



NATIONAL HIGH SPEED RAIL CORPORATION LIMITED



3rd ANNUAL REPORT 2018-19

3rd ANNUAL REPORT
2018-19

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BOARD OF DIRECTORS

BOARD OF DIRECTORS (As on 05.08.2019)

1. Mr. Vinod Kumar Yadav, Part-time Chairman
2. Mr. Achal Khare, Managing Director
3. Mr. Rajendra Prasad, Director Projects
4. Mr. Arun Bijalwan, Director Finance
5. Mr. Vijay Kumar, Director Rolling Stock
6. Mr. Sandeep Kumar, Director (Electrical & Systems)
7. Mr. R.N. Singh, Part-time Director
8. Ms. Namita Mehrotra, Part-time Director
9. Mr. P.R. Patelia, Part-time Director

COMPANY SECRETARY

Ms. Sumita Sharma

REGISTERED OFFICE

2nd Floor, Asia Bhawan, Road No. 205,
Sector – 9, Dwarka, New Delhi – 110077
Tel.: 91-11-2807000/01; Fax: 91-11-28070150
E-mail: comp.sec@nhsrcl.in;
Website: www.nhsrcl.in
CIN: U60200DL2016GOI291002

STATUTORY AUDITORS

M/s. Sehgal Mehta & Co., Chartered Accountants

SECRETARIAL AUDITORS

Mr. Anil Anand, Company Secretary in Practice

CHAIRMAN'S ADDRESS

CHAIRMAN'S ADDRESS

Dear Shareholder Friends,

I extend a warm and hearty welcome to all of you at this 3rd Annual General Meeting of National High Speed Rail Corporation Limited for the financial year 2018-19.

The stimulating journey of implementation of India's first ever High Speed Rail (HSR) project, has many firsts to its credit like India's first under sea tunnel, special structures involving huge complex bridges and long span/ special span bridges, first Indian Company to implement pilot version of Green High Speed Rail Rating, etc.

The Company has completed its third year since formation facing all these challenges, and has achieved significant **progress** in completing the ground work for implementation of the HSR project. Most of the basic design work of the project has been finalised; technical standards firmed up; consultants for various aspects of project execution are in place; contract packages are being invited. The Company has acquired about 40% of the total land required for the project.

The HSR project is proposed to have quite a few **important features** on the lines of Japanese Shinkansen system, like,

i) integration of the HSR passenger terminals with the existing Railways and Metro(s) to create an Integrated Multi Modal Transit System (MMI) for seamless transfer of passengers from one mode to another.

In addition, passenger facilities like retail, banking, restaurants, etc. would make the station itself a destination rather than just a transit mode. This would also lead to unlocking intrinsic commercial value of land in the vicinity of HSR stations and thus lead to overall economic / transit oriented development of the area.

ii) HSR Training Institute to serve as a 'Knowledge Repertoire' for future development of high speed rail projects in India, etc.

Existing railway facilities (like Stores Depot, CPOH workshop, FBW plant, etc.) as well as utilities (like overhead electrical lines, underground cables, water pipelines, sewerage lines, pipelines of gas & petroleum product, OFC cables, etc.) which are impinging the HSR alignment have been mapped for shifting. Tenders have been awarded for the work of shifting of Signaling Cables and Telecom and OFC Equipments, etc.

The work of construction of HSR training institute is also going on in full swing, with three contract packages out of total four packages having already been awarded.

The Company is taking various steps for conservation of environment like tree transplantation, water conservation, rain water harvesting, implementation of pilot version of Green High Speed Rail Rating developed by Indian Green Building Council (IGBC), etc., in addition to adopting measures suggested in Supplementary – Environment Impact Assessment Report.

The Company is also sensitive about the needs of project affected people (PAPs) and has therefore envisaged vocational training for the purpose of income restoration for rehabilitation of PAPs. The Company has also recently provided a mobile medical health unit in Palghar District, Maharashtra, to cater to the medical needs of people in and around the district.

The Company has yet to start commercial operations to yield operating turnover. The total equity capital contribution to the Company as on date stands at Rs. 4,555 crores.

To conclude, I would like to mention that there is a long way ahead to materialize India's first High Speed Rail, and the journey has just started. However, this is assured that we will be accomplishing the task to the utmost satisfaction of everyone. In the words of Dr. A.P. J. Abdul Kalam -- **"The Country doesn't deserve anything less than success from us. Let us aim for success."**

Sd/-
(Vinod Kumar Yadav)
Chairman

Date : 23-09-2019
Place : New Delhi

REPORTS

DIRECTORS' REPORT

DISTINGUISHED SHAREHOLDERS

The Directors of your Company have immense pleasure in presenting their 3rd Report on the affairs of the Company for the financial year 2018-19.

National High Speed Rail Corporation Limited (NHSRCL) is a government company in terms of the provisions of section 2(45) of the Companies Act, 2013, and a joint venture between Government of India, Government of Gujarat, and Government of Maharashtra with equity participation in the ratio of 50:25:25 respectively.

NHSRCL is implementing first High Speed Rail project of India i.e. Mumbai-Ahmedabad High Speed Rail Project (MAHSR Project) based on Japan's Shinkansen Technology for which a Memorandum of Cooperation was signed between India and Japan on 12th December 2015. The MAHSR project will totally transform the passenger transport system with state of the art technology and usher in a new era in passenger transport/ rail movement. This would not only create employment opportunities but also boost economic growth of the Country. Ground breaking ceremony of the project was done by Hon'ble Prime Ministers of India and Japan on 14th September 2017 at Sabarmati, Gujarat.

STATUS OF THE PROJECT

A. Overview

The MAHSR project starts from Bandra Kurla Complex in Mumbai and ends near Sabarmati Railway Station in Ahmedabad. The alignment (508.09 Km) traverses through Gujarat (349.03 Km in 8 districts), Dadra & Nagar Haveli (4.30 Km) and Maharashtra (154.76 Km in 3 districts). The said high speed rail corridor would have 12 stations namely, Mumbai, Thane, Virar, Boisar, Vapi, Bilimora, Surat, Bharuch, Vadodara, Anand-Nadiad, Ahmedabad, and Sabarmati. In addition, three depots are proposed i.e. one depot each at Thane and Surat, and a depot & workshop at Sabarmati. The estimated completion cost of the project is Rs. 1,08,000 crore (approx.).



Proposed interior of HSR station at Bilimora

B. Appointment of Consultants

During the year, your Company has awarded following major consultancy works:

- i. Supervision and Project Management Consultancy Services for high speed rail terminal alongside

- the project at Sabaramati (in January 2019).
- ii. Multi Modal Traffic Integration Planning for nine (9) high speed rail stations, and Basic architectural design for Integrated Building at Ahmedabad (in May 2018).
- iii. Architectural & Technical Services for the allied works in Vadodara station and Yard area. The construction division of Maharaja Sayajirao University of Vadodara has been appointed for the said work (in April 2018).
- iv. Planning and Monitoring Services for the MAHSR project (in May 2018).

The Company has also introduced Construction Manager General Contractor (CMGC) for 8 Km stretch of C-5 package (Civil Works for Vadodara Section where alignment is adjacent and crossing the existing Western Railway mainline and includes Vadodara Station) and 18 Km stretch of C-7 (Civil Works for Ahmedabad and Sabarmati area where alignment is adjacent to and crossing the existing western railway tracks, and includes Ahmedabad and Sabarmati Station), since the construction works in these stretches are technically challenging. In view of complexity of Construction works for these two sections, Japan International Cooperation Agency (JICA) and NHRCL has agreed for involvement/ appointment of Contractor at Design stage as Construction Manager General Contractor (CMGC). This is with a view to optimize the design from constructability point of view, construction planning and project cost. An MoU to this effect was signed between JICA and NHRCL on 24th October 2017. In furtherance to the said MoU, CMGC has been appointed by JICA in May 2018 for Ahmedabad - Sabarmati (C-7 package) and in December 2018 for Vadodara (C-5 package).



Proposed HSR station at Bharuch

C. Finalisation of Technical Standards

Manual for Specifications and Standards (MSS) (revised version) for Power Supply, and Overhead Equipment (OHE); and Specifications and Standards (SS) for Power Supply, S&T, and OCC are being discussed by the Company for recommendation by the Expert Committee in Japan. Updated versions of the said SS, as finalized and approved, would be adopted by your Company. Revised version of MSS and SS of Rolling Stock, approved by the Committee, has been adopted by the Company.

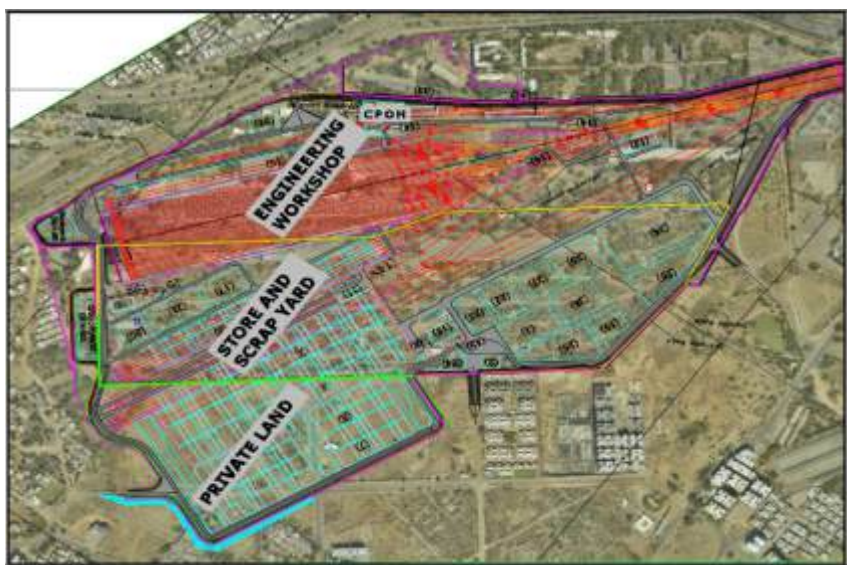
During the year, Technical Specifications (TS) for Power Supply system, Rolling Stock, Inspection & Maintenance Cars for OHE, Bridge works, and Electrical & Mechanical (E&M) works in various packages has been reviewed and commented by your Company. Final version will be submitted by the General Consultants i.e. Japan International Consultants Consortium (JICC), in 2019-20.

Implementation Standards for Train operation, Signal & Telecommunication, Civil, Track, Rolling Stock, and Electrical (OHE) have been finalised.

D. Design

Presently, the design works are in full swing. Major design works completed during the year 2018-19 are:

- i) In order to expedite the execution, Design Finalization Manual (DFM) for modifying the Standard designs, as per site condition, has been finalized and adopted for the typical civil packages involving construction of viaducts, station buildings, tunnels, etc.
- ii) Design Basis Report (DBR) for viaduct and bridges, tunnels, earth structures and track work have been finalized and approved by Expert Committee in Japan.
- iii) Alignment Design and Design of two bridges (in Gujarat) have been finalized and approved by Expert Committee in Japan.



Proposed Sabarmati depot plan

- iv) The terminal station at Bandra Kurla Complex (BKC), Mumbai, has been planned as underground station on Mumbai Metropolitan Region Development Authority (MMRDA) land.

MMRDA has planned high-rise buildings of International Financial Services Centre (IFSC) over this station to maximize the commercial development. Integrated design of underground station, considering the load of building above, is being carried out by consultant appointed by MMRDA.

- v) Station plans for 8 stations (viz. Vapi, Bilimora, Surat, Bharuch, Anand, BKC, Ahmedabad, and Vadodara) of MAHSR have been finalized.

- vi) Based on the Manual for Specifications and Standards (MSS) and results of Simulation studies for OHE and Traction system, basic designs have been finalized for power supply.
- vii) Basic design for Electrical and Mechanical (E&M) works for Surat depot and four stations (viz. Bharuch, Vapi, Bilimora, and Surat) have been prepared.
- viii) In 2018-19, 90 General Arrangement Drawings (GADs) (in addition to 59 prepared in 2017-18) have been prepared, out of which 40 GADs (in addition to 58 approved in 2017-18) have been approved by the stakeholders.
- ix) Six locations for installation of inland seismometers, to give early warning of any Earthquake during train operation, have been finalised after detailed survey and test by experts from Railway Technical Research Institute (RTRI), Japan.



Proposed HSR station at Ahmedabad

E. Tendering:

The entire MAHSR project, along with construction of HSR Training Institute, is planned to be executed through 27 contract packages including four packages pertaining to training institute. Three packages of training institute have been awarded. Major Tender invited during 2018-19 is bids for C – 4 package (likely to be largest tender in infrastructure sector so far) for Civil Works of 237 Km (from chainage 156.6 km to chainage 393.7 km).

F. Shifting of existing Railway facilities & Utilities:

The passenger terminals of HSR has been integrated with Railways and Metro at Sabarmati and Ahmedabad to facilitate smooth flow of passenger traffic between Indian Railways, Metro and High Speed network. This has resulted in MAHSR alignment coming in close vicinity to the existing Indian Railway infrastructures including running lines, railway platforms and other maintenance facilities in Ahmedabad area (between Sabarmati to Vatva for about 19 kms). It has necessitated shifting of various railway facilities (like Stores Depot; Central Periodic Overhauling (CPOH) Workshop; Engineering Workshop; Flash Butt Welding (FBW) plant in Sabarmati area; CONCOR siding; various offices of Railways at Ahmedabad; railway signaling; telecom and electrical utilities) from the present locations to new locations.



CPOH main shed, Vatva (under construction)

Further, large number of electrical overhead lines (infringing with the MAHSR alignment) are also to be relocated in co-ordination with Utility owners. The alignment being in densely populated urban area, number of civic utilities like water and drainage pipes; roads; lights; telecom cables; and infrastructures are also to be relocated to accommodate HSR civil works. Expeditious completion of these pre-construction activities will essentially be required for timely completion of HSR construction work.

All utilities are mapped before actual shifting, and till now 1622 utilities of overhead electrical lines and 3418 utilities of underground cables, Water pipelines, Sewerage lines, Gas & Petroleum product pipelines & storage installation, OFC Cables etc., has been mapped for full alignment of MAHSR project.

During the year, 524 overhead electrical lines have been shifted. Shifting of CONCOR's Inland Container Depot and Western Railway's assets viz. Engineering Workshop, Stores Depot, Central Periodic Overhauling Workshop, etc. are in progress. ONGC pipelines near Ahmedabad are also being shifted.

MoUs for shifting of Extra High Tension lines for full alignment of MAHSR project have been signed with Power Grid Corporation of India Limited (PGCIL) (for Gujarat and Maharashtra) and Adani Electricity Mumbai Limited (AEML) (for Maharashtra).

Tenders have been awarded for -- (a) shifting of Signaling cables and Gears in Ahmedabad and Sabarmati stations, and (b) shifting of Telecom, OFC equipment related to Western Railways at Ahmedabad and Vadodara stations.



Shed at Sabarmati store depot (under construction)



DMC main shed, Vatva (under construction)

G. HSR Training Institute

A dedicated High-Speed Rail Training Institute is being developed in Vadodara. The Institute will have all the facilities which are available at High Speed Training Institute of East Japan Railway Company (JR-East) at Shin Shirakawa in Japan, like driver simulator, track circuit, OHE including power supply, sample track, etc. The High Speed Rail Training Institute at Vadodara will also serve as a knowledge centre and back bone for future development of other high speed corridors in India. The work for construction of hostel building of Training Institute is in progress and is likely to be completed by 2019.

Training of staff in one wing of the hostel building (TI – 3) has started from March 2019. The first batch of 56 employees has been trained on the subject of ‘Construction Aspects’.

After the close of financial year (in April 2019), training line with slab track of 100 m (TI-2) has been completed.



Laying of training Line with Slab Track at HSR Training Institute, Vadodara.

H. Power Sourcing Activities

NHSRCL, as a “deemed licensee”, applied for connection for Power Sourcing arrangement for MAHSR Substations (Traction Substation: 14 Nos., Non-Traction Substations: 15 Nos.) to Gujarat and Maharashtra Power Authorities.

The power supply authorities have invited tenders for construction of network from their grid substations to MAHSR substations.

I. Land Acquisition

Based on Joint Measurement Survey (JMS) Report (still in process), the expected land requirement for the project is as follows:

States	No. of affected villages	Land requirement (in Ha) / plots (in numbers)				
		Govt.	Private	Indian Railways	Forest	Total
Gujarat	198	86.86 Ha / 915	724.13 Ha/ 5441	125.87 Ha/ 95	2.83 Ha/ 10	939.69 Ha/ 6461

States	No. of affected villages	Land requirement (in Ha) / plots (in numbers)				
		Govt.	Private	Indian Railways	Forest	Total
Maharashtra	97	66.07 Ha / 340	267.65 Ha / 1808	1.63 Ha/ 6	95.85 Ha / 190	431.2 Ha/ 2344
Dadra & Nagar Haveli (DNH)	2	1.70 Ha / 10	7.00 Ha / 110	0	0	8.70 Ha/ 120
Total	297	154.63 Ha/ 1265	998.78 Ha / 7359	127.50 Ha/ 101	98.68 Ha/ 200	1379.59 Ha/ 8925

During the year 2018-19, steps taken in the process of land acquisition are:

- i) Final Reports of Social Impact Assessment (SIA), Indigenous People Plan (IPP), and Supplementary Environmental Impact Assessment (S-EIA), etc. have been submitted and approved by JICA in August 2018.
- ii) JMS has been completed for 246 villages (out of a total 297 villages), i.e. 182 villages in Gujarat, 62 villages in Maharashtra, and 2 villages in UT of Dadra & Nagar Haveli.
- iii) Exemption from SIA has been approved and notified in gazette by the Government of Gujarat for all the 198 villages in the State.
- iv) The status of land acquired as on 31st March 2019 is as follows:
 - a) Gujarat -- about 412 Ha of land (including 224 Ha of private land through consent) out of 939.69 Ha of the total land requirement.
 - b) Maharashtra -- about 62 Ha of land (including 6.11 Ha of private land through Direct Purchase Method) out of 431.2 Ha of total land requirement.

J. Environmental Assessment and Statutory Clearances:

During the year, major steps taken in environmental and statutory clearances are as under:

- i) Supplementary Environmental Impact Assessment (S-EIA) report has been published in September 2018 with an object to present environmental impact assessment of the project and propose various mitigation measures so that the environmental consequences are recognized and addressed in the project planning, design and management.
- ii) As a part of S-EIA, Environment Information Disclosure and Public Consultation activities have been organized at district levels in the States of Gujarat, Maharashtra and in the Union Territory of Dadra and Nagar Haveli. The public consultations have been conducted in order to make the public understand project details, consider its impact and mitigation measures. Public queries have also been addressed by officials of respective district administration and NHRCL.
- iii) Your Company has appointed various government organizations (viz. National Institute of Oceanography, one of the constituent laboratories of Council of Scientific & Industrial Research; Mangrove Society of India; and Zoological Survey of India, Kolkata) to study the impact of MAHSR project on environment.

Mitigation measures as suggested by these organizations in their respective reports (viz. Base Line Data Collection Report; Integrated Mangrove Conservation and Management Plan; and Study on the Faunal Components and Preparation of Management and Conservation Plan for Thane Creek Flamingo Sanctuary respectively) have been added in S-EIA under Environment Management Plan and Environment Monitoring Plan.

- iv) Ministry of Environment, Forest, and Climate Change (MoEF&CC) has accorded Coastal Regulatory Zone (CRZ) clearance across Narmada River in Baruch District, Gujarat, vide letter no. 11-1/2019-IA-III dated 22nd February 2019.
- vi) National Board for Wildlife (NBWL) has recommended wildlife clearance, along with conditions and mitigation measures, for :
 - a) Thane Creek Flamingo Wildlife Sanctuary (vide letter no. Desk-23(2)/WL/ Survey/ C.R. No. 195/4291/2018-19 dated 4th March 2019).
 - b) Sanjay Gandhi National Park and Tungareshwar Wildlife Sanctuary (vide letter no. Desk-23(2)/ WL/ Survey/ C.R. No. 132/4290/2018-19 dated 4th March 2019).
- vi) To ensure minimum tree cutting at construction sites of the project, the Company has deployed tree transplantation machines, and has started transplantation of trees at Ahmedabad site in the first phase.



Trees transplantation at Ahmedabad site.

K. Resettlement Action Plan (RAP)

Resettlement Action Plan (RAP) report under RFCTLARR submitted to JICA, in August 2018, has been accepted.

A RAP along with Indigenous People Plan (IPP) has been developed for the project to assess the impacts of the project and develop mitigation measures to assist the project affected persons (PAPs) in getting compensation, R&R assistances along with other measures to improve their socio-economic standards and livelihood capacity. Income Restoration plan proposed for the project aims at developing income

of the Project affected Households (PAHs) to pre-project levels or better, and is an important part of rehabilitating PAHs. PAHs will have the opportunity to choose from a variety of options designed to leverage their current activities and skills. Extensive engagement will be undertaken to make sure that all PAPs are well informed about the available options and are given adequate opportunity to participate.



Land acquisition Consent camps organised at Vadodara.

After the close of the financial year 2018-19, first entrepreneurship program titled 'Computer Hardware and Networking program' has been conducted by your Company in association with RUDSET (Rural Development and Self Employment Training Institute) Training Institute at Vadodara, Gujarat, for fulfilling commitments towards social obligations. The said 45 days program, with focus on providing IT skills along with knowledge on setting up own business venture, was attended by 28 candidates.

FINANCIAL PROFILE

A. Performance with Financial summary or Highlights

Your Company has yet to start its commercial operations. During the year, there has been no operating income however, your Company has earned interest income amounting to Rs. 68.27 crore.

Financial Performance Indicators:

		(Rs. in crore)	
SI. No.	Particulars	2018-19	2017-18
1.	Operating income	Nil	Nil
2.	Other Income	68.27	29.64
3.	Profit before tax	62.95	27.84
4.	Profit after tax	46.09	19.43
5.	Net worth	3124.48	680.19
6.	Transfer to Retained earnings	69.48	25.19

B. Foreign Exchange Earnings and Outgo

Your Company has earned no foreign exchange during 2018-19 except the foreign exchange outgo of Rs. 16.73 crore as on 31st March 2019.

C. Structure of Share Capital

The authorised share capital of your Company is Rs. 20,000 crore, to be contributed by the Government of India (GOI), Government of Gujarat (GOG), and Government of Maharashtra (GOM) in the ratio of 50:25:25 respectively.

As on 31st March 2019, the paid-up share capital of your Company stood at Rs. 2,455 crore which was contributed by GOI (i.e. Rs. 2,350 crore) and GOG (i.e. Rs. 105 crore).

After the close of the year, your Company has allotted equity shares to the tune of Rs. 2,100 crore to the Government of India against its contribution towards the equity share capital of your Company.

COMPLIANCES

A. Under Companies Act, 2013

i) Deposits

Your Company did not accept any deposits from public during the year.

ii) Particulars of Inter-corporate loans, guarantees or investments

During the year, your Company has not granted any inter-corporate loans or made any investment (secured or unsecured) in terms of the provisions of the Companies Act, 2013.

iii) Disclosure of Related Party Transactions

Detailed related party disclosures are given under Note no. 31 to Financial Statements for 2018-19.

iv) No **dividend** has been recommended for shareholders for 2018-19 since your Company is in construction phase and has yet to start commercial operations.

v) During the period under review, there was **no change in the nature of business** of your Company.

vi) There are **no material changes and commitments** affecting the financial position of your Company which have occurred between the end of financial year to which the financial statements relate and the date of the report.

vii) During the period under review, **maintenance of Cost records** in accordance with the provisions of the Companies Act, 2013 is not applicable since your Company is yet to start commercial operations, and accordingly does not have any operational turnover during 2018-19.

viii) Secretarial Standard compliance

Your Company is complying with applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

ix) Risk Management

Your Company is presently in a pre-operative stage and is in the process of formulating a Risk Management Policy. As far as risk to assets and certain liabilities is concerned, these are mitigated by obtaining insurance cover of adequate value for the assets from Insurance Company.

As regard financial risks, adequate internal control measures are adopted by the Company by engaging an external firm of Chartered Accountants as Internal Auditors apart from regular audit by Statutory Auditors as well as Comptroller and Auditor General of India (C&AG), from time to time.

x) During the period under review, **no significant and material orders had been passed** by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

xi) Conservation of Energy

Based on Energy Conservation Building Code (ECBC), provisions enabling conservation of energy have been included in bid specification / tender for Sabarmati HSR Terminal and C-4 package [i.e. Design and Construction of Civil and Building Works involving Viaducts, Bridges, Maintenance Depots, Surat Depot, and Stations (Vapi, Bilimora, Surat and Bharuch)].

After the close of the year, pilot version for Green High Speed Rail (HSR) rating has been developed by Indian Green Building Council (IGBC) for the first time for any HSR project in India.

Various measures like provision of LED based lighting and Regenerative braking etc. is also being planned in Rolling Stock.

xii) Technology Absorption

Your Company has formed a Trust, i.e. High Speed Railways (HSR) Innovation Centre, during the year. The main objects of the said Trust are to develop indigenous capabilities, cost-effective solutions in the relevant fields of high speed rail (HSR) technology. Your Company would be involved in various selected projects through targeted, applied collaborative research.

As per the recommendation of Rolling Stock sub-group, assembly of six train sets is being envisaged under Make in India initiatives.

B. No Presidential directives has been received by your Company under Article 151 of the Articles of Association of the Company during 2018-19.

C. Right to Information Act (RTI)

Necessary updated information including the names of Appellate Authority, Public Information Officer, and Assistant Public Information Officer has been posted on the website of the Company in terms of the requirements of RTI Act, 2005.

RTI queries usually pertain to the land acquisition, recruitment, and general information about the bullet train project, etc., and are generally replied within the stipulated time. During the year, all the 100 applications received have been disposed off.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS.

The Board has adopted policies and procedures for ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures. The Company's Internal control system is commensurate with its size, scale, and complexities of its operations.

INFORMATION TECHNOLOGY DEVELOPMENT

During the year 2018-19, following initiatives has been taken:

- i) Network storage facility has been established for HQ with provision of data recovery.
- ii) Network Security through Firewall and Antivirus has been implemented at Corporate Office and site offices.
- iii) All site offices and Corporate office have been connected through video conferencing facility.
- iv) Site to Site, Session Initiation Protocol (SIP) trunk and Exchange connectivity (between Corporate and site offices at Vadodara, Mumbai, and Surat) has been established.
- v) Software for management of Land Acquisition has been designed to monitor activities under land acquisition including publication of all notifications, execution of consent deeds in Gujarat, and sale deeds in Maharashtra.

HUMAN RESOURCE

Your Company gives utmost importance to human resource. The HR policies of the Company are aimed at attracting and retaining the best available talent. The employees have either been recruited from PSU's, metro companies, private sector, or are generally drawn on deputation from Central Government Departments/ Central PSUs, State Governments, and State PSUs, etc.

The manpower strength of the Company has doubled from last year. As on 31st March 2019, the total manpower strength is 212 (including 51 deputationists).

During the year, your Company has formed two trusts for managing the funds towards gratuity and post-retirement medical benefits of regular employees of NHRCL along with contribution towards new pension scheme, in addition to continuing existing various staff welfare measures like ergonomically designed workstations and chairs with lumbar support for staff; reduced noise and dust free environment at workplace; pool transport for staff; regular preventive health check-up facility for staff after the specified age; etc. Further, your Company has also started imparting Japanese language classes in association with Japan Foundation for its employees. During the year, two batches of its officials have undergone this course.



Japanese Language class at NHSRCL corporate office.

Your Company is committed to provide congenial and safe working atmosphere to women employees, and has also constituted an Internal Complaints Committee during the year in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013. No complaints pertaining to sexual harassment at workplace has been received by the Company during 2018-19.

Your Company nurtures and respects performance of its employees and encourages creativity and excellence. The Company also imparts regular national / international training for professional development of its personnel. During 2018-19, 73 employees attended training under knowledge co-creation program at Japan and 25 employees attended domestic training organized by the Company in collaboration with various institutions / bodies on topics ranging from General Management to technical subjects.

VIGILANCE

During the year, your Company has constituted an internal committee for prevention of irregularities and avoiding procedural errors. In addition, In-house programs titled 'Institutional Self-Regulation – Best form of Vigilance' and 'Internal Checks & Vigilance in different aspect of day-to-day working' have been organized to increase the level of awareness and alertness amongst employees and key officials, and to encourage them to put values into practice.

Mr. H.L. Suthar, Executive Director / Design has been nominated as part-time Chief Vigilance Officer (CVO) of your Company for looking after the vigilance functions.

AWARDS AND RECOGNITION

Your Company has received following awards during the year 2018-19:

1. Kalam Innovation in Governance Award 2019 for contribution towards innovation in governance organized by Dr. A.P.J. Abdul Kalam Centre. The award was presented by Mr. Rajiv Kumar, Vice Chairman, NITI Aayog, at a function held at Pravasi Bharatiya Kendra, New Delhi, on 28th February 2019.



Kalam Innovation in Governance Award 2019 for Innovation in Governance

2. India Geospatial Application Excellence Award for survey of Mumbai-Ahmedabad High Speed Rail Corridor by using innovative technology in land surveys (i.e. LiDAR Survey), organized by Geospatial Media and Communication. The award was presented by General V. K. Singh (Retd.), the then Minister of State, Ministry of External Affairs, at a conference held at New Delhi, on 11th February 2019.
3. Infra Icons Awards 2018 in the category of 'Emerging Infra Company of the Year 2018-19', organized by Mid-day Infomedia Limited. The award was presented by Mr. Pravin Darade, Additional Metropolitan Commissioner, Mumbai Metropolitan Region Development Authority, at a function held at Mumbai, on 27th July 2018.

The 3rd Foundation Day of your Company was celebrated on 12th February 2019 at Corporate Office, New Delhi, in the august presence of Chairman Railway Board, and Secretary Railway Board along with directors / officials from corporate office and site offices (through video conference).

Your Company has participated in 9th Vibrant Gujarat Global Summit held during January 2019 in Gandhi Nagar Gujarat. The Company placed a High-speed rail driving unit simulator in its stall along with informative videos and panels, etc. A number of other activities with the theme 'Bullet Train' like painting competitions, Quiz competition etc. were also organized to create awareness about MAHSR project. Train Simulator aroused a great deal of interest from corporates, local residents, Government officials, senior state govt. officials, media houses, and kids, etc.

Your Company has also decided to give a name to the first high speed rail of India and also to give it a mascot. An open competition for these purposes has been conducted through government website viz. www.mygov.in with a prize money of Rs. 1,00,000 and Rs. 50,000/- for the winning entry for mascot design and name of the train respectively. The competition has received very good participation with more than 22,000 entries. An independent government design institution has been requested to shortlist entries based on the pre-decided criteria.

VISION & MISSION

During the year, your Company has formalized / adopted the following as its Vision and Mission:

I. Vision:

To provide safe, reliable and sustainable high speed rail services with technological excellence for improved quality of life and development of the nation.

II. Mission:

1. To provide an efficient, safe, sustainable and reliable transportation option to the customers' delight.
2. To connect people across the nation by constructing, operating, and maintaining the state-of-the-art high speed rail transport infrastructure.
3. To facilitate Assimilation, Indigenization, and Innovation of High Speed Rail Technology.

BOARD COMMITTEES

A. Corporate Social Responsibility Committee

The Company has yet to start commercial operations and hence has not earned any operational profit during the financial year. Since the provision for spending towards CSR activity is applicable on the availability of average net profits of immediately preceding 3 years, the Company would incur expenditure on CSR in the year 2019-20, after allocating CSR budget on the basis of availability of profits for preceding three financial years after its incorporation.

A Board level 'Corporate Social Responsibility Committee' known as 'CSR Committee', for the purpose of undertaking CSR works, has been formed in March 2018 under the chairpersonship of Ms. Namita Mehrotra, Nominee Director; along with Mr. Rajendra Prasad, Director Projects; and Mr. Arun Bijalwan, Director Finance; as its members, and Ms. Sumita Sharma, Company Secretary, as Secretary of the Committee.

The CSR Committee has had its 1st meeting on 21st June 2019, after the close of the financial year 2018-19. The CSR policy of the Company is in place, and is available on the website in accordance with the provision of the Companies Act, 2013.

B. Other Committees

Your Company is not required to have independent directors on its Board being a joint venture unlisted public company in terms of section 149(4) of the Companies Act, 2013, read with Rule 4 (amended vide Ministry of Corporate Affairs notification dated 05.07.2017) of the Companies (Appointment of Directors and Qualification) Rules, 2014.

Accordingly, constitution of Audit Committee, Nomination & Remuneration Committee, and Stakeholders Relationship Committee is also not applicable in terms of sections 177 and 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014.

CORPORATE GOVERNANCE

The Company adheres to the true spirit of Corporate Governance and implement best governance practices through focus on transparency, accountability, ethical operating practices, and professional management.

BOARD OF DIRECTORS

A. Composition of Board

As on 31st March 2019, the Board of your Company comprises nine (9) directors i.e. five (5) whole-time directors (viz. Managing Director, Director Project, Director Finance, Director Rolling Stock, and Director Electrical & Systems) and three (3) nominee directors (including Part-time Chairman) from Ministry of Railways, and one (1) nominee director from Government of Gujarat.

B. Key Managerial Personnel

Managing Director, Director Projects, Director Finance, Director Rolling Stock, Director Electrical & Systems, and Company Secretary have been declared as Key Managerial Personnel by the Board of your Company, in terms of the provisions of the Companies Act, 2013. Director Finance has also been appointed as CFO by the Board of your Company.

C. Remuneration of Directors

Being a government company, the whole-time directors of your Company are appointed by Government of India and draw remuneration as per Industrial Dearness Allowance (IDA) / Central Dearness Allowance (CDA) pay scales, in accordance with the terms & conditions of their appointment issued by the Government.

The nominee directors, nominated by Government of India and participating State Governments (in case having share in the paid-up share capital of the Company), do not draw any remuneration from the Company for their role as director but draw their remuneration under Central Dearness Allowance (CDA) pay scales from the respective Government(s) as government officials.

D. Board Meetings and Attendance

The Board of Directors of your Company met four (4) times during the financial year 2018-19 i.e. on 28th June 2018, 28th August 2018, 5th December 2018, and 14th March 2019.

The attendance details of directors with respect to board meetings and Annual General Meeting (AGM) held during 2018-19 are:

Sl. No.	Name of Director	Designation	No. of Board Meetings		Attendance at the last AGM (held on 24.09.2018)
			Held during the tenure of Director	Attended	
1.	Mr. Vinod Kumar Yadav (DIN- 08346269) Chairman, Railway Board	Part-time Chairman (Nominated by Government of India) (w.e.f. 30 th January 2019)	1	1	Not Applicable
2.	Mr. Achal Khare (DIN- 07576351)	Managing Director (Whole-time Director)	4	4	Yes
3.	Mr. Rajendra Prasad (DIN- 08006234)	Director Project (Whole-time Director)	4	3	Yes
4.	Mr. Arun Bijalwan (DIN- 08012372)	Director Finance (Whole-time Director)	4	4	Yes

Sl. No.	Name of Director	Designation	No. of Board Meetings		Attendance at the last AGM (held on 24.09.2018)
			Held during the tenure of Director	Attended	
5.	Mr. Vijay Kumar (DIN- 08205585)	Director Rolling Stock (Whole-time Director) (w.e.f. 23 rd August 2018)	3	2	Yes
6.	Mr. Sandeep Kumar (DIN- 08206781)	Director Electrical & Systems (Whole-time Director) (w.e.f. 31 st August 2018)	2	2	No
7.	Mr. Ravindra Nath Singh (DIN- 08488013), Principal Executive Director/ Infra, Railway Board	Part-time Director (Nominated by Government of India) (w.e.f. 19 th June 2019)	Not Applicable		
8.	Ms. Namita Mehrotra (DIN- 07916304), Executive Director (F)/ RM, Railway Board	Part-time Director (Nominated by Government of India)	4	3	Yes
9.	Mr. P. R. Patelia (DIN- 06480313) Chief Engineer (National Highways) & Addl. Secy., Roads & Building Department, Govt. of Gujarat	Part-time Director (Nominated by Government of Gujarat) (w.e.f. 15 th June 2018)	4	3	No
10.	Mr. Abhijit Narendra (DIN- 07851224) Executive Director (Traffic)/ PPP, Railway Board	Part-time Director (Nominated by Government of India) (Held office from 15 th June 2017 to 15 th April 2018)	Not Applicable		
11.	Mr. Ashwani Lohani (DIN- 01023747), Chairman Railway Board	Part-time Chairman (Nominated by Government of India) (Held office from 25 th August 2017 to 31 st December 2018)	3	3	Yes
12.	Mr. Sushant Kumar Mishra (DIN- 07869414), Ex-PED/ Infra & Secretary, Railway Board	Part-time Director (Nominated by Government of India) (Held Office from 25 th August 2017 to 14 th June 2019)	4	4	Yes

Ms. Sumita Sharma, Company Secretary, attended all the board meetings and the AGM of the Company held during 2018-19.

CODE OF CONDUCT AND ETHICS

Your Company has formalized and put in place a Code of Conduct and Ethics for its Employees, Senior Management, and Board of Directors w.e.f. 1st June 2018 which enshrines guidance for dealing with work related issues and dilemmas in discharging official duties.

All the members of Board of Directors and Senior Management team have affirmed their compliance with the said Code of Conduct for the financial year 2018-19.

GENERAL BODY MEETINGS

- A.** The second Annual General Meeting (AGM) of the Company for the financial year 2017-18 was held on 24th September 2018 at 1100 hours at 2nd Floor, Committee Room, Ministry of Railways, Railway Board, New Delhi, wherein one special resolution was passed to increase borrowing limits of the Company.
- B.** The proposed 3rd AGM of the Company for 2018-19 is scheduled to be held as per following details:
- Day - Monday
Date - 23rd September 2019
Time - 1100 hours
Venue - Ministry of Railways, Railway Board, New Delhi 110001

COMPANY'S WEBSITE

The Company's website is www.nhsrcl.in. All major information pertaining to the Company, including Feasibility reports, technical details of the project, SIA / RAP and IPP reports, tenders, various vacancies & results of such recruitments, land acquisition compensation to Maharashtra, Gujarat and Dadar & Nagar Haveli are available at the official website of your Company in three different languages viz. English, Hindi, and Japanese.

AUDITORS

A. Statutory Auditors

Comptroller & Auditor General of India has appointed M/s. Sehgal Mehta & Co., Chartered Accountants in practice, as statutory auditors of your Company for 2018-19 in terms of the provisions of the Companies Act, 2013.

B. Secretarial Auditor

Your Company has appointed Mr. Anil Anand, Company Secretary in practice, to undertake the Secretarial Audit of the Company for 2018-19 in terms of the provisions of the Companies Act, 2013.

C. Internal Auditors

Your Company has appointed M/s. Bhushan Bensal Jain Associates, Chartered Accountants in practice, to conduct the internal audit of the Company for 2018-19 in terms of the provisions of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of your Company confirms that:

- i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) such accounting policies had been selected and applied consistently and such judgments had been made and estimates that were 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 and loss of the Company for that period;
- iii) proper and sufficient care had been taken 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) annual accounts had been prepared on a going concern basis; and
- v) proper systems had been devised to ensure compliances with the provisions of all applicable laws and

- v) proper systems had been devised to ensure compliances with the provisions of all applicable laws and that such systems were adequate and operating effectively.

OTHER RELEVANT DOCUMENTS

The following reports / documents along with relevant annexures form an integral part of this report, in terms of the provisions of the Companies Act, 2013 read with rules thereto, and have been placed as Appendices numbered herein:

- | | |
|---|---------------------|
| 1. Extract of Annual Return (in Form MGT-9) | Appendix – 1 |
| 2. Secretarial Audit Report | Appendix – 2 |

ACKNOWLEDGEMENT

We record our sincere gratitude to the Government of India, Government of Japan, Ministry of Railways, Ministry of External Affairs and other Ministries; Government of Maharashtra, Government of Gujarat, Ambassadors and Embassies of India and Japan; Passport Authority; NITI Aayog, Department of Industrial Policy and Promotion (DIPP), Officials from JETRO, Japan International Cooperation Agency (JICA), Japan International Consultants (JIC), JR East; Reserve Bank of India, our bankers, and various media channels for their continued support to the Company.

We also place on record our sincere appreciation for all the employees of the Company for their dedication and sincerity towards the Company.

For and on behalf of the Board of Directors

**Sd/-
(Arun Bijalwan)
Director Finance**

**Sd/-
(Achal Khare)
Managing Director**

**Date : 05-08-2019
Place : New Delhi**

FORM NO. MGT 9 - EXTRACT OF ANNUAL RETURN
[As on 31.03.2019]

[Pursuant to Section 92 (3) of the Companies Act, 2013, and Rule 12(1) of the Company (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

1	Corporate Identity Number (CIN)	:	U60200DL2016GOI291002
2	Registration Date	:	12th February 2016
3	Name of the Company	:	National High Speed Rail Corporation Limited
4a)	Category of the Company	:	Public Company
4b)	Sub-category of the Company	:	Government Company, Limited by Shares, and Company having share capital.
5	Address of the Registered office & contact details	:	Asia Bhawan, Second Floor, Road No. 205, Sector - 9, Dwarka, New Delhi - 110077 Ph. No.: 011-28070000/01 Fax No. : 011-28070150 Email id: comp.sec@nhsrcl.in
6	Whether Listed Company (Yes/ No)	:	No
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	:	Not Applicable¹

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company are:

Sl. No.	Name and Description of Main Products / Services	NIC Code of the Product/service	% to total turnover of the Company
1	Construction: Civil Engineering - construction of roads and railways - construction of utility projects	Section F Division 42 Group 421 Group 422	Nil*
2	Transportation and Storage: Land transport and transport via pipelines - Transport via Railways - other land Transport - Transport via Pipeline	Section H Division 49 Group 491 Group 492 Group 493	

*The Company is in construction stage and is yet to commence its commercial operations.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Not Applicable, since NHSRCL did not have any subsidiary or associate companies during the year.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year ³				% Change during the year ³
	Demat ¹	Physical	Total	% of Total Shares ³	Demat ¹	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
b) Central Government ²		65,00,000	65,00,000	99.237		2,35,00,000	2,35,00,000	95.723	-3.514
c) State Government(s)		50,000	50,000	0.763		10,50,000	10,50,000	4.277	3.514
Sub-total (A) (1)	Nil	65,50,000	65,50,000	100	Nil	2,45,50,000	2,45,50,000	100	-
(2) Foreign									
Sub-total (A) (2)		-	-			-	-		
Total Promoter Shareholding (A) = (A)(1)+(A)(2)		65,50,000	65,50,000	100		2,45,50,000	2,45,50,000	100	-
B. Public Shareholding									
(1) Institutions									
(2) Non- Institutions									
Total Public Shareholding (B)= (B)(1)+(B)(2)									
Shares held by Custodian for GDRs & ADRs									
Grand Total (A + B + C)	Nil	65,50,000	65,50,000	100	Nil	2,45,50,000	2,45,50,000	100	-

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year ³			% change in share holding during the year ³
		No. of Shares	% of total Shares of the company ³	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
(A)	President of India and his twelve nominees ²	65,00,000	99.237	-	2,35,00,000	95.723	-	-3.514
(B)	Governor of Gujarat	50,000	0.763	-	10,50,000	4.277	-	3.514
	Total	65,50,000	100		2,45,50,000	100		

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company ³	No. of shares	% of total shares of the company ³
(A)	<u>At the beginning of the year:</u>				
(1)	President of India	65,00,000	99.237	-	-
(2)	Governor of Gujarat	50,000	0.763	-	-
(B)	<u>Change in shareholding</u>				
(1)	Allotment of Shares to Governor of Gujarat on 28.06.2018	10,00,000	13.245	10,50,000	13.907
(2)	Allotment of Shares to President of India on 05.12.2018	1,15,00,000	60.367	1,80,00,000	94.488
(3)	Allotment of Shares of President of India on 14.03.2019	55,00,000	22.403	2,35,00,000	95.723
(C)	<u>At the end of the year:</u>				
(1)	President of India	-	-	2,35,00,000	95.723
(2)	Governor of Gujarat	-	-	10,50,000	4.277
	Total			2,45,50,000	100

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Not Applicable⁴

v) Shareholding of Directors and Key Managerial Personnel (KMP): Not Applicable⁴

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial Year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i + ii + iii)				
Change in Indebtedness during the financial year				
- Addition				
- Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i + ii + iii)				

NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(in Rs.)

Sl. No.	Particulars of Remuneration	Name of Whole-time Director						Total Amount
		Achal Khare, MD (through out 2018-19)	Rajendra Prasad, DP (through out 2018-19)	Arun Bijalwan, DF (through out 2018-19)	Vijay Kumar, DRS (w.e.f. 23.08.2018)	Sandeep Kumar, D(E&S) (w.e.f. 31.08.2018)		
1	Gross salary							
a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	48,29,373	31,24,917	26,79,300	19,74,240	16,50,454	1,42,58,284	
b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961	10,40,346	8,28,078	5,87,238	2,24,963	4,59,649	31,40,274	
c)	Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	0	0	0	0	0	0	
2	Stock option	0	0	0	0	0	0	
3	Sweat Equity	0	0	0	0	0	0	
4	Commission	0	0	0	0	0	0	
5	Others, please specify:	0	0	0	0	0	0	
	Total (A)	58,69,719	39,52,995	32,66,538	21,99,203	21,10,103	1,73,98,558	

Ceiling as per the Act - Not Applicable⁵

(in Rs.)

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
1	Independent Directors* Fee for attending board/ committee meetings	Not Applicable					0
2	Other Non-executive Directors*	Total (B1)					0
		Vinod Kumar Yadav (w.e.f. 30.01.2019)	Ashwani Lohani (from 25.08.2017 to 31.12.2018)	S.K. Mishra (from 25.08.2017 to 14.06.2019)	Abhijit Narendra (from 25.08.2017 to 15.04.2018)	Namita Mehrotra (through out 2018-19)	P.R. Patelia (w.e.f. 15.06.2018)
	Fee for attending board/ committee meetings	Nil					0
		Total (B2)					0
		Total B [B1 + B2]					0

Overall ceiling as per the Act - Not Applicable⁵

*After the close of the year, Mr. R.N. Singh, Nominee Director (nominated by Ministry of Railways, Government of India), has joined the Board of the Company w.e.f. 19th June 2019.

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ Whole Time Directors (in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	Total Amount
		Sumita Sharma Company Secretary (through out 2018-19)	
1	Gross salary		
a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,54,661	24,54,661
b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961	3,51,905	3,51,905
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
5	Others, please specify:	0	0
		Total (C)	28,06,566
		Ceiling as per the Act - Not Applicable ⁵	
			28,06,566

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : COMPANY / DIRECTOR/ OTHER OFFICERS IN DEFAULT

Type	Section of the Companies Act, 2013	Brief Discription	Details of Penalty / Punishment/ Compounding fee imposed	Authority [RD/ NCLT/ Court]	Appeal made, if any (give details)
Company / Directors/ Other Officers in Default -- Penalty/ Punishment/ Compounding	NIL	NIL	NIL	NIL	NIL

Notes:

1. All the shares of the Company are held in physical form. During the financial year 2018-19, your Company has appointed Beetal Financials & Computer Services (P) Limited (Beetal) (as RTA of the Company), and has got admitted its equity shares into the depository system of National Securities Depository Limited (NSDL) through Beetal (vide ISIN -- INE04UB0107) as a preliminary step to dematerialise the certificates of equity shares of the Company in terms of MCA notification dated 10th September 2018.

However, MCA subsequently exempted government unlisted companies from the provisions of issuance of securities in dematerialise form, vide notification dated 22nd January 2019, and accordingly BoD of your Company at its meeting held on 14th March 2019 has decided to continue to issue equity shares in physical mode and to discontinue the services of Beetal and NSDL. Accordingly, the services of NSDL and Beetal has been discontinued during 2018-19.

2. 2,34,99,988 equity shares of Rs. 1000/- each are held in the name of President of India, and one share of Rs. 1000/- is held by each of the twelve nominees (who are Government Officials from Ministry of Railways) of the President of India.

3. The Company has been established as a joint venture between Government of India, Government of Gujarat, and Government of Maharashtra with proposed equity participation of 50:25:25 respectively. The Company being in the nascent stage, equity contribution from JV partners/promoters is being received from time to time.

4. All the shares of NHSRCL are held by Central Government in the name of the President of India and his 12 nominees (i.e. 2,35,00,000 equity shares), and by Government of Gujarat in the name of Governor of Gujarat (i.e. 10,50,000 equity shares).

5. Section 197 of the Companies Act, 2013, is exempt for government companies in terms of notification dated 5th June 2015 of the Ministry of Corporate Affairs.

For and on behalf of the Board of Directors

Sd/-
(Arun Bijalwan)
Director Finance

Sd/-
(Achal Khare)
Managing Director

Date : 05-08-2019
Place : New Delhi

CS ANIL ANAND

(Company Secretary in Practice)

351, Prakash Mohalla, East of Kailash, New Delhi – 110065

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

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2019

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

To,

The Members,

NATIONAL HIGH SPEED RAIL CORPORATION LIMITED

2nd Floor, Asia Bhawan, Road No. 205,

Sector-9, Dwarka Delhi - 110077

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by “**NATIONAL HIGH SPEED RAIL CORPORATION LIMITED**” (NHSRCL) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provides us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers 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, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by “**NATIONAL HIGH SPEED RAIL CORPORATION LIMITED**” for the financial year ended on 31st March, 2019 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 Standards 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, Standard, etc. mentioned above.

We further report that:

The Board of the Company is duly constituted 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.

We report further that, during the audit period, there were no other specific event/action in pursuance of the above referred laws, rules, regulations, guidelines, etc, having a major bearing on the Company's affairs.

Sd/-
Anil Anand
Company Secretary in Practice
ACS: 10328
C P No.:11295

Place: New Delhi
Date : 05-08-2019

CS ANIL ANAND

(Company Secretary in Practice)

351, Prakash Mohalla, East of Kailash, New Delhi – 110065

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

To,

**The Members,
NATIONAL HIGH SPEED RAIL CORPORATION LIMITED
2nd Floor, Asia Bhawan, Road No. 205,
Sector-9, Dwarka Delhi - 110077**

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.

**Sd/-
Anil Anand
Company Secretary in Practice
ACS: 10328
C P No.:11295**

**Place: New Delhi
Date : 05-08-2019**

FINANCIAL STATEMENTS

SEHGAL MEHTA & CO.

CHARTERED ACCOUNTANTS

10173/2, Block No.15, Abdul Aziz Road,
W.E.A., Karol Bagh, New Delhi-110005

Phone: 011-4506 4845, 4506 4846

Email: sehgalmehta@hotmail.com, sehgalmehta@gmail.com

INDEPENDENT AUDITOR'S REPORT

To
**THE MEMBERS OF
M/s. NATIONAL HIGH SPEED RAIL CORPORATION LIMITED**
Report on the Ind-AS Financial Statements

Opinion

We have audited the accompanying Ind-AS financial statements of **M/s NATIONAL HIGH SPEED RAIL CORPORATION LIMITED ("the Company")**, which comprise the Balance Sheet as at **March 31, 2019**, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (Herein after referred to as "Ind-AS financial statement").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind-AS financial statements give the information required by the Companies Act 2013 ("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, 2019, and its profit, total comprehensive income, the changes in equity and cash flows for the year ended as on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are Independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management and those Charged with Governance for 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 Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our

opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls .
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the directions issued by the Comptroller and Auditor-General of India, in terms of sub section (5) of section 143 of the Act, 2013 we give the compliance in **"Annexure -A"**.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;

- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind-AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with relevant Rules issued there under.
- e) On the basis of written representations received from the directors as on March 31, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the Adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure C**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting. And
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind-AS Financial Statements—Refer Note 32 to the financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amount required to be transferred to the Investor Education and Protection Fund by the company.

**For Sehgal Mehta & Co.
Chartered Accountants
FRN-003330N**

**Sd/-
(CA Pankaj Kumar Goyal)
Partner
M.No. 515717**

**Place : New Delhi
Date : 05-08-2019
UDIN : 19515717AAAABP3975**

SEHGAL MEHTA & CO.

CHARTERED ACCOUNTANTS

10173/2, Block No.15, Abdul Aziz Road,
W.E.A., Karol Bagh, New Delhi-110005

Phone: 011-4506 4845, 4506 4846

Email: sehgalmehta@hotmail.com, sehgalmehta@gmail.com

“Annexure A” to the Independent Auditors’ Report

Annexure to the Independent Auditors’ Report referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date on the financial statements of National High Speed Rail Corporation Limited for the Year ended 31st March, 2019.

Sl.No.	Directions	Auditor's Replies
(i)	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The company has system in place to process all the accounting transaction through IT system. All accounting transactions are accounted for through IT System and there is no financial implication on the integrity on the accounts.
(ii)	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/ interest etc. made by a lender to the company due to the company’s inability to repay the loan? If yes, the financial impact may be stated.	Presently, there is no loan taken by the Company and hence, there is no case of restructuring, waiver or write off of debt or loan or interest etc.
(iii)	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	No, funds have been received for any specific schemes from central/ state agencies during the FY 2018-19. Hence there is no applicability for accounting / utilization of funds so received as per terms and conditions of disbursement.

For Sehgal Mehta & Co.
Chartered Accountants
FRN-003330N

Sd/-
(CA Pankaj Kumar Goyal)
Partner
M. No. 515717

Place : New Delhi
Date : 05-08-2019
UDIN : 19515717AAAABP3975

“Annexure B” to the Independent Auditors’ Report

Referred to in paragraph 2 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2019:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to information & explanation given to us, the records examined by us and based on the conveyance deed/ registered sale deed provided to us, we report that following lands & buildings acquired in the various states/ union territories of India which are yet to be registered in the name of company:-

1. In the state of Gujarat and Dadra Nagar and Haveli	
Particular	Unregistered Area of Land (In Hectares)
Land acquired from parties other than Government Lands	174.2647
Land acquired from Government/ Forest land	39.7924
2. In the state of Maharashtra	
Particular	Unregistered Area of Land (In Hectares)
Land acquired from Government/ Forest land	26.8611

In respect of followings immovable properties of lands and buildings that have been taken on lease in the various states/ from Indian railways, lease agreements are yet to be registered in the name of company.

1. In the state of Maharashtra	
Particular	Unregistered Area of Land (In Hectares)
Land acquired from Government/ Forest land	3.6946
2. Acquired from Indian Railways	
Particular	Unregistered Area of Land (In Hectares)
Land acquired from Indian Railways	127.50

- 2) Based upon the audit procedures performed and the information and explanations given by the management, the company does not have any inventory during the year under review. Accordingly, the provision of clause 3(ii) of the Order is not applicable to the company and hence not commented upon;
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

- 6) That Central Government has not prescribed maintenance of cost records under section (1) of section 148 of the Companies Act, 2013, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Service Tax, Goods And Service Tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, service tax, Goods And Service Tax outstanding on account of any dispute.
- 8) The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures. Accordingly, the provisions of clause 3 (viii) of the Order are not applicable to the Company and hence not commented upon.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Section 197 and Schedule V of the companies Act, 2013, relating to managerial remuneration, is not applicable on the company, being a government company.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company and hence are not commented upon.
- 13) According to the information and explanations given to us and based on our examination of the records of the company, transaction with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transaction have been disclosed in the Ind-AS financial statement as required by the applicable accounting standard.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934, accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

Place : New Delhi
 Date : 05-08-2019
 UDIN : 19515717AAAABP3975

For Sehgal Mehta & Co.
Chartered Accountants
FRN-003330N
 Sd/-
(CA Pankaj Kumar Goyal)
Partner
M. No. 515717

“Annexure – C” to the Independent Auditors’ Report

(Referred to in paragraph 3(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of National High Speed Rail Corporation Limited of even date).

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

We have audited the internal financial controls over financial reporting of **M/s National High Speed Rail Corporation Limited (“the Company”)** as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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 internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 Ind-AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the Ind-AS financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Sehgal Mehta & Co.
Chartered Accountants
FRN-003330N**

**Sd/-
(CA Pankaj Kumar Goyal)
Partner
M. No. 515717**

**Place : New Delhi
Date : 05-08-2019
UDIN : 19515717AAAABP3975**



BALANCE SHEET as at 31st March 2019

Amount (Rs in Lakhs)

Particulars		Note No.	As at 31st March 2019	As at 31st March 2018
I.	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment	3	1,365.20	572.89
	(b) Capital work-in-progress	4	61,788.80	8,765.90
	(c) Intangible Assets	5	146.74	28.58
	(d) Financial Assets	6		
	(i) Loans	6.1	287.56	181.14
	(e) Deferred Tax Assets (Net)	7	62.90	32.59
	(f) Other Non-Current Assets	8	1,71,457.46	6,605.74
			2, 35, 108.66	16,186.84
2	Current assets			
	(a) Financial Assets	9		
	(i) Cash and Cash Equivalents	9.1	55,278.36	9,823.25
	(ii) Bank Balances other than (i) above	9.2	32,300.00	40,838.44
	(iii) Loans	9.3	109.50	40.39
	(iv) Others	9.4	1,978.86	2,296.31
	(b) Other Current Assets	10	1,000.80	69.19
	(c) Current Tax Asset (Net)	19	224.84	-
			90,892.36	53,067.58
	Total Assets		3,26,001.02	69,254.42
II.	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share Capital	11	2,45,500.00	65,500.00
	(b) Other Equity	12	66,947.63	2,518.64
			3,12,447.63	68,018.64
2	Liabilities			
(i)	Non-current liabilities			
	(a) Financial Liabilities	13		
	(i) Others	13.1	10,012.78	4.95
	(b) Other Non Current Liabilities	14	0.99	0.02
	(c) Provisions	15	250.59	18.75
			10,264.36	23.72
(ii)	Current liabilities			
	(a) Financial Liabilities	16		
	(i) Others	16.1	2,819.18	1,009.21
	(b) Other Current Liabilities	17	447.92	144.36
	(c) Provisions	18	21.93	1.42
	(d) Current Tax Liability (Net)	19	-	57.07
			3,289.03	1,212.06
	Total Equity and Liabilities		3,26,001.02	69,254.42

General Information	1
Summary of Significant Accounting Policies	2
Notes Forming part of the Financial Statement	1 to 38

This is the balance sheet referred to in our report of even date attached.

For Sehgal Mehta & Co.
Chartered Accountants

FRN: 003330N

Sd/-

Partner: CA Pankaj Kumar Goyal
M. No.: 515717

Place: New Delhi
Date : 05-08-2019

For and on behalf of Board of Directors

Sd/-
Achal Khare
Managing Director
DIN: 07576351

Sd/-
Arun Bijalwan
Director Finance
DIN: 08012372

Sd/-
Sumita Sharma
Company Secretary
M No: FCS5250

NATIONAL HIGH SPEED RAIL CORPORATION LIMITED
Statement of Profit and Loss for the year ended 31st March, 2019



Amount (Rs in Lakhs)

Particulars		Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
I.	Revenue from Operations		-	-
II	Other Income	20	6,827.37	2,964.24
III	Total Revenue (I+II)		6,827.37	2,964.24
	Expenses			
	Employee Benefit Expense	21	175.67	61.23
	Depreciation and Amortization Expense	22	10.73	2.99
	Other Expenses	23	345.80	116.01
IV	Total Expenses (IV)		532.20	180.23
V	Profit before exceptional items and tax (III - IV)		6,295.17	2,784.02
VI	Exceptional Items		-	-
VII	Profit before tax (V - VI)		6,295.17	2,784.02
VIII	Tax expense:			
	(1) Current tax	24	1,715.48	815.10
	(2) Deferred tax		(30.10)	26.29
IX	Profit/(Loss) for the period from continuing operations (VII-VIII)		4,609.79	1,942.62
X	Profit/(Loss) from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(Loss) from discontinued operations (X - XI)		-	-
XIII	Profit/(Loss) for the period (IX + XII)		4,609.79	1,942.62
XIV	Other Comprehensive Income			
	A. (i) Items that will be reclassified to Profit or Loss		-	-
	(ii) Income Tax relating to Items that will be reclassified to Profit or Loss		-	-
	B. (i) Items that will be reclassified to Profit or Loss	25	(0.68)	-
	(ii) Income Tax relating to Items that will not be reclassified to Profit or Loss	25	0.20	-
XV	Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period		4,609.31	1,942.62
XVI	Earnings Per Equity Share: (Face Value Rs. 1000 per share) (For Continuing Operation)			
	(1) Basic (in Rs)	26	40.92	42.35
	(2) Diluted (in Rs)	26	40.92	42.35
XVII	Earnings Per Equity Share: (For Discontinuing Operation)			
	(1) Basic (in Rs)		-	-
	(2) Diluted (in Rs)		-	-
XVIII	Earnings Per Equity Share: (Face Value Rs. 1000 per share) (For Continuing and Discontinued Operation)			
	(1) Basic (in Rs)	26	40.92	42.35
	(2) Diluted (in Rs)	26	40.92	42.35

Notes Forming part of the Financial Statements

1 to 38

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

For Sehgal Mehta & Co.
Chartered Accountants
FRN: 003330N

For and on behalf of Board of Directors

Sd/-
Partner: CA Pankaj Kumar Goyal
M. No.: 515717

Sd/-
Achal Khare
Managing Director
DIN: 07576351

Sd/-
Arun Bijalwan
Director Finance
DIN: 08012372

Sd/-
Sumita Sharma
Company Secretary
M No: FCSS250

Place: New Delhi
Date : 05-08-2019

NATIONAL HIGH SPEED RAIL CORPORATION LIMITED
Statement of Cash Flow for the year ended 31st March, 2019



Amount (Rs in Lakhs)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
A. Cash Flow from Operating Activities		
Profit before exceptional items and tax	6,295.17	2,784.02
Adjustments for:-		
Depreciation	276.65	(49.91)
Interest Income	(6,804.51)	(2,961.46)
Other comprehensive item	(0.68)	-
Operating Profit before operating capital changes (1)	(233.37)	(227.35)
Adjustments for :-		
Decrease / (Increase) in Financial Assets-Others	317.45	(1,251.93)
Decrease / (Increase) in Other current Assets	(931.61)	(60.72)
Decrease/ (Increase) in Other Non Current assets	(1,64,849.22)	(6,604.11)
Decrease/ (Increase) in Financial Assets Loans	(175.53)	(210.89)
(Decrease) / Increase in Financial Liability-Others	11,817.78	810.00
(Decrease) / Increase in Provisions	252.35	20.17
(Decrease) / Increase in Other Current Liability	303.56	121.82
(Decrease) / Increase in Other Non Current Liability	0.97	0.02
Cash generated from operation (1+2)	(1,53,264.25)	(7,175.65)
Income Tax Paid	(1,997.39)	(803.11)
Total Cash generated from Operating Activities	(1,55,495.01)	(8,206.11)
B. Cash Flow From Investing Activities		
Purchase of Property, Plant and Equipment's & Other Intangible Assets and CWIP	(54,210.02)	(8,117.14)
Capital Advances for Project Work and Capex	(2.50)	-
Increase in Bank Deposits	8,538.44	(22,838.44)
Interest Income	6,804.51	2,961.46
Net Cash used in Investing Activities	(38,869.57)	(27,994.12)
C. Cash Flow From Financing Activities		
Proceeds from Issue of Equity Share Capital	1,80,000.00	45,500.00
Share Application Money pending allotment	60,000.00	(30,000.00)
Share issue expense	(180.32)	(45.50)
Net Cash generated from Financing Activities	2,39,819.68	15,454.50
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	45,455.10	(20,745.73)
Opening Cash & Cash Equivalents	9,823.25	30,568.98
Closing Cash & Cash Equivalents	55,278.36	9,823.25
Cash and Cash Equivalent Comprises of		
Currency in Hand	-	2.03
Balances with banks:		
– Current Account	243.40	34.27
– In Flexi Account	5,025.48	786.57
– In Fixed Deposits with original maturity of less than three months	50,000.00	9,000.00
In Imprest Account	9.48	0.38
Cash and Cash Equivalents as per Balance Sheet	55,278.36	9,823.25

Notes:-

The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS-7 on Cash Flow Statement notified by Ministry of Corporate Affairs.

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

For Sehgal Mehta & Co.
Chartered Accountants
FRN: 003330N

Sd/-
Partner: CA Pankaj Kumar Goyal
M. No.: 515717

Place: New Delhi
Date : 05-08-2019

For and on behalf of Board of Directors

Sd/-
Achal Khare
Managing Director
DIN: 07576351

Sd/-
Arun Bijalwan
Director Finance
DIN: 08012372

Sd/-
Sumita Sharma
Company Secretary
M No: FCS5250

NATIONAL HIGH SPEED RAIL CORPORATION LIMITED

Statement of Changes in Equity for the year ended 31 March, 2019

A. Equity share capital

Particulars	Number of shares	Amount (Rs in Lakhs)
Balance as at April 1, 2018	65,50,000.00	65,500.00
Issue of share capital during the year	1,80,00,000.00	1,80,000.00
Balance as at March 31, 2019	2,45,50,000.00	2,45,500.00

B. Other Equity

Particulars	Reserves & Surplus		Share Application	Total
	General Reserve	Retained Earnings	Money Pending Allotment	
Balance at the beginning of the year	-	2,691.02	-	2,691.02
Changes in accounting policy or prior period errors	-	(172.38)	-	(172.38)
Restated balance at the beginning of the year	-	2,518.64	-	2,518.64
Profit for the year	-	4,609.79	-	4,609.79
Other Comprehensive Income for the year (net of income tax)	-	(0.48)	-	(0.48)
Total Comprehensive Income for the year		4,609.31	-	4,609.31
Share application money received during the period	-	-	2,40,000.00	2,40,000.00
Share issued during the year	-	-	(1,80,000.00)	(1,80,000.00)
Share issue expenses	-	(180.32)	-	(180.32)
Balance at the end of the year	-	6,947.63	60,000.00	66,947.63

This is the Statement of Changes in Equity referred to in our report of even date attached.

For Sehgal Mehta & Co.

Chartered Accountants

FRN: 003330N

Sd/-
Partner: CA Pankaj Kumar Goyal
M. No.: 515717

For and on behalf of Board of Directors

Sd/- Achal Khare Managing Director DIN: 07576351	Sd/- Arun Bijalwan Director Finance DIN: 08012372	Sd/- Sumita Sharma Company Secretary M No: FCS5250
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Place: New Delhi
Date : 05-08-2019

NATIONAL HIGH SPEED RAIL CORPORATION LIMITED

Statement of Changes in Equity for the year ended 31 March, 2018

A. Equity share capital

Particulars	Number of shares	Amount (Rs in Lakhs)
Balance as at April 1, 2017	20,00,000.00	20,000.00
Issue of share capital during the year	45,50,000.00	45,500.00
Balance as at March 31, 2018	65,50,000.00	65,500.00

B. Other Equity

Particulars	Reserves & Surplus		Share Application	Total
	General Reserve	Retained Earnings	Money Pending Allotment	
Balance at the beginning of the year	-	621.52	30,000.00	30,621.52
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the year	-	621.52	30,000.00	30,621.52
Profit for the year	-	1,942.62	-	1,942.62
Other Comprehensive Income for the year (net of income tax)	-	-	-	-
Total Comprehensive Income for the year		1,942.62	-	1,942.62
Share application money received during the period	-	-	15,500.00	15,500.00
Share issued during the year	-	-	(45,500.00)	(45,500.00)
Share issue expenses	-	(45.50)	-	(45.50)
Balance at the end of the year	-	2,518.64	-	2,518.64

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

For Sehgal Mehta & Co.

Chartered Accountants

FRN: 003330N

For and on behalf of Board of Directors

Sd/-

Partner: CA Pankaj Kumar Goyal

M. No.: 515717

Sd/-

Achal Khare

Managing Director

DIN: 07576351

Sd/-

Arun Bijalwan

Director Finance

DIN: 08012372

Sd/-

Sumita Sharma

Company Secretary

M No: FCS5250

Place: New Delhi

Date : 05-08-2019

Notes to Financial Statements for the year ended 31st March 2019

1. General Information

National High Speed Rail Corporation of India Limited (NHSRCL) is a public limited company domiciled in India having registered office at 2nd Floor, Asia Bhawan, Road No.-205, Sector-9, Dwarka (South West Delhi) New Delhi-110077. The Company was incorporated in India under the provisions of Companies Act, 2013 on 12th February 2016 with the object to Plan, design, develop, build, commission, maintain, operate and finance high speed rail services between the state of Maharashtra & state of Gujarat and /or any other area either on its own or by taking over or leasing or otherwise of any other model and build new transit route of any mode or a combination of mode with all attendant infrastructure facilities, as may be approved by Ministry of Railways or Government of India or any other such competent authority.

2. Summary of Significant Accounting Policies

2.1 a) Statement of Compliance

The financial statements of the Company are being prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time.

b) 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 accounting policy regarding Financial Instruments at Note No. 2.20)
- ii. Defined benefit plan and plan Assets.

c) 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 and estimated useful life of property, plant and equipment, Employee benefit expenses, provisions etc. 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 recognized in the period in which the results are known /materialized.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is as under:

- i. **Property, Plant and Equipment:** The useful lives and residual values are reviewed periodically along with depreciation method. The lives are based on historical experiences as well as anticipation of future events.
- ii. **Provisions:** Provisions are determined based on estimation to settle the obligation at balance sheet date.
- iii. **Contingent Liabilities/Assets:** Contingent Liabilities/Assets are disclosed based on judgement of management, are reviewed at each balance sheet date and are adjusted to reflect current management estimate.
- iv. **Impairment test of non-financial assets:** The recoverable amount of Property, Plant and Equipment is determined based on judgement of assumptions of technical experts.

- v. **Recognition of Deferred Tax Assets:** Deferred Tax Asset is recognized based on the assessment of probability of future taxable income against which the deferred tax can be utilized.
 - vi. **Post-Employment Benefits:** Employee benefit obligation are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future development in discount rates, the rates of salary increase and inflation rate. The company consider that the assumption used to measure obligations are appropriate and documented. However, any changes in these assumption may have a material impact on the resulting calculations.
- d) All financial information presented in Indian rupees and all values are rounded to the nearest lakhs except where otherwise stated.

Amount has been presented in Lakhs of Rupees. Any Discrepancies in the total are due to rounding off and would not need rectification.

2.2 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 based on the available information.

For the purpose of presentation in the Statement of Cash Flows, Cash and Cash equivalent includes Cash on hand, deposit held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdraft are shown within borrowings in current liabilities in the Balance Sheet.

2.3 Functional and presentation currency

Items Included in the Financial Statements are measured using the currency of primary economic environment in which the Company operates (Functional Currency) The financial statements are presented in Indian Rupee (INR), which is functional as well as presentation currency of company.

Foreign Currency

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of transaction.

Monetary items denominated in foreign currencies are translated at exchange rates as at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss.

2.4 Property, plant and equipment

- (a) Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any

Cost of asset includes the following:

- i. Cost directly attributable to the acquisition of the assets
 - ii. Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.
- (b) Cost of replacement, major inspection, repair of significant parts is capitalized if the recognition criteria are met.
- (c) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of assets. Any gain or loss arising

on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in statement of profit or loss.

Depreciation & Amortization

- (a) Depreciation on Property, plant and Equipment is provided on Straight Line method (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.
- (c) Assets given to employees have been depreciated over the period of 3 years on SLM basis.
- (d) Reimbursement of cost of Brief case issued to employees on non-returnable basis are charged to expense in the year of payment.
- (e) The estimated useful life of assets for current and comparative period of significant items of property plant and equipment are as follows:

Furniture & Fixture	10 Years
EDP Assets	3 Years
Office Equipment	5 Years
Vehicles	8 Years
- (f) Leasehold improvements are amortized over the period of lease from the month in which such improvements are capitalized.
- (g) Depreciation methods, useful lives and residual values are reviewed at each reporting date.

2.5 Intangible Assets

An intangible Asset is recognized where it is probable that the future economic benefits attributable to the assets will flow to the company and cost of the asset can be measured reliability. Intangible assets are stated at historical cost less accumulated amortization and impairment loss, if any.

Amortization

Intangible assets are amortized over their respective estimated useful lives on a straight- line basis from the date that they are available for use.

The estimated useful life of intangibles are as follows:

Software:- 3 Years

Amortization methods, useful lives and residual values are reviewed at each reporting date.

2.6 Capital Work in Progress

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before Balance Sheet date are disclosed under capital work- in-progress. Cost or compensation related to the land including lease-hold land in possession, are treated as cost of the land or lease-hold land.

Expenditure which can be directly identified with the Project undertaken by the company is debited to "Capital Work in Progress" under "Direct Project Expenditure". Indirect expenditure in the nature of employee benefits and indirect expenditure directly related to the project has been charged to project.

Income pertaining to construction period and other incidental income such as interest income (other than from temporary deployment of funds received by way of equity), sale of tender documents, etc. is adjusted against the expenditure during construction.

2.7 Provisions, Contingent Liabilities and Contingent Assets

- a) Provisions are recognized in respect of liabilities which can be measured only by using a substantial degree of estimates when:

- i. The Company has a present obligation as a result of a past event.
- ii. Probable outflow of resources embodying economic benefits will be required to settle the obligation; and
- iii. The amount of the obligation can be reliably estimated. Provisions are reviewed at each Balance Sheet date.

Discounting of Provisions

Where the effect of the time value of money is material the amount of a provision shall be the present value of the expenditure expected to be required to settle the obligation.

- b) 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.

Contingent Liability and Provisions needed against Contingent Liability and Contingent Assets are reviewed at each Reporting date.

- c) Contingent assets are disclosed where an inflow of economic benefits is probable.

2.8 Revenue Recognition

a) Revenue from Contracts with Customers

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

b) Other Revenue Recognition

- i. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable using Effective Interest Rate Method.

2.9 Leases

Finance Lease:

- i. That transfers substantially all the risks and rewards incidental to ownership of an asset.
- ii. Are capitalized at lease inception at lower of fair value or present value of minimum lease payment.
- iii. Payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.
- iv. Finance charges are recognized in finance costs in the statement of profit and loss.
- v. Depreciated over the useful life of the asset. However, if there is no reasonable certainty to obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating Lease:

- i. is classified as operating lease when significant portion of the risk and rewards are not transferred to the company.
- ii. payment is charged to profit and loss on straight-line basis over the lease term except where lease payment is structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

2.10 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.

2.11 **Borrowing Cost**

Borrowing cost incurred on the funds borrowed specifically for the project and identified therewith is capitalized up to the time of commissioning of the project or part thereof and thereafter charged to revenue to the extent assets are under commercial operation.

2.12 **Employee Benefits**

a) **Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages, and short-term compensated absences, LTC etc. are recognized in the period in which the employee renders the related service.

b) **Long Term Employee Benefits**

i. The obligation for long-term employee benefits such as long-term compensated absences & half pay leave is recognized in the same manner as in the case of defined benefit plans as mentioned in (c)(ii) below.

c) **Post-Employment Benefits**

i. Defined contribution plans: The Company makes defined contribution to the Regional Provident Fund Commissioner in respect of provident fund scheme, CGIS and employee state insurance scheme. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.

ii. Defined benefit plans: Gratuity is a post-employment defined benefit plan. The liability recognized in the balance sheet is the present value of the defined benefit obligation at the balance sheet date less fair value of plan assets. The defined benefit obligation is calculated by an independent actuary using projected unit credit (PUC) method.

d) **Retirement benefits**

Retirement benefits of the 'staff on deputation' have been accounted for on the basis of the guidelines of the Ministry of Railways.

e) **Re-measurements**

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions related to defined benefit plans such as gratuity are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of Changes in Equity and in the balance sheet.

2.13 **Current income tax**

- i. Tax expense for the year comprises of current Income tax and deferred tax.
- ii. Current tax is measured at the amount expected to be paid to the tax authorities using the applicable tax rates.
- iii. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.
- iv. Current tax related to OCI Items is recognized in Other Comprehensive Income (OCI).

2.14 **Deferred tax**

In accordance with the Indian Accounting Standard (IND-AS 12) "Income Taxes" issued by the Institute of Chartered Accountants of India.

- i. Deferred income tax assets and liabilities are recognized for temporary differences which is computed using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.
- ii. Deferred income tax asset is recognized to the extent that it is probable that taxable profit

- will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- iii. 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.
 - iv. Deferred tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

2.15 Earnings Per Share

1. Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue and share split.
2. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares

2.16 Preliminary Expenses

All Preliminary Expenses are recognized as an expense when it is incurred.

2.17 Dividend to equity holders

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

2.18 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).

2.19 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:

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

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

2.20 Financial instruments

a) Initial Recognition:

Financial Assets and Liabilities are recognized when the company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

b) Subsequent measurement

Financial Assets

Financial assets are classified in following categories:

i. At Amortized Cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect

contractual cash flows and 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.

ii. Fair Value through Other Comprehensive Income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and 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.

iii. At Fair Value through Profit and Loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

Financial Liabilities

Financial Liabilities are classified as follow:

i. Financial liabilities at Amortized Cost

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

ii. Financial liabilities at Fair Value Through Profit & Loss (FVTPL)

The company has not designated any financial liabilities at FVTPL.

c) De-recognition:

i. Financial Asset

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

ii. Financial Liability

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

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 recognizes 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 amortized 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) recognized during the period is recognized as

income/expense in the statement of profit and loss.

2.21 Non-current Assets (or disposal groups) held for Sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn, and sale is expected within one year from the date of the classification. Disposal groups classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets are not depreciated or amortized 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 recognized 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 Standard issued but not yet effective for the Financial Year 2018-19:

Ind AS 116 - Leases

On March 30, 2019 the Ministry of Corporate affairs (MCA) issued the companies (Indian Accounting Standards) Amendment rules, 2019, notifying Ind AS116, Lease. The Standard is applicable to the Company with effect from April 1, 2019 and will replace the existing Ind AS 17 (leases) and related interpretations. This Ind AS sets out of the principles for the recognition, measurement, presentations and disclosure of Lease for the Lessee and the Lessor. It requires Lessee to recognize assets and liabilities for all lease transaction having lease term of more than 12 months unless the underlying asset is of low value. Under existing Ind AS 17 operating lease expenses are charged to statement of profit & loss. Further, new Ind AS requires extensive disclosure. The Standard permits retrospective approach in accordance with Ind AS 8 or retrospectively with cumulative effect of initially applying this Standard (cumulative catch-up approach).

Amendment to Ind AS 12 - Income Taxes

MCA has notified amendment to Ind AS 12 Appendix C Uncertainty over income tax treatment applicable from April1, 2019. It prescribes uncertainty over income tax treatment is to be applied while performing the determination of taxable profit/loss. Amendment to Ind AS 12 also clarifies to recognize the income-tax consequences of dividend in profit or loss, OCI or equity where it originally recognizes. The adjustment shall be retrospective in accordance with Ind AS 8 or cumulative catch-up approach.

Amendment to Ind AS 19 - Employee Benefits

On March 30, 2019 MCA notified amendment to Ind AS 19 Employee benefits requiring to use updates assumptions to determine past service cost as net interest for remaining period after a plan amendment, curtailment or settlement.

The company is in the process of examining and evaluating the impact of the said changes on the company's financial statements and will be followed from the effective date of Standards & amendments. However, no material impact is perceived.

Note:-3**Property, Plant, and Equipment**

Amount (Rs in Lakhs)

Particulars	Lease Hold Improvements	Furniture & Fixtures	Motor Vehicles	EDP Assets	Office Equipment	Total
<u>Gross Carrying Amount</u>						
At 1st April 2017	-	-	-	8.74	7.02	15.76
Additions	341.26	46.97	47.92	103.62	66.51	606.28
Disposals/Adjustments	-	-	-	-	-	-
At 31st March 2018	341.26	46.97	47.92	112.36	73.53	622.04
Additions	1.51	206.27	27.10	554.84	234.25	1,023.95
Disposals/Adjustments	-	0.78	-	-	3.34	4.12
At 31st March 2019	342.77	252.46	75.02	667.20	304.44	1,641.87
<u>Accumulated Depreciation and Impairment</u>						
At 1st April 2017	-	-	-	0.99	0.38	1.37
Depreciation charged for the year	25.75	2.50	2.98	11.84	4.69	47.76
Disposals/Adjustments	-	-	-	-	-	-
At 31st March 2018	25.75	2.50	2.98	12.83	5.07	49.13
Depreciation charge for the year	54.23	20.96	7.57	105.94	39.54	228.25
Disposals/Adjustments	-	0.36	-	-	0.36	0.72
At 31st March 2019	79.98	23.10	10.55	118.77	44.25	276.66
<u>Net Carrying Value</u>						
At 31st March 2019	262.79	229.36	64.47	548.43	260.19	<u>1,365.20</u>
At 31st March 2018	315.51	44.47	44.94	99.53	68.46	<u>572.89</u>

Note: - 4**Capital Work in Progress**

Amount (Rs in Lakhs)

Particulars	Total
At 1st April 2017	1,185.94
Additions (subsequent expenditure)	7,579.96
Adjustments	-
At 31st March 2018	8,765.90
Additions (subsequent expenditure)	53,022.90
Adjustments	-
At 31st March 2019	61,788.80

Note 4.1 Details of Capital Work in Progress

Amount (Rs in Lakhs)

Particulars	FY 2017-18			FY 2018-19		
	Opening	Additions	As at 31.3.2018	Additions	Adjustments	As at 31.3.2019
Construction/Procurement Cost	-	50.97	50.97	3,061.81	-	3,112.78
Land (Note 4.1.1)	-	389.39	389.39	36,707.38	-	37,096.77
Consulting Service Cost	1,048.15	4,081.61	5,129.76	3,637.70	-	8,767.46
Preliminary Project Expenditure	-	1,230.69	1,230.69	1,522.49	-	2,753.18
Incidental Project expenditure	137.79	1,843.60	1,981.39	8,163.00	-	10,144.39
Less: Sale of Tender & other Income	-	(16.30)	(16.30)	(69.48)	-	(85.78)
Total	1,185.94	7,579.96	8,765.90	53,022.90	-	61,788.80

Note 4.1.1

This includes Land Acquisition Cost and expenses relating to Land Acquisition & facilitation. In some case, Land is freehold and title yet to be transferred in the name of company. Value of land includes leasehold land acquired from Government of India/ Ministry of Railways of Rs. 12,384.81 Lakhs. However, in some cases, lease terms are yet to be finalised.

Note 4.1.2

Company has taken opinion of Expert Advisory Committee of the Institute of Chartered Accountants of India (ICAI) for capitalisation of indirect expenses during construction period, with the revised procedure for capitalisation of expenses capitalisation made during the financial year 2017-18 has been reduced by Rs. 170.76 Lakhs. Refer note 35 for details.

Note: - 5**Intangible Assets**

Amount (Rs in Lakhs)

Particulars	Amount
Gross Carrying Amount	
At 1st April 2017	-
Additions	30.72
Disposals/Adjustments	-
At 31st March 2018	30.72
Additions	166.56
Disposals/Adjustments	-
At 31st March 2019	197.28
Accumulated Amortisation and Impairment	
At 1st April 2017	-
Amortisation charge for the year	2.14
Disposals/Adjustments	-
At 31st March 2018	2.14
Amortisation charge for the year	48.40
Disposals/Adjustments	-
At 31st March 2019	50.54
Net Carrying Value	
At 31st March 2019	146.74
At 31st March 2018	28.58

Note :- 6**Financial Assets- Non Current****Note 6.1 Loans**

Amount (Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Unsecured, Considered Good		
House Building Advance (HBA) Loan to Employee	27.01	18.43
Security Deposit	260.55	162.71
Total	287.56	181.14

Note: - 7**Deferred Tax**

Amount (Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
A. Deferred Tax Liabilities		
Property, Plant and Equipment	30.35	7.41
Total of Deferred Tax Liabilities	30.35	7.41
B. Deferred Tax Assets		
Preliminary Expenses	17.27	34.19
Provision for Employee Benefits	76.00	5.82
Total of Deferred Tax Assets	93.27	40.00
Net Deferred Tax (Liability)/ Assets	62.90	32.59

Movement in Deferred Tax Asset/(Liability)				Amount (Rs in Lakhs)	
Particulars	Preliminary Expenses	Property, Plant and Equipment	Employee Benefit Expenses	Total	
Opening balance as at 1st April 2017	-	-	-	-	
Charged/(credited) during the year					
To Profit & Loss	34.19	(7.41)	5.82	32.59	
To other comprehensive income	-	-	-	-	
Closing balance as at 31st March 2018	34.19	(7.41)	5.82	32.59	
Charged/(credited) during the year					
To Profit & Loss	(16.91)	(22.93)	70.38	30.54	
To other comprehensive income	-	-	(0.20)	(0.20)	
Closing balance as at 31st March 2019	17.27	(30.35)	76.00	62.90	

Note :- 8

Other Non-Current Assets

Particulars	Amount (Rs in Lakhs)	
	As at 31st March 2019	As at 31st March 2018
a) Capital Advances		
Advances for fixed assets	2.50	2.05
Advance For Land Acquisition	95,680.54	-
Advance For Others	75,695.18	6,501.65
b) Others		
Prepaid Expenses	3.78	32.08
Fair value adjustment-Security Deposit*	62.50	60.75
Fair value adjustment-House Building Advance (HBA)**	12.96	9.21
Total	1,71,457.46	6,605.74

* it represents the unamortised portion of difference between Fair value and transaction value of security deposit.

** it represents the unamortised portion of difference between Fair value and transaction value of House Building Advance (HBA) Loan.

Note :- 9

Financial Assets-Current

Note 9.1 Cash and Cash equivalent

Particulars	Amount (Rs in Lakhs)	
	As at 31st March 2019	As at 31st March 2018
Currency in Hand	-	2.03
Balances with banks:		
– In Current Account	243.40	34.27
– In Flexi Account	5,025.48	786.57
In Imprest Account	9.48	0.38
Fixed Deposits (with original maturity of Less than 3 Months)	50,000.00	9,000.00
Total	55,278.36	9,823.25

Note 9.2 Bank Balances other than Cash and Cash Equivalents

Amount (Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Fixed Deposits (with original maturity of More than 3 Months up to 12 months)	18,300.00	40,838.44
Fixed Deposits (with original maturity of More than 12 Months)	14,000.00	-
Total	32,300.00	40,838.44

Note 9.3 Loans

Amount (Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Unsecured, Considered Good		
House Building Advance (HBA) Loan to Employee	3.82	2.55
Security Deposit	105.68	37.84
Total	109.50	40.39

Note 9.4 Other Current Financial Assets

Amount (Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Interest Accrued but not due on Term & Fixed deposits	1,916.72	2,268.00
Recoverable from RDSO	1.22	1.22
Interest Receivable-Rites Sabarmati	60.92	27.09
Total	1,978.86	2,296.31

Note :- 10**Other Current Assets**

Amount (Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Advances other Than Capital Advance		
Advances For Expenses	7.92	2.04
Others		
Prepaid Expenses	971.41	52.58
Fair value adjustment-Security Deposit*	19.31	13.78
Fair value adjustment-House Building Advance (HBA)**	1.16	0.78
Advance-HSR Innovation Trust	1.00	-
Total	1,000.80	69.19

* it represents the unamortised portion of difference between Fair value and transaction value of security deposit.

** it represents the unamortised portion of difference between Fair value and transaction value of House Building Advance (HBA).

Note : - 11**Equity Share capital**

Particulars	Amount (Rs in Lakhs)	
	As at 31st March 2019	As at 31st March 2018
Authorised share capital		
20,00,00,000 Equity Shares of Rs 1000 each	20,00,000	20,00,000
(As at 31 March 2018, 20,00,00,000 Equity shares of Rs. 1000 each)	20,00,000	20,00,000
Issued/Subscribed and Paid up Capital		
2,45,50,000 Equity shares of Rs. 1000 each	2,45,500	65,500
(As at 31 March 2018, 6,550,000 Equity shares of Rs 1000 each)		
	2,45,500	65,500

Note :- 11.1 Reconciliation of the number of equity shares and share capital

Particulars	Amount (Rs in Lakhs)			
	As at 31st March 2019		As at 31st March 2018	
	No. of shares	Amount (Rs in Lakhs)	No. of shares	Amount (Rs in Lakhs)
Issued/Subscribed and Paid up equity Capital outstanding at the beginning	65,50,000	65,500	20,00,000	20,000
Add: Shares Issued during the period	1,80,00,000	1,80,000	45,50,000	45,500
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	2,45,50,000	2,45,500	65,50,000	65,500

Note 11.2 Rights, Preference and restrictions attached to shares

The Company has only one class of equity shares referred to as equity shares having at par value of Rs 1,000/-. Each holder of one equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares shall be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. During the Year ended 31st March 2019, dividend declared for distribution to equity shareholders was Nil.

Note 11.3 Details of Shares held by shareholders holding more than 5% of the aggregate shares in the company

Name of the shareholder	As at 31st March 2019		As at 31st March 2018	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares				
Ministry of Railway, Govt. of India & its Nominees	2,35,00,000	95.72%	65,00,000	99.24%
Government of Gujarat	10,50,000	4.28%	50,000	0.76%
Total	2,45,50,000	100.00%	65,50,000	100.00%

Note : - 12**Other Equity**

Amount (Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Retained Earnings (Refer Note 12.1)	6,947.63	2,518.64
Share Application Money Pending allotment (Refer Note 12.2)	60,000.00	-
Total	66,947.63	2,518.64

Note 12.1 Retained Earnings

Amount (Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Opening Balance	2,518.64	621.52
Add: Profit during the period	4,609.79	1,942.62
Less: Share Issue Expenses	(180.32)	(45.50)
Add: Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(0.48)	-
Closing Balance	6,947.63	2,518.64

Nature and Purpose of Reserves:

(a) Retained Earnings

Retained Earnings represents the undistributed profits of the Company.

Note 12.2 Share Application Money Pending allotment

Amount (Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Opening Balance	-	30,000.00
Add: Share Application Money Received during the period	2,40,000.00	15,500.00
Less:- Share Issued During the Year	1,80,000.00	45,500.00
Closing Balance	60,000.00	-

Note :- 13**Financial Liabilities- Non Current****Note 13.1 Other Financial Liabilities**

Amount (Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Advance from Ministry of Railways (Refer Note 13.1.1)	10,000.00	-
Security Deposit	12.78	4.95
Total	10,012.78	4.95

Note 13.1.1 :

Ministry of Finance has signed agreement with JICA for availing loan for MAHSR Project. MOR has released a sum of Rs 100 crore as advance against avilment of JICA Loan. The terms and conditions for service and repayment of advance between NHRCL and MOR is under consideration as on the date of balance sheet.

Note :- 14**Other Non Current Liabilities**

Amount (Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Fair Value Adjustment in Security Deposits	0.99	0.02
Total	0.99	0.02

Note :- 15**Provisions Non Current**

Amount (Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Provision for Gratuity	40.45	4.84
Provision for Leave Encashment	88.43	13.91
Provision for Baggage/settlement Allowance	13.04	-
Provision for LTC	76.11	-
Provision for Post Retirement Medical Benefits	32.56	-
Total	250.59	18.75

Note :- 16**Financial Liabilities- Current****Note 16.1 Other Financial Liabilities**

Amount (Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Other Payables	2,173.39	901.42
Salary Payable	39.47	12.32
Security Deposit	606.32	95.47
Total	2,819.18	1,009.21

Note :- 17**Other Current Liabilities**

Amount (Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Statutory Dues	446.99	144.03
Fair Value Adjustment in Security Deposits	0.93	0.33
Total	447.92	144.36

Note :- 18**Provisions Current**

Amount (Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Provision for Gratuity	0.17	0.02
Provision for Leave Encashment	10.23	1.40
Provision for LTC	11.53	-
Total	21.93	1.42

Note :- 19**Current Tax Assets / Liability**

Amount (Rs in Lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Current Tax Assets		
Provision for current Tax	(1,715.34)	-
Advance Tax and Tax deducted at source	1,940.18	-
Total	224.84	-
Current Tax Liability		
Provision for current Tax	-	815.10
Advance Tax and Tax deducted at source	-	(758.03)
Total	-	57.07

Note :- 20**Other Income**

Amount (Rs in Lakhs)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Interest Income		
Interest Income on FDR's	6,688.90	2,806.38
Interest Income -Flexi Account	54.69	128.00
Interest Income -Others	60.92	27.09
Interest Income of HBA Loan to employee	7.90	0.90
Interest income on Financial Assets	14.26	1.85
Other Non-Operating Income		
Amortisation of Financial liabilities	0.70	0.02
Total	6,827.37	2,964.24

Note :- 21**Employee Benefit Expenses**

Amount (Rs in Lakhs)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Salaries, Wages & Bonus	3,612.32	744.94
Contribution to Provident and Other Funds	233.40	17.69
Staff Welfare Expenses	658.55	228.10
Training Expenses	6.59	8.79
Total	4,510.86	999.52
Less: Transferred to CWIP	(4,335.19)	(938.29)
Total	175.67	61.23

Note 21.1

Company has taken opinion of Expert Advisory Committee of the Institute of Chartered Accountants of India (ICAI) for capitalisation of indirect expenses during construction period, with the revised procedure for capitalisation of expenses capitalisation made during the financial year 2017-18 has been reduced by Rs. 61.22 Lakhs.

Note :- 22**Depreciation & Amortisation Expense**

Amount (Rs in Lakhs)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Depreciation on Tangible Assets (Refer Note-3)	228.25	47.77
Amortisation of Intangible Assets (Refer Note-5)	48.40	2.14
Total	276.65	49.91
Less: Transferred to CWIP	(265.92)	(46.92)
Total	10.73	2.99

Note 22.1 Company has taken opinion of Expert Advisory Committee of the Institute of Chartered Accountants of India (ICAI) for capitalisation of indirect expenses during construction period, with the revised procedure for capitalisation of expenses capitalisation made during the financial year 2017-18 has been reduced by Rs. 2.99 Lakhs.

Note :- 23**Other Expenses**

Amount (Rs in Lakhs)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Office Rent	658.79	332.27
Duties, Rates & Taxes	52.85	1.32
Repair Maintenance & other	164.78	50.19
Power & Fuel	63.70	14.67
Travelling Expenses	1,009.86	261.57
Payment to Auditors (Refer Note No-23.2)	1.58	0.80
Legal & Professional Fees	77.82	36.65
Printing & Stationery	50.96	29.30
Communication Expenses	73.15	19.23
Books & Periodicals	9.69	4.50
Entertainment on Guest	41.84	4.98
Miscellaneous Expenses	348.47	47.06
House Keeping	162.45	57.96
Outsourcing of manpower	646.46	69.65
Advertisement Expenses	95.85	15.55
Website Development Charges	18.68	22.94
Interest on Tax & TDS	10.45	5.74
Total	3,487.38	974.38
Less: Transferred to CWIP	(3,141.58)	(858.37)
Total	345.80	116.01

Note 23.1

Company has taken opinion of Expert Advisory Committee of the Institute of Chartered Accountants of India (ICAI) for capitalisation of indirect expenses during construction period, with the revised procedure for capitalisation of expenses capitalisation made during the financial year 2017-18 has been reduced by Rs. 106.55 Lakhs.

Note :- 23.2 Details of Payment to Auditors

Particulars	Amount (Rs in Lakhs)	
	For the year ended 31st March 2019	For the year ended 31st March 2018
Payment to Auditors		
Audit Fee	1.50	0.80
Out of Pocket Expenses	0.08	-
Total	1.58	0.80

Note :- 24**Income Tax Expense**

Particulars	Amount (Rs in Lakhs)	
	For the year ended 31st March 2019	For the year ended 31st March 2018
Current Income Tax:		
Current income tax charge	1,715.34	815.10
Previous Year Income Tax	0.14	-
Deferred Tax:		
In respect of the current year	(30.10)	26.29
Total	1,685.38	841.39

Income Tax Expense in Other comprehensive income

Particulars	Amount (Rs in Lakhs)	
	For the year ended 31st March 2019	For the year ended 31st March 2018
Deferred Tax:		
In respect of the current year	(0.20)	-
	(0.20)	-

Reconciliation between Tax Expense and the Accounting Profit :

Particulars	Amount (Rs in Lakhs)	
	For the year ended 31st March 2019	For the year ended 31st March 2018
Accounting profit before tax from continuing operations	6,295.17	2,784.02
Accounting profit before income tax	6,295.17	2,784.02
At India's statutory income tax rate of 29.12% (P.Y. 28.84%)	1,833.15	802.91
Tax effect of amounts which are not deductible (taxable) in calculating Taxable income		
Ind AS Adjustment	-	(0.79)
Interest paid on late deposit of Tax	0.26	1.65
Preliminary expenses not allowed in previous assessment year	(16.09)	-
Adjustments for Share Issue expenses	(1.17)	-
Deferred tax adjustment due changes in tax rate	(30.30)	(12.09)
Adjustment of depreciation	(101.00)	-
Adjustments for Share Issue expenses	0.19	-
Impact of Prior Period Items	-	49.71
Previous Year income tax expense	0.14	-
	1,685.18	841.39
Income tax expense reported in the statement of profit and loss (relating to continuing operations)	1,685.18	841.39
Effective Tax Rate	26.77%	30.22%

Note :- 25**Components of Other Comprehensive Income (OCI)**

Amount (Rs in Lakhs)

Particulars	FVTOCI Reserve	
	For the year ended 31st March 2019	For the year ended 31st March 2018
Remeasurement of Defined benefit plans		
- Gratuity	(0.68)	-
Total	(0.68)	-
Tax on Remeasurement of Defined benefit plans	0.20	-
Total	0.20	-

Note: - 26**Earnings per share (EPS)**

Amount (Rs in Lakhs)

Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
	(Rs per share)	(Rs per share)
Basic EPS		
From continuing operation (Refer Note 26.1)	40.92	42.35
From discontinuing operation (Refer Note 26.1)	-	-
Diluted EPS		
From continuing operation (Refer Note 26.2)	40.92	42.35
From discontinuing operation (Refer Note 26.2)	-	-

Note 26.1 Basic Earning per Share

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

Particulars	Amount (Rs in Lakhs)	
	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
Profit attributable to equity holders of the company:		
From Continuing operations (Rs in Lakhs)	4,609.79	1,942.62
From discontinuing operation (Rs in Lakhs)	-	-
Earnings used in calculation of Basic Earning Per Share (Rs in Lakhs)	4,609.79	1,942.62
Weighted average number of shares for the purpose of basic earnings per share (Number of shares in Lakhs)	112.66	45.87

Note 26.2 Diluted Earning per Share

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

Particulars	Amount (Rs in Lakhs)	
	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
Profit attributable to equity holders of the company:		
Continuing operations	4,609.79	1942.62
From discontinuing operation	-	-
Earnings used in calculation of diluted Earning Per Share from continuing operations	4,609.79	1,942.62

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	Amount (Rs in Lakhs)	
	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
Weighted average number of shares for the purpose of basic earnings per share (Number of shares in Lakhs)	112.66	45.87
Effect of Dilution :	-	-
Weighted average number of shares for the purpose of Diluted earnings per share (Number of shares in Lakhs)	112.66	45.87

Notes :- 27

Capital Management

The company's objective is 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. Company does not have any borrowings as at 31st March 2019.

Further, company manages its capital structure to make adjustments in light of changes in economic conditions and the requirements of the financial covenants. No changes were made in the objectives, policies or processes of managing capital during the year ended 31st March 2019.

Note :- 28**Fair Value Measurements**

(i) Financial Instruments by Category

Amount (Rs in Lakhs)

Particulars	As at 31st March 2019			As at 31st March 2018		
	FVTPL*	FVTOCI**	Amortized Cost	FVTPL*	FVTOCI**	Amortized Cost
Financial Assets						
(i) Security Deposits	-	-	366.23	-	-	200.56
(ii) HBA Loan to Employees	-	-	30.83	-	-	20.98
(iii) Cash and Cash Equivalents	-	-	55,278.36	-	-	9,823.25
(iv) Bank Balances other than Cash & Cash Equivalents	-	-	32,300.00	-	-	40,838.44
(v) Others	-	-	1,873.18	-	-	2,258.46
Total Financial Assets	-	-	89,848.60	-	-	53,141.69
Financial Liabilities						
(i) Security Deposits	-	-	619.10	-	-	100.42
(ii) Others	-	-	2,200.08	-	-	908.79
Total Financial Liabilities	-	-	2,819.18	-	-	1,009.21

*Fair Value through Profit & Loss

**Fair value through Other Comprehensive Income

ii) Assets and liabilities which are measured at amortized cost for which fair values are disclosed.

Particulars	As at 31st March 2019		As at 31st March 2018	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial Assets				
Security Deposit	366.23	374.69	200.56	217.89
Employee's Loans	30.83	31.35	20.98	21.34
Total Financial Assets	397.06	406.04	221.54	239.23
Financial Liabilities				
Security Deposit	619.10	619.10	100.42	100.42
Total Financial Liabilities	619.10	619.10	100.42	100.42

a. The carrying amounts of Short term Security Deposit, cash and cash equivalents and other short term receivables and other payables are considered to be same as their fair values, due to short term nature.

b. The fair value of long term security deposits were calculated on the cash flows discounted using current market rate. They are classified as level-3 of fair values hierarchy due to inclusion of unobservable inputs.

Fair value hierarchy

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

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. Derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis and at amortised cost

Quantitative disclosures of fair value measurement hierarchy for financial assets as on 31 March 2019:-

Amount (Rs in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets measured at Amortised Cost for which fair value are disclosed:				
Security Deposits	-	-	374.69	374.69
Employee's Loans	-	-	31.35	31.35
	-	-	406.04	406.04

Quantitative disclosures of fair value measurement hierarchy for financial liabilities as on 31 March 2019:-

Amount (Rs in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Liabilities measured at Amortised Cost for which fair value are disclosed:				
Security Deposits	-	-	619.10	619.10
	-	-	619.10	619.10

Quantitative disclosures of fair value measurement hierarchy for financial assets as on 31 March 2018:-

Amount (Rs in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial assets measured at Amortised Cost for which fair value are disclosed:				
Security Deposits	-	-	217.89	217.89
Employee's Loans	-	-	21.34	21.34
	-	-	239.23	239.23

Quantitative disclosures fair value measurement hierarchy for financial liabilities as on 31 March 2018:-

Amount (Rs in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Liabilities measured at Amortised Cost for which fair value are disclosed:				
Security Deposit	-	-	100.42	100.42
	-	-	100.42	100.42

Note :- 29

Financial Risk Management

The Company is exposed to various risk in relation to financial instruments. 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, which are summarized below:-

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises Interest rate risk and foreign currency risk. The company does not have any interest rate risk since the company does not have any loans/borrowings as on reporting date.

b) Foreign Currency Risk

The exchange fluctuation is due to import of services for project related work from outside India. Company does not have any hedging instruments to cover foreign exchange risk.

c) Credit risk

Credit risk refers to the risk of defaults on its obligation by the counterparty resulting in a financial loss. The company is exposed to credit risk for various financial instruments for example advance to employees, security deposits and other receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

d) Financial Instruments and cash deposits

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

e) Liquidity risk

The Company liquidity needs are monitored on the basis of monthly projections. The company principal source of liquidity are cash and cash equivalents arising from issue of share capital.

Company manage our liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirement are compared to available cash in order to determine any shortfalls. Short term liquidity requirements consists mainly of expenses payable for project related work, employees dues, security deposits and retention money arising during the normal course of business as of each reporting date. We maintain a sufficient balance in cash and cash equivalents to meet our short term liquidity requirements.

Note :- 30

Estimates and assumptions

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 are measured using the valuation techniques including DCF model. The inputs to these methods are taken from observable markets where possible, but where this it is not feasible, a degree of judgement is required in arriving at fair values. Judgements 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.

b) Taxes

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

c) Useful lives of property, plant and equipment

The estimated useful lives of property, plant and equipment are based on number of factors including the effects of obsolescence, demand, competition, and other economic factors. The Company reviews the useful life of property, plant and equipment at the end of each reporting date.

Briefcase given to employees is treated as consumable in the books of accounts, due to this opening value of brief case included in office equipment of Rs. 2.33 Lakh (Net of depreciation) is recognised in Statement of Profit and Loss.

Note:- 31

Related Party Disclosure

Note 31.1 : Related Parties

Note 31.1.1 Key managerial Personnel of the entity

Name	Position
Achal Khare (w.e.f. 15.09.2016)*	Managing Director (Whole Time Director)
Vinod Kumar Yadav (w.e.f. 30.01.2019)	Part Time Chairman
Ashwani Lohani (w.e.f. 25.08.2017 to 31.12.2018)	Part Time Chairman
S.K. Mishra (w.e.f. 25.08.2017 to 14.06.2019)	Part Time (Official) Director
Namita Mehrotra (w.e.f. 25.08.2017)	Part Time (Official) Director
Abhijit Narendra (w.e.f. 15.06.2017 to 15.04.2018)	Part Time (Official) Director
Prabhatkumar Ramanlal Patelia (w.e.f. 15.06.2018)	Part Time (Official) Director
Rajendra Prasad (w.e.f. 29.11.2017)	Director Project (Whole Time Director)
Arun Bijalwan (w.e.f. 02.01.2018)	Director Finance (Whole Time Director)
Vijay Kumar (w.e.f. 23.08.2018)	Director Rolling Stock (Whole Time Director)
Sandeep Kumar (w.e.f. 31.08.2018)	Director Electrical & Systems (Whole Time Director)
Sumita Sharma (w.e.f. 27.10.2017)	Company Secretary

* Mr. Achal Khare assumed the charge of the post of Managing Director from 20th April 2017. Earlier he was a co-ordinating Director (i.e. Nominee Director) of company from 15th September 2016 to 20th April 2017.

Note 31.1.2 Other Related Party

Name of other related party	Nature of Relationship
NHSRCL Employees Group Gratuity Trust	Post employment benefit plan
NHSRCL Medical Trust	Post employment benefit plan
HSR Innovation Centre	Research and Development Trust

Note 31.2 : Transaction and Balances of related parties

31.2.1 Compensation of Key Managerial personnel :

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

Amount (Rs in Lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Short Term Benefits	202.05	68.79
Post-employment benefits	20.04	1.40
Other long-term benefits	11.50	3.22
	233.59	73.41

31.2.2 Transaction with Trust

Amount (Rs in Lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
NHSRCL Employees Group Gratuity Trust	1.00	-
NHSRCL Medical Trust	1.00	-
HSR Innovation Centre	1.00	-
	3.00	-

Note 31.3 Transactions with the related Government Entities

Apart from transactions reported above, the company has transactions with related Government entities which included but not limited to the following:-

Name of Government:- Ministry of Railways, Government of India (Significant Control over Entity) & Govt. of Gujarat

Certain Significant transactions during FY 2018-19 :

Amount (Rs in Lakhs)

Particulars	Ministry of Railway (MoR)	Govt. of Gujarat
Amount received towards Equity Share Capital	2,30,000.00	10,000.00
Advance from Ministry of Railways as Externally Aided Project	10,000.00	-
Payment made towards Railway Land/ Utility shifting and other allied works	(16,056.77)	-

Note:- 32**Contingent liability**

(i) Capital Commitment

The Amount of works to be executed on capital account and not provided for (net of advances) as at 31.03.2019 is Rs 84033.71 Lakhs (Previous Year Rs 84187.67 Lakhs).

(ii) Claims against the company not acknowledge as debts is Rs. Nil (Previous Year Rs Nil).

Note:- 33

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 Defined Contribution Plans, Defined Benefit Plans and other Long term benefit plans recognised in the Statement of Profit and Loss and Balance sheet as per Ind AS 19 are as under-

a) Defined Contribution Plans

Amount (Rs in Lakhs)

Particulars	2018-19	2017-18
The Company recognised the following amounts in Statement of Profit and Loss for the year		
Employer Contribution to Provident Fund etc.	118.79	15.67
	118.79	15.67

b) Defined Benefit Plans and other Long term Benefit plans**Note 33.1 Gratuity and Leave Encashment****Note 33.1.1 Change in present value of obligation:**

Amount (Rs in Lakhs)

Particulars	2018-19		2017-18	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Opening Balance	4.85	15.31	-	-
Interest Cost	0.37	1.18	-	-
Current service cost	36.89	85.93	4.85	15.31
Past Service Cost including curtailment Gains/Losses	-	-	-	-
Benefit paid	(0.18)	(0.27)	-	-
Contribution to Trust	(1.00)	-	-	-
Actuarial (Gain)/ Loss on obligation	0.68	(3.49)	-	-
Closing Balance	41.61	98.66	4.85	15.31

Note 33.1.2 Change in fair value of Plan Assets

Amount (Rs in Lakhs)

Particulars	2018-19		2017-18	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
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	-	-	-	-

Note 33.1.3 Amount Recognised in Balance Sheet

Particulars	Amount (Rs in Lakhs)			
	2018-19		2017-18	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Estimated Present Value of obligations as at the end of the year	42.62	98.66	4.85	15.31
Fair value of Plan Assets as at the end of the Year	1.00	-	-	-
Net Assets/ (Net Liability) recognized in Balance Sheet	41.62	98.66	4.85	15.31
Current	0.17	10.23	0.02	1.40
Non Current	42.45	88.43	4.83	13.91

Note 33.1.4 Expenditure recognised in the Statement of Profit & Loss

Particulars	Amount (Rs in Lakhs)			
	2018-19		2017-18	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current Service Cost	36.89	85.93	4.85	15.31
Past Service Cost including curtailment Gains/Losses	-	-	-	-
Interest Cost	0.37	1.18	-	-
Net Actuarial (Gain) / Loss recognized in the year	-	(3.49)	-	-
Total expenses recognized in the Statement of Profit and Loss	37.26	83.62	4.85	15.31

Note 33.1.5 Expenditure recognised in Other Comprehensive Income

Particulars	Amount (Rs in Lakhs)			
	2018-19		2017-18	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Net cumulative unrecognized actuarial gain/ (loss) opening	-	-	-	-
Actuarial gain/ (loss) for the year on PBO	(0.68)	-	-	-
Actuarial gain/ (loss) for the year on the assets	-	-	-	-
Unrecognized Actuarial gain/ (loss) at the end of the year	(0.68)	-	-	-

Note 33.2 Leave Travel Concession (LTC) , Baggage Allowance, Post Retirement Medical Benefits**Note 33.2.1 Change in present value of obligation:**

Amount (Rs in Lakhs)

Particulars	2018-19			2017-18		
	LTC	Baggage Allowance	Post retirement Medical Benefits	LTC	Baggage	Post retirement Medical Benefits
Opening Balance	-	-	-	-	-	-
Interest Cost	-	-	-	-	-	-
Current service cost	87.64	11.42	24.70	-	-	-
Past Service Cost including curtailment Gains/ Losses	-	1.62	8.86	-	-	-
Benefit Paid	-	-	-	-	-	-
Contribution to Trust	-	-	-	-	-	-
Actuarial (Gain)/ Loss on obligation	-	-	-	-	-	-
Closing Balance	87.64	13.04	33.56	-	-	-

Note 33.2.2 Change in fair value of Plan Assets

Amount (Rs in Lakhs)

Particulars	2018-19			2017-18		
	LTC	Baggage Allowance	Post retirement Medical Benefits	LTC	Baggage	Post retirement Medical Benefits
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	-	-	-	-	-	-

Note 33.2.3 Amount Recognised in Balance Sheet

Amount (Rs in Lakhs)

Particulars	2018-19			2017-18		
	LTC	Baggage Allowance	Post retirement Medical Benefits	LTC	Baggage	Post retirement Medical Benefits
Estimated Present Value of obligations as at the end of the year	87.64	13.04	33.56	-	-	-
Fair value of Plan Assets as at the end of the Year	-	-	1.00	-	-	-
Net Assets/ (Net Liability) recognized in Balance Sheet	87.64	13.04	32.56	-	-	-
Current	11.53	-	-	-	-	-
Non Current	76.11	13.04	33.56	-	-	-

Note 33.2.4 Expenditure recognised in the Statement of Profit & Loss

Amount (Rs in Lakhs)

Particulars	2018-19			2017-18		
	LTC	Baggage Allowance	Post retirement Medical Benefits	LTC	Baggage	Post retirement Medical Benefits
Current Service Cost	87.64	13.04	33.56	-	-	-
Past Service Cost including curtailment Gains/ Losses	-	-	-	-	-	-
Interest Cost	-	-	-	-	-	-
Net Actuarial (Gain) / Loss recognized in the year	-	-	-	-	-	-
Total expenses recognized in the Statement of Profit and Loss	87.64	13.04	33.56	-	-	-

Note 33.2.5 Expenditure recognised in Other Comprehensive Income

Amount (Rs in Lakhs)

Particulars	2018-19			2017-18		
	LTC	Baggage Allowance	Post retirement Medical Benefits	LTC	Baggage	Post retirement Medical Benefits
Net cumulative unrecognized actuarial gain/ (loss) opening	-	-	-	-	-	-
Actuarial gain/ (loss) for the year on PBO	-	-	-	-	-	-
Actuarial gain/ (loss) for the year on the assets	-	-	-	-	-	-
Unrecognized Actuarial gain/ (loss) at the end of the year	-	-	-	-	-	-

Note 33.3 Principal actuarial assumption at the Balance Sheet Date

ACTUARIAL ASSUMPTIONS:

2018-19

Method Of Valuation :	Project Unit Credit Method
Discount Rate :	7.66%
Salary Escalation Rate:	6.50%
Retirement Age:	60 Years
Withdrawal Rate:	Upto 30 Years -3% From 31 to 44 Years-2% Above 44 Years-1%
Mortality Rate	India Assured Lives Mortality (2006-08) Ult.

Amount (Rs in Lakhs)

Particulars	Change in assumptions	Effect on Baggage Allowance	Effect on Gratuity obligation	Effect on Leave Encashment
Discount Rate	0.50%	(1.08)	(2.76)	(6.19)
	(0.50%)	1.21	3.05	6.84
Salary Growth	0.50%	-	3.07	6.89
	(0.50%)	-	(2.80)	(6.28)

Note :- 34

Foreign Currency Expenses

Amount (Rs in Lakhs)

Particulars	2018-19	2017-18
Expenses related to Project (CWIP)	1487.24	175.24
Foreign TA/DA	76.45	9.66
Foreign Travel Expenses	94.95	17.98
Other Foreign Expenses	14.00	5.13
	1672.64	208.01

Note :- 35

Changes due to opinion of Expert Advisory Committee of ICAI on capitalisation of Indirect Expenses and Prior Period

Note 35.1 Transactions are as follows:

Amount (Rs in Lakhs)

Nature	2018-19
Employee Benefit Expense	61.22
Depreciation and Amortization Expense	2.99
Other Expenses	108.16
Total	172.37

Note 35.2 Correction of transactions with impact on Balance Sheet & Statement of Profit and Loss Items**Note 35.2.1 Impact on Balance Sheet Items is as follows:**

	Amount (Rs in Lakhs)
Line Items	2017-18
Capital Work In Progress	170.76
Total Assets	170.76
Other Financial Liabilities (Refer Note 35.2.1.1)	1.61
Total Liability	1.61
Net Assets (Equity)	172.37

Note 35.2.1.1 : This represents amount of revenue expenditure considered in F Y 2017-18 out of Indirect expenditure recognised in F Y 2018-19 related to F Y 2017-18.

Note 35.2.2 Impact on Statement of Profit and Loss

	Amount (Rs in Lakhs)
Nature	2017-18
Employee Benefit Expense	61.22
Depreciation and Amortization Expense	2.99
Other Expenses	108.16
Total Expenses	172.37
Total Revenue	-
Profit before Tax	(172.37)

Note 35.2.3 Impact in Earning Per Share (Basic & Diluted):

	Amount (Rs in Lakhs)
Year	2017-18
Impact on Profit attributable to Equity Share Holders (Rs. in Lakhs)	(172.37)
Weighted average nos. of Equity Shares (Number of shares in Lakhs)	45.87
Impact on Earnings Per Share (Basic & Diluted) (in Rs.)	(3.76)

Note:- 36

Company has adopted Ind AS 115 (revenue from contract with customers) in accordance with requirement of applicable Financial Reporting Framework., On the adoption of this, there is no material impact on Financial Statement of NHRCL.

Note:- 37

Previous year figures have been restated/regrouped/ reclassified wherever considered necessary to make them confirmatory to the current period classification.

Note :- 38**Approval of financial statement**

The financial statements were approved by the Board of Directors at its meeting held on 5th August 2019.

C&AG COMMENTS ON FINANCIAL STATEMENTS

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NATIONAL HIGH SPEED RAIL CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2019.

The preparation of financial statements of **NATIONAL HIGH SPEED RAIL CORPORATION LIMITED** for the period ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The Statutory 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 05.08.2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **NATIONAL HIGH SPEED RAIL CORPORATION LIMITED** for the period ended 31 March 2019 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

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

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

Sd/-
(**B.R. Mondal**)
Principal Director of Audit
Railway Commercial, New Delhi

Place: New Delhi
Dated: 18-09-2019