



**BHARUCH DAMS
RAILWAY COMPANY LTD.**

ANNUAL REPORT

2017-18



**BHARUCH DAHEJ
RAILWAY COMPANY LTD.**

ANNUAL REPORT

2017-18

Sl. No.	CONTENT	Page No.
1.	Notice of 12th Annual General Meeting	1
2.	Directors' Report	5
3.	Secretarial Audit Report	42
5.	Statement of Final Accounts	45
6.	Auditors' Report	78
7.	C&AG comments and Management Replies*	

*will be circulated as available or during the meeting.

MANAGEMENT TEAM

Board of Directors:

1. Mr. Ajit Pandit, Chairman (Nominee of Ministry of Railway.)
2. Mr. Vinay Singh, Director (Nominee of Rail Vikas Nigam Ltd.)
3. Mr. Sajal Mitra, Director (Nominee of Adani Petronet (Dahcj) Port Pvt. Ltd.)
4. Dr. Meenu Dang Director (Nominee of Rail Vikas Nigam Limited)
5. Mr. Rajendra Kashyap, Managing Director

Company Secretary

Ms. Beena R. Shah

Chief Financial Officer

Mr. Balkishan Sharma

Registered Office:

39-42, 3rd Floor, Indra Palace,
H - Block, Connaught Circus,
New Delhi-11001

Corporate Office:

Rubellite Building
3rd Floor, 32 Ajit Nagar Society,
Dinesh Mill Road
Vadodara - 390007

Statutory Auditors:

M/s D. Singh & CO
Chartered Accountant
C-97, Panchsheel Enclave
New Delhi, 110017

Secretarial Auditors

CS ANIL ANAND
(Company Secretary in Practice)
102, GK House, 1st Floor, 187-A
Sant Nagar, New Delhi-110065

Bankers:

Canara Bank
Parliament Street Branch
New Delhi

Bank of India
Alkapuri Branch, Vadodara
Gujarat

IDFC Bank
Sood Towers
Barakhamba Road
New Delhi-110001

Bank of India
Malai Mandir Branch
New Delhi

HDFC Bank Ltd.
1st Floor, Kailash Building
K.G.Marg
New Delhi - 110001

NOTICE
OF THE
12TH ANNUAL GENERAL MEETING



**BHARUCH DAHEJ
RAILWAY COMPANY LTD.**
भरुच दहेज रेलवे कम्पनी लि.
CIN : U45203 DL2006 PLC155511

Registered Office :
39-42, (3rd Floor H Block) Indra Palace,
Connaught Circus Inner Circle,
New Delhi - 110 001.
Tel. : 011-43586814/17
Fax : 011 - 43586813

NOTICE

Notice is hereby given that the Twelfth Annual General Meeting of members of Bharuch Dahej Railway Company Limited will be held on Wednesday, the 26th September, 2018 at 12.30 hrs at Conference Room, Rail Vikas Nigam Limited at 1st Floor, August Kranti Bhawan, Bhikaji Cama Place, New Delhi 110066 to transact the following business:

A. ORDINARY BUSINESS:

I. Approval on Audited Accounts

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2018, 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.

II. Reappointment of Retiring Directors

2. To appoint a Director in the place of Shri Vinay Singh (DIN No. 03324677) who is liable to retire by rotation and being eligible offers himself for re-appointment.

(1)

3. To appoint a Director in the place of Shri Sajal Mittra (DIN No. 02625510) who is liable to retire by rotation and being eligible offers himself for re-appointment.

III Remuneration of Statutory Auditors

4. Remuneration of Statutory Auditors for the year 2018-19

As the Company comes under the purview of S. 139(5) of the Companies Act, 2013, the appointment of auditors is being made by Comptroller & Auditor General of India.

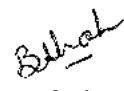
Section 142 of the Companies Act, 2013 provides that the remuneration of the auditor of the Company shall be fixed by the Company in general meeting or in such manner as the Company in general meeting may determine.

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

“RESOLVED THAT the Board of Directors of Bharuch Dahej Railway Company Limited be and are hereby authorized to fix, the remuneration of the auditors of the Company appointed by the office of the Comptroller & Auditor General of India for audit of accounts of the Company for the year 2018-19.”

**By Order of Board of Directors
For Bharuch Dahej Railway Company Limited**

Place: New Delhi
Date: 21.08.2018


(Beena R. Shah)
Company Secretary

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote at the meeting instead of him/her and the proxy need not be a member of the company.
2. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than 50 members holding in aggregate, not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. The instrument appointing proxy, in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed at least 48 hours before the commencement of the meeting.
4. A proxy form is annexed to this Notice. Proxies submitted on behalf of the companies, etc. Must be supported by an appropriate resolutions/authority, whichever applicable.
5. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the AGM.

Copies to:

- A. All the shareholders of the company**
- B. Statutory auditors of the company**
- C. Secretarial auditor of the company**
- D. All directors of the company**

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U45203DL2006PLC155511

Name of the company: **BHARUCH DAHEJ RAILWAY COMPANY LIMITED**

Registered office: **39-42, 3rd Floor, Indra Palace, H Block, Middle Circle, Connaught Place, New Delhi**

Name of the member (s) :

Registered address :

E-mail Id:

Folio No/ Client Id :

DP ID :

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name :

Address :

E-mail Id :

Signature :....., or failing him

2. Name :

Address:

E-mail Id :

Signature:....., or failing him

3. Name :

Address:

E-mail Id:

Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 12th Annual general meeting/ ~~Extraordinary general meeting~~ of the company, to be held on the ____ day, _____, 2018 at ____ hrs. at Conference Room, Rail Vikas Nigam Ltd, August Kranti Bhawan, Bhikaji Cama Place, New Delhi(place) and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.

1.....

2.....

3.....

Signed this ____ day of..... 2018....

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Affix
Revenue
Stamp

DIRECTORS' REPORT



**BHARUCH DAHEJ
RAILWAY COMPANY LTD.**

ભરુચ દહેજ રેલવે કંપની લિ.

CIN : U45203 DL2006 PLC155511

DIRECTORS' REPORT

Registered Office :
39-42, (3rd Floor H Block) Indra Palace,
Connaught Circus Inner Circle,
New Delhi - 110 001.
Tel. : 011-43586814/17
Fax : 011 - 43586813

DISTINGUISHED SHAREHOLDERS,

Directors of your Company feel privileged to present the Twelfth Annual Report of the Company, containing salient features of operations and business of your Company, along with the Audited Annual Accounts for the year ended 31st March, 2018.

FINANCIAL REVIEW

Highlights of Financials of the Company as on 31.03.2018 are as under:

Particulars	Amount (in Rs. crore) (For year ended 31.03.2018)	Amount (in Rs. crore) (For year ended 31.03.2017)
Revenue from Operation	66.57	52.24
Other Income	<u>05.00</u>	<u>08.19</u>
Total Revenue [A]	<u>71.57</u>	<u>60.43</u>
O&M Cost	44.79	49.36
Finance Cost	16.02	19.02
Depreciation	12.84	12.85
Other expenses	<u>2.47</u>	<u>2.34</u>
Total Expenses[B]	<u>76.12</u>	<u>83.57</u>
Profit before Exceptional item [A-B]	<u>(04.55)</u>	<u>(23.14)</u>
Exceptional Item	<u>58.45</u>	-
Profit before Tax	<u>53.90</u>	<u>(23.14)</u>
Taxes including Current Tax and Deferred Tax	<u>27.06</u>	<u>(4.31)</u>
Profit after Taxes	<u>26.84</u>	<u>(18.84)</u>

INDIAN ACCOUNTING STANDARDS

In line with what was done last year, Accounts of your Company have been prepared in accordance with requirements of Indian Accounting Standards (IndAS). It may be recalled that the Ministry of Corporate Affairs (MCA) vide its Gazette notification dated February 16, 2015, launched the IndAS to be applicable to certain specified classes of Companies. Your Company attracts applicability of the new Accounting Standards. IndAS is applicable w.e.f. April 2016, with a transition date of April 1, 2015 for the Company.

(5)

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 2018 are as under:

S. No.	Financial Year	No. of Rakes	No. of Wagons	Loading in tonnes
1	2012-13	1370	79785	5371686
2	2013-14	1689	98660	6637090
3	2014-15	2697	157352	10871495
4	2015-16	1603	93430	6458841
5	2016-17*	873	50460	3458536
6	2017-18*	779	45062	3094810

*Rakes includes coal, containers and other than coal rakes

Lower volumes of traffic have occurred mainly due to external factors, manifesting in the form of reduction in loading of coal, which was earlier the mainstay of your Company's business. Such reduction has been occasioned by a combination of factors, which include slowdown in the import of coal in the face of enhanced indigenous production, and subdued growth in the national economy having adverse impact on power production. The position has improved somewhat during the current year as indicated below:

Year	2018-19			2017-18		
Month	No of Rakes	No of Wagons	Loading Tonnes	No of Rakes	No of Wagons	Loading Tonnes
April	84	4905	340249.2	16	896	57572
May	80	4669	324519.3	56	3169	210291
June	72	4192	290283	69	4009	276819
July	35	2044	140061	104	6041	410749
Total	271	15810	1095113	245	14115	955431

Loading of rakes during April-18 to July -18 has increased as compared with the loading in the corresponding period of 2017-18. However, the mix of freight traffic is undergoing a subtle change, and a diversified business base is emerging. Your Company has made efforts, with some success, to attract alternative streams of traffic. During the year 2017-18, few rakes of other products like lime stone, Fertiliser, Foodgrains etc. were also loaded. The Company has loaded Container and Gypsum during 2017-18 as under:

Break up of Loading from Dahej Terminal (Container and Gypsum) during 2017-18

2017/2018						2016/2017					
Con tain ers	Causti c Soda	GYPSUM	DAP	FOOD GRAIN	TOTAL	Conta iner	Causti c Soda	GYPSUM	DAP	FOOD GRAIN	TOTAL
10	7	199	2	1	219	11	24	0	0	0	35

Break up of Loading from Dahej Terminal (Container and Gypsum) and in 2018-19

Year	2018-2019			2017-2018		
Month	Container Traffic	GYPSUM	TOTAL	Container Traffic	GYPSUM	TOTAL
April	-	23	23	3	6	9
May	-	11	11	6	8	14
June	-	25	25	1	8	9
July	-	8	8	2	18	20
Total	0	67	67	12	40	52

Handling of Container traffic at Dahej has not occurred due to Western Railways order de-notifying Dahej as CRT (Container Rail Terminal) and converting it into a Goods Shed. Your company is pursuing the matter with Railway Board for declaring Dahej as a Private Freight terminal so as to be able to handle all types of freight traffic.

OPERATIONS AND MAINTENANCE

The Operations & Maintenance (O&M) Agreement to be signed with Western Railway is still awaiting finalization. Pending its finalization, Western Railway has continued to release revenue to BDRCL on

a provisional basis. Responsibility of carrying out maintenance of assets on the line remained with BDRCL till December, 2015, under appropriate supervision and inspection by officers and supervisors of Western Railway. However, in compliance of the conditions put forth by Commissioner of Railway Safety while according approval for running of passenger services on the line, Western Railway has taken over most of the maintenance activities on the line from January 2016 onwards. Consequently, the cost of carrying out O&M has escalated. However, pursuant to elaborate discussions with Western Railway, your Company has evolved an arrangement whereby only activities that are essentially required to be carried out by Railway employees have been transferred to Western Railway, with the balance remaining the direct responsibility of BDRCL. This is expected to mitigate the cost increase to some extent.

PHYSICAL PROGRESS:

Barring a few construction activities intended at enhancing the capacity for freight handling at Dahej Terminal, physical work on the project stands completed. Looking to the relatively low volumes materialising, the Company had decided earlier that the work related to providing additional line(s) and a shunting neck at Dahej for handling container and other traffic should be deferred for the time being. While Line No. 5 has become operational, a few residual activities such as top wiring of the line and carrying out signalling modifications for interlocked working are in progress.

The Shareholders may recall that the Company had handled peak traffic of up to 9-10 loaded rakes in a day during 2014-15. A consolidation plan had accordingly been prepared, to be implemented in phases in a need based manner. As an initial step, the Company had decided to split the longest block section of about 16 kilometres between Dahej and Pakhajan by constructing a new station at Sambheti, almost mid-way. The Company has applied for allotment of land (30mtrs × 700mts) to GIDC for this construction activity. On getting confirmation from GIDC, the Company will approach Railways for approval of Engineering, Signalling and other plans for Construction of a 3-line station. However, keeping in view the traffic that is being offered at present, we do not perceive immediate need to undertake this work. The Company would time execution of this work in line with the business offering so that premature investment in additional infrastructure is avoided.

Project Augmentation:

During the year 2017-18, the Company recognised need for augmenting freight handling capacity at Dahej Terminal in the light of dwindling loading at the terminal of a principal customer. This was driven by significant latent capacity in the local industry to offer considerable volumes of container traffic. Accordingly, a full rake length rail level platform measuring 700m x 33m to facilitate handling

of container traffic together with adequate storage of empty and loaded containers, has been constructed at Dahej beyond line no. 5. A few related user amenities and an approach road at Bharuch end have also been constructed. The total cost incurred has been approximately Rs. 12.64 crore. The augmentation would enable the Company to stack two rows of containers in double layers equating to containers pertaining to four rakes, besides handling loading/unloading of containers in another rake. The construction of Rail Level platform was completed in February, 2018. The work of making arrangements for illuminating the platform is in progress, and once completed, the Company will have capability for night loading/unloading so as to maximise utilization of the Terminal.

ISSUES OF LAND LICENSE FEE AND OTHER RELEVANT ISSUES:

BDRCL is a gauge conversion project, and a BG line was constructed on existing land of Western Railway used up for an NG line earlier on the same alignment. The Concession Agreement specifically provides that Annual Lease Rental for original land of Western Railway shall be "as per extant policy of Ministry of Railways as revised from time to time". According to a policy on participative models of rail connectivity notified by the Ministry on 10th December, 2012, land licensing for gauge conversion JV projects like BDRCL attracts only a token charge. According to this policy, Railway Land as available in case of Gauge conversion projects will be made available on lease license at a token rental fee of Re. 1.00 per annum. Therefore, this letter read together with the Concession Agreement implies that from 10th December 2012, Land License Fee to be charged from BDRCL must stand at Re. 1 per annum.

Shareholders are aware that Western Railways had taken a different interpretation, according to which recovery at 6% of market value of land was being demanded every year, and the market value was updated periodically by inflating it by 7% each year. In the meantime, the rate of recovery had been revised further upwards by Western Railway by obtaining fresh circle rates for land prices from civil authorities, leading to more than doubling of the claim. This had resulted in total accumulated land lease rental amount of Rs. 175.26 crore up to March, 2017.

The matter was relentlessly represented by BDRCL to Railway Board. On the issue of Land License fee, besides the provisions of the Concession Agreement referred to above, it had been pointed out that the Railway's interpretation would create serious differences among various SPVs on charge for land as other Companies are all being charged a token fixed charge on this account. We had also pointed out that there is apparently no rationale or justifiable basis for such differentiation as BDRCL does not get any preferential treatment in any other matter.

Seeing merit in the contention of BDRCL, Railway Board had set up a Committee of Executive Directors to examine about ten issues raised by BDRCL (including the issue of Land License Fee), which impact the SPV adversely, and to make its recommendations. Based on the recommendations of the Committee, and after considering the Company's representations, the Ministry of Railway issued a letter No, 2017/Infra/12/20 dated 22.11.2017 containing the following decisions:

- (1) Land License Fee should be charged @ Rs. 1000/-p.a. by suitable amendment in the Concession Agreement and bills for land license fee to be raised since inception of the project;
- (2) The Calculation of overheads on the Indirect Cost should be based on the principle adopted by Western Railway in case of PRCL henceforth;
- (3) Dahej Terminal as has been developed by the SPV should not be notified as Container Rail Terminal of IR and consequently no terminal access charge should be collected by IR henceforth; and
- (4) As the section Bharuch-Chavaj was commissioned by the SPV at the instance of Western Railway, the apportionment of freight for this section also be payable to BDRCL SPV from the date from which the section was opened for traffic.

The above directions from the Railway Board have provided major relief to your Company. Reversal of land lease rentals booked in previous years has transformed majorly the financials of your Company, as reflected in the Annual Accounts 2017-18.

However taking a very literal interpretation of the Ministry's orders on at least one issue, Western Railway has de-notified the Dahej Terminal as CRT and notified the same as a Goodshed instead of Private Freight Terminal as requested by BDRCL, on the grounds that land used for Dahej terminal belongs to Railways and is not private land. The result has been the Railway has stopped accepting indents for container rakes at Dahej Terminal, causing loss of traffic and revenue to BDRCL as well as Indian Railways. The matter has again been taken up with the Ministry of Railways for satisfactory resolution.

On the question of bearing cost of construction of ROBs/RUBs to eliminate unmanned level crossing, based on BDRCL's representations and pleas of the Association of Investors in Railways, Railway Board has vide letter no.2015/Infra/18/6 dated 23.11.2017 decided that the cost of elimination of unmanned level crossings on SPV lines will be borne by the Railways. Here also, Western Railway is seeking to avoid their responsibility in the matter by stating that the orders are effective prospectively. This matter has also been taken up with the Railways appropriately for resolution.

RESERVES AND DIVIDEND

The Profit after Tax for the year 2017-18 is Rs.26.84 Crore. This has improved the Company's accumulated profits to Rs. 35.15 Crore. However, since actual release of funds by Western Railway has been slow, your Directors seek your indulgence in endorsing their decision of not declaring any dividend for the year 2017-18.

CAPITAL STRUCTURE

The Company's Authorized Share Capital is Rs. 165 Crore. The Company's Paid up Share Capital is Rs. 155.11 Crore. The Company has not issued any further Equity Shares during the year.

FUTURE BUSINESS OUTLOOK

Notwithstanding slow offtake of traffic, it is the view of the management that going forward, there will be demand for carrying significant volumes of freight traffic on the line, not only on a sustained but on a growing basis. While the traffic offered by our major customer may not replicate the levels of 2014-15 anytime soon, it is expected to be sustained at 3-4 rakes of multiple commodities including coal and gypsum in a day. Together with container traffic which the Company expects to handle again once the issue of classification of the Terminal is decided, the total volume expected in the foreseeable future should suffice for a sustained above-breakeven performance of the Company.

BOARD OF DIRECTORS

Your Company's Board of Directors has five members, including a Chairman (nominated by the Ministry), two nominees of Rail Vikas Nigam Ltd., one nominee of Government of Gujarat and a Managing Director. During the year, the following Directors vacated their offices:

1. Shri Anirudh Jain, Chairman
2. Smt. Bela Banerjee, Independent Director
3. Shri S. P. Chaturvedi, Independent Director
4. Smt. D. Thara, Director
5. Smt. Chhavi Jha, Director
6. Shri Amit Kumar Singh, Director
7. Shri Ajay Bhadoo, Director

Sh. Anirudh Jain ceased to be Director of the Company after his superannuation from Government service on 31.07.2017. Further, Smt. Bela Banerjee and Shri S. P. Chaturvedi, Independent Directors resigned from the position of Directors pursuant to amendment in Rule 4 of the Companies (Appointment and Qualification of Directors) Rules 2014 under which a Joint Venture Company such as BDRCL is not required to appoint Independent Directors. However, on some ambiguity about whether BDRCL can be classified as a joint venture Company being pointed out subsequently, the Company has requested RVNL, being major shareholder, to provide necessary guidance in the matter. Further, Smt. D. Thara, Director (nominee Director GIDC) ceased to be Director w.e.f. 02.08.2017 pursuant to Section 167(1) (b) of the Companies Act, 2013. Shri Ajay Bhadoo, VC-CEO/GMB ceased to be Director as he was relocated from the post of VC-CEO/GMB. Shri Amit Kumar Singh, DRM-Vadodara (nominee of RVNL) also ceased as Director as he was relocated from the post of DRM-Vadodara. Likewise, Smt. Chhavi Jha ceased to be Director after her relocation from her substantive appointment. Nominations are awaited from Gujarat Industrial Development Corporation, Gujarat Maritime Board and Rail Vikas Nigam Limited for the position of three Directors.

The Board of Directors appreciates the valuable contribution made by the above noted ceased Directors during their tenure as Directors in the Company. Their guidance during a difficult macroeconomic environment was indeed most valuable.

Based on a nomination received from the Ministry of Railways, the Company appointed Shri Ajit Pandit, AM (Works) Railway Board as Chairman w.e.f 14.02.2018 vice Shri Anirudh Jain who ceased to be Director pursuant to his superannuation.

Based on a nomination received from the Rail Vikas Nigam Limited, the Company appointed Dr. Meenu Dang, GGM (Finance)/RVNL as Director w.e.f 06.10.2017 vice Smt. Chhavi Jha who ceased to be Director pursuant to her transfer/repatriation from RVNL.

At present the Board of Directors of the Company consists of five Directors liable to retire by rotation. Out of them, two Directors namely Shri Vinay Singh and Shri Sajal Mittra will retire by rotation in 12th Annual General Meeting and being eligible offer themselves for re-appointment.

The present composition of Board of Directors is as under:

1. Shri Ajit Pandit, Chairman (from Ministry of Railway)
2. Shri Sajal Mittra, Director (from Adani Petronet Dahej Port Private Limited)
3. Shri Vinay Singh, Director (from Rail Vikas Nigam Limited)

4. Dr. Meenu Dang, Director (from Rail Vikas Nigam Limited)
5. Shri Rajendra Kashyap, Managing Director

Attendance of Directors at Board Meeting:

During the year, the Board of Directors had Nine Meetings on 16.06.2017, 25.07.2017, 11.08.2017, 06.09.2017, 20.09.2017, 22.09.2017, 22.12.2017, 10.01.2018 and 27.03.2018.

Sl No.	Name of Directors	Date of Board Meetings								
		16.06.2017	25.07.2017	11.08.2017	06.09.2017	20.09.2017	22.09.2017	22.12.2017	10.01.2018	27.03.2018
1.	Shri Ajit Pandit	-	-	-	-	-	-	-	-	Present
1.	Shri Anirudh Jain, Chairman	Present	Present	Ceased	-	-	-	-	-	-
2.	Shri Rajendra Kashyap, MD	Present	Present	Present	Present	Present	Present	Present	Present	Present
3.	Smt. Bela Banerjee, Independent Director	Present	Present	Ceased	-	-	-	-	-	-
4.	Shri S. P. Chaturvedi Independent Director	Present	Present	Ceased	-	-	-	-	-	-

5.	Shri Vinay Singh, Director	LOA	Present	Present	Present	Present	Present	Present	Present	Present	LOA
6.	Shri A. K. Singh, Director	Present	Present	LOA	LOA	LOA	LOA	Present	LOA	Present	Present
7.	Shri Sajal Mittra, Director	Present	LOA	Present	Present	Present	LOA	LOA	Present	Present	Present
8.	Smt. Chhavi Jha, Director	LOA	Present	Present	Present	Ceased	-	-	-	-	-
9.	Smt D. Thara, Director	LOA	LOA	Ceased	-	-	-	-	-	-	-
10	Shri Ajay Bhadoo, Director	LOA	LOA	LOA	LOA	LOA	LOA	LOA	LOA	LOA	LOA
11	Dr. Meenu Dang, Director	-	-	-	-	Present	Present	Present	Present	Present	Present

The Company had the following Key Managerial Personnel during the year:

1. Shri Rajendra Kashyap, Managing Director, appointed w.e.f. 12.08.2014
2. Smt. Beena R. Shah, Company Secretary, since 01.07.2013.
3. Shri Balkishan Sharma, Chief Financial Officer, designated w. c. f. 05.09.2014.

INTERNAL AUDITOR

M/s Sunil K Gupta & Associates, Chartered Accountants have been appointed as Internal Auditors of the Company, and their appointment has been extended for the Financial Year 2018-19.

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 Audit Committee, and participating in the ensuing discussion.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company in pursuance of Section 134 (5) of the Companies Act, 2013 as amended 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 have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) the Directors have prepared the annual accounts on a going concern basis; and
- v) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITOR'S REPORT

Auditor's Report is enclosed as part of the Directors' Report. Comments of the Management on the qualifications/comments made by the Auditor in their Report are enclosed as **Annexure-A1 and A2** to the Directors' Report.

SECRETARIAL AUDIT REPORT

Secretarial Audit Report is placed with the Directors' Report as **Annexure B** for consideration of Shareholders. The Report finds the Secretarial practices in line with the laid down requirements.

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 31st March, 2018 is given below:

i) **Foreign Exchange Earnings and Outgo**

The Company has neither earned nor expended any foreign exchange during the financial year 2017-18.

ii) **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.

EXTRACT OF ANNUAL RETURN:

The extract of Annual Return in form MGT-9 enclosed at **Annexure C** forms a part of Board's report.

The Audit Committee and Nomination & Remuneration Committee were dissolved pursuant to amendment in Rule 6 of the Companies (meetings of the Board and its powers) Rules, 2014 under which Joint Venture Companies are not required to constitute Audit Committee and Nomination & Remuneration Committee.

EMPLOYEES

As mentioned earlier, maintenance of the assets on the line has been with the Company since 2012. Apart from a very lean cadre of its own regular employees, the Company has engaged staff on contractual basis for maintaining the engineering and signalling assets, and for carrying out other essential activities.

At present, the Company has a total of 100 employees. Out of these, 6 are employed on regular basis, and 94 engaged on contractual basis. The contractual employees had a mix of 17 retired railway employees, and 77 fresh faces, deployed after suitable training.

During the year, the Company has not engaged any employee coming under scope of the Rule-5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

REPORTING UNDER SECTION 21 OF THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

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

Number of Complaints received:	NIL
Number of Complaints disposed of:	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

PARTICULARS OF RELATED PARTY TRANSACTIONS

The Companies Amendment Act, 2017 has brought the transaction with Associated Companies in the scope of Related Party Transactions. During the year 2017-18, the Company has not entered with its Associated Company M/s Rail Vikas Nigam Limited (RVNL) any transactions requiring Board's approval under Section 188(1) of the Companies Act, 2013. However, the Company has entered with Associated Company RVNL some transactions at Arm's length and in the ordinary course of the Business which are noted by the Board of Directors. Details of such Related Party Transaction is enclosed as **Annexure - D**.

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.

CORPORATE SOCIAL RESPONSIBILITY

The information to be reported under the head of CSR is annexed as **Annexure E** forming part of the Board of Directors' Report.

FORMAL ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE:

The Company has a Performance Evaluation Policy 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 made by the Board of Directors.

The Board of Directors has undertaken an evaluation of its own performance, the performance of its Committee and of all the individual Directors and considered the same as satisfactory.

STATEMENT OF ASSOCIATION:

Bharuch Dahej Railway Company Limited is a joint venture special purpose vehicle. Rail Vikas Nigam Limited, by virtue of shareholding of 35.46% of paid up share capital, is an associated Company.

DETAILS OF FIXED DEPOSIT:

During the year, the Company has neither invited nor accepted any deposits covering under Chapter V of the Companies Act, 2013.

ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO FINANCIAL STATEMENT:

The Company had in place adequate Internal Financial Controls with reference to financial statements during the year under review. 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.

DETAILS OF COURT CASES:

The Company is facing cases under Service Tax and Labour laws which are as under:

The Statement of cases under Service Tax:

Sr. No.	Case No.	Title of case	Title	Status of the case
A	Service Tax			
1	Show Cause Notice no. 158/2014 dated 21.10.2014	1. 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. 2. In relation to above context the Company submitted reply to notice on 02-01-2015. 3. 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). 4. The department has gone into appeal against above mentioned order vide Appcal No. ST/51763/2016-CU [DB].		No further communication has been received till date
2	Show Cause Notice no. 06/2016 dated 31.03.2016	1. 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. 2. In relation to above context the Company submitted reply to notice on 24-05-2016.		No further communication has been received till date

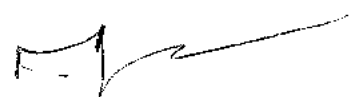
3.	Show Cause Notice no. 15/2017-18 dated 21.03.2018	1. Show cause notice in relation to services render by BDRCL to WR for the FY 2014-15 amounting Rs. 16,14,85,037/- was received by Company 2. In relation to above context the Company submitted reply to notice on 11.06.2018	No further communication has been received till date
----	---	---	--

A list of cases involving other labour issues is enclosed as **Annexure-F**.

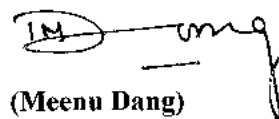
ACKNOWLEDGEMENTS

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.

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



**(Rajendra Kashyap)
Managing Director
DIN-00367378**



**(Meenu Dang)
Director
DIN- 05171078**

**Place: New Delhi
Date: 21.08.2018**

Addendum to Directors' Report

S.No.	Auditors' Qualification	Management Comment
1.	The opening balances and the comparative figures disclosed in the Ind AS financial statements for the year ended March 31, 2018 are based on the audited Ind AS financial statements of the Company for the year ended March 31, 2017 on which our Auditors' Report dated September 20, 2017 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, 2017 that would have	Para 5 of IndAs 8 provides that application of an accounting policy can be treated as Impracticable when: (a) The effects of the retrospective application or retrospective restatement are not determinable; (b) The retrospective application or retrospective restatement requires assumptions about what management's intent would have been in the period; or (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

been required may have a consequential effect on the Company's assets and liabilities as at April 1, 2017 and March 31, 2018 and its results for the year ended March 31, 2018, and the presentation and disclosure thereof in the financial statements.	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, 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: 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 in financial statement for the period ending immediately before the beginning of 1st Ind AS financial reporting period as per previous GAAP. 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:
---	---

		a) recognise financial assets and intangible assets that existed at the date of transition to Ind AS. b) use the previous carrying amounts of those financial and intangible assets (however previously classified) as their carrying amounts as at that date; and 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. 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.
2.	Reference is drawn to Note No. 47 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 Ministry of Railways, of all project assets whose 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 A of the Ind AS 11 at the best estimate of expenditure required to settle the obligation. However, the company has not estimated and provided for the aforesaid obligation in the 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.	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. A provision shall be recognised when: • an entity has a present obligation (legal or constructive) that is 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 • a reliable estimate can be made of the amount of the obligation. 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 47 of financial statements.
--	--	--

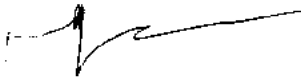
S.No.	Emphasis of Matter	Management Comment
1.	Without qualifying our opinion, we draw attention to Note No. 19 & Note No. 21 to the Ind AS financial statements, The Operation and Maintenance Agreement with the Western Railway that defines among others, right & obligations, the share of Income & Expenses to be apportioned to the Company arising out of the operation of the Bharuch Dahej Samni Railway Line by the Company has not yet been signed. The Company has however recognized the operating income and expenses arising out of this arrangement which is yet to be formalized. We further draw attention to Note No.19 and Note No. 21 to the Ind AS financial statements. The Operating Income & Operating Expenses accounted for by the Company are based on provisional figures made available by the Western Railway and	A few items in the O & M Agreement, where there was difference of opinion with Western Railway, are presently under examination and discussion with the Ministry of Railways. The Agreement has not been finalized as with the existing difference of opinion on important elements in the interests of BDRCL. Recently, Railway Board had resolved some of the key issues vide their letter No- 2017/Infra/12/20 dated 22.11.2017. In accordance with this letter management is in the finalization of O&M agreement with the Western Railway.

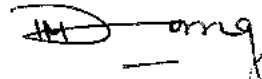
	the final figures could vary. Our Opinion is not qualified in respect of this matter.	
2.	Without qualifying our opinion, we draw attention to Note No. 19 and Note No 8.1 to the Ind AS financial statements. The Income from Railway Operations of Rs 5312.55 lakhs (previous year ended March 31, 2017; Rs 5159.37) includes revenue amounting to Rs. 386.67 lakhs (previous year ended March 31, 2017 ;Rs. 418.98 lakhs) pertaining to Bharuch-Chavaj section computed on provisional basis. The revenue recognized is outstanding as Trade Receivable of Rs. 3102.62 lakhs as on the balance sheet date. As per information and explanations provided, the revenue apportionment by Western Railways does not include the apportionments for share of revenue towards the Bharuch - Chavaj section. Further, the company has also recognized the 'Intangible assets' pertaining to this section as the freight sharing rights of the company. However, the concession agreement executed with the Ministry of Railways dated 25th June 2008 does not include the said section as it was not envisaged at the time of agreement. During the period, the Railway Board vide its letter dated 22-11-2017 has approved for apportionment of freight for Bharuch – Chavaj from the date	In connection with receivables of Rs 3102.62 Lakhs from the Western Railway towards revenue pertaining to Bharuch-Chavaj Section, Western Railway has already adjusted an amount of Rs 419.25 Lakhs vide receipt for apportionment of Goods Traffic earning for the m/o July 2016. Hence the receivables in this connection are Rs. 2683.37 Lakhs. Further, we would like to inform you that the matter has been resolved by the Railway Board vide their letter No. 2017/Infra/12/20 dated 22.11.2017. Revenue on account of this will received soon. Accordingly, we are of the firm opinion that the Company has recognized the corresponding revenue entirely consistent with Ind AS- 18.

	from which the section was opened for traffic. However, the apportionment is yet to be provided by the Western Railways and the final figures could vary. Our Opinion is not qualified in respect of this matter.	
--	---	--

For and on behalf of the Board of Director of
Bharuch Dahej Railway Company Limited

Place: New Delhi
Date: 21-08-2018


Rajendra Kashyap
(Managing Director)
DIN 00367378


Dr. Meenu Dang
(Director)
DIN 05171078

				Annexure-C	
FORM NO. MGT 9					
EXTRACT OF ANNUAL RETURN					
as on financial year ended on 31.03.2018					
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.					
I REGISTRATION & OTHER DETAILS:					
i	CIN	U452032006PLC155511			
ii	Registration Date	15.11.2006			
iii	Name of the Company	BHARUCH DAHEJ RAILWAY COMPANY LIMITED			
iv	Category/Sub-category of the Company	Non Indian Government Company			
v	Address of the Registered office & contact details	39-42, 3rd Floor, Indra Palace, H Block, Connaught Circus, Middle, Circle, Connaught Place, New Delhi 110001 Pn No. 011-43586815			
vi	Whether listed company	Unlisted			
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable			
II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY					
All the business activities contributing 10% or more of the total turnover of the company shall be stated					
SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company		
1	Freight Rail transport	49120	100		
2					
3					
4					
III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES					
Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	NIL				
2					
3					

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	0	0	0	0	0	0	0	0	0
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt. or State Govt. (including RVNL)	0	90720000	90720000	58.49	0	90720000	90720000	58.49	0
c) Bodies Corporates	0	64390000	64390000	41.51	0	64390000	64390000	41.51	0
d) Bank/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
SUB TOTAL:(A) (1)	0	155110000	155110000	100		155110000	155110000	100	0
(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter									
(A)= (A)(1)+(A)(2)	0	155110000	155110000	100		155110000	155110000	100	0
	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
B. PUBLIC SHAREHOLDING	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
(1) Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central govt	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(1):	0	0	0	0	0	0	0	0	0

	0	0	0	0	0	0	0	
(2) Non Institutions	0	0	0	0	0	0	0	
a) Bodies corporates	0	0	0	0	0	0	0	
i) Indian	0	0	0	0	0	0	0	
ii) Overseas	0	0	0	0	0	0	0	
b) Individuals	0	0	0	0	0	0	0	
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	0	0	0	0	0	0	
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0	0	0	0	
c) Others (specify)	0	0	0	0	0	0	0	
	0	0	0	0	0	0	0	
SUB TOTAL (B)(2):	0	0	0	0	0	0	0	
	0	0	0	0	0	0	0	
Total Public Shareholding (B)= (B)(1)+(B)(2)	0	0	0	0	0	0	0	
	0	0	0	0	0	0	0	
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	
Grand Total (A+B+C)	0	155110000	155110000	100		155110000	155110000	100

(ii) SHARE HOLDING OF PROMOTERS								
Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	RAIL VIKAS NIGAM LTD.	55,000,000	35.46	0	55,000,000	35.46	0	0
2	ADANI PETRONET (DAHEJ) PORT PRIVATE LIMITED	17,330,000	11.17	0	17,330,000	11.17	0	0

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

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
	At the end of the year	0	0	0	0

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

Sl. No		Shareholding at the end of		Cumulative Shareholding	
	For Each of the Top 10 Shareholders	No.of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
1	GUJARAT MARITIME BOARD	17,860,000	11.51		

2	DAHEJ SEZ LIMITED	10,000,000	6.45		
3	GUJARAT NARMADA VALLEY FERTILISER COMPANY LIMITED	13,530,000	8.72		
4	HINDALCO INDUSTRIES LTD	13,530,000	8.72		
5	JINDAL RAIL INFRASTRUCTURE LTD.	10,000,000	6.45		
6	GUJARAT INDUSTRIAL DEVELOPMENT CORPORATION	17,860,000	11.51		
	Total Paid up capital	155,110,000	100.00		
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
	At the end of the year (or on the date of separation, if separated during the year)	Same as at the beginning of the year		0	0

(v) **Shareholding of Directors & KMP**

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

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebted ness	
Indebtedness at the beginning of the financial year		0	0		
i) Principal Amount	1888243836	0	0		
ii) Interest due but not paid		0	0		
iii) Interest accrued but not due	15292434	0	0		
		0	0		
Total (i+ii+iii)		0	0		
		0	0		
Change in Indebtedness during the financial year		0	0		
Additions	0	0	0		
Reduction	276957371	0	0		
Net Change	-276957371	0	0		
Indebtedness at the end of the financial year		0	0		
i) Principal Amount	1611286465	0	0		
ii) Interest due but not paid	247293	0	0		
iii) Interest accrued but not due		0	0		
		0	0		
Total (i+ii+iii)		0	0		

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	Shri Rajendra Kashyap	2506667
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961		26400

0

	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961						0	0
2	Stock option	0	0	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0	0	0
4	Commission	0	0	0	0	0	0	0
	as % of profit	0	0	0	0	0	0	0
	others (specify)							
5	Others, please specify							
	Total (A)						2533067	
	Ceiling as per the Act							

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration		Name of the Directors			Total Amount	
1	Independent Directors		Shri S.P. Chaturvedi	Smt. Bela Banerjee	Shri Sajal Mittra	0	0
	(a) Fee for attending board committee meetings		22500	22500		45000	
	(b) Commission					0	0
	(c) Others, please specify					0	0
	Total (1)		22500	22500		45000	0
2	Other Non Executive Directors					0	0
	(a) Fee for attending board committee meetings		-	-		0	0
	(b) Commission					0	0
	(c) Others, please specify	Incidental Expenses	-	-	9000	9000	0
	Total (2)		-		9000	0	0
	Total (B)=(1+2)		22500	22500	9000	54000	0
	Total Managerial Remuneration					0	0
	Overall Ceiling as per the Act.						

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

Sl. No.	Particulars of Remuneration		Key Managerial Personnel				Total
1	Gross Salary		CEO/MD	Company Secretary	CFO	Total	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.		2506667	950642	1286760	4744069	
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		26400	5000	5000	36400	

	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			0	0		
2	Stock Option			0	0		
3	Sweat Equity			0	0		
4	Commission			0	0		
	as % of profit			0	0		
	others, specify			0	0		
5	Others, please specify			0	0		
	Total		2533067	955642	1291760	4780469	

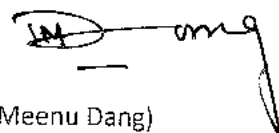
PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

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



(Rajendra Kashyap)
Managing Director
DIN- 00367378



(Meenu Dang)
Director
DIN- 05171078

Place: New Delhi
Date: 21.08.2018

Annexure-D

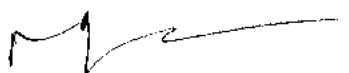
Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

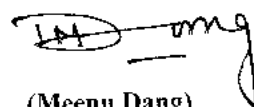
Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties

SL. No.	Name(s) of the related party and nature of relationship	Nature of contracts /arrangements /transactions	Duration of the contracts / arrangements /transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:	Arm's length/n ot arm's length (INR in Lakhs)
1.	Rail Vikas Nigam Limited	Project expenditure in terms of construction agreement	2017-18	As per the Memorandum of Article, Shareholders Agreement and Construction Agreement	N. A.	Board noted the transaction in the meeting held on 21.08.2018	N.A.	Arm's length Rs.23.64

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



(Rajendra Kashyap)
Managing Director
DIN-00367378



(Meenu Dang)
Director
DIN--05171078

Place: New Delhi
Date: 21.08.2018

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects.-

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 <http://www.pdrail.in/csr.html>. 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:-

The Committee presently consists of the following Directors namely:

1. Shri Vinay Singh, Director
2. Dr. Meenu Dang,
3. Shri Rajendra Kashyap, Managing Director

During the year under review, the Committee met twice on 06.09.2017 and 27.03.2018. The presence of Members is as under:

Sl No	Name of Directors	Date of Meetings of CSR Committee	
		06.09.2017	27.03.2018
1.	Shri Vinay Singh, Director	-	-
2.	Shri Amit K. Singh, Director	LOA	Present
3.	Smt. Chhavi Jha, Director	Present	Ceased
4.	Shri Rajendra Kashyap, Managing Director	Present	Present
5.	Dr. Meenu Dang	-	Present

3. Average net profit of the company for last three financial years :

Average profit of the Company for the last three years i.e. 2014-15, 2015-16 and 2016-17 is Rs. 1290 lakh.

4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above) during 2017-18 was Rs. 25.8 lakh

5. Details of CSR spent during the financial year

(a) Total amount spent for the financial year Rs 18,67,826 lakh

(b) Amount unspent, if any; Rs. 7.12 lakh

(c) Manner in which the amount spent during the financial year is detailed below.

S.No	CSR identified	Sector in which the Project is covered	Projects or programs 1) Local area or other 2) Specify the State and districts where projects or programs were undertaken	Amount outlay (budget) Project or program wise	Amount spent on project or Program With subtitle (1) Direct Expenditure (2) Overheads	Cumulative expenditure upto Reporting period	Amount spent: Direct or through implementing agency
1.	Mobile Health Unit	Promoting Health Care including preventive health care	Local Area around Bharuch Dahaj Railway Line in the state of Gujarat	Rs. 18.67 lakhs p.a.	Rs. 18,67,826 (1) Direct: Rs. 1431915/- (2) Overhead: Rs. 435911/-	Rs. 37.99 lakh	Through implementing Agency M/s Deepak Foundation based at Vadodara

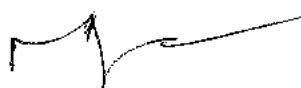
			District Bharuch				
Details of Implementing Agency: Deepak Foundation is a registered Trust under Bombay Public Trust Act, 1950. It is registered on 22.11.1982. It is also registered under Section 12A of the Income Tax Act. It works in the area around the Company's Project of Bharuch Dahej Railway Line. It conducts similar activity for other clients since 2012.							

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

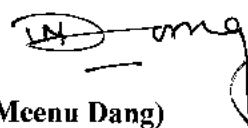
1. Freight traffic carried by the Company continued to be low due to external macroeconomic factors. Consequently, revenue remained low;
2. Due to take over of various activities for maintenance of assets by the WR, a significant growth in O & M Expenditure occurred;
3. With Western Railway not releasing BDRCL's legitimate share in revenues, a serious cash flow crisis built up, leaving the Company with insufficient cash for undertaking CSR activities at higher levels.
4. Total Expenses remained about Rs. 4.55 crore higher as compared to Total Revenue. In view of above, due to adverse financial position of the Company, the Company decided to keep on hold augmentation of scope of the CSR activities.

7. The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

Place: New Delhi
Date: 21.08.2018



(Rajendra Kashyap)
(Managing Director)

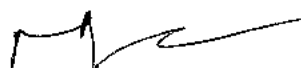


(Meenu Dang)
(Chairman of CSR Committee)

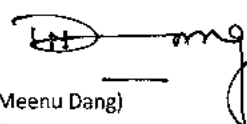
DETAILS OF COURT CASES OF BDRCL as on 18.08.2018

Sr. No.	Case No.	Title of case	Filed by	Status of the case
1	Labour Court - Bharuch			
	LC/79/14		SOYEB Shekh vd BDRCL	Reply has been filed before court and further action by court is awaited.
	LC/92/14		Moin Khan Vs BDRCL	
2	Recovery Application before Labour Court			
	29/15	Payment for the period of discontinuation to till date	Pradeepkumar Chandel vs BDRCL(Applicant expired)	Objection have been filed before court as our Misc. Application no. 15/2015, 16/2015 are pending before labour court
	31/15		FarukkhanAzadkha Vs BDRCL	
3	Misc. Application			
	15/2015 (93/2014)	Challenging the orders of labour court BH for taking the staff on duty	Pradeepkumar Chandel vs BDRCL(Applicant expired)	No reply has been filed by opposite party (One applicant of case no. 15/2015 expired)
	16/2015 (91/2014)		FarukkhanAzadkhan Vs BDRCL	
4	CAT/ADI			
	OA No. 449/2015	Railway authority to absorb the petitioners as employees of Railway who are working in BDRCL	Sarfaraz Diwan & 101 others Vs Union of India (CRB), GM/WR, DRM/BRC, MD/BDRCL & AGM/BDRCL	Written argumnets filed before CAT MA 435/15 disposed off . Nothing to be done by BDRCL.Railway will see further for disposal of A
	MA No. 435/15		Sarfaraz Diwan & 101 others Vs Union of India (CRB), GM/WR, DRM/BRC, MD/BDRCL & AGM/BDRCL	
5	High Court of Gujarat - ADI			
	SCA 15200/2015	Challenged the termination and award of labour court's orders under article 226,227 of Constitution of India	Jagdish Manilal Vasava vs BDRCL	Affidavit in reply on behalf of Respondent filed on 14.03.2016 and still nothing comes out. Next date is 20.08.2018
	SCA 15201/2015		Shahrukh Khan Vs BDRCL	
	SCA 15202/2015		Swapnil B. Malviya Vs BDRCL	
	SCA 15203/2015		Ferozkhan Pathan Vs BDRCL	
	SCA 15204/2015		Imranali M. Shek Vs BDRCL	

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



(Rajendra Kashyap)
Managing Director
DIN- 00367378



(Meenu Dang)
Director
DIN- 05171078

Place: New Delhi
Date: 21.08.2018

SECRETARIAL AUDIT REPORT

CS ANIL ANAND

(Company Secretary in Practice)

102, G K House, 1st Floor, 187-A, Sant Nagar, New Delhi - 110065

Ph: +91-9873925927 E-mail: csanilanand96@gmail.com

Date: 17.08.2018

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018

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

To,

The Members,

Bharuch Dahej Railway Company Limited

39-42, 3rd 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 (BDRCL) (hereinafter called the company). Secretarial Audit was conducted in a manner that provide us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers 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 31st March, 2018 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 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;

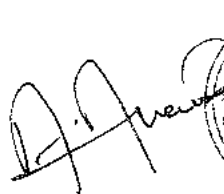
We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standard issued by Institute of Company Secretaries of India.

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

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, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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



CS Anil Anand
ACS: 10328
CP No.:11295

Place: New Delhi
Date: 17.08.2018

CS ANIL ANAND

(Company Secretary in Practice)

102, G K House, 1st Floor, 187-A, Sant Nagar, New Delhi – 110065

Ph: +91-9873925927 E-mail: csanilanand96@gmail.com

To,

The Members,

Bharuch Dahej Railway Company Limited

39-42, 3rd Floor, Indra Palace, H- block

Middle Circle, Connaught Circus,

Connaught Place, New Delhi-110001

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Secretarial Auditor's responsibility

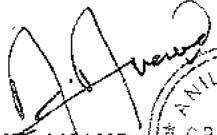
- 2 Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the company with respect to secretarial compliances.
- 3 We believe that audit evidence and information obtained from the company's management is adequate and appropriate for us to provide a basis for our opinion.
- 4 Wherever require, we have obtained the management's representation about the compliance of laws, rules, and regulation and happening of events etc.

Disclaimer

- 5 The secretarial audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affair of the company.

Place: New Delhi

Date: 17.08.2018


CS ANIL ANAND
ACS: 10328
CP NO: 11295



STATEMENT OF FINAL ACCOUNTS

BHARUCH DAHEJ RAILWAY COMPANY LIMITED
BALANCE SHEET
As at 31st March 2018

₹ in Lakh

Particulars	Note No.	As at 31st March 2018		As at 31st March 2017	
I. ASSETS					
(1) Non-current assets					
(a) Property, Plant and equipment	3	48.39		62.05	
(b) Other Intangible assets	4	31,565.56		31,695.52	
(c) Intangible assets under development	5	63.74		40.10	
(d) Financial Assets	6			10.55	
(i) Loans	6.1	11.88		38.03	
(ii) Others	6.2	42.13		0.20	31,846.45
(e) Other non-current assets	7	0.20	31,731.90		
(2) Current assets					
(a) Financial Assets	8			4,462.19	
(i) Trade Receivables	8.1	7,774.05		2,120.94	
(ii) Cash and cash equivalents	8.2	1,509.51		7,033.95	
(iii) Bank Balances other than (ii) above	8.3	1,351.02		5.80	
(iv) Loans	8.4	5.42		872.93	
(v) Others	8.5	553.14		82.28	
(b) Current Tax Assets (Net)	18	82.28		6.51	14,584.60
(c) Other current assets	9	6.23	11,281.65		
Total Assets			43,013.55		46,431.05
II. EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	10	15,511.00		15,511.00	
(b) Other Equity	11	3,614.93	19,125.93	931.07	16,442.07
Liabilities					
(1) Non-current liabilities					
(a) Financial Liabilities	12			16,122.44	
(i) Borrowings	12.1	13,352.86		6,799.45	
(ii) Trade Payables	12.2	1,766.76		4.24	
(b) Provisions	13	11.42		2,046.13	
(c) Deferred Tax Liabilities (Net)	14	3,555.50		601.32	25,573.58
(d) Other Non-Current Liability	15.1	577.48	19,264.02		
(2) Current liabilities					
(a) Financial Liabilities	16			1,328.69	
(i) Trade payables	16.1	1,414.54		2,927.82	
(ii) Other financial liabilities	16.2	2,883.42		158.79	
(b) Other current liabilities	15.2	203.26		0.10	
(c) Provisions	17	0.32		0.00	4,415.40
(d) Current Tax liability (Net)	18	122.06	4,623.60		
Total Equity and Liabilities			43,013.55		46,431.05

The accompanying notes are integral part of financial statements.
As per our Report of even date attached

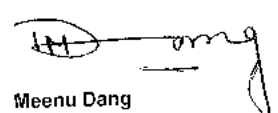
For B Singh & Co.
Chartered Accountants

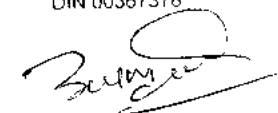

Simran Singh
Partner
Membership No. 098641
Firm Registration No. 1351N

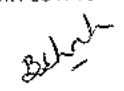
Date : 21-08-2018
Place: New Delhi

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


Rajendra Kashyap
Managing Director
DIN 00367378


Meenu Dang
Director
DIN 05171078


Balkishan Sharma
Chief Financial Officer


Beena R. Shah
Company Secretary

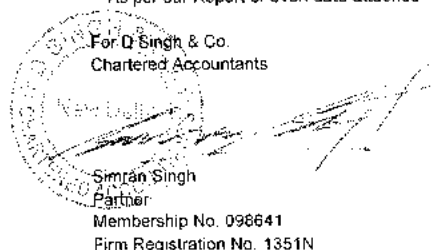
BHARUCH DAHEJ RAILWAY COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS
For the year ended 31 March 2018

₹ in Lakh

Particulars	Note No.	For the year ended 31st March 2018	For the year ended 31st March 2017
Revenue :			
I. Revenue from operations	19	6,657.44	5,223.70
II. Other income	20	499.91	819.33
III. Total Income (I + II)		7,157.35	6,043.03
Expenses:			
IV. Operation & Maintenance	21	4,478.96	4,935.57
Employee benefits expense	22	125.08	120.04
Finance cost	23	1,602.16	1,902.66
Depreciation and amortization	24	1,284.35	1,285.16
Other	25	121.95	114.06
Total Expenses (IV)		7,612.50	8,357.39
V. Profit/loss Before exceptional items and Tax (III - IV)		(455.15)	(2,314.36)
VI. Exceptional items	26	5,844.69	-
VII. Profit/(Loss) before tax (V + VI)		5,389.54	(2,314.36)
VIII. Tax expense:			
(1) Current tax	27		
- For the year		1,196.82	-
- For earlier years (net)		-	5.57
(2) Deferred tax (net)	27	1,509.18	(436.28)
Total Tax Expense (VIII)		2,706.00	(430.71)
IX. Profit/(loss) for the period from continuing operation (VII - VIII)		2,683.54	(1,883.65)
X. Profit/(loss) from discontinued operations			-
XI. Tax Expense of discontinued operations			-
XII. Profit/(loss) from discontinued operations (after tax) (X-XI)			-
XIII. Profit/(loss) for the period (IX+XII)		2,683.54	(1,883.65)
XIV. Other Comprehensive Income			
A. (i) Items that will not be reclassified to profit and loss	28	0.50	-0.13
(ii) Income Tax relating to Items that will not be reclassified to profit and loss		-0.17	0.04
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			-
		0.33	-0.08
XV. Total Comprehensive Income for the period (XIII + XIV) (Comprehensive profit and other comprehensive income for the period)		2,683.87	(1,883.74)
XVI. Earnings Per Equity Share: (For Continuing Operation)			
(1) Basic	29	1.73	(1.21)
(2) Diluted	29	1.73	(1.21)
XVII. Earnings Per Equity Share: (For discontinuing Operation)			
(1) Basic		-	-
(2) Diluted		-	-
XVIII. Earnings Per Equity Share: (For discontinued and continuing Operation)			
(1) Basic	29	1.73	(1.21)
(2) Diluted	29	1.73	(1.21)

The accompanying notes are integral part of financial statements.
As per our Report of even date attached

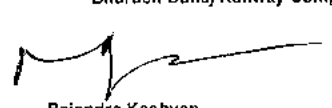
For D Singh & Co.
Chartered Accountants

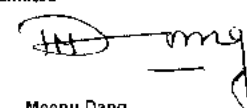


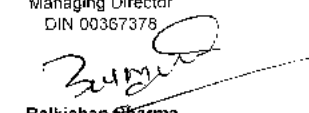
Simran Singh
Partner
Membership No. 098641
Firm Registration No. 1351N

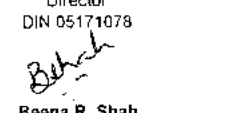
Date: 21-08-2018
Place: New Delhi

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


Rajendra Kashyap
Managing Director
DIN 00367378


Meenu Dang
Director
DIN 05171078


Balkishan Sharma
Chief Financial Officer


Beena R. Shah
Company Secretary

BHARUCH DAHEJ RAILWAY COMPANY LIMITED
Statement of Cash Flow for the year ended 31st March 2018

₹ in Lakh

Particulars		For the year ended 31st March 2018	For the year ended 31st March 2017
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before taxation		5,389.54	(2,314.36)
Adjustment for :			
Depreciation and amortization		1,284.35	1,285.16
Interest income		(317.78)	(707.74)
Loss/(Profit) on sale of assets		0.69	-
Interest Expense		1,454.43	1,820.52
Other Comprehensive Income		0.50	(0.13)
Operating Profit before operating capital changes	(1)	7,811.73	83.45
Adjustment for :			
Decrease / (Increase) in Other non current financial asset		(4.10)	(3.69)
Decrease / (Increase) in current financial Assets-loans		0.38	(0.13)
Decrease / (Increase) in Non Current financial Assets-loans		(1.33)	-
Decrease / (Increase) in Trade receivable		(3,311.86)	853.04
Decrease / (Increase) in Other current financial asset		(0.03)	(140.34)
Decrease / (Increase) in Other current Assets		0.28	0.93
(Decrease) / Increase in Trade Payables		(5,032.70)	1,956.74
(Decrease) / Increase in Long term Provisions		7.18	1.09
(Decrease) / Increase in Current Trade Payables		85.85	186.93
(Decrease) / Increase in Other financial Liability		83.80	(7.09)
(Decrease) / Increase in Other Liabilities		44.47	45.41
(Decrease) / Increase in Non Current Liabilities Liabilities		(23.84)	86.17
(Decrease) / Increase in Short term Provisions		0.22	0.03
	(2)	(8,151.68)	2,980.09
Cash generated from operation	(1+2)	(339.94)	3,063.54
Income Tax Paid (Net of Refunds)		1,074.76	(113.38)
NET CASH FROM OPERATING ACTIVITIES	(A)	(1,414.70)	2,950.15
CASH FLOW FROM INVESTING ACTIVITIES			
Capital Expenditure including Capital Advances (Net of Transfer of Capital Assets)		(1,165.05)	(53.90)
Decrease / (Increase) in Bank Balance other than those taken to Cash and Cash Equivalent		5,682.93	(436.07)
Interest Received		637.60	791.62
NET CASH FROM INVESTING ACTIVITIES	(B)	5,155.48	301.65
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of Borrowings		(2,769.58)	(1,610.00)
Interest paid		(1,582.63)	(1,690.42)
NET CASH FROM FINANCING ACTIVITIES	(C)	(4,352.21)	(3,300.42)
NET INCREASE IN CASH & CASH EQUIVALENT	(A+B+C)	(611.43)	(48.62)
CASH AND CASH EQUIVALENT (OPENING)	(D)	2,120.94	2,169.56
Cash			
On Current Accounts		310.94	919.56
Deposits with original maturity of less than three months		1,810.00	1,250.00
CASH AND CASH EQUIVALENT (CLOSING)	(E)	1,509.51	2,120.94
Cash			
On Current Accounts		309.51	310.94
Deposits with original maturity of less than three months		1,200.00	1,810.00
NET INCREASE IN CASH & CASH EQUIVALENT	(E-D)	(611.43)	(48.62)

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.

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

For D Singh & Co.
Chartered Accountants

Simran Singh
Partner
Membership No. 098641
Firm Registration No. 1351N

Date : 21-08-2018
Place: New Delhi

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

Rajendra Kashyap
Managing Director
DIN 00367378

Balkishan Sharma
Chief Financial Officer

Meenu Dang
Director
DIN 05171078

Beena R. Shah
Company Secretary

BHARUCH DAHEJ RAILWAY COMPANY LIMITED
Statement of changes in equity for the year ended 31st March 2018

A. Equity share capital

Particulars	No. of shares	₹ in Lakh
		Amount
Balance at April 1st, 2017	1,551.10	15,511.00
Changes in equity share capital during the year		
(a) issue of equity shares capital during the year		
Balance at 31st March 2018	1,551.10	15,511.00

B. Other Equity

Particulars	Reserve & Surplus	Total
	Retained Earnings	
Balance at the beginning of the reporting period	931.07	931.07
Changes in accounting policy or prior period errors	-	-
Restated balance at the beginning of the reporting period	931.07	931.07
Profit for the period	2,683.54	2,683.54
Other Comprehensive income for the period	0.33	0.33
Total Comprehensive Income for the period	2,683.87	2,683.87
Dividends paid	-	-
Received during the period	-	-
Share allotted during the period	-	-
Balance at the end of the reporting period	3,614.93	3,614.93

The accompanying notes are integral part of financial statements.

As per our Report of even date attached

For D. Singh & Co.
Chartered Accountants

Simran Singh
Partner
Membership No. 098641
Firm Registration No. 1351N

Date: 21-08-2018
Place: New Delhi

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

Rajendra Kashyap
Managing Director
DIN 00367378

Balkishan Sharma
Chief Financial Officer

Meenu Dang
Director
DIN 05171078

Beena R. Shah
Company Secretary

BHARUCH DAHEJ RAILWAY COMPANY LIMITED
Statement of changes in equity for the period ended 31st March 2017

A. Equity share capital

₹ in Lakh

Particulars	No. of shares	Amount
Balance at April 1st, 2016	1,551.10	15,511.00
Changes in equity share capital during the year		
(a) issue of equity shares capital during the year		
Balance at March 31, 2017	1,551.10	15,511.00

B. Other Equity

Particulars	Reserve & Surplus	Total
	Retained Earnings	
Balance at the beginning of the reporting period	2,814.81	2,814.81
Changes in accounting policy or prior period errors	-	-
Restated balance at the beginning of the reporting period	2,814.81	2,814.81
Profit for the year	(1,883.65)	(1,883.65)
Other Comprehensive income for the year	(0.08)	-0.08
Total Comprehensive Income for the year	(1,883.74)	(1,883.74)
Dividends paid	-	-
Received during the year	-	-
Share allotted during the year	-	-
Balance at the end of the reporting period	931.07	931.07

The accompanying notes are integral part of financial statements.

As per our Report of even date attached

For D Singh & Co.
Chartered Accountants

Simran Singh
Partner
Membership No. 098641
Firm Registration No. 1351N

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

Rajendra Kashyap
Managing Director
DIN 00367378

Meenu Dang
Director
DIN 05171078

Balkishan Sharma
Chief Financial Officer

Beena R. Shah
Company Secretary

Date : 21-08-2018

Place: New Delhi

BHARUCH DAHEJ RAILWAY COMPANY LIMITED

Notes to the financial statements

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 Company 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 (Concessions 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.

The financial statements are authorised for issue in accordance with a resolution of the Board of Directors on 21-08-2018

2 Basis of Preparation

2.1 Statement of Compliance

The Financial Statements for the year ended 31st March 2018 have been prepared, in accordance with Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act 2013 as companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules 2017.

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

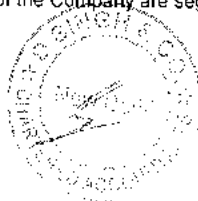
The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial 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.



MR

Bharuch

Signature

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-AS7

Effective April 1, 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

2.6.1 Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost of asset includes the following:

- Cost directly attributable to the acquisition of the assets.
- Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.

2.6.2 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.

2.6.3 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.

2.6.4 Depreciation

2.6.4.1 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.

2.6.4.2 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	15
Furniture and fixtures	10
Vehicles	8

2.6.4.3 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.

2.6.4.4 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.

2.6.4.5 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

2.7.1 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.



[Handwritten signature]
MD

[Handwritten signature]
Sunder

[Handwritten signature]
Behal

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.

2.7.2 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.

2.7.3 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

2.8.1 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.

2.8.2 Investment Properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

2.8.3 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.

2.8.4 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 is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

a) 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 as operating revenue as per IndAS 18 (i.e. actual freight collected by Railways).

b) Construction Contract Revenue under SCA :

Revenue related to construction or upgrade services under a service concession arrangement is recognized 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.

c) 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

2.11.1 : Finance Lease

Finance leases, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased asset, are capitalised at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the interest rate implicit in the lease. Finance charges are recognised as borrowing costs in the statement of profit and loss.



[Handwritten signature]
[Handwritten initials]

[Handwritten signature]

[Handwritten signature]

2.11.2 : Operating Lease

Leases are classified as operating lease whenever the terms of the lease doesn't transfer substantially all the risk and rewards of ownership to the lessee.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term except where the rentals are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase. Contingent rentals arising under operating lease are recognised as an expense in the period in which they are incurred.

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.

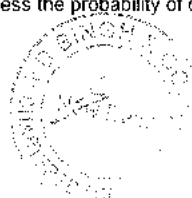
2.17 Contingent Liabilities and contingent Assets

(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.



[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

Bilal

- (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: -

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.

a. 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.



Handwritten signatures and initials, including "M", "MP", "Zuriga", and "Bilal".

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)

2.23 Standard issued but not yet effective for the Financial Year 2017-18

a) IND AS 115 Revenue from Contracts with Customers

MCA had notified IND AS 115 on Revenue from Contracts with Customers on dated March 28, 2018. The standard establishes a new five step model that will apply to revenue arising from Contracts with customers. Under IND AS 115, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IND AS 115 provide a more structured approach to measuring and recognizing revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IND AS.

The effective date of IND AS 115 is annual periods beginning on or after 1st April 2018. The Company is required to adopt the standard by the Financial Year commencing 1st April 2018. The Company is currently evaluating the requirements of IND AS 115 and has not yet determined the impact on the financial statements.



[Handwritten signature]
[Handwritten initials]

[Handwritten signature]
[Handwritten signature]
[Handwritten signature]

Note: - 3
Property, Plant and Equipment

₹ in Lakh

Particulars	EDP Assets	Office Equipment	Furniture & Fixtures	Plant & Machinery	Leasehold Improvement	Vehicle	Total Tangible Assets
Cost or Deemed Cost							
At 1st April 2016	11.63	12.84	15.62	26.52	15.76	14.19	96.56
Additions	0.74	-	1.52	-	-	-	2.26
Disposals	1.62	-	0.30	-	-	-	1.92
At 31 March 2017	10.75	12.84	16.84	26.52	15.76	14.19	96.90
Additions	0.83	0.40	0.35	-	-	-	1.58
Disposals	1.58	-	-	-	-	-	1.58
At 31 March 2018	10.00	13.24	17.19	26.52	15.76	14.19	96.90
Depreciation and impairment							
At 1st April 2016	3.51	2.91	1.83	1.34	5.20	1.98	16.77
Depreciation charge for the year	4.47	3.05	2.01	1.79	5.20	1.98	18.50
Disposals	0.39	-	0.03	-	-	-	0.42
At 31 March 2017	7.59	5.96	3.81	3.13	10.40	3.96	34.85
Depreciation charge for the period	1.36	2.85	2.03	1.79	4.54	1.98	14.55
Disposals	0.89	-	-	-	-	-	0.89
At 31 March 2018	8.06	8.81	5.84	4.92	14.94	5.94	48.51
Net book value							
At 31 March 2018	1.94	4.43	11.35	21.60	0.82	8.25	48.39
At 31 March 2017	3.16	6.88	13.03	23.39	5.36	10.23	62.05
At 31 March 2016	8.12	9.93	13.79	25.18	10.56	12.21	79.79

Note 3.1 Property, Plant and equipment are subject to first charge to secure the Company's Bank loans. For detail refer Note 12.1.3

Note 3.2 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.

Note: - 4
Other Intangible Assets

₹ in Lakh

Particulars	Revenue Sharing Right	Software	Total
At Cost or Deemed cost			
At 1st April 2016	33,980.94	1.31	33,982.25
Addition during the year	237.96	-	237.96
Adjustment	-	-	-
At 31 March 2017	34,218.90	1.31	34,220.21
Addition during the year	1,321.25	-	1,321.25
Adjustment*	195.96	-	195.96
At 31 March 2018	35,344.19	1.31	35,345.50
Amortisation and Impairment			
At 1 April 2016	1,257.12	0.91	1,258.03
Amortisation	1,266.58	0.08	1,266.66
Adjustment	-	-	-
At 31 March 2017	2,523.70	0.99	2,524.69
Amortisation	1,269.80	-	1,269.80
Adjustment*	-14.54	-	-14.54
At 31 March 2018	3,778.95	0.99	3,779.94
Net book value			
At 31 March 2018	31,565.24	0.32	31,565.56
At 31st March 2017	31,695.20	0.32	31,695.52
At 31st March 2016	32,723.82	0.40	32,724.22

Note 4.1: Amortisation on other intangible assets included in Note 24 "Depreciation & Amortisation".

Note 4.2: Intangible assets are subject to first charge to secure the company's bank loans. For detail refer Note 12.1.3

Note 4.3: **During the year ended 31st March 2018 the Company has derecognised an amount of Rs 195.96 lakhs and amortisation amounting to Rs 14.54 Lakhs pertaining to the land lease charges capitalised for the period December 2011 to 7th march 2012 (From the date of trail run) in view of the Railway Board letter dated 22.11.2017, refer note 12.2.1



[Handwritten signature]
MD

[Handwritten signature]
Bela

Note: - 5
Intangible Assets Under Development

₹ in Lakh

Particulars	Gross Amount						
	As at 1st April 2016	Additions/ (Disposals)	Transfer/ Deduction/ Adjustments	As at 31st March 2017	Additions/ (Disposals)	Transfer/ Deduction/ Adjustments	As at 31 March 2018
Revenue sharing right under development							
Project Line No. 5 & Rail Level Platform	213.73	59.60	233.23	40.10	1,335.81	1,312.17	63.74
Other Project Assets	-	4.73	4.73	-			-
Total	213.73	64.33	237.96	40.10	1,335.81	1,312.17	63.74

Note 5.1: The Intangible 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.

Note 5.2 : During the year ended 31, March 2018 the Company has recognized Rs. 1312.17 Lakhs (Previous Year Rs. 237.96 Lakhs) as intangibles on completion of the works and accordingly, intangibles under development has been reduced by same amount



[Handwritten signatures and initials]

Behal

KP

Note: - 6
Financial Assets- Non Current
6.1 Loans

₹ in Lakh		
Particulars	As at 31st March 2018	As at 31st March 2017
Security Deposits		
Considered good	11.88	10.55
Total	11.88	10.55

6.2 Other Financial Assets

₹ in Lakh		
Particulars	As at 31st March 2018	As at 31st March 2017
Receivable from Western Railways under SCA (Refer Note 30)	42.13	38.03
Total	42.13	38.03

Note: - 7
Other Non Current Assets

₹ in Lakh		
Particulars	As at 31st March 2018	As at 31st March 2017
Capital Advances		
Unsecured, considered good - Advances to related party		
Advance for various Construction works	0.20	0.20
Total	0.20	0.20

Note 7.1: The Capital Advance amount to Rs. 0.20 Lakhs (31-03-2017: 0.20 Lakhs) representing the amount paid to M/s Rail Vikas Nigam Limited as project advance as per the Terms of Construction Agreement.
Amount of Rs. 0.20 Lakhs represents to old amount paid to RVNL towards Advance for Electrical Work pending for adjustment.

Note:- 8
Financial Assets- Current

8.1 Trade Receivables

₹ in Lakh		
Particulars	As at 31st March 2018	As at 31st March 2017
Unsecured, Considered good		
Receivable from related party		
Receivable from others	7,774.05	4,462.19
Total Trade Receivable	7,774.05	4,462.19

Note 8.1.1 The Trade Receivables represent the amount receivable from the Western Railway being the revenue apportioned, after adjusting amount of O&M expenses payable.

Note 8.1.2 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 31 March 2018 being Rs. 7774.05 Lakhs (31st March 2017: Rs. 4,462.19 Lakhs) is subject to confirmation by the Western Railway.

Note 8.1.3 'Trade Receivables' represent apportioned earnings of BDRCL for chargeable distance of 100.68 KM. However, such earnings have been made available by Western Railway to BDRCL only for chargeable distance of 92 Km between Bharuch and Dahej

Note 8.1.4 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

Note 8.1.5 'Trade Receivable' includes a sum of Rs. 0.87 Lakhs (31st march 2017-Rs 0.87 Lakhs) due towards ODC Income from Western Railways.

Note 8.1.6 'Trade Receivable' includes a sum of Rs. 1399 Lakh 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



Handwritten signatures and initials, including 'Bhaskar', 'UP', and 'Bhaskar'.

Note:- 8.2 Cash and Cash equivalent

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Balances with banks:		
On Current Accounts	309.51	310.94
Deposits with original maturity of less than three months	1,200.00	1,810.00
Total Cash and Cash Equivalent	1,509.51	2,120.94

Note 8.2.1: Balance in current accounts under cash and cash equivalents above includes liquid flexi term deposits Rs. 265.53 Lakhs (31st March 2017 Rs. 264.47 Lakhs).

Note 8.3 : Bank Balances other than cash and cash equivalent

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Deposits with original maturity of more than 3 months but less than 12 months	1,350.00	7,033.00
Deposits with original maturity for more than 3 months but less than 12 months (VAT Guarantee)	1.02	0.95
Total	1,351.02	7,033.95

Note 8.3.1: Rs. 1.02 Lakhs (31st March 2017 Rs. 0.95 Lakhs) represents fixed deposit placed as VAT guarantee with the Sales Tax Department of Vadodara, Gujarat pledged with Govt Authorities.

Note 8.4 : Loans

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Unsecured, Considered Good		
(a) Security deposits	5.42	5.80
Total	5.42	5.80

Note 8.5 : Other Financial Assets-Current

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Unsecured, Considered Good		
(a) Other Receivables		
RUB Sharing Amount from Western Railway and Industries Commissioner (Refer Note 8.5.1)	516.51	516.51
(b) Interest Accrued on Fixed Deposits	35.40	355.22
(c) Advance to employees	0.43	1.13
(d) Receivable from Others	0.80	0.07
Total	553.14	872.93

Note 8.5.1 'Other Receivables' represent recoverable towards the cost of 02 road bridges (constructed at Shaktinath Junction & Hospital Road, both in Dharuch). 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.

Note 9: Other current assets

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Advance to employees	-	0.07
Advance for expenses	0.02	0.12
Prepaid Expenses	6.21	6.32
Total	6.23	6.51



Bech
NA
Zur

Note:- 10
Equity Share capital

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Authorised share capital		
16,50,00,000 Equity Shares of Rs. 10 each (March 31, 2017: 16,50,00,000 Equity Shares of Rs.10 each)	16,500.00	16,500.00
	16,500.00	16,500.00
Issued, Subscribed & Fully Paid up Share Capital with voting rights		
15,51,10,000 Equity Shares of Rs. 10 each with Voting Rights (March 31, 2017: 15,51,10,000 Equity Shares of Rs. 10 each Fully paid up)	15,511.00	15,511.00
	15,511.00	15,511.00

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

Particulars	As at 31st March 2018		As at 31 March 2017	
	No. of shares (in Lakhs)	Amount (in Lakhs)	No. of shares (in Lakhs)	Amount (in Lakhs)
Issued/Subscribed and Paid up equity Capital outstanding 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	-	-	-	-
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	1,551.10	15,511.00	1,551.10	15,511.00

(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.

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

Name of the shareholder	As at 31st March 2018		As at 31 March 2017	
	No. of Shares (in Lakhs)	% holding in the class	No. of Shares (in Lakhs)	% holding in the class
Rail Vikas Nigam Ltd	550.00	35.46	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 Company Ltd	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
Total	1,551.10	100.00	1,551.10	100.00

(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 2018	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014
	No in lakhs	No in lakhs	No in lakhs	No in lakhs	No in lakhs
Equity Shares issued for consideration other than cash	-	-	-	-	-
Equity Shares issued as fully paid up bonus shares	-	-	-	-	-
Equity Shares bought back	-	-	-	-	-
Total	-	-	-	-	-



Behal
MS
Zwarg

Note 11 Other Equity

Particulars	₹ in Lakh	
	As at 31st March 2018	As at 31st March 2017
Retained Earnings	3,614.93	931.07
Total	3,614.93	931.07

Note 11.1 Retained Earnings

Particulars	₹ in Lakh	
	As at 31st March 2018	As at 31st March 2017
Balance as per last financial statement	931.07	2,814.81
Add: Profit/loss for the current period	2,683.54	(1,083.65)
Add: Other comprehensive income arising from Remeasurements of defined benefit obligation	0.33	(0.08)
Closing Balance	3,614.93	931.07

Note 12 : Financial Liabilities-Non Current**12.1 Borrowings**

Particulars	As at 31st March 2018		As at 31st March 2017	
	Non Current	Current	Non Current	Current
Secured, Long Term Borrowings				
Term Loans				
From Canara Bank	16,112.86	2,520.00	16,242.44	2,520.00
From Canara Bank		240.00	2,640.00	240.00
Less : Current Maturities of long term debt (Refer Note 16.2)	(2,760.00)		(2,760.00)	
Total	13,352.86	2,760.00	16,122.44	2,760.00

Summary of Borrowing Arrangement**12.1.1 Details of Repayment Made during the period**

Particulars	₹ in Lakh	
	March 2018	March 2017
Secured		
Term Loan		
From Canara Bank	2,409.57	1,400.00
From Canara Bank	360.00	210.00
Total	2,769.57	1,610.00

12.1.2 Rate of Interest

Interest rate for the period April '17 to March'18 is Canara Bank's MCLR + 0.55% p.a. (31st March 2017 : The interest rate for F Y 2016-17 was Canara Bank's base rate.)

12.1.3 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.

12.1.4 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. 20,000.00 Lakhs and Door to door tenor of 13 year for Term Loan of Rs. 3,000.00 Lakhs. Repayment due for next one year @ 12% (31st March 2017 - 12% of Total debt of Rs. 23,000.00 Lakhs).

12.2 Trade Payables

Particulars	₹ in Lakh	
	As at 31st March 2018	As at 31st March 2017
(i) Outstanding dues of micro and small enterprises		
(ii) Outstanding dues of other than micro and small enterprises		
Land Lease Rental Charges (Refer Note 12.2.1)	-	5,526.90
General Overhead Charges	1,748.39	1,261.21
Central Charges	18.37	11.34
Total	1,766.76	6,799.45

Note 12.2.1 The amount of Rs. 5,526.90 Lakhs appearing as outstanding as on March 31st 2017 represent the amount payable to Western Railway from the date of operation (i.e. 08th March 2012 to 31st March 2017) towards Land License fees in respect of land leased to BDRCL. The Railway had been computing the Land License fees at 6% of the market value of land. The market value of land is inflated 7% each year. However, this was being contested by BDRCL as contrary to provision in the Concession Agreement. Company has received communication from Ministry of Railway vide letter No. 2017/Infra/12/20 dated 22.11.2017 from the Ministry of Railways to pay the land lease rental charges @ 1000/- p.a. in terms of Concession agreement from the date of inception of project, therefore amount outstanding as on 31, March 2017 of land lease rental charges amounting to Rs. 5526.90 has been reversed and recognized as other income (Exceptional Item) in statement of profit and loss (Refer Note-26)



[Handwritten signatures and initials]

Note 13 : Provisions-Non Current

Particulars	₹ in Lakh	
	As at 31st March 2018	As at 31st March 2017
Employee Benefits		
Gratuity	4.26	1.57
Leave Encashment	7.16	2.67
Total	11.42	4.24

Note 13.1 : Provision for gratuity and Leave Encashment liability has been made for the period ended 31st March 2018 based on Actuarial Valuation. For other disclosures refer Note -45.

Note 13.2: 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.

Note 14 Deferred Tax

Particulars	₹ in Lakh	
	As at 31st March 2018	As at 31st March 2017
Deferred tax liability on		
Property, plant & equipment and Intangible Assets	5,086.94	4,635.85
Total deferred tax liability	5,086.94	4,635.85
Deferred tax Assets		
Employee benefit	4.06	1.50
Unabsorbed depreciation	1,527.39	2,588.22
Total deferred tax asset	1,531.45	2,589.72
Net Deferred Tax Liability/ (Assets)	3,555.50	2,046.13

Note 14.1 Movement in deferred tax liability/ (asset)

Particulars	PPE & Intangible Assets	Employee Benefits	Unabsorbed Depreciation	Total
Opening balance as at 1 April 2016	4,059.12	(1.11)	(1,575.54)	2,482.46
Charged/(credited) during 2016-17				
To Profit & Loss	573.74	(0.34)	(1,012.67)	(439.28)
To other comprehensive income	-	(0.04)	-	(0.04)
Closing balance as at 31 March 2017	4,635.86	(1.50)	(2,588.22)	2,046.14
Charged/(credited) during the period 2017-18				
To Profit & Loss	451.09	-2.73	1,060.83	1,509.18
To other comprehensive income	-	0.17	-	0.17
Closing balance as at 31st March 2018	5,086.94	(4.06)	(1,527.39)	3,555.50

In accordance with Ind AS-12- "Income Taxes" notified by Ministry of Corporate Affairs, Government of India, the Company has reassessed 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 2018.

Note 15 : Other Liabilities
Note 15.1 Other Non Current Liability

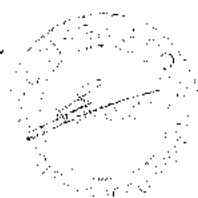
Particulars	₹ in Lakh	
	As at 31st March 2018	As at 31st March 2017
Fair valuation adjustment of financial liabilities*	577.48	601.32
	577.48	601.32

*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.

Note 15.2 : Other current Liability

Particulars	₹ in Lakh	
	As at 31st March 2018	As at 31st March 2017
Statutory dues	6.69	6.10
Fair valuation adjustment of financial liabilities	196.57	152.69
Total	203.26	158.79

Note 15.2 Statutory dues includes TDS, Service Tax/ GST and Provident Fund payable.



16.1 Trade Payables

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
(i) Outstanding dues of micro and small enterprises		
(ii) Outstanding dues of other than micro and small enterprises		
Payable to Others	1,382.17	1,295.34
Payable to related parties	32.37	33.35
Total	1,414.54	1,328.69

Note 16.1.1 The 'Trade Payables' includes the amount payable to Western Railway towards Operation & Maintenance expenditure. The Provisional outstanding balance amount of Rs. 1313.11 Lakhs [31st March 2017- Rs. 1,269.10 Lakhs] is related to the entire Dahej-Chavaj section.

Note 16.1.2 The 'Trade Payables' includes the amount payable to Western Railway towards Land Lease Rental Charges computed in accordance to the Concession Agreement.

Note 16.1.3 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.

Note : 16.1.4 Payable to related parties includes a sum of Rs. 0.10 lakhs (31st March 2017 Rs 28.05 lakhs) payable to Rail Vikas Nigam Limited. Refer note 41 for related party transaction and balances

16.2 Other Financial Liability

Particulars	As at 31st March 2018	As at 31st March 2017
Current maturities of Term Loans (Refer Note 12)	2,760.00	2,760.00
Security Deposits	75.80	2.84
Interest accrued and due on borrowings	24.72	152.92
Other Payables	22.80	12.06
Total	2,883.42	2,927.82

Note : 16.2.1 Current Maturity of Term Loan of Rs. 2760.00 Lakhs (31st March 2017 Rs. 2,760 Lakhs) represent the repayment to be made during next one year equivalent to 12% [31st March 2017 - 12%] of total Term Loan of Rs. 23,000.00 Lakhs in accordance with the repayment schedule

Note 17 : Provisions Current

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Employee Benefits		
Gratuity	0.11	0.02
Leave Encasement	0.21	0.08
Total	0.32	0.10

Note 17.1: For other disclosures refer Note 45

Note: - 18
Current Tax Asset and Liability

₹ in Lakh

Particulars	As at 31st March 2018	As at 31st March 2017
Current tax Assets		
Income Tax Refundable		
AY 2017-2018	82.28	82.28
Total	82.28	82.28
Current tax Liability		
Income Tax Refundable		
AY 2010-2011	0.28	0.28
AY 2012-2013	2.16	2.16
Provision for Income Tax (Note 18.1)	(2.44)	(2.44)
Provision for Income tax (Net of advance tax & TDS)	122.06	-
Total	122.06	0.00

Note 18.1 : 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



MD

Bekah

Zurgen

Note 19: Revenue from operations

₹ in Lakh

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
(a) Income from Railway Operation	5,312.55	5,159.37
(b) Construction Contract Revenue under Service concession Arrangement (refer note 30)	1,344.89	64.33
Total	6,657.44	5,223.70

Note 19.1: 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 2017 to 31st March 2018 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. 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.

Note 19.2: 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.

Note 20 Other Income

₹ in Lakh

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
(a) Interest Income		
Bank Deposits	317.78	707.74
Others	-	-
(b) Other Non-operating Income		
Unwinding of discount on receivable from Western Railways under Service Concession Arrangement	4.09	3.69
Reversal of Fair Value Adjustment of Financial Liabilities	173.71	104.31
(c) Miscellaneous Income	4.33	3.59
Total	499.91	819.33

Note 21 Operation and Maintenance Expenses

₹ in Lakh

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
(a) Operation & Maintenance Expenses	3,134.07	4,871.24
(b) Construction Contract Cost under Service Concession Arrangement (Refer Note No-30)	1,344.89	64.33
Grand Total	4,478.96	4,935.57

NOTE 21.1: 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. 1916.87 Lakhs (During the F.Y 2016-17 Rs. 3750.85 Lakhs) for the period from April 2017 to March 2018 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. 1217.19 Lakhs (During the F.Y 2016-17 Rs. 1120.39 Lakhs) for the period ending March 31, 2018.

The above amount also includes Operation & Maintenance expenses on the extended section of the line from Bharuch to Chavaj for the period from April 2017 to March 2018 on proportionate basis to the extent it was determinable.



MD

Bhah

Bhah

Note 22 Employee Benefits Expenses

₹ in Lakh

Particulars	Year ended	Year ended
	31st March 2018	31st March 2017
Salary and Allowances	79.47	76.48
Staff welfare expenses	18.79	25.71
Contributions to Provident fund	18.40	16.61
Gratuity (Refer Note 45)	3.28	0.50
Leave Encashment (Refer Note 45)	5.14	0.74
Total	125.08	120.04

Note 22.1 : During the period ended March 31, 2018 there are only six employees in the company who are employed on long term basis. All other employees were appointed by the company for a period of six/eleven months only subject to further regularization if required.

Note 23 Finance Cost

₹ in Lakh

Particulars	Year ended	Year ended
	31st March 2018	31st March 2017
Interest Expenses		
Term Loan	1,454.43	1,820.46
Other Interest Expenses	-	0.06
Unwinding of discount on deferred overhead charges	147.73	82.04
Total	1,602.16	1,902.56

Note 23.1: Finance cost include interest paid to bank on Term Loan amounting to 1454.43 lakhs (During the F.Y 2016-17 Rs 1820.46 Lakhs) for the period ended March,31 2018

Note 24 Depreciation and Amortisation

₹ in Lakh

Particulars	Year ended	Year ended
	31st March 2018	31st March 2017
Depreciation on Property, Plant and Equipment (Refer Note 3)	14.55	18.50
Amortisation of Intangible Assets (Refer Note 4)	1,269.80	1,266.66
Total	1,284.35	1,285.16

Note 25 Other Expenses

₹ in Lakh

Particulars	Year ended	Year ended
	31st March 2018	31st March 2017
Power & Fuel	2.30	2.26
Repairs and Maintenance	1.98	1.39
Legal and Professional Fees	22.85	17.70
Auditor Remuneration-		
Audit Fees	6.08	3.84
Tax Audit Fees	0.60	0.54
Out of Pocket expenses	-	0.06
Internal Audit Fees	1.71	1.48
Printing & Stationery	2.07	1.57
Meeting & Conference	4.25	10.16
Communication Expense	1.68	2.36
Travelling Expense	14.76	11.39
Rates & Taxes	0.75	0.36
Rent	38.29	35.64
Miscellaneous Expense	7.16	8.50
Corporate Social Responsibility	17.47	16.81
Total	121.95	114.06



[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

Note 26 Exceptional Items
₹ in Lakh

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
Land Lease Rental Charges	5,844.69	-
Total	5,844.69	-

Note 26.1

An amount of Rs. 5,526.90 Lakhs, representing the amount payable to Western Railway from the date of operation (i.e. 08th March 2012 to 31st March 2017) towards Land License fees in respect of land leased to BDRCL was outstanding as liability payable to Railways as on 31st March 2017. The Railway had been computing the Land License fees at 6% of the market value of land. The market value of land is inflated 7% each year. However, this was contested by BDRCL as contrary to provision in the Concession Agreement. The amount of Rs. 5,526.90 Lakhs was computed after taking into account a recovery of Rs. 499 lakhs effected by Western Railway out of total computed liability of Rs. 6025.90 Lakhs.

Out of total liability of Rs. 6025.9 Lakh an amount of Rs. 195.96 Lakh (Net of amortization Rs. 181.42 Lakh) was recognised as Intangible assets.

Company has received communication from Ministry of Railway vide letter No. 2017/Infra/12/20 dated 22.11.2017 fixing the land lease rental charges @ 1000/- p.a. Therefore liability of Rs. 6025.9 Lakh towards Railways stand extinguished, and the outstanding liability now reduces to Rs 0.09 lakhs as on 31st March 2018.

During the period ended 31, March 2018 Company has recognized income of Rs 5884.69 Lakh as exceptional item by reversal of the outstanding liability of Rs. 5526.90 Lakhs towards land lease rental charges as on 31st March 2017, derecognizing other intangible asset of Rs. 195.96 Lakhs, write back of amortization reserve of Rs. 14.54 lakhs and recognizing receivable of Rs 499.31 Lakhs from western railway towards the amount already recovered during the previous years and adjusted in the books.

Note 27 : Taxes
Note 27.1 Income tax recognised in profit and loss
₹ in Lakh

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
Current Income Tax Expenses		
Current Tax on profits for the years	1,196.82	-
Adjustments in respect of current income tax of previous year	-	5.57
Total Current Tax Expenses	1,196.82	5.57
Deferred Income Tax Expense		
In respect of the current year (For details Refer Note no 14)	1509.18	(436.28)
Total Deferred Tax Expenses	1,509.18	(436.28)
Income tax expenses attributable to continuing operations	2,706.00	(430.71)

Note 27.2 Tax related to items recognised in OCI during the year:
₹ in Lakh

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
Net loss/(gain) on remeasurements of defined benefit plans (Refer Note 14)	(0.17)	0.04
Income tax charged to OCI	(0.17)	0.04

Note 27.3 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2018 and 31st March 2017:
₹ in Lakh

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
Accounting profit before tax from continuing operations	5,389.53	(2,314.36)
Profit/(loss) before tax from a discontinued operation	-	-
Accounting profit before income tax	5,389.53	(2,314.36)
At India's statutory income tax rate of 21.3416% (31st March 2017 21.3416%)*	1,150.21	-
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Add: Tax effect due to transition to IndAS	46.50	-
Add: Book Loss	-	-
Add: Taxable Income	0.11	-
Add: Deferred Tax recognised in statement of profit and loss and	1,509.36	(436.28)
Add: tax expenses for the previous year	-	5.57
At the effective income tax rate of 50.21% (31st March 2017 18.61%)	2,706.17	(430.71)
Income Tax expenses reported in statement of profit and loss for current year	2,706.17	(436.28)
Tax expenses for previous year recognised	-	5.57
Income tax expenses reported in statement of Profit and loss	2,706.17	(430.71)



*Presently, the Company has been paying Minimum Alternate Tax (MAT) on the book profits under section 115-JB of the Income Tax Act, 1961 due to availing of deduction from the taxable income under section 80-IA of the Income Tax Act, 1961. Therefore, Tax rate applicable for MAT i.e. 21.3416% has been taken instead of regular rate of income tax 34.61%.

Note 28 Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below

₹ in Lakh

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
Remeasurements of defined benefit plans	0.50	-0.13
Tax component of remeasurements of defined benefit obligation	(0.17)	0.04
Total	0.33	-0.08

Remeasurements of defined benefit plan includes Rs.49916/- towards actuarial gain (Previous Year Rs.12,747/-) towards actuarial loss on Projected benefit obligation.



[Handwritten signatures and initials]

Note 29 : 'Earnings per share (EPS)

Particulars	Year ended 31st March, 2018 (` per share)	Year ended 31st March, 2017 (` per share)
Basic EPS		
From continuing operation	1.73	(1.21)
Diluted EPS		
From continuing operation	1.73	(1.21)

29.1 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:

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Profit attributable to equity holders of the company (Rs. In lakhs)	2,683.54	(1,883.65)
Earnings used in calculation of Basic Earning Per Share (Rs. In lakhs)	2,683.54	(1,883.65)
Weighted average numbers (In Lakhs) of shares for the purpose of basic earnings per share	1,551.10	1,551.10

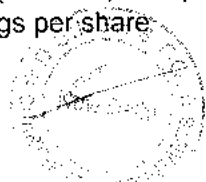
29.2 Diluted Earning per Share

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

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Profit attributable to equity holders of the company (Rs. In lakhs)	2,683.54	(1,883.65)
Earnings used in calculation of diluted earning per share (Rs. In lakhs)	2,683.54	(1,883.65)

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

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
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



MD

Bitch
(68)

M

Signature

BHARUCH DAHEJ RAILWAY COMPANY LIMITED

Note 30: Service Concession Arrangements

Public-to-private service concession arrangements are recorded according to Appendix "A" Service Concession Arrangements" IND-AS-11. Appendix "A" Service Concession Arrangements applies if:

- 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
- 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.

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.

The Operation and Maintenance of the project railway is being conducted by MOR through Western Railway (WR) under its right, vide draft agreement under finalisation, which is co-terminus with the Concession Agreement, entered into between the MoR and BDRCL. Further, in terms of this agreement, WR is in performance of Operation and Maintenance of Project Railway from Chavaj to Dahej via Bharuch, a total distance of 67.12 Kms. BDRCL is to pay O&M cost to WR.

Sections: (a) Bharuch Station to Dahej Station measuring approximately 61.60 kms,

(b) Bharuch station to Chavaj Station measuring approximately 5.52 kms.

For the period ended 31st March 2018, the company has recognized revenue of Rs. 6557.44 Lakhs (31st March 2017 Rs. 5,223.70 Lakhs), consisting of Rs. 1344.89 Lakhs (31st March 2017 Rs. 64.33 Lakhs) on construction of intangible assets under service concession arrangement Rs. 5312.55 Lakhs (31st March 2017 Rs. 5,159.37 Lakhs) towards sharing of apportioned earnings from operation of railway line under service concession arrangement. Company has recognized profit before tax of Rs. 5389.54 Lakhs (31st March 2017 loss of Rs. 2,314.36 Lakhs), consisting nil profit on construction of intangible assets under service concession arrangement and a profit before tax of Rs. 5389.54 Lakhs (31st March 2017 loss of Rs. 2,314.36 Lakhs) towards sharing of apportioned earnings from operation of railway line under service concession arrangement. The company has recognized an intangible asset of Rs. 1321.25 Lakhs during the period ended 31st March 2018 and Rs. 237.96 Lakhs, in F.Y 2016-17. 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. 42.13 Lakhs (31st March 2017 of Rs. 38.03 Lakhs) representing the present value of fresh land acquired by MOR of 461.80 Lakhs (31st March 2017 Rs. 461.80 Lakhs) leased to BDRCL and from GIDC amounting to Rs. 24.16 (31st March 2017 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. 11.51 lakhs (Previous year Rs. 7.42 Lakhs) represents unwinding of discount.

Note 31: 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.

Particulars	₹ in Lakh	
	As at 31st March 2018	As at 31st March 2017
Borrowing (Note No. 12.1)	16,112.86	18,882.44
Net debt	16,112.86	18,882.44
Equity (Note No. 10)	15,511.00	15,511.00
Other equity (Note No. 11)	3,614.93	931.07
Total equity	19,125.93	16,442.07
Net Debt to equity ratio	46:54	63:47

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2018



Signature

Signature

Signature

Note 32: Fair Value Measurements

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

Particulars	31st March 2018			31st March 2017		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
(i) Receivable from Western Railways under Service concession arrangement	-	-	42.13	-	-	38.03
(ii) Trade Receivables	-	-	7,774.05	-	-	4,462.19
(iii) Cash and cash equivalents	-	-	1,509.51	-	-	2,120.94
(iv) Bank Balances other than (iii) above	-	-	1,351.02	-	-	7,033.95
(v) Security Deposits	-	-	17.30	-	-	18.35
(vi) Others	-	-	553.14	-	-	872.93
Total Financial Assets	-	-	11,247.15	-	-	14,544.39
Financial Liabilities						
(i) Borrowings	-	-	16,112.66	-	-	18,882.44
(ii) Trade Payables	-	-	3,181.30	-	-	8,128.14
(iii) Other financial liabilities	-	-	123.42	-	-	167.82
Total Financial Liabilities	-	-	19,417.38	-	-	27,178.40

(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.

Particulars	31-Mar-18		31-Mar-17	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial Assets				
(i) Receivable from Western Railways under Service concession arrangement	42.13	67.24	38.03	50.49
Financial Liability				
Trade Payables(deferred Overhead Charges)	1,766.76	1,855.95	1,272.55	1,279.32
	1,808.89	1,923.20	1,310.58	1,329.81

(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 31-03-2018

Particulars	₹ in Lakh			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial assets at Amortized Cost				
Receivable from Western Railways under service concession arrangement	-	-	67.24	67.24
Financial Liability				
Trade Payables(deferred Overhead Charges)	-	-	1,855.95	1,855.95
	-	-	1,923.20	1,923.20

Fair Value hierarchy as on 31-3-2017

Particulars	₹ in Lakh			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial assets at Amortized Cost				
Receivable from Western Railways under service concession arrangement	-	-	50.49	50.49
Financial Liability				
Trade Payables(deferred Overhead Charges)	-	-	1,279.32	1,279.32
	-	-	1,329.81	1,329.81



MD

Bshah

M

Signature

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 expose to market risk, credit risk and liquidity risk. The company financial risk activities are governed by appropriated policies and procedures and that financial risk are identified, measured and managed in accordance with the companies policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risk, which are summarised below :

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument's 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.

Note 33: 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 @ 10.75% and value of overhead payable is discounted using current lending rate i.e 9% (10.75% 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.

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.



Handwritten signatures and initials, including "MD", "Behal", and a large signature, along with a horizontal line.

Note 34: Construction Contracts

In terms of the disclosure required in IND AS-11 "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 Lakh		
Particulars	As at 31st March 2018	31st March 2017
Revenue Recognised on exchanging construction services	1,344.89	64.33
Aggregate amount of costs incurred and recognised	1,344.89	64.33

Note 35: Obligation under operating lease**35.1 Lease of office buildings**

The Company has taken its corporate office on lease on payment of monthly rental of Rs. 1.69 lakhs plus applicable taxes, for an initial lock-in-period of three (3) years which is up to 10th October 2020. As per the terms of the agreements, the lease can be renewed for another two terms of three years each at the option of the lessee. In case of renewal, the rent payable shall be increased by 15% for each successive three years term over the last paid rent of previous term.

Future minimum rentals payable under non-cancellable operating leases are as follows.

₹ in Lakh		
Particulars	31-Mar-18	31-Mar-17
Within one year	33.26	9.29
After one year but not more than five years	74.17	-
More than five years	-	-
	107.43	9.29

35.2 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 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.

Lease Rental expenses during the year in respect of operating leases:

Particulars	31-Mar-18	31-Mar-17
Gross Lease Rent		
(a) Delhi office	22.19	20.31
(b) Vadodara office	13.72	12.95
(c) Rest house	-	0.56
Net Lease Rent	35.92	33.82

Note 36: Contingent Liabilities**Claims not acknowledged as debts by the company**

i) M/s Rail Vikas Nigam Limited has demanded management fees of Rs. 1835.17 lakhs (Rs 1833.17 lakhs upto 31st March 2016) Upto (1st April 2015 1814.70 lakhs) towards construction of the project.

ii) 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 will be contested on similar lines.

Subsequently, 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.



[Handwritten signatures and initials]

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

Note 37: 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.

Note 38: Capital commitment

Capital commitment is Estimated at Rs. 3.065 Crore (31st March 2017: 22 Crore).

Note 39: Foreign currency transactions

Expenditure in Foreign Currency
Income in Foreign Currency

Nil (Previous period Nil)
Nil (Previous period Nil)

Note 40: 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

[Faint circular stamp]

[Handwritten signatures and initials]
B. Shah
M. D.

Note 41 : Related Party Disclosures

41.1 Parties to the joint venture agreement

41.1.1 Related Parties held equity of company

Name of Party	As at 31st March 2018		As at 31 March, 2017	
	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 Company Ltd	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%
	1,551.10	100.00%	1,551.10	100.00%

41.2 Key Managerial personnel of the entity

Name	Designation
Mr. Ajit Pandit (From 14-02-2018)	Director
Mr. Anirudh Jain (From 17.01.2017 to 31.07.2017)	Director
Mr. Rajendra Kashyap (From 12.08.2014)	Managing Director
Mr. Vinay Singh (From 11.01.2014)	Director
Mr. A. K. Singh (From 25.05.2016)	Director
Mr. Sajal Mitra (From 26.11.2015)	Director
Ms. Chavi Jha (Ceased 20.09.2017)	Director
Mr. Ajay Bhadoo	Director
Dr. Meenu Dang (From 20.09.2017)	Director
Mr. S. P. Chaturvedi (Ceased on 11.08.2017)	Independent Director
Ms. Bela Banerjee (Ceased on 11.08.2017)	Independent Director
Ms. D. Thara (From 02.08.2016 to 02.08.2017)	Director
Mr. Balkishan Sharma	Chief Financial Officer
Ms. Geena R. Shah	Company Secretary

41.3 Disclosure of transaction with related parties:

₹ in Lakh

Particulars	Transactions (Rs.)	Outstanding Amount Payable/ (Receivable) (Rs.)	Transactions (Rs.)	Outstanding Amount Payable/ (Receivable) (Rs.)
	Year ended March 31, 2018	Year ended March 31, 2018	Year ended March 31, 2017	As at March 31, 2017
Rail Vikas Nigam Limited				
Expenditure of Vadodara office apportioned			5.00	
Conference and Seminar Expenses reimbursed			40.04	
Project expenditure in terms of construction agreement	23.64	-		
Closing Balance		0.10		28.05
Gujarat Industrial Development Corp.				
Amount paid towards Lease Rent/ Water Charges	2.37	-0.02	1.39	0.10
Adani Petronet (Dahej) Port Private Ltd				
Installation of weigh Bridge			-	-
Loco Hire Charges	218.15		12.96	-
Closing Balance		32.06	-	5.30
Key Managerial Personnel				
Remuneration	47.80		45.36	-

41.4 Compensation of key management personnel:

The remuneration of directors and other members of key management personnel during the year was as follows:

₹ in Lakh

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
Short-term benefits	47.80	45.36
Total	47.80	47.36



Handwritten signatures and initials, including 'Bela' and 'Zulaykha'.

Note 42: Payment to Auditors

Payment to the Auditors comprises of the following:

₹ in Lakh

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
Audit Fee	6.08	3.84
Tax Audit fees	0.60	0.54
Out of Pocket expenses	-	0.06
Total	6.68	4.44

Note 43: Corporate Social Responsibility

With the enactment of the Companies Act 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 read with various clarification issued by MCA, the company has undertaken activities as per CSR policy. Upto 31, March 2018 the company has incurred a sum of Rs. 17.46 Lakhs towards CSR in accordance with Section 135 of companies Act 2013.

Note 44: The company has only one reportable segment viz. operation of freight traffic. Therefore requirement for segment reporting is not applicable.

Note 45 : 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:-

45.1 Change in present value of obligation:

₹ in Lakh

Particulars	2017-18		2016-17	
	Gratuity	Earned Leave	Gratuity	Earned Leave
Opening Balance	1.59	2.74	0.96	2.26
Interest Cost	0.22	0.37	0.08	0.18
Current service cost	0.97	1.64	0.43	0.72
Past Service Cost including curtailment Gains/Losses	2.08	3.63	-	-
Benefit paid	-	-0.52	-	-0.26
Actuarial (Gain)/ Loss on obligation	-0.50	-0.50	0.13	-0.16
Closing Balance	4.37	7.37	1.59	2.74

45.2 Change in fair value of Plan Assets

Particulars	2017-18		2016-17	
	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	-	-	-	-
Closing Balance	-	-	-	-

45.3 Amount Recognised in Balance Sheet

₹ in Lakh

Particulars	2017-18		2016-17	
	Gratuity	Earned Leave	Gratuity	Earned Leave
Estimated Present Value of obligations as at the end of the year	4.37	7.37	1.59	2.74
Fair value of Plan Assets as at the end of the Year	-	-	-	-
Net Assets/ (Net Liability) recognized in Balance Sheet	4.37	7.37	1.59	2.74

45.4 Expenditure recognised in the Statement of Profit & Loss

₹ in Lakh

Particulars	2017-18		2016-17	
	Gratuity	Earned Leave	Gratuity	Earned Leave
Current Service Cost	0.97	1.64	0.43	0.72
Past Service Cost including curtailment Gains/Losses	2.08	3.63	-	-
Interest Cost	0.22	0.37	0.08	0.18
Net Actuarial (Gain) / Loss recognized in the year	-0.50	-0.50	-	-0.16
Total expenses recognized in the Statement of Profit and Loss	2.77	5.14	0.50	0.74



Handwritten signatures and initials:
 - A large signature across the bottom right.
 - "Bhal" written below the signature.
 - "MD" written below "Bhal".

45.5 Expenditure recognised in Other Comprehensive Income

₹ in Lakh

Particulars	2017-18		2016-17	
	Gratuity	Earned Leave	Gratuity	Earned Leave
Net cumulative unrecognized actuarial gain/ (loss) opening	--	--	--	--
Actuarial gain/ (loss) for the year on PBO	0.50	--	(0.13)	--
Actuarial gain/ (loss) for the year on the assets	--	--	--	--
Unrecognized Actuarial gain/ (loss) at the end of the year	0.50	--	(0.13)	--

45.6 Bifurcation of PBO at the end of year in current and non-current.

Particulars	2017-18		2016-17	
	Gratuity	Earned Leave	Gratuity	Earned Leave
Current Liability(Amount due within one year)	0.11	0.21	0.02	0.08
Non-Current Liability(Amount due over one year)	4.26	7.16	1.57	2.67
Total PBO at the end of the year	4.37	7.37	1.59	2.74

45.7 Principal actuarial assumption at the Balance Sheet Date

₹ in Lakh

Particulars	2017-18		2016-17	
	Gratuity	Earned Leave	Gratuity	Earned Leave
Discount Rate	7.71%	7.71%	7.54%	7.54%
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			

45.8 Maturity profile of defined benefit obligation is as follow:

₹ in Lakh

Period	Effect on Gratuity obligation	Effect on Earned Leave
April 2018 to March 2019	0.11	0.21
April 2019 to March 2020	0.08	1.72
April 2020 to March 2021	1.11	0.12
April 2021 to March 2022	0.07	0.12
April 2022 to March 2023	0.06	0.11
April 2023 to March 2024	0.06	0.11
April 2024 onwards	2.90	4.98

45.9 Sensitivity Analysis For the year ended 31 March 2018

₹ in Lakh

Particulars	Change in assumptions	Effect on Gratuity obligation	Effect on Earned Leave
Discount Rate	0.50%	(0.30)	(0.52)
	-0.50%	0.33	0.59
Salary Growth	0.50%	0.34	0.60
	-0.50%	(0.30)	(0.54)

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.

45.10 Mortality Rates for specimen ages

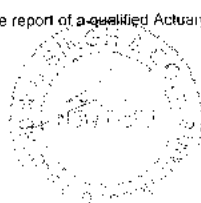
Mortality rate for both Compensated absences and gratuity are as under-

Age	Mortality rate	Age	Mortality rate	Age	Mortality rate
15	0.000614	45	0.002874	75	0.039637
20	0.000888	50	0.004946	80	0.060558
25	0.000984	55	0.007888	85	0.091982
30	0.001056	60	0.011534	90	0.138895
35	0.001282	65	0.017009	95	0.208585
40	0.001803	70	0.025855	100	0.311628

45.11 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.

45.12 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

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



Bshah
mp

M
Zugun

Note 46 : 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

Note 47 : 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 A of the Ind AS 11 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.



Behar

M
20/05/2018
20/05/2018

AUDITORS' REPORT

D. SINGH & CO.
Chartered Accountants

C-97, Panchsheel Enclave,
New Delhi – 110017.
Phones : 41748880
Telefax : 011-26496284
Mob. No.: 9818692412, 9810331579
Email : dsinghco1959@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BHARUCH DAHEJ RAILWAY COMPANY LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Bharuch Dahej Railway Company Limited. ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information. (herein after referred to as "Ind AS financial statements").

Management's Responsibility for the 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder.

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.

Auditors' Responsibility

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

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

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



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

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

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018 and its loss, including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Qualified Opinion

- a. The opening balances and the comparative figures disclosed in the Ind AS financial statements for the year ended March 31, 2018 are based on the audited Ind AS financial statements of the Company for the year ended March 31, 2017 on which our Auditors' Report dated September 20, 2017 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, 2017 that would have been required may have a consequential effect on the Company's assets and liabilities as at April 1, 2017 and March 31, 2018 and its results for the year ended March 31, 2018, and the presentation and disclosure thereof in the financial statements.



- b. Reference is drawn to Note No. 47 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 Ministry of Railways, of all project assets whose 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 A of the Ind AS 11 at the best estimate of expenditure required to settle the obligation. However, the company has not estimated and provided for the aforesaid obligation in the 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.

Emphasis of Matter

- i. Without qualifying our opinion, we draw attention to Note No. 19 & Note No. 21 to the Ind AS financial statements, The Operation and Maintenance Agreement with the Western Railway that defines among others, right & obligations, the share of Income & Expenses to be apportioned to the Company arising out of the operation of the Bharuch Dahej Samni Railway Line by the Company has not yet been signed. The Company has however recognized the operating income and expenses arising out of this arrangement which is yet to be formalized.

We further draw attention to Note No.19 and Note No. 21 to the Ind AS financial statements. The Operating Income & Operating Expenses accounted for by the Company are based on provisional figures made available by the Western Railway and the final figures could vary. Our Opinion is not qualified in respect of this matter.

- ii. Without qualifying our opinion, we draw attention to Note No. 19 and Note No 8.1 to the Ind AS financial statements. The Income from Railway Operations of Rs 5312.55 lakhs (previous year ended March 31, 2017; Rs 5159.37) includes revenue amounting to Rs. 386.67 lakhs (previous year ended March 31, 2017 ;Rs. 418.98 lakhs) pertaining to Bharuch-Chavaj section computed on provisional basis. The revenue recognized is outstanding as Trade Receivable of Rs. 3102.62 lakhs as on the balance sheet date. As per information and explanations provided, the revenue apportionment by Western Railways does not include the apportionments for share of revenue towards the Bharuch - Chavaj section. Further, the company has also recognized the 'Intangible assets' pertaining to this section as the freight sharing rights of the company. However, the concession agreement executed with the Ministry of Railways dated 25th June 2008 does not include the said section as it was not envisaged at the time of agreement. During the period, the Railway Board vide its letter dated 22-11-2017 has approved for apportionment of freight for Bharuch – Chavaj from the date from which the section was opened for traffic. However, the apportionment is yet to be provided by the Western Railways and the final figures could vary. Our Opinion is not qualified in respect of this matter.



Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, including the Statement of other Comprehensive Income, the Statement of Cash Flow and Statement of Charges in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Relevant Rules issued thereunder
- e) On the basis of the written representations received from the directors as on March 31, 2018 taken of record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

- i. The company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. As required by the direction issued by the comptroller and Auditor-General India, in terms of sub section (5) of section 143 of the Act, we give in the compliance in the "Annexure C"

For **D. Singh & Co.**
Chartered Accountants
Firm Registration No. 001351N

Simran Singh
Partner
Membership No. 98641

Place: New Delhi
Date: 21-08-2018

Annexure - A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Bharuch Dahej Railway Company Limited ("the Company") as of 31 March 2018 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

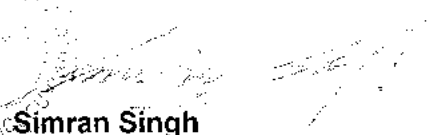
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018 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 **D. SINGH & CO**
Chartered Accountants
Firm's Registration Number: 1351N


Simran Singh
Partner
Membership Number: 098641

New Delhi
Date: 21-08-2018

Annexure - B to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended March 31, 2018,

We report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed Assets.

(b) According to information and explanations given to us, the Company has last made physical verification of the assets in the year 2016 which covered about 63 kms of the Bharuch Dahej Railway system. However, no details were available on record with respect to the same.

(c) According to the information and explanations 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.
- (ii) The Company does not hold any inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company and hence not commented for.
- (iii) The Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the order are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the Company the company has not given any loan, made any investment, given any guarantee, and provided any security which is covered by Section 185 and 186 of the Companies Act 2013. Accordingly, the provisions of clause 3(iv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- (v) The Company has not accepted any deposits from the public. Accordingly, the provisions of clause 3(v) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- (vi) As per information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, service tax, provident fund and other material statutory dues applicable to it. The provisions relating to employees' state insurance, sales-tax, wealth-tax, duty of customs, duty of excise, value added tax and cess are not applicable to the company. No undisputed amounts were outstanding in respect of Statutory dues as at March 31, 2018 for period of more than six months from the date they became payable.



- (b) According to the information and explanations given to us, the following are the Statutory dues pending on account of disputes :

Name of Statute	Nature of Dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Service Tax	Service interest Tax, and penalty	1633.14	2011-12 to 2013-14	Demand was dropped by the Commissioner vide order dated 25-01-2016. However, the department has filed an appeal before the Hon'ble CESTAT and the matter is pending.
Service Tax	Service interest Tax, and penalty	1637.96	2014-15	The demand has been disputed by the company and is pending for adjudication before the Commissioner Service Tax.
Service Tax	Service interest Tax, and penalty	1614.85	2015-16	The demand has been disputed by the company and is pending for adjudication before the Commissioner Service Tax.

Reference is drawn to Note No 36 to the Ind AS financial statements for further details.

- (viii) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to bank.
- (ix) Based on our audit procedures and as per the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.



- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable Indian accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **D. SINGH & CO**
Chartered Accountants
FRN : 1351N



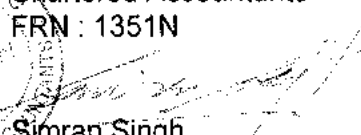
Simran Singh
Partner
Membership No. 098641

New Delhi
Date: 21-08-2018

Annexure – C to the Auditors' Report

S No.	CAG's Directions	Our Report	Action Taken thereon	Impact on accounts and financial statements of the company
1.	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.	According to information and explanations given to us and based on our examination of the records of the company, the title deeds of land being immovable property are held in the name of the Company/ Western Railway.	No action required	Not applicable
2.	Whether there are any cases of waiver/ write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	According to information and explanations given to us and based on our examination of the records of the company there are no cases of waiver/ write off of debts/ loans/interest etc.	No action required	Not applicable
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from Government or other authorities.	The company does not have any inventory; hence the provisions of this clause are not applicable.	No action required	Not applicable

For **D. SINGH & CO**
Chartered Accountants
FRN : 1351N


Simran Singh
Partner
Membership No. 098641
New Delhi
Date: 21-08-2018

COMMENTS OF THE C&AG AND MANAGEMENT REPLIES

CONFIDENTIAL/ गोपनीय



भारतीय लेखा एवम् लेखा परीक्षा विभाग
प्रधान निदेशक लेखा परीक्षक, रेलवे-वाणिज्यिक का कार्यालय
तिलक ब्रिज (कोफमो परिसर), नई दिल्ली - 110 002
INDIAN AUDIT AND ACCOUNTS DEPARTMENT
OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT,
RLY-COMMERCIAL,
TILAK BRIDGE (COFMOW PREMISES), NEW DELHI- 110002

No: PDA/RC/RPSU/13-27/BDRCL/2018-19/१५

दिनांक: 12/09/20१८

सेवा में,

प्रबंध निदेशक,

भारत दहेज रेलवे कम्पनी लिमिटेड,

नई दिल्ली।

विषय: 31 मार्च 2018 को समाप्त वर्ष के लिए भारत दहेज रेलवे कम्पनी लिमिटेड के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143 (6)(b) के अन्तर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदया,

मैं, भारत दहेज रेलवे कम्पनी लिमिटेड के 31 मार्च 2018 को समाप्त वर्ष के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143 (6) (b) के अंतर्गत भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ अवैधित कर रहा हूँ।

कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाए।

संलग्न: यथोपरि।

भवदीय,

वि. आर. मंडल

(बी आर मंडल)

प्रधाननिदेशक/आर.सी.

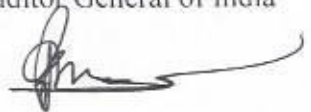
COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF BHARUCH DAHEJ RAILWAY COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2018.

The preparation of financial statements of **BHARUCH DAHEJ RAILWAY COMPANY LIMITED** for the period ended 31 March 2018 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 21.08.2018.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **BHARUCH DAHEJ RAILWAY COMPANY LIMITED** for the period ended 31 March 2018 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143 (6) (b) of the Act.

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



(B.R.Mondal)

Principal Director of Audit
Railway Commercial, New Delhi

Place: New Delhi

Dated: 12 September 2018

Route 148
 County of Mono and of Butte

