deferred for the certain years of operation of the line and the same shall be payable by Company over a period of 5 to 20 years commencing from the 6 to 11th year of operation.

S. Particulars No.	as at March 31, 2016 Amount (₹)	as at March 31, 2015 Amount (₹)
(c) Long term Provisions		
Provision for Retirement Benefits		
Opening Balance	55,757,456	3,89,61,764
Add: Addition during the Period	29,417,222	2,14,81,995
Less: Transfer to due within next twelve months	(3,815,783)	(4,686,303)
Total	8,13,58,895	5,57,57,456

Employee Benefits

Gratuity Benefit is payable to employees on retirement or resignation or death. The amount of gratuity payable is based on past service and salary at time of exit as per Payment of Gratuity Act, 1972.

Company allows Half Pay Leave for every year of service and unutilized portion can be carried forward subject to restrictions on maximum accumulation. This benefit is available only in the event of employee falling sick during the tenure of his service. No encashment is allowed on accumulated Half Pay Leave on exit (retirement, withdrawal, death) from the company.

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.

(d) Deferred Tax Liability (Net)

Deferred Tax Liability (Net)	383,278,185	37,54,56,617
	38,32,78,185	37,54,56,617

The Deferred Tax Liability/Asset of the company (BDRCL and Kutch Railway Co. Ltd.), its subsidiaries and joint ventures as at 31st March, 2016 comprises of the major components of Deferred Tax Liabilities and Deferred Tax Assets under Accounting Standard-22 on 'Accounting for Taxes on Income' the details of the same given here under:

i)Deferred Tax Liability on Account of		
Depreciation	441,433,684	44,60,98,466
Total (A)	44,14,33,684	44,60,98,466
ii)Deferred Tax Assets on Account of		
Provisions	2,328,993	16,95,983
Depreciation and Unabsorbed business Loss	55,826,506	6,89,45,866
Total (B)	5,81,55,499	7,06,41,849
Net Deferred Tax Liability (A+B)	38,32,78,185	37,54,56,617

6 Current Liabilities

(a) Short Term Borrowings

(i) Indian Railways Finance Corporation (On Going Projects)

Unsecured:

Opening Balance	173,24,16,667	164,25,00,000
Add: Addition during the Period	181,90,83,334	173,24,16,667
Less: Repayment during the Period	(1,732,416,667)	(1,642,500,000)
	1,819,083,334	173,24,16,667



S. No.	Particulars	as at March 31, 2016 Amount (₹)	as at March 31, 2015 Amount (₹)
(ii)	Project Advance Capital		
	Ministry of Railways		
	Unsecured:		
	Opening Balance	61,011,822,246	4160,48,02,809
	Addition during the Period	19,651,600,000	2283,12,00,000
	Less: Projects Transferred during the Period	97,166,293	8056,62,55,952
			3,424,180,562
			6101,18,22,247
(iii)	Project Advance (Capital Fund)		
	Ministry of Railways		
	Unsecured:		
	Opening Balance	8,542,959,411	858,76,47,064
	Addition during the Period	-	-
	Less: Projects Transferred during the Period	56,141,116	848,68,18,295
			44,687,653
			854,29,59,411
(iv)	Advance from MoR IRFC loan Repayment		
	Unsecured:		
	Opening Balance	3,676,868,153	339,96,46,928
	Addition during the Period	3,933,800,000	164,25,00,000
	Less: Projects Transferred during the Period	4,844,392,476	2,766,275,677
			1,365,278,775
			3,676,868,153
(v)	Misc. Advance Capital (Metro project)		
	Unsecured:		
	Opening Balance	15,635,000,000	1165,50,00,000
	Addition during the Period	4,673,300,000	398,00,00,000
	Less: Projects Transferred during the Period		2030,83,00,000
			1563,50,00,000
(vi)	Project Advance Capital Bonds		
	Opening Balance	3,217,900,000	321,79,00,000
	Addition during the Period		-
	Less: Projects Transferred during the Period	321,79,00,000	
			321,79,00,000
(vii)	Project Advance Safety Fund		
	Opening Balance	725,500,000	40,54,00,000
	Addition during the Period	139,700,000	32,01,00,000
	Less: Projects Transferred during the Period	86,52,00,000	-
			72,55,00,000
(viii)	Development Fund-3		
	Opening Balance	1,118,800,000	48,00,00,000
	Addition during the Period	260,600,000	63,88,00,000
	Less: Projects Transferred during the Period	137,94,00,000	-
			111,88,00,000
(ix)	Depreciation Reserve Fund		
	Opening Balance	-	-
	Addition during the Period	300,000	-
	Less: Projects Transferred during the Period	300,000	-
			- \
(x)	Project Advance EBR (IF)		
	Opening Balance	-	-
	Addition during the Period	30,416,400,000	
	Less: Projects Transferred during the Period	-	3041,64,00,000



S. No.	Particulars	as at March 31, 2016 Amount (₹)		as at March 31, 2015 Amount (₹)	
(xi)	HSR Studies under Demand-2				
	Opening Balance	50,000,000		-	
	Addition during the Period	74,624,954		5,00,00,000	
	Less: Projects/Fund Transferred during the Period	(124,624,954)	-	-	5,00,00,000
(xii)	Deposit Andhra Pradesh Govt.				
	Opening Balance	860,000,000		860,000,000	
	Addition during the Period	1,200,000,000		-	
	Less: Projects Transferred during the Period	-	2,060,000,000	-	860,000,000
(xiii)	Deposit Telangana State Govt.				
	Opening Balance	300,000,000		-	
	Addition during the Period	-		300,000,000	
	Less: Projects Transferred during the Period	-	300,000,000	-	300,000,000
(xiv)	Deposit Tamil Nadu Govt.				
	Opening Balance	1,778,037,371		1,185,039,673	
	Addition during the Period	-		592,997,698	
	Less: Projects Transferred during the Period	(1,778,037,371)	-	-	1,778,037,371
(xvi)	Loan from Banks (Secured)				
	Loan from Canara Bank	57,088,518	57,088,518	57,088,518.00	57,088,518
		15224,30,21,776		9870,63,92,366	
Fund received from State Governments in respect of sharing projects will be adjusted at the time of financial transfer of the related projects.					
(b)	Trade Payable				
	Micro ,Small & Medium Enterprises				-
	Others	1,064,229,954			50,09,28,353
		106,42,29,954			50,09,28,353
(c)	Other current liabilities				
	Earnest Money & Security Deposit	43,48,96,344			53,97,78,082
	Performance Security Deposit	291,31,32,613			226,58,93,488
	Staff Expenses Payable	4,63,17,647			3,83,67,336
	Sundry Creditors Others	6,78,49,894			5,36,48,566
	Misc. Deposit	22,47,98,142			13,99,54,207
	Retention money	81,87,11,272			55,64,47,879
	Duties & Taxes	22,11,02,574			16,76,80,843
	Advance received from Customers against Deposit Works	124,28,50,526			37,23,06,212
	Interest Accrued but not due on Loan: (IRFC)				
	Opening Balance	1,599,738,034		217,23,63,489	
	Add: Addition during the Period	1,537,845,037		165,81,77,853	
	Less: Payment during the Period	(1,634,108,985)	1,503,474,086	(2,239,790,141)	1,590,751,201
	Interest Accrued but not due on Loan: (IRFC-Completed)				
	Opening Balance	545,499,372			
	Add: Addition during the Period	607,312,438		545,499,372	
	Less: Payment during the Period	(567,257,182)	585,554,628	-	545,499,372



S. No.	Particulars	as at March 31, 2016 Amount (₹)	as at March 31, 2015 Amount (₹)
	Advance from Ministry of Railways		30,00,000
	Interest Accrued but not due on Bank Loans		6,653,895
	Other Liabilities	8,02,04,172	7,82,22,009
	Expenses Payable	1,36,98,395	55,13,762
	Cheque issued but not encashed		1,13,98,728
		815,25,90,293	640,21,15,579
(d) Short-term provision			
(i)	Provision for Taxation	27,94,35,638	26,26,14,461
(ii)	Dividend & Dividend Tax Payable	138,66,63,797	372,000,000
(iii)	Provision for Foreign Service Contribution	5,18,64,584	6,32,15,690
(iv)	Provision for PRP	-	4,31,47,626
(iv)	Provision for Ex-Gratia	5,34,09,910	3,00,03,000
(v)	Provision for Retirement Benefit	66,02,335	6,698,373
(vi)	Provision for LTC	17,26,031	16,23,877
(vii)	RVNL Welfare Scheme	10,00,00,000	50,000,000
(viii)	Provision for 7th Pay Commission	2,98,21,160	
		199,04,55,142	82,93,03,027

Foot Note for 6(d) (i)

Income Tax.

1. Provision for Income Tax has been made as Tax computed under the Income Tax Act, 1961.
2. In compliance with provisions of Accounting Standards and based on general prudence, the RVNL does not recognised the Deferred Tax Assets as there is no reasonable certainty of their realisation, however Deferred Tax assets and Liability for joint ventures has been consolidated proportionately.

Foot Note for 6(d) (iii)

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.

Foot Note for 6(d) (vii) & (viii)

RVNL Medical and Welfare Scheme

RVNL has contributed ₹1,64,04,417 during the financial year 2015-16 in the RVNL Medical Scheme.



7. Fixed Assets

Block of Assets	GROSS BLOCK					DEPRECIATION			NET BLOCK	
	As at 1st April 2015 Rupees (₹)	Additions during the Year Rupees (₹)	Deletions / Adjustments during the Year Rupees (₹)	Cost up to 31st March 2016 Rupees (₹)	As at 1st April 2015 Rupees (₹)	Depreciation during the Year Rupees (₹)	Depreciation on Sale / Adjustments Rupees (₹)	Up to 31st March, 2016 Rupees (₹)	As at March 31, 2016 Rupees (₹)	As at March 31, 2015 Rupees (₹)
(i) Tangible Assets										
Project Assets										
Station Building	539,813,760	620,961	-	540,434,721	60,080,411	18,028,379	-	78,108,790	462,325,931	479,733,349
Land	79,830,609	-	-	79,830,609	-	-	-	-	79,830,609	79,830,609
Bridges	120,380,934	61,793	1,187,397	119,255,330	22,385,287	3,808,442	-	26,193,729	93,061,602	97,995,647
P-Way	3,149,648,321	67,697,906	3,562,025	3,213,784,202	1,037,520,968	231,223,292	112,738	1,268,631,522	1,945,152,680	2,112,127,353
Formation (Base For Laying Tracks)	290,129,149	2,865,683	-	292,994,832	63,659,990	17,471,519	-	81,131,509	211,863,323	226,469,159
Plant & Machinery (Project)	876,684,659	11,493,506	-	888,178,165	201,154,299	59,243,401	-	260,397,700	627,780,465	675,530,360
Total (A)	5,056,487,432	82,739,849	4,749,422	5,134,477,859	1,384,800,955	329,775,032	112,738	1,714,463,249	3,420,014,610	3,671,686,477
Other Tangible Assets										
Car	4,574,959	-	-	4,574,959	3,108,257	230,358	-	3,338,615	1,236,344	1,466,702
Computer	646,192	182,239	14,831	813,601	345,098	171,988	14,089	502,996	310,604	301,094
EDP Assets	102,583,471	17,953,009	3,711,464	116,825,016	84,124,909	17,535,549	3,173,692	98,486,766	18,338,250	18,458,562
Plant & Machinery (Others)	1,345,106	418,668	118,490	1,645,284	343,691	161,168	78,231	426,627	1,218,656	1,001,415
Furniture & Fixture	71,855,444	10,399,565	1,242,784	81,012,226	58,203,192	9,651,009	983,009	66,871,192	14,141,034	13,652,252
Office Equipment	68,062,163	11,815,871	2,166,103	77,711,931	56,488,866	11,246,740	1,739,156	65,996,449	11,715,482	11,573,297
Lease Hold Improvement	91,939,040	9,996,286	-	101,935,326	71,921,038	9,640,813	-	81,561,851	20,373,475	20,018,002
Office Building	14,324,668	87,021	-	14,411,689	207,544	453,614	-	661,158	13,750,530	14,117,124
Total (B)	355,331,043	50,852,659	7,253,671	398,930,031	274,742,595	49,091,239	5,988,178	317,845,655	81,084,376	80,588,448
Total Tangible Assets (A+B)	5,411,818,475	133,592,508	12,003,092	5,533,407,890	1,659,543,550	378,866,271	6,100,916	2,032,308,905	3,501,098,986	3,752,274,925
(ii) Intangible Assets										
Software	10,847,863	128,224	9,892,970	1,083,117	10,538,588	260,890	9,892,970	906,508	176,609	309,275
Other Intangible Assets	1,455,062	-	-	1,455,062	523,089	291,012	-	814,101	640,961	931,973
Total Intangible Assets	12,302,925	128,224	9,892,970	2,538,179	11,061,677	551,902	9,892,970	1,720,609	817,570	1,241,248
	5,424,121,400	133,720,732	21,896,062	5,535,946,069	1,670,605,227	379,418,173	15,993,886	2,034,029,513	3,501,916,556	3,753,516,173
(iv) Intangible Assets under Development										
Enterprise Resource Planning	16,575,496	39,236,522	-	55,812,018	-	-	-	-	5,58,12,018	16,575,496
Website under Development	-	5,00,000	-	500,000	-	-	-	-	5,00,000	-
Total Intangible Assets under development	16,575,496	39,736,522	-	56,312,018	-	-	-	-	56,312,018	16,575,496



Note 7: Capital Work In Progress

Capital Work In Progress	As at 1 April 2015	Additions.	Disposal/ Transfer	As at 31st March 2016
Renovation of Office	-	217,495	-	217,495
A. Direct Project Expenditure				
Civil Works				
Civil Work	18,369,391	2,098,818	-	20,468,209
Bhildi Running Room	10,737,182	(1,018,455)	-	9,718,727
Development of Multi Functional Complex	14,244,837	1,962,210	(16,207,047)	-
Intermediate Block Section	39,632,028	1,787,500	-	41,419,528
New Delhi Office	-	-	-	-
P.Way	111,479,223	157,219,929	-	268,699,152
Data Logger	-	2,885,267	-	2,885,267
Preliminary Project Expenditure	14,098,361	4,201,096	-	18,299,457
Expenditure Pending Allocation	-	-	-	-
Fuse	-	1,740,742	-	1,740,742
Expenditure Pending Allocation	-	-	-	-
PNU-SIOB Doubling	-	(49,000)	-	(49,000)
Residence for ADSTE-RDHP	-	148,011	-	148,011
Strengthening of Bridges	-	371,581	-	371,581
Track Fitting Renewal	-	5,120,839	-	5,120,839
Track Renewal Work	-	2,315,670	-	2,315,670
Through Weld Renewal & related work	-	2,799,982	-	2,799,982
Adesar & Santalpur Improvement	-	7,409,489	-	7,409,489
Bankability Study	-	477,078	-	477,078
Shifting Overhead & Under Ground Crossing	760,584	97,439	-	858,023
Expenditure on Project Line 05	314,362	6,933,040	-	7,247,402
Site Facilities	10,996,961	15,305,094	-	26,302,056
Formation	470,025,881	564,377,292	-	1,034,403,173
Land*	967,275,905	100,992,922	-	1,068,268,827
Station & Building	24,184,484	6,750,751	-	30,935,234
Equipment Plant & Machinery	27,739	-	-	27,739
Bridge Work	961,184,523	892,485,791	-	1,853,670,314
Detail Design Engg. (CIVIL)	1,337,037	513,316	-	1,850,353
Direction & General Charges**	130,859,429	73,479,153	-	204,338,582
Departmental Charges	18,899,417	9,756,068	-	28,655,485
Signaling & Telecom				
Signaling & Telecom	20,548,412	63,450,154	-	83,998,565
Detailed Design Engineering	18,263,430	-	-	18,263,430
Direction & General Charges S&T	3,230,152	10,540	-	3,240,692
Electrical				
Electrical Work	61,171,681	8,838,355	-	70,010,037
Electrification of Building	8,063,240	-	-	8,063,240
Overhead Electric Equipment	89,972,805	281,824	-	90,254,629
Direction & General Charges	12,597,072	283,960	-	12,881,032
Finance Cost	112,370,695	89,615,914	-	201,986,609
Interest to RVNL				
Interests During Construction	2,795,986	138,751	(242,228)	2,692,509
Less: Sale of Tender	12,674,651	75,437	-	12,750,088
Less: Interest On Mobilization Advance	14,443,309	16,058,476	-	30,501,785
Less: Interest on Bank deposits	82,881,313	134,194,393	-	217,075,706
Less: Transfer from Reserve and Surpluses	72,262,007	10,684	-	72,272,691
Total	2,941,179,539	1,872,659,625	(16,449,275)	4,797,389,889
B. Incidental Expenditure During Construction (IEDC)	20,997,528	11,351,253	-	32,348,781
Total (A + B)	2,962,177,067	1,884,010,878	(16,449,275)	4,829,738,670

* Leasehold Land, under the head Capital Work in Progress represents payments made for land acquisition through Zonal Railways. The title of land acquired / to be acquired will, however continue to remain with the Zonal Railway and the Company will hold the leasehold rights on the Land till the period of Concession Agreement i.e., 30 years or on attainment of the Net Present Value (NPV) payback equal to equity investment @14%, whichever is earlier. In case the NPV payback is reached earlier then 30 years, the concession agreement would stand terminated and the project line would be repossessed by railway.

The Leasehold Land so acquired by the Company (through Zonal Railway) will remain the property of Company till the period of Concession Agreement and thereafter will revert to Zonal Railway, upon payment of the value of land from the Zonal Railway. Hence no amortization for land value has been done by the Company.

Interest received from banks of Rs. 13.42 Crore has been credited from Capital work in progress during financial year 2015-16.



S. No.	Particulars	as at March 31, 2016 Amount (₹)	as at March 31, 2015 Amount (₹)		
7	Non Current investment				
	Share Application Money Pending Allotment Indian Port Railway Company Limited	100,000,000	-		
		<u>100,000,000</u>	<u>-</u>		
8	Long Term Loans & Advances				
(a)	Recoverable from Ministry of Railways(For On Going Projects) (Interest Accrued but not due) (Unsecured, considered good)	4,988,660,331	4,601,700,332		
(b)	Recoverable from Ministry of Railways (Completed Projects) (Interest -Completed Projects)(Unsecured, considered good)	(16,826,072)	8,924,731		
(c)	Employees Loan & Advances	7,786,589	96,12,360		
(d)	Security Deposits	50,904,380	3,49,91,601		
(e)	Advance for Capital Assets	516,693,813	37,54,56,858		
		<u>554,72,19,041</u>	<u>503,06,85,882</u>		
9	Other Non-Current Assets				
	Lease Receivables				
	Opening Balance	4,984,638,611	478,43,69,903		
	Add: Transfer during the Period	4,363,730,079	175,61,35,640		
	Less: Adjustment during the Period	(1,890,854,996)	(792,545,051)		
	Less: Repayment to be made within 12 months	(1,089,832,859)	(763,321,881)		
		636,76,80,835	498,46,38,611		
10	Project Work-in-Progress				
S. No.	Particulars	Opening Balance as at 01.04.2015	Addition from 01.04.2015 to 31.03.2016	Project Transferred from 1.4.2015 to 31.03.2016	As at March 31, 2016
		Rupees (₹)	Rupees (₹)	Rupees (₹)	Rupees (₹)
1	Civil Works				
	Bridges	2330,98,43,246	801,08,30,629	85,93,39,704	3046,13,34,171
	Civil Works	119,44,54,941	(1,013,656,792)	(36,573,609)	21,73,71,757
	Preliminary Project Expenditure	97,61,48,093	17,77,92,497	4,24,77,736	111,14,62,854
	Tools & Plant	18,57,88,744	51,04,85,101	2,11,18,783	67,51,55,062
	Formation	1127,79,35,225	379,76,20,751	35,24,34,910	1472,31,21,066
	Land	177,64,00,410	26,16,67,907	43,44,745	203,37,23,572
	Permanent Way	3619,04,35,420	1286,08,06,190	382,82,06,569	4522,30,35,042
	Detailed Design & Engineering (Civil)	12,08,01,098	5,66,85,133	144	17,74,86,087
	Station Buildings	660,81,79,903	374,83,29,695	29,18,20,695	1006,46,88,904
	Total Civil Work (A)	8163,99,87,080	2841,05,61,111	5,363,169,676	10468,73,78,514
2	S & T Work				
	Detailed Design & Engineering	24,46,28,096	13,39,195	212,983	24,57,54,308
	Signaling Arrangement	369,68,89,516	204,04,68,235	610,086,983	512,72,70,768
	Telecommunication Arrangement	10,11,44,065	64,32,486	527	10,75,76,025
	Signaling & Telecom Works	522,75,05,203	65,33,06,911	134,581,722	574,62,30,392
	Total S & T Work (B)	927,01,66,880	270,15,46,828	744,882,216	1122,68,31,493



S. Particulars No.	Opening Balance as at 01.04.2015	Addition from 01.04.2015 to 31.03.2016	Project Transferred from 1.4.2015 to 31.03.2016	As at March 31, 2016
	Rupees (₹)	Rupees (₹)	Rupees (₹)	Rupees (₹)
3 Electrical Works				
General Electrification	459,13,04,097	76,32,68,311	11,31,68,895	524,14,03,513
Detailed Design & Engineering (Electrical)	49,179,592,92	1,87,56,691	74,105	6,78,62,179
Overhead Electric Equipment	1146,71,39,295	344,84,74,359	5,14,55,849	1486,41,57,805
Total Electrical Work (C)	1610,76,22,985	423,04,99,361	164,698,849	2017,34,23,497
4 Incidental Expenditure during Construction Period				
Opening Balance	144,15,93,581	-	18,976,634	142,26,16,947
Project related Direct Expenditure				
Project management Consultancy	605,026,525	91,62,25,159	28,95,642	151,83,56,042
Direction & General Charges to Railways	35,200,519	10,32,26,420	2,250,000	13,61,76,939
Total Incidental Expenditure During Construction Period	208,18,20,625	101,94,51,579	24,122,276	3,077,149,928
Less: Interest on Mobilisation Advance	442,152,217	47,76,69,940	-	91,98,22,157
Net Incidental expenditure Apportioned to Projects in the ratio of spending on individual projects to project expenditure (D)	163,96,68,408	54,17,81,639	24,122,276	2,157,327,771
5 Others				
Expenditure Pending Allocation	53,08,37,178	(103,778,453)	-	42,70,58,725
Management fees	652,68,19,390	302,19,37,724	2,73,60,158	952,13,96,956
Total Others (E)	705,76,56,568	291,81,59,271	27,360,158	994,84,55,681
Total Project Work in Progress	11571,51,01,921	3880,25,48,209	6,324,233,174	14819,34,16,956
Less: Credit from Release Material	3,50,686	-	26,556	324,130
Less: Deposit (LD, Penalty & Misc Deposit)	6,71,77,983	-	12,335,459	79,513,442
Net Project Work in Progress for MOR Projects (A)	11564,75,73,252	3880,25,48,209	6,336,542,077	14811,35,79,384
6 Others				
Preliminary Project Expenditure	2,65,20,048	13,98,40,271	-	16,63,60,319
Others Project work in Progress	-	14,23,758	-	14,23,758
Less : Sale of Tender	-280,000	-	-	-280,000
Net Project Work in Progress for Others (B)	2,62,40,048	14,12,64,029	-	16,75,04,077
Total Work in Progress (MoR + Others)	11567,38,13,300	3894,38,12,238	6,336,542,077	14828,10,83,461

- Land cost included in Project Work in Progress represents payments made through various Zonal Railways/ to concerned authority for the purpose of acquisition of land. The total payment made amounts to ₹203,37,23,572/- (As on 31.03.2015: ₹177,64,00,410). The land so acquired is in the name of the concerned Zonal Railway.
- The Company is executing projects assigned by MOR. In some of the projects, initially transferred to the Company, work was already in progress and some of the Zonal Railways had incurred expenditure on those projects prior to their transfer to the Company. The expenditure made by the concerned Railways prior to the formation of the Company has not been taken into account.
- In the opinion of the Management, the value of current assets, loans and advances on realization in the ordinary course of business, will not be less than the value at which these have been stated in the Balance Sheet.
- "Interest on mobilization Advance, recovered from the Contractors as per the terms and conditions of the contract, is being credited to the project."
- Financial transfers of projects have been carried out in the accounts after handing over / commissioning of the full project to the Zonal Railway and where the expenditure booked against the project at the end of the financial year is at least 95 % of the latest anticipated cost of the work.



S. No.	Particulars	as at March 31, 2016 Amount (₹)	as at March 31, 2015 Amount (₹)
11	Trade Receivables		
(a)	More than 6 months		
	Unsecured-Considered good	2,926,876,836	43,28,98,772
(b)	Other (less than 6 months)		
	Unsecured-Considered good	1,463,297,346	169,75,24,295
		439,01,74,182	213,04,23,067
12	Cash and Bank Balances		
	Cash and Cash Equivalent		
(i)	Balances with Bank		
	-- Current Account	779,639,835	109,80,97,338
	-- Fixed Deposits (Maturity less than 3 Months)	13,277,776,210	718,09,35,855
(ii)	Cheque-in-Hand	74,624,954	23,489
(iii)	Imprest	802,124	9,97,599
		14,132,843,124	828,00,54,281
	Other Bank Balances		
(i)	Balances with Bank		
	Term Deposit in Schedule Bank	2308,68,88,926	1041,26,38,582
		23,086,888,926	10,412,638,582
		37,219,732,050	1869,26,92,863
13	Short Term Loan & Advances		
	Advance Receivable in Cash or in kind or for value to be Received: (Unsecured, considered good)		
(a)	Recoverable from Ministry of Railway (Interest) (On going Projects)	1,494,487,253	159,07,51,201
(b)	Recoverable from Ministry of Railway (Completed Projects)	58,55,54,628	545,499,372
(c)	Interest accrued on Fixed Deposit	345,906,817	20,49,25,434
(d)	Interest accrued on Mobilization Advance	59,520,929	6,99,97,065
(e)	Security Deposit	4,072,878	41,80,678
(f)	Advance Tax and Tax Deducted at Source	372,269,870	31,36,49,108
(g)	Others	177,384,252	15,66,09,644
(h)	MAT Credit Entitlement	650,400,574	50,65,22,444
		368,95,97,202	339,21,34,946
14	Advances for Project Work		
(a)	Advances to Zonal Railways	1,358,147,996	92,57,00,507
(b)	Advances for Sleepers	2,046,101,646	124,81,36,448
(c)	Mobilisation Advances	2,631,531,193	266,68,04,431
(d)	Other Advances	7,064,615,029	380,09,28,297
		1310,03,95,864	864,15,69,683
15	Other Current Assets		
	Lease Receivables		
	Opening Balance	75,21,71,313	56,15,83,156
	Add: Transfer during the Period	108,98,32,859	76,33,21,881



S. No.	Particulars	as at March 31, 2016 Amount (₹)	as at March 31, 2015 Amount (₹)
	Less: Repayment to be made within 12 months	75,21,71,313	572,733,724
		108,98,32,859	75,21,71,313
16	Revenue from Operation:		
	(Turnover from Construction Work in Progress (Project Activity))		
	- From MoR Projects	3395,16,62,662	2437,23,65,210
	- From MoR Metro Projects	469,81,44,528	351,89,33,068
	- From MoR Projects (Executed by Zonal Railways)	15,27,41,020	27,92,51,991
	- From Deposit Work - Projects (SPV)	388,24,38,850	181,48,31,395
	- From Deposit Work - Project (Others)	78,50,63,044	51,77,22,431
		4347,00,50,104	3050,31,04,095
	Turnover from		
	Apportioned freight earnings	388,51,91,596	397,42,02,834
		4735,52,41,700	34,477,306,929
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 Profit & Loss account. The miscellaneous receipts from sale proceeds of Tender and other income has been credited to the P&L account.			
17	Other income		
(a)	Interest income		
	- Banks - Gross	153,75,73,566	112,80,66,748
	- Others - Gross	24,13,89,088	177,89,62,654
			5,84,91,233
			118,65,57,981
(b)	Dividend income:	-	-
(c)	Misc Income	4,96,08,162	1,74,77,219
		182,85,70,816	120,40,35,200
"Interest from others" includes interest from Special Purpose Vehicles (SPVs) against balances outstanding.			
18	Expenses on Operations		
	(Direct Expenses on Construction and Project related Activity)		
	- Incurred on MoR Projects	3133,61,28,967	2249,28,62,700
	- Incurred on MoR Metro Projects	429,17,40,498	320,97,15,718
	- Incurred on Projects (Zonal Railway)	15,27,41,020	27,92,51,991
	- Incurred on Deposit Work - Projects (SPV)	353,78,64,749	162,70,77,256
	- Incurred on Deposit Work - Projects (Others)	71,88,04,170	4003,72,79,404
			47,80,84,366
			2808,69,92,031
	Direct Expenses on Apportioned freight earnings		
	Operation & Maintenance Expenses	22,99,38,171	155,65,69,838
	Overhead Costs	203,40,57,832	61,25,69,440
		4230,12,75,408	3025,61,31,309

- Expenditure on Work in Progress against contracts awarded by the Company is recognized on completion of measurements and testing certified by the Engineer.
- 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



S. No.	Particulars	as at March 31, 2016 Amount (₹)	as at March 31, 2015 Amount (₹)
	statement of estimated expenditure received from respective Zonal Railways and is adjusted allocation-wise as and when the final expenditure statement is received.		
3.	The value of projects commissioned / completed and put to use by Railways during financial year are ₹632,42,06,618 (Previous year ₹522,50,03,855). Out of the same, the value of completed projects funded through MOR sources are of ₹15,33,07,409 (previous year ₹346,88,68,216) and IRFC funded are of ₹617,08,99,209 (previous year ₹175,61,35,640). The financial adjustments for MoR projects have been carried out against Project Advance (Capital) and Project Advance (Capital Fund) respectively in the Balance Sheet leading to a reduction in Loan Funds and Project Work in Progress to the tune of ₹632,42,06,618 (previous year ₹522,50,03,855). Further with regard to IRFC funded projects, Project Work in Progress has been reduced by the amount of ₹617,11,88,124/- (Previous Year ₹175,61,35,640-) and corresponding asset as Lease Receivable has been created in accordance with the procedure order finalized by MoR and in accordance with Accounting Standard for lease. As some minor works may still be required, the expenditure incurred on projects subsequent to the date of financial adjustments will be cleared at the time of drawing the completion reports."		
4.	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 practises. 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.		
19	Employee benefits expense		
	(a) Salaries and Wages	74,63,49,370	60,78,97,267
	(b) Contribution to Provident & Other Funds	3,50,11,218	3,00,81,490
	(c) Staff Welfare Expenses.	13,12,27,252	8,13,87,849
		91,25,87,839	71,93,66,606
20	Other Expenses		
	(a) Power & Fuel	1,57,88,061	1,32,81,695
	(b) Rent**	4,97,17,850	3,61,66,493
	(c) Rates & Taxes	11,818	38,073
	(d) Miscellaneous Expenditure	79,08,824	66,91,000
	(e) Payment to Auditors	-	
	(i) As Auditor	10,31,797	7,93,216
	(ii) For Taxation Matters	2,67,377	2,20,173
	(iii) For Other Services	1,52,111	1,32,312
	(iv) For Expenses	27,085	79,423
	(f) Advertisement and Business Promotion	3,43,02,526	2,91,28,013
	(g) Project Management Consultancy	7,89,20,881	4,45,37,252
	(h) Printing and Stationery	2,16,98,102	1,86,58,048
	(i) Travelling & Local Conveyance	2,51,84,811	1,97,00,598
	(j) Communication	2,08,38,535	2,06,56,241
	(k) Books & Periodicals	4,46,396	1,85,934
	(l) Prior Period Items	8,26,321	(857,789)
	(m) Legal and Professional Charges	3,39,86,708	2,29,89,249
	(n) Consultant Fee	4,12,88,074	2,04,21,109
	(o) Other expenses	3,89,38,268	2,77,63,828
	(p) D & G to Zonal Railway	29,90,000	29,00,000
	(q) Expenditure of Multi Functional Complex	1,62,07,047	
	(r) Interest on Loan from IRFC (Compete Project)*	58,15,61,635	554,424,103
	Less: Interest receivable from MoR on loan from IRFC	(581,561,635)	(554,424,103)
		39,05,32,592	26,34,84,868



S. No.	Particulars	as at March 31, 2016 Amount (₹)	as at March 31, 2015 Amount (₹)
21	Finance Cost		
(a)	Interest Cost	8,87,52,230	9,98,28,611
		8,87,52,230	9,98,28,611
*	Interest/ payable on IRFC Loan for the above mentioned period, recoverable from MOR/ payable to IRFC, for completed/ transferred project has been disclosed .		
**	Rent relates to non -cancellable operating Lease		
22	Other Expenses		
(a)	CSR Expenses	6,73,40,830	4,54,47,097
(b)	Research & Development Expenses	28,63,566	12,40,400
		7,02,04,396	4,66,87,497

23 Segment Reporting

The Company has identified two primary reporting segments based on business of construction and Freight from operation of Railway Line as per AS-17.

	Freight Revenue		Construction Revenue		Total	
Particulars	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
A. Turnover						
Revenue From Operations (External Customers)	3,885,191,596	3,974,202,834	39,587,611,254	28,688,272,700	43,472,802,850	32,662,475,534
Internal Segment Revenue			5,825,396,749	2,731,422,238	5,825,396,749	2,731,422,238
Eliminations			1,942,957,899	916,590,843	1,942,957,899	916,590,843
Total Revenue from Operations	3,885,191,596	3,974,202,834	43,470,050,104	30,503,104,095	47,355,241,700	34,477,306,929
Other Income	338,973,330	304,648,811	1,489,597,486	899,386,389	1,828,570,816	1,204,035,200
Total Revenue	4,224,164,926	4,278,851,645	44,959,647,590	31,402,490,484	49,183,812,516	35,681,342,129
B. Results						
Direct Expenses	2,263,996,004	2,169,139,278	40,037,279,404	28,086,992,031	42,301,275,408	30,256,131,309
Other Expenses	42,295,189	27,505,216	1,331,029,638	1,002,033,755	1,373,324,827	1,029,538,971
Total Expenses other than Depreciaiton & Finance Cost	2,306,291,193	2,196,644,494	41,368,309,042	29,089,025,786	43,674,600,235	31,285,670,280
Profit before depreciation & interest	1,917,873,733	2,082,207,151	3,591,338,548	2,313,464,698	5,509,212,281	4,395,671,849
Depreciaiton	329,775,032	322,231,215	49,313,052	54,206,521	379,088,084	376,437,736
Interest	88,752,230	99,828,611	-	-	88,752,230	99,828,611
Profit Before Tax	1,499,346,471	1,660,147,324	3,542,025,496	2,259,258,178	5,041,371,967	3,919,405,502
Tax Expense	286,719,494	293,335,896	677,340,279	399,194,404	964,059,773	692,530,300
Profit After Tax	1,212,626,977	1,366,811,428	2,864,685,217	1,860,063,774	4,077,312,194	3,226,875,202
C. Other Informations						
Segment Assets	13,021,154,767	7,755,664,867	211,650,611,414	154,522,458,610	224,671,766,182	162,278,123,477
Including Fixed Assets (Net Block)	3,420,014,610	3,671,686,477	81,901,945	80,588,448	3,501,916,555	3,752,274,925
Segment Liabilities	7,237,846,566	3,659,940,594	188,022,919,392	132,200,431,294	195,260,765,958	135,860,371,888
Capital Expenditures-Additions to Fixed Assets	82739849.03	128,007,710	50,852,659	57,874,114	133,592,508	185,881,824



24. Contingent Liabilities

24.1 Contingent liability in respect of claims by the contractor/Railway on account of Arbitration not acknowledged as debts by the Company is ₹3284,42,28,466/- (Financial year 2014-15 ₹682,33,39,602). A claim if any will be form part of the project cost and reimbursable by respective Clients. A claim if any will be form part of the project cost and reimbursable by respective Clients.

24.2 Contingent Liability in respect of statutory liabilities are shown as under and company has not accepted the claim and submitted its representation to department.

Name Of the Company	Statutory Liability	Amount in Rs
Rail Vikas Nigam Limited	Income Tax Department	7,056,434
Angul Sukinda Limited	Income Tax Department	1,945,831
Haridaspur Railway Company Limited	Income Tax Department	1,024,796
Krishnapatnam Railway Company Limited	Income Tax Department	13,560,000
Krishnapatnam Railway Company Limited	Service Tax Department	63,000,000
Bharuch Dahej Railway Company Limited	Service Tax Department	115,989,660
Kutch Railway Company Limited	Service Tax Department	1,479,850,000

25. Capital Commitment

Capital commitment towards share capital in SPV's is ₹30,10,00,000/- . Estimated amount of works remaining to be executed on capital account and not provided for: ₹1130,60,16,770/- (Previous Year ₹376,20,32,630/-).

25.1 Other Commitment

Commitment towards Contractual Payments of Project expenditure is ₹10891,77,30,000/- (Financial year 2014-15 ₹11371,80,70,000).

26. Related Party Disclosure

26.1 Key Management Personnel:

Sh. S.C. Agnihotri : Managing Director

Sh. Ashok Krishna Ganju: Director Finance

Ms. Gita Mishra : Director Personnel

Sh. Mukul Jain : Director Operation

Sh. Vijay Anand : Director Projects

Sh. Aditya Prakash Mishra :Managing Director

Sh. Sanjeev Sharma :Company Secretary

Sh. Ankur Rastogi : Chief Financial Officer

Dilip Kumar Samnatray :Managing Director

Sh. SriManta Baboo :Company Secretary

Sh. Amit Kumar Singh :Chief Financial Officer

Sh. PK Mishra : Management Personnel

Sh. Navin Aggarwal: Management Personnel

Sh. SK Sathpathy : Management Personnel

Sh. Rajendra Kashyap: Management Personnel

Sh. Balkishan Sharma: Management Personnel

Smt. Beena Shah : Management Personnel



26.2 Managerial Remuneration

	Year Ended March 31,2016 (₹)	Year Ended March 31,2015 (₹)
Salary & allowances	2,62,61,924	3,14,17,840

27. Earnings per Share:

The numerators and denominators used to calculate Basic Earnings per Share are:

	Year Ended March 31,2016 (₹)	Year Ended March 31,2015 (₹)
Profit Attributable to the shareholders (₹) (A)	407,73,12,194	322,68,75,203
Basic average number of Equity Shares outstanding at end of Year (Nos.) (B)	208,50,20,100	208,50,20,100
Weighted average number of Equity Shares outstanding at the end of Year (Nos.) (C)	208,50,20,100	208,50,20,100
Nominal value of Equity Shares (₹)	10	10
Basic Earnings per share (₹) (A/C)	1.96	1.55

28. Disclosure in respect of Joint Venture/Subsidiary:

Name of the Joint Venture	Partner(s) country of origin	Proportion of ownership interest as at March 31, 2016	Proportion of ownership interest as at March 31, 2016
Kutch Railway Company Limited	Rail Vikas Nigam Limited, India	50%	50%
	Kandla Port Trust, India	26%	26%
	Mundra Port SEZ, India	20%	20%
	Government of Gujarat, India	4%	4%
Haridaspur Paradip Railway Company Limited ((HPRCL)	Rail Vikas Nigam Limited, India	33.33%	33.33%
	IDCO (Govt of Odisha), India	0.35%	0.35%
	Essel Mining and Industries Ltd., India	5.88%	5.88%
	Paradeep Port Trust, India	10.00%	10.00%
	Rungla Mines Ltd, India	5.88%	5.88%
	Jindal Steel & Power Ltd, India	0.98%	0.98%
	Steel Authority of India Limited, India	0.98%	0.98%
	POSCO India Limited, India	5.40%	5.40%
	MSPL LTD, India	2.94%	2.94%
	OMC, India	14.70%	14.70%
	Govt of Odisha, India	19.60%	19.60%
Krishnapatanam Railway Company Limited (KRCL)	Rail Vikas Nigam Limited, India	30%	30%
	Krishnapatnam Port Corporation Limited, India	30%	30%
	Bramhany Industries Limited, India	12%	12%
	National Mineral Development Corporation, India	15%	15%
	Government of Andhra Pradesh, India	13%	13%



Name of the Joint Venture	Partner(s) country of origin	Proportion of ownership interest as at March 31, 2016	Proportion of ownership interest as at March 31, 2016
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	6.06%	6.06%
	GNFC, India	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, India	10.82%	10.82%
	Equity Gap	6.00%	6.00%
Angul Sukinda Railway Limited (ASRL)	Rail Vikas Nigam Limited, India	31.50%	31.50%
	Jindal Steel and Power Limited, India	10.00%	10.00%
	Govt of Odisha, India	21.30%	21.30%
	OMC, India	10.50%	10.50%
	IDCO (Govt of Odisha), India	0.70%	0.70%
	CONCOR, India	26.00%	26.00%
Dighi Roha Rail Limited	Rail Vikas Nigam Limited, India	26.00%	-
	DPL	63.00%	-
	Maharashtra Maritime Board	11.00%	-
High Speed Rail Corporation of India limited	Rail Vikas Nigam Limited, India	100%	100%

29. Lease Rentals

29.1 The company's leasing arrangements in respect of offices and residential premises are in the nature of operating lease. The rent is being charged on rates agreed to between HUDCO and RVNL based on letter of offer received from HUDCO and agreed to by RVNL. The formal lease agreement between the Company and HUDCO for lease of Corporate Office, New Delhi has not been executed and is under approval of Ministry of Urban Development.

29.2 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 5, 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:

	Period Ended 31st March, 2016 (in ₹)	Period Ended 31st March, 2015 (in ₹)
Not later than one year	1,089,832,859	733,331,563
Later than one year and not later than five years	4,641,375,588	3,458,367,272
Later than five years	1,726,305,247	792,939,776
	7,457,513,694	4,984,638,611

29.3 Operating Lease (Kutch Railway)

Gross lease Rent	2,907,710	2,860,466
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Less: Recovered	29,301	28,085
Net Lease Rent	2,878,410	2,832,381
Not later than one year	500	500
Later than one year and not later than five years	2,000	2,000
Later than five years	8,000	8,500

"The company has entered in to a Concession Agreement with the President of India, through Executive Director (Perspective Planning) of the Ministry of Railways, Govt. of India, Rail Bhawan, New Delhi on 08.11.2005 granting rights to the Company for commercial exploitation, development of additional facilities in the project area and right to receive / share earnings of Ministry of Railways of the Tariff collected from freight traffic and other charges as per the agreement on relation to the project. It also defines obligation of the Company to be performed by it. The agreement is granted for a period of 32 years. The Company has also executed a lease deed on the same say with the President of Indian for the use of lased assets which forms part of the Concession Agreement and is attached as annexure-1 thereto. In term of the lease agreement it commences on the date of executions i.e. 08.11.2005 and is for a period of 32 years with annual lease rental of Rs. 1000/- payable in advance in the first week of January every year. Upon expiry, the company is required to hand over the project assets to Ministry of Railways free from all encumbrances whatsoever. Upon transfer the Company shall be entitle to receive amount equal to book value of the project assets. As per disclosure required under Accounting Standard: 19 on Lease is as under:a) The Company has taken lease assets from Ministry of Railway under non-cancellable operating. The company has taken Delhi office under cancellable operating assets. The rent for Delhi Office of the Company will increase by 15% after the expiry of every three years from the execution of lease deed. There are no contingent rents in the lease agreements. There are no purchase options. These lease agreements are renewable on expiry. "

30. Operating Cycle

The operating cycle of the Company is based on the time required from initiation of the project to completion of the project. The period required for completion varies from project to project. However, in general, the duration is more than 12 months and may extend up to 5 to 6 years, and sometimes even beyond this period, depending on the progress of the work up to when the project is fully physically transferred to Railways for operations and financial progress to the extent of 95% of the latest anticipated cost has been achieved.

31. 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.

32. Disclosure as per schedule III of Companies Act, 2013:

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (in ₹)	As % of consolidated net assets	Amount (in ₹)
1	2	3	4	5
1) Parent	67.37	22,173,213,720	66.99%	2,731,479,504
2) Subsidiary Indian				
(i) High Speed Rail Corporation Ltd.	0.00	(754,939)	0.03%	1,091,255
3) Joint Ventures (as per proportionate consolidation)			-0.75%	
(i) Krishnapatanam Railway Co. Ltd.	2.17	715,409,213		(30,661,406)
(ii) Angul Sukinda Railway Co. Ltd.	5.87	1,931,977,294	-0.01%	(446,204)
(iii) Bharuch Dahej Railway Company Limited	1.90	624,619,916	0.81%	33,000,464
(iv) Haridaspur Paradip Railway Company Limited	5.17	1,700,000,000	0.00%	-
(v) Kutch Railway Company Limited	17.54	5,771,816,924	33.03%	1,346,713,930
(vi) Dighi Roha Rail Limited Limited	-0.01	(3,365,349)	-0.09%	(3,865,349)
Total	100	32,912,916,779	100%	4,077,312,194



33. The Statement containing the salient feature of the financial statement of a Subsidiary and Joint Ventures under the provision to sub section (3) of section 129 is attached in Form AOC-I.

34. Notes of the Joint ventures considered for Consolidation

34.1 BHARUCH DAHEJ RAILWAY COMPANY LIMITED

(a) Western Railway has raised a claim of ₹77.74 Crores (Previous Year ₹65.31 Crores) for Land lease rental charges from the date of concession agreement to March 2016. The company has already provided for ₹45.78 Crores (Previous Year ₹33.35 Crores) towards the Lease rental fees from the date of commercial operation to March, 2016, out of which an amount of ₹4.99 Crores has already been deducted by Western Railway resulting in net aggregate amount payable as on 31.03.2015 as ₹40.80 Crores (Previous Year ₹28.36 Crores) towards Land License Fees. As per the Railway Board letter No. 2010/Infra/18/6 Pt. I Dated 29.11.2012, Western Railway has advised to defer lease rental charges as an interim measure, till such time a final view is taken by the board. The balance of ₹31.96 Crores (Previous year ₹31.96 Crores) is not provided as per the past practice and management is of the view that no additional amount will be payable. Hence no provision has been made for the additional portion. The whole issue is currently pending with the Ministry of Railway for the charging of Lease rental fees at nominal value, consistent with provisions contained in the Concession Agreement read along with extract policy of Ministry for such cases. Upon the final outcome as per the above mentioned letter, this may have a bearing on the capitalized and revenue expenditure value of the project during the current year."

(b) Reference is invited to a clarification issued by Institute of Chartered Accountants of India (ICAI) to another Rail SPV through Ministry of Corporate Affairs (MCA), suggesting that assets of the SPV should be accounted for in accordance with "Accounting Standard 26-Intangible Assets", treating the same as intangible assets. Since in the Management's perception, this clarification did not take into account several relevant factors that apply to BDRCL, the company has made a reference to MCA and ICAI, seeking a review. The reference was made after due consultative process with accounting professionals of repute, and the Management is confident that its views will be upheld.

Managements contention is that, the Rail Infrastructure assets created by the SPV are physical assets with definite expected useful lives assigned to each one of them, Further that MOR only determines the tariff at which haulage over the SPV territory shall be paid for to BDRCL. The tariff permissible is identical to the tariff applicable to Indian Railways network.

Consequently, the arrangement entered into in the form of the concession is a transaction base wholly on commercial considerations, not involving merely transfer of rights to the SPV. It represents substantive ownership of assets with BDRCL over the concession period. Accordingly, Management is of the view that on this consideration, the assets of the company do not truly reflect character of intangible assets as envisaged by the definition, recognition and measurement under AS-26.

Response to the Company's letter dated 08 July 2015 to ICAI and MCA is awaited. Pending Authoritative ruling and taking note of the fact that the clarification to another SPV was not in the nature of a general ruling, management has accordingly continued to account for the project assets as Fixed Assets in accordance with the accounting policy of the company in this regard and company has followed useful life as prescribed in the Schedule II part C of the Companies Act 2013.

(C) At the instance of Western Railway, the original section for Dahej - Bharuch was extended up to Chavaj, an additional distance of 5.52 KM. The extended section becomes operated on 27th February 2014. However, the Company's share in apportioned revenue and its liability in respect of Operation & Maintenance expenditure relevant to the extended section could not be evaluated by it as the relevant data was available only with Western Railway. The details of Traffic routed through Chavaj and Bharuch and O&M expenditure in this regard have been advised by Western Railway to the Company only by July 2016 end. Accordingly, management has accounted for all the cost in the said period and corresponding revenue in the profit & loss account for the year ended 31st March, 2016 from the date of Operation of extended line from Bharuch - Chavaj (5.52 KM).

34.2 KRISHNAPATNAM RAILWAY COMPANY LIMITED

Note 34.2.1 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 10 Km section from Krishnapatnam Railway Station to the Buffer of Port from South Central Railway. Hence, the revenue reported is subject to the same.



c) Krishnapatnam Railway Company Limited (KRCL) is also anticipating earnings on account of apportioned Terminal Cost from South Central Railway (SCR) 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 cannot be segregated due to non availability of any information from SCR pertaining to same.

Note 34.2.2 Operation and Maintenance Expenses

34.2.2.1: Operation & Maintenance Expenses recognized in current year as intimated by South Central Railway are provisional and subject to Confirmation. Hence, any impact arising on the confirmation of the figures will be accounted for in the year in which it is finalized.

34.2.2.2: South Central Railway has claimed service tax on the services related to operation and Maintenance and indirect cost. -

34.2.2.3 Operation & Maintenance expenses of Phase 1 and Phase 3 are being accounted for in terms of the Operations and Maintenance Agreement signed with South Central Railway for 24.50 Km Railway line from Venkatachalam to Krishnapatnam for Phase 1.

34.2.2.4 Operation & Maintenance expenses includes Lease Rent of Rs. 1 in accordance with clause of 4.1 of concession agreement

34.2.2.5 All supporting evidences related to O & M expenses incurred have been controlled and managed by SCR only and not made available for verification.

Note 34.2.2.6 Other Items

As per Para 10.03 of Construction Agreement dated 29th September, 2011, the Departmental Charges are payable to Rail Vikas Nigam Limited @5% of the total cost of works as per detailed estimate/revised estimate/completion estimate. The provision for the same amounting to ₹44.09 Crores approximately (excluding interest charged by RVNL) as on 31st March 2016 (as on 31st March 2015- ₹28.98 Cr) has not been made in the books of accounts.

Tangible Assets and Capital Work in Progress includes expenditure on account of interest Payable to Rail Vikas Nigam Limited (Project Contractor) amounting to ₹23,81,50,480/- during the period for delay in payment for project expenditure. (Previous year ₹2,90,53,607/-) as calculated by RVNL on balance outstanding in the books of accounts of RVNL and as accepted by Company.

Further, RVNL has provided infrastructure and other indirect establishment facilities to KRCL for which no amount is charged by RVNL.

Tangible Assets and Capital Work in Progress includes expenditure on account of Directional & General Charges (D&G charges) amounting to ₹25,31,59,721/- (Previous Year ₹7,13,15,930/-) as charged by RVNL (Project Contractor) during the period which is as per the clause no. 10.2 of Construction Agreement dated 29th September 2011, is subject to change. Cumulative D&G Charges up to 31st March 2016 is ₹75,81,40,731/- (Previous Year ₹50,49,81,010/-) is subject to change. Break up of "D & G charges" included in capital work in progress (and tangible assets related to phase 3 transferred from capital work in progress during the year)

NOTE 34.3: HARIDASPUR PARADIP RAILWAY COMPANY LIMITED

34.3.1. A sum of ₹13,82,89,560/- up to 31st March 2016 (towards interest and other charges demanded by M/s RVNL is not acknowledged as debt by the HPRCL.

A. Interest & Site Facilities Charges

Particulars	Amount till 31st March 2016 (₹)
Interest	39,922,426
Site Facilities Charges	22,017,455
Total (A)	61,939,881

D&G Charges on Land, Preliminary Expenses and Site Facilities Charges

Particulars	Amount till 31st March 2016	Rate of D&G Charges	D&G Charges thereon
Land	797,765,656	9.13%	72,836,004
Preliminary Project Expenditure	16,467,479	9.13%	1,503,481
Site Facilities	22,017,455	9.13%	2,010,194
Total (B)			76,349,679
Grand Total (A+B)			138,289,560



NOTE 34.4 KUTCH RAILWAY COMPANY LIMITED

34.4.1 The project work completed by WR has been duly capitalized under different heads of fixed assets on the basis of advices of advices received from WR on year to year basis. Besides that the Company has also supplied material to WR to the turn of ₹119.97 crore for completion of project (capitalized under permanent way) which is subject to verification and reconciliation with WR.

An amount of ₹5.09 crore is also outstanding as on 31st March 2016 to WR for the project work which is also subject to verification and reconciliation with WR.

34.4.2 The company has not been able to follow componentization in respect of project assets (viz. Bridges & Buildings, Formation, Plant & Machinery-Project and Permanent Way) which are the control of Western Railway. The details of assets provided by Western Railway are deficit and accordingly, Depreciation on the basis of componentization of those assets has not been followed. The impact of depreciation in respect of other assets due to componentization is not ascertainable.

34.4.3 Western Railway (WR) has provided the consolidated figures in respect of addition during the year amounting to ₹14.21 lakh in Bridges & Buildings, Formation, Plant & Machinery (Project) and Permanent way. They have expressed their inability to provide assets wise break up of addition. In absence of the same, the total addition has been divided in proportion of gross opening balance of these assets. The capital cost incurred and advised by WR to the tune of ₹13,07,57,748/- during financial year 2015-16 has been divided in fixed assets Permanent Way only.

34.4.4 All receivables including advances and payables are subject to confirmation, reconciliations and consequential adjustments, if any.

For Kumar Chopra & Associates

Chartered Accountants

Firm Registration Number.: 000131N

FOR AND ON BEHALF OF THE BOARD

Sunil Jain
Partner
M. No. 080990

Place: New Delhi
Date: 31.08.2016

S.C. Agnihotri
Chairman and Managing Director
DIN : 01637856

Ashok K. Ganju
Director Finance
DIN : 01970462

Kalpana Dubey
Company Secretary

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of
Subsidiaries/Associate Companies/Joint Ventures**

Part "A": Subsidiaries

S. No.	Name of the Subsidiary	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
1.	HIGH SPEED RAIL CORPORATION OF INDIA LIMITED	Not Applicable	10,74,100	(18,29,050)	18,35,78,986	18,43,33,925	0	0	15,77,295	4,86,040	10,91,255	0	100





Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/ Joint Ventures	Angul Sukinda Railway Limited	Bharuch Dahej Railway Company Limited	Haridaspur Paradip Railway Company Limited	Kutch Railway Company Limited	Krishnapatnam Railway Company Limited	Dighi Roha Rail Ltd.
1. Latest audited Balance Sheet Date	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016
2. Shares of Associate/Joint Ventures held by the company on the year end						
Number	18,90,00,000 Equity Shares of ₹10 each	5,50,00,000 Equity Shares of ₹10 each	17,00,00,000 Equity Shares of ₹10 each	12,50,00,000 Equity Shares of ₹10 each	8,10,00,000 equity Shares of ₹10 each	50,000 Equity Shares of ₹10 each
Amount of Investment in Associates/Joint Venture	₹189 Crore	₹55 Crore	₹170 Crore	₹100 Crore	₹81 crore	₹5 Lakh
Extent of Holding % of the Paid up capital	31.50%	35.46%	35.23%	50%	30%	50%
3. Description of how there is significant influence	Note 2	Note 2	Note 2	Note 2	Note 2	Note 2
4. Reason why the associate/ joint venture is not consolidated	-	-	-	-	-	
5. Networth attributable to Shareholding as per latest audited Balance Sheet	₹193.20 Crore	₹62.46 Crore	₹170 Crore	₹577.18 Crore	₹71.54 Crore	₹(33.65Lakh)
6. Profit / Loss for the year						
i. Considered in Consolidation	₹(4.46 Lakhs) Loss	₹3.30 Crore	Nil	₹134.67 Crore	₹(3.07 Crore) Loss	₹(38.65 Lakh) Loss
ii. Not Considered in Consolidation						

Note

1. Dighi Roha Rail Limited Joint Ventures has been formed during the year.
2. There is significant influence due to percentage (%) holding in the Share Capital
3. The above statement also indicates performance and financial position of each of the Associates

For Kumar Chopra & Associates

Chartered Accountants

Firm Registration Number.: 000131N

Sunil Jain
Partner
M. No. 080990

S.C. Agnihotri
Chairman and Managing Director
DIN : 01637856

Ashok K. Ganju
Director Finance
DIN : 01970462

Kalpana Dubey
Company Secretary

Place: New Delhi
Date: 31.00.2016



KUMAR CHOPRA & ASSOCIATES
Chartered Accountants

B-12 (G.F.), Kalindi Colony,
Near Maharani Bagh, New Delhi - 110065
Ph.: +9111-26913033, 26916363, 41627363
Fax : +91-11-26328533
E-mail : kca_delhi@yahoo.co.in
www.kcaconsultancy.com

INDEPENDENT AUDITORS' REPORT

To

The Members of **Rail Vikas Nigam Limited**.

1. Report on the Consolidated Financial Statements

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 subsidiary together referred to as "the group") and its jointly controlled entities, (Refer Note No 32 of the attached consolidated financial statements) comprising of the Consolidated Balance sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, 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").

2. Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statement in terms of requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated cash flows of the Group including its Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its Jointly controlled entities and for preventing and detecting frauds and other irregularities; the 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

3. Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's



preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

4. Basis for Qualified Opinion (As reported by respective jointly controlled entities statutory Auditors)

I. BHARUCH DAHEJ RAILWAY COMPANY LIMITED(BDRCL)

- a) Refer **Note no 34.1(a)** of the consolidated financial statements- Western Railway had raised a demand for lease rental amounting to ₹77.74 Crores (Previous year- ₹65.31 Crores). As per the information available and explanation provided, ₹31.96 Crores (previous year- ₹31.96 Crores) out of the above demand pertaining to the period June, 2008 to March, 2016 is clearly not payable as per the concession agreement and related policies.

The company has accrued for land lease rental amount to ₹45.78 Crores (previous year- ₹33.35 Crores) commencing from the date of commencement of commercial activities till balance sheet date. Accordingly, the company has disclosed contingent liability of ₹31.96 Crores.

Management has currently requested for deferral of the amount due as provided by the company and is contesting the claim raised for prior period as explained above.

As per the management, no further provision is currently required and, additional amount payable, if any, shall be accounted for at that point of time, when such additional liability is crystallized.

However, based on constant reminders from Western Railway and no concrete settlement or negotiation in place till date of signing of this report, auditor is unable to ascertain the additional liability, if any that may eventually crystallize and Consequently the impact, if any, of the above on the financial statements of the company.

- b) Refer **Note No.34.1(b)** in the consolidated Financial Statements explaining the nature of project assets, the accounting policy in this regard followed by the Company as well as the basis of useful life and residual value calculated by the management. Pending clarity in this matter as explained in that note, management has continued to account for the project assets as Fixed Assets in accordance with the accounting policy of the Company in this regard and the Company has followed useful life as prescribed in the Schedule II Part C of the Companies Act, 2013 for those assets as against accounting for of these assets as Intangible assets and amortizing the same as per Schedule II Part A and amendment therein vide Circular no. (GSR No. 237 E).

This being a significant matter, with various points of view, management strongly believes that the accounting policy followed by them in this regard is appropriate and reflects fairly the nature of the assets etc. As explained in the note and as explained by management since the outcome of the above mentioned disparity of points of view is currently unascertainable and since management is awaiting the conclusion on this matter as detailed in the note, auditors are unable to ascertain the impact, if any, of the above on the financial statements.

- c) Refer **Note no. 34.1(c)** of consolidated financial statements w.r.t extended operations of the company upto Chavaj. Based on information and explanation provided, the company has constructed an extended line up to Chavaj and have capitalized the cost as part of plant and machinery effective from Feb 2014. As explained, the company has been in constant discussion with western railways to recover revenue on the use of extended line by them. After prolonged discussions the company and western railways has come to understanding, by which the company has been advised by Western Railway with details of traffic routed and Operation & Maintenance expenditure incurred in this regard for the period Feb 2014 to March 2016. Based on this understanding the company has recognized the revenue amounting to ₹22.97 Crores in its accounts for the year ended 31 March 2016.



However, based on the audit procedure performed and inquiries made, auditors have been informed that there was no written confirmation on account of Revenue from the western Railways to support the above claim. Accordingly, auditors are unable to ascertain significant uncertainty, if any that exists regarding the amount of the consideration that will be derived from the above claim and extent of recoverability of the same, and hence are also not able to ascertain if the company should recognize the corresponding revenue in accordance with Accounting Standard – 9 “Revenue Recognition”. Consequently, auditors are unable to ascertain the impact, if any, of the above uncertainty on the financial statements for the year ended 31st March 2016.

II. KRISHNAPATNAM RAILWAY COMPANY LIMITED (KRCL)

Refer **Note No. 34.2.1** in consolidated financial statements regarding Accounting of Revenue and **Note No. 34.2.2** regarding accounting of Operation & Maintenance (O&M) expenses by the company on the basis of provisional advices/calculation sheets provided by South Central Railway (SCR) and not making available the detailed substantiating collateral records and procedures for verification of the same.

Further, in view of non-receipt of the confirmation from South Central Railways regarding provisional apportionment of revenue, O&M expenses, service tax claims, overhead expenses and the outstanding balance could vary.

III. KUTCH RAILWAY CO. LTD(KRCL)

- a) **Note no 34.4.1** in consolidated financial statements regarding fixed assets capitalized by the company (as per advice received from Western Railway), are yet to be verified by the company. Similarly, material supplied by company and balance outstanding as advance to the 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 34.4.2** in consolidated financial statements regarding non componentization of project assets. The impact of same is unascertainable.
- c) **Note no 34.4.3** regarding division of addition in bridges & Building, Formation, Plant & Machinery (Project) and Permanent way in proportion of their gross opening balances. The impact of same is unascertainable.
- d) **Note No 34.4.4** in consolidated financial statements regarding non confirmation of receivables including advances and payables. The impact of same is unascertainable.

5. Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its jointly controlled entities as at 31st March 2016; and their consolidated profit and their consolidated cash flows for the year ended on that date.

6. Emphasis of Matter

We draw attention to the following matters mentioned in the statutory auditor’s reports of the respective jointly controlled entities:

I. KRISHNAPATNAM RAILWAY COMPANY LIMITED

- a) Without qualifying our opinion, attention is drawn towards **Note No. 34.2.1(b)** for non-recognition of revenue on account of apportioned terminal cost due to pending decision of Railway Board and earnings on length of about 10 Km section from Krishnapatnam Railway station to the Buffer of port. Efforts are required to finalize the same at the earliest.



- b) Without qualifying our opinion, attention is drawn towards **Note No. 34.2.2.2** as such South Central Railway has claimed service Tax on the services related to operation and maintenance and indirect cost.
- c) Without qualifying our opinion, we draw attention to fact that Operation and Maintenance Agreement is yet to be entered into with SCR pertaining to operation of Phase – III which is functional since 2nd March' 2014. Thus dealing of revenue and operation cost of Phase – III between KRCL and SCR is being made on the basis of Operation and Maintenance Agreement for Phase – I. If the terms of agreement change, the related revenue and operation cost will vary. As per Operation & Maintenance agreement of Phase – I line, the agreement is to be reviewed every six months but the same was reviewed last in October' 2012.

II. KUTCH RAILWAY COMPANY LIMITED

Since the previous 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 has been reduced by ₹31.53 crores for the current financial year. Further, a total amount of ₹8.98 crores has been deducted on this account for the financial years 2010-11. The company has contested against this method of calculation of apportioned earnings at various levels in Railways. The approximate amount of ₹38.5 crores may be deducted on this account for earlier financial years (from 2006-07 to 2009-10). The average amount of both of above methods works out to be ₹38.5 crores (approx.). The impact of the same will be reduction in Reserves and Sundry Debtors by ₹38.5 crores (approx.) in the subsequent years as and when advised by the Western Railway. (Proportionate impact on consolidated Financial statements ₹19.25 Crores being 50% ownership interest)

III. BHARUCH DAHEJ RAILWAY COMPANY LIMITED

The Operation and Maintenance Agreement with the Western Railway that defines among others, right & obligations, the share of Income & Expenses to be apportioned to the Company arising out of the operation of the Bharuch Dahej Samni Railway Line by the Company has not yet been signed although an in-principal approval has been received from the Ministry of Railways. The Company has however recognized the operating income and expenses arising out of this arrangement which is yet to be formalized. The Operating Income & Operating Expenses accounted for by the Company are based on provisional figures made available by the Western Railway and the final figures could vary.

Our Opinion is not qualified in respect of above matters.

7. Other Matters

We did not audit the financial statements/financial information of one subsidiary and six jointly controlled entities, whose financial statements/ financial information reflect total assets of ₹1073.95 Crore as at 31st March, 2016, total revenue of ₹432.38 Crore. and net cash flows amounting to ₹280.25 Crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditors whose reports 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 subsidiary and jointly controlled entities, and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary and jointly controlled entities, is based solely on the reports of such other auditors.

Our opinion on the consolidated financial statements, and our report on the 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/financial information certified by the Management.

8. Report on Other Legal and Regulatory Requirements

- I. As required by the directions issued by the Comptroller and Auditor-General of India, in terms of sub section (5) of section 143 of the Act, based on the comments in the auditors' reports of the holding company, subsidiary company,



and jointly controlled companies incorporated in India, we give in the compliance in the **Annexure I**.

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statement have been kept so far as it appears from our examination of those books and the reports to other auditors.
- c. The consolidated Balance Sheet, the consolidated Statement of Profit and Loss and consolidated Cash flow statement dealt with by this Report are in agreement with the 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. In terms of Ministry of Company Affairs notification no. GSR 463 (E) dated 5th June 2015, Government Companies are exempt from applicability of provisions of section 164 (2) of Companies Act 2013 and on the basis of the reports of the statutory auditors of its subsidiary company and its jointly controlled companies incorporated in India, none of the directors of the subsidiary company and its jointly controlled companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of section 164(2) of the act.
- 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 II**" which is based on the auditor's report of the holding company, subsidiary company and jointly controlled entities. Our report expresses an opinion that the Holding Company, its subsidiary company, and jointly controlled companies, which are companies incorporated in India, have, 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, 2016, subject to observations as mentioned in Opinion para in annexure II.
- 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the group and jointly controlled entities- Refer Note No 24 to the consolidated financial statements.
 - ii. The group and its jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary and jointly controlled companies, incorporated in India.

Place of signature : New Delhi
Date: 31.08.2016

For Kumar Chopra & Associates
Chartered Accountants
(FRN: 000131N)


(Sunil Jain)
Partner
(M.No 080990)

ANNEXURE I TO THE INDEPENDENT AUDITORS' REPORT

Annexure to the Independent Auditors' Report referred to in paragraph 8(l) of our report of even date on the consolidated financial statements of **Rail Vikas Nigam Limited** for the Year ended 31st March, 2016

S. No.	CAG's Directions	Our Report	Action Taken thereon	Impact on accounts and financial statements of the company
1.	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.	In case of RVNL the Company only has leasehold commercial space for which lease deed has been executed with the owner. The company does not own any freehold/leasehold land. In case of Angul Sukinda Railway limited, the statutory auditors report that the company does not have the title deed over the land acquired. As per the concession agreement signed on dated 14.05.2010 between Ministry of Railway (MoR) & Angul Sukinda Railway Ltd, it states that the title deed of the land remain with MoR (East Coast Railway) . There are no comments from any other auditor of subsidiary or jointly controlled companies.	No Action required	NIL
2.	Please report whether there are any cases of waiver/write off of debts/loans/interest etc., if any, the reasons there for and the amount involved.	In case of RVNL A sum of ₹1.62 Crores has been charged off to revenue as administrative expenditure. As per the information and explanation given by the management, MoR had entrusted the work of development of MFCs at Ayodhya (NR) and Rae Bareilly Jn. (NR) to RVNL & RLDA. In this regard, RVNL had sought funds from MoR to undertake the work. However, MoR had communicated that development of MFCs be undertaken by RVNL with its own resources. Subsequently, on taking up the matter further with the Ministry, it was agreed to by the MoR that funds for all non-viable MFCs would be paid back by Railways. In terms of Para 4.4 of draft lease agreement between RLDA & RVNL, it was stipulated that RVNL shall transfer all assets of such financially non-viable MFCs to the Railways after completion of the same. The marketing, operation and maintenance of such MFCs shall be the responsibility of RLDA/Railways once such MFCs are transferred by RVNL. While expenditure for construction of the MFC at Ayodhya and Rae Bareilly was ₹1.62 crore in spite of repeated reminders, Railways have not paid for the MFCs and it is unlikely that the Railways will make any payment as no budgetary provision has been made by Indian Railways in this regard. Therefore, this amount has been charged to Administrative Expenses of RVNL in financial year 2015-16 as otherwise this amount would continue to inflate WIP by this amount without any likelihood for any realisation of the same. No such cases have been reported by statutory auditors of Subsidiary or jointly controlled companies	No further action required.	₹1.62 crores charged off to revenue as administrative expense.
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gifts from Govt. or other authorities	No inventory is lying with third parties and no asset has been received as gifts from Government or any other authorities by RVNL/Subsidiary/Jointly controlled companies.	No action required.	NIL

For Kumar Chopra & Associates
Chartered Accountants
(FRN: 000131N)
Sd/-
(Sunil Jain)
Partner
(M. No 080990)

Place of signature : New Delhi
Date: 31.08.2016



ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED 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 financial statements of the Company as of and for the year ended March 31, 2016 We have audited the internal financial controls over financial reporting of Rail Vikas Nigam Limited (hereinafter referred to as "the Holding Company") and its subsidiary company, and jointly controlled companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the 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 standards on audit 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial control 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained 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 holding Company, subsidiary company and jointly controlled entities' internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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



necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial control 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

Our opinion is Subject to following observations as given by the respective statutory auditors of these jointly controlled companies

In Case of Krishnapatnam Railway Company Limited the auditors have suggested that there is scope for improvement in following areas and have not been categorised as material mis-statement:

- i) There is no control over revenue apportionment by south central railway (SCR) as revenue sheets are sent by SCR to KRCL only on provisional basis and, no collateral records maintained by the company and as such there is no basis to verify the same.
- ii) No control over operational & Maintenance expenses, overhead charges, service tax and other such expenses charged by SCR and there are no basis to verify the same.
- iii) As informed to us, management is not having any methodology to identify, ensure and provide for the bills pertaining to current and previous year in respect of the railway line construction project not received from the contractor so far.

In case of Kutch Railway Company Limited,

"Formation of joint procedure order, which has not been formed till date in terms of operation and management agreement and the provisional figures of income from traffic and respective costs are accounted as advised by WR based on calculation as detailed in the said agreement without approval of Joint Procedure Order."

Subject to above in our opinion, the Holding Company, its subsidiary company, and jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial control system over financial reporting and such internal financial control over financial reporting were operating effectively as at March 31, 2016, 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.

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 five jointly controlled companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Kumar Chopra & Associates
Chartered Accountants
(FRN: 000131N)

(Sunil Jain)

Partner

(M. No 080990)

Place of signature : New Delhi

Date: 31.08.2016



Confidential



भारतीय लेखा परीक्षा एवम् लेखा विभाग
कार्यालय प्रधान निदेशक लेखा परीक्षा, रेलवे-वाणिज्यिक
काफमो, भारतीय रेल, तिलक ब्रिज, नई दिल्ली-110 002

INDIAN AUDIT AND ACCOUNTS DEPARTMENT
OFFICE OF THE PRINCIPAL DIRECTOR AUDIT
(RLY-COMMERCIAL) COFMOW, INDIAN RAILWAYS,
TILAK BRIDGE, NEW DELHI- 110002

No. PDA/RC/PSU/32-30/RVNL/2016-17/1227

Dated: 21.09.2016

To

The Chairman and Managing Director,
Rail Vikas Nigam Limited,
1st Floor, August Kranti Bhavan,
Bhikaji Cama Place, R.K. Puram, New Delhi - 110066

Subject: Comments of the Comptroller and Auditor General of India on the Consolidated Financial Statements u/s 143(6)(b) read with Section 129(4) of the Companies Act, 2013 of RAIL VIKAS NIGAM LTD for the year ended 31 March 2016

Sir,

I am enclosing herewith the Comments of the Comptroller and Auditor General of India of the Consolidated Financial Statement u/s 143(6)(b) read with Section 129(4) of the Companies Act, 2013 of RAIL VIKAS NIGAM LTD for the year ended 31 March 2016.

The Receipt of the letter may please be acknowledged.

Yours faithfully,

Encl: As above


(Meenakshi Mishra)
Director General 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 CONSOLIDATED FINANCIAL STATEMENTS OF RAIL VIKAS NIGAM LIMITED FOR THE YEAR ENDED 31 MARCH, 2016

The preparation of consolidated financial statements of **Rail Vikas Nigam LIMITED** for the year ended 31 March 2016 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 31.08.2016.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) read with section 129(4) of the Act of the consolidated financial statements of RAIL VIKAS NIGAM LIMITED for the year ended 31 March, 2016. We conducted a supplementary audit of the financial statement of Bharuch Dahej Railway Company Limited and High Speed Rail Corporation of India Limited, but did not conduct supplementary audit of the financial statement of Jointly controlled Entities i.e. Angul Sukinda Railway Limited, Haridaspur Paradip Railway Company Limited, Kutch Railway Company Limited, Krishnapatnam Railway Company Limited, and Dighi Roha Rail Limited for the year ended of the date. This Supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act read with section 129(4) of the Act, which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

Comment of Disclosure

Accounting Policy No. 1.12- Revenue Recognition

The company has accounted for the contract revenue amounting to ₹42.40 crore relating to Palanpur Samakhali project awarded by the SPV- M/s Kutch Railway Company Limited without signing of Construction agreement. The booking of the revenue is not in consonance with Company's own Accounting Policy no. 1.12(C) on 'Revenue Recognition'. This fact should have been disclosed in the consolidated financial statement of RVNL for the year ended March, 2016.

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

(Meenakshi Mishra)
Director General Audit
(Railway Commercial)

Place: New Delhi
Date: 21.09.2016



Management's Reply to 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 Accounts of Rail Vikas Nigam Ltd. for the year ended 31st March 2016

S.No.	Comments of C&AG	Management Reply
1	<p>Accounting Policy No. 1.12- Revenue Recognition</p> <p>The Company has accounted for the contract revenue amounting to Rs. 42.40 crore relating to Palanpur Samakhiali project awarded by the SPV- M/s Kutch Railway Company Limited without signing of Construction Agreement. The booking of revenue is not in consonance with Company's own Accounting Policy No. 1.12 (C) on "Revenue Recognition". This fact should have been disclosed in the financial statements of RVNL for the year ended March 2016.</p>	<p>Board of Directors of M/s KRCL vide letter No. KRC/PNU-SOIOB/D/2009 dated 1.4.2013 nominated RVNL as the client agency for executing the doubling of Palanpur-Samkhiali line. RVNL vide letter No. PP&D Kutch/2009/Pt. II dated 29.04.2013 accepted to take up the execution of the work.</p> <p>The construction work has been undertaken by RVNL as per the terms and conditions of the Model Construction Agreement for execution of SPV projects issued by Ministry of Railways and revenue recognised accordingly. The Construction Agreement as approved by RVNL has been forwarded to M/s Kutch Railway for finalization. However, even in absence of a formal Construction Agreement, M/s Kutch Railway Corporation Limited has been accepting and making payments against the bills raised by RVNL and there is no dispute on this account.</p> <p>In future, appropriate disclosure with regard to revenue recognition will be made in the Financial Statements to cover such eventuality where work has been taken up on behalf of an entity without a formal agreement being entered into.</p>

Ashok K Ganju

Director/Finance

Dated: 21.09.2016

(S.C. Agnihotri)

Chairman and managing Director



Part "I"

HIGH SPEED RAIL CORPORATION OF INDIA LIMITED

(A Wholly owned Subsidiary of Rail Vikas Nigam Limited)

DIRECTORS' REPORT

Distinguished Shareholders,

The Directors of your Company are privileged in presenting the 4th Annual Report of the Company together with the Audited Statements of Accounts and Auditors' Report for the year ended 31st March, 2016.

President of India (Ministry of Railways) issued directions to Rail Vikas Nigam Ltd. (RVNL) for incorporating an SPV for development of High Speed Rail Corridors in the country. Subsequently, RVNL incorporated High Speed Rail Corporation of India Limited (HSRC) on 25th July 2012 as its Wholly owned Subsidiary and the Certificate of Commencement of Business was received on 18th August, 2012. The Company has its registered office in New Delhi.

The main objects of the Company are to enter into and carry on all 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 any other Rail-based traffic, as may be approved by the Government of India or Rail Vikas Nigam Limited (RVNL) or any other Authority specifically created for this purpose from time to time, and to undertake any or all activities connected thereto, on PPP, EPC or any other scheme or model basis.

Business Performance

1. Pre-feasibility study of dedicated High Speed corridor of Delhi-Chandigarh-Amritsar.

Ministry of Railways had assigned the work of conducting the pre-feasibility study for Delhi-Chandigarh-Amritsar dedicated High Speed corridor

with a speed potential of 350 kmph.

M/s SYSTRAS A in a consortium with M/s RITES has been engaged by HSRC/RVNL for pre-feasibility study for High Speed Rail Corridor between Delhi-Chandigarh-Amritsar. Consultant has submitted the Final Report of Prefeasibility study in May 2016.

2. Signing of MoU between MoR and Administrator of National Railway Administration & Vice-Minister of Transport of China:

A Memorandum of Understanding (MoU) between the Government of the Republic of India and the Government of the People's Republic of China on enhancing technical cooperation in railway sector, was signed on 18th September, 2014 with Chairman, Railway Board, Ministry of Railways of India and Mr. LU Dongfu, Administrator of National Railway Administration & Vice-Minister of Transport of China as signatories. Under this MoU, an Action Plan for enhancing cooperation was signed on 18th September, 2014, within which the following two projects have been taken up in railways. A subsequent Action Plan was also agreed to between NRA, China and MoR on 15.05.2015 which refers to progress made since the signing of first Action Plan in September, 2014.

A. 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 CREEC (China Railway Eryuan Engineering Group Company



Limited) under Government to Government co-operation. The Consultant has submitted the Draft Final Report on 27.06.2016.

B. 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 be at a considerable cost and time as well.

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 which some of the works related to Feasibility study has been agreed to that it will be done by Indian side. After the funding is committed by NRA to Siyuan, CRSSDG & the activities to be done by Indian side are listed by Chinese side, HSRC will finalize modalities in consultation with Ministry of Railways.

3. 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 (i) M/s TSDI-LAHMEYER (China) for New Delhi-Mumbai Corridor (ii) M/s SYSTRA-RITES-EY (France) for Mumbai-Chennai and M/s INECO-TYPSA-ICT for Delhi-Kolkata. All the Feasibility studies are progressing well. Interim Report-1 has been submitted by Consultant for Delhi-Mumbai and Mumbai-Chennai and Interim Report-2 has been submitted by Consultant for Delhi-Kolkata. All the studies are programmed to be completed in FY 2015-16.

Financial Performance

During the year the Paid-up Share Capital of HSRC is ₹10,74,110/-. There is an increase in the current liabilities of the Company to ₹18,42,63,151/- as at 31.03.2016. The expenditure incurred by RVNL on behalf of HSRC. The total expenditure incurred on the project upto 31.03.2016 is ₹2.15 crore which has been incurred mainly on salary, travel, etc.

There is an increase in other income to ₹20,81,110/- during 2015-16 on account of interest income. After offsetting an expenditure of ₹5,03,815/- and meeting tax liability of ₹4,86,041/- there is a surplus of ₹10,91,254/-.

The significant indicators of financial performance of the Company for the financial year 2015-16 are mentioned below:



(Amount in ₹)

S.No	Particulars	FY 2015-16	FY 2014-15
1	Authorized Share Capital	5,00,00,000	5,00,00,000
2.	Paid-up share Capital	10,74,110	10,74,110
3.	Capital work in progress	1,66,080,319	2,62,40,048
4.	Total Income	20,81,110	13,33,004
5.	Operating Income	Nil	Nil
6.	Profit before Tax	15,77,295	7,79,197
7.	Net Worth	(7,54,940)	(18,46,195)
8.	Earnings Per Share	10.16	9

Capital Structure

The Paid-up Share Capital of the Company is ₹10,74,110/- against the Authorized Share Capital of ₹5 crore.

Dividend

Since the company has not yet started its commercial activities, and the limited financial transaction, the Company has not declared any dividend for the year 2015-16.

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 there is an outgo of ₹3,06,988/- (approx) on account of travel.

Presidential Directive

No Presidential Directive was received during the year.

Integral Reports

“Management Discussion and Analysis Report” and “Corporate Governance Report” form an integral part of this Director’s Report, which are placed at **Annexure-I & II**.

Board of Directors

The Board of Directors consists of four (4) part- time Director nominated by the Holding Company, Rail Vikas Nigam Limited.

The following Directors held office during the year:

Mr. S. C .Agnihotri	Chairman
Mr. Mukul Jain	Director
Mr. Ashok K. Ganju	Director
Mr. Vijay Anand	Director

Number of Board Meetings

The Board met five (5) times on 10th April, 2015, 22nd July, 2015, 10th August, 2015, 9th November, 2015 and 3rd February, 2016 during the year for transacting business

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;



- b) 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;
- c) 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 the Company is annexed herewith as **Annexure III** to this report.

Auditors

The Comptroller & Auditor General of India appointed M/s ASAP & Associates, Chartered Accountants as Company's Statutory Auditors for the Year 2015-16. 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 31st March, 2016 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 31st March, 2016 shall also form 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.

Place: New Delhi

Dated: 05.08.2016

For and on behalf of Board of Directors

Mukul Jain

Director

[DIN 03121180]

Ashok K. Ganju

Director

[DIN 01970462]



MANAGEMENT DISCUSSION AND ANALYSIS

An Overview

The company was incorporated on 25th July, 2012 as a Wholly owned Subsidiary (WoS) of Rail Vikas Nigam Limited, a 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 a 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.
- Financial Performance
- The company has not recorded any operating turnover during the year, as the Company is yet to start its commercial activities. The Company, however, earned an interest on deposits amounting to ₹20,81,110/-

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 study of Mumbai-Ahmedabad corridor is nearing completion and project can be taken up for execution at a short notice.
- Feasibility studies for six more corridors of Diamond Quadrilateral have been taken up and expected to be completed by December 2016.
- HSRC has recently been entrusted with the work of conducting feasibility studies for six corridors of Diamond Quadrilateral of High Speed Rail network.
- HSRC has been working as Project Integrator for up-gradation of identified existing rail sections to 160 kmph.
- 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.



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 25th July, 2012 as a Wholly owned Subsidiary of RVNL Ltd. with an Authorized Share Capital of ₹5 crore and paid up share capital of ₹1074110. 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 S. C. Agnihotri, Chairman and Managing Director, RVNL, Shri Mukul Jain, Director (Operations), RVNL, Shri Ashok K. Ganju, Director (Finance), RVNL and Shri Vijay Anand, Director (Projects), RVNL.

The names and categories of Directors on the Board, number of Directorships and Committee Chairmanship/ Membership held by them in other companies are 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.	S. C .Agnihotri	Part Time Chairman	1	-	-
2.	Mukul Jain	Part Time Director	1	-	1
3.	Ashok K. Ganju	Part Time Director	1	-	-
4.	Vijay Anand	Part Time Director	1	-	-

* 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 5 times during the year to discuss the operational activities of the Company.

S. No.	Name and Designation	Board Meetings During the Year		Attendance at AGM
		13th Board meeting – 10.04.2015 14th Board Meeting – 22.07.2015 15th Board Meeting - 10.08.2015 16th Board Meeting - 09.11.2015 17th Board Meeting - 03.02.2016		
		Held During tenure	Attended	
1.	Mr. S. C .Agnihotri	5	5	Yes
2.	Mr. Mukul Jain	5	5	Yes
3.	Mr. Ashok K. Ganju	5	5	Yes
4.	Mr. Vijay Anand	5	5	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 fourth 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, Directors' Report, Report on Corporate Governance which is being circulated to the members and others entitled thereto.

ANNEXURE - III

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2016
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	24.01.2003
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	To enter into & carry on all Business related to High speed Rail systems & other rail based traffic as approved by Government of India	501	100%

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	RAIL VIKAS NIGAM LIMITED	U74999DL2003GOI118633	HOLDING COMPANY	100%	2(46)



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

(i) Category-wise shareholding

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		
A. Promoters										
(1) Indian		0	0	0	0	0	0	0		
a) Individual/HUF										
b) Central Govt. or State Govt.										
c) Bodies Corporates		107,411		100		107,411		100		
d) Bank/FI										
e) Any other										
SUB TOTAL: (A) (1)										
(2) Foreign										
a) NRI- Individuals		0	0	0	0	0	0	0		
b) Other Individuals		0	0	0	0	0	0	0		
c) Bodies Corp.		0	0	0	0	0	0	0		
d) Banks/FI		0	0	0	0	0	0	0		
e) Any other...		0	0	0	0	0	0	0		
SUB TOTAL (A) (2)		0	0	0	0	0	0	0		
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)		107,411.00		100.00		107,411.00		100.00		
B. Public Shareholding										
(1) Institutions		0	0	0	0	0	0	0		
a) Mutual Funds		0	0	0	0	0	0	0		
b) Banks/FI		0	0	0	0	0	0	0		
c) Central govt		0	0	0	0	0	0	0		
d) State Govt.		0	0	0	0	0	0	0		
e) Venture Capital Fund		0	0	0	0	0	0	0		
f) Insurance Companies		0	0	0	0	0	0	0		
g) FIIS		0	0	0	0	0	0	0		
h) Foreign Venture Capital Funds		0	0	0	0	0	0	0		
i) Others (specify)		0	0	0	0	0	0	0		
SUB TOTAL (B)(1):		0	0	0	0	0	0	0		
(2) Non Institutions										
a) Bodies corporates		0	0	0	0	0	0	0		
i) Indian		0								
ii) Overseas		0								
b) Individuals		0								
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs		0								
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs		0								
c) Others (specify)		0								
SUB TOTAL (B)(2):		0	0	0	0	0	0	0		
Total Public Shareholding (B) = (B)(1) + (B)(2)		0	0	0	0	0	0	0		
C. Shares held by Custodian for GDRs & ADRs		0	0	0	0	0	0	0		
Grand Total (A + B + C)		107,411.00	-	100.00	-	107,411.00	-	100.00		

(ii) SHARE HOLDING OF PROMOTERS

S. No.	Shareholders Name	Shareholding at the beginning of the year (As on 01.04.2015)			Shareholding at the end of the year (As on 31.03.2016)			% 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	
	Total	107411	100	0	107411	100	0	

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

S. No.		Share holding at the beginning of the Year (As on 01.04.2015)		Cumulative Share holding during the year (2015-16)	
		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 01.04.2015)	107411	100	107411	100
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase due to allotment				
	At the end of the year (As on 31.03.2016)	107411	0	107411	100

(IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECORS, PROMOTERS & HOLDERS OF GDRS & ADRS)

S. No.		Shareholding at the end of the year (As on 01.04.2015)		Cumulative Share holding during the year (2015-16)	
		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 01.04.2015)	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 31.03.2016)	0	0	0	0



(V) SHAREHOLDING OF DIRECTORS & KMP

S. No.		Shareholding at the end of the year		Cumulative Share holding 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 01.04.2015)	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 31.03.2016)	0	0	0	0

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year (As on 01.04.2015)				
i) Principal Amount	0	-	-	-
ii) Interest due but not paid	0	-	-	-
iii) Interest accrued but not due	0	-	-	-
	0			
Total (i + ii + iii)	0	-	-	-
	0			
Change in Indebtedness during the financial year				
Additions	0	-	-	-
Reduction	0	-	-	-
Net Change	0	-	-	-
Indebtedness at the end of the financial year (As on 31.03.2016)				
i) Principal Amount	0	-	-	-
ii) Interest due but not paid	0	-	-	-
iii) Interest accrued but not due	0	-	-	-
Total (i + ii + iii)	0	-	-	-

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No	Particulars of Remuneration	Name of the MD/WTD/Manager
1	Gross salary	
	(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	-
	Total (A)	-

B. Remuneration to other directors:

S.No	Particulars of Remuneration	Name of the Directors	
1	Independent Directors		
	(a) Fee for attending board committee meetings	0	0
	(b) Commission	0	0
	(c) Others, please specify	0	0
	Total (1)	0	0
2	Other Non Executive Directors		
	(a) Fee for attending board committee meetings	0	0
	(b) Commission	0	0
	(c) Others, please specify.	0	0
	Total (2)	0	0
	Total (B)=(1 + 2)	0	0
	Total Managerial Remuneration	0	0



C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S. No.	Particulars of Remuneration	Key Managerial Personnel			
1	Gross Salary	CEO	Company Secretary	CFO	Total
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	0	0	0	0
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	as % of profit	0	0	0	0
	others, specify	0	0	0	0
5	Others, please specify	0	0	0	0
	Total	0	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)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
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 AT 31.03.2016

Amount in ₹

I. EQUITY AND LIABILITIES

1 Shareholders' funds

(a) Share capital	3	1,074,110	1,074,110
(b) Reserves and surplus	4	(1,829,050)	(2,920,305)

2 Non Current liabilities

(a) Other Long Term liabilities	5	5,854	-
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3 Current liabilities

(a) Other current liabilities	6	184,263,151	61,870,778
(b) Short Term Provisions	7	64,920	-

Total

183,578,986 **60,024,583**

II. ASSETS

1 Non Current Assets

(a) Fixed assets	8		
(i) Intangible assets		17,833	-
(ii) Intangible assets		640,960	931,972

2 Current assets

(a) Cash and Bank Balances	9	16,806,409	32,813,516
(b) Short-Term Loans and Advances	10	33,465	39,047
(c) Project work in Progress	11	166,080,319	26,240,048

Total

183,578,986 **60,024,583**

III. Notes Forming Part of Financial Statements "As per our report of the even date attached"

1 to 17

For ASAP & Associates
Chartered Accountants
FRN: 005713N

Anil Kumar Jain
Partner
M.No. 084559

FOR AND ON BEHALF OF THE BOARD OF DIRECTOR

Mukul Jain
Director
DIN:03121180

Ashok K Ganju
Director
DIN:01970462

Place: New Delhi
Date: 05.08.2016



HIGH SPEED RAIL CORPORATION OF INDIA LIMITED

Statement of Profit & Loss for the year ended March 31st March 2016

Amount in ₹

Particulars	Note	For The year Ended 31 March 2015	For The year Ended 31 March 2014
I. Other income	12	2,081,110	1,333,004
Total Revenue		2,081,110	1,333,004
II Expenses:			
(a) Depreciation and amortization	8	294,930	291,012
(b) Other Expenses	13	208,886	262,795
Total expenses		503,815	553,807
III. Profit before exceptional and extraordinary items and tax (I-II)		1,577,295	779,197
IV. Exceptional items			-
V Profit before extraordinary items and tax (III - IV)		1,577,295	779,197
VI Extraordinary Items			-
VII. Profit before tax (V- VI)		1,577,295	779,197
VIII Tax expense:			
(1) Current tax		476,468	104,254
(2) Deferred tax		5,854	-
(3) Previous Year Tax		3,718	-
IX Profit (Loss) for the period from continuing operations (VII-VIII)		1,091,254	674,943
X Profit/(loss) from discontinuing operations		-	- - -
XI Tax expense of discontinuing operations			
XII Profit/(loss) from Discontinuing operations (after tax) (X-XI)		-	-
XIII Profit (Loss) for the period (XI + XIV)		1,091,254	674,943
XIV Earnings per equity share:			
(1) Basic		10.16	8.94
(2) Diluted		10.16	6.28

XV. Notes Forming Part of Financial Statements

1 to 17

"As per our report of the even date attached"

For ASAP & Associates
Chartered Accountants
FRN: 005713N

Anil Kumar Jain
Partner
M.No. 084559

FOR AND ON BEHALF OF THE BOARD OF DIRECTOR

Mukul Jain
Director
DIN:03121180

Ashok K Ganju
Director
DIN:01970462

Place: New Delhi
Date: 05.08.2016



HIGH SPEED RAIL CORPORATION OF INDIA LIMITED

Cash Flow Statement for the year ending March 31st, 2016

Amount in ₹

A Cash Flow From Operating Activities

Net profit/(Loss) before Tax &	1,577,295	779,197
Interest Income	(2,081,110)	(1,333,004)
Add: Depreciation	294,930	291,012
Operating Profit before Working Capital Changes	<u>(208,886)</u>	<u>(262,795)</u>

Adjustments for :

Add: Increase(Decrease) in Current Liabilities	122,392,373	25,585,943
Less: Decrease in Non Current Liabilities		(574,110)
Less: Increase in Project Work in Progress	(139,840,271)	(26,056,601)
Less: Increase in Other Current Assets	(23,465)	(10,000)
Less: Income Tax Paid (Net of Refunds)	(386,218)	(133,301)

NET CASH FLOW FROM OPERATING ACTIVITIES

<u>(18,066,467)</u>	<u>(1,450,864)</u>
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B Cash Flow From Investing Activities

Purchase of Fixed Assets/Investments	(21,750)	-
Interest Received	2,081,110	1,333,004

NET CASH FLOW FROM INVESTING ACTIVITIES

<u>2,059,360</u>	<u>1,333,004</u>
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C Cash Flow From Financing Activities

Proceeds from Issue of Equity Share Capital		574,110
---	--	---------

NET CASH FLOW FROM FINANCING ACTIVITIES

<u>-</u>	<u>574,110</u>
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Net increase/(decrease) in Cash and

Cash Equivalents (A + B + C)	(16,007,107)	444,250
------------------------------	--------------	---------

Cash & Cash Equivalents at the beginning of the year

8	<u>32,813,516</u>	<u>32,369,266</u>
---	-------------------	-------------------

Cash and Cash Equivalents at the end of the Period

<u>16,806,409</u>	<u>32,813,516</u>
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Cash and Cash Equivalents comprises

Cheques in Hand	
Current Accounts	9,125,615
Flexi Deposits	7,680,794

<u>16,806,409</u>	<u>32,813,516</u>
-------------------	-------------------

The above Cash flow statement has been prepared under the indirect method set out in AS-3 issued by The Institute of Chartered Accountants of India.

"As per our report of the even date attached"

For ASAP & Associates

Chartered Accountants

FRN: 005713N

Anil Kumar Jain
Partner

M.No. 084559

FOR AND ON BEHALF OF THE BOARD OF DIRECTOR

Mukul Jain
Director

DIN:03121180

Ashok K Ganju
Director

DIN:01970462

Place: New Delhi

Date: 05.08.2016



HIGH SPEED RAIL CORPORATION OF INDIA LIMITED

Notes to the financial statements

1 General Information

High Speed Rail Corporation of India Limited is a 100% Wholly Owned Subsidiary of Rail Vikas Nigam Limited. The Company was incorporated 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.

2 Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its

operating cycle as 5 years for purpose of current – non-current classification of assets and liabilities related to project work. Company has selected cycle of 12 months for classification of other items.

2.2 Use of Estimate

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the years presented. Actual results could differ from those estimates.

2.3 Fixed Assets & Depreciation

A) Tangible Fixed assets

Tangible Fixed Assets are stated at acquisition cost, inclusive of inward freight, duties, taxes and incidental expenses related to acquisition. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value or net realizable value and are shown separately in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the Statement of Profit and Loss.

B) Intangible Assets

Intangible assets are recognized as per the criteria specified in Accounting Standard (AS) 26 "Intangible



assets" issued by the Institute of Chartered Accountant of India

C) Depreciation

Depreciation is provided on prorata basis on the SLM method over the estimated useful lives of the assets at the rates prescribed under Schedule II of the Companies Act, 2013"

D) Amortization of intangible Assets.

Intangible Assets are amortised as follow:

- (a) Company Logo : Over a period of Five Years on prorata basis
- (b) Website Cost : Over a period of Five Years on prorata basis

2.4 Impairment

In accordance with Accounting Standard-28 Impairment of Assets (AS-28), 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 and 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 worse than expected and therefore there is no impairment of any assets as on the Balance Sheet date.

2.5 Revenue Recognition

- i. Interest: Interest income on Fixed Deposits with bank's is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

- ii. Other items of income are accounted for as and when the right to receive is established.

2.6 Provisions and contingencies

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of a contingent liability is made where there is a possible obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation can not be made.

2.7 Cash Flow Statement

The Cash Flow Statement is prepared by the Indirect Method set out in "Accounting Standard 3" on "Cash Flow Statements" and presents the Cash Flows from Operating, Investing and Financing activities of the Company.

2.8 Earning Per Share

Basic earning per share is computed by dividing the profit/loss after tax by the number of weighted average shares outstanding during the year. Diluted earning per share is calculated by dividing the net profit for the year attributable to equity shareholder by the weighted average number of equity shares outstanding during the period adjusted for all potential equity shares.

2.9 Preliminary / Share issue expenses

Preliminary expenses and Share issue Expenses are fully written off in the year in which they are incurred.

2.10 Project Work in Progress

Expenditure which can be directly identified with the Project undertaken by the company is debited to "Project Work in Progress" Under Note 10 'Incidental expenditure'. Receipt from sale of tender is credited to cost of projects.



NOTE 3 Share Capital

Particulars	As at 31 March 2016 (Amount in ₹)	As at 31 March 2015 (Amount in ₹)
Authorized		
50,00,000 Equity Shares of ₹10 each	50,000,000	50,000,000
Issued		
107411 Equity Shares of ₹10 each (Previous Year 107411 Equity Shares of ₹10 each)	1,074,110	1074110
Subscribed & Paid up		
Equity Shares fully paid 107411 at ₹10 per equity share (Previous Year 107411 Equity Shares of ₹10 each)	1,074,110	1074110
Total	1,074,110	1074110

NOTE 3.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	Equity Shares	
	Number	(Amount in ₹)
Shares outstanding at the beginning of the year	107,411	107,4110
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	107,411	1,074,110

NOTE 3.2

The Company is a 100% Wholly Owned Subsidiary of Rail Vikas Nigam Limited (along with 6 Nominees of Holding Company). Rail Vikas Nigam Limited holds 107405 shares & its Nominee holds 6 shares, Face value of share is ₹10 each.

NOTE 3.3

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.

NOTE 3.4 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at 31 March 2016	
	No. of Shares held	% of Holding
Rail Vikas Nigam Limited (along with 6 Nominees) -Holding Company (107411 shares fully paid up @ ₹10/- per share)	107,411	100%
Total	107,411	100%

NOTE 3.5 Aggregate number of shares issued for consideration other than cash

Particulars	As at 31 March 2016	As at 31 March 2015
	Numbers	Numbers
Equity shares allotted as fully paid-up for consideration other than cash		57,411
Total	-	57,411

NOTE 4 Reserves & Surplus

Particulars	As at 31 March 2016	As at 31 March 2015
	(Amount in ₹)	(Amount in ₹)
Profit & Loss		
Opening balance	-2,920,305	-3,595,247
Add : Profit/ (Loss) For the Period	1,091,254	674,943
Closing Balance	-1,829,050.37	-2,920,305

NOTE 5 Deferred Tax Liability

Particulars	As at 31 March 2016	As at 31 March 2015
	(Amount in ₹)	(Amount in ₹)
Deferred Tax Liability	5,854	0
Total	5,854	-

Calculation of Deferred Tax

Liability on Account of Depreciation	
WDV of Fixed Assets as per Books of Account	658,793
WDV of Fixed Assets as per IT Act	639,847
Timing Difference	18,946
Tax Rate	30.90%
Deferred Tax Liability	5,854

NOTE 6 Other Current Liabilities

Particulars	As at 31 March 2016	As at 31 March 2015
	(Amount in ₹)	(Amount in ₹)
Statutory Liabilities	8,063,213	48,073
Advance from Ministry of Railways for Project feasibility study	154,624,954	30,000,000
Other Payables	21,574,984	28,306,536
Earnest Money Deposit & Security Deposits	-	3,516,169
Total	184,263,151	61,870,778

NOTE 7 Short Term Provision

Particulars	As at 31 March 2016	As at 31 March 2015
	(Amount in ₹)	(Amount in ₹)
Provision for Income Tax (Net of Advance Tax & TDS)	64,920	-
Total	64,920	-

HIGH SPEED RAIL CORPORATION OF INDIA LIMITED

NOTE 8 Fixed Assets

Particulars	GROSS BLOCK				Accumulated Depreciation				NET BLOCK	
	As at 1st April 2015 Rupees (₹)	Additions Rupees (₹)	(Disposals) Rupees (₹)	As at 31st March 2016 Rupees (₹)	As at 1st April 2015 Rupees (₹)	Depreciation charge during the Year Rupees (₹)	On Disposals Rupees (₹)	As at 31st March, 2016 Rupees (₹)	As at 31st March 2016 Rupees (₹)	As at 31st March 2015 Rupees (₹)
Intangible Assets										
Digital Camera	-	21,750		21,750		3,917		3,917	17,833	-
Total (A)	-	21,750	-	21,750	-	3,917	-	3,916	17,833	-
Intangible Assets										
Logo	1,348,320	-	-	1,348,320	496,477	269,664	-	766,141	582,179	851,843
Website	106,742	-	-	106,742	26,612	21,348		47,961	58,781	80,130
Total (B)	1,455,062	-	-	1,455,062	523,090	291,012	-	814,101	640,960	931,972
Grand Total	1,455,062	21,750	-	1,476,812	523,090	294,930	-	818,017	658,793	931,972
Previous Year	1,455,062	-	-	1,455,062	-	291,012	-	523,090	931,972	-





NOTE 9 Cash and Bank Balances

Particulars	As at 31 March 2016	As at 31 March 2015
	(Amount in ₹)	(Amount in ₹)
Cash and cash equivalents		
Balances with banks:		
Current Account	9,125,615	213,516
Flexi Deposits	7,680,794	32,600,000
Total	16,806,409	32,813,516

Note 10 : Short-term loans and advances

Particulars	As at 31 March 2016	As at 31 March 2015
	(Amount in ₹)	(Amount in ₹)
Other loans and advances Unsecured, considered good		
Advance Tax & TDS (Net of Provision for Tax)	-	29,047
Other Advances	33,465	10,000
Total	33,465	39,047

NOTE 11

Particulars	As at 1st April 2016	Additions	As at 1st April 2015
	(Amount in ₹)	(Amount in ₹)	(Amount in ₹)
Project work In progress			
PPE(Incidental Expenses)	886,875		886,875
Preliminary Project Expenditure	813,183	124,088,776	124,901,959
Incidental Expenditure	24,819,990	15,751,495	40,571,485
Less: Sale of Tender	-280,000		-280,000
Total	26,240,048	139,840,271	166,080,319

NOTE 12 Other Income

Particulars	For The year Ended March 2016	For The year Ended March 2015
	(Amount in ₹)	(Amount in ₹)
Interest on Flexi Account	2,081,110	1,333,004
Total	2,081,110	1,333,004

NOTE 13 Other expenses

Particulars	For The year Ended March 2016	For The year Ended March 2015
	(Amount in ₹)	(Amount in ₹)
Legal & Professional Fees	104,321	90,188
Office Expenses	3,709	93,871
Payment to Auditors:		-
As Auditors - Statutory Audit	89,698	78,652
Out Of pocket Expenses	10,000	-
Bank charges	1,034	84
Other Expenses	124	
Total	208,886	262,795



NOTE 13.1: As on balance sheet date High Speed Rail Corporation of India Limited does not have any staff, premises or other administrative resources for day to day operations of company. All day to day operations of company are being carried by RVNL accordingly RVNL has charged proportionate cost towards administrative expenses to HSRC

NOTE 14: There are no reported Micro, Small and Medium enterprises as defined in the "The Micro, Small & Medium Enterprises Development Act 2006" to whom the company owes dues.

NOTE 15: Other Disclosures

Particulars	For the Year Ended March-2016	For the Year Ended March-2015
Expenditure in Foreign Currency	3,06,988	78,78,548
	3,06,988	78,78,548

NOTE 16 Related Party Disclosures

16.1 Related Parties & Nature of Relationship

Name of Related Party	Nature of Relationship
Rail Vikas Nigam Limited (RVNL)	Holding Company
Satish Chandra Agnihotri	Director
Vijay Anand	Director
Ashok Krishna Ganju	Director
Mukul Jain	Director

16.2 Disclosure of transaction with related parties

Name of the related Party	As at 31 March 2016 (Amount in ₹)	As at 31 March 2015 (Amount in ₹)
Rail Vikas Nigam Limited (RVNL)		
Conversion of outstanding liabilities into share capital	-	574,110
Expenditure Incurred by RVNL on behalf of HSRC	15,659,523	28,091,772
Advance for Project work received	92,000,000	-

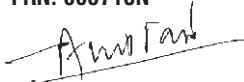
16.3 Outstanding balances of related parties

Name of the related Party	As at 31 March 2016 (Amount in ₹)	As at 31 March 2015 (Amount in ₹)
Rail Vikas Nigam Limited (RVNL)	21,375,241	28,034,512

17. Previous year's figures have been regrouped and rearranged, wherever necessary to make comparable with those of the current year.

"As per our report to even date attached"

For ASAP & Associates
Chartered Accountants
FRN: 005713N


Anil Kumar Jain
Partner
M.No. 084559
Place: New Delhi
Date: 05.08.2016



Ashok K Ganju
Director
DIN:01970462

FOR AND ON BEHALF OF THE BOARD


Mukul Jain
Director
DIN : 03121180



ASAP & ASSOCIATES
Chartered Accountants



रेल विकास निगम लिमिटेड
Rail Vikas Nigam Limited

1. Temple Complex, Shiv Mandir,
Tilak Bridge, New Delhi - 110001

OFFICE PHONE : 011-2337 1637, 2337 1937

Email : info@asap.net.in

Website : www.asap.net.in

INDEPENDENT AUDITORS' REPORT (Revised)

To
The Members of
High Speed Rail Corporation of India Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **High Speed Rail Corporation of India Limited** ("the Company"), which comprise the Balance Sheet as at 31 March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order under Section 143 (11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies



used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the State of the affairs of the Company as at 31 March, 2016, and its profit and its cash flow for the year ended on the that date.

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 in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by the directions issued by the Comptroller and Auditor-General of India, in terms of sub section (5) of section 143 of the Act, we give in the compliance in the "Annexure B".
3. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
 - (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 C"; 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 does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **ASAP & Associates**
Chartered Accountants
(Firm's Registration No. 005713N)

Anil Jain
Partner
(M No.84559)

Place:- New Delhi,
Date:- 30.08.2016



ANNEXURE - A TO THE AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March, 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The Company has an efficient program of verification of fixed assets to cover all the items which in our opinion, is reasonable having regard to the size of the company and the nature of fixed assets. Pursuant to the program certain fixed assets were physically verified by the management during the year. According to the information and explanation given to us no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company doesn't own any immovable property.
- (ii) The Company doesn't have any inventory. Thus; paragraph (ii) of the Order is not applicable to the Company.
- (iii) The Company has not granted any loans, secured or unsecured to Companies, firms, Limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (iv) The Company has not granted any loans, made investments or provide guarantees under section 185 and 186 of the Companies Act 2013, and hence reporting under this clause of the CARO is not applicable.
- (v) The Company has not accepted any deposits from the public during FY 2015-16.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during FY 2015-16.
- (xi) In our opinion Section 197 of the companies Act 2013, is not applicable to the government companies. Hence paragraph (xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where



applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions of section 192 of the companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **ASAP & Associates**
Chartered Accountants
(Firm's Registration No. 005713N)

Anil Jain

Partner

(M No.84559)

Place:- New Delhi,

Date:- 30.08.2016



Annexure - B to the Auditors' Report

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 **High Speed Rail Corporation of India Limited ("the Company")**, as of 31 March 2016 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that



(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

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 31 March 2016, 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 ASAP & Associates
Chartered Accountants
(Firm's Registration No. 005713N)

Anil K. Jain
Partner
(M No.84559)

Place:- New Delhi,
Date:- 30.08.2016

ANNEXURE C TO THE INDEPENDENT AUDITORS REPORT

Annexure to the Independent Auditor's Report referred to in paragraph 5(2) of our report of even date on the standalone financial statements of **High Speed Rail Corporation Limited (HSRCL)** for the Year ended 31st March, 2016.

S. No.	CAG's Directions	Our Report	Action Taken thereon	Impact on accounts and financial statements of the company
1.	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.	NA	No Action required	NIL
2.	Whether there are any cases of waiver/ write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	NA	No Action required	NIL
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from Government or other authorities.	NA	No action required.	NIL

For ASAP & Associates
Chartered Accountants
(Firm's Registration No. 005713N)



Anil K. Jain
Partner
(M No.84559)

Place:- New Delhi,
Date:- 30.08.2016



Confidential



भारतीय लेखा परीक्षा एवम् लेखा विभाग
प्रधान निदेशक लेखा परीक्षक, रेलवे-वाणिज्यिक का कार्यालय
काफ़मो, भारतीय रेल, तिलक ब्रिज, नई दिल्ली-110 002

INDIAN AUDIT AND ACCOUNTS DEPARTMENT
OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT,
RLY-COMMERCIAL, COFMOW, INDIAN RAILWAYS,
TILAK BRIDGE, NEW DELHI- 110002

No. PDA/RC/RPSU/32-53/High Speed/2016-17/1276

Dated: 28.09.2016

To

The Managing Director
High Speed Rail Corporation of India Limited,
Room No. 260, 1st Floor, August Kranti Bhavan,
Bhikaji Cama Place, R.K.Puram, New Delhi — 110 066

Subject: Comments of the Comptroller & 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 31st March 2016.

Sir,

I am enclosing the Comments of the Comptroller and Auditor General of India u/s 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 2016.

The receipt of the letter may kindly be acknowledged.

Encl: As above

Yours faithfully,

(Meenakshi Mishra)
Director General of Audit
(Railway Commercial)



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, 2016

The preparation of financial statements of **HIGH SPEED RAIL CORPORATION OF INDIA LIMITED** for the year ended 31 March 2016 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 Revised Audit Report dated 30 August 2016.

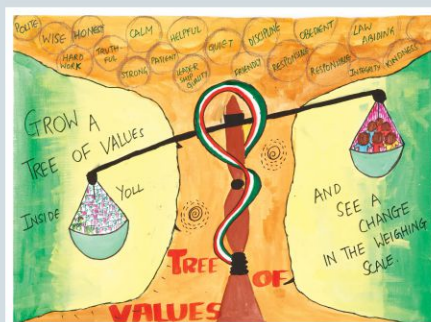
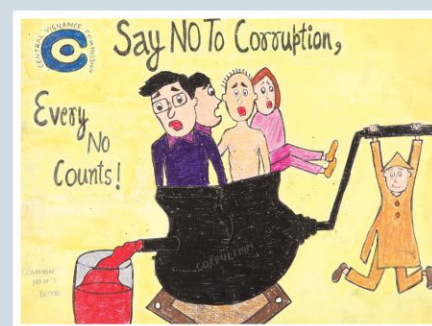
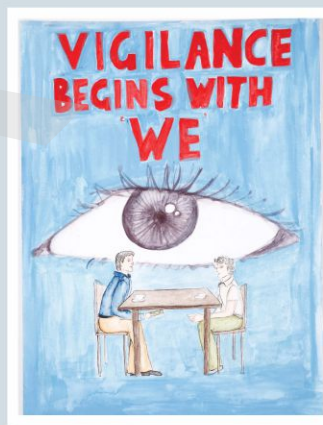
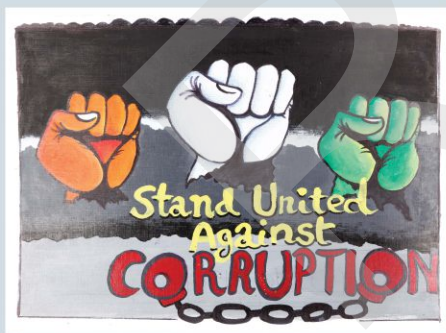
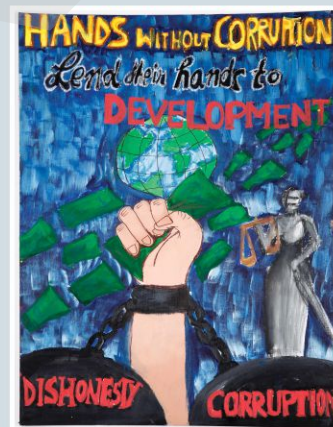
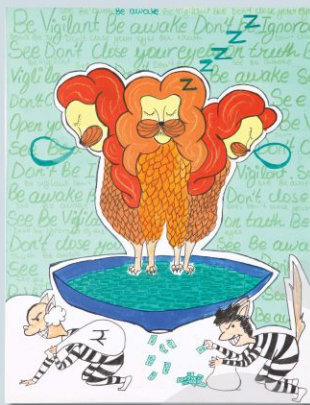
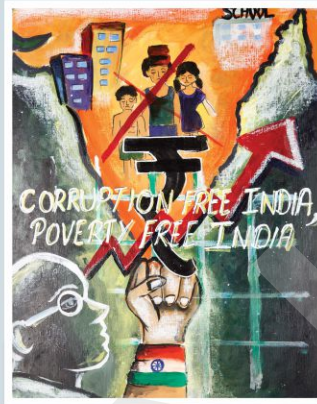
I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of **HIGH SPEED RAIL CORPORATION OF INDIA LIMITED** for the year ended 31 March 2016. This supplementary audit has been carried out independently 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 audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report.

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

(Meenakshi Mishra)
Director General of Audit
(Railway Commercial)

Place: New Delhi
Date: 28.09.2016

"Winning Entries by School Children during poster making competition held as part of Vigilance Week celebrations (2015)"





रेल विकास निगम लिमिटेड
Rail Vikas Nigam Limited

(A Government of India Enterprise)

1st Floor, August Kranti Bhawan, Bhikaji Cama Place, New Delhi - 110066
Tel.: +91-26738195 Fax: +91-11-26182957 Website: www.rvnl.org