



# 16<sup>th</sup> Annual Report 2021-22



**BHARUCH DAHEJ RAILWAY  
COMPANY LIMITED**



## BHARUCH DAHEJ RAILWAY COMPANY LIMITED

### **Board of Directors:**

1. Smt. Jaya Varma Sinha, Chairman (Nominee of Ministry of Railway) (w.e.f 09.09.2021)
2. Shri. Sushant Kumar Mishra, Chairman (Nominee of Ministry of Railway) (upto 09.09.2021)
3. Shri. Sanjay Dungrakoti, Coordinating Director (Nominee of Rail Vikas Nigam Limited)
4. Dr. Meenu Dang, Director (Nominee of Rail Vikas Nigam Limited)
5. Shri. Pradip Kumar Singh, Director (Nominee of Rail Vikas Nigam Limited)
6. Shri. M. Thennarasan, Director (Nominee of Gujarat Industrial Development Corporation)
7. Shri. Kalpesh Vithlani, Director (Nominee of Gujarat Maritime Board)
8. Shri. Sajal Mittra, Director (Nominee of Adani Petronet (Dahej) Port Pvt. Ltd.)

### **Chief Financial Officer**

Shri Balkishan Sharma

### **Company Secretary**

Smt. Kanika Mathur

### **Registered Office:**

39-42, 3<sup>rd</sup> Floor, Indra Palace  
H – Block, Middle Circle  
Connaught Place  
New Delhi-110001

### **Corporate Office:**

301/302, Rubellite Building  
32, Ajit Nagar Society,  
Nr. Urmi Char Raasta, Akota  
Vadodara – 390020

### **Statutory Auditors:**

M/s RSM & Associates  
Chartered Accountant  
B-104, 4th Floor,  
Sector-8, Dwarka  
New Delhi - 110077

### **Secretarial Auditors**

Shri Anil Anand  
(Company Secretary in Practice)  
102, GK House, 1st Floor, 187-A  
Sant Nagar, New Delhi-110065

### **Bankers:**

Canara Bank  
Mid Corporate Branch  
B-39, Connaught Place,  
New Delhi-110001



## CONTENTS

Notice of 16 <sup>th</sup> Annual General Meeting .....	3
Directors' Report .....	6
Secretarial Audit Report .....	24
Auditors' Report .....	29
Balance Sheet .....	39
Statement of Profit & Loss Account .....	40
Cash Flow Statement .....	41
Statement of change in Equity .....	44
for the period ended 31st March 2022	
Notes on Financial Statements .....	46
for the Year ended 31st March 2022	
CAG comments and Management Replies.....	95

## NOTICE

Notice is hereby given that the **Sixteenth Annual General Meeting** of Members of **Bharuch Dahej Railway Company Limited** will be held on Wednesday, 28<sup>th</sup> September, 2022 at 16.00 Hrs at Conference Room, Rail Vikas Nigam Limited at 1<sup>st</sup> Floor, August Kranti Bhawan, Bhikaji Cama Place, New Delhi 110066 and/or through Video Conferencing (VC) to transact the following business:

### ORDINARY BUSINESS:

#### I. Adoption of Audited Accounts

1. To consider and adopt the Audited Balance Sheet as on 31.03.2022, Profit and loss Account & Cash Flow Statement for the year ended on that date, and the reports of the Board of Directors and Auditors' (both Statutory and Secretarial) thereon and the comments of the Comptroller and Auditor General of India thereon.

In this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

***"RESOLVED THAT the audited financial statement of the Company for the financial year ended 31.03.2022 and the reports of the Board of Directors and Auditors (both Statutory and Secretarial) thereon and the comments of the Comptroller and Auditor General of India thereon as circulated to the members, be and are hereby considered and adopted."***

#### II. Reappointment of Retiring Directors

2. To appoint a Director in the place of Smt. Jaya Varma Sinha (DIN 09295401), who retires by rotation and being eligible, offers herself for reappointment.

In this regard, to consider and if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary Resolution:

***"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Smt. Jaya Varma Sinha (DIN 09295401), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company."***

3. To appoint a Director in the place of Dr. Meenu Dang (DIN 05171078), who retires by rotation and being eligible, offers herself for reappointment.

In this regard, to consider and if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary Resolution:

***"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Dr. Meenu Dang (DIN 05171078), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company."***

#### III. Remuneration of Statutory Auditors

4. Remuneration of Statutory Auditors for the year 2022-23

As the Company comes under the purview of section 139(5) of the Companies Act, 2013, the appointment of auditors is made by Comptroller & Auditor General of India. Accordingly, CAG will appoint Statutory Auditors for the financial year 2022-23.

Section 142 of the Companies Act, 2013 provides that the remuneration of the auditor of the Company shall be fixed by the Company in general meeting or in such manner as the Company in general meeting may determine.

To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:



## Bharuch Dahej Railway Company Limited

CIN: U45203DL2006PLC155511

**“RESOLVED THAT** the appointment of Statutory Auditors, made by Comptroller & Auditor General of India under Section 139 of the Companies Act, 2013 for the financial year 2022-23, as placed in the meeting, be and is hereby noted and the Board of Directors of the Company be and are hereby authorized to fix the remuneration payable to them as per Section 142 of the Companies Act, 2013.”

### B. SPECIAL BUSINESS:

#### IV. Amendment in Object Clause of the Memorandum of Association of the Company

5. To consider and if thought fit, to pass with or without modification(s), the resolution as Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 13 and other applicable provisions, if any, of Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force), and the rules framed thereunder, consent of Shareholders be and is hereby accorded, subject to approval of Registrar of Companies, to append following sub clause (7) after sub clause (6) of clause III (A) of the Memorandum of Association of Company:

*“To carry on the business of Infrastructure Providers Category I (IP-I) including business of providing dark fibers, Right of way, Duct space, towers for the purpose to grant on lease/rent/sale to the licensees of telecom services licensed under section 4 of Indian Telegraph Act, 1885.”*

**“FURTHER RESOLVED THAT** Coordinating Director/Managing Director and Company Secretary be and are hereby authorised, to do all acts, deeds, matters and things as deem necessary in this regard.

**For Bharuch Dahej Railway Company Limited**

Sd/-

Place: New Delhi

Date: 06.09.2022

**Kanika Mathur**  
Company Secretary

#### NOTES:

1. Ministry of Corporate Affairs vide General Circular No 02/2022 dated 05.05.2022 permitted the companies for holding Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) subject to the fulfillment of requirements as per the law. In compliance with the same and applicable provisions of Companies Act, 2013, the 16<sup>th</sup> AGM of the Company is being convened and conducted through VC also.
2. Members attending the AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
3. As per the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. Since the 16<sup>th</sup> AGM is being held through VC as per the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available for the 16<sup>th</sup> AGM and hence the Proxy Form along with Attendance Slip and route map of AGM are not annexed to this Notice.
4. Corporate Members intending to send their authorized representatives to attend the 16<sup>th</sup> AGM are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the AGM at email id [cosec@bdrail.in](mailto:cosec@bdrail.in).
5. The Notice of 16<sup>th</sup> AGM and Annual Report 2021-22 will be available on the Company's website viz. [www.bdrail.in](http://www.bdrail.in).
6. The Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Companies Act, 2013 will be available for inspection by the Members electronically during the 16<sup>th</sup> AGM. Members seeking to inspect such documents can send an email to [cosec@bdrail.in](mailto:cosec@bdrail.in).
7. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Item Nos. 5 of the Notice, is annexed.
8. The members are requested to follow the following instructions in order to participate in the Meeting through VC mechanism:

- 
- a) The meeting will called through 'Microsoft Teams'.
  - b) The link to attend the meeting will be shared through email separately.
  - c) The members may attend the same by clicking on the link and joining through browser or by downloading the app available in the play store.
  - d) The facility for joining the Meeting shall be kept open 15 minutes before the time scheduled to start the meeting and 15 minutes after the expiry of the said scheduled time.
  - e) Queries on the accounts and operations of the Company or the businesses covered under the Notice may be sent to [cosec@bdrail.in](mailto:cosec@bdrail.in) at least seven days in advance of the meeting so that the answers may be made readily available at the meeting.
  - f) Members are requested to e-mail at [cosec@bdrail.in](mailto:cosec@bdrail.in) or call at 011- 43586814/15/16/17 in case of any technical assistance required at the time of joining/ accessing/ voting at the Meeting through VC;

**For Bharuch Dahej Railway Company Limited**

**Place: New Delhi**  
**Date: 06.09.2022**

Sd/-  
**Kanika Mathur**  
**Company Secretary**

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**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.**

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 5 of the accompanying Notice:

**5. Amendment in Object Clause of the Memorandum of Association of the Company**

The Shareholders be informed that RailTel Corporation of India, who approached BDRCL to provide a connection from BDRCL's OFC to enable them to provide Wi-Fi facility in the nearby villages under the Hon'ble Prime Minister Wi-Fi Access Network Interface (PM WANI) Project and for further business opportunities. For the same, BDRCL was required to register itself as Infrastructure Providers Category-I (IP-I) with Department of Telecommunications (Basic Services Group), Ministry of Communications, Government of India. Infrastructure Providers are those who provide basic assets such as dark fibers, Right of Way, duct space and tower etc. In this regard, Board of Directors of the Company passed a resolution by circulation for registration of the company as infrastructure providers category-I (IP-I) with Department of Telecommunications, Ministry of Telecommunication.

Consequent to the approval, an application was filed with the DoT for registration of the company as infrastructure providers category-I (IP-I) with the requisite documents. After review of the documents, the DoT has submitted that the carrying on the business related to IP-1 was not covered under main clause of Memorandum of Association. The scope of IP-1 covers the business of providing dark fibers, Right of way, Duct space, towers for the purpose to grant on lease/rent/sale to the licensees of telecom services licensed under section 4 of Indian Telegraph Act, 1885 on mutually agreed term and conditions. Therefore, the main objective of MoA is required to be altered. It was requested to get main object of MoA altered/amended to include the activity/business related to IP-1 in clear terms.

The Board, accordingly, recommends passing of the Special Resolution as set out in Item No.5 of this Notice, for the approval of the Members.

None of the Director and KMP or their relatives are interested in the above resolution.

**For Bharuch Dahej Railway Company Limited**

**Place: New Delhi**  
**Date: 06.09.2022**

Sd/-  
**Kanika Mathur**  
**Company Secretary**



## DIRECTORS' REPORT

### DISTINGUISHED SHAREHOLDERS,

Directors of your Company feel privileged to present the Sixteenth Annual Report of the Company containing salient features of operations and business of your Company, along with the Audited Annual Accounts and the Auditor's report for the year ended 31<sup>st</sup> March, 2022.

### FINANCIAL REVIEW & STATE OF AFFAIRS

During the year under review, the Financial Statement of the Company for the financial year 2021-22 have been prepared in terms of Sections 129, 133 and Schedule III to the Companies Act, 2013 (as amended) read with the Indian Accounting Standards (IND AS) as notified by the Ministry of Corporate Affairs alongwith the comparative financial statement of F.Y. 2020-21.

Highlights of Financials of the Company as on 31.03.2022 are as under:

*Amount (in Rs. crore)*

Particulars	For year ended 31.03.2022	For year ended 31.03.2021
Revenue from Operation	51.19	32.77
Other Income	02.82	07.63
<b>Total Revenue [A]</b>	<b>54.01</b>	<b>40.40</b>
O&M Cost	27.38	28.92
Finance Cost	07.55	13.95
Depreciation	13.53	13.48
Other expenses	02.57	02.23
<b>Total Expenses [B]</b>	<b>51.03</b>	<b>58.58</b>
Profit before Exceptional item [A-B]	02.98	(18.18)
Exceptional Item	22.39	16.15
<b>Profit Before Tax</b>	<b>25.37</b>	<b>(2.03)</b>
Taxes including Current Tax and Deferred Tax	(3.69)	(0.46)
<b>Profit After Taxes</b>	<b>29.06</b>	<b>(1.57)</b>

### COMPANY'S OPERATIONS

You are aware that Bharuch Dahej Railway line became commercially operational from March 2012. Year wise summary of volume of Traffic handled from 2012 to 2022 are as under:

Sr. No.	Financial Year	No. of Rakes	No. of Wagons	Loading in million tonnes
1	2012-13	1370	79785	5.37
2	2013-14	1689	98660	6.63
3	2014-15	2697	157352	10.87
4	2015-16	1603	93430	6.45
5	2016-17	873	50460	3.45
6	2017-18	779	45062	3.09
7	2018-19	1110	64733	4.48
8	2019-20	422	24213	1.66
9	2020-21	708	32128	1.66
10	2021-22	849	41310	2.33

The traffic has shown increase this year due to the fact that the Company has diversified its commodity movement from Dahej Terminal of BDRCL. At present, different commodities such as Fertilizer, Steel Pipe, Salt, and Container traffic is being handled on BDRCL Dahej Terminal. The construction of Line no. 6 and isolation facility on Line No. 3 at Dahej Terminal proved positive upgrade for meeting the operational requirements and for enhancement and dealing of different type of commodities at Dahej as it has augmented the loading facility. This has facilitated handling of increased Container traffic and loose/bulk/crane consignments and enabled loading/unloading of three rakes simultaneously at any point of time.

Your Company has made efforts, with some success, to attract alternative streams of traffic. Company is under discussions with various industries and some positive predictions for increase of traffic in near future are perceived.

### **OPERATIONS AND MAINTENANCE**

The maintenance activities are being handed over in a gradual and phased manner. The O&M Agreement after active persuasion by the management of your company has been signed at the Western Railway Divisional level and is pending and under process for mutual decision on certain matters and finalization with Western Railway headquarter.

### **CREDIT RATING**

Based on the positive attributes contributing towards improvement in financial as well as operating effectiveness like diversification of traffic, improvement in margins due to takeover of maintenance etc., the rating agency has observed and positively revised the outlook from BBB+ negative outlook to BBB+ positive outlook.

### **RESERVES AND DIVIDEND**

The Profit after Tax for the year 2021-22 is Rs. 29.06 crore. This has strengthen the Company's retrained earnings for this year to Rs. 59.11 Crore from Rs. 30.04 Crore in the previous year. During the financial year under review, the Board has not proposed to transfer any amount to Reserves. Your Directors have not recommended any dividend for the year.

### **CAPITAL STRUCTURE**

The Company's Authorized Share Capital is Rs 165,00,00,000/- (Rupees One hundred Sixty Five Crore only) divided into 16,50,00,000/- (Sixteen Crore Fifty Lakh) and paid up capital Rs 155,11,00,000/- (Rupees One hundred Fifty Five Crore only) divided into 15,51,10,000/- (Fifteen Crore Fifty One Lakh Ten Thousand) equity shares of Rs 10/- each respectively. The Company has not issued any further Equity Shares during the year.

### **BOARD OF DIRECTORS**

Your Company's Board of Director has seven members, including a Chairman (nominated by the Ministry of Railways), three nominees of Rail Vikas Nigam Limited, two nominees of Government of Gujarat and one nominee of Adani Port.

The composition of the Board of Directors as on the date of report is as under:

<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>	<b>Date of Appointment</b>
1.	Smt. Jaya Varma Sinha, Additional Member (Traffic) / Railway Board	Chairman & Nominee Director	09.09.2021
2.	Shri. Sanjay Dungrakoti, PED/S&T, Rail Vikas Nigam Limited	Nominee Director	26.09.2018
3.	Dr. Meenu Dang, ED/Finance, Rail Vikas Nigam Limited	Nominee Director	06.10.2017
4.	Shri. Pradip Kumar Singh, GGM/Projects/South, Rail Vikas Nigam Limited	Nominee Director	25.09.2019
5.	Shri. M. Thennarasan, VC & MD, Gujarat Industrial Development Corporation	Nominee Director	24.10.2019
6.	Shri. Kalpesh Vitlani, GM (Project), Gujarat Maritime Board	Nominee Director	15.05.2020





## *Bharuch Dahej Railway Company Limited*

CIN: U45203DL2006PLC155511

7.	Shri. Sajal Mittra, Head/Railways, Adani Petronet (Dahej) Port Pvt Ltd	Nominee Director	26.11.2015
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Shri Sushant Kumar Mishra, Ex-Chairman/Nominee of Ministry of Railways ceased w.e.f 09.09.2021.

At present the Board of Directors of the Company consists of seven Directors, out of which, two Directors namely Smt. Jaya Varma Sinha and Dr. Meenu Dang will retire by rotation in 16<sup>th</sup> Annual General Meeting and being eligible offer themselves for re-appointment.

During the year, the Board of Directors held 3 meetings on 24.08.2021, 18.11.2021 and 23.12.2021.

### **CORPORATE SOCIAL RESPONSIBILITY**

The Corporate Social Responsibility Committee comprises of the following members:

1. Shri. Sanjay Dungrakoti, Nominee of Rail Vikas Nigam Limited
2. Dr. Meenu Dang, Nominee of Rail Vikas Nigam limited
3. Shri. Sajal Mittra, Nominee of Adani Petronet (Dahej) Port Private Limited

The committee of Corporate Social Responsibility met once during the year on 24.08.2021.

The Corporate Social Responsibility policy has been placed on company's website, [www.bdrail.in](http://www.bdrail.in).

The CSR Statement as per Section 134(o) is enclosed as **Annexure A**.

### **KEY MANAGERIAL PERSONNEL**

In terms of Section 203 of the Act, the Key Managerial Personnel (KMPs) of the Company during FY 2021-22 are as below:

1. Shri. Balkishan Sharma, Chief Financial Officer, w.e.f. 05.09.2014.
2. Smt. Kanika Mathur, Company Secretary, w.e.f. 01.09.2019.

### **AUDIT AND AUDITORS**

#### **STATUTORY AUDITORS AND REPORT**

In terms of the provisions of Section 139 of the Act read with provisions of the Companies (Audit and Auditors) Rules, 2014 (as amended), M/s RSM & Associates, (Firm Registration No. 002813S) was appointed by Comptroller and Auditor General of India vide letter having no. No./CA.V/CENTRAL GOVERNMENT, BDRCL (0)/181 dated 18.08.2021 as the Auditors of the Company for the financial year 2021-22.

Auditor's Report is part of the Annual report for the perusal of the stakeholders. Comments of the Management on the qualifications/comments made by the Auditor in their Report are enclosed as **Annexure B** to this Report.

#### **SECRETARIAL AUDITOR AND REPORT**

In terms of Section 204 of the Act, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), your Company has appointed Shri. Anil Anand, Company Secretary in Practice (Membership No. 10328 and C.P. No. 11295) as the Secretarial Auditor of the Company, to conduct the Secretarial Audit for the financial year ended 31.03.2022.

Secretarial Audit Report as presented by Secretarial Auditor is part of the Annual report for the perusal of the stakeholders and Comments of the Management on the qualifications/comments made by the Secretarial Auditor in their Report as **Annexure C**.

#### **INTERNAL AUDITOR**

M/s Sunil K Gupta & Associates, Chartered Accountants have been appointed as Internal Auditors of the Company. Internal Auditors have been discharging their role of carrying out various assigned functions, including checking adequacy of internal control systems in the organization. They have also been presenting their Internal Audit Report in meeting of the Board of Directors, and participating in the ensuing discussion.

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#### **REPORTING OF FRAUDS BY AUDITORS**

During the year under review, neither the statutory auditors nor the secretarial auditor has reported, under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

#### **MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN END OF THE FINANCIAL YEAR AND THE DATE OF THIS REPORT**

There were no material changes and commitments, affecting the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of the report.

#### **ADEQUACY OF INTERNAL FINANCIAL CONTROL AND ADEQUACY WITH REFERENCE TO FINANCIAL STATEMENT**

The Internal Financial Control (IFC) means the policies and procedures adopted by the company 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.

The Company has a well-placed, proper and adequate IFC system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. The Company's IFC system also comprises due compliances with Company's policies and Standard Operating Procedures (SOP's) and audit and compliance supplemented by internal auditor and Independent Consultants. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by direct reporting of Internal Auditors to the management and the Board. A four stage mechanism has been put in place in this regard. Apart from the Finance department of the Company holding direct responsibility in the matter, a Chartered Accountant Firm engaged on retainership examines the adequacy of system, the Internal Auditors of the Company also examine the systems in place for their adequacy. Finally, the Statutory Auditor of the Company also includes comments on this aspect as part of their Report. Such controls have been constantly tested and no reportable material weakness in the design or operation was observed.

The Company's internal control systems are commensurate with the nature of its business, the size and complexity of its operations and such internal financial controls with reference to the Financial Statements are adequate.

#### **DISCLOSURE OF PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO**

Information under section 134 of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31.03.2022 is given below:

i) **Conservation of Energy and Technology Absorption**

The Company is conscious of the need to keep all the cost elements at the barest minimum level including the energy cost. It is also aware of the responsibility to conserve energy in an overall energy deficit scenario in the Country. The Company has made significant investment upfront to construct a Railway line which runs on electric traction, and is significantly more economical and environment friendly than the alternative diesel traction.

ii) **Foreign Exchange Earnings and Outgo**

The Company has neither earned nor expended any foreign exchange during the financial year 2021-22.

#### **ANNUAL RETURN**

Pursuant to Sections 92 & 134(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available on the Company's website: [www.bdrail.in](http://www.bdrail.in).



**REPORTING ON CONSTITUTION OF INTERNAL COMPLAINTS COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment at workplace.

Further the following is a summary of sexual harassment complaints received and disposed off during the financial year 2021-22.

Number of Complaints received:	NIL
Number of Complaints disposed of:	NIL
Closing balance of the complaints:	NIL

**PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS U/S 186**

During the year, the Company has neither given loans, nor given any guarantee or security to any person or Body Corporate, nor made any investment pursuant to Section 186 of the Companies Act, 2013.

**SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR**

During the year, there were no such companies which have become or ceased to be Subsidiaries, joint ventures or associate companies of your Company.

**DETAILS OF DEPOSIT**

During the year, the Company has neither invited nor accepted any deposits covering under Chapter V - Acceptance of Deposits by Companies' under the Companies Act, 2013 during the financial year ended 31.03.2022.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES U/S 188**

During the year 2021-22, the Company did not enter into any transactions with the Related parties which are not in the ordinary course of business or not at arm's length price or material in nature, under Section 188 of the Companies Act, 2013.

**STATEMENT ON RISK MANAGEMENT**

The management of your Company is constantly engaged in the process of identifying risks, assessing risks and developing strategies to manage risks. While a risk management plan and a business impact analysis are important parts of a business, early stages of a business should combine optimal utilization of opportunities with effective risk management. Your Company is in the business of rail transportation. Cost advantages and environmental superiority associated with rail transport make the business of your Company a promising proposition.

Your Directors are aware that a business of this size and nature must be subjected to constant review of various risks, and appropriate risk-mitigation measures must be taken from time to time. The major risks perceived for the Company include:

- Issues of control by Indian Railways – cost issues;
- Capacity constraints, and roadblocks in capacity enhancement;
- Constraints in financing the capacity augmentation activities;
- Need for diversifying customer base; and
- Possible damage/loss through acts of God.

In the assessment of the management, duly endorsed by your Directors, the risks identified are low to moderate. Your Company plans to approach capacity enhancement through diverse interventions in a need based manner, consistent with the trend of offering traffic. Financing the capacity enhancement will need to follow a mix of internal generation and debt. The Company is already gearing up to meet the demand for rail transportation amongst diverse customers. As regards possible impact of acts of God, the Company keeps its assets suitably insured.

In the view of your Directors, BDRCL's approach to risk management is dynamic and proactive, and reviews will be taken from time to time to bring about appropriate interventions.

#### **PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

The Company has a Performance Evaluation framework in place, setting parameters relating to roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees. Evaluation of performance has been formulated by the Board of Directors.

The performance evaluation process of the Board of Directors, individual Directors and Committees was conducted in accordance with the provision of the Act.

#### **COST RECORD**

During the year, the maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, was not applicable on the Company.

#### **PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

There were no penalties/punishment/compounding of offences for the breach of any sections of the Companies Act, 2013 against the Company or its Directors or other officers in default, during the year.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

During the year under review, there were no significant material orders passed by the Regulators / Courts and no litigation was outstanding as on 31.03.2022, which would impact the going concern status and future operations of your Company.

Further the details of litigation / cases under Service Tax and those involving labour/land issues are enclosed as **Annexure D**.

#### **DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016)**

During the year, there were no applications made or proceeding pending under the Insolvency & Bankruptcy Code.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Board of Directors of the Company in pursuance of Section 134(5) of the Companies Act, 2013 hereby confirms that:

- i) in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) the Directors had 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 2021-22 and of the profit and loss of the Company for said period.
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors prepared the annual accounts on a going concern basis; and
- v) 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.



#### **COVID -19 IMPACT ON BUSINESS OUTLOOK**

The COVID-19 pandemic, continued to be a global challenge, during the year 2021-22. The country witnessed a strong impact of second wave of COVID during the months of April-June 2021.

India has been augmenting and upgrading its health infrastructure thereafter for better handling of the Covid-19 crisis from the humanitarian and economic perspectives. India has been able to take a mature approach to the ongoing conflict. Positively, huge financial stimulus package has been announced by Indian government to support the economy. Large scale vaccination drive has been undertaken all across the country where even corporates played a major role in providing the facility of vaccination at their offices to its employees, their families and other stakeholders. After the implementation of two doses of vaccines, the government introduced the concept of precaution dose, being the third or booster vaccine, to further curtail the spread of COVID.

The continued spread of COVID-19 has adversely affected the workforces, customers, economies and financial markets globally, potentially leading to further economic downturn.

During the crisis and thereafter, your Company has actively worked to provide uninterrupted services to its stakeholders. The Directors of your Company wish to place on record the appreciation for untiring efforts and contributions made by the employees of the Company and other stakeholders involved during the tough time of spread of Covid-19 and ensured that the operations of the Company continues in the same manner. The Directors have immense respect for every person who risked his life and safety to fight this pandemic.

Your Company has emphasized on the safeguards and preventive measures to save its employees and stakeholders, from time to time.

#### **ACKNOWLEDGEMENTS**

Your Directors wish to place on record their appreciation and gratitude to the Ministry of Railways, Rail Vikas Nigam Limited, Government of Gujarat and the shareholders for their continued interest in its business and support to the Company. The Directors would also like to express their deep appreciation and gratitude to the officers of Comptroller and Auditor General, Statutory Auditors, Internal Auditors, Rating Agencies, Banks and others who have provided their valuable guidance and contribution to the growth and development of the Company in attainment of its aims and goals. Further, the Directors wish to convey their appreciation to all of the Company's employees for their contribution towards the Company's performance. The Directors would also like to thank the shareholders, customers, dealers, suppliers, bankers, governments and all other business associates for their continuous support to the Company and their confidence in its management. The ownership and responsiveness shown by all the stakeholders is unparalleled and is a testimony of the spirit of this great organization.

**For and on behalf of the Board of Directors of  
BHARUCH DAHEJ RAILWAY COMPANY LIMITED**

**Sd/-  
Sanjay Dungrakoti  
Director  
DIN: 08028084**

**Sd/-  
Meenu Dang  
Director  
DIN: 05171078**

Place: **New Delhi**

Date: **01.09.2022**

**Annexure A****Annual Report on Corporate Social Responsibility for the financial year 2021-22****1. A brief outline of the company's CSR policy:-**

The Board of Directors in their meeting held on 26.03.2015 approved CSR policy as recommended by the CSR Committee. The Policy has been prepared in accordance with provisions of the Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. The same is available at the Company's website ([www.bdrail.in](http://www.bdrail.in)). The policy contains inter alia the Objectives, framework, focus of areas and key rules and guidelines for incurring CSR expenditure etc. The areas of activities mentioned in the policy are as per Schedule VII of the Companies Act, 2013.

**2. The Composition of the CSR Committee:-**

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri. Sanjay Dungrakoti	Nominee Director	01	01
2	Dr. Meenu Dang	Nominee Director	01	01
3	Shri. Sajal Mittra	Nominee Director	01	01

3. Web link for Composition of CSR Committee: <http://www.bdrail.in/companyprofile.html> and for CSR Policy and CSR projects approved by the Board: <http://www.bdrail.in/corporategovernance.html>

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 - **NA**.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year :-

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
		<b>NA.</b>	

6. Average net profit of the company as per section 135(5):- **Rs. (37.33) Lakh.**

7. (a) Two percent of average net profit of the company as per section 135(5):- **NIL.**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial Years: - **NA.**

(c) Amount required to be set off for the financial year: - **NA.**

(d) Total CSR obligation for the financial year 2021-22:- **NIL.**

8. (a) CSR amount spent or unspent for the financial year: **NA.**

Total Amount Spent for the Financial Year.(in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount (in Rs.)	Date of transfer
<b>NA</b>					



**(b) Details of CSR amount spent against (ongoing projects) for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in Rs.).	Mode of Implementation -Direct (Yes/No).	Mode of Implementation-Through Implementing Agency	
				State	District.						Name	CSR Registration number
<b>NA</b>												

**(c) Details of CSR amount spent against other than (ongoing projects) for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project.		Amount spent for the project (in Rs.)	Mode of implementation on -Direct (Yes/No).	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Registration number.
<b>NA.</b>									

(d) Amount spent in Administrative Overheads: – **NA.**

(e) Amount spent on Impact Assessment: - **NA.**

(f) Total amount spent for the Financial Year: – **NA.**

(g) Excess amount for set off:-

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	<b>NA.</b>
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) Details of Unspent CSR amount for the preceding three financial years:

2018-19 – Rs. 15.33 lakh  
2019-20 – Rs. 11.79 lakh  
FY 2020-21 - NIL

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the Reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years.
				Name of the Fund	Amount (in Rs.)	Date of transfer. (in Rs.)	
1	2020-21	NA	14,21,568/-	Swachh Bharat Kosh	14,21,568/-	24.09.2021	NIL

b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project Completed/-Ongoing.
NA								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:-

<p>(a) Date of creation or acquisition of the capital asset(s).</p> <p>(b) Amount of CSR spent for creation or acquisition of capital asset.</p> <p>(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.</p> <p>(d) Provide details of the capital asset (s) created or acquired (including complete address and location of the capital asset).</p>	NA
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11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). - **NA**

For and on behalf of the Board of Directors of  
BHARUCH DAHEJ RAILWAY COMPANY LIMITED

Sd/-  
Sanjay Dungrakoti  
Director  
DIN: 08028084

Sd/-  
Meenu Dang  
Director  
DIN: 05171078

Place: New Delhi  
Date: 01.09.2022





**Addendum to Directors' Report**

<b>S. No.</b>	<b>Auditors' Qualification</b>	<b>Management Comment</b>
1.	<p>The opening balances and the comparative figures disclosed in the Ind AS financial statements for the year ended March 31, 2022 are based on the audited Ind AS financial statements of the Company for the year ended March 31, 2021 on which Auditors' Report dated November 18, 2021 expressed a qualified opinion. The matters which resulted in the qualification inter alia included the prospective application of Appendix A to Ind AS 11 from the transition date on the first Ind AS financial statements of the Company as at March 31, 2017. The Company had opted to apply this appendix from the transition date prospectively as the Management did not find it practicable to apply this appendix retrospectively. Based on audit procedures and queries made, we were unable to obtain sufficient appropriate audit evidence to ascertain that retrospective application of Appendix A to Ind AS 11 was impracticable as defined in Ind AS 8 to avail the exemption of Ind AS 101. Consequently, we were unable to ascertain the impact, of the above on the Ind AS financial statements of the Company."In view of the above, any adjustments to the opening balances as at April 1, 2021 that would have been required may have a consequential effect on the Company's assets and liabilities as at April 1, 2021 and March 31, 2022 and its results for the year ended March 31, 2022 and the presentation and disclosure thereof in the Ind AS financial statements.</p>	<p>Para 5 of Ind AS 8 provides that application of an accounting policy can be treated as Impracticable when:</p> <ul style="list-style-type: none"><li>(a) The effects of the retrospective application or retrospective restatement are not determinable;</li><li>(b) The retrospective application or retrospective restatement requires assumptions about what management's intent would have been in the period; or</li><li>(c) the retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that: (i) provides evidence of circumstances that existed on the date(s) as at which those amounts are to be recognised, measured or disclosed; and (ii) would have been available when the financial statements for that prior period were approved for issue from other information. Considering the impracticability as defined in the para 5 of Ind AS -8 defined above which includes requirement of what could be management's intention at that time, circumstances as on date transactions and other relevant information since the date of signing of concession agreement, the Management decided to apply the appendix from the transition date prospectively. Further, in the year 2014 the fire breakout in the office due to which records/details/information had been destroyed. Furthermore, exemption adopted by company is in line with the exemption available in para D 22 of Ind AS 101. Para D22 of IndAs states as under: A first-time adopter may apply the following provisions while applying the Appendix A to Ind AS 11:</li></ul> <ul style="list-style-type: none"><li>i) Subject to paragraph (ii), changes in accounting policies are accounted for in accordance with Ind AS 8, i.e. retrospectively, except for the policy adopted for amortization of Intangible Assets arising from Service Concession Arrangement related to toll roads</li></ul>

S. No.	Auditors' Qualification	Management Comment
		<p>in financial statement for the period ending immediately before the beginning of 1st Ind AS financial reporting period as per previous GAAP.</p> <p>ii) If, for any particular service arrangement, it is impracticable for an operator to apply this Appendix retrospectively at the date of transition, it shall:</p> <p>a) recognise financial assets and intangible assets that existed at the date of transition to Ind AS.</p> <p>b) use the previous carrying amounts of those financial and intangible assets (however previously classified) as their carrying amounts as at that date; and</p> <p>c) test financial and intangible assets recognised at that date for impairment, unless this is not practicable, in which case the amounts shall be tested for impairment as at the start of the current period.</p> <p>iii) There are two aspects to retrospective determination: reclassification and re-measurement. It will usually be practicable to determine retrospectively the appropriate classification of all amounts previously included in an operator's balance sheet, but that retrospective re-measurement of service arrangement assets might not always be practicable. However, the fact should be disclosed. In terms of sub-para D22(iii), as reproduced above, if in the management's view it is found impracticable to give retrospective effect, the fact should be disclosed. In the view of BDRCL's management, retrospective effect is impracticable and this fact has been duly disclosed in Note No. 48.1.3 Service Concession Arrangement in to the financial statement of the Company for FY 2016-17.</p>



S. No.	Auditors' Qualification	Management Comment
2.	<p>Reference is drawn to Note No. 48 of the Ind AS Financial statements on obligation to restore project assets to specified level of serviceability. In terms of Concession agreement, there is an obligation on the Company to keep the project assets in working condition, including making replacement, as per laid down standards of MOR, of all project assets whose codal lives expire during the concession period. Accordingly, Company is required to provide for in respect of replacement obligations arising during the remaining concession period as per requirement of Appendix C of the Ind AS 115 for best estimate of expenditure required to settle obligation. However the company has not estimated and provided for the aforesaid obligation in the IND AS Financial statements. In the absence of information, we are unable to ascertain the impact of the above on the IND AS financial statements of the company.</p>	<p>Ind-AS 37 defines a provision as a liability of uncertain timing and amount and prescribes conditions that have to be satisfied for recognition of a provision.</p> <p>A provision shall be recognised when:</p> <ul style="list-style-type: none"><li>● an entity has a present obligation (legal or constructive) that is a result of a past event;</li><li>● it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and</li><li>● a reliable estimate can be made of the amount of the obligation.</li></ul> <p>The amount recognised as a provision shall be the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. In other words, the amount that an entity would rationally pay to settle the obligation at the end of the reporting period or to transfer it to a third party at that time. The estimates of outcome and financial effects are determined by the judgment of the management of the entity, supplemented by experience and in some cases, reports from independent experts. As per the concession agreement Company is under an obligation to keep the project assets in working condition, including making replacement, as per laid down standards of MOR. However, at present reliable estimate for restoration obligation is not available, therefore provision for same has not been recognised in financial statements, the same will be provided in the year in which estimate becomes reliable. The facts has been disclosed in note 48 of financial statements.</p>

S. No.	Emphasis of Matter	Management Comment
1.	Without Qualifying our opinion, We draw attention to Note No.20 & Note No.22 to the Ind AS Financial Statements, the operational and maintenance agreement with the western railways that define among others, right & obligations, the share of income & expenses to be apportioned to the company arising out of the operation of the Bharuj Dahej Samini railways line by the company has not yet be signed. The company has however recognized the operating income and expenses arising out of this arrangements is yet to be formalized. We further draw attention to note no. 20 & Note No. 22 to the Ind AS Financial statements. The Operating income and operating expenses accounted for by the company are based on provisional figure made available by Western railways and the final figure could vary. Our opinion is not qualified in respect of this matter.	<p>A few items in the O &amp; M Agreement, where there was difference of opinion with Western Railway, are presently under examination and discussion with the Western Railway. The Agreement has not been finalized as with the existing difference of opinion on important elements in the interests of BDRCL. The Company has signed the JPO and O&amp;M agreement with Vadodara Division of Western Railway (WR) in the m/o Sep 2021 and send to HQ level of WR for approval. In this regard, HQ-WR has raised certain matters and the same are under evaluation by the Company. Once the matters are mutually decided, the O&amp;M Agreement will be signed</p> <p>Further, the maintenance activities has been undertaken by BDRCL on gradual basis.</p>

**For and on behalf of the Board of Directors of  
BHARUCH DAHEJ RAILWAY COMPANY LIMITED**

**Sd/-**  
**Sanjay Dungrakoti**  
**Director**  
**DIN: 08028084**

**Sd/-**  
**Meenu Dang**  
**Director**  
**DIN: 05171078**

**Place: New Delhi**  
**Date: 01.09.2022**



<b>S. No.</b>	<b>Extracts from Secretarial Auditors Report</b>	<b>Management Reply</b>
1.	Whereas in terms of provisions of Section 203 of the Companies Act, 2013, the Company was required to have certain Key Managerial Personnel (KMP). The company has not appointed a Managing Director or a Chief Executive Officer since 1st December, 2020.	The process for appointment of Managing Director was already initiated by the Company and the same may be appointed shortly.

**For and on behalf of the Board of Directors of  
BHARUCH DAHEJ RAILWAY COMPANY LIMITED**

**Sd/-  
Sanjay Dungrakoti  
Director  
DIN: 08028084**

**Sd/-  
Meenu Dang  
Director  
DIN: 05171078**

**Place: New Delhi  
Date: 01.09.2022**

**Annexure - C**

**Details of litigation / cases under Service Tax**

Sr. No.	Case No.	Title of case	Status of the case
1.	Show Cause Notice no. 158/2014 dated 21.10.2014	Show cause notice in relation to services render by BDRCL to WR for the FY 2011-12, 12-13 and 13-14 amounting Rs. 16,33,14,441/- was received by Company as on 03-11-2014.	The Department has filed an appeal in Hon'ble Supreme Court against the said order. Accordingly, in response to the above, BDRCL has submitted the counter affidavit to the Court.
		Thereafter personal hearing took place on 22.09.2015 before Principal Commissioner of Service Tax, Delhi which resulted in an order being passed in favor of Company (Order No.-C. No DL-III/ST/IV/16/40/BDRCL 2015).	
		Further, the matter was moved to CESTAT and CESTAT passed the order in favor of the Company vide Order No ST/A/50434-50435-50435/2019-CU (DB) dated 25/03/2019 and rejected the demand filed by the department	
	Civil Appeal Diary No. 40312/2019 with Supreme Court of India	Department has gone for Appeal against the order of CESTAT	
2.	Show Cause Notice no. 06/2016 dated 31.03.2016	Show cause notice in relation to services render by BDRCL to WR for the FY 2014-15 amounting Rs. 16,37,96,945/- was received by Company as on 04-04-2016. In relation to above context the Company submitted reply to notice on 24-05-2016.	No further communication has received till date
		In relation to above context the Company submitted reply to notice on 24-05-2016.	
3.	Show Cause Notice no. F.NF.NO. DL/GST-South/Naraina/R-55 / SCN / Bharuch / 249 / 2019 / 1986	Show cause notice in relation to services render by BDRCL to WR for the FY 2016-17 & 17-18 amounting Rs. 8,99,09,166/- was received by Company as on 06-05-2019.	No further communication has received till date
		In relation to above, the Company submitted reply to notice on 04-06-2019.	



**DETAILS OF COURT CASE**

Annexure D.Contd.

**(A) GUJARAT HIGH COURT AHMEDABAD  
ADVOCATE- SH. R.N.SINGH, AHMEDABAD**

Sr.No	Case No.	Filed by	Remarks
1	15200/2015	Jagdish Manilal Vasava	Applicant gone for appeal to High Court against the orders of Labour Court Bharuch. Affidavit reply filed & pending for decision.
2	15201/2015	Shahrukhkhan Abdul Hafizkhan	
3	15202/2015	Swapnil B. Malaviya	
4	15203/2015	Firozkhan Isubkhan Pathan	
5	15204/2015	Imranali M. Shaikh	

**(B) GUJARAT HIGH COURT AHMEDABAD**

Land Acquisition Case -First Appeal against the decision dt.04.04.2018 of Bharuch Court.

**ADVOCATE - SH. R.N.SINGH, AHMEDABAD**

Sr. No.	LAR No.	Filed by	Remarks
1	Civil Application (HC) No. 608/2019 to 620/2019, 799/2019 & 801/2019 in First Appeal No. 33419/2018 to 33433/2018 & Allied matter	Kanubhai Manilal Patel	Civil Court Bharuch has ordered to pay additional compensation of Rs.315/-sqm compensation for their acquired Land for Rly. Yard.
2		Natwerlal Manilal Patel	
3		Dahyabhai Dalubhai Patel	
4		Rameshbhai Bhikhabhai	
5		Dhirajlal Tribhuvanbhai Patel	
6		Yakubbhai Valibhai Suleman	Company has gone for appeal with High Court, Ahmedabad against the order of civil court Bharuch.
7		Jayantibhai Lallubhai	
8		Umarjee Ismail Mohd.	
9		Ranchhodbhai Bhavanbhai Patel	High court vide order dated 19.08.2019 directed to deposit 50 % of the claim amount with registrar of HC Ahmedabad
10		Thakorbbhai Dahyabhai Patel	
11		Sachinbhai Dineshbhai Patel	
12		Ibrahim Mohdbhai Umarjee	The appeal of the company has been listed for admission by the High Court vide order dated 28.01.2020.
13		Mustakbbhai Ali Ibrahim	
14		Mustakbbhai Ali Ibrahim	
15		Daluben Ukabhai Bharvad	

**(C) CENTRAL GOVT. INDUSTRIAL TRIBUNAL LALDARWAJA, AHMEDABAD  
ADVOCATE - Ms. HIRAL, ADVOCATE with SH. R.N.SINGH**

Sr.No	RLC(C) No.	Filed by	Remarks
1	CGIT No. 117/2018	Sikandarali Fakirbax Shaikh	Contract employees were discontinued due to non availability on UMLC while on duty. As per orders of MD employees were discontinued.
2	CGIT No. 118/2018	Bhartsing Kasibhai Padhiyar	
3	CGIT No. 119/2018	Vijay Babubhai Vasava	
4	CGIT No. 120/2018	Manish Natwerbhai Limbachiya	
5	CGIT No. 136/2018	Sagar Bhagwandas Sinda	
6	CGIT No. 137/2018	Imtiyaz Ayubhai Garasiya	
7	CGIT No. 138/2018	Umesh Arvindbhai Prajapati	
8	CGIT No. 139/2018	Kishorbhai Babubhai Vasava	

**Note** Orders with schedule received from Desk Officer, New Delhi Dated. 31.10.2018 in which the above persons who were terminated and RLC/BRC report of FOC to Shram Mantralay, New Delhi and now reference has been made to CGIT Ahmedabad.

**LABOUR COURT BHARUCH****(A) RECOVERY APPLICATION BY APPLICANT BEFORE LABOUR COURT  
LABOUR LAW PRACTITIONER- SH. PIYUSH DANAK**

Sr. No	Circular LAR No.	Filed by	Remarks
1	31/2015	Mohd. Farouquekhan Azadkhan	Union has to submit their claim statement. Accordingly, BDRCL will submit reply. (no claim statement yet submitted by Union)

**(B) 3RD SR.ADD. CIVIL JUDGE BHARUCH - DARKHAST (EXECUTION PETITION)  
ADVOCATE - Railway Advocate as Sr. DEN/BRC is party.**

Sr. No	LAR No./ LA Darkhast Case No.	Filed by	Remarks
1	80/2014/56/2018	Kanubhai Manilal Patel	Demanded payment of additional compensation of Land acquired for CVJ yard by RVNL/RLY. The matter is being looked after by Western Railway
2	82/2014/59/2018	Natwerlal Manilal Patel	
3	85/2014/55/2018	Dahyabhai Dalubhai Patel	
4	86/2014/57/2018	Rameshbhai Bhikhabhai	
5	91/2014/58/2018	Dhirajlal Tribhuvanbhai Patel	

**Note:** Case filed by the applicant against Railway Development Project Manager, Vadodara. First appeal against order of Civil court Bharuch has been filed before Hon.High Court of Gujarat.

**(C) 2ND ADDL. SR. CIVIL JUDGE (BHARUCH)  
ADVOCATE - SH. P.MODI (RLY. ADVOCATE)**

Sr. No	RLC(C) No.	Filed by	Remarks
1	39/2014 (Serve No.668)	Kalyansinh Madhavsingh	New case filed for Land Acquisition Ref. Demanding additional compensation for the land acquired at Dahej.
2	40/2014 (Serve No.625)	Ramchandra Shukla Rajendra N. Shukla	

**Note:** Case is filed against Sr. Divisional Engineer, W. Rly, Vadodara but notice sent to BDRCL and requested to represent the case thro' nominating advocate. Transferred to Civil court Vagra. The matter is being looked after by Western Railway.

**(A) INDUSTRIAL COURT VADODARA  
LABOUR LAW PRACTITIONER - SH. PIYUSH DANAK**

Sr. No	Case No.	Filed by	Remarks	STATUS
1	Ref. (IT) 68/2018	W. Rly Contract Emp Union -BRC	Demand 1 to 6 submitted before ALC(S) BH which has been ref. to Industrial court Vadodara	Nothing has been submitted by the Union.  PENDING FOR ORDERS





**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2022**

*[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]*

CIN: U45203DL2006PLC155511

Nominal Capital: Rs. 1650000000/-

To,

**The Members,**

**Bharuch Dahej Railway Company Limited**

39-42, 3<sup>rd</sup> Floor, Indra Palace, H Block

Middle Circle, Connaught Circus,

Connaught Place, New Delhi-110001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Bharuch Dahej Railway Company Limited (CIN: U45203DL2006PLC155511) (hereinafter called the company). Secretarial Audit was conducted in a manner that provides us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Secretarial Auditing Standards as prescribed by Institute of Company Secretaries of India (ICSI).

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under: - **Not Applicable**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under: - **Not Applicable**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment: - **Not Applicable**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"): -
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - **Not Applicable**
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015; - **Not Applicable**

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018; - **Not Applicable**
  - d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations 2014; - **Not Applicable**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable**
  - f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not Applicable**
  - g) The Securities and Exchange Board of India (Delisting of Enquiry Shares) Regulations, 2009; - **Not Applicable** and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - **Not Applicable, and**
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015: **Not Applicable**
- (vi) We have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standard issued by the Institute of Company Secretaries of India.
  - (ii) The Listing Agreements entered into by the Company with... Stock Exchange(s): - **Not Applicable**;

During the period under review, the Company has complied with the provisions of the Acts, rules, regulations and guidelines mentioned above subject to the following observations:

1. Whereas in terms of provisions of Section 203 of the Companies Act, 2013, the Company was required to have certain Key Managerial Personnel (KMP). The company has not appointed a Managing Director or a Chief Executive Officer since 1<sup>st</sup> December, 2020.

#### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Directors as per Companies Act, 2013. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to the Directors for holding the Board Meetings during the year, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

#### **We further report that**

- i. 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, and
- ii. during the Audit period, there are no such specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards taken place.

The Report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

**For A. ANAND & CO.**  
**Company Secretaries**

Sd/-

**CS Anil Anand**

(Proprietor)

**FCS: 12153, COP No: 11295**

**UDIN: F012153D000875818**

**Date: 01.09.2022**

**Place: New Delhi**



To,  
**The Members,**  
**Bharuch Dahej Railway Company Limited**  
39-42, 3<sup>rd</sup> Floor, Indra Palace, H Block  
Middle Circle, Connaught Circus,  
Connaught Place, New Delhi-110001.

Our Report 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 practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For A. ANAND & CO.**  
**Company Secretaries**

**Sd/-**  
**CS Anil Anand**  
**(Proprietor)**  
**FCS: 12153, CoP No: 11295**  
**UDIN: F012153D000875818**

**Date: 01.09.2022**  
**Place: New Delhi**

VARIOUS COMMODITIES  
HANDLED AT BDRCL DAHEJ TERMINAL





## VARIOUS COMMODITIES HANDLED AT BDRCL DAHEJ TERMINAL



**R S M & Associates**  
**Chartered Accountants**

B-104, 4<sup>th</sup> Floor, sector -8, Dwarka  
New Delhi – 110017  
Phones : 01145062895  
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**INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF BHARUCH DAHEJ RAILWAY COMPANY LIMITED

**Report on the Audit of Ind AS financial statements**

**Qualified Opinion**

We have audited the Ind AS financial statements of **Bharuch Dahej Railway Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including the statement of Other Comprehensive Income), Statement of Changes in Equity, and Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information. (herein after referred to as "Ind AS financial statements").

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 section of our report, the aforesaid Ind AS financial statements give the information required by the Companies Act ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and profit (Including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

**Basis for qualified Opinion**

1. The opening balances and the comparative figures disclosed in the Ind AS financial statements for the year ended March 31, 2022 are based on the audited Ind AS financial statements of the Company for the year ended March 31, 2021 on which Auditors' Report dated November 18, 2021 expressed a qualified opinion. The matters which resulted in the qualification inter alia included the prospective application of Appendix A to Ind AS 11 from the transition date on the first Ind AS financial statements of the Company as at March 31, 2017. The Company had opted to apply this appendix from the transition date prospectively as the Management did not find it practicable to apply this appendix retrospectively. Based on audit procedures and queries made, we were unable to obtain sufficient appropriate audit evidence to ascertain that retrospective application of Appendix A to Ind AS 11 was impracticable as defined in Ind AS 8 to avail the exemption of Ind AS 101. Consequently, we were unable to ascertain the impact, of the above on the Ind AS financial statements of the Company."

In view of the above, any adjustments to the opening balances as at April 1, 2021 that would have been required may have a consequential effect on the Company's assets and liabilities as at April 1, 2021 and March 31, 2022 and its results for the year ended March 31, 2022 and the presentation and disclosure thereof in the Ind AS financial statements.

2. Reference is drawn to Note No. 48 of the Ind AS Financial statements on obligation to restore project assets to specified level of serviceability. In terms of Concession agreement, there is an obligation on the Company to keep the project assets in working condition, including making replacement, as per laid down standards of MOR, of all project assets whose codal lives expire during the concession period. Accordingly, Company is required to provide for in respect of replacement obligations arising during the remaining concession period as per requirement of Appendix C of the Ind AS 115 for best estimate of expenditure required to settle obligation. However the company has not estimated and provided for the aforesaid obligation in the IND AS Financial statements. In the absence of information, we are unable to ascertain the impact of the above on the IND AS financial statements of the company.



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

#### **Emphasis of Matter**

- i. Without Qualifying our opinion, We draw attention to Note No.20 & Note No.22 to the Ind AS Financial Statements, the operational and maintenance agreement with the western railways that define among others, right & obligations, the share of income & expenses to be apportioned to the company arising out of the operation of the Bharuj Dahej Samini railways line by the company has not yet be signed. The company has however recognized the operating income and expenses arising out of this arrangements is yet to be formalized.

We further draw attention to note no. 20 & Note No. 22 to the Ind AS Financial statements. The Operating income and operating expenses accounted for by the company are based on provisional figure made available by Western railways and the final figure could vary. Our opinion is not qualified in respect of this matter.

#### **Other Information**

The company's Management and Board of Directors are responsibility for the other Information. The other Information comprises the information included in the company's annual report, but doesn't include the financial statements and our auditor's report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements doesn't cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other Information identified above when it becomes available and in doing so. Consider whether the other information is material inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as applicable under the relevant laws and regulation.

#### **Responsibilities of Management for Ind AS financial statements**

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

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

Those Board of Directors are responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Ind AS financial statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (1) planning the scope of our audit work and in evaluating the results of our work; and (2) to evaluate the effect of any identified misstatements in the standalone Ind AS financial statements.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with the mall relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Report on Other Legal and Regulatory Requirements.**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order,





2. As required by Section 143(3) of the Act, based on our audit we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 B**”.
  - (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the act, as amended :
  - (h) 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 37 to the Ind AS financial statements;
    - 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.
  - iv.
    - (a) the Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the zone (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (b) the Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of the Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. As per management there is no any dividend declared or proposed to be declared up to 31.03.2022.

3. As required by Section 143(5) of the Act and as per directions issued by Comptroller and Auditor General of India for the period ended 31<sup>st</sup> March, 2022, we report that:

Sl. No.	Directions	Auditor's Replies
(i)	Whether the Company has system in place to process all the accounting transaction through IT? If Yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the Financial implication, if any, may be stated.	All the accounting transaction are processed and recoded through accounting software Tally.ERP9. Since all the transactions are processed through IT there are no transaction which is outside the IT System.
(ii)	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/ loans/ interest etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated.	No restructuring has been done during the financial year.
(iii)	Whether funds received/ receivable for specific schemes from central/state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	Not applicable

**For R S M & Associates**  
**Chartered Accountants**  
**Firm Registration No.002813S**

**Sd/-**  
**CA E. Madhusudan Reddy**  
**Partner**  
**Membership No. 202308**  
**UDIN:22202308AQYLWS4387**

**Place: New Delhi**  
**Date: 01.09.2022**



**Annexure - A to the Independent Auditors' Report**

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of Independent Auditor's Report to the members of **Bharuch Dahej Railway Company Limited** on standalone Ind As Financial Statement for the period ended 31<sup>st</sup> March-2022)

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of the audit and to the best of our knowledge and belief, we state that: -

- (i) (a) The Company is maintaining proper records of property plant and equipment's including records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (b) The company is maintaining proper records showing full particulars of intangible assets.
- (c) According to the information and explanations are given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company/ Western Railways.
- (d) According to the information and explanations are given to us and on the basis of our examination of the records of the Company, The company has not revalued its Property, Plant & Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations are given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the company for the holding any benami property under the prohibition of Benami Property Transaction Act, 1988 and rules made thereunder.
- (ii) (a) The Company has not purchased any goods or does not have any inventories during the year Accordingly reporting under clause 3(ii) of the order are not applicable on the Company.
- (b) According to the Information and explanation given to us and on the basis of our examination of the records of the company, the Company has not been during any point of time of the year has been sanctioned with any working capital limits accordingly reporting under clause 3(ii) of the order are not applicable on the Company.
- (iii) According to the Information and explanations given to us and on the basis of our examination of the records of the company, the company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to the companies, firms, limited liabilities partnerships or any other parties during the year. The provisions of clauses 3(iii)(a), (b), (c), (d) and (e) of the order are not applicable to the company.
- (iv) According to the Information and explanations given to us and on the basis of our examination of the records, the company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Companies has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and Investments made.
- (v) According to the information and explanations given to us, and as per our examination of records, the company has not accepted any deposits from public and therefore, the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provision of the Companies Act, 2013, and rules framed there under, are not applicable on the Company. Accordingly, reporting under clause 3 (v) of the Order is not applicable to the Company.
- (vi) According to the Information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the service provided by it. Accordingly, clause 3(vi) of the order is not applicable.
- (vii) (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues, wherever applicable, with the appropriate authorities

There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) According to the Information and explanation given to us, the following are the statutory due pending on account of disputes (Annexure attached below).

Name Statute of	Nature of Dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Service Tax	Service Tax interest and penalty	1633(plus interest and penalties not quantified by the Company)	2011-12 to 2013-14	The demand has been disputed by the Tax Authorities and is pending for adjudication before The Supreme Court.
Service Tax	Service Tax interest and penalty	1638(plus interest and penalties)	2014-15	The demand has been disputed by the company and is pending for adjudication before the Commissioner Service Tax.
Service Tax	Service Tax interest and penalty	1614.85(plus interest and penalties)	2015-16	The demand has been disputed by the company and is pending for adjudication before the Commissioner Service Tax.
Service Tax	Service Tax interest and penalty	899.09(plus interest and penalties)	2016-17 & 2017-18(upto June 2017)	The demand has been disputed by the company and is pending for adjudication before the Commissioner Service Tax.
Total		4452.94 (plus interest and penalties)		

- (viii) According to the Information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix) (a) According to the Information and explanation given to us and on the basis of our examination of the record of the company, the Company has not defaulted in repayment of loans or other borrowing or in the payment of Interest thereon to any lender, accordingly clause 3(ix) (a) of the order is not applicable.
- (b) According to the Information and explanation given to us and on the basis of our examination of the record of the company, the company has not been declared a wilful defaulter by the bank or the financial Institution or government or government authority.
- (c) According to the Information and explanation given to us and on the basis of our examination of the record of the company, the company has applied the term loan for the purpose for which the loan were obtained.
- (d) According to the Information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds have been raised on short -term basis by the company, accordingly, clause 3(ix) (d) of the Order is not applicable.
- (e) According to the Information and explanations given to us and on an overall examination of the financial statements of the Company, report that company has not any subsidiary as defined under the Companies Act, 2013. Accordingly, Clause 3(ix)(e) & (f) of the Order is not applicable.
- (x) (a) According to the Information and explanations given to us the Company has not raised any moneys by way of Initial public offer or further public offer (including debt instrument). Accordingly, clause 3 (x) (a) of the Order is not applicable.



- (b) According to the Information and explanations given to us and on the basis of 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. Accordingly, Clause 3(x) (b) of the Order is not applicable.
- (xi) According to the information made available to us there is no fraud reported by the company or any fraud done on the company. There is no receipt of whistle-blower complaints, received by us or by the Company during the financial year 2021-22.
- (xii) According to the Information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) Based on Information and explanations provided to us and our audit procedures, in our opinion, the Company has an Internal Audit System commensurate with the Size and nature of its business.  
(b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable.
- (xvii) In our opinion and according to the information and explanations given to us, during the financial year 2021-22 and in the preceding financial year 2020-21 the Company has not incurred any cash losses.
- (xviii) There has been no resignation of the statutory auditors during the year, accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the Information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the day of balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when the fall due.
- (xx) In our Opinion and according to the Information and explanation given to us, there is no unspent amount under sub section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clause 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- (xxi) The Company is not required to prepare the Consolidated Financial Statements hence reporting under clause 3 (xxi) of the Order is not applicable.

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## **Annexure - B to the Independent Auditors' Report**

(Referred to in paragraph 2(f) under 'Report on other legal and regulatory requirements' section of our report to the members of **Bharuch Dahej Railway Company Limited** on the financial statements for the period ended 31<sup>st</sup> March 2022

### **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 **Bharuch Dahej Railway Company Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 Ind AS 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, 2022 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 R S M & Associates**  
**Chartered Accountants**  
**FRNo. 002813S**

**Sd/-**  
**CA E. Madhusudan Reddy**  
**Partner**  
**Membership No.521230**  
**UDIN:22202308AQYLWS4387**

**Place: New Delhi**  
**Date: 01/09/2022**

## BALANCE SHEET AS AT MARCH 31, 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31st March 2022		As at 31st March 2021	
<b>I. ASSETS</b>					
<b>1 Non-Current Assets</b>					
(a) Property, Plant and equipment	3	28.62		34.56	
(b) Right of use Assets	4	8.37		26.36	
(c) Other Intangible assets	5	26,709.60		27,763.32	
(d) Intangible assets under development	6	69.84		69.84	
(e) Financial Assets	7	-		-	
(i) Loans	-	-		-	
(ii) Others	7.1	66.64		70.65	
(f) Other non-current assets	8	30.37	26,913.44	30.37	27,995.10
<b>2 Current Assets</b>					
(a) Financial Assets	9	-		-	
(i) Trade Receivables	9.1	4,779.40		3,670.87	
(ii) Cash and cash equivalents	9.2	2,159.04		2,831.68	
(iii) Bank Balances other than (ii) above	9.3	-		-	
(iv) Loans	-	-		-	
(v) Others	9.4	531.05		520.76	
(b) Current Tax Assets (Net)	19	22.92		41.44	
(c) Other current assets	10	68.87	7,561.28	11.55	7,076.30
<b>Total Assets</b>		<b>34,474.72</b>		<b>35,071.40</b>	
<b>II. EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
(a) Equity Share Capital	11	15,511.00		15,511.00	
(b) Other Equity	12	5,911.02	21,422.02	3,004.54	18,515.54
<b>Liabilities</b>					
<b>(1) Non-current liabilities</b>					
(a) Financial Liabilities	13	-		-	
(i) Borrowings	13.1	6,397.44		7,775.36	
(ia) Lease Liabilities	13.2	-		11.41	
(ii) Trade Payables	13.3	-		-	
Dues to Micro & Small Enterprises		-		-	
Dues to Creditors other than Micro & Small Enterprises		1,536.76		2,413.37	
(iii) Other financial liabilities	13.4	8.01		6.10	
(b) Provisions	14	27.82		22.23	
(c) Deferred Tax Liabilities (Net)	15	3,260.79		3,629.79	
(d) Other Non-Current Liability	16.1	700.56	11,931.38	1,418.18	15,276.44
<b>(2) Current Liabilities</b>					
(a) Financial Liabilities	17	-		-	
(i) Lease Liabilities	17.1	10.35		19.23	
(ii) Trade payables	17.2	-		-	
Dues to Micro & Small Enterprises		-		-	
Dues to Creditors other than Micro & Small Enterprises		839.09		1,106.75	
(iii) Other financial liabilities	17.3	111.98		115.26	
(b) Other current liabilities	16.2	159.11		37.56	
(c) Provisions	18	0.79		0.62	
(d) Current Tax liability (Net)	19	-	1,121.32	-	1,279.42
<b>Total Equity and Liabilities</b>		<b>34,474.72</b>		<b>35,071.40</b>	

See accompanying notes to the financial statements

1 to 53

**As per our Report of even date attached****For R S M & Associates**

Chartered Accountants

Sd/-

**CA E. Madhusudan Reddy**

Partner

Membership No. 202308

Firm Registration No. 0028135

Place: New Delhi

Date : 01.09.2022

For and on behalf of Board of Directors of  
**Bharuch Dahej Railway Company Limited**

Sd/-

**Sanjay Dungrakoti**

Director

DIN 08028084

Sd/-

**Balkishan Sharma**  
Chief Financial Officer

Sd/-

**Meenu Dang**

Director

DIN 05171078

Sd/-

**Kanika Mathur**  
Company Secretary





# Bharuch Dahej Railway Company Limited

CIN: U45203DL2006PLC155511

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs)

Particulars	Note No.	Year ended 31st March 2022	Year ended 31st March 2021
<b>I Revenue :</b>			
Revenue from operations	20	5,119.11	3,277.21
<b>II Other income</b>	21	282.40	763.29
<b>III Total Income (I + II)</b>		<b>5,401.51</b>	<b>4,040.50</b>
<b>IV Expenses:</b>			
Operation & Maintenance	22	2,737.94	2,892.35
Employee benefits expense	23	123.35	110.56
Finance cost	24	755.40	1,395.44
Depreciation and amortization	25	1,353.47	1,347.74
Other Expenses	26	133.51	111.90
<b>Total Expenses (IV)</b>		<b>5,103.67</b>	<b>5,857.99</b>
<b>V Profit/loss Before exceptional items and Tax (III - IV)</b>		297.84	(1,817.49)
<b>VI Exceptional items</b>	27	2,239.71	1,614.37
<b>VII Profit/(Loss) before tax (V + VI)</b>		<b>2,537.55</b>	<b>(203.12)</b>
<b>VIII Tax expense:</b>			
(1) Current tax	28	-	-
- For the year		-	-
- For earlier years (net)		(368.98)	(46.09)
(2) Deferred tax (net)		(368.98)	(46.09)
<b>Total Tax Expense (VIII)</b>		<b>(368.98)</b>	<b>(46.09)</b>
<b>IX Profit/(loss) for the period from continuing operation (VII - VIII)</b>		<b>2,906.53</b>	<b>(157.03)</b>
<b>X Profit/(loss) from discontinued operations</b>		-	-
<b>XI Tax Expense of discontinued operations</b>		-	-
<b>XII Profit/(loss) from discontinued operations (after tax) (X-XI)</b>		-	-
<b>XIII Profit/(loss) for the period (IX+XII)</b>		<b>2,906.53</b>	<b>(157.03)</b>
<b>XIV Other Comprehensive Income</b>			
A. (i) Items that will not be reclassified to profit and loss	29	(0.07)	0.16
(ii) Income Tax relating to Items that will not be reclassified to profit and loss		0.02	(0.06)
B. (i) Items that will be reclassified to profit and loss		-	-
(ii) Income Tax relating to Items that will be reclassified to profit and loss		-	-
		<b>(0.05)</b>	<b>0.10</b>
<b>XV Total Comprehensive Income for the period (XIII +XIV) (Comprehensive profit and other comprehensive income for the period)</b>		<b>2,906.48</b>	<b>(156.93)</b>
<b>XVI Earnings Per Equity Share: (In INR)</b>			
(For Continuing Operation)			
(1) Basic (Face Value of share ₹10 /-)	30.1	1.87	(0.10)
(2) Diluted (Face Value of share ₹10 /-)	30.2	1.87	(0.10)
<b>XVII Earnings Per Equity Share: (In INR)</b>			
(For discontinuing Operation)			
(1) Basic (Face Value of share ₹10 /-)		-	-
(2) Diluted (Face Value of share ₹10 /-)		-	-
<b>XVIII. Earnings Per Equity Share: (In ₹)</b>			
(For discontinued and continuing Operation)			
(1) (Face Value of share ₹10 /-)	30.1	1.87	(0.10)
(2) Diluted (Face Value of share ₹10 /-)	30.2	1.87	(0.10)

See accompanying notes to the financial statements

1 to 53

As per our Report of even date attached

For R S M & Associates

Chartered Accountants

Sd/-

CA E. Madhusudan Reddy

Partner

Membership No. 202308

Firm Registration No. 0028135

Place: New Delhi

Date : 01.09.2022

For and on behalf of Board of Directors of  
Bharuch Dahej Railway Company Limited

Sd/-

Sanjay Dungarakoti

Director

DIN 08028084

Sd/-

Balkishan Sharma

Chief Financial Officer

Sd/-

Meenu Dang

Director

DIN 05171078

Sd/-

Kanika Mathur

Company Secretary

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31 2022

(₹ in Lakhs)

Particulars		Year ended 31st March, 2022	Year ended 31st March, 2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before taxation		2,537.55	(203.12)
Adjustment for :			
Depreciation and Amortization		1,353.47	1,347.74
Interest Income		(126.08)	(146.45)
Loss(Profit) on sale of assets		-	0.22
Interest Expense		609.62	728.68
Interest on lease liability		2.09	3.88
Other Comprehensive Income		(0.07)	0.16
Unwinding of discount on receivable from Western Railways under Service Concession Arrangement		(6.15)	(5.55)
Reversal of Fair Value Adjustment of Financial Liabilities		(143.69)	(606.71)
Unwinding of discount on deferred overhead charges		143.69	662.88
<b>Operating Profit before operating capital changes</b>	<b>(1)</b>	<b>4,370.43</b>	<b>1,781.73</b>
Adjustment for :			
Decrease / (Increase) in Other non current financial asset		10.16	(0.00)
Decrease / (Increase) in current financial Assets-loans		-	-
Decrease / (Increase) in Non Current financial Assets-loans		-	-
Decrease / (Increase) in Trade receivable		(1,108.53)	1,957.35
Decrease / (Increase) in Other current financial asset		(10.29)	1.56
Decrease / (Increase) in Other non current Asset		-	-
Decrease / (Increase) in Other current Assets		(57.32)	(1.40)
(Decrease) / Increase in Trade Payables		(1,020.30)	(1,806.79)
(Decrease) / Increase in Long term Provisions		5.59	3.88
(Decrease) / Increase in Current Trade Payables		(267.66)	(570.09)
(Decrease) / Increase in Other Current financial Liability		37.61	9.75
(Decrease) / Increase in Other financial Liability		10.79	14.63
(Decrease) / Increase in Other Liabilities		247.70	(595.24)
(Decrease) / Increase in Fair Valuation of the Financial Liabilities		(700.08)	2,027.28
(Decrease) / Increase in Short term Provisions		0.17	0.04
	<b>(2)</b>	<b>(2,852.16)</b>	<b>1,040.98</b>
<b>Cash generated from operation</b>	<b>(1+2)</b>	<b>1,518.27</b>	<b>2,822.71</b>
Income Tax Paid (Net of Refunds)		(18.52)	17.11
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(A)</b>	<b>1,536.79</b>	<b>2,805.60</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Capital Expenditure including Capital Advances (Net of Transfer of Capital Assets)		(277.88)	(80.27)
Decrease / (Increase) in Bank Balance other than those taken to Cash and Cash Equivalent		-	2,120.00
Interest Received		126.08	210.97
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>(B)</b>	<b>(151.80)</b>	<b>2,250.70</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Repayment of Borrowings		(1,377.92)	(2,773.93)
Lease liability paid during the year		(18.23)	(16.44)



# Bharuch Dahej Railway Company Limited

CIN: U45203DL2006PLC155511

## Cash Flow.....Contd.

(₹ in Lakhs)

Interest on lease liability		(2.09)	(3.88)
Interest paid		(659.39)	(746.68)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>(C)</b>	<b>(2,057.63)</b>	<b>(3,540.93)</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENT</b>	<b>(A+B+C)</b>	<b>(672.64)</b>	<b>1,515.37</b>
<b>CASH AND CASH EQUIVALENT (OPENING)</b>	<b>(D)</b>	<b>2,831.68</b>	<b>1,316.31</b>
Cash			
On Current Accounts		2,831.68	1,316.31
Deposits with original maturity of less than three months		-	-
<b>CASH AND CASH EQUIVALENT (CLOSING)</b>	<b>(E)</b>	<b>2,159.04</b>	<b>2,831.68</b>
Cash			
On Current Accounts		2,159.04	2,831.68
Deposits with original maturity of less than three months		-	-
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENT</b>	<b>(E-D)</b>	<b>(672.64)</b>	<b>1,515.37</b>

- The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS-7 on Cash Flow Statement notified by the Ministry of Corporate Affairs, Government of India under the Companies Act, 2013.
- The company adopted the amendment to Ind-AS 7 effective from April 1, 2017, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

(₹ in Lakhs)

## Reconciliation of Liabilities arising from financing activities as on 31st March 2022 are as follows:

Particulars	Interest on Borrowings	Lease Liabilities	Borrowings
<b>Balance at 1st April, 2021</b>	49.77	30.64	7,775.36
<b>Cash flows:-</b>			
-Repayment	(659.39)	(20.32)	(1,377.92)
-Proceeds	-	-	-
<b>Non-Cash:-</b>			
- Interest Recognised	609.62	2.09	-
-Additions to right of use assets in exchange for increased lease liabilities	-	-	-
-Adjustments	-	(2.06)	-
<b>Balance at 31st March, 2022</b>	-	10.35	6,397.44

(₹ in Lakhs)

Reconciliation of Liabilities arising from financing activities as on 31st March 2021 are as follows:

Particulars	Interest on Borrowings	Lease Liabilities	Borrowings
<b>Balance at 1st April, 2020</b>	<b>67.77</b>	<b>49.41</b>	<b>10,549.29</b>
<b>Cash flows:-</b>			
-Repayment	(746.68)	(20.32)	(2,773.93)
-Proceeds	-	-	-
<b>Non-Cash:-</b>			
- Interest Recognised	728.68	3.88	-
-Additions to right of use assets in exchange for increased lease liabilities	-	-	-
-Adjustments	-	(2.33)	-
<b>Balance at 31st March, 2021</b>	<b>49.77</b>	<b>30.64</b>	<b>7,775.36</b>

Previous year's figures are reclassified/regrouped to confirm and make them comparable with those of the current year.

As per our Report of even date attached

**For R S M & Associates**

Chartered Accountants

Sd/-

**CA E. Madhusudan Reddy**

Partner

Membership No. 202308

Firm Registration No. 0028135

Place: New Delhi

Date : 01.09.2022

For and on behalf of Board of Directors of  
**Bharuch Dahej Railway Company Limited**

Sd/-

**Sanjay Dungrakoti**

Director

DIN 08028084

Sd/-

**Balkishan Sharma**

Chief Financial Officer

Sd/-

**Meenu Dang**

Director

DIN 05171078

Sd/-

**Kanika Mathur**

Company Secretary



# Bharuch Dahej Railway Company Limited

CIN: U45203DL2006PLC155511

## Statement of changes in equity for the period ended 31st March 2022

### A. Equity share capital

(₹ in Lakhs)

Particulars	No. of shares (in lakhs)	Amount
<b>Balance at April 1st, 2021</b>	1,551.10	15,511.00
Change in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	<b>1,551.10</b>	<b>15,511.00</b>
Changes in equity share capital during the year	-	-
(a) issue of equity shares capital during the year	-	-
<b>Balance at 31st March 2022</b>	<b>1,551.10</b>	<b>15,511.00</b>

### B. Other Equity

(₹ in Lakhs)

Particulars	Reserve & Surplus	Total
	Retained Earnings	
Balance at the beginning of the reporting period	3,004.54	3,004.54
Changes in accounting policy or prior period errors	-	-
<b>Restated balance at the beginning of the reporting period</b>	<b>3,004.54</b>	<b>3,004.54</b>
Profit for the period	2,906.53	2,906.53
Other Comprehensive income for the period	(0.05)	(0.05)
<b>Total Comprehensive Income for the period</b>	<b>2,906.48</b>	<b>2,906.48</b>
Dividends paid	-	-
Balance at the end of the reporting period	<b>5,911.02</b>	<b>5,911.02</b>

The accompanying notes are integral part of financial statements.

As per our Report of even date attached

#### For R S M & Associates

Chartered Accountants

Sd/-

**CA E. Madhusudan Reddy**

Partner

Membership No. 202308

Firm Registration No. 0028135

Place: New Delhi

Date : 01.09.2022

For and on behalf of Board of Directors of  
**Bharuch Dahej Railway Company Limited**

Sd/-

**Sanjay Dungarakoti**

Director

DIN 08028084

Sd/-

**Balkishan Sharma**

Chief Financial Officer

Sd/-

**Meenu Dang**

Director

DIN 05171078

Sd/-

**Kanika Mathur**

Company Secretary

**Statement of changes in equity for the period ended 31st March 2021**

**A. Equity share capital**

(₹ in Lakhs)

Particulars	No. of shares (in lakhs)	Amount
<b>Balance at April 1st, 2020</b>	1,551.10	15,511.00
Change in equity share capital due to prior period errors	-	-
<b>Restated balance at the beginning of the current reporting period</b>	<b>1,551.10</b>	<b>15,511.00</b>
Changes in equity share capital during the year	-	-
(a) issue of equity shares capital during the year	-	-
<b>Balance at 31st March 2021</b>	<b>1,551.10</b>	<b>15,511.00 3</b>

**B. Other Equity**

(₹ in Lakhs)

Particulars	Reserve & Surplus	Total
	Retained Earnings	
Balance at the beginning of the reporting period	3,161.47	3,161.47
Changes in accounting policy or prior period errors	-	-
<b>Restated balance at the beginning of the reporting period</b>	<b>3,161.47</b>	<b>3,161.47</b>
Profit for the period	(157.03)	(157.03)
Other Comprehensive income for the period	0.10	0.10
<b>Total Comprehensive Income for the period</b>	<b>(156.93)</b>	<b>(156.93)</b>
Dividends paid	-	-
<b>Balance at the end of the reporting period</b>	<b>3,004.54</b>	<b>3,004.54</b>

The accompanying notes are integral part of financial statements.

As per our Report of even date attached

**For R S M & Associates**

Chartered Accountants

Sd/-

**CA E. Madhusudan Reddy**

Partner

Membership No. 202308

Firm Registration No. 0028135

Place: New Delhi

Date : 01.09.2022

For and on behalf of Board of Directors of  
**Bharuch Dahej Railway Company Limited**

Sd/-

**Sanjay Dungrakoti**

Director

DIN 08028084

Sd/-

**Balkishan Sharma**

Chief Financial Officer

Sd/-

**Meenu Dang**

Director

DIN 05171078

Sd/-

**Kanika Mathur**

Company Secretary



**BHARUCH DAHEJ RAILWAY COMPANY LIMITED**

**Notes to the financial statements for the year ended 31st March 2022**

**1 General Information**

Bharuch Dahej Railway Company Limited (BDRCL) is a public limited company domiciled and was incorporated in India on November 15, 2006 as a Special Purpose Vehicle for the purpose of executing the Bharuch-Samni-Dahej Gauge Conversion Project for Western Railway. The company is a Joint Venture between Rail Vikas Nigam Limited (RVNL), Gujarat Maritime Board (GMB), Adani Petronet (Dahej) Port Private Limited (APDPPL), Gujarat Narmada Valley Fertilizers & Chemicals Limited (GNFC), Dahej SEZ Limited (DSL), Jindal Rail Infrastructure Limited (JRIL), Hindalco Industries Limited (HIL) and Gujarat Industrial Development Corporation (GIDC). The registered office of the company is 39-42, 3rd Floor, H Block, Middle Circle, Connaught Circus, Connaught Place, New Delhi- 110001.

The Company has entered into a Concession Agreement with President of India, through Executive Director Traffic (PPP) of the Ministry of Railways (MOR), Government of India, Rail Bhawan, New Delhi on June 25, 2008 in terms of which the MOR (Concessioneing Authority) has authorized the company (Concessionaire) to develop, finance, construct, operate and maintain the project railway and to exercise and/or enjoy the right, power, benefits, privileges authorization and entitlements upon its completion. The concession period shall be 30 years of operation or till such time as Net Present Value (NPV) of payback on equity investment becomes 14% whichever is earlier. In case such NPV payback is reached earlier than 30 years, the concession agreement would stand terminated and the project line would be re-possessed by railways.

The company has also executed a lease deed on the same day with the President of India for the use of leased assets which forms part of the concession agreement and is attached as annexure-1 thereto. In terms of the lease agreement it commences on the date of execution i.e. June 25, 2008 and term of lease shall be co-terminus with the Concession period with annual lease rental (a) for original land of WR- as per the extant policy of MoR, (b) for new land acquired by WR- @ Rs. 1/- per annum, is payable in advance in one single installment in first week of January every year.

Upon expiry, the company is required to hand over the project assets to MoR free from all encumbrances whatsoever. Upon transfer the company shall be entitled to receive amount equal to book value of project assets. Fresh land acquired by MoR and leased to company shall also revert back to MoR on payment of an amount equal to the cost of acquisition.

Later, at the instance of Western Railway the line was extended from Bharuch to Chavaj a distance of 5.52 KM. This additional BG goods line was certified as it safe to run on 20.02.2014 and same was in operational since 27th February 2014 for running of goods train parallel to DN line on Mumbai-Delhi Rajdhani route of Vadodara Division.

The Concession agreement referred to above envisages signing of an Operations and Maintenance Agreement (O&M Agreement) by the company with Western Railway for operation of the railway line. In terms of the proposed O&M Agreement, the company is entitled to a share of revenue from operations of the Bharuch-Samni-Dahej railway line. As per communication received from the Western Railway, revenue has been apportioned to the company w.e.f March 8, 2012, the date of commencement of operations of the Bharuch-Dahej-Samni railway line. Accordingly, March 8, 2012 has been treated as the date of completion of the Bharuch-Samni-Dahej Gauge Conversion Project and the company has started to prepare the Profit & Loss Statement w.e.f March 8, 2012. Process for signing an O&M Agreement by the Company with Western Railway is underway. In the meantime, the Company is receiving its share of revenue after adjusting cost of Operation & Maintenance based on in principle approval received from the Ministry of Railways.

**2 Basis of Preparation**

**2.1 Statement of Compliance**

The Standalone financial statements as at and for year ended 31st March, 2022 have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under section 133 of the companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

## 2.2 Basis of measurement

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

- i. Certain financial assets and liabilities measured at fair value (Refer policy for financial instruments).

## 2.3 Use of estimates and judgment

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

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

All financial information presented in Indian rupees and all values are rounded to the nearest lakhs up to two decimals except where otherwise stated.

## 2.4 Statement of cash flow

Cash flows are reported using the Indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated as per Ind AS-7.

For the purpose of presentation in the Statement of Cash Flow, cash and cash equivalents include cash on hand, deposits held at call with bank and financial institutions, other short term, highly liquid investment with original maturity of three months or less that are readily convertible to the known amount of cash and which are subject to insignificant risk of change in value.

### Amendment to Ind-AS 7

Effective April1, 2017, the company has adopted the amendment to Ind-AS 7, which require the entities to provide disclosures that enable users of financial Statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material effect on the financial statements.

## 2.5 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. (i.e. Functional Currency). The financial statements are presented in Indian rupees, which is company's functional as well as presentation currency of the company.

## 2.6 Property, plant and equipment

- (I) Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost of asset includes the following:
  - a) Cost directly attributable to the acquisition of the assets.
  - b) Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.
- (II) Subsequent costs are included in the assets carrying amount or recognized as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when such component is replaced. All other expense in the nature of repair and maintenance are charged to Statement of Profits and Loss during the reporting period in which they are incurred as per Ind AS 16.
- (III) As per management estimate there is no decommissioning , restoration or similar liabilities on its property, plant and equipment hence, no adjustment in has been made in this regard.





**(IV) Depreciation**

- (i) (a) Depreciation on Property, plant and Equipment is provided on Straight Line basis (SLM) over the useful life of the assets as specified in Schedule II of the Companies Act, 2013. (b) Each part of an item of Property, Plant and Equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.
- (ii) The estimated useful life of assets for current and comparative period of significant items of property plant and equipment are as follows:

Particulars	Useful Life (Years)
Plant and Machinery	15
EDP Assets	3
Office Equipment's	5
Furniture and fixtures	10
Vehicles	8

- (iii) Leasehold improvements are depreciated over the period of lease from the year in which such improvements are capitalised or useful life as computed under schedule II whichever is less.
- (iv) Depreciation methods, useful lives and residual values are reviewed at each reporting date. In the case of revision, the unamortised depreciable amount is depreciated on a prospective basis.
- (v) Each part of an item of Property, Plant and Equipment is depreciated separately if the cost of that part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of asset.

**2.7 Intangible Assets**

**(A) Freight Sharing Right (Railway Line under Service Concession Arrangement)**

The company recognizes an intangible asset arising from a service concession arrangement when it has a right to charge for usage of the concession infrastructure. An intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement is measured at fair value on initial recognition by reference to the fair value of the services provided. Subsequent to initial recognition, the intangible asset is stated at cost, which includes capitalized borrowing costs, less accumulated amortization and accumulated impairment losses.

The estimated useful life of an intangible asset in a service concession arrangement is the period from when the company is able to charge the public for the use of the infrastructure to the end of the concession period (i.e. 30 year of operation or Net present Value (NPV) payback equal to equity investment @14% whichever is earlier).

Freight sharing right is amortised using the straight line method on prorata basis from the date of addition or from the date when the right brought in to service to the expiry of 30 year of operation or Net present Value (NPV) payback equal to equity investment @14% whichever is earlier.

Amortisation methods and useful lives are reviewed at each reporting date, with the effect of change in estimate accounted for on a prospective basis.

The carrying value of intangible asset is reviewed for impairment annually or more often if events or changes in circumstances indicate that the carrying value may not be recoverable.

**(B) Other than Freight Sharing Right**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at historical cost less accumulated amortization and impairment loss, if any.

Intangible assets other than freight sharing right are amortised in 3 years or according to the useful life of the assets on pro rata basis.

**(C) Freight sharing right under development**

Expenditure incurred on development of existing and new assets (including revenue sharing rights in respect of project railway) are recognised as Intangibles under development at cost incurred by company which is reckoned as fair value of services provided including cost directly attributable including fair value adjustment of land related to the service concession arrangement.

The following amounts are reduced from the cost:

- a) Interest earned on the Mobilization Advances given in respect of the project execution.
- b) Amount received on sale of tender.

## 2.8 Investment properties

- (a) Investment property comprises completed property, property under construction and property held under finance lease that is held to earn rentals or for capital appreciation or both, rather than for sale in the ordinary course of business or for use in production or administrative functions.
- (b) Investment Properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.
- (c) The company depreciates building component of investment property over the life described in schedule II of companies Act 2013 from the date of original purchase.
- (d) Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

## 2.9 Provisions

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date. Provisions are reviewed at each Balance Sheet date.

Provision which are expected to be settled beyond 12 months are measured at the present value by using pretax discount rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

In respect of Operation & Maintenance expenses through Western Railway (WR), same are accounted for on the basis of information received from (WR). Whenever such information is not received, same is accounted for on pro-rata estimated basis.

## 2.10 Revenue Recognition

### Revenue from Contracts with Customers

#### a) Revenue from Contracts with Customers

Revenue from contract with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

### Revenue from Railway Operation

Apportionment of freight as accrued to the company under terms of the concession agreement for freight operation on the project assets is recognised by the company in point in time as operating revenue as per IndAS 115 (i.e. actual freight collected by Railways).

### Construction Contract Revenue under SCA

Revenue related to construction or upgrade services under a service concession arrangement is recognized over time based on the stage of completion of the work performed, when the outcome of construction contract can be measured reliably and where the outcome of construction contract can not be measured reliably revenue is recognised only to the extent of contract cost incurred that is probable will be recoverable. Performance obligation is measured by the company on the basis of inputs to the satisfaction of a performance obligation ( i.e Input Method).

- b) **Other Revenue Recognition** Interest income on Fixed Deposits with Bank is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable using Effective Interest Rate Method.

## 2.11 Leases

- (i) The Company Recognizes a right-of- use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or before the commencement date , plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.



- (ii) The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-to-use-asset or the end of the lease term. The estimated useful life of the right-to-use asset is determined on the same basis as those of property, plant and equipment. In addition, the right-to-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.
- (iii) The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.
- (iv) The lease liability is measured at amortized cost using the effective interest method, it is remeasured when there is a change in future lease payments from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right -of-use asset, or is recorded in the profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.
- (v) The Company presents right-of-use asset that do not meet the definition of Investment property in the "Right of use assets" separately on the face of the Balance Sheet and lease liabilities in "other financial liabilities" in the Balance Sheet.
- (vi) Short term Lease and Leases of low value assets. The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**As A Lessor**

- (i) When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.
- (ii) If an arrangement contains lease and non-lease components, the Company applies Ind AS-115 "Revenue from contract with customers" to allocate the consideration in the contract.
- (iii) The Company recognizes lease payments received under operating lease as income on a straight-line basis over the lease term as part of "Other Income".

**2.12 Impairment of non-financial assets**

In accordance with Ind AS-36 on Impairment of Assets, the carrying amounts of Company's assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated as the higher of the Fair Value less cost to sell and the value in use. An impairment loss is recognized in Statement of Profit and Loss whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount and such losses either no longer exists or has decreased. Reversal of impaired loss is recognized in the Statement of Profit and Loss.

**2.13 Borrowing Cost**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalised as part of the cost of such assets till such time the assets are substantially ready for their 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 recognised in the Statement of Profit and Loss in the period in which they are incurred.

**2.14 Employee Benefits**

**a) Short Term Employee Benefits:**

The undiscounted amount of short term employee benefits expected to be paid for the services rendered are recognised as an expense during the period when the employees render the services.

**b) Post-employment benefits & other Long Term Employee Benefits:**

- (i) Retirement benefits in the form of provident fund are defined contribution schemes. The contributions to the provident fund are charged to the statement to the Profit and loss for the year when the contributions are due.
- (ii) Under the defined retirement plan, the company provides retirement obligation in the form of Gratuity. For defined retirement plans, the difference between the fair value of plan assets and the present value

of plan liabilities is recognised as an assets and liabilities in the statement of financial position. The cost of providing benefit is determined on the basis of actuarial valuation using the projected unit credit method at each year-end and is charged to the Statement of Profit & Loss.

- (iii) Provision for long term Leave Encashment is made based on actuarial valuation at the year end.
- (iv) Actuarial gains or losses are recognised in other comprehensive income
- (v) Re-measurements recognised in other comprehensive income comprise of actuarial gains or losses that are not reclassified to profit or loss from other comprehensive income in subsequent periods. Retirement Benefits Liability in respect of Gratuity and leave encashment is provided on the basis of actuarial valuation.

## 2.15 Taxes

### Current income tax

- a) i. Current income tax is determined as per the provisions of the Income Tax Act in respect of taxable income for the year.
- b) Current income tax assets and liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. Liability for additional taxes, if any, is provided / paid as and when assessments are completed.
- c) Current tax related to OCI Item are recognised in Other Comprehensive Income (OCI).

### Deferred tax

- a) Deferred income tax assets and liabilities are recognised for temporary differences which is computed using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.
- b) Deferred income tax asset is recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- c) The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.
- d) Deferred tax related to OCI Item is recognised in Other Comprehensive Income (OCI).

**Minimum Alternative Tax credit** is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

## 2.16 Earnings Per Share

In determining basic earnings per share, the company considers the net profit attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. In determining diluted earnings per share, the net profit attributable to equity shareholders and weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

## 2.17 Contingent Liabilities and contingent Assets

- (a) Contingent Liabilities are disclosed in either of the following cases:
  - (i) A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation; or
  - (ii) A reliable estimate of the present obligation cannot be made; or
  - (iii) A possible obligation, unless the probability of outflow of resource is remote.
- (b) Contingent Liability is net of estimated provisions considering possible outflow on settlement.
- (c) Contingent Liability and Provisions needed against Contingent Liability and Contingent Assets are reviewed at each Reporting date
- (d) Contingent assets are disclosed where an inflow of economic benefits is probable.

## 2.18 Fair Value Measurement

Company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.



The principal or the most advantageous market must be accessible to the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:-

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities-

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or Indirectly observable.-

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At the reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## **2.19 Dividend to equity holders**

Dividend paid/payable shall be recognised in the year in which the related dividends are approved by shareholders or board of directors as appropriate.

## **2.20 Financial instruments:-**

### **a. Initial recognition and measurement**

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

### **b. Subsequent measurement**

#### **Financial Assets**

Financial assets are classified in following categories:

#### **a) At Amortized Cost**

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- (i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at amortised cost using effective interest rate method less impairment if any. The EIR amortisation is included in finance income in the statement of profit and loss.

#### **b) At fair value through Other Comprehensive Income**

A debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the company recognizes interest income, impairment

losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned is recognised using the EIR method.

**c) At Fair Value Through Profit and Loss**

FVTPL is a residual category for financial Assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the company may elect to designate financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. If doing so reduces or eliminates a measurement or recognition inconsistency. The company has not designated any financial asset as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

**Financial liabilities**

**a) Financial liabilities at Amortized Cost**

Financial liabilities at amortised cost represented by trade and other payables, security deposits and retention money are initially recognised at fair value, and subsequently carried at amortized cost using the effective interest rate method.

**b) Financial liabilities at FVTPL** The company has not designated any financial liabilities at FVTPL.

**c) Derecognition**

**Financial Asset**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

**Financial Liability**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.

**d) Impairment of financial assets:**

Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applies on whether there has been significant increase in credit risk.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss.

**2.21 Non-current Assets held for Sale**

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn and sale is expected within one year from the date of the classification. Disposal groups classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately in the statement of financial position. If the criteria stated by IND AS 105 "Non-current Assets Held for Sale and Discontinued Operations" are no longer met, the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of (i) its carrying amount before the asset was classified as held for sale, adjusted for depreciation that would have been recognised had that asset not been classified as held for sale, and (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale.

**2.22 Events occurring after Balance Sheet Date**

Events occurring after Balance Sheet date are considered in the preparation of financial statements in accordance with Ind AS 10 (Contingencies and Events Occurring After Balance Sheet Date).



**Notes to the financial statements for the year ended 31st March 2022**

**2.23 Standard/Amendments issued but not yet effective**

MCA had issued the Indian Accounting Standards Amendments Rules, 2022 vide notification dated 23rd March 2022. In the Indian Accounting Standards Amendments Rules, 2022, amendments has been made in following standards:-

1. First-time Adoption of Indian Accounting Standards (Ind AS-101)
2. Business Combinations (Ind AS-103)
3. Financial Instruments (Ind AS-109)
4. Property, Plant and Equipment (Ind AS-16)
5. Provisions, Contingent Liabilities and Contingent Assets (Ind AS-37)
6. Agriculture (Ind AS-41)

The effective date of these amendments is annual periods beginning on or after 1st April 2022. The Company is currently evaluating the impact of the amendments and estimated not material impact on the financial statements.

**3. Property, Plant and Equipment**

(₹ in Lakhs)

Particulars	EDP Assets	Office Equipment	Furniture & Fixtures	Plant & Machinery	Leasehold Equipment	Vehicle	Total Tangible Assets
<b><u>Cost or Deemed Cost</u></b>							
<b>At 1st April 2020</b>	<b>12.80</b>	<b>19.41</b>	<b>20.29</b>	<b>28.35</b>	<b>16.42</b>	<b>16.58</b>	<b>113.85</b>
Additions	2.96	0.74	0.81	-	-	-	4.51
DDisposals	0.34	-	-	-	-	-	0.34
<b>At 31st March 2021</b>	<b>15.42</b>	<b>20.15</b>	<b>21.10</b>	<b>28.35</b>	<b>16.42</b>	<b>16.58</b>	<b>118.02</b>
Additions	-	1.29	0.28	-	-	-	1.57
Disposals	-	-	-	-	-	-	-
<b>At 31st March 2022</b>	<b>15.42</b>	<b>21.44</b>	<b>21.38</b>	<b>28.35</b>	<b>16.42</b>	<b>16.58</b>	<b>119.59</b>
<b><u>Depreciation and impairment</u></b>							
<b>At 1st April 2020</b>	<b>10.33</b>	<b>15.18</b>	<b>11.75</b>	<b>10.07</b>	<b>15.60</b>	<b>12.30</b>	<b>75.23</b>
Depreciation charge for the period	1.21	1.06	2.30	1.80	-	1.98	8.35
Disposals	0.12	-	-	-	-	-	0.12
<b>At 31st March 2021</b>	<b>11.42</b>	<b>16.24</b>	<b>14.05</b>	<b>11.87</b>	<b>15.60</b>	<b>14.28</b>	<b>83.46</b>
Depreciation charge for the period	1.53	1.07	1.65	1.80	-	1.46	7.51
Disposals	-	-	-	-	-	-	-
<b>At 31st March 2022</b>	<b>12.95</b>	<b>17.31</b>	<b>15.70</b>	<b>13.67</b>	<b>15.60</b>	<b>15.74</b>	<b>90.97</b>
<b><u>Net book value</u></b>							
<b>At 31st March 2022</b>	<b>2.47</b>	<b>4.13</b>	<b>5.68</b>	<b>14.68</b>	<b>0.82</b>	<b>0.84</b>	<b>28.62</b>
<b>At 31st March 2021</b>	<b>4.00</b>	<b>3.91</b>	<b>7.05</b>	<b>16.48</b>	<b>0.82</b>	<b>2.30</b>	<b>34.56</b>

**3.1** Property, Plant and equipment are subject to first charge to secure the Company's Bank loans. For detail refer Note 13.1

**3.2** As per management estimate there is no decommissioning, restoration or similar liabilities on its property, plant and equipment hence, no adjustment has been made in this regard.

Notes to the financial statements for the year ended 31st March 2022

4 Right of use Assets

(₹ in Lakhs)

Particulars	Building	Total
<b>At 1st April 2020</b>	<b>64.15</b>	<b>64.15</b>
Addition during the year	-	-
Adjustment	-2.33	-2.33
<b>At 31st March 2021</b>	<b>61.82</b>	<b>61.82</b>
Addition during the year	-	-
Adjustment	-2.06	-2.06
<b>At 31st March 2022</b>	<b>59.76</b>	<b>59.76</b>
<b><u>Accumulated Amortisation and Impairment</u></b>		
<b>At 1st April 2020</b>	<b>18.18</b>	<b>18.18</b>
Amortisation	17.28	17.28
Adjustment		
<b>At 31st March 2021</b>	<b>35.46</b>	<b>35.46</b>
Amortisation	15.93	15.93
Adjustment		
<b>At 31st March 2022</b>	<b>51.39</b>	<b>51.39</b>
<b><u>Net book value</u></b>		
<b>At 31st March 2022</b>	<b>8.37</b>	<b>8.37</b>
<b>At 31st March 2021</b>	<b>26.36</b>	<b>26.36</b>





# Bharuch Dahej Railway Company Limited

CIN: U45203DL2006PLC155511

## Notes to the financial statements for the year ended 31st March 2022

### 5. Other Intangible Assets

(₹ in Lakhs)

Particulars	Revenue Sharing Rights	Software	Total
<b>At Cost or deemed cost</b>			
<b>At 1st April 2020</b>	<b>35,427.58</b>	<b>1.31</b>	<b>35,428.89</b>
Addition during the year	75.76	-	75.76
Adjustment	-	-	-
<b>At 31st March 2021</b>	<b>35,503.34</b>	<b>1.31</b>	<b>35,504.65</b>
Addition during the year	276.31	-	276.31
Adjustment	-	-	-
<b>At 31st March 2022</b>	<b>35,779.65</b>	<b>1.31</b>	<b>35,780.96</b>
<b>Amortisation and Impairment</b>			
<b>At 1st April 2020</b>	<b>6,418.23</b>	<b>0.99</b>	<b>6,419.22</b>
Amortisation	1,322.11	-	1,322.11
Adjustment	-	-	-
<b>At 31st March 2021</b>	<b>7,740.34</b>	<b>0.99</b>	<b>7,741.33</b>
Amortisation	1,330.03	-	1,330.03
Adjustment	-	-	-
<b>At 31st March 2022</b>	<b>9,070.37</b>	<b>0.99</b>	<b>9,071.36</b>
<b>Net book value</b>			
<b>At 31st March 2022</b>	<b>26,709.28</b>	<b>0.32</b>	<b>26,709.60</b>
<b>At 31st March 2021</b>	<b>27,763.00</b>	<b>0.32</b>	<b>27,763.32</b>

5.1 Amortisation on other intangible assets included in Note 25 Depreciation & Amortisation.

5.2 Intangible assets are subject to first charge to secure the company's bank loans. For detail refer Note 13.1.

**Notes to the financial statements for the year ended 31st March 2022**
**6. Intangible Assets Under Development**

(₹ in Lakhs)

Particulars	Gross Amount						
	At 1st April 2020	Additions/ (Disposals)	Transfer/ Deduction/ Adjustments	At 31st March 2021	Additions/ (Disposals)	Transfer/ Deduction/ Adjustments	At 31st March 2022
<b>Revenue sharing right under development</b>							
Project Line No. 5 & Rail Level Platform	69.84	-	-	69.84	272.33	272.33	69.84
Other Project Assets							
<b>Total</b>	<b>69.84</b>	<b>-</b>	<b>-</b>	<b>69.84</b>	<b>272.33</b>	<b>272.33</b>	<b>69.84</b>

**6.1** The Intangible Assets under development includes expenditure incurred by the Company on the upgradation of the project railway or to create additional facility (Interlocking of Line No-5 at Dahej) thereon which give rise to future economic benefits.

**6.2** During the year ended 31st March 2022 the Company has recognized Rs. 272.33 Lakhs (as at 31st March 2021 Rs.Nil) as intangibles on completion of the works and accordingly, intangibles assets under development has been reduced by same amount.

**6.3 Intangible assets under development aging schedule**

(₹ in Lakhs)

Intangible assets under development	Amount in Intangible under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	69.84	69.84
Projects temporarily suspended	-	-	-	-	-

**6.4** For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, the following Intangible assets under development completion schedule shall be given:

(₹ in Lakhs)

Intangible assets under development	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1	69.84			
Project 2				



# Bharuch Dahej Railway Company Limited

CIN: U45203DL2006PLC155511

## Notes to the financial statements for the year ended 31st March 2022

### 7. Financial Assets- Non Current

Other Financial Assets		(₹ in Lakhs)
Particulars	As at 31st March 2022	As at 31st March 2021
<b>Considered Good : Unsecured</b>		
Security Deposits	3.27	13.43
Receivable from Western Railways under SCA (Refer Note 31)	63.37	57.22
<b>Total</b>	<b>66.64</b>	<b>70.65</b>

### 8 Other Non Current Assets

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Others</b>		
Land Aquisition - Deposit	30.37	30.37
<b>Total</b>	<b>30.37</b>	<b>30.37</b>

### 9 Financial Assets- Current

#### 9.1 Trade Receivables

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Considered good, Unsecured</b>		
Receivable from related party	-	-
Receivable from others	4,779.40	3,670.87
<b>Total Trade Receivable</b>	<b>4,779.40</b>	<b>3,670.87</b>

- (A) The Trade Receivables includes the amount receivable from the Western Railway being the revenue apportioned, after adjusting amount of O&M expenses payable and receivable towards Terminal Charges for usages of the Dahej Terminal.
- (B) The revenue and expenses apportioned as above by the Western Railway are on provisional basis and the final figures may vary. Further the amount of net receivable as on 31st March 2022 being Rs. 4755.61 Lakhs [31 March 2021 being Rs. 3094.99 Lakhs] is subject to confirmation by the Western Railway.
- (C) 'Trade Receivables' includes the apportioned earnings of BDRCL for chargeable distance of 100.68 KM. However, such earnings have been made available by Western Railway to BDRCL in accordance with the carried route recorded in FOIS system of CRIS. The differences, if any, considered in books of accounts on receipt of requisite details/information's.
- (D) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. No any trade or other receivable are due from firm or private companies respectively in which any director is a partner, a director or member other than stated above.
- (E) Trade receivable are normally settled on around 45 days term.
- (F) Trade Receivable' includes a sum of Rs. 0.87 Lakhs [31st march 2021-Rs 0.87 Lakhs] due towards ODC Income from Western Railways.

**Notes to the financial statements for the year ended 31st March 2022**

(G) Trade Receivable' includes a sum of Rs. 125 Lakh (approx) deducted from apportioned revenue by Western Railway on account of land lease charges upto 31st March 2018. The require modifications/amendment to be made in the concession agreement in accordance with Ministry of Railway vide letter No. 2017/Infra/12/20 dated 22.11.2017 has been made w.e.f. 01-11-2018 and now the applicable land lease charges is Rs 1,000 p.a.

**(H) Trade Receivables ageing schedule**

As on 31st March 2022 are as follows:-

(₹ in Lakhs)

Particulars	Outstanding for following from due date of payment						
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Not Due	Total
(i) Undisputed Trade receivables – considered good	1,542.93	2,766.99	4.43	0.86	0.87	463.32	4,779.40
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit Impaired	-	-	-	-	-	-	-
	1,542.93	2,766.99	4.43	0.86	0.87	463.32	4,779.40

As on 31st March 2021 are as follows:-

(₹ in Lakhs)

Particulars	Outstanding for following from due date of payment						
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Not Due	Total
(i) Undisputed Trade receivables – considered good	1,143.15	2,326.90	0.95	-	0.87	199.00	3,670.87
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit Impaired	-	-	-	-	-	-	-
	1,143.15	2,326.90	0.95	-	0.87	199.00	3,670.87



# Bharuch Dahej Railway Company Limited

CIN: U45203DL2006PLC155511

## Notes to the financial statements for the year ended 31st March 2022

### 9.2 Cash and Cash equivalent

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Balances with banks:		
On Current Accounts	2,159.04	2,831.68
<b>Total Cash and Cash Equivalent</b>	<b>2,159.04</b>	<b>2,831.68</b>

(a) Balance in current accounts under cash and cash equivalents above includes liquid flexi term deposits Rs.2135.53 Lakhs (31st March 2021 Rs.2790.92 Lakhs).

### 9.3 Bank Balances other than cash and cash equivalent

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Deposits with original maturity of more than 3 months but less than 12 months	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### 9.4 Other Financial Assets-Current

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Considered Good : Unsecured</b>		
Other Receivables		
(a) RUB Sharing Amount from Western Railway and Industries Commissioner (Refer Note 9.4.1)	516.51	516.51
(b) Receivable from Others	1.11	0.85
(c) Security deposits	13.43	3.40
<b>Total</b>	<b>531.05</b>	<b>520.76</b>

**Note 9.4.1 :** 'Other Receivables' represent recoverable towards the cost of 02 road bridges (constructed at Shaktinath Junction & Hospital Road, both in Bharuch). Even though the Concession Agreement specifically quantified BDRCL's responsibility for construction of such bridges as 'Nil', these bridges had to be constructed based on orders of Ministry of Railway, with explicit undertaking of cost sharing between Western Railway & the Government of Gujarat in the usual manner of construction of such bridges over Indian Railway network. The cost of these bridges was Rs. 916.51 lakhs, to be borne by the two parties i.e. Western Railway & Government of Gujarat. An amount of Rs. 916.51 lakhs has accordingly been reduced from the value of Assets in the books of BDRCL. However, out of the total amount of Rs. 916.51 lakh, only an amount of Rs. 4 Crores has been received from the Government of Gujarat on 06.04.2011 and the balance amount of Rs. 516.51 Lakh is still recoverable from the Government of Gujarat and Western Railway. Since the liability of BDRCL in this regard is clearly defined as zero in the Concession Agreement, supporting the above position is a decision conveyed by Railway Board vide letter number No. 2015/Infra/18/6 dated 23.11.2017 and the construction of the bridges took place on explicit orders of the Railways with clear undertaking of sharing the cost with the State Government, expenditure on these bridges has necessarily to be borne by these two parties only that the cost of elimination of UMLCs on SPVs lines will be born by the Railways. Therefore same will be received in due course. The matter is being pursued with the Western Railway and the State Government vigorously.

**Notes to the financial statements for the year ended 31st March 2022**
**10 Other current assets**

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Imprest to employees	0.08	-
Advance for expenses	2.27	5.89
Prepaid Expenses	66.52	5.66
<b>Total</b>	<b>68.87</b>	<b>11.55</b>

**11 Equity Share Capital**

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Authorised share capital</b>		
16,50,00,000 Equity Shares of ₹ 10 each (March 31, 2021: 16,50,00,000 Equity Shares of ₹ 10 each)	16,500.00	16,500.00
	<b>16,500.00</b>	<b>16,500.00</b>
<b>Issued, Subscribed &amp; Fully Paid up Share Capital with voting rights</b>		
15,51,10,000 Equity Shares of Rs. 10 each with Voting Rights(March 31, 2021: 15,51,10,000 Equity Shares of Rs. 10 each Fully paid up)	15,511.00	15,511.00
	<b>15,511.00</b>	<b>15,511.00</b>

**(a) Reconciliation of the number of equity shares and share capital**

Particulars	As at 31st March 2022		As at 31st March 2021	
	No of shares	Amount in Lakhs)	No of shares	Amount in Lakhs)
Issued/Subscribed and Paid up equity Capital o utstanding at the beginning of the year	1,551.10	15,511.00	1,551.10	15,511.00
Add: Shares Issued during the period				
Shares bought back during the period	-	-	-	-
<b>Issued/Subscribed and Paid up equity Capital outstanding at the end of the year</b>	<b>1,551.10</b>	<b>15,511.00</b>	<b>1,551.10</b>	<b>15,511.00</b>

**(b) Terms/Rights attached to Equity Shares**

The company has only one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distributing all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



# Bharuch Dahej Railway Company Limited

CIN: U45203DL2006PLC155511

## Notes to the financial statements for the year ended 31st March 2022

### (c) Details of Shares held by each shareholder holding more than 5% shares in the company

(₹ in Lakhs)

Name of the shareholder	As at 31st March 2022		As at 31st March 2021	
	No. of Shares (in Lakhs)	% holding in the class	No. of Shares (in Lakhs)	% holding in the class
Rail Vikas Nigam Ltd	550.00	35%	550.00	35%
Gujarat Industrial Development Corp.	178.60	12%	178.60	12%
Gujarat Maritime Board	178.60	12%	178.60	12%
Adani Petronet (Dahej) Port Private Ltd	173.30	11%	173.30	11%
Gujarat Narmada Valley Fertilizers & Chemicals Limited	135.30	9%	135.30	9%
Hindalco Industries Limited	135.30	9%	135.30	9%
Dahej SEZ Ltd	100.00	6%	100.00	6%
Jindal Rail Infrastructure Ltd	100.00	6%	100.00	6%
<b>Total</b>	<b>1,551.10</b>	<b>100%</b>	<b>1,551.10</b>	<b>100%</b>

### (d) Aggregate no. of equity shares issued as fully paid by way of bonus, other than cash & shares bought back during the period of five years immediately preceding the reporting date

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
	No's in Lakhs	No's in Lakhs	No's in Lakhs	No's in Lakhs	No's in Lakhs
Equity Shares issued for consideration other than cash	-	-	-	-	-
Equity Shares issued as fully paid up bonus shares	-	-	-	-	-
Equity Shares bought back	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### (e) Shareholding of Promoters are as follows:-

#### Shares held by promoters at the end of 31st March 2022

Promoter Name	No. of share	% of total share	% Change during the year
Rail Vikas Nigam Limited (Including 5 nominee directors)	55000000	35.46%	Nil
Adani Petronet (Dahej) Port (P) Ltd	17330000	11.17%	Nil
<b>Total</b>			

#### Shares held by promoters at the end of 31st March 2021

Promoter Name	No. of share	% of total share	% Change during the year
Rail Vikas Nigam Limited (Including 5 nominee directors)	55000000	35.46%	Nil
Adani Petronet (Dahej) Port (P) Ltd	17330000	11.17%	Nil
<b>Total</b>			

**Notes to the financial statements for the year ended 31st March 2022**
**12. Other Equity**
*(₹ in Lakhs)*

Particulars	As at 31st March 2022	As at 31st March 2021
Retained Earnings	5,911.02	3,004.54
<b>Total</b>	<b>5,911.02</b>	<b>3,004.54</b>

**12.1 Retained earnings**
*(₹ in Lakhs)*

Particulars	As at 31st March 2022	As at 31st March 2021
Balance as per last financial statement	3,004.54	3,161.47
Add: Profit/loss for the current period	2,906.53	(157.03)
Add: Other comprehensive income arising from Remeasurements of defined benefit obligation net of income tax	(0.05)	0.10
<b>Closing Balance</b>	<b>5,911.02</b>	<b>3,004.54</b>

**Retained Earnings**

Retained Earnings represents the undistributed profits of the Company.

**13 Financial Liability-Non Current**
**13.1 Borrowings**
*(₹ in Lakhs)*

Particulars	As at 31st March 2022		As at 31st March 2021	
	Non Current	Current	Non Current	Current
<b>Secured, Long Term Borrowings</b>				
Term Loans				
From Canara Bank	6397.44	-	7,775.36	-
From Canara Bank	-	-	-	-
Less : Current Maturities of long term debt (Refer Note 17)	-	-	-	-
<b>Total</b>	<b>6,397.44</b>	<b>-</b>	<b>7,775.36</b>	<b>-</b>

**Summary of Borrowing Arrangement**
*(₹ in Lakhs)*
**(a) Details of Repayment Made during the period**

Particulars	March 2022	March 2021
Secured		
Term Loan		
From Canara Bank	1017.91	2,413.93
From Canara Bank	360.00	360.00
<b>Total</b>	<b>1,377.91</b>	<b>2,773.93</b>

**(b) Rate of Interest**

Interest rate for the period April '21 to March'22 is Canara Bank's one year MCLR 8.20% + 0.05% p.a i.e. 8.25% (31st March 2021 : Interest rate for the period April'20 to March'21 is Canara Bank's one year MCLR 8.20% + 0.05% p.a i.e. 8.25% ).





**Notes to the financial statements for the year ended 31st March 2022**

**(c) Security**

Secured by way of first charge on all present and future immovable 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.

**(d) 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 Rs. 200 Crore and Door to door tenor of 13 year for Term Loan of Rs. 30 Crore. Repayment due for next one year is NIL [31st March 2020 - 12% of Total debt of Rs. 230 Crore] because during the F,Y 2021-22 Company has submitted the application to the Canara Bank for reschedulement of the both the term loan of Rs. 200.00 Crore and Rs 30.00 Crore as the exposures eligible for resolution under the stress due to Covid-19 announced by RBI regarding one time restructuring of loan vide letter no. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06-08-2020. Canara Bank has permitted Reschedulement the both the term loans for a period of 2 years i.e. 2 years moratorium from 01.04.2021 to 31.03.2023. vide agreement IN-DL86803913944683T dated 18-Jun-2021. Further, during the FY 21-22 the Company has paid Rs 13.80 crores despite of the available moratorium.

**13.2 Lease Liabilities**

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Lease liabilities	-	11.41
	-	11.41

**13.3 Trade Payables**

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
(i) Outstanding dues of micro and small enterprises	-	-
(ii) Outstanding dues of other than micro and small enterprises		
<b>At Amortised Cost</b>		
Overhead Cost Payable	1,536.76	2,413.37
<b>Total</b>	<b>1,536.76</b>	<b>2,413.37</b>

- (i) Trade payable represents Overhead cost payable which are not payable to Western Railways as it is deferred for first ten year of operation and same being payable by the company over a period of 10 years commencing from the 11th year of operation as per the Joint Procedure Order (JPO) signed in the 2021 for computation of Operation and Maintenance (O&M) Costs.

**Notes to the financial statements for the year ended 31st March 2022****(ii) Trade Payables aging schedule are as follows:-**

As on 31st March 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years 3 Years	2-3 More Years than	Not Due	
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	1,536.76	1,536.76
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	-	-	-	1,536.76	1,536.76

As on 31st March 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years 3 Years	2-3 More Years than	Not Due	
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	2,413.37	2,413.37
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	-	-	-	2,413.37	2,413.37

**13.4 Other Financial Liability**

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Security Deposits	8.01	6.10
	<b>8.01</b>	<b>6.10</b>

**14 Provisions-Non Current**

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Employee Benefits		
Gratuity	10.99	8.80
Leave Encashment	16.83	13.43
<b>Total</b>	<b>27.82</b>	<b>22.23</b>

**14.1** Provision for gratuity and Leave Encashment liability has been made for the year ended 31st March, 2022 based on Actuarial Valuation. For other disclosures refer Note 46

**14.2** Gratuity Benefit is payable to employees on separation from the corporation. The amount of gratuity payable is based on past service and salary at the time of separation as per Payment of Gratuity act, 1972. There is a vesting period of 5 years on the benefit.



# Bharuch Dahej Railway Company Limited

CIN: U45203DL2006PLC155511

## Notes to the financial statements for the year ended 31st March 2022

### 15 Deferred Tax

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Deferred tax liability on Property, plant & equipment, Intangible Assets and ROU Assets	4,243.73	5,834.93
<b>Total deferred tax liability</b>	<b>4,243.73</b>	<b>5,834.93</b>
Deferred tax Assets		
Employee benefit	7.20	7.98
Unabsorbed depreciation & Business Loss	975.74	2,197.16
<b>Total deferred tax asset</b>	<b>982.94</b>	<b>2,205.14</b>
<b>Net Deferred Tax Liability/ (Assets)</b>	<b>3,260.79</b>	<b>3,629.79</b>

#### 15.1 Movement in deferred tax liability/ (asset)

(₹ in Lakhs)

Particulars	PPE, Intangible Assets and ROU Assets	Employee Benefits	Unabsorbed Depreciation	Total
<b>Opening balance as at 1st April 2020</b>	5,704.11	(6.61)	(2,021.68)	3,675.82
Charged/(credited) during the year 2020-21				
To Profit & Loss	130.82	(1.43)	(175.48)	<b>(46.09)</b>
To other comprehensive income	-	0.06	-	<b>0.06</b>
<b>Closing balance as at 31st March 2021</b>	<b>5,834.93</b>	<b>(7.98)</b>	<b>(2,197.16)</b>	<b>3,629.79</b>
Charged/(credited) during the year 2021-22				
To Profit & Loss	(1,591.20)	0.80	1,221.42	<b>(368.98)</b>
To other comprehensive income			(0.02)	<b>(0.02)</b>
<b>Closing balance as at 31st March 2022</b>	<b>4,243.73</b>	<b>(7.20)</b>	<b>(975.74)</b>	<b>3,260.79</b>

In accordance with Ind AS-12- "Income Taxes" notified by Ministry of Corporate Affairs, Government of India, the Company has assessed the deferred tax taking into consideration all the items, due to which there is temporary difference between the carrying amount of the assets and liabilities and their tax base as on 31st March 2022.

### 16 Other Liabilities

#### 16.1 Other Non Current Liability

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Fair valuation adjustment of financial liabilities (Note 16.1.1)	700.56	1,418.18
	<b>700.56</b>	<b>1,418.18</b>

**Note 16.1.1 :** It represents unamortized portion of the difference between the fair value of financial Liabilities towards deferred overhead cost payable on initial recognition/ transition date and liability due towards deferred overhead charges.

Notes to the financial statements for the year ended 31st March 2022

16.2 Other current Liability

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Advance Received from Customer	2.76	0.39
Statutory dues	12.14	19.12
Fair valuation adjustment of financial liabilities	144.21	18.06
<b>Total</b>	<b>159.11</b>	<b>37.56</b>

- (a) Statutory dues includes TDS, Service Tax/ GST and Provident Fund payable.

17 Financial Liabilities

17.1 Lease Liabilities

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Lease liabilities	10.35	19.23
	10.35	19.23

17.2 Trade Payables

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
(i) Outstanding dues of micro and small enterprises		
(ii) Outstanding dues of other than micro and small enterprises		
Payable to Others	415.36	1,073.18
Payable to related parties	-	10.56
Overhead Cost Payable ( Refer Note:-13.3)	266.53	23.01
O&M Expenses Payable (SCR)	157.20	-
<b>Total</b>	<b>839.09</b>	<b>1,106.75</b>

- (a) The 'Trade Payables' includes the amount payable to Western Railway towards Operation & Maintenance expenditure. The Provisional outstanding balance amount of Rs. 342.48 Lakhs [31st March 2021- Rs. 996.91 Lakhs ] is related to the entire Dahej-Chavaj section.
- (b) The 'Trade Payables' includes the amount payable to Western Railway towards Land Lease Rental Charges computed in accordance to the Concession Agreement.
- (c) There are no reported Micro, small and medium enterprises as defined in the " The Micro , Small and Medium enterprises Development Act 2006" to whom the company owes any amount.



# Bharuch Dahej Railway Company Limited

CIN: U45203DL2006PLC155511

## Notes to the financial statements for the year ended 31st March 2022

### (d) Trade Payables aging schedule are as follows:-

As on 31st March 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years More than 3 years	Not Due	
(i) MSME	-	-	-	-	-
(ii) Others	487.08	0.04	15.87	336.10	839.09
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	487.08	0.04	15.87	336.10	839.09

As on 31st March 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years More than 3 years	Not Due	
(i) MSME	-	-	-	-	-
(ii) Others	586.47	0.90	15.81	503.57	1,106.75
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	586.47	0.90	15.81	503.57	1,106.75

### 17.3 Other Financial Liability

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Security Deposits	68.33	23.10
Interest accrued and due on borrowings	-	49.77
Other Payables	21.02	17.63
Payable to Staff	22.63	24.77
<b>Total</b>	<b>111.98</b>	<b>115.26</b>

### 18 Provisions Current

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Employee Benefits		
Gratuity	0.31	0.25
Leave Encashment	0.48	0.37
<b>Total</b>	<b>0.79</b>	<b>0.62</b>

**Notes to the financial statements for the year ended 31st March 2022**

18.1 For other disclosures refer Note 46

**19 Current Tax Asset and Liability**

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Current tax Assets</b>		
Advance tax and TDS Receivable	22.92	17.11
Income Tax Refundable AY 2020-21	-	24.33
<b>Total</b>	<b>22.92</b>	<b>41.44</b>
<b>Current tax Liability</b>		
Income Tax Refundable AY 2010-2011	0.28	0.28
AY 2012-2013	2.16	2.16
Provision for Income Tax (Note 19.1)	(2.44)	(2.44)
Provision for Income tax ( Net of advance tax & TDS)		
<b>Total</b>	<b>-</b>	<b>-</b>

19.1 Refund receivable for A Y 2012-13 of Rs. 2.16 lakh has been adjusted with demand of A Y 2009-10, therefore company has provided for provision for tax liability. However, company is contesting the demand and submitted its response to department for non adjusting demand. Further, a sum of Rs. 0.28 Lakh is receivable from income tax department for A Y 2010-11, however refund is not issued since long therefore company has provided for provision for same during financial year 2016-17.

**20 Revenue from operations**

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
<b>Revenue From Contracts with Customers</b>		
(a) Income from Railway Operation	4,842.80	3,201.45
(b) Construction Contract Revenue under Service concession Arrangement (refer note 31)	276.31	75.76
<b>Total</b>	<b>5,119.11</b>	<b>3,277.21</b>

20.1 Operating Income: The Bharuch-Samni-Dahej Railway line of route length 61.60 kilometers became operational from March 8, 2012 and Bharuch-Chavaj line of route length 5.52 Kilometers became operational from 27th February 2014 with the completion of the respective portions of the project. The operating income of the company has been recognized for the period from 1st April 2021 to 31st March 2022 for Bharuch-Samni-Dahej Railway line, with the revenue pertaining to Bharuch-Chavaj being computed on provisional basis. The share of BDRCL in the total revenue collected by the Railway at the time of loading is computed on the basis of percentage of chargeable distance travelled on BDRCL line to the total chargeable distance travelled. However, earnings have been made available by Western Railway to BDRCL in accordance with the carried route recorded in FOIS system of CRIS. The differences, if any, considered in books of accounts on receipt of requisite details/information's. While the Operation & Maintenance Agreement is yet to be signed with Western Railway, apportionment of revenue is being done on the basis of in-principle approval accorded by the Ministry of Railways.



## Bharuch Dahej Railway Company Limited

CIN: U45203DL2006PLC155511

### Notes forming part of the Financial Statement for the year ended March 31, 2022

- 20.2 The Ministry of Railways has allowed the Company to charge freight at inflated kilometers (50% inflated) for the distance travelled over BDRCL's jurisdiction. Therefore, as against actual distance of 67.12 kms on the Bharuch-Samni-Dahej section and actual distance of 5.52 km of Bharuch-Chavaj section constructed by the company, the total chargeable distance is taken as 100.68 kms. Revenue pertaining to Bharuch-Chavaj section has been accounted for on provisional basis.

### 21 Other Income

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
(a) Interest Income		
Bank Deposits	126.08	146.45
Others	2.99	0.00
(b) Other Non-operating Income		
Unwinding of discount on receivable from Western Railways under Service Concession Arrangement	6.15	5.55
Reversal of Fair Value Adjustment of Financial Liabilities	143.69	606.71
(c) Miscellaneous Income	3.49	4.58
<b>Total</b>	<b>282.40</b>	<b>763.29</b>

### 22 Operation and Maintenance Expenses

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
(a) Operation & Maintenance Expenses	2,461.63	2,816.59
(b) Construction Contract Cost under Service Concession Arrangement (Refer Note No-31)	276.31	75.76
<b>Grand Total</b>	<b>2,737.94</b>	<b>2,892.35</b>

- 22.1 In terms of the draft Operations and Maintenance Agreement to be entered into with the Western Railway read together with the Concession Agreement, the company has to bear the expenses incurred by Western Railway on the operation and maintenance of the Bharuch-Samni-Dahej section and the additional line from Bharuch to Chavaj. The company has recognized operating expenses of Rs.949.85 Lakhs (During the F.Y 2020-21 Rs. 1548.32 Lakhs) for the period from April 2021 to March 2022 as advised by the Western Railway on provisional basis in terms of the Operation & Maintenance Agreement to be entered into with the Western Railway. The final amount of expenses to be borne by the company could vary.

Earlier the O&M of Civil Engineering and S&T assets was being carried out by the Company but Western Railway has partially taken over maintenance of above mentioned assets from January 2016, with a few non-safety related activities remaining the responsibility of BDRCL. Accordingly, the company has recognized O&M expenses on activities retained by BDRCL related to Civil Engineering, S&T assets and other activities on railway section amounting to Rs.1512.31 Lakhs (During the F.Y 2020-21 Rs. 1268.27 Lakhs) for the period ending March 31, 2022.

The above amount also includes Operation & Maintenance expenses on the extended section of the line from Bharuch to Chavaj for the Financial Year 2021-2022 as advised by the Western Railway on provisional basis.

**Notes forming part of the Financial Statement for the year ended March 31, 2022**

**23 Employee Benefits Expenses**

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Salary and Allowances	73.51	67.30
Staff welfare expenses	26.90	22.89
Contributions to Provident fund	17.24	16.30
Gratuity (Refer Note 46)	2.19	1.61
Leave Encashment (Refer Note 46)	3.51	2.46
<b>Total</b>	<b>123.35</b>	<b>110.56</b>

23.1 During the year ended March 31, 2022 there are only Seven employees in the company who are employed on long term basis. All other employees were appointed by the company for a period of six/twelve months only subject to further extension from time to time, if required.

**24 Finance Cost**

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
<b>Interest Expenses</b>		
Term Loan	609.56	728.50
Other Interest Expenses	0.06	0.18
Unwinding of discount on deferred overhead charges	143.69	662.88
Interest expenses on lease liability	2.09	3.88
<b>Total</b>	<b>755.40</b>	<b>1,395.44</b>

24.1 Finance cost include interest paid to bank on Term Loan amounting to Rs. 609.56 lakhs (During the F.Y 2020-21 Rs. 728.50 lakhs) for the year ended March, 31 2022

**25 Depreciation and Amortisation**

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Depreciation on Property, Plant and Equipment (Refer Note 3)	7.51	8.35
Depreciation on Right of Use Assets (Refer Note 4)	15.93	17.28
Amortisation of Intangible Assets (Refer Note 5)	1,330.03	1,322.11
<b>Total</b>	<b>1,353.47</b>	<b>1,347.74</b>





# Bharuch Dahej Railway Company Limited

CIN: U45203DL2006PLC155511

## Notes forming part of the Financial Statement for the year ended March 31, 2022

### 26. Other Expenses

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Power & Fuel	2.28	1.82
Repairs and Maintenance	2.12	2.04
Legal and Professional Fees	30.19	17.97
Auditor Remuneration-	-	-
Audit Fees	3.72	3.72
Tax Audit Fees	1.21	0.60
Out of Pocket expenses	-	-
Internal Audit Fees	2.14	2.14
Printing & Stationery	2.35	1.71
Meeting & Conference	6.28	0.19
Communication Expense	0.94	0.94
Travelling Expense	29.09	24.93
Rates & Taxes	0.43	0.26
Rent	18.87	17.55
Advertisement Expenses	-	2.87
Housekeeping Expenses	3.74	3.22
Staff Outsourcing Expenses	4.79	3.88
Insurance Charges	1.77	2.46
Miscellaneous Expense	6.36	3.07
Sweets & Gifts	3.01	0.09
Corporate Social Responsibility	14.22	22.44
<b>Total</b>	<b>133.51</b>	<b>111.90</b>

### 27 Exceptional Items

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Refund & Reversal of Excess Billing	2,239.71	1,614.37
<b>Total</b>	<b>2,239.71</b>	<b>1,614.37</b>

As per the Railway Board order no 2017/Infra/12/20 dated 22-11-2017, the calculation of overhead on indirect cost should be based on the principle adopted by Western Railway (WR) in case of PRCL (Pipava Railway Company Limited). In order to give impact of the same, the Western Railway vide order no. BRC/BR/BDRCL/O&M/2021-22 dated 08-02-2022 revised Operation & Maintenance Cost and Overhead Cost for the period Nov'17 to March'20. The amount of expenditure for the said period was Rs 2677.23 lakhs towards staff cost & Rs 1568.40 lakhs towards overhead cost respectively. The revised amount computed by WR is Rs 1644.89 lakhs & Rs 361.04 lakhs respectively. Accordingly, the amount of refund towards staff cost is Rs 1032.34 lakhs and reversal of Rs 1207.37 lakhs.

Notes forming part of the Financial Statement for the year ended March 31, 2022

28 Taxes

28.1 Income tax recognised in profit and loss

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
<b>Current Income Tax Expenses</b>		
Current Tax on profits for the years	-	-
Adjustments in respect of current income tax of previous year		
<b>Total Current Tax Expenses</b>	-	-
<b>Deferred Income Tax Expense</b>		
In respect of the current year (For details Refer Note no 15)	(368.98)	(46.09)
<b>Total Deferred Tax Expenses</b>	<b>(368.98)</b>	<b>(46.09)</b>
<b>Income tax expenses attributable to continuing operations</b>	<b>(368.98)</b>	<b>(46.09)</b>

The Government of India has announced concessional tax regime under Section 115BAA enacted from 27th March 2020 under the Income Tax Act, 1961 and Company has adopted the same. Accordingly, the tax liability for FY 2021-22 has been determined as per the applicable provisions under Section 115BAA. The applicable tax rate for FY 2021-22 is 25.17%. Earlier, the Company has been paying Minimum Alternate Tax (MAT) on the book profits under section 115-JB of the Income Tax Act, 1961. Therefore, tax rate applicable in respect of earlier financial years are rates specified under Income Tax Act, 1961 as amended from time to time instead of regular rate of income tax.

28.2 Tax related to items recognised in OCI during the year:

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Net loss/(gain) on remeasurements of defined benefit plans (Refer Note 15)	0.02	(0.06)
<b>Income tax charged to OCI</b>	<b>0.02</b>	<b>(0.06)</b>



**Notes forming part of the Financial Statement for the year ended March 31, 2022**

**28.3 Note: Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2020 and 31st March 2022:** (₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Accounting profit before tax from continuing operations	2,537.55	-
Profit/(loss) before tax from a discontinued operation	-	-
<b>Accounting profit before income tax</b>	<b>2,537.55</b>	<b>-</b>
At India's statutory income tax rate of 25.17% (31st March 2021 20.59%)*	638.65	-
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income</b>	<b>-</b>	<b>-</b>
Add: Tax effect due to transition to IndAS	(73.87)	-
Add: Non Tax items	3.59	-
Add : Book Loss	-	-
Add : Taxable Income	-	-
Add : Deferred Tax recognised in statement of profit and loss and OCI	-	(46.09)
Add : Impact of reversal of Unabsorbed depreciation and Business Loss	(605.70)	-
Add: Impact of Tax Rate Change	(331.66)	-
<b>At the effective income tax rate</b>	<b>(368.98)</b>	<b>(46.09)</b>
Income Tax expenses reported in statement of profit and loss for current year	(368.98)	(46.09)
Tax expenses for previous year recognised	-	-
<b>Income tax expenses reported in statement of Profit and loss</b>	<b>(368.98)</b>	<b>(46.09)</b>

**29 Components of Other Comprehensive Income (OCI)**

The disaggregation of changes to OCI by each type of reserve in equity is shown below: (₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Remeasurements of defined benefit plans	(0.07)	0.16
Tax component of remeasurements of defined benefit obligation	0.02	(0.06)
<b>Total</b>	<b>(0.05)</b>	<b>0.10</b>

Remeasurements of defined benefit plan includes Rs. 7,438/- towards actuarial gain (Previous Year loss Rs.15,965) towards actuarial gain on Projected benefit obligation.

**Notes forming part of the Financial Statement for the year ended March 31, 2022**
**30 Earnings per share (EPS)**

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
	(₹ per share)	(₹ per share)
<b>Basic EPS</b>		
From continuing operation	1.87	(0.10)
<b>Diluted EPS</b>		
From continuing operation	1.87	(0.10)

**30.1 Basic Earning per Share**

Basic EPS are calculated by dividing the profit for the year attributable to equity holders of the company by weighted average number of equity shares outstanding during the year.

The earning and weighted average number of equity share used in calculation of basic earning per share:

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Profit attributable to equity holders of the company (Rs. In lakhs)	2,906.53	(157.03)
Earnings used in calculation of Basic Earning Per Share (Rs. In lakhs)	2,906.53	(157.03)
Weighted average numbers (In Lakhs) of shares for the purpose of basic earnings per share	1,551.10	1,551.10

**30.2 Diluted Earning per Share**

The earnings and weighted average number of equity shares used in calculation of diluted earning per share:-

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Profit attributable to equity holders of the company (Rs. In lakhs)	2,906.53	(157.03)
Earnings used in calculation of diluted earning per share (Rs. In lakhs)	2,906.53	(157.03)

The weighted number of equity shares for the purpose of diluted earning per share reconciles to the weighted average number of equity shares used in calculation of basic earning per share as follows:

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Weighted average number (in Lakhs ) of Equity shares used in calculation of basic earnings per share	1,551.10	1,551.10
Effect of dilution:	-	-
Share Options		
Weighted average number (in Lakhs) of Equity shares used in calculation of diluted earnings per share	1,551.10	1,551.10



**Notes forming part of the Financial Statement for the year ended March 31, 2022**

**31 Disclosure of Ind As 115 “Revenue from Contracts with Customers”**

**31.1 Service Concession Arrangements**

Public-to-private service concession arrangements are recorded according to Appendix “D” Service Concession Arrangements” IND-AS-115 . Appendix “D”

Service Concession Arrangements applies if:

- a) The Grantor controls or regulates which services the operator should provide with the infrastructure, to whom it must provide them, and at what price; and
- b) The Grantor controls- through ownership, beneficial entitlement, or otherwise- any significant residual interest in the infrastructure at the end of the term of the arrangement.

If both of the above conditions are met simultaneously, an intangible asset is recognized to the extent that the operator receives the right to charge users of the public service, provided that these charges are conditional on the degree to which the service is used.

These intangible assets are initially recognized at cost, which is understood as the fair value of the service provided plus other direct costs directly attributable to the operation. They are then amortized over the term of the concession.

**Description of Arrangement**

The Bharuch Dahej Railway Company Limited (Company) has entered into a Concession Agreement with Ministry of Railways (MoR), Government of India dated June 25, 2008 in terms of which the Ministry of Railways (Grantor) has authorized the Company (Operator) to develop, finance, design, engineer, procure, construct, operate and maintain the Project Railway and to exercise and/or enjoy the rights, powers, benefits, privileges authorizations and entitlements upon its completion. In terms of the said agreement BDRCL has an obligation to complete construction of the project railway and to keep the project assets in proper working condition including all projects assets whose lives have expired.

The concession period is determined with reference to attainment of NPV payback benchmark at the rate of return of 14%.The concession period shall be 30 years of operation or till the NPV payback equal to equity investment is reached, whichever is earlier. In case the NPV payback is reached earlier than 30 years, the concession agreement would stand terminated and the project line would be re-possessed by railway.

At the end of concession period, the project assets shall be hand over by BDRCL to MOR and BDRCL shall be entitled to receive and MOR shall pay to BDRCL an amount equal to the Book value of new assets and additional facilities created by the BDRCL. The original existing assets leased to BDRCL by MOR shall revert back to MOR. The fresh land acquired by MOR and leased to BDRCL shall also revert back to MOR on payment of an amount equal to the cost of acquisition.

In terms of the above agreement upon expiry of 30 years of operation the concession period shall be extended by an equal period of time which corresponds to the period for which material disruption of operation and maintenance occurred during the concession period. However such extension will be limited to provision that if NPV payback equal to equity investment is reached earlier then the period so extended , the concession period would stand terminated.

In case of material breach in terms of the agreement the MOR and BDRCL both have the right to terminate the agreement if they are not able to cure the event of default in accordance with such agreement.

In terms of the draft Operations and Maintenance Agreement to be entered into with the Western Railway read together with the Concession Agreement, the company has to bear the expenses incurred by Western Railway on the operation and maintenance of the Bharuch-Samni-Dahej section and the additional line from Bharuch to Chavaj.

Sections:

- (a) Bharuch Station to Dahej Station measuring approximately 61.60 kms,
- (b) Bharuch station to Chavaj Station measuring approximately 5.52 kms,

**Notes forming part of the Financial Statement for the year ended March 31, 2021****Revenue recognise from contract with customer:**

For the period ended 31st March, 2022 the company has recognized revenue of Rs. 5,119.11 Lakhs (31st March 2021 Rs. 3,277.21 Lakhs), consisting of Rs.276.31 Lakhs ( 31st March 2021 Rs. 75.76 Lakhs) on construction of intangible assets under service concession arrangement Rs. 4842.80 Lakhs (31st March 2021 Rs. 3,201.45 Lakhs) towards sharing of apportioned earnings from operation of railway line under service concession arrangement & Terminal Charges. Company has recognized Profit before tax of Rs. 2537.55 Lakhs ( 31st March 2021 Loss of Rs. 203.12 Lakhs) ,consisting nil profit/loss on construction of intangible assets under service concession arrangement and a Profit before tax of Rs. 2537.55 lakhs (31st March 2021 Loss of Rs. 203.12 Lakhs) towards sharing of apportioned earnings from operation of railway line under service concession arrangement. The company has recognized an intangible asset of Rs.276.31 Lakhs during the period ended 31st March, 2022 and Rs. 75.76 Lakhs, in F.Y.2020-21. The intangible asset under development represents the freight sharing rights under development to receive freight traffic earnings under service concession agreement. The company has recognized receivable under service concession arrangement measured at a amortized cost of Rs. 63.37 Lakhs ( 31st March 2021 of Rs. 57.22 Lakhs) representing the present value of fresh land acquired by MOR of Rs.461.80 Lakhs ( 31st March 2020 Rs. 461.80 Lakhs) leased to BDRCL and from GIDC amounting to Rs. 24.16 (31st March 2020 Rs. 24.16 lakhs ) which is recoverable at the end of concession period from MOR, discounted at a rate of 10.75 percent, of which Rs. 23.08 lakhs (Previous year Rs. 16.93 Lakhs ) represents unwinding of discount.

**31.2 IND AS-115 Disclosures**

The Company has adopted IND AS 115 Revenue from contracts with customers w.e.f. 01-04-2018.

**Transition Method:**

The Company has applied modified retrospective approach for the application of Ind AS 115 "Revenue from contracts with customers" as it is covered under the SCA (Service Concession Arrangement) with the western railways and the concession period is not completed at the date of the initial application.

The Company has applied modified retrospective approach.

**31.3 Disaggregation Of Revenue**

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Income From Railway Operation	4,842.80	3,201.45
Construction Contract Revenue under SCA	276.31	75.76
	<b>5,119.11</b>	<b>3,277.21</b>

**Contract balances**

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Trade receivables	4,779.40	3,670.87
Contract assets	-	-
Contract liabilities	-	-

**Trade Receivables**

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Trade Receivables at the beginning of the year	3,670.87	5,627.45
Net Revenue Recognized during the year	4,842.80	3,201.45
Adjustments	-	-
Payment received during the year	3,734.27	5,158.03
Closing Balance of the Trade Receivables	4,779.40	3,670.87



**Notes forming part of the Financial Statement for the year ended March 31, 2022**

- (i) 'Trade Receivable' includes a sum of Rs. 125 Lakh (approx) deducted from apportioned revenue by Western Railway on account of land lease charges upto 31st March 2018. In accordance with Railway board letter dated 22.11.2017 the same is now recoverable from western Railway.
- (ii) The revenue and expenses apportioned as above by the Western Railway are on provisional basis and the final figures may vary. Further the amount of net receivable as on 31st March 2022 being Rs. 4755.61 Lakhs [31 March 2020 being Rs. 3,094.99 Lakhs] is subject to confirmation by the Western Railway.
- (iii) Income is apportioned by the Railway and Recognized by Company on the basis of IRFA Rules and various circulars issued by Railway Board from time to time.

**Contract Assets**

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Contract Asset at the beginning of the year	-	-
Transfer from Contract Asset to Trade Receivable and increase as a result of changes in measure of progress	-	-
Contract Asset at the end of the year	-	-

Impairment loss recognized on any receivables or contract assets arising from an the company's contracts with customers is Nil during the year.

The amount of the Contract assets is NIL as it is covered under the SCA (Service Concession Arrangement) with the western railways and the concession period is not completed at the date of the initial application.

**Contract Liabilities**

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Contract Liabilities at the beginning of the year	-	-
Transfer from Contract Liabilities to Revenue and increase as a result of changes in measure of progress	-	-
Contract Liabilities at the end of the year	-	-

There was no revenue recognized in the current reporting period that related to performance obligations that were satisfied in a prior year.

**32 Capital management**

The company objective to manage its capital in a manner to ensure and safeguard their ability to continue as a going concern so that company can continue to provide maximum returns to share holders and benefit to other stake holders.

Further, company manages its capital structure to make adjustments in light of changes in economic conditions and the requirements of the financial covenants. The company maintain an optimal capital structure of Debt equity to reduce the cost of capital. The company's debts includes interest bearing borrowings from banks.

Notes forming part of the Financial Statement for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Borrowing (Note No. 13)	6,397.44	7,775.36
<b>Net debt</b>	<b>6,397.44</b>	<b>7,775.36</b>
Equity (Note No. 11)	15,511.00	15,511.00
Other equity (Note No. 12)	5,911.02	3,004.54
<b>Total equity</b>	<b>21,422.02</b>	<b>18,515.54</b>
<b>Net Debt to equity ratio</b>	<b>23:77</b>	<b>30:70</b>

No changes were made in the objectives, policies or processes for managing capital during the period ended 31st March 2022

33 Fair Value Measurements

(₹ in Lakhs)

(i) The carrying amount of financial Instruments by Category are as follow:

Particulars	31st March 2022			31st March 2021		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>						
(i) Receivable from Western Railways under Service concession arrangement	-	-	63.37	-	-	57.22
(ii) Trade Receivables	-	-	4,779.40	-	-	3,670.87
(iii) Cash and cash equivalents	-	-	2,159.04	-	-	2,831.68
(iv) Bank Balances other than (iii) above	-	-	-	-	-	-
(v) Security Deposits	-	-	16.70	-	-	16.83
(vi) Others	-	-	517.62	-	-	517.36
<b>Total Financial Assets</b>	<b>-</b>	<b>-</b>	<b>7,536.13</b>	<b>-</b>	<b>-</b>	<b>7,093.96</b>
<b>Financial Liabilities</b>						
(i) Borrowings			6,397.44	-	-	7,775.36
(ii) Trade Payables			2,375.85	-	-	3,520.12
(iii) Other financial liabilities			130.34	-	-	152.00
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>8,903.63</b>	<b>-</b>	<b>-</b>	<b>11,447.48</b>





**Notes forming part of the Financial Statement for the year ended March 31, 2022**

- (ii) Comparison by class of the carrying amounts and fair value of the company's financial instruments, other than those with carrying amounts that are reasonable approximates their fair values are not presented since fair value of all financial instruments as on reporting date approximates their carrying value. (₹ in Lakhs)

Particulars	31-Mar-22		31-Mar-21	
	Carrying Value	Fair value	Carrying Value	Fair value
<b>Financial Assets</b>				
(i) Receivable from Western Railways under Service concession arrangement	63.37	99.96	57.22	92.34
<b>Financial Liability</b>				
Trade Payables (deferred Overhead Charges)	1,803.29	1,803.29	2,436.38	2,436.38
	<b>1,866.66</b>	<b>1,903.25</b>	<b>2,493.60</b>	<b>2,528.72</b>

- (iii) The carrying amounts of trade receivables, cash and cash equivalents and other short term receivables and other financial liabilities are considered to the same as their fair values, due to short term nature.
- (iv) Long term variable rate borrowings are evaluated by company on parameters such as interest rates, specific country risk factors and other risk factors. Based on this evaluation the fair value of such payables are not materially different from their carrying amount.
- (v) The amortised cost of receivables from railways under service concession arrangement were calculated based on cash flows discounted using lending rate.

**Fair Value hierarchy as on 31-03-2022**

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Financial assets at Amortized Cost	-	-		
Receivable from Western Railways under service concession arrangement			99.96	99.96
<b>Financial Liability</b>				
Trade Receivables	-	-	1,803.29	1,803.29
	-	-	<b>1,903.25</b>	<b>1,903.25</b>

**Fair Value hierarchy as on 31-03-2021**

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Financial assets at Amortized Cost	-	-		
Receivable from Western Railways under service concession arrangement			92.34	92.34
<b>Financial Liability</b>				
Total Financial Liabilities			2,436.38	2,436.38
	-	-	<b>2,528.72</b>	<b>2,528.72</b>

**Notes forming part of the Financial Statement for the year ended March 31, 2022**

**Financial risk management**

The Company's principal financial liabilities comprises trade payables, borrowing and other payables. The main purpose of these financial liabilities is to finance the company's operations and to provide guarantees to support its operation.

The Company's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The company financial risk activities are governed by appropriated policies and procedures and that financial risk are identified, measured and managed in accordance with the companies policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risk, which are summarised below:

a) **Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises Interest rate risk.

Financial instruments affected by market risk includes deposits and other non derivative financial instruments.

b) **Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate. The company exposure to the risk of changes in market interest rate relates primarily to the company's exposure to change in market interest rates primarily to the company's long term debt obligation with floating interest rate risk. The company manages its interest risk in accordance with the companies policies and risk objective.

c) **Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The company is exposed to credit risk from its financial activities including operating activities (primarily trade receivable) deposits with banks and other financial instruments.

(i) **Trade Receivable**

Customer credit risk is managed by company's established policy, procedure and control relating to customer credit risk management. Outstanding customer receivable are regularly monitored and an impairment analysis is performed at each reporting date on individual basis for major customer. The company does not hold any collateral as security.

(ii) **Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed in accordance with the companies policy. Investment of surplus are made only with approved with counterparty on the basis of the financial quotes received from the counterparty.

d) **Liquidity risk**

Ultimate responsibility for liquidity risk management rest with the board of directors the company manages maintaining adequate banking facilities by continuously monitoring forecast and actual cash flows and by matching the maturities of financial liabilities.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31st March 2022 and 31st March 2021 :

(₹ in Lakhs)

Particulars	As At 31st March, 2022			
	Less than 1 Year	1-2 years	2-5 Years	5 years and above
Borrowings	-	5,520.00	877.44	-



**Notes forming part of the Financial Statement for the year ended March 31, 2022**

(₹ in Lakhs)

Particulars	As At 31st March, 2021			
	Less than 1 Year	1-2 years	2-5 Years	5 years and above
Borrowings	-	-	7,775.36	-

**34 Key sources of estimation uncertainty**

The followings are the key assumptions concerning the future, and the key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities with next financial year.

**a) Fair valuation measurement and valuation process**

The fair values of financial assets and financial liabilities is measured the valuation techniques including the Discounted cash flow model. The inputs to these method are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Value of receivable from Western Railway is fair valued using interest rate @ 8.25% and value of overhead payable is discounted using current lending rate i.e 8.25% (8.25% previous year).

**b) Useful life of Property, plant & equipment**

As described in note 2.6, Useful life of property plant and equipment are based on a number of factors including the effects of obsolesces, demand, competition, internal assessment of user experience and other economic factors and level of maintenance expenditure required to obtain the expected future cash flows from the asset. The Company reviews the useful life of property, plant and equipment at each reporting date.

**c) Useful life of Intangible Assets**

As described in note 2.7, company has estimated the useful live of intangible assets (Intangible under service concession arrangement) is 30 years for amortisation of intangible assets, As per service concession arrangement if NPV payback equal to equity investment @14% is reached earlier than 30 years, the concession agreement would stand terminated and the project line would be repossessed by railway.

As described in note 2.7 - Intangible Assets other than freight Sharing right ,company has estimated useful life of 3 years in case of computer software.

The financial impact of the above assessment may impact the amortisation expenses in subsequent financial years.

**d) Defined benefit plan**

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans , the management considers the interest rates of government bodies in currencies consistent with the currencies of the post-employment benefit obligation.

**Notes forming part of the Financial Statement for the year ended March 31, 2022****e) Taxes**

Deferred tax assets are recognised for unused tax losses to the extent it is probable that taxable profit will be available against which tax assets can be utilized. Significant management judgement is required to determine the amount of deferred tax asset that can be recognised, based upon the likely timing and level of future taxable profit together with future tax planning strategies.

**35 Construction Contracts**

In terms of the disclosure required in IND AS-115 "Construction Contracts" as notified in the companies (Accounting Standard) Rules 2016, the amount considered in the financial statements up to the balance sheet date are as follows : (₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Revenue Recognised on exchanging construction services	276.31	75.76
Aggregate amount of costs incurred and recognised	276.31	75.76

**36 Leases Disclosures**

- (i) The Company has lease contracts for its office Buildings. Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases except for short-term leases.

The standard provides specific transition requirements and practical expedients, which have been applied by the Company.

**(ii) Right of Use Assets**

The carrying amounts of right-of-use assets recognised and the movements during the year are disclosed in Note 4.

**(iii) Lease Liabilities**(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Opening Balance as to the beginning of the year	30.64	49.41
Additions/adjustments during the year	-2.06	-2.33
Interest recognised during the year	2.09	3.88
Payment made during the year/total cash outflow for the leases	20.32	20.32
<b>Closing Balance as on the end of the year</b>	<b>10.35</b>	<b>30.64</b>
<b>Current</b>	10.35	19.23
<b>Non-current</b>	-	11.41

- (iv) **The details of the Contractual Maturities of the Lease Liabilities as at 31st March 2022 and 31st March 2021 on undiscounted basis are as follows:** (₹ in Lakhs)

Particulars	Less than 1 year	1-2 years	2 years and above
Lease Liabilities	10.74	-	-
Particulars	Less than 1 year	1-2 years	2 years and above
Lease Liabilities	21.76	12.36	-



**Notes forming part of the Financial Statement for the year ended March 31, 2022**

**(v) Amounts recognised in Statement of Profit and Loss**

(₹ in Lakhs)

Particulars	For the period ended 31st March 2022	For the period ended 31st March 2021
Depreciation expense of right-of-use assets (Refer Note 25)	15.93	17.28
Interest expense on lease liabilities (Refer Note 24)	2.09	3.88
Expense relating to short-term leases (Refer Note 26)	18.87	17.55
	<b>36.89</b>	<b>38.71</b>

Gain/loss from sale and leaseback transactions is not applicable to the Company.

**(vi) Leased Assets from Western Railways**

**Western Railway** (lessor) has leased all the existing assets as per concession agreement and the land to be newly acquired with all rights, easements for the project to the company (lessee) for the duration of concession agreement.

Company shall pay to the lessor, an annual lease rental of Rs.1/- p.a. in case of new land acquired by Western Railway and as per extant policy of the Ministry of Railways (as revised from time to time) for the original land of Western Railway, which shall be payable in advance in the first week of January every year . Upon expiry, the Company is required to hand over the leased assets to Ministry of Railways (MoR) free from all encumbrances whatsoever. If the concession period is extended/renewed beyond concession period, the lease agreement shall also to be extended/renewed at terms to be mutually decided by the parties.

The Company has taken lease assets from Ministry of Railways under non-cancellable operating lease. As rent payable is dependent on the extant policy of Ministry of Railways which changes from time to time, therefore it is not possible for the company to determine and present the future minimum lease rentals payable.

**37 Contingent Liabilities**

**Claims not acknowledged as debts by the company**

- M/s Rail Vikas Nigam Limited has demanded management fees of Rs. 1836.65 lakhs ( Rs 1835.17 lakhs upto 31st March 2016) Upto (1st April 2015 1814.70 lakhs) towards construction of the project.
- The Company had received a Show Cause Notice (SCN) during financial year 2014-15 from tax authorities in the matter of applicability of service tax on the Company in respect of apportioned freight received by the Company from Railways. The SCN covered a period of three years from financial year 2011-12 to financial year 2013-14 and involved service tax of Rs. 1633 lakhs plus interest and penalties. The Company contested the SCN and submitted its position through a rejoinder thereon to the adjudicating authorities, pleading that no service is rendered by BDRCL to Western Railway that might warrant liability to pay Service Tax. The Company managed to obtain relief from the Commissioner of Service Tax vide her order dated 25.01.2016 and has, therefore, not provided for the amount in the aforesaid claim in its books for the above period. However, the department has filed appeal with CESTAT against the order of Commissioner for the same period, which was contested on similar lines by the Company. CESTAT has passed the order in favor of the Company vide Order No ST/A/50434-50435-50435/2019-CU(DB) dated 25/03/2019 rejected the appeals filed by the department. The department has filed a appeal in Hon'ble Suprem Court against the order of CESTAT in response to the same the Company has submitted a statement in Hon'ble Supreme Court.

**Notes forming part of the Financial Statement for the year ended March 31, 2022**

The tax authorities issued another SCN to the Company on the same grounds involving a demand of Rs. 1638 lakhs plus interest and penalties for FY 2014-15. The company has duly submitted its reply to the adjudicating authorities for withdrawal of the claim in the aforesaid SCN on the same grounds as pleaded in the earlier rejoinder. Since the Company's stand is based on sound principles and immutable facts, and it had received a favorable ruling from Commissioner Service Tax, on the earlier occasion, it is confident that no additional liability on account of Service Tax will devolve on it. The Company has not yet received any adjudication order in the matter.

Further, the tax authorities issued another SCN to the Company on the same grounds involving a demand of Rs. 1614.85 lakhs plus interest and penalties for FY 2015-16 on 21st March 2018, the company has duly submitted its reply to the adjudicating authorities for withdrawal of the claim in the aforesaid SCN on the same grounds as pleaded in the earlier rejoinder.

Further more, the tax authorities issued another SCN to the Company on the same grounds involving a demand of Rs. 899.09 lakhs plus interest and penalties for FY 2016-17 & 2017-18 (Upto Jun-17) on 22th April 2019. The company has duly submitted its reply to the adjudicating authorities for withdrawal of the claim in the aforesaid SCN on the same grounds as pleaded in the earlier rejoinder..

- iii) The O&M expenditure pertaining to Bharuch-Chavaj section has been provided in financial statements to the extent information provided by Western Railway and information available with company, remaining O& M will be provided in the year in which information will be received from Railways.
- iv) Company has terminated some contractual employees, due to misconduct at work place and unauthorised absence from office, Aggrieved by the decision of the company employees have filed application with Labour court for compensation towards their termination. However based on the facts of the case company expects favorable decision. Financial impact of same is not ascertainable.
- v) The Company has acquire land for its project. The compensation paid at the time of acquisition was on the basis of collector order. Further, some of the person has disputed the compensation and file a case before the Civil Court. The Civil Court order a additional compensation of Rs. 315 per sq. meter plus increment @ 12% PA from the 23-11-2010 to date of award plus 30% solatium plus interest @ 9% for one year from date of possession and thereafter @ 15% pa vide order 03-02-2018. The amount of compensation determined by the Civil Court is Rs 60.74 Lakhs. The estimated liability of the interest that may arise on the amount of compensation is about Rs 76.81 Lakhs upto 31-03-2020. Against the said order, the Company has filed an appeal in Hon'ble High Court of Gujrat. The Hon'ble High Court of Gujrat has instructed for deposit of the 50% of the amount of claim of Rs 60.74 Lakhs for admitting the appeal. Accordingly, during the FY 2019-20 the Company has deposited a sum of Rs 30.37 lakhs in lieu of the instruction made by Hon'ble High Court of Gujrat and the appeal has been admitted by the Hon'ble High Court of Gujarat..
- vi) The Company has received an claim of Rs 696.62 lakhs from Rail Vikas Nigam Limited (RVNL) pertain to arbitral award matter between M/s Larsen & Toubro (L&T) and RVNL arising out of the contract for gauge conversion of Bharuch Sammi-Dahej Section. The claim has not been accepted by the Company till dated evaluation of the claim amount is under process.

- 38** In the opinion of the Board of Directors and to the best of their knowledge and belief, the aggregate value of the Current Assets including Current financial assets on realization in the ordinary course of business will not be less than the amount at which these are stated in the Balance Sheet.



# Bharuch Dahej Railway Company Limited

CIN: U45203DL2006PLC155511

## Notes forming part of the Financial Statement for the year ended March 31, 2022

### 39 Capital commitment

Capital commitment is Estimated at Rs. 1.87 Crore (31st March 2021 4.59 Crore).

### 40 Foreign currency transactions

Expenditure in Foreign Currency	Nil	(Previous period Nil)
Income in Foreign Currency	Nil	(Previous period Nil)

41 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 any amount.

### **Information in respect of micro and small enterprises as required by Micro, Small and Medium Enterprises Development Act, 2006 are as follows:-**

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
(i) Amount remaining unpaid to any supplier:		
Principal amount	NIL	NIL
Interest due thereon	NIL	NIL
(ii) Amount of interest paid in terms of Section 16 of the MSMED Act along-with the amount paid to the suppliers beyond the appointed day.	NIL	NIL
(iii) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	NIL	NIL
(iv) Amount of interest accrued and remaining unpaid	NIL	NIL
(v) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act	NIL	NIL

### 42 Related Party Disclosures

#### 42.1 Parties to the joint venture agreement

##### (a) Related Parties held equity of company

Name of Party	As at 31st March 2022		As at 31st March 2021	
	Number of shares held in Lakhs	% holding in that class of shares	Number of shares held in Lakhs	% holding in that class of shares
Rail Vikas Nigam Ltd	550.00	35.46%	550.00	35.46%
Gujarat Industrial Development Corp.	178.60	11.51%	178.60	11.51%
Gujarat Maritime Board	178.60	11.51%	178.60	11.51%
Adani Petronet (Dahej) Port Private Ltd	173.30	11.17%	173.30	11.17%
Gujarat Narmada Valley Fertilizers & Chemicals Limited	135.30	8.72%	135.30	8.72%
Hindalco Industries Limited	135.30	8.72%	135.30	8.72%
Dahej SEZ Ltd	100.00	6.45%	100.00	6.45%
Jindal Rail Infrastructure Ltd	100.00	6.45%	100.00	6.45%
	<b>1,551.10</b>	<b>100.00%</b>	<b>1,551.10</b>	<b>100.00%</b>

**Notes forming part of the Financial Statement for the year ended March 31, 2022**

**(b) Key Managerial personnel of the entity**

<b>Name</b>	<b>Designation</b>
Mr. Sushant Kumar Mishra ((Ceased 09-09-2021)	Chairmen
Ms. Jaya Varma Sinha (From 09-09-2021)	Chairmen
Mr. Sanjay Dungrakoti (From 26-09-2018)	Director
Dr Meenu Dang (From 06.10.2017)	Director
Mr. Pradip Kumar Singh (From 25-09-2019)	Director
Mr. Malaiyappan Thennarasan (From 24-10-2019)	Director
Mr. Kalpesh Kiritbhai Vithlani (From 15-05-2020)	Director
Mr. Sajal Mittra (From 26.11.2015)	Director
Mr. Balkishan Sharma (From 05-09-2014 )	Chief Financial Officer
Ms. Kanika Mathur (From 01-09-2019)	Company Secretary

The office of Managing Director was vacated on 1-10-2018. Accordingly, Co-Ordinating Director, Shri Sanjay Dungrakoti, has been appointed to look after the day to day management of the Company w.e.f. 02-10-2018.

**(c) Disclosure of transaction with related parties:**

(₹ in Lakhs)

<b>Particulars</b>	<b>Transactions (Rs.)</b>	<b>Outstanding Amount Payable/ (Receivable) (Rs.)</b>	<b>Transactions (Rs.)</b>	<b>Outstanding Amount Payable/ (Receivable) (Rs.)</b>
	<b>Year ended March 31, 22</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>	<b>Year ended March 31, 2021</b>
<b>Rail Vikas Nigam Limited</b>				
Expenditure of Vadodara office apportioned	-	-	-	-
Transfer of S&T Material	-	-	-	-
Project expenditure in terms of construction agreement	-	-	-	-
Closing Balance	-	(0.10)	-	-0.10
<b>Gujarat Industrial Development Corp.</b>				
Amount paid towards Lease	3.72		2.64	-
Rent/ Water Charges				
<b>Adani Petronet (Dahej)</b>				
<b>Port Private Ltd</b>				
Loco Hire Charges	11.99	-	52.65	10.56
<b>Key Managerial Personnel</b>				
Remuneration	36.88	-	37.06	-





**Notes forming part of the Financial Statement for the year ended March 31, 2022**

**(d) Compensation of key management personnel:**

The remuneration of directors and other members of key management personnel during the year was as follows: (₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended 31st March 2021
Short-term benefits	36.88	37.06
Post-employment benefits	-	-
Other long-term benefits	-	-
<b>Total</b>	<b>36.88</b>	<b>37.06</b>

The remuneration of Managing Director was paid up to 30.09.2018 as the position of the same is vacant since 01.10.2018.

**43 Payment to Auditors**

Payment to the Auditors comprises of the following: (₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended 31st March 2021
Audit Fee	3.72	3.72
Tax Audit fees	1.21	0.60
Out of Pocket expenses	-	-
<b>Total</b>	<b>4.93</b>	<b>4.32</b>

**44 Corporate Social Responsibility**

The Company is required to spend NIL on Corporate Social Responsibility (CSR) during the F.Y 21-22 in accordance with Section 135 of companies Act 2013. The average profit/(loss) of the Company, as per section 198, for the last three years i.e. 2018-19, 2019-20 and 2020-21: Rs. (37.33) Lakh. Accordingly, the CSR liability for FY 21-22 is NIL. Further, Company has incurred a sum of Rs. 14.21 Lakhs during FY 21-22 on CSR activity towards contribution in Swachh Bharat Kosh being the unspent CSR amount of previous Financial Year i.e. 2020-21 which was required to be discharged upto 30-09-2021.

(₹ in Lakhs)

Particulars	FY 21-22	FY 20-21
(i) Amount required to be spent by the company during the year,	Nil	Rs 36.53
(ii) Amount of expenditure incurred,		
<b>Particulars</b>		
Construction / acquisition of any asset	-	
On purposes other than above	14.21	36.53
	<b>14.21</b>	<b>36.53</b>
(iii) Shortfall at the end of the year,	NA	NA
(iv) Total of previous years shortfall,	NA	NA
(v) Reason for shortfall,	NA	NA
(vi) Nature of CSR activities,	Donation in Swachh Bharat Kosh	Mobile Health Unit at project area
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	NA	NA
(viii) where a provision is made with respect to a liability incurred by entering a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA

**Notes forming part of the Financial Statement for the year ended March 31, 2022**

45 The company has only one reportable segment viz. operation of freight traffic. Therefore requirement for segment reporting is not applicable.

46 The company has accounted for the employee's benefit expenses in accordance with Ind AS 19 "Employee Benefits" notified by the Ministry of Corporate Affairs, Government of India. The summarised position of Post-employment benefits and long-term employee benefits recognised in the Statement of Profit and Loss and Balance sheet as per Ind AS 19 are as under-

**46.1 Change in present value of obligation:** (₹ in Lakhs)

Particulars	2021-22		2020-21	
	Gratuity	Earned Leave	Gratuity	Earned Leave
Opening Balance	9.05	13.80	7.60	11.33
Interest Cost	0.61	0.93	0.52	0.77
Current service cost	1.58	2.28	1.09	1.67
Past Service Cost including curtailment Gains/Losses	-	-	-	-
Benefit paid	-	-	-	-
Actuarial(Gain)/ Loss on obligation	0.07	0.30	-0.16	0.03
<b>Closing Balance</b>	<b>11.31</b>	<b>17.31</b>	<b>9.05</b>	<b>13.80</b>

**46.2 Change in fair value of Plan Assets** (₹ in Lakhs)

Particulars	2021-22		2020-21	
	Gratuity	Earned Leave	Gratuity	Earned Leave
Fair value of Plan Assets at the beginning of the year	-	-	-	-
Expected return on Plan Assets	-	-	-	-
Employer's contribution	-	-	-	-
Benefit Paid	-	-	-	-
Actuarial (loss)/ gain on Obligations	-	-	-	-
<b>Closing Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**46.3 Amount Recognised in Balance Sheet** (₹ in Lakhs)

Particulars	2021-22		2020-21	
	Gratuity	Earned Leave	Gratuity	Earned Leave
Estimated Present Value of obligations as at the end of the year	11.31	17.31	9.05	13.80
Fair value of Plan Assets as at the end of the Year	-	-	-	-
<b>Net Assets/ (Net Liability) recognized in Balance Sheet</b>	<b>11.31</b>	<b>17.31</b>	<b>9.05</b>	<b>13.80</b>



**Notes forming part of the Financial Statement for the year ended March 31, 2022**

**46.4 Expenditure recognised in the Statement of Profit & Loss** (₹ in Lakhs)

Particulars	2021-22		2020-21	
	Gratuity	Earned Leave	Gratuity	Earned Leave
Current Service Cost	1.58	2.28	1.09	1.67
Past Service Cost including curtailment Gains/Losses	-	-	-	-
Interest Cost	0.61	0.93	0.51	0.77
Net Actuarial (Gain) / Loss recognized in the year	-	0.30	-	0.03
<b>Total expenses recognized in the Statement of Profit and Loss</b>	<b>2.19</b>	<b>3.51</b>	<b>1.60</b>	<b>2.47</b>

**46.5 Expenditure recognised in Other Comprehensive Income** (₹ in Lakhs)

Particulars	2021-22		2020-21	
	Gratuity	Earned Leave	Gratuity	Earned Leave
Net cumulative unrecognized actuarial gain/ (loss) opening		-	-	-
Actuarial gain/ (loss) for the year on PBO	(0.07)	-	0.16	-
Actuarial gain/ (loss) for the year on the assets		-	-	-
<b>Unrecognized Actuarial gain/ (loss) at the end of the year</b>	<b>-0.07</b>	<b>-</b>	<b>0.16</b>	<b>-</b>

**46.6 Bifurcation of PBO at the end of year in current and non-current.** (₹ in Lakhs)

Particulars	2021-22		2020-21	
	Gratuity	Earned Leave	Gratuity	Earned Leave
Current Liability(Amount due with in one year )	0.31	0.48	0.25	0.37
Non-Current Liability(Amount due over one year)	10.99	16.83	8.80	13.43
<b>Total PBO at the end of the year</b>	<b>11.30</b>	<b>17.31</b>	<b>9.05</b>	<b>13.80</b>

**46.7 Principal actuarial assumption at the Balance Sheet Date**

Particulars	2021-22		2020-21	
	Gratuity	Earned Leave	Gratuity	Earned Leave
Discount Rate	7.18%	7.18%	6.76%	6.76%
Expected rate of return on Plan Assets				
Expected rate of Salary Increase	5.50%	5.50%	5.50%	5.50%
Method used	Project Unit Credit		Project Unit Credit	

**Notes forming part of the Financial Statement for the year ended March 31, 2022****46.8 Maturity profile of defined benefit obligation is as follow: (₹ in Lakhs)**

Period	Effect on Gratuity obligation	Effect on Earned Leave
0-1 year	0.31	0.48
1 to 2 year	0.23	0.36
2 to 3 year	0.22	0.36
3 to 4 year	0.22	0.35
4 to 5 year	0.22	0.35
5 to 6 year	0.22	0.34
6 year onwards	9.87	15.08

**46.9 Sensitivity Analysis For the year ended 31 March 2022 (₹ in Lakhs)**

Particulars	Change in assumptions	Effect on Gratuity obligation	Effect on Earned Leave
Discount Rate	0.50%	(0.93)	-1.46
	-0.50%	1.04	1.60
Salary Growth	0.50%	0.73	1.62
	-0.50%	(0.86)	-1.47

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

**46.10 Mortality Rates for specimen ages**

Mortality rate for both Compensated absences and gratuity are as under- (₹ in Lakhs)

Age	Mortality rate	Age	Mortality rate	Age	Mortality rate
15	0.000698	45	0.002579	75	0.038221
20	0.000924	50	0.004436	80	0.061985
25	0.000931	55	0.007513	85	0.100979
30	0.000977	60	0.011162	90	0.163507
35	0.001202	65	0.015932	95	0.259706
40	0.00168	70	0.024058	100	0.397733

46.11 The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in employee market.

46.12 Government of India has notified the payment of Gratuity (Amendment), Act 2018 on 29 March 2018, as per the said notification the maximum Gratuity limit has been increased from Rs 10 Lakhs to Rs 20 Lakhs. The Company provides for Gratuity for employees as per the Payment of Gratuity Act 1972. Employees who are in continuous service for a period of five (5) years are eligible for gratuity. The amount of gratuity payable on retirement/termination of the employees is last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

46.13 The amount of liabilities is as per the report of a qualified Actuary.

**47 Impairment of Assets**

On the basis of review, the management is of the opinion that the economic performance of non financial assets of the Company is not lower than expected and therefore there is no impairment of any assets as on the Balance Sheet date.



**Notes forming part of the Financial Statement for the year ended March 31, 2022**

**48 Obligation to Restore project assets to specified level of serviceability**

In terms of Concession agreement, there is an obligation on the Company to keep the project assets in working condition, including making replacement, as per laid down standards of MOR, of all project assets whose codal lives expire during the concession period. Accordingly, Company is required to provide for in respect of replacement obligations arising during the remaining concession period as per requirement of Appendix D of the Ind AS 115 for best estimate of expenditure required to settle obligation. However, at present there reliable estimate for restoration obligation is not available, therefore provision for same is not provided in financial statements, the same will be provided in the year in which estimate becomes reliable.

- 49 During the Financial year 2017-18 Goods and Service Tax(GST) has subsumed the Service Tax with effect from 1st July 2017. The Company has maintained same stand , as was taken in the matter of Service Tax, with respect to applicability of the taxes on the share of the freight received by the company from Indian Railways and the operation & maintenance cost recovered by Railways from the company . The company is of the view that no supply is involved by the company to Railway and visa-versa in sharing of freight revenue & cost by Railways with the company. Therefore there are no GST obligations on the company in respect of sharing of the freight revenue & cost by Railway with the Company including furnishing of the particulars/Details for the same. However ,Ministry of Railways has taken up the issue with Finance Ministry for issuing clarification/exemption.

**50 COVID-19 impacts on the Financial statements**

The turbulence in the financial markets due to the COVID-19 pandemic has not materially impacted the Company's financial statements at year ended 31st March,2022.

Since March 2020, the consequences of the COVID-19 outspread have disrupted the construction/operation work of the Company however Management is having a reasonable assurance that these uncertainties do not cast significant doubt on the Company's ability to continue as a going concern.

The Company currently does not expect material changes to the profitability of future business plans which could impact recoverability of assets such as intangible assets. Risk assessment on the business plans is carried out on a regular basis and an impairment review will be performed if conditions suggest that such assets may be impaired.

**51 Disclosures pursuant to amendment in Schedule III of the Companies Act 2013:**

The MCA vide notification dated 24th March 2021 has amended Schedule III to the Companies Act. 2013 in respect of certain disclosures which are applicable from 1st April 2021. The Company has incorporated the changes as per the said amendment in the financial statements and below disclosures are made in compliance of the said amendment :

- (i) The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the period.
- (ii) The Company has not traded or invested in Crypto Currency or Virtual Currency during the period.
- (iii) The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (iv) The Company do not have any prior period errors to be disclosed separately in statement of changes in equity.
- (v) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (vi) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

**Notes forming part of the Financial Statement for the year ended March 31, 2022**

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (viii) The Company does not have any loans and advances in the nature of loans to promoters, directors, KMP and other related parties.
- (ix) The Company has not revalued any item of property, plant and equipment and Intangible Assets.
- (x) The Company does not have any transactions where the company has not used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date
- (xi) The Company do not have any title deeds of immovable properties not held in name of the company.
- (xii) The Company does not have any investment property.
- (xiii) Company is not required to submit statement of current assets with the bank and therefore reconciliation of the statement filed by the company with bank and the books of accounts is not applicable.
- (xiv) The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.
- (xv) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (xvi) The Company have not entered into any scheme(s) of arrangements during the financial year.
- (xvii) The Company does not have any transaction which is not recorded in the books of accounts that has been subsequently surrendered or disclosed as income during the year as part of the on going tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).



**Notes forming part of the Financial Statement for the year ended March 31, 2022**

(xviii) The following accounting ratios are disclosed:

Particulars	Numerator	Denomi- 2022	March 31, 31, 2021	March, change	% more than 25%	Reason for change
Current ratio	Current Assets	Current Liabilities	6.74	5.53	21.92%	NA
Debt-equity ratio	Total Debt	Shareholder's Equity	0.30	0.42	-28.88%	Ratio has improved due to Profit during the year and repayment of debts.
Debt service coverage ratio	Earnings for debt service	Debt service	2.50	0.73	240.26%	Ratio has improved due to Profit during the year as compared to loss in last year
Return on equity ratio	Net Profits after taxes – Pref. Dividend	Average Shareholder's Equity	0.15	-0.01	-	Since there was loss in last year therefore comparison is not possible
Inventory turnover ratio	Cost of goods sold	Average Inventory	NA			
Trade receivables turnover ratio	Sales	Average Trade Receivable	1.15	0.69	66.46%	Change is due to increase in turnover
Trade payable turnover ratio	Purchases	Average Trade Payables	0.84	0.64	29.77%	The change occurred due to reduction in trade payable during FY 21-22.
Net capital turnover ratio	Sales	Working Capital	0.75	0.55	36.16%	Change is due to increase in turnover
Net profit ratio	Net Profit	Sales	0.57	-0.05	-	Since there was loss in last year therefore comparison is not possible
Return on capital employed	Earnings before interest and taxes	Capital Employed	0.06	0.02	168.22%	Since there was loss in last year therefore comparison is not possible
Return on investment	NA					

**52** Previous year's figures are reclassified / regrouped to confirm and make them comparable with those of the current year.

**53 Approval of Financial Statements**

The financial statements were approved for issue by the Board of Directors



भारतीय लेखापरीक्षा एवं लेखा विभाग  
महानिदेशक लेखापरीक्षा का कार्यालय  
रेलवे वाणिज्यक, नई दिल्ली  
INDIAN AUDIT AND ACCOUNTS DEPARTMENT  
OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT  
RAILWAY-COMMERCIAL, NEW DELHI



4, दीनदयाल उपाध्याय मार्ग, नई दिल्ली 4, Deen Dayal Upadhyaya Marg, New Delhi-110002

संख्या / पी.डी.ए / आर.सी / **AA-BDRCL/48-34/2022-23/272**

दिनांक : 14.09.2022

सेवा में,

प्रबंध निदेशक,  
भरुच दहेज़ रेलवे कंपनी लिमिटेड  
39-42, (तीसरा लोर एच ब्लॉक) इंदरा पैलेस,  
कनॉट सर्कस इनर सर्किल,  
नई दिल्ली – 110001

महोदय,

(विषय: 31 मार्च 2022 को समाप्त वर्ष के लिए भरुच दहेज़ रेलवे कंपनी लिमिटेड के वित्तीय विवरणों पर कम्पनी अधिनियम 2013 की धारा 143 (6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखा परीक्षक की टिप्पणियाँ।

मैं, भरुच दहेज़ रेलवे कंपनी लिमिटेड के 31 मार्च 2022 को समाप्त वर्ष के वित्तीय विवरणों पर कम्पनी अधिनियम 2013 की धारा 143 (6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रहा हूँ।

कृप्या इस पत्र की संलग्नको सहित प्राप्ति की पावती भेजी जाए।

भवदीय,

**विक्रम डी. मुरुगराज**  
14.09.2022

विक्रम डी. मुरुगराज  
प्रधान निदेशक (रेलवे वाणिज्यिक)

संलग्न: यथोपरि।





**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA  
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE  
FINANCIAL STATEMENTS OF BHARUCH DAHEJ RAILWAY COMPANY  
LIMITED FOR THE YEAR ENDED 31 MARCH 2022.**

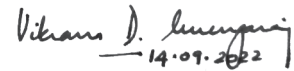
The preparation of financial statements of **BHARUCH DAHEJ RAILWAY COMPANY LIMITED** for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 01 September 2022.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct supplementary audit of the financial statements of **BHARUCH DAHEJ RAILWAY COMPANY LIMITED** for the year ended 31 March 2022 under section 143(6)(a) of the Act.

Place: New Delhi

Dated: 14.09.2022

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

  
14.09.2022

**Vikram D. Murugaraj**  
Principal Director of Audit  
Railway Commercial, New Delhi



## **BHARUCH DAHEJ RAILWAY COMPANY LIMITED**

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