

National High Speed Rail Corporation Limited

7th Annual Report 2022-23



Segmental launching in progress, Ahmedabad, Gujarat



Segmental casting yard, Bharuch, Gujarat



Completed viaduct portion, Navsari, Gujarat



Work-in-progress at Narmada River, Bharuch, Gujarat



Work in progress at Anand HSR station, Gujarat

VISION & MISSION

Vision:

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

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.

7th ANNUAL REPORT **2022-23**

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BOARD OF DIRECTORS

BOARD OF DIRECTORS

(As on 29.09.2023)



Jaya Varma Sinha
Part-time Chairman



Rajendra Prasad
Managing Director



Anjum Pervez
Director (Projects)



**Vivek Prakash
Tripathi**
Director (Finance)



Alok Katiyar
Director (Electrical &
System)



Sandeep Srivastava
Director (Rolling Stock)



Mukul Saran Mathur
Part-time Director



Parrag Jaiin Nainutia
Part-time Director



Anvita Sinha
Part-time Director



**HareshKumar
Chandulal Modi**
Part-time Director

COMPANY SECRETARY

Sumita Sharma

REGISTERED OFFICE

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STATUTORY AUDITORS

M/s. AKGVG & Associates,
Chartered Accountants

SECRETARIAL AUDITORS

M/s. Akhil Rohatgi & Company,
Company Secretaries

INTERNAL AUDITORS

M/s. Ashok Shyam & Associates,
Chartered Accountants

CHAIRMAN'S ADDRESS

CHAIRMAN'S ADDRESS



Dear Friends,

I extend a warm and hearty welcome to all the shareholders at this 7th Annual General Meeting (AGM) of National High Speed Rail Corporation Limited for the financial year 2022-23. AGM provides an opportunity to share achievements of the Company with its shareholders, and to reminisce the path traversed so far.

Accordingly, the Financial Statements, Directors' Report, Report on Corporate Social Responsibility (CSR), Auditor's Report, etc. for financial year 2022-23 have already been circulated to all the Shareholders, Auditors, etc.

I am delighted to share that as on date, your Company has achieved a significant milestone of awarding all the civil contract packages, covering the entire alignment of 508 km of the project.

With land acquisition of 99.6% of overall land requirement, construction activities have also gained momentum.

Out of total 352 km of Gujarat stretch, your Company has constructed foundations on 257 km till August 2023 along with completion of other sub-structure works like 224 km of piers; 111 km of girder casting; 84 km of girder launching; etc. As you all are aware that your Company is one of the very few organization in the world that has gained expertise in the state-of-the-art Full Span Launching Method technology of construction. The technique is proven to reduce construction cycle time significantly in comparison to segmental construction.

In addition to the good progress on civil works, work on various other packages like Track, Depots, Bridges,

Stations, etc. is also gearing up.

On the track work front, various activities like procurement of major track material, imparting training relating to track construction, construction of track slab manufacturing factory, etc. are progressing steadily, in the State of Gujarat. Construction of the first Reinforced Concrete (RC) track bed started at Surat in the month of August 2023.

Fabrication of steel bridges, pre-stressed concrete bridges, river bridges are also continuing. Your Company has completed five river bridges on Par, Purna, Mindhola, Ambika, and Auranga Rivers till date.



Launching completed at Auranga River, Valsad, Gujarat

Work on all the eight HSR stations, in the State of Gujarat, is advancing satisfactorily, and the construction on Passenger Terminal Hub Building at Sabarmati is completed. In addition, work at the only underground station of the Project located at Bandra-Kurla Complex (BKC), in the State of Maharashtra has also commenced in March 2023

In addition to the construction of MAHSR project, your Company is also working on the Detailed Project Report (DPR) for seven other proposed HSR corridors. Four DPRs (viz. Delhi–Varanasi HSR, Delhi–Ahmedabad HSR, Nagpur–Mumbai HSR, and Mumbai–Hyderabad HSR corridors) have been submitted, and balance three DPRs are expected to be submitted by 2024-25.

Your Company is yet to start its commercial operations. As on 31st March 2023, the capital work-in-progress amounts to Rs. 25,995 crore.

The Company continues to discharge its commitments towards CSR in line with the provisions laid down under section 135 of the Companies Act, 2013.

All the above progress / achievements have been the result of collective efforts of a cohesive team. We all know that symphony can never be orchestrated by a single person; it takes a whole orchestra to play it. While the present progress is undoubtedly commendable, we have a long path to tread. I am convinced that with our combined efforts, the result will be magnificent, and will contribute immensely in the development of our Country, and setting new milestones in construction industry.

Date : 29th September 2023
Place : New Delhi

(Jaya Varma Sinha)
Chairman

REPORTS

DIRECTORS' REPORT

DISTINGUISHED SHAREHOLDERS

The Directors of your Company have immense pleasure in presenting their 7th Report on the affairs of the Company for the financial year 2022-23.

National High Speed Rail Corporation Limited 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. The Company has been incorporated on the lines similar to Delhi Metro Rail Corporation Limited (DMRC).

I. OVERVIEW OF MAHSR PROJECT:

Your Company is implementing the first high speed rail project of India i.e. Mumbai-Ahmedabad High Speed Rail (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 transform the passenger transport system with state-of-the-art technology and usher in a new era in passenger transport in general and rail movement in particular. This would not only create employment opportunities but also boost economic growth of the Country.

The MAHSR project starts from Bandra Kurla Complex (BKC) in Mumbai, Maharashtra, and ends near Sabarmati Railway Station in Ahmedabad, Gujarat. The approx. 508 km alignment of MAHSR corridor would traverse through the State of Gujarat (in 8 districts), Union Territory of Dadra & Nagar Haveli and Daman & Diu, and the State of Maharashtra (in 3 districts). The estimated completion cost of the project as per feasibility study is Rs.1,08,000 crore (approx.).

The said HSR corridor would have:

- i) twelve (12) stations [viz. Mumbai (BKC), Thane, Virar, Boisar, Vapi, Bilimora, Surat, Bharuch, Vadodara, Anand/ Nadiad, Ahmedabad, and Sabarmati];
- ii) three (3) rolling stock maintenance depots [viz. a depot at Thane, a minor depot at Surat, and a depot-cum-workshop at Sabarmati];
- iii) eight (8) maintenance depots for the inspection and maintenance cars/ devices and storage / handling of material required for the maintenance of the Overhead Electrical (OHE) lines, Track, etc.; and
- iv) two (2) confirmation car base on the viaducts.

II. MAHSR PROJECT -- PRE-CONSTRUCTION ACTIVITIES:

A. Technical Specifications, Standard Specifications, and Manual for Specifications & Standards

- i) Technical Specifications (TS) for:
 - a) C3 civil package completed in November 2022. With this, TS for all civil packages have been completed.
 - b) Track packages have also been finalized in August 2022 (except for T1 package in Maharashtra).
 - c) EW-1 package (including OHE, traction power supply, MV/LV distribution power supply, and associated utility building works) have been finalized based on the recommendations of Japanese Committee in November 2022, and included in the bidding documents of EW-1 package.
- ii) Revised Manual for Specifications and Standards (MSS) and Standard Specifications (SS) of complete Electrical Power Supply System have been adopted by NHSRCL (in November 2022) based on the recommendation of Japanese Committee.



Well Foundation Work in progress at Tapi River, Surat, Gujarat

B. Design

Major design works completed during the year 2022-23 are as follows:

- i)
 - a) Track Design – Standard Design Drawings for Reinforced Concrete (RC) track bed, track Slab, Cement Asphalt Mortar (CAM), etc. required for 'J-Slab Track system' (used on Japanese Shinkansen) have been recommended by the Japanese Committee in October 2021, and their recommendation have been adopted for all the three track packages, viz. T1, T2, and T3.
 - b) During 2022-23, Japan Railway Technical Service (JARTS), a Japanese organisation for overseas railway technology cooperation, has organized preliminary lecture on Training & Certification (T&C) courses, pursuant to an MOU signed with JARTS in 2021-22 for T&C and Advisory Services for construction of Slab Track System for all three track packages (viz. T1, T2, and T3). In all, fifteen different courses are planned for T&C. Under the said arrangement, more than 1000 engineers/ supervisors would be trained by Japanese Experts in Japanese Track Technology, so as to ensure trained manpower at site.
- ii) Works for Technical Design of Architectural and Mechanical, Electrical & Plumbing (MEP) services for eight HSR stations, Surat Depot, and Maintenance Depot at Gujarat:
 - a) Architectural aesthetic report (Interior and Exterior), design of Electrical and Mechanical (E&M) services, were taken up with respective contractors during 2021-22 for five HSR stations (viz. Vapi, Billimora, Surat, Bharuch, and Anand included in C4 and C6 packages). During 2022-23, the said aesthetic report has been finalized for Surat station, and would be finalized for other HSR stations in 2023-24.

The construction stage design for all these stations and depots has been started and progressing with focus on mock-ups, shop drawings, fabrication drawings, and site execution.



Shinso Pile Work in Progress at Vadodara, Gujarat

- b) the said technical design for three HSR stations (viz. Vadodara, Ahmedabad, and Sabarmati) is under final stages and would be finalized in 2023-24.
- c) Technical design of Architectural and E&M services of Surat depot and Maintenance depot under C4 and C6 packages has also been finalized.
- iii) Technical Design for D2 package has also started, and the Contractor has submitted architecture design proposal for administrative building.
- iv) A proposal for Technical Cooperation (TC) for Station Area Development (SAD) along the MAHSR corridor was requested by Indian side, and the same was approved during 2021-22 by Japan Embassy.

On 12th October 2022, a Record of Discussion (RoD) for TC for the said SAD along the MAHSR corridor for selected stations was signed between Ministry of Railways, Ministry of Housing and Urban Affairs (MoHUA), and JICA. As per the said RoD for TC, JICA expert team will provide technical assistance to concerned Indian counterparts i.e NHSRCL, MoHUA, State Governments, Urban development authorities, etc. for Master planning of the surrounding areas at selected stations (viz. Thane, Virar, Surat, and Sabarmati).

Subsequent to the signing of RoD for TC, multiple online and physical meetings have been organised with Japanese and Indian counterparts to discuss the implementation process of the TC.

- v) Multi Modal Integration (MMI) Schemes for all the 12 HSR stations have been finalized and approved except for 2 HSR stations, viz. BKC and Bharuch, which are under process for approval by Stakeholders.
- vi) A cumulative 42,075 number of detailed design drawings (including 41,000 till 2021-22) for main line viaduct including stations and station approaches, approach to depots/ maintenance depots, and river bridges for six civil packages (i.e. from C3 to C8) have been completed.
- vii) Detailed design and schematics for switchboards, control panels of MAHSR Traction power supply system were prepared by JICC, reviewed and checked by Japan High Speed Rail Electric Company (JE). Based on above and certification by Ministry of Land, Infrastructure, Transport, and Tourism (MLIT), Japan, in December 2022, JICA (vide letter dated 16th December 2022) shared these detailed designs with NHSRCL. These have been included in the EW-1 bid document.



Completed viaduct portion, Vadodara, Gujarat

C. Shifting of existing Indian Railways Facilities and Utilities

The existing Indian Railway facilities and infrastructures infringing with MAHSR alignment viz. running lines, railway platforms including other critical production and maintenance facilities and offices/ staff quarters in Ahmedabad, Vadodara, and Sabarmati areas are to be shifted/ relocated in co-ordination with Western Railways.

A large number of OHE lines and other utilities infringing the MAHSR alignment are also to be relocated or the height of such structures are to be raised in co-ordination with utility owners.

In addition, as few parts of MAHSR alignment are passing through densely populated urban areas, a number of underground and civic utilities like gas lines, water and drainage pipes, lights, power & telecom cables, and other infrastructures are also being relocated at various critical locations in Mumbai, Thane, Vadodara, and Ahmedabad to pave the way for unhindered commencement of HSR civil construction works while ensuring minimal disturbance to operation of these utilities keeping in view the interest of general public at large.

The progress / status of shifting of existing railway facilities and utilities, and construction arising out of said utility shifting during 2022-23 is as follows:

Relocation/ shifting, etc.

- i) 121 overhead electrical (OHE) lines have been shifted during 2022-23. The cumulative OHE lines shifted till 31st March 2023, are 1605 (i.e. 1331 in Gujarat and 274 in Maharashtra). This constitutes 99.8% of electrical utilities in Gujarat and 86% of electrical utilities in Maharashtra.

The work for shifting of remaining 46 OHE lines (i.e. 44 in Maharashtra, and 2 in Gujarat) is under progress. Through close co-ordination, it has been ensured that ongoing work is not hampered in any of the civil contract packages due to said shifting of electrical utilities / lines.

- ii) Works for relocation of S&T cables completed in 2022-23:
 - a) from Vishwamitri to Vadodara yard (a stretch of almost 4 Kms) pertaining to C5 package has been completed in November 2022.

- b) Work in Vadodara station area for laying S&T cables; and
 - c) Shifting of Telecom cable [including laying of 16 Kms of 6 Quad and 50/ 20 pair polythene insulated jelly filled (PIJF) cables]; and ancillary works.
- iii) Shifting of:
- a) two Gas pipelines of 6" and 2" diameter of Vadodara Gas Limited completed in 2022-23.
 - b) existing underground sewerage utilities at Mumbai BKC area [viz. Municipal Corporation of Greater Mumbai (MCGM)] completed in 2022-23 for construction for HSR station at BKC, Mumbai (C1 package).
 - c) retail outlet of Bharat Petroleum Corporation Limited (BPCL) at BKC, Mumbai, is in progress.
 - d) water pipeline of Stem Water Distribution and Infrastructure Co. Pvt. Limited at proposed Thane Depot is in progress.

Construction arising out of utility shifting:

- iv) Work for construction of RUB (near DEMU shed, Ahmedabad) has been completed in December 2022.
- v) Out-to-Out FOB landing structure at Platform no.12 towards Sabarmati end at Ahmedabad station, infringing the Right of Way (RoW) of the project has been dismantled, and reconstructed in April 2022.

D. Land Acquisition

Significant progress has been made in the process of land acquisition, overall position as on 31st March 2023 is given below:

- i) Based on Joint Measurement Survey (JMS) Report, the expected land requirement for the MAHSR project along with the status of land acquired during 2022-23 and till 31st March 2023 is given below:

States	No. of affected villages	JMS Compl-eted (No.)	Land requirement (in Ha) / plots (in numbers)					Acquired		Remarks
			Govt.	Private	Indian Railways	Forest	Total	During 2022-23	Cumulative till 31st March 2023	
Gujarat	198	198	84.46 Ha / 998	741.12 Ha / 6324	125.87 Ha/ 41	2.83 Ha/ 10	954.28 Ha/ 7373	1.35 Ha.	943.85 Ha	Include 733.58 Ha of private land through consent and regular award
Maha-rashtra	97	97	59.58 Ha/ 340*	275.34 Ha/ 2017*	2.78 Ha/ 20*	92.75 Ha/ 207*	430.45 Ha/ 2584*	131.04 Ha	429.38 Ha**	Include 274.71 Ha of private land through Direct Purchase Method and regular award
Daman & Diu and Dadra & Nagar Haveli (DD & DNH)	2	2	0.38 Ha / 9	7.52 Ha / 134	0	0	7.90 Ha/ 143	0.25 Ha.	7.90 Ha.	Through regular award
Total	297	297	144.42 Ha/ 1347	1023.98 Ha/ 8475	128.65 Ha/ 61	95.58 Ha/ 217	1392.63 Ha/ 10100	132.39 Ha.	1381.13 Ha.	

* Expected land requirement in Maharashtra has been slightly varied / revised.

** Possession taken for 342.20 Ha (i.e. 79.50%)

- ii) Land Compensation of Rs. 9361.64 crore has been disbursed for private land as on 31st March 2023 [in Gujarat and DD & DNH: Rs. 6180.18 crore and in Maharashtra: Rs. 3181.46 crore].

E. Environmental, Statutory Clearances, and Tree Transplantation

In addition to Wildlife and Coastal Regulatory Zone (CRZ) clearances in the States of Maharashtra and Gujarat, your Company has obtained following environmental and statutory clearances during 2022-23:

- i) Permission granted in April 2022 by National Monument Authority (NMA) under Ancient Monuments and Archaeological Sites and Remains Acts, 1958, for construction of MAHSR project within the regulated area of the two protected monuments [i.e. Sidi Basirs' Minar and Tombs (Shaking) and Brick Minar at Kalupur, Ahmedabad].



Full span girder launching in progress, Navsari, Gujarat

- ii) Forest Clearance – Forest Clearance Stage II had already been obtained for Gujarat in 2019-20.

Recommendation for grant of Forest clearance (Stage II) has been issued by Ministry of Environment, Forest, and Climate Change (MoEF&CC) for Maharashtra in August 2022. However, final diversion order is yet to be issued by Government of Maharashtra. Meanwhile, permission to work has been issued in January 2023.

- iii) Plantation / Transplantation of trees – Your Company has been pro-actively taking various steps for conservation of environment like transplantation and compensatory afforestation of the trees falling within Right of Way (RoW) (non-forest area) including their aftercare and monitoring. This is in addition to submission of payment for compensatory plantation for the trees falling under forest area to the forest department (i.e. forest trees) and the payments

made for protection and management of wildlife, CRZ, and mangroves to various environmental bodies.

Till 31st March 2023, the Company has transplanted 8,003 trees, and additional 87,151 trees have been planted on account of compensatory plantation at different locations. In addition, contractors have also planted approx. 16,000 trees under various packages.

F. Resettlement Action Plan

Social Impact Assessment (SIA) / Resettlement Action Plan (RAP) report, as per JICA Guidelines, submitted to JICA in August 2018, had been accepted. SIA / RAP along with **Indigenous People Plan (IPP)** has been developed to assess the impact of the project on Project Affected Persons (PAPs) and to develop mitigation measures to assist them in getting compensation, Rehabilitation and Resettlement (R&R) assistance along with other measures to improve their socio-economic standards and livelihood capacity.

Income Restoration Plan (IRP) 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 is undertaken to make sure that all PAPs are well informed about the available options and are given adequate opportunity to participate.

Your Company continued activities related to IRP for PAHs by way of Skill Enhancement Training in 2022-23 as well.

For Skill Enhancement Training, two more institutes (in addition to seven already identified institutes) in Gujarat, and four institutes in Maharashtra have been shortlisted.

Details of training given to PAPs are:

		(in number)
PAPs -- Shown interest for training under IRP	PAPs -- registered under different training program	PAPs -- completed training
2174	720	506*

* 374 PAPs in Gujarat – in Ahmedabad, Kheda, Anand, Vadodara, and Bharuch districts; and 132 PAPs in Maharashtra -- in Mumbai, Thane, and Palghar districts

The remaining PAPs will also undergo the training progressively.

The **R&R Award** [comprising transportation allowance for shifting; subsistence grant; one time grant to small traders; resettlement allowance; one time assistance against annuity; one time financial assistance for construction of house, petty shops, cattle shed, etc.; reimbursement of stamp duty and registration fees to PAP on purchase of new assets; etc.] based on individual impact has been initiated for each PAH of MAHSR project in terms of Entitlement Matrix, JICA policy of Social & Environment Consideration 2010, and Second Schedule of RFCTLARR Act, 2013.

During 2022-23, R&R Awards for 1871 plots have been declared [i.e. for 1647 plots in Maharashtra and 224 plots in Gujarat]. With this, the cumulative R&R Awards declared till 31st March 2023 have been for 8014 plots [i.e. 1647 plots in Maharashtra, 6233 plots in Gujarat, and 134 plots in the Union Territory of DD & DNH].

G. Social Development Works

Your Company has been undertaking Social Development Works (SDW) in and around the vicinity of its project area to meet request of various stakeholder for development requirements. A total

budgetary provision of Rs. 100 crore was made for SDW. These SDW are in addition to Resettlement & Rehabilitation, land compensation, and CSR initiatives.

Details of SDW works undertaken by the Company are as follows:

Sl. no.	Particulars	Amount (in Rs. crore)
A	Total budgetary provision for SDW	100.00
B	Utilization:	0.35
	i) Various activities like donation of wheelchairs, financial aid to District Authorities, opening of medical centre, etc.	
	ii) Works under Village Development Plan in 71villages (including 43 PESA villages), Palghar district, Maharashtra – sanctioned amount [Released Rs. 4.22 crore (for cumulative 36 villages) to District Administration, Palghar (including 33 PESA villages) (including 23 villages identified till 2021-22)]	15.60

Status of Village Development Plan (VDP) initiatives, as on 31st March 2023, in 36 villages are as under:

Village	Name of work	Disbursed Amount (in Rs.)	% of Progress – (physical / financial)
Talasari Taluka (in 7 PESA villages viz. Manpada, Vasa, Varvada, Kawada, Uplat, Amgaon, and Zari)	Repairing of Anganwadi, Kitchen Shed, toilets, & Construction of wall compound; Build pool (bridge) on road; New Shed Construction on Grampanchyat building; Construction of Samaj Mandir; Construction of Cement Concrete Road; Construction of class room at Zilla Parishad School; etc.	1,03,50,000	100% Financial and 69% Physical Work Completed
Palghar Taluka (in 11 including 8 PESA villages viz. Virathan Khurd, Padghe, Nandore, Rothe, Betegaon, Ambadi, Shelvali, Walve, Shigaon, and Hanuman Nagar, Tembikhodve)	Construction of Concrete Road; Construction of New Class Room at Zilla Parishad School; construction of Paver block; Construction of shed; Repairing of Anganwadi Building; Construction of Samaj Mandir and Community Hall; etc.	1,48,62,307	100% Financial and 90% Physical Work Completed
Dahanu Taluka (in 12 PESA villages viz. Dhamangaon, Aptol, Zadigaon, Ashve, Ambesari, Jitgaon, Vanai, Chari, Kotbi, Gangangaon, Dehne, and Govane)	Paver block work; Construction of Cement concrete road; Construction of 2 Drainage; Construction of Samaj Mandir Multipurpose Hall; Repairing of Anganwadi building; Construction of Anganwadi Wall Compound; Construction of shed at Smashan Bhumi; Construction of Grampanchyat Office; Installation of Street Solar Light; etc.	1,25,98,474	100% Financial / 85% Physical Work Completed

Village	Name of work	Disbursed Amount (in Rs.)	% of Progress – (physical / financial)
Vasai Taluka (i.e. 6 PESA villages viz. Nagale, Mori, Poman, Sarjamori, Shilottar, and Chandrapada)	Water Supply Distribution line and rising main water tank / Elevated Storage Reservoir (ESR); and Supply, Installation & Commissioning of Solar mini high masts.	44,37,053	100% work completed
	Total	4,22,47,834	

H. Appointment of Consultants including Consultants for PMC

During the year 2022-23, your Company has appointed following Consultants for MAHSR project:

- i) JIC consortium (comprising Japan International Consultant (JIC), Oriental Consultants Global (OCG), and Nippon Koei Co. Ltd.) –
 - a) for Design Related PMC - Advisory Services; and
 - b) for Project Management Consultancy Services for construction of Track and Rolling Stock [PMC-TRS] Packages (T1, T2, T3, R1, D2, IM1, and TI4).
- ii) Consortium of Hitachi Ltd. and Kawasaki Railcar Manufacturing Co. Ltd. – for Preliminary Survey (PS) regarding Rolling Stock (RS) and General Inspection Train [R1-PS].
- iii) Japan High Speed Rail Electric Engineering Co. Limited, a Japanese Entity (JE) –
 - a) to work on behalf of NHSRCL as Employer for providing Preliminary Services to finalise 'Bidding Process' for EW-1 package (i.e. PS-EW1). RFP for the said Preliminary Services for EW-1 package was issued on 13th December 2022, and the work has been awarded on 27th December 2022. The said PS-EW1 has been concluded upon signing of Delegation Agreement with JE in March 2023; and
 - b) to carry out all the works covered under E1 package (Electrical, S&T, OCC, utility building, etc.) from award of tenders to final installation and commissioning, following the practices of Japan to ensure safety and quality standards of Shinkansen, Japan (i.e. Delegation Agreement).
- iv) ToD Innovations Private Limited – for Architectural and Project Management Consultancy for designing, furnishing and development works for NHSRCL Office at World Trade Centre (WTC) Nauroji Nagar, New Delhi.



Signing of Delegation Agreement with Japan High Speed Rail Electric Engineering Co. Ltd. (JE)

I. Tendering

The entire MAHSR project, including construction of HSR Training Institute, is to be executed now through 28 JICA contract packages (after inclusion of PMC-Advisory services package). 23 packages (out of 28) pertain to main project and 5 packages pertain to Training Institute at Vadodara.

During the year 2022-23, the Company has:

- i) **Invited** following JICA contract packages:
- C1 (for design and construction of Mumbai underground HSR station, cut, and cover tunnel and Shaft - 1 at BKC)
 - C2 [for construction of undersea tunnelling works involving Tunnel Boring Machine (TBM) and New Austrian Tunneling Method (NATM) between Mumbai Underground station at BKC to Shilphata]
 - C3 [for Civil and Building Works involving viaduct, bridges, mountain tunnels, maintenance depot, earth structures, and stations (Thane, Virar, and Boisar)]
 - D1 [for design and construction of Thane Depot]
 - TI1 [for construction of Training Institute Building (Phase II) at Vadodara]
 - EW1 [for Design, Manufacture, Supply, Construction, Installation, Testing, and Commissioning of 2 x 25 kV Power Supply Electrification System (Traction Substation, Overhead Equipment and MV/LV Power Distribution Equipment)]
 - PMC-Advisory Services (for design related advisory services for construction of MAHSR Project)
 - PMC-TRS [for Project Management Consultancy Services for Construction of Track and Rolling Stock (T1, T2, T3, R1, D2, IM1, and TI4) packages]

Awarded seven JICA contract packages viz. C1; T3; TI4 (Simulator); R1-PS (for preliminary survey regarding Rolling Stock and General Inspection Train); D2 (for construction of the Sabarmati Depot); PMC-Advisory Services; and PMC-TRS.



Tunnel excavation in progress at Vapi, Gujarat



Segmental Casting Yard, Surat, Gujarat

With award of the above said packages, all JICA contract packages for viaducts, stations, civil, and track works in the State of Gujarat, covering the length of 352 Km (out of 508 km), have been awarded.

The overall / cumulative status of tender awarded, under evaluation, Notice Inviting Tender (NIT) issued / to be issued, etc., as on 31st March 2023, is given below:

HSR section	Total (Nos.)	Awarded (Nos.)	Under Evaluation (Nos.)	NIT issued (Nos.)	NIT to be issued (Nos.)
Sabarmati – Vapi	10	10 (C4, C5, C6, C7, C8, P1B, P1C, T2, T3, & D2)	0	0	0
Vapi – BKC	5	1 (C1)	1 (C2)	2 (C3 & D1)	1 (T1)
Common Packages	8	5 (P4**, PMC-Civil, PMC-Advisory Services, R1-Preliminary Survey, & PMC-TRS)	0	0	3 (E1**, R1-Main, & IM1)
Training Institute	5	4 (TI2*, TI3*, PMC-TI*, & TI4)	1 (TI-1)	0	0
Total	28	20	2	2	4

[^] C – stands for Civil packages; T – stands for Track packages; R – stands for Rolling Stock packages; E – stands for Electrical, S&T, and OCC packages; TI – stand for Training Institute packages; D – stands for Depot packages; IM – stands for Inspection & Maintenance Car package; P – stands for Particular Bridges packages; PMC – stands for Project Management Consultancy; and TRS – stands for Track & Rolling Stock.

* Already completed

**** Sub-division of packages:**

- I. P4 Contract Package – Subdivided into 2 sub-packages i.e.
 - a) P4(X) – for fabrication and transportation of steel super structure for 11 bridges
 - b) P4(Y) – for fabrication and transportation of steel super structure for 17 bridges

- II. E1 Contract Package has been subdivided into 4 sub-packages. Status of these 4 sub-packages as on 31st March 2023 is given below:
 - a) EW-1 -- Design and Execution of Electrical including OHE, Traction power supply, MV/ LV - NIT issued
distribution power supply and associated utility building works
 - b) EW-2 -- Design and Execution of S&T System, OCC, and Supervisory Control & Data Acquisition (SCADA)
 - c) EE-4 – Manufacture of Equipment for OCC and SCADA
 - d) ED-1 -- Design for OCC and SCADA

} NIT to be issued

After the close of the financial year, one contract package (viz. IM1) has been invited in April 2023 and two more contract packages (viz. TI1 and C2) have been awarded in April 2023 and May 2023 respectively.



Segmental launching in progress, Vadodara, Gujarat



Full Span Girder launching in progress, Bharuch, Gujarat



HSR Bilimora Station Approach viaduct launching in progress, Gujarat

III. MAHSR PROJECT – CONSTRUCTION ACTIVITIES:

J. Status / Progress of civil works, track works, depots, etc.

i) Civil Works:

As on 31st March 2023, 33,820 piles in approx. 272.89 kms and 4,996 foundations in approx. 200 kms have been constructed / completed. Substructure works such as piers (for 170 km) and pier caps (for 130 km), girder casting (for 69 km), and girders launching (for 45 km) have also been completed. In addition, Full Span Girders and Segmental box girders are being cast in several state-of-the-art casting yards that have been established along the MAHSR alignment.

The cumulative progress of important construction activities in Gujarat, as on 30th June 2023, is as follows:

Milestone/ Activity	Scope (in Km)	Progress up to date (in Km)	% Progress
Pile foundation	352	323	92
Pier	352	208	59
Girder Casting	340	94.4	28
Girder Launching	340	68	20

Construction Methodology:

Work of viaduct construction on project length of 286 Km, out of 352 km in Gujarat, has been planned with State-of-the-Art Full Span Launching Method (FSLM). Where FSLM cannot be used due to special structures, Span-by-Span (SBS) method is adopted. The construction methodology adopted is tabulated below:

Type of Construction	Viaduct Length	% Total length of 352 km in Gujarat
Full Span	286	81%
Span By Span (SBS)	56	16%



FSLM Casting Yard, Anand, Gujarat

NHSRCL is one of the very few organisations in the world that has mastered FSLM technique of construction. This technique is 10 times faster than traditional span by span (SBS) method reducing the cycle time from 7 days under SBS to 16 hours by FSLM.

ii) Track works:

Track works have commenced on 352 Km section in Gujarat. During the year, activities related to Engineering, procurement of track materials, track construction machinery and track slab manufacturing factory have been undertaken.



Track Works (package T2) -- Track Slab Laying Car and Rail Laying Car (In inset), Gujarat

T2 package –

- a) The procurement of major track materials (rails, fasteners, construction machinery, etc.) have been finalized.
- b) Construction of track training facility at Surat, to impart training related to track works to Contractor's workmen, has been completed. One-day preliminary session for Reinforced Concrete (RC) track bed construction training was also conducted by JARTS (through Japanese Expert).
- c) A Track slab manufacturing factory at Kim in Gujarat, is under construction. 38 moulds manufactured in Japan for Track slab manufacturing have arrived at factory site in February 2023.

After the close of the year, construction of sub-site office at Surat has been completed in April 2023.

- d) Inspection of rails was conducted in March 2023 at Nippon Steel premises in Japan.

After the close of the year, in April 2023, 1st lot (100 Km) of Rails have been received by the Contractor at Surat.

T3 package –

- a) Procurement of major track materials is under finalization.
- b) A Track slab manufacturing factory at Anand is under construction.
After the close of the year, construction of two sub-site offices (out of three) at Vadodara and Sabarmati has been completed in April-May 2023.
- c) Construction machinery (Slab laying car and Rail Feeder car) is being manufactured by the contractor in India.

iii) Depots:

Sabarmati HSR depot (D2 package) would be constructed over an area of 84 Ha. and would be the largest depot in the MAHSR project. The design of this depot is based on Sendai and Kanazawa Shinkansen depots of Japan. Upon commissioning, this depot will have 10 stabling lines, to be further increased to 29 lines along with construction of OCC building in this depot.

Excavation and soil filling work is in progress at this depot.

Surat depot (part of C4 package) -- Foundation work has been completed in 2022-23 and super structure works are in progress.



Launching completed at Par River, Valsad, Gujarat

iv) **Bridges:**

Particular Bridges -- The crossings over National & State Highways, Irrigation Canals, and Railways are to be bridged by 28 long span steel structures (viz. 17 nos. in Gujarat and 11 nos. in Maharashtra).

Cumulative progress of P4 package (i.e. Steel truss Fabrication of 28 Bridges), as on 31st March 2023 is:

Packages	Date of Commencement	Material Procurement	Fabrication completed till 31st March 2023	Remarks
P4(X) and P4(Y)	22 nd March 2021	25143 MT	8502 MT	Check Assembly of 2 GADs have been completed till 31 st March 2023.

In Gujarat, fabrication for 8 steel truss bridges (out of 17) have been taken up at state-of-the-art workshops. Fabrication and Check Assembly for 2 bridges (out of the said 8 bridges) have been completed during the year.

Pre-stressed Concrete (PSC) Bridges -- Crossings over National Highways and Expressways are to be bridged by 6 long span PSCs bridges (5 in Gujarat and 1 in Maharashtra). Foundation work of 5 bridges along with sub-structure work of 2 bridges have been completed by March 2023. Sub-structure work of remaining 3 bridges is in progress. Launching work of 2 PSC & 1 steel bridges on priority section is expected to be completed during 2023-24.

River Bridges – About 27 bridges would need to be constructed over 27 rivers for MAHSR project (i.e. 20 river / bridges in Gujarat and 7 river / bridges in Maharashtra). Bridge construction work has begun on all the 20 rivers in the State of Gujarat.

During 2022-23, **construction work is in progress** on four major rivers in Gujarat viz. all 22 well foundations at the Narmada River bridge, all 12 well foundations at the Mahi River bridge, 11 well foundations (out of 13) at the Tapti River bridge, and in addition, piling work at Sabarmati River bridge is in process.

Further, first river bridge on Par River, having a length of 320m, has been **completed** in January 2023.

After the close of the financial year, three more river bridges have been **completed** i.e. in May 2023 on Purna River (length of 240 m), and in June 2023 on Mindhola River (length of 360 m) and Ambika River (length of 200m).



Work in progress at Surat HSR station, Gujarat

- v) HSR Stations in Gujarat:
During 2022-23, construction works have started at three (3) HSR stations (viz. Ahmedabad, Vadodara, and Sabarmati), in addition to on-going construction work at five (5) HSR stations (viz. Vapi, Billimora, Surat, Bharuch, and Anand).

Progress at these HSR stations is as under:

- Foundation work have been completed at 4 HSR stations viz. Surat, Billimora, Anand, and Ahmedabad. A brief status is as follows:
 - a) Surat Station – 300m Concourse slab and 200m Rail level slab work completed.
 - b) Anand Station – 388m Concourse slab and 150m Rail level slab work completed.
 - c) Ahmedabad Station – Casting of Concourse slab started and 60m slab completed.
 - d) Bilimora Station – Casting of Rail level slab started and 50m slab completed.

- vi) Passenger Terminal Hub Building:
Construction at Passenger Terminal Hub Building at Sabarmati [connecting HSR Station, Western Railway Sabarmati Station, AEC Station of Gujarat Metro Rail Corporation, and Ahmedabad Bus Rapid Transit System (BRTS) bus stop] is in final stages of completion with Architectural finishing; Mechanical, Electrical and Plumbing (MEP), and civil works.

The physical progress of construction of the said passenger hub has reached 96% as on 31st March 2023.



Finishing work in progress at Sabarmati Passenger Terminal Hub, Gujarat

K. Safety, Occupational Health, and Environment Management System

Your Company has established a robust Safety, Occupational Health, and Environment Management System which is followed by all its Contractor, Consultants, and by NHSRCL itself too.

The Company has taken following initiatives in this regard during the year 2022-23:

- i) Safety Health & Environment Management Plan (SHE Plan) and Construction Environment Management Plan (CEMP) for C5, C7, and C8 contract packages have been approved during 2022-23, and are being implemented in line with the day-to-day construction activities. Security Management Plan (SMP), Temporary Traffic Control Plan, and Comprehensive Action Plan for Prevention & Control of HIV/AIDS, being part of SHE Management Plan are also prepared, approved, and being implemented. The above plans prepared and submitted by the contractor are under revision, for T2 and T3 packages.



Class-room training programs and Mass tool box talks organized at Surat, Gujarat



Fire-fighting training programs organized at Vadodara, Gujarat

- ii) SHE Manual of NHSRCL is revised periodically upon commencement of new packages. The effectiveness of various safety requirements and its implementation on the actual physical conditions has been reviewed, and SHE Manual has been revised, incorporating and fine tuning the conditions with international safe practices, to make the Manual comprehensive and stringent.
- iii) Safety, Occupational Health and Environment Management System driven by the approved SHE management plan has been implemented by the Contractor in day-to-day construction activities of various civil package, and are being reviewed and monitored by the consultant. The site SHE committee meetings are being undertaken at all sections of the Civil package. The performance of the SHE management of the contractor is being audited through monthly audit rating score (MARS) by the consultant and quarterly audit by external agency.

L. Quality Management System

- i) Quality Assurance -- For the purpose of quality assurance, various documents are being prepared by the designated contractor (like Works Quality Management Plan, Site Quality Management Plan, Design Quality Management Plan, Procurement Quality Management Plan, and Manufacturing Quality Management Plan, etc.), and are approved by the Company or the Engineer i.e. T-CAP [viz. Tata Consulting Engineers, Consulting Engineers Group, Aarvee Associates, and Padeco (Japan)] separately for each contract package(s) in accordance with the terms & conditions of the respective tender specifications / FIDIC conditions.

Apart from the above, various other documents, as prepared by the Contractors for each of the contract package, viz. On-Site Laboratory Management Plan, Off- Site Laboratory Management Plan, and Off-shore Laboratory Management Plan, are approved by the Company and TCAP. During 2022-23, Quality Management Plan, Site Quality Management Plan, Design Quality Management Plan, Procurement Quality Plan for three contract packages (viz. C5, C7, and C8) are finalised and approved.

- ii) Quality Control -- To ensure quality control at site:
 - a) the contractor has deputed Quality Engineers at site to look after site works, Batching Plants (Concrete Production Units), Pre-Casting Yards, and On-Site (Field) Laboratories.
 - b) Checklists for every activity is filled by Site Engineers. These checklists are subsequently cross checked by Quality Engineers.
 - c) A team of the Engineer's representatives also check / monitor all the tests being conducted at site and in field laboratories. The important tests in Off-Site Labs are also witnessed by the Engineer's Representatives.
 - d) NHSRCL Quality Engineers also check the site works during execution and various Laboratory Tests.
 - e) Weekly Quality Control Meetings are conducted with the Quality and Site Engineers of the Contractor and TCAP by NHSRCL / HQ Office.
- iii) Internal Quality Audits -- There is also a system of Quarterly Internal Quality Audits as per the pre-planned programme. The audits are conducted either by the corporate team of the Contractor or by engaging third party auditors. During audits, the quality team of the contractor also accompanies the auditors. The audit findings are shared with the Engineer and NHSRCL, and are discussed in quarterly meetings of the Contractor's Management Team.

IV. MAHSR PROJECT – PLANNING OF OPERATION AND MAINTENANCE:

M. Operation and Maintenance (O&M)

The formation work of Operations & Maintenance (O&M) of MAHSR is under progress. A detailed plan for implementation of O&M system has been developed including setting up maintenance

infrastructure, procurement of maintenance vehicles and machines, setting up of High Speed Rail Training Institute and other facilities.

Draft O&M manuals and rules have been prepared. Detailed manuals are under preparation by obtaining inputs from Japanese experts and referring documents received from Japan.

For understanding the critical O&M practices of Japanese HSR system, a number of technical discussions and seminars have been organized with JICA nominated experts, to help in absorbing the core knowledge and developing appropriate strategy and plan including infrastructure for O&M.

A batch of 13 employees of O&M division [designated as Key O&M Leaders (KOML)] were sent to Japan in the month of April 2022 for two months training executed under JICA grant. They underwent rigorous training concerning various aspects of O&M activities. This was the first batch out of 360 employees (designated as core staff) planned to be trained in Japan in various key technology areas of HSR (Shinkansen) O&M System.

N. HSR Training Institute

A dedicated High Speed Rail Training Institute (HSRTI) is being set-up 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 said HSRTI at Vadodara is poised to be the repository of knowledge of HSR and will serve as a back bone for future development of other high speed corridors in India.

A part of the hostel building of HSRTI continued to be used by National Rail & Transportation Institute (NRTI), on lease basis.

O. Power Sourcing Activities

Your Company, as a "deemed licensee", has been granted connectivity/ connection for various substations in MAHSR [Traction Sub-stations (TSS): 14 Nos. and Distribution Sub-stations (DSS): 15 Nos.] by Power Supply Companies in Gujarat and Maharashtra along the route of MAHSR.

During the year, work on two transmission lines viz. Vadodara TSS (around 15 km) and Sabarmati TSS (around 16 km) (except cable work), has been completed along with Bay augmentation works [i.e. 1 TSS in Gujarat] by state power utility company. This is in addition to one TSS transmission line (i.e. Mahemdabad) and Bay augmentation works (viz. 1 TSS in Gujarat and 2 DSS in Maharashtra) completed in 2021-22.

V. OTHER HIGH SPEED RAIL (HSR) CORRIDOR PROJECTS:

Your Company continues with the work of preparation of Detailed Project Report (DPR) of following seven HSR corridors entrusted by the Railway Board:

- i) Delhi – Varanasi HSR (942 km) (including spur of 124 km from Lucknow to Ayodhya);
- ii) Delhi – Ahmedabad HSR (872 km);
- iii) Mumbai – Nagpur HSR (765 km);
- iv) Mumbai – Hyderabad HSR (671 km);
- v) Chennai – Mysore HSR (451 km);
- vi) Delhi – Amritsar HSR (476 km); and
- vii) Varanasi – Howrah HSR (752 km)

Steps taken by the Company for undertaking DPR work with respect to these corridors are given below:



Full span Girder launching in progress, Navsari, Gujarat

A. Delhi-Varanasi HSR (DVHSR), Mumbai – Nagpur HSR (MNHSR), and Delhi – Ahmedabad HSR (DAHSR) Corridors

2021-22 – The final version of DVHSR DPR with alignment design for 300 kmph operating speed had been submitted to Railway Board.

2022-23 -- The final DPRs for MNHSR and DAHSR have been submitted to Ministry of Railways (MOR), incorporating the inputs and feedback received from Railway Board keeping alignment design for 300 kmph operating speed.

All the said three DPRs were prepared in-house having final alignment details based on LiDAR data along with Social Impact Assessment (SIA) and Environmental Impact Assessment (EIA).

B. Remaining four HSR Corridors

DPR preparation works for remaining four HSR corridors are in different stages of preparation:

- i) Mumbai – Hyderabad HSR:
After the close of the financial year:
 - a) Final Alignment Design after Desktop study work for preliminary route development, GAD, Traffic survey, Operation planning, Station architecture works, etc. have been completed in May 2023.
 - b) Report is under review by your Company.
- ii) Chennai – Mysore HSR:
 - a) Desktop study work and further preliminary route development has been completed in January 2023.
 - b) After the close of the financial year, Stakeholder discussion; other activities (i.e. EIA Report, etc.) have been completed and alignment has been finalized in May 2023.
 - c) LiDAR survey and alignment design and balance activities shall resume after completion of stakeholder discussions for alignment finalization.
- iii) Varanasi – Howrah HSR:
After the close of the financial year:
 - a) Desktop study work and further preliminary route development has been completed in June 2023.

- b) Alignment and HSR station locations have been finalized after discussion with various stakeholders in June 2023.
 - c) Field activities like EIA/ SIA/ Traffic etc. would be resumed after Aerial LiDAR survey in 2023-24.
- iv) Delhi – Amritsar HSR:
- a) Desktop study work and further preliminary route development has been completed in December 2022.
 - b) Stakeholder discussion have been completed and alignment has been finalized in February 2023.
 - c) Field activities like EIA/ SIA/ Traffic etc. would be carried out after Aerial LiDAR survey in 2023-24.



Work in progress at Billimora HSR station, Gujarat

VI. FINANCIAL PROFILE OF THE COMPANY:

A. Performance with Financial Summary or Highlights

Your Company has yet to start commercial operations. During the year, there has been no operating income however, your Company has earned interest income amounting to Rs. 96.45 crore. Further, the capital work-in-progress as on 31st March 2023 amounts to Rs. 25,995.05 crore.

Financial Performance Indicators:

		(Rs. in crore)	
Sl. No.	Particulars	2022-23	2021-22*
1.	Operating income	Nil	Nil
2.	Other Income	97.77	123.18
3.	Profit before tax	68.50	86.58
4.	Profit after tax	53.79	65.38
5.	Net worth	14,750.78	13,322.53
6.	Transfer to Retained earnings	52.25	61.95

* previous year figures have been reclassified / adjusted wherever necessary due to changes made in comparative previous year figures for FY 2021-22 under Financial Statement for FY 2022-23 based on EAC opinion of the ICAI.



Segmental Casting yard, Ahmedabad, Gujarat

B. Foreign Exchange Earnings and Outgo

Your Company has earned no foreign exchange during 2022-23, and the foreign exchange outgo was Rs. 2,719.13 crore during the year.

C. Structure of Share Capital

The authorised share capital of your Company is Rs. 20,000 crore, with equity participation to be contributed by Government of India (GoI), Government of Gujarat (GoG), and Government of Maharashtra (GoM) in the ratio of 50:25:25 respectively. The Company is a joint venture (JV) company on the lines of DMRC. The Company allots equity shares to the three existing shareholders corresponding to amount of equity contribution disbursed by them in different tranches, as per their budgetary allocations, at immediately succeeding Board meeting held after receipt of such equity contribution.

Allotment of shares to the existing shareholders do not attract the provisions of section 42 of the Companies Act, 2013, which pertain to preferential allotment / private placement.

The existing shareholders contribute already committed amount of equity share capital. Thus, the nature of transaction is intrinsically raising of paid-up share capital by the existing shareholder, as already mutually agreed by them.

As on 31st March 2023, the paid-up share capital of your Company stood at Rs. 14,211.43 crore contributed by GoI, through Ministry of Railways (i.e. Rs. 10,000 crore – held in the name of President of India and his twelve nominees), GoG (i.e. Rs. 4205.43 crore – held in the name of Governor of Gujarat), and GoM (i.e. Rs. 6 crore – held in the name of Governor of Maharashtra).

After the close of the year, the Company has allotted 59,45,600 equity shares of Rs. 1,000 each to Government of Gujarat. Details about other equity, EAP, and advances from Ministry of Railways are given under Note Nos. 12 and 13 to Financial Statements for 2022-23.

VII. COMPLIANCES:

A. Under Companies Act, 2013

- i) **Deposits**
Your Company did not accept any deposits from public during the financial year.
- ii) **Particulars of Inter-corporate loans, guarantees or investments**
During the year, your Company has not granted any inter-corporate loans or given any guarantee or made any investment (secured or unsecured) in terms of the provisions of section 186 of the Companies Act, 2013.
- iii) **Disclosure of Related Party Transactions**
Detailed related party disclosures are given under Note no. 32 to Financial Statements for 2022-23.
- iv) During the period under review, your Company has not obtained any **credit rating**.
- v) No **dividend** has been recommended for shareholders for 2022-23 since the Company is in construction phase, and has yet to start commercial operations.
- vi) During the period under review, there was no **change in the nature of business** of the Company.
- vii) 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.
- viii) 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 has yet to start commercial operations and does not have any operational turnover.
- ix) **Secretarial Standard compliance**
Your Company is complying with applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).
- x) **Risk Management**
Your Company is implementing MAHSR project. Consequent upon award of all civil construction packages in the State of Gujarat, the Company has entered into construction phase with work going on in full swing at various sites by respective contractors.

The Company has been taking adequate steps for risk identification, risk evaluation, risk management and mitigation for the project on regular basis.

As far as risks associated with assets and certain liabilities are concerned, such risks are identified, evaluated, and are mitigated by obtaining insurance cover for adequate value for the said assets from Insurance Company, apart from taking timely and recommended mitigation measures necessary for safeguarding the said assets.

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 C&AG of India from time to time. Recommendations

provided by Internal auditors, Statutory auditors, and C&AG auditors for improvements in internal controls and measures are implemented from time to time.

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

xii) **Conservation of Energy and Green High Speed Rail**

High speed railways are one of the most energy efficient systems in terms of energy requirements per passenger-km.

As a step further ahead, NHSRCL has designed its HSR station buildings as per standards designed by Indian Green Building Council (IGBC) to achieve high energy efficiency. The standards are specifically designed for HSR by IGBC in close association with the Company.

The project would have energy saving rolling stock, equipment & machinery to minimize energy requirements.

In addition, use of environmental friendly, renewable energy is being planned during project design stage; construction stage; and operation phase in order to minimize the carbon footprint.

There is provision of solar panels on the roof top of all-stop stations and the electricity generated will be used for meeting the non-traction energy requirements, reducing the overall energy requirement at stations and depots.

Further during the construction phase, major energy & resources conservation measures being undertaken at sites include:

- a) Provision of solar lights in casting yards & labour colony areas.
- b) Provision of ground mounted, machinery mounted & roof-top solar panels. Electricity generated from the solar panels is used for meeting the energy requirements at site e.g. operating the air conditioners in the crane cabin, area lighting, traffic lights, blinkers, rope lights, diversion, etc.
- c) Provision of rain water collection, usage, and harvesting system.
- d) Plantation of trees.
- e) Re-usage of the construction and demolition (C&D) waste for various purpose.
- f) Usage of LED lights for all buildings including office buildings, stations, depots, etc. to reduce energy requirement.
- g) Regular maintenance of the construction machinery and equipment to reduce the emission generation.
- h) Power requirement of project construction is being majorly met with grid electricity, minimizing diesel generator (DG) set usage & operation, ultimately reducing the fuel requirement and emission generation.

During 2022-23, based on Energy Conservation Building Code (ECBC), provisions enabling conservation of Energy have been included in the technical specifications of Electrical & Mechanical System of Building works in all 5 packages of Civil (viz. C1 and C3), Depot (viz. D1 and D2), and Electrical works (viz. EW-1) packages.



Solar Panel Provided on Girder Transporter To Power A/C of Operators Cabin

As per Power Purchase Agreement for developing 700kWp (RESCO Model) (signed with OPPL DEL SPV Pvt Ltd.), the work for setting up of solar panels at rooftop of Sabarmati passenger hub terminal building is under process. The said work would promote green energy in HSR, and would result in saving of energy cost.

xiii) **Technology Absorption and Research & Development**

Your Company has formed a Trust, i.e. High Speed Railways Innovation Centre (HSR IC) to undertake research and development in relevant fields of High Speed Rail technology by leveraging Indian technical capabilities to find cost effective solutions and contribute towards self-reliant nation. HSR IC has constituted an Advisory Council which includes persons of Academia and Research Institutes from India and Abroad e.g. IITs, RTRI, and University of Tokyo.

HSR IC is working on six research and development projects in collaboration with academia. The progress of each of the said project is tabulated below:

Sl. no.	Project	Implementing Institute(s)	Progress
(i)	Development of Indigenous Simulation Model of Traction Power Supply	a) IIT Delhi b) IIT Roorkee	a) Prototype, algorithm development has reached final stage to enable desktop validation as per European (EN) Standards. b) Mathematical model software of various traction network components developed & power flow analysis using sequential linear programming algorithm for single TSS carried out.

Sl. no.	Project	Implementing Institute(s)	Progress
		c) Jointly by IIT Mumbai and IISc Bangalore	Development of dynamic power flow including train time table, entire network is under progress. c) Prototype, algorithm development has reached final stage to enable desktop validation as per EN Standards.
(ii)	Development of Indigenous Simulation Model for design validation of OHE Pantograph interaction	a) Advanced Manufacturing Technology Development Centre (AMTDC) of IIT Madras b) IIT Delhi c) Jointly by IISc Bangalore and IIT Mumbai	a) Prototype software developed for pantograph, catenary, and train movement. However, the software is yet to be validated as per EN standards. b) Prototype software developed for pantograph, catenary, and interaction. c) Prototype software developed for pantograph, catenary, interaction, etc. Model for overlap section is under development.
(iii)	Design of Reinforced Earth (RE) Retaining wall & RE Abutments for HSR and Railway applications	Jointly by IIT Gandhinagar and IIT Tirupati	Project completed. Based on Railway Technical Research Institute (RTRI), Japan, feedback, improvements and plans for next phase would be proposed by the implementing Institutes for the review of HSRIC
(iv)	Detailed Study on Cement Asphalt Mortar (CAM) for High Speed Railway Track	a) IIT Kharagpur b) IIT Madras	a) Improvement in formulation and composition of CAM is under progress. b) Report on findings of Phase – II submitted. Rheological study under progress and dissemination workshop is planned.
(v)	Optimization of HSR Viaduct design	a) IIT Madras b) IIT Dhanbad c) IIT Kharagpur	Study of manuals and codes of different High-Speed Rails of European countries, Japan, China, etc. is in progress. Rolling stocks of various High-Speed Rails and their loads are also being studied by IITs. Suitability of various parameters for Indian conditions and necessary modifications based on study is under finalization. Design part will be taken up subsequently.

During the year, two Advisory Council Meetings were held, on 28th June 2022 and 15th March 2023 respectively, wherein status and progress of research projects of participating institutes were reviewed and way ahead discussed.

B. No **Presidential directive** has been received by your Company under Article 157 of the Articles of Association of the Company during 2022-23.

C. Right to Information Act (RTI)

Necessary updated information including the names of Appellate Authority, Public Information Officer, and Assistant Public Information Officer have 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, DPR, recruitment, general information about the HSR project, etc., and are generally replied within the stipulated time. All 166 applications (including 10 first appeal applications) received during the year, have been disposed off.

VIII. 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 the timely preparation of reliable financial disclosures. The Company's internal control system commensurates with its size, scale, and complexities of its operations.

IX. INFORMATION TECHNOLOGY DEVELOPMENT AND APPLICATION:

A. In the area of PMIS

NHSRCL has implemented Project Management Information System (PMIS), a seamless integrated web-based application solution which works on real-time basis, covering document management system, cost related processes, payment application, safety incident reporting, progress measurement system, and various types of approvals and communication processes thereby. The complete Integrated PMIS system comprises Primavera Unifier, P6, Analytics for dashboard reporting, and EBS related modules. For effective monitoring and controlling of MAHSR Project, PMIS is integrated with internal financials module and the overall processes/workflows have been developed and evolved over the period by getting various stakeholders on-board. System is having architecture of centralized data handling of documents/ data. All the stakeholders/ users viz. Contractor, PMC agencies, Employer, Consultants are working on the common platform of PMIS, and updates the system/ processes on real-time basis from site and other offices. Mobile app has also been made available to enable access and working from site or while in transit. The system is running in support mode and new modules or modification of existing processes and maintenance of existing system is carried out as a continuous process.

The system is being further augmented with Unifier User Identity Management with Single Sign On module along with EBS Payroll, i-expense (managing employee claim and reimbursement) and complex procurement modules. The implementation of these additional modules are scheduled to be completed in 2023-24. I-expense module has already been made Go-Live in February 2023.

NHSRCL has procured hosting services from Rail-Tel Data Center, for on-premise installation of PMIS and EBS modules. Continuous trainings, improvements, and development works further customizing the system according to relevant industry practices and governing conditions of contract is presently being taken up.

B. In the area of systems, infrastructure, etc.

1. Vulnerability assessment and process audit of IT infrastructure at NHSRCL by Standardisation Testing and Quality Certification (STQC) Directorate, Ministry of Electronics and Information Technology (MeitY), has been completed in July 2022. The STQC conducts specialized testing, training, audit and certifications of websites and other applications.

The said audit includes servers, firewalls, switches, Local Area Network (LAN) Controllers and other network devices of the Company. The procedure to obtain security audit certification is highly technical and requires multiple rounds of testing, removing of vulnerabilities and standardization of the website.

2. The Cyber Crisis Management Plan (CCMP) for the Company has been prepared and submitted to CERT-In, a cell under Ministry of Electronics and Information Technology, Govt. of India. CCMP includes details of critical IT infrastructure, proposed framework of IT Cell dedicated for cybersecurity, details of Crisis Management Group (CMG) & Chief Information Security Officer (CISO), preparedness and guidelines to handle the cyber incidences, etc. The said CCMP has been approved in April 2022 by CERT-In.
3. High-end Building Information Modeling Server and related software have been procured for creating and managing information for building asset throughout its life cycle from digital transformation in the architecture, engineering, construction, and operation.

X. HUMAN RESOURCE (HR):

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 been recruited from PSU's, metro companies, private sector, or are generally drawn on deputation from Central/ State Government Departments and Central / State PSUs, etc.

The manpower strength of your Company has decreased from 399 (including 75 deputationists) as on 31st March 2022 to 387 (including 74 deputationists) as on 31st March 2023.

During the year, your Company organized various health check-up camps and vaccination drive for employees and their families apart from continued 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.

Your Company is committed to provide congenial and safe atmosphere to women employees. To check the cases of sexual harassment and exploitation of women at workplaces, an Internal Complaints Committee under Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013, had been constituted. No complaint has been received by the Company during 2022-23. During the year, the Company has celebrated International Women's Day with utmost zeal and enthusiasm.

During 2022-23, officials from the Company have been nominated for following professional programs / trainings / workshops / seminars / etc.:

- a) specifically designed training course organized by All India Management Association (AIMA) for female officials viz. 'Women Leadership Workshop' – attended by two (2) women employees.
- b) around 67 employees attended various domestic trainings (online and offline) organized by several institutes / bodies, covering varied subjects / aspects from general management to technical subjects.

In addition, the Company continues to impart Japanese Language Proficiency to employees of the Company.

The Company has been encouraging sports amongst its employees. During the year, various sports activities like tennis, badminton, cricket tournaments, etc. were also organized by the Company.

Your Company celebrated its Foundation Day on 12th February 2023 in the august presence of Chairman & CEO, Railway Board, and other senior officials from Railway Board. All project offices of the Company were connected to the celebration through video conference. On this occasion, excellent work done by employees were appreciated and rewarded. Various indoor and outdoor sports were also organized for employees of the Company and their families.

XI. VIGILANCE:

The Vigilance Department is headed by a full time Chief Vigilance Officer (CVO) of the Company, and is assisted by a team of two members.

Various initiatives/ programs to spread awareness have been undertaken by the Company at Delhi and project offices regarding the following six focus areas and related information, viz. Property Management, Management of Assets, Record Management, Technological Initiatives, Up-dation of Guidelines/ Manuals/ Circulars, and Disposal of Complaints.

Sports events like cyclothan, walkathon, cricket, and cultural activities (street plays, etc.) have been organised for dissemination of anti-corruption messages, and to stress the vision of a vigilant India moving towards self-reliance with integrity.

A newsletter of CVC unveiled by Hon'ble Prime Minister of India during Vigilance Awareness Week, contained an article contributed by the Company on 'Web based centralized Project Management Information System (PMIS)' highlighting integrated view of MAHSR project and package performance.

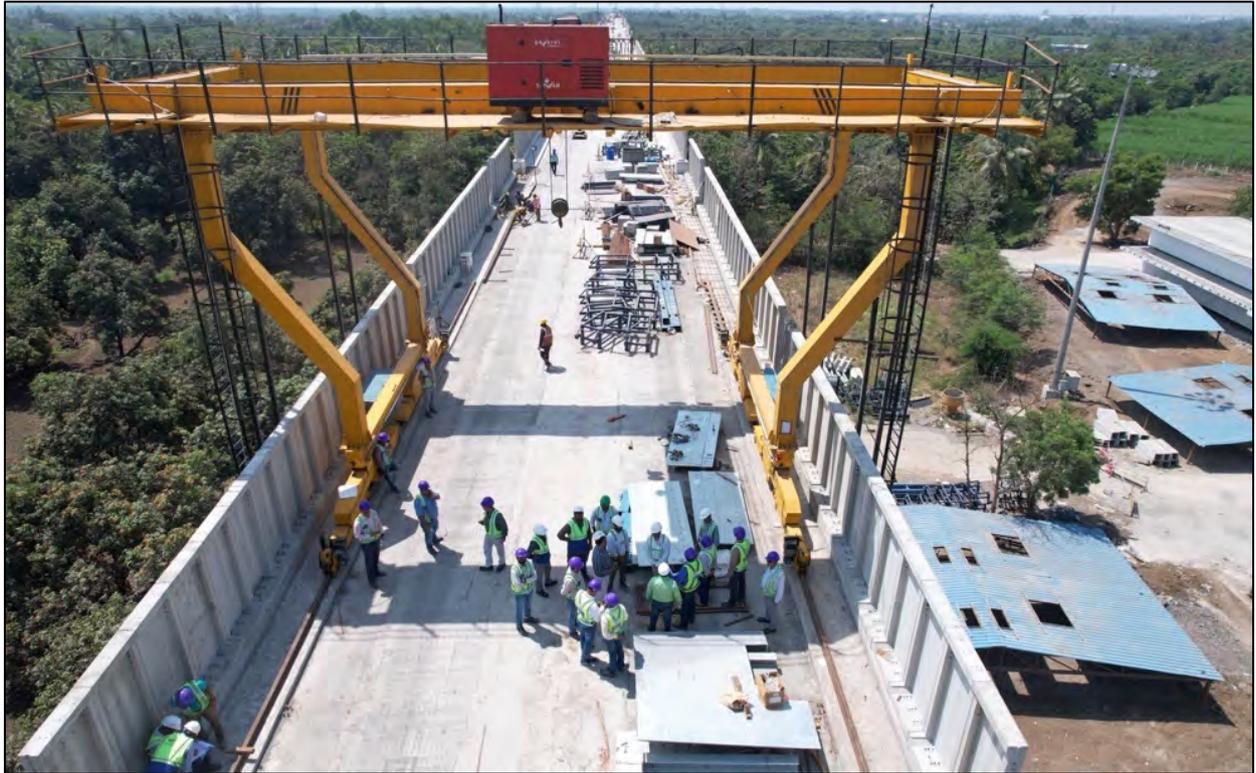
Two workshops on "Vigilance Administration" and "Ethics, Work Culture & Vigilance" were organized during the year by the Company to sensitize the employees in this regard.

The Company had migrated during 2021-22 to e-office from physical mode for various vigilance clearance purposes. A dedicated vigilance information system for complaint tracking has been developed, and its integration with other vigilance related business modules, and user trials are underway before moving the system to final production mode.

XII. LOGO, AWARDS AND RECOGNITION:

Your Company has received following awards during 2022-23:

1. 9th PSU Award in the category of 'Best Communication Outreach' in Nation Building for organisation's efforts and achievements towards Business Excellence, Operational Performance Excellence, Overall contribution to growth, output, investment, and Boosting Employment, CSR, Atama Nirbhar Bharat, Research & Innovation, organized by Governance Now. The award was presented at a ceremony held at New Delhi, on 16th February 2023.
2. 16th Global Communication Conclave award in the three categories viz. 'Organization of the Year - PR Excellence'; 'Best Use of Media Relations'; and 'Best Use of Content' towards PR and Communication; towards successful use of media relations in a wider public relations context that captures the imagination and meets client objectives; and towards the most original and effective use of content in a successful public relations campaign respectively organised by Public Relations Council of India (PRCI) under the aegis of World Communication Council (WCC). The award was presented at a ceremony held at Kolkata, on 11th and 12th November 2022.



Noise Barrier Erection Work in Progress, Navsari, Gujarat

Your Company is also in the process of registering various variations of its already registered trademarks i.e. logo along with acronym of its name, under the Trade Marks Act, 1999.

Presence at International Exhibitions

NHSRCL showcased special features of MAHSR project at India International Trade Fair 2022 held at Pragati Maidan, New Delhi from 14th to 27th November 2022 as part of railway pavilion, whereat visitors enquired about India's first high speed rail project.

NHSRCL also participated in INNORAIL 2022 held in Railway Design Standards Organization (RDSO) Grounds in Lucknow from 17th to 19th November 2022.

XIII. VISION & MISSION:

Your Company has 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.

XIV. BOARD COMMITTEES:

A. Corporate Social Responsibility Committee

Your Company has yet to start commercial operations, and hence has not earned any operational profit during the financial year.

Your Company has formed a Board level 'Corporate Social Responsibility Committee' known as 'CSR Committee', for the purpose of undertaking CSR works in terms of provisions of the Companies Act, 2013. The said Committee is being assisted by a Nodal Officer and his team.

The details about the CSR Committee, its compositions, attendance of meetings, CSR budget, CSR Activities, etc. are mentioned in a 'Report on CSR Activities for 2022-23' forming part of Directors' Report and attached as **Appendix – 1** to this Report.

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 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Consequently, constitution of Nomination & Remuneration Committee and Audit Committee cannot be done in terms of the provision of sections 177 and 178 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014.

Further, the constitution of Stakeholders Relationship Committee (under section 178 of Companies Act, 2013) is also not applicable as the Company is having less than 1000 number of members/ shareholders.

Accordingly, the Company does not have any of these three Committees in place.

XV. CORPORATE GOVERNANCE:

Your 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.

XVI. BOARD OF DIRECTORS:

A. Composition of Board

Pursuant to the Article of Association of the Company, the strength of the Board of Directors shall not be less than 3 directors and not more than 15 directors.

Presently, five post of whole time Directors [viz. Managing Director, Director Project, Director Finance, Director Rolling Stock, and Director Electrical & System], three (3) post of nominee directors (including Part-time Chairman) from Ministry of Railways, and one (1) post of nominee director each from Government of Gujarat and Maharashtra are operational.

As on 31st March 2023, the Board of your Company comprised of eight (8) directors i.e. four (4) whole-time directors [viz. the then Director Project {and holding the additional charge of the post of MD}, Director Finance, Director Rolling Stock, and Director Electrical & System], three (3) nominee directors (including Part-time Chairman) from Ministry of Railways, and one (1) nominee director from Government of Gujarat.

After the close of the financial year:

- a) Government of Maharashtra has nominated Mr. Parrag Jaiin Nainutia as Part-time Director. Mr. Jaiin has joined the Board of NHSRCL on 11th April 2023.
- b) Mr. Rajendra Prasad, has assumed the charge of the post of Managing Director (MD) w.e.f. 8th May 2023 along with the assumption of additional charge of the post of Director Project, in terms of Railway Board letter's dated 8th May 2023.

- c) Mr. Arun Bijalwan, has relinquished the charge of the post of Director Finance on 30th June 2023 upon superannuation in terms of Railway Board's letter dated 19th October 2022.
- d) Mr. Vivek Prakash Tripathi, General Manager, Strategic Finance, has assumed the additional charge of the post of Director Finance w.e.f. 1st July 2023, in terms of Railway Board letter's dated 23rd June 2023, till the appointment of a regular incumbent to the post or until further orders, whichever is the earliest.

B. Changes in Directorship during the year

All the directors are appointed on the Board of the Company only after they have obtained Director Identification Number (DIN) from Ministry of Corporate Affairs (MCA), in terms of section 152(3) of the Companies Act, 2013, which provides that no person shall be appointed as a director of a Company unless he has been allotted DIN.

The Directors on the Board of the Company are nominated by the Central Government/ State Government(s) as per the Articles of Association of the Company.

During the year, following changes have taken place in Board of Directors of the Company:

- a) Mr. Rajendra Prasad, the then Director Project, has assumed the additional charge of the post of MD, in addition to his own, w.e.f. 7th July 2022 vice Mr. Satish Chandra Agnihotri, who relinquished the charge of the post of MD on 7th July 2022 in terms of Railway Board's letter.
- b) Ministry of Railways (MoR), Government of India, has nominated Ms. Anvita Sinha as Part-time Director vice Ms. Petal Dhillion who ceased to be director of the Company w.e.f. 18th June 2022. Ms. Sinha has joined the Board on 12th July 2022.
- c) MoR has nominated Mr. Mukul Saran Mathur, as Part-time Director vice Mr. R. N. Singh who relinquished the charge of his post from Railway Board on 7th November 2022. Mr.Mathur has joined the Board on 6th January 2023.
- d) MoR has nominated Mr. Anil Kumar Lahoti, Chairman and CEO, Railway Board, as Part-time Chairman vice Mr. V.K. Tripathi who superannuated on 31st December 2022. Mr.Lahoti has joined the Board on 22nd February 2023.

C. Remuneration of Directors

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

The nominee directors, nominated by Government of India (GOI) and participating State Governments, 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. Key Managerial Personnel

All the whole-time Directors of the Company [viz. Managing Director, Director Project, Director Finance (and Chief Financial Officer), Director Rolling Stock, Director Electrical & System] and Company Secretary have been declared as Key Managerial Personnel by the Board of the Company, in terms of provisions of the Companies Act, 2013.

E. Board Meetings and Attendance

The Board of Directors of your Company met four (4) times during the financial year 2022-23 i.e. on 23rd May 2022, 26th August 2022, 23rd November 2022, and 10th March 2023.

The attendance details of directors with respect to Board Meetings and Annual General Meeting (AGM) held during 2022-23 are:

Sl. No.	Name of Director	Designation	No. of Board Meetings		Attendance at the last AGM (held on 22.12.2022)
			Held during the tenure of Director	Attended	
1.	Mr. Anil Kumar Lahoti (DIN – 10053659) Chairman & CEO, Railway Board	Part-time Chairman (Nominated by GoI) (w.e.f. 22nd February 2023)	1	1	Not Applicable
2.	Mr. Rajendra Prasad (DIN – 08006234)	Managing Director (Whole-time Director)	4	4	Yes
3.	Mr. Arun Bijalwan (DIN – 08012372)	Director Finance (Whole-time Director)	4	4	No
4.	Mr. Vijay Kumar (DIN – 08205585)	Director Rolling Stock (Whole-time Director)	4	4	Yes
5.	Mr. Sandeep Kumar (DIN – 08206781)	Director Electrical & System (Whole-time Director)	4	4	Yes
6.	Mr. Mukul Saran Mathur (DIN – 07361718), Principal Executive Director/ Infra, Railway Board	Part-time Director (Nominated by GoI) (w.e.f. 6 th January 2023)	1	1	Not Applicable
7.	Ms. Anvita Sinha (DIN – 09670512), Executive Director/ Est. (Gaz. Cadre), Railway Board	Part-time Director (Nominated by GoI) (w.e.f. 12th July 2022)	3	3	Yes
8.	Mr. Hareshkumar Chandulal Modi (DIN – 08626316), Chief Engineer (National Highways) & Addl. Secy., Roads & Building Department, Govt. of Gujarat	Part-time Director (Nominated by GoG)	4	4	Yes
9.	Mr. Parrag Jaiin Nainutia (DIN – 00295846) Principal Secretary (Transport and Ports), Govt. of Maharashtra	Part-time Director (Nominated by GoM) (w.e.f. 11 th April 2023)	Not Applicable		

Sl. No.	Name of Director	Designation	No. of Board Meetings		Attendance at the last AGM (held on 22.12.2022)
			Held during the tenure of Director	Attended	
10.	Mr. Satish Chandra Agnihotri (DIN – 01637856)	Managing Director (Whole-time Director) (Held Office from 1 st July 2021 to 7 th July 2022)	1	1	Not Applicable
11.	Mr. Vinay Kumar Tripathi (DIN – 09463988) Chairman & CEO, Railway Board	Part-time Chairman (Nominated by GoI) (Held Office from 20 th January 2022 to 31 st December 2022)	3	3	Yes
12.	Mr. Ravindra Nath Singh (DIN – 08488013), Principal Executive Director/ Infra, Railway Board	Part-time Director (Nominated by GoI) (Held Office from 19 th June 2019 to 7 th November 2022)	2	2	Not Applicable
13.	Ms. Petal Dhillon (DIN – 09481402), Executive Director/ Business Development, Railway Board	Part-time Director (Nominated by GoI) (Held Office from 27 th January 2022 to 17 th June 2022)	1	1	Not Applicable

Ms. Sumita Sharma, Company Secretary, attended all the Board meetings and the AGM of the Company held during 2022-23.

XVII. CODE OF CONDUCT AND ETHICS:

Your Company has 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 2022-23.

XVIII. GENERAL BODY MEETINGS:

A. The details of last three Annual General Meetings (AGM) are as under:

Financial Year	Date of holding meeting	Time	Venue
2021-22 (6 th AGM)	22 nd December 2022	1700 hours	Committee Room No.- 237, Railway Board, New Delhi
2020-21 (5 th AGM)	16 th November 2021	1630 hours	Through Video Conferencing
2019-20 (4 th AGM)	28 th September 2020	1200 hours	Through Video Conferencing

B. One special resolution was required or passed in the above said (6th) AGM.

C. No Extra – Ordinary General Meeting (EGM) has been held during the year 2022-23.

- D. AGM for current year – The proposed 7th AGM of the Company for 2022-23 is scheduled to be held as per following details:
- Day – Friday
 - Date – 29th September 2023
 - Time – 1300 hours
 - Venue – Railway Board, New Delhi

XIX. COMPANY'S WEBSITE:

The official website of your Company is www.nhsrcl.in. All major information pertaining to the Company, including feasibility study reports, technical details of the project including status of the project, SIA / RAP and IPP reports, tenders details, details about Sabarmati multimodal transport hub, various vacancies & results of such vacancies, etc. are available at the official website of the Company in different languages (apart from English language) viz. Hindi, Gujarati, Marathi, and Japanese.

The Annual Report of the Company is available at following link - <https://www.nhsrcl.in/en/about-us/annual-report>.



Work in progress at Ahmedabad HSR station, Gujarat

XX. AUDITORS:

A. Statutory Auditors

Comptroller & Auditor General of India (C&AG) has appointed M/s. AKGVG & Associates, Chartered Accountants, as Statutory Auditors of the Company for 2022-23 in terms of provisions of the Companies Act, 2013.

B. Secretarial Auditors

Your Company has appointed M/s. Akhil Rohatgi & Company, Company Secretaries, as Secretarial Auditors for undertaking the secretarial audit of the Company for 2022-23, in terms of provisions of the Companies Act, 2013.

C. Internal Auditors

Your Company has appointed M/s. Ashok Shyam & Associates, Chartered Accountants, as Internal Auditors for conducting the internal audit of the Company for 2022-23, in terms of provisions of the Companies Act, 2013.

XXI. 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 that such systems were adequate and operating effectively.

XXII. 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. Report on CSR Activities for 2022-23. **Appendix – 1**
2. Secretarial Audit Report. **Appendix – 2**
The Secretarial Auditor has observed that the Company has not allotted equity shares within 60 days from the date of receipt of application money as required by section 42 of the Companies Act, 2013. The matter has been clarified / explained at sl. no.VI (C) under the heading 'Structure of Share Capital'.
3. The Management Reply to qualification contained in the Auditor's Report on the Financial Statements. **Appendix – 3**
4. Comments received from C&AG and Management Reply thereto forms integral part of this report.

XXIII.ACKNOWLEDGEMENT:

We record our sincere gratitude to the Governments of India and Japan; Ministry of Railways, Ministry of External Affairs and other Ministries; State Governments of Gujarat and Maharashtra; Ambassadors and Embassies of India and Japan; NITI Aayog; Department of Industrial Policy and Promotion (DIPP); Officials from JETRO; Japan International Cooperation Agency (JICA); Japan International Consultants (JIC); and JR East; 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

(Rajendra Prasad)
Managing Director
[DIN: 08006234]

(Vivek Prakash Tripathi)
Director Finance
[DIN: 10216466]

Date : 29th September 2023*

Place : New Delhi

* *Directors' Report approved by the BoD on 20th July 2023. Amendment in the day, date, and time of AGM from 'Friday, 18th August 2023 at 1700 hours' to 'Friday, 29th September 2023 at 1300 hours' along with C&AG Comments and Management Reply thereto approved by BoD on 29th September 2023.*

REPORT ON CSR ACTIVITIES FOR 2022-23

1. Brief outline on CSR Policy of the Company:

As a responsible corporate entity, the Company is committed to the concept of Corporate Social Responsibility (CSR) for the upliftment and betterment of society. The Company endeavours to conduct its business in a socially responsible manner by maintaining highest standards for ethics, inclusiveness, transparency, and governance. The Company also works towards promoting sustainable development in the Country.

The objective of CSR policy is to undertake work in accordance with stakeholders' expectations in an outcome based and impact-oriented manner. Priority would be given to the under privileged, neglected, and weaker sections of the society with preference to work for the habitants of districts where the Company is operating or districts contiguous thereto.

The Company has laid down a system for selection of CSR activities, whereby field level offices may recommend CSR proposal based on local needs after interacting with stakeholders.



Camps for identification of cataract surgery, Thane, Maharashtra

2. Composition of CSR Committee:

The Company has constituted a Board level CSR Committee (chaired by a Part-time Director) in terms of provisions of the Companies Act, 2013. The CSR Committee monitors and ensures implementation of CSR agenda by overseeing all activities undertaken by the Company. The said Board level Committee is being assisted by a Nodal Officer and his team.

Mr. Anjum Pervez, PED / Planning & Development and CSR Nodal Officer, steers/ scrutinizes as well as assist the CSR Committee in reviewing and monitoring the implementation of approved CSR activities. Nodal Officer is also a permanent invitee to the meetings of CSR Committee.

As on 31st March 2023, the composition of CSR Committee is Mr. H.C. Modi, Part-time Director, as Chairman, along with Mr. Arun Bijalwan, Director Finance, and Mr. Vijay Kumar, Director Rolling Stock, as its members; and Ms. Sumita Sharma, Company Secretary, as Secretary of the Committee.

After the close of the financial year, CSR Committee has been re-constituted in June 2023 with Mr. Sandeep Kumar, Director Electrical & System, nominated as member of the Committee, vice Mr. Arun Bijalwan, Director Finance, who superannuated on 30th June 2023.

During 2022-23, the CSR Committee met three (3) times i.e. on 23rd August 2022, on 18th November 2022, and on 9th March 2023. The attendance details of the said three meetings are as follows:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee	
			Held during the tenure as Director	Attended
1	Mr. H. C. Modi	Part-time Director (& Chairman, CSR Committee)	3	3
2	Mr. Rajendra Prasad (up to 20.07.2022)	Managing Director (& Member, CSR Committee)	Not Applicable	
3	Mr. Arun Bijalwan (up to 26.06.2023)	Director Finance (& Member, CSR Committee)	3	3
4	Mr. Vijay Kumar (w.e.f. 20.07.2022)	Director Rolling Stock (& Member, CSR Committee)	3	3
5	Mr. Sandeep Kumar (w.e.f. 26.06.2023)	Director (Electrical & System) (& Member, CSR Committee)	Not Applicable	

Both, the Nodal Officer and Company Secretary attended all the above said three CSR Committee meetings of the Company held during 2022-23.



Distribution of prosthetic limbs, Anand, Gujarat

3. **The web-links where composition of CSR Committee, CSR Policy, and CSR projects approved by the Board, are disclosed on the website of the Company:**
 - a) Composition of the CSR Committee and Board approved CSR projects undertaken by the Company – <https://nhsrcl.in/en/about-us/latest-social-initiatives>
 - b) The CSR Policy (as amended from time to time) – <https://nhsrcl.in/sites/default/files/2023-01/Amended%20CSR%20Policy.pdf>
4. **Executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014:** Not Applicable
5. a) The **average net profit** of the Company during last three financial years [i.e. 2019-20, 2020-21, and 2021-22], as per section 135(5) of the Companies Act, 2013, amounts to Rs.67,13,85,748/-.



Beneficiaries post-cataract surgery, Thane, Maharashtra

Sl. No.	Particulars	FY-1 2019-20*	FY-2 2020-21*	FY-3 2021-22*
1	Profit before tax	70,88,15,442.43	25,39,48,696.09	105,13,93,104.66
2	Net Profit computed u/s 198 of the Companies Act, 2013	70,88,15,442.43	25,39,48,696.09	105,13,93,104.66
3	Net Profit computed under rule 2(1)(h) of the CSR Policy Rules, 2014	-	-	-
4	Total Net Profit for section 135 of the Companies Act, 2013 (i.e. 2 – 3)	70,88,15,442.43	25,39,48,696.09	105,13,93,104.66

* Please refer Note No. 42 of Financial Statement 2022-23, stating that previous year figures has been reclassified / regrouped, wherever required, to confirm to current year's presentation of those figures.

- b) The **2% of average net profit** of the Company, as per section 135(5) of the Companies Act, 2013, amounts to Rs. 1,34,27,715/-.
- c) There is no **surplus** arising out of the CSR projects or program or activities from the previous three financial years, as per rule 7(2) of the Companies (CSR) Rules, 2014.
- d) Amount available for **set off** in pursuance of **rule 7(3)** of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)	Balance Amount (in Rs.)
FY-1	2021-22		-- NIL --	
FY-2	2020-21			
FY-3	2019-20			
TOTAL				



Identification camps for cataract surgery, Palghar, Maharashtra

- e) The **total CSR obligation** for the financial year amounts to Rs.1,34,27,715/- [i.e. (b) + (c) - (d)]
- f) CSR amount spent or unspent for 2022-23:

Amount Spent (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (in Rs.)	Date of transfer	Name of the Fund	Amount (in Rs.)	Date of transfer
84,07,715	50,20,000	31 st March 2023	-- NIL--		

6. a) Amount spent in **Administrative Overheads** : 0
- b) Amount spent on **Impact Assessment** : Not Applicable
- c) - **Total amount spent** during 2022-23 : Rs. 84,07,715
 - **Total committed amount** transferred to unspent CSR Account for the financial year 2022-23 : Rs. 50,20,000
- d) Excess amount spent during 2022-23 : 0
- e) Amount available for set off in succeeding financial years : 0
- f) Details of new CSR projects undertaken in 2022-23 from the unspent amount pertaining to preceding three financial years –
- i) Amount spent against new ongoing projects : Not applicable
- ii) Amount spent against new other than ongoing projects : Not applicable

7. (a) Details of CSR amount spent against on-going **multi-year projects** (approved during financial year 2022-23):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Sl. Project No	ID	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project (District and State)	Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation	Name of Agency	CSR Registration number
1.	CSR-6	Support for procurement of two (2) food distribution vehicles to serve Mid-Day meals to children studying in government / government aided schools in Gujarat	Sl. no. VII (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation	Yes	Ahmedabad and Vadodara, Gujarat	Spanning over two financial years	22,90,000	0	22,90,000	No	The Akshaya Patra Foundation	CSR00000286
2.	CSR-7	Cataract Surgery [Estimated 125 no. of beneficiaries / patients] and Vision correctness [Estimated 600 nos. beneficiaries / patients] by organizing an eye camp	Sl. no. VII (i) - Promoting health care including preventive health care	No	Chamoli, Uttarakhand	Spanning over two financial years	27,30,000	0	27,30,000	No	Pacific Creative Society	CSR00004314
		Total					50,20,000	0	50,20,000			

(b) Details of CSR amount spent against **other than on-going projects (i.e. single year project)** (approved during financial year 2022-23):

(1) Sl. Project No.	(2) Project ID	(3) Name of the Project	(4) Item from the list of activities in Schedule VII to the Act	(5) Local area (Yes / No)	(6) Location of the project (District and State)	(7) Amount spent in the Financial year (in Rs.)	(8)		(9) Mode of Implementation
							Direct (Yes/ No)	Through Implementing Agency Name CSR Registration number	
1.	CSR-5	Distribution of High Tech Prosthetic Limbs to especially abled 160 economically poor beneficiaries	Sl. no. VII (i) - Promoting health care including preventive health Care	Yes*	National Level (Pan India)*	36,50,500	No	Shree Nityanand Swami Education Trust	CSR00021305
2.	CSR-8	Contribution to PM CARES Fund	Contribution to Fund [Sl. no. viii]	Yes	National Level (Pan India)	47,57,215	Yes	Not Applicable	
		Total				84,07,715			

* The Implementing Agency has its registered office in the State of Gujarat. However, the beneficiaries of Prosthetic Limbs were from various other States of India, as well. Therefore, the location of the project has been marked as PAN India.

8. a) Details of Unspent CSR amount for the **preceding three financial years** spent in Financial Year 2022-23:

Sl. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (Balance as on 1 st April 2022) (in Rs.)	Amount spent in 2022-23 (in Rs.)	Balance Amount in Unspent CSR Account as on 31 st March 2023, under section 135(6) to be spent in succeeding financial years (in Rs.)	Amount transferred to fund specified under Schedule VII as per 2 nd proviso to section 135(5) (with name, amount, and date of transfer)	Deficiency
1.	2019-20					
2.	2020-21					
3.	2021-22	14,87,500 42,50,000 48,50,000	0 42,50,000 24,25,000	14,87,500 0 24,25,000	-	-
	Total	1,05,87,500	66,75,000	39,12,500	-	-

b) Details of CSR amount spent in the financial year for **on-going projects of the preceding financial year(s)**:

(1) Sl. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project (in Rs.)	(7) Amount spent on 1 st April 2022 (in Rs.)	(8) Amount spent during 2022-23 (in Rs.)	(9) Cumulative amount spent as on 31 st March 2023 (in Rs.)	(10) Amount pending as on 31 st March 2023	(11) Status of the project – Completed / Ongoing
1	CSR – 1	Cataract Surgery [Estimated 350 nos. of patients]	2021-2022	Spanning over three financial years	14,87,500	0	0	0	14,87,500*	Completed* (The project got completed in February 2023)
2	CSR – 2	Cataract Surgery [Estimated 1000 nos. of patients]	2021-2022	Spanning over two financial years	42,50,000	0	42,50,000	42,50,000	0	Completed
3	CSR – 3	Construction of 6 class rooms and 1 footbridge to connect corridor on first floor of Anushruti Academy for the Deaf in IIT Roorkee Campus	2021-2022	Spanning over three financial years	48,50,000	0	24,25,000	24,25,000	24,25,000	Ongoing
		Total			1,05,87,500		66,75,000	66,75,000	39,12,500	

* After the closure of the financial year, the allocated CSR budget for the project (amounting to Rs. 14,87,500/-) was claimed in one bill by the Implementing Agency. The said final bill for the CSR project was paid on 21st April 2023 on receipt of project completion report.

9. Details relating to the Capital asset(s) created or acquired through Corporate Social Responsibility (CSR) amount spent in the financial year 2022-23 (including previous financial years):

Sl. no.	Short Particulars of the property or asset(s)	Complete address and location of the project along with pin code of the property or asset(s)	Date of creation	CSR amount spent during 2022-23	Details of the Entity / Authority / Beneficiary of the registered owner		
					CSR Registration Number	Name	Registered Address
1	Construction of six (6) class rooms and one (1) footbridge to connect corridor on first floor of Anushruti Academy for the Deaf in IIT Roorkee Campus at Roorkee, Uttarakhand	The proposed capital asset would vest in the name of IIT Roorkee. Address: IIT Roorkee Campus, Roorkee, Uttarakhand – 247667	Construction is under process	Rs. 24,25,000*	CSR00003687	IIT Roorkee	IIT Roorkee Campus, Roorkee, Uttarakhand – 247667
2	Support for procurement of two (2) food distribution vehicles to serve Mid-Day meals to children studying in government / government aided schools in Gujarat	Vehicles yet to be purchased. The proposed vehicles would vest in the name of Akshaya Patra Foundation.	Procurement is under process	Nil**	CSR00000286	The Akshaya Patra Foundation	Hare Krishna Hill, West of Chord Road, Rajajinagar, Bengaluru, Karnataka 560010

* A total amount of Rs. 48,50,000/- had been committed by the Company during 2021-22.

** A total amount of Rs. 22,90,000 has been committed by the Company during 2022-23

10. Reason(s), if the Company has failed to spend 2% of the average net profit as per section 135(5) of the Companies Act, 2013: Not applicable

For and on the behalf of the Board of Directors

(Rajendra Prasad)
Managing Director
[DIN: 08006234]

(H. C. Modi)
Part-time Director &
Chairman, CSR Committee
[DIN: 08686316]

(Vijay Kumar)
Director Rolling Stock &
Member, CSR Committee
[DIN: 08205585]

Date : 20th July 2023
Place : New Delhi

Appendix – 2



AKHIL ROHATGI & COMPANY

Company Secretaries
21, Shamnath Marg, Civil Lines, Delhi – 110054.
Phone : 9810690633, 8527087435
Email : rohatgi_co_secy@gmail.com
csdelhi84@gmail.com

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March 2023

[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,
Regd Off: 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 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023 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, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under.
- (ii) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under are *not applicable*.
- (iii) The Securities Contracts (Regulations) Act, 1999 and the rules made thereunder are *not applicable as the shares of Company are not listed with the Stock Exchanges*.
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder are *not applicable as the shares of Company are not registered with the depository mentioned under the said Act*.
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are *not applicable as the shares of Company are not listed with the Stock Exchanges*.
- (vi) Other applicable Laws, rules and Guidelines as mentioned here-in-below:
 - a. Right to Information Act, 2005,
 - b. Micro, Small & Medium Enterprises Development (MSMED) Act, 2006
 - c. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
 - d. Environment Laws as applicable
 - e. Labour Laws as applicable

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India. During the period under review, the Company has complied with the provisions of the Act, Rules, Guidelines etc. except that during the period under review the company has not allotted equity shares to its shareholder within 60 days from the date of receipt of application money as required under section 42 of the Companies Act 2013.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting, majority decision has been carried through in the meetings. It was informed by the management that there was no dissenting member on any of the agenda item put up before the Board for discussion.

We further report that, as informed by the management, 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 further report that during the period under review 1,45,04,300 equity shares of Rs. 1,000 each aggregating Rs. 14,50,43,00,000 were issued to The Governor of Gujarat and 60,000 equity shares of Rs.1,000 each aggregating Rs. 6,00,00,000 were issued to The Governor of Maharashtra.

**For Akhil Rohatgi & Co.
Company Secretaries
Reg. no. P1995DE072900**

**Deepak Kumar
Partner
M. No.: F10189
CP No: 11372
UDIN: F010189E000653581**

**Date : 21st July 2023
Place : New Delhi**



AKHIL ROHATGI & COMPANY

Company Secretaries
21, Shamnath Marg, Civil Lines, Delhi – 110054.
Phone : 9810690633, 8527087435
Email : rohatgi_co_secy@gmail.com
csdelhi84@gmail.com

To,

**The Members,
National High Speed Rail Corporation Limited,
Regd Off: 2nd Floor, Asia Bhawan, Road No. 205, Sector-9, Dwarka, Delhi 110077**

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

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

**For Akhil Rohatgi & Co.
Company Secretaries
Reg. no. P1995DE072900**

**Deepak Kumar
Partner
M. No.: F10189
CP No: 11372
UDIN: F010189E000653581**

**Date : 21st July 2023
Place : New Delhi**

MANAGEMENT REPLY TO COMMENTS IN AUDITOR’S REPORT ON FINANCIAL STATEMENTS

Annexure C to Auditor’s Report:
(Under Basis for Qualified Opinion)

Qualified Opinion	Management Reply
<p>The company did not have an appropriate internal control system for physical verification of property, Plant, and equipment (Tangible Assets) which could potentially result in the Company recognizing Property, Plant and Equipment (Tangible Assets) which may not exist or are not in control of the company.</p>	<p>NHSRCL has land as its major asset under Property, Plant, and Equipment (Tangible Assets) of Rs. 9383.20 crore out of total Property Plant and Equipment of Rs. 9444.94 crore as at 31st March 2023, which is equivalent to 99.34 % (approx.) and is acquired for construction of 508 kms alignment of MAHSR Project. NHSRCL has laid down detailed procedure for identification, acquisition, and possession of these assets which includes documents related to identification of land parcels, survey carried for identification of land, document with reference to physical possession of land and title transfer related documents etc. Further, the Company is under construction stage and land is handed over to contractors for construction of MAHSR project.</p> <p>All of the above, demonstrates that there are adequate internal control system for verification of land. Therefore, in view of management of company there are adequate internal controls for verification of property, plant, and equipment (Tangible Assets).</p> <p>Further, the qualified opinion does not impact the overall view of financial Statements.</p>

For and on behalf of the Board of Directors

(Rajendra Prasad)
Managing Director
[DIN: 08006234]

(Vivek Prakash Tripathi)
General Manager / Strategic Finance and
holding the additional charge of the post
of Director Finance
[DIN: 10216466]

Date : 20th July 2023
Place : New Delhi

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT ON THE IND-AS FINANCIAL STATEMENTS

**To
THE MEMBERS OF,
M/s NATIONAL HIGH SPEED RAIL CORPORATION LIMITED**

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, 2023**, 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, 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 obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Emphasis of Matter

We draw attention to the Note No 33(iii) in the financial statements which describe that Company regularly acquires land from government and private parties for its projects and compensates the owners in monetary values.

In case of private parties, the Company reimburses the stamp duty and registration fees on subsequent purchase of new property as per company policy for Land and R&R Payments. The amount of reimbursement for stamp duty and registration fees on subsequent purchase of new property cannot be estimated.

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Our opinion is not modified in respect of the above matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and analysis, Board's Report including Annexure to the Board's Report and shareholders Information but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material Misstatement of this other information, we are required to report that fact. We have nothing to report in this regard as the said information is expected to be made available to us after auditor's report date.

Management's Responsibilities for the Ind-AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind-AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the 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 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, 2020 ("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) Being a Government Company, section 164(2) of the Companies Act, 2013 regarding 'whether any director is disqualified from being appointed as a director; is not applicable to the Company in view of Notification No. G.S.R. 463(E) dated 05.06.2015 issued by the Ministry of Corporate Affairs.
- f) With respect to the Adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure – C**". Our report expresses a modified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the period ended March 31, 2023.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – refer Note 33 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.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 40 (vi) to the financial statements);

- (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 40 (vii) to the financial statement); and
 - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

For AKGVG & Associates
Chartered Accountants
ICAI Firm Registration Number: 018598N

Aman Aggarwal
Partner
Membership No: 515385
UDIN No. : 23515385BGYBQS4386
Place of Signature : New Delhi
Date : 20th July 2023

"ANNEXURE – A" TO THE INDEPENDENT AUDITORS' REPORT

Annexure to the Independent Auditors' Report referred to in paragraph 1 under "Report on other legal and regulatory requirements" section of our report of even date on the financial statements of National High Speed Rail Corporation Limited for the Year ended 31st March 2023.

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.	During course of our audit, we have not come across any instances to believe that the Company does not have system in place to process all the accounting transaction through IT system. Based on our audit and examination of relevant records, we are of the opinion that all accounting transactions are accounted for through IT System and no financial implication on the integrity on the accounts were noted by us.
(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. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender company).	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 (grants/ subsidy etc.) received/ receivable for specific schemes from Central/ State Government or its 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 2022-23. Hence, there is no applicability for accounting / utilization of funds so received as per terms and conditions of disbursement.

For AKGVG & Associates
Chartered Accountants
ICAI Firm Registration Number: 018598N

Aman Aggarwal
Partner
Membership No: 515385
UDIN No. : 23515385BGYBQS4386
Place of Signature : New Delhi
Date : 20th July 2023

"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, 2023)

- (i) (a) (A) Based on our audit procedures and as per the information and explanations given by the management, the Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment except for Furniture and Fixture, Office Equipment and EDP Assets.
- (B) Based on our audit procedures and as per the information and explanations given by the management, the company is maintaining proper records showing full particulars of intangible assets.
- (b) Based on our audit procedures and as per the information and explanations given by the management, property, plant, and equipment (Tangible Assets) have not been physically verified by the management during the year. Accordingly, the discrepancies, if any, could not be ascertained and therefore, we are unable to comment on whether the discrepancies, if any have been properly dealt with in the books of account.
- (c) Based on our audit procedures and as per the information and explanations given by the management, the title/lease deeds of all immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee), disclosed in the financial statement included under Property, plant and equipment are held in the name of the Company as at the balance sheet date except the following as stated below:

Description of item of property	Gross carrying value (Rs. in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or their relative or employee	Property held since which date	Reason for not being held in the name of the company
Land-Freehold	3,28,654.81	Project Affected Person	No	*	Transfer of ownership is under process
Land-Freehold	11,593.02	Government of Gujarat	Yes	*	Transfer of ownership is under process
Land-Leasehold	664.03	Government of Gujarat	Yes	Draft lease agreement under process	In case of leasehold land title shall remain with Government
Land-Leasehold	11,688.12	Government of Maharashtra	Yes	Financial Year 2018-19	Execution of Lease Agreement is under process

* Freehold land includes land acquired from various project affected persons and Government Departments which has been acquired at various dates, therefore date wise disclosure for such acquisition is not indicated.

Note: Excludes Items of Property where Title will not be transferred nor lease agreement to be signed, only Permission to Usage Right is obtained.

- (d) Based on our audit procedures and as per the information and explanations given by the management, the Company has not revalued any of its property, plant and equipment (including Right of Use assets) or Intangible assets or both during the year.
- (e) Based on our audit procedures and as per the information and explanations given by the management, the Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder and hence reporting under clause (i)(e) of the order is not applicable.
- (ii) (a) Based on our audit procedures and as per the information and explanations given by the management, the Company does not have any inventory. Accordingly, reporting under clause (ii)(a) of the order is not applicable to the Company.
- (b) Based on our audit procedures and as per the information and explanations given by the management, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets; hence reporting under clause (ii)(b) of the order is not applicable.
- (iii) Based on our audit procedures and as per the information and explanations given by the management, during the year the Company has not made any investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting under clause (iii) (a), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.
- (iv) Based on our audit procedures and as per the information and explanations given by the management, the Company has not entered into any transaction in respect of loans, investments, guarantee and security which attracts the compliance to provisions of section 185 and 186 of the Companies Act, 2013. Accordingly reporting under clause (iv) of the order is not applicable to the Company.
- (v) Based on our audit procedures and as per the information and explanations given by the management, the Company has not accepted any deposits from the public; Accordingly, reporting under clause (v) of the order is not applicable to the Company.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) Based on our audit procedures and as per the information and explanations given by the management and on the basis of our examination of the records of the Company, undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year. Based on our audit procedures and as per the information and explanations given by the management, no undisputed amounts payable in respect of Provident fund, ESI, Income tax, Goods & Service tax, Custom duty, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than 6 months from the date they become payable.

- (b) Based on our audit procedures and as per the information and explanations given by the management, there are no dues of income tax, service tax, Goods and service Tax, duty of custom, duty of excise, value added tax outstanding on account of any dispute.
- (viii) Based on the information and explanations given by the management and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) According to the records of the Company examined by us and the information and explanation given to us, the Company has not obtained loans or other borrowings or term loan during the year and hence reporting on clause (ix) of the Order is not applicable.
- (x) (a) Based on our audit procedures and as per the information and explanations given by the management, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) Based on our audit procedures and as per the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) Based on our audit procedures and as per the information and explanations given by the management, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- (xii) Based on our audit procedures and as per the information and explanations given by the management, the Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) Based on our audit procedures and as per the information and explanations given by the management and based on our examination of the records of the Company, the Company is in compliance with sections 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

-
- (xiv) (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business
- (b) We have considered reports of the Internal Auditor of the company for the period under audit.
- (xv) Based on our audit procedures and as per the information and explanations given by the management and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) Based on our audit procedures and as per the information and explanations given by the management, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a) and (b) of the Order is not applicable.
- (b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, clause (xvi)(c) of the Order is not applicable.
- (c) Based on our audit procedures and as per the information and explanations given by the management, the Group does not have any Core Investment Company (CIC) as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) Based on our audit procedures and as per the information and explanations given by the management and based on our examination of the records of the Company, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year. Hence, reporting under clause (xvii) of the Order is not applicable.
- (xviii) Based on our audit procedures and as per the information and explanations given by the management, there has been no resignation of the statutory auditors of the Company during the year. Hence, reporting under clause (xviii) of the Order is not applicable.
- (xix) Based on our audit procedures and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) Based on our audit procedures and information and explanations given by the management no amount is remaining unspent under sub section (5) of section 135 of the Companies Act, 2013, pursuant to any other than ongoing projects. Hence, reporting under clause (xx)(a) of the Order is not applicable.

(b) Based on our audit procedures and as per the information and explanations given by the management, amount of Rs. 89.32/- lakhs remaining unspent under sub section (5) of section 135 of the Companies Act, 2013, pursuant to ongoing project has been transferred to special account in compliance with the provision of subsection (6) of section 135 of the said Act

(xxi) The Company is not required to prepare consolidated financial statements. Accordingly, reporting under clause (xxi) of the Order is not applicable to the Company.

For AKGVG & Associates
Chartered Accountants
ICAI Firm Registration Number: 018598N

Aman Aggarwal
Partner
Membership No: 515385
UDIN No. : 23515385BGYBQS4386
Place of Signature : New Delhi
Date : 20th July 2023

"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 March 31, 2023 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.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at March 31, 2023:

The company did not have an appropriate internal control system for physical verification of property, Plant, and equipment (Tangible Assets) which could potentially result in the Company recognizing Property, Plant and Equipment (Tangible Assets) which may not exist or are not in control of the company.

Qualified Opinion

In our opinion, except for the possible effects of the material described in the Basis for Qualified Opinion paragraph above on the achievement of the objectives of the control criteria, the Company has maintained, 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 2023, 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.

We have considered the material weakness identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the Company for the year ended March 31, 2023, and the material weakness does not affect our opinion on the financial statements of the Company.

For AKGVG & Associates
Chartered Accountants
ICAI Firm Registration Number: 018598N

Aman Aggarwal
Partner
Membership No: 515385
UDIN No. : 23515385BGYBQS4386
Place of Signature : New Delhi
Date : 20th July 2023

BALANCE SHEET as at 31st March 2023

Amount (Rs. in Lakhs)

Particulars		Note No.	As at 31 st March 2023	As at 31 st March 2022
I.	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment	3	9,44,493.95	8,20,695.15
	(b) Capital Work-In-Progress	4	25,99,505.24	10,16,796.48
	(c) Other Intangible Assets	5.1	6,685.61	7,008.10
	(d) Intangible Assets Under Development	5.2	509.36	-
	(e) Right of Use of Assets	5.3	1,460.32	1,894.92
	(f) Financial Assets	6		
	(i) Loans	6.1	25.69	27.66
	(ii) Other Financial Assets	6.2	227.88	534.44
	(g) Deferred Tax Assets (Net)	7	-	338.72
	(h) Other Non-Current Assets	8	6,42,953.43	6,48,048.47
			41,95,861.48	24,95,343.94
2	Current assets			
	(a) Financial Assets	9		
	(i) Trade receivables	9.1	-	-
	(ii) Cash and Cash Equivalents	9.2	57,288.19	2,97,110.76
	(iii) Bank Balances other than (ii) above	9.3	106.42	20,308.17
	(iv) Loans	9.4	3.85	3.85
	(v) Other Financial Assets	9.5	880.64	1,016.77
	(b) Current Tax Assets (Net)	19	373.98	492.94
	(c) Other Current Assets	10	10,424.29	8,057.62
			69,077.37	3,26,990.11
	Total Assets		42,64,938.85	28,22,334.05
II.	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share Capital	11	14,21,143.00	12,93,000.00
	(b) Other Equity	12	53,935.64	39,253.79
			14,75,078.64	13,32,253.79
2	Liabilities			
(i)	Non-current liabilities			
	(a) Financial Liabilities	13		
	(i) Borrowings		-	-
	(ia) Lease liabilities	13.1	867.76	1,414.81
	(ii) Trade Payable			
	(A) total outstanding dues of micro enterprises and small enterprises; and		-	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		-	-
	(iii) Others	13.2	25,32,565.76	13,20,523.08
	(b) Provisions-Non Current	14	791.96	751.45
	(c) Deferred Tax Liabilities (net)		81.30	-
	(d) Other Non Current Liabilities	15	-	8.75
			25,34,306.78	13,22,698.09
(ii)	Current liabilities			
	(a) Financial Liabilities	16		
	(i) Borrowings		-	-
	(ia) Lease liabilities	16.1	831.96	682.03
	(ii) Trade Payables	16.2		
	(A) total outstanding dues of micro enterprises and small enterprises; and		-	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		-	-
	(iii) Others	16.3	2,29,225.41	1,43,207.75
	(b) Other Current Liabilities	17	25,145.05	23,213.76
	(c) Provisions-Current	18	351.01	278.63
	(d) Current Tax Liability (Net)	19	-	-
			2,55,553.43	1,67,382.17
	Total Equity and Liabilities		42,64,938.85	28,22,334.05

General Information	1
Summary of Significant Accounting Policies	2
Notes Forming part of the Financial Statements	1 to 43

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

For AKGVG & Associates
Chartered Accountants
FRN: 018598N

For and on Behalf of Board of Directors

Partner: Aman Aggarwal
M. No.: 515385

Rajendra Prasad
Managing Director
DIN: 08006234

Vivek Prakash Tripathi
Director Finance and CFO
DIN: 10216466

Sumita Sharma
Company Secretary
M No: FCS 5250

Date : 20th July 2023
Place: New Delhi

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2023

Amount (Rs. in Lakhs)

Particulars		Note No.	For the year ended 31 st March 2023	For the year ended 31 st March 2022
I	Revenue from Operations	-	-	-
II	Other Income	20	9,776.63	12,318.08
III	Total Income (I + II)		9,776.63	12,318.08
	Expenses			
	Employee Benefit Expenses	21	240.66	194.29
	Finance Cost	22	16.28	7.08
	Depreciation and Amortization Expense	23	193.17	169.52
	Other Expenses	24	2,475.75	3,288.29
IV	Total Expenses (IV)		2,925.86	3,659.18
V	Profit/ (Loss) before exceptional items and tax (III-IV)		6,850.77	8,658.90
VI	Exceptional Items		-	-
VII	Profit/ (Loss) before tax (V - VI)		6,850.77	8,658.90
VIII	Tax expense:			
	(1) Current tax	25	1,042.61	2,073.47
	(2) Deferred tax	25	428.87	47.20
IX	Profit/ (Loss) for the period from continuing operations (VII-VIII)		5,379.29	6,538.23
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)		5,379.29	6,538.23
XIV	Other Comprehensive Income			
	A. (i) Items that will not be reclassified to Profit or Loss	26	(35.15)	(10.03)
	(ii) Income Tax relating to Items that will not be reclassified to Profit or Loss	26	8.85	2.52
	B. (i) Items that will be reclassified to Profit or Loss		-	-
	(ii) Income Tax relating to Items that will be reclassified to Profit or Loss		-	-
XV	Total Comprehensive Income for the period (XIII + XIV) [Comprising Profit (Loss) and Other Comprehensive Income for the period]		5,352.99	6,530.72
XVI	Earnings Per Equity Share (For Continuing Operation):			
	(1) Basic (in Rs.) (Nominal value of Share Rs. 1,000)	27	3.92	5.46
	(2) Diluted (in Rs.) (Nominal value of Share Rs. 1,000)	27	3.91	5.46
XVII	Earnings Per Equity Share (For Discontinuing Operation):			
	(1) Basic (in Rs.) (Nominal value of Share Rs. 1,000)		-	-
	(2) Diluted (in Rs.) (Nominal value of Share Rs. 1,000)		-	-
XVIII	Earnings Per Equity Share: (For Continuing and Discontinued Operation)			
	(1) Basic (in Rs.) (Nominal value of Share Rs. 1,000)	27	3.92	5.46
	(2) Diluted (in Rs.) (Nominal value of Share Rs. 1,000)	27	3.91	5.46

Notes Forming part of the Financial Statements 1 to 43

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

For AKGVG & Associates
Chartered Accountants
FRN: 018598N

For and on Behalf of Board of Directors

Partner: Aman Aggarwal
M. No.: 515385

Rajendra Prasad
Managing Director
DIN: 08006234

Vivek Prakash Tripathi
Director Finance and CFO
DIN: 10216466

Sumita Sharma
Company Secretary
M No: FCS 5250

Date : 20th July 2023
Place: New Delhi

STATEMENT OF CASH FLOW for the year ended 31st March, 2023

Amount (Rs. in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
A. Cash Flow from Operating Activities		
Profit before exceptional items and tax	6,850.77	8,658.90
Adjustments for:-		
Depreciation and Amortisation	193.17	169.52
Interest on Taxes	0.90	4.32
Interest Income on HBA Assets (IndAS Adjustment)	(1.02)	(2.30)
Interest Income	(9,622.14)	(12,114.46)
Other comprehensive item	(35.15)	(10.03)
Interest on Lease Liability	2.49	2.23
Interest income on Financial Assets	(21.13)	(19.64)
Lease Modification	(1.77)	-
Amortisation of Financial liabilities	-	(65.43)
Foreign Exchange Fluctuation	-	(243.12)
Fair value adjustment-Security Deposit	0.40	0.25
Operating Profit before operating capital changes (1)	(2,633.48)	(3,619.76)
Adjustments for :-		
Decrease / (Increase) in Financial Assets-Others	(9.98)	(112.79)
Decrease / (Increase) in Other current Assets	(2,384.72)	(5,890.42)
Decrease/ (Increase) in Other Non Current assets	15.78	12.17
Decrease/ (Increase) in Financial Assets Loans	2.99	(10.25)
(Decrease) / Increase in Financial Liability-Others	98,077.84	1,19,360.09
(Decrease) / Increase in Provisions	112.89	423.73
(Decrease) / Increase in Other Current Liability	1,931.29	9,972.99
(Decrease) / Increase in Other Non Current Liability	(8.75)	(602.46)
Total Adjustment (2)	97,737.34	1,23,153.06
Cash generated from operations (1+2)	95,103.86	1,19,533.30
Income Tax Paid	(924.55)	(2,494.75)
Total Cash generated from Operating Activities (A)	94,179.31	1,17,038.55
B. Cash Flow From Investing Activities		
Purchase of Property, Plant and Equipment's & Other Intangible Assets and CWIP (Net of sale)	(17,05,971.83)	(10,13,001.06)
Capital Advances for Project Work and Capital Items	5,079.26	(2,90,248.90)
Change in Bank Balances other than Cash and Cash Equivalents	20,201.75	(20,308.17)
Interest Income	10,095.94	11,738.02
Net Cash used in Investing Activities (B)	(16,70,594.88)	(13,11,820.11)
C. Cash Flow From Financing Activities		
Proceeds from Issue of Equity Share Capital	1,08,143.00	2,35,000.00
Share Application Money pending allotment	29,457.00	20,000.00
Share issue expense	(145.64)	(377.50)
Advance from Ministry of Railway towards EAP	12,00,000.00	11,20,000.00
Interest on Lease Liability	(157.78)	(154.07)
Payment for Lease Liability	(703.58)	(755.49)
Net Cash generated from Financing Activities (C)	13,36,593.00	13,73,712.94
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(2,39,822.57)	1,78,931.38
Opening Cash & Cash Equivalents	2,97,110.76	1,18,179.38
Closing Cash & Cash Equivalents	57,288.19	2,97,110.76
Cash and Cash Equivalent Comprises of:		
Currency in Hand:	-	-
Balances with banks:	-	-
- Current Account	1,444.81	24,679.60
- In Flexi Account	35,828.60	32,316.20
- In Fixed Deposits with original maturity of 3 months or less than three months	20,000.00	2,40,102.81
- In Imprest Account	14.78	12.15
Cash and Cash Equivalents as per Balance Sheet	57,288.19	2,97,110.76

Notes:

The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS-7 Statement of Cash Flows notified by Ministry of Corporate Affairs. Reconciliation of Liabilities arising from financing activities as on 31st March 2023 is presented in note 28(ii). Figures in brackets represent outflow of cash.

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

For AKGVG & Associates
Chartered Accountants
FRN: 018598N

For and on Behalf of Board of Directors

Partner: Aman Aggarwal
M. No.: 515385

Rajendra Prasad
Managing Director
DIN: 08006234

Vivek Prakash Tripathi
Director Finance and CFO
DIN: 10216466

Sumita Sharma
Company Secretary
M No: FCS 5250

Date : 20th July 2023
Place: New Delhi

STATEMENT OF CHANGES IN EQUITY for the year ended 31 March, 2023

A. Equity Share Capital

Particulars	Balance at the beginning of the current reporting period	Change in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Number of Shares (No's)	12,93,00,000	-	12,93,00,000	1,28,14,300	14,21,14,300.00
Amount of Share Capital (Amount in Rs. Lakh)	12,93,000	-	12,93,000	1,28,143	14,21,143.00

B. Other Equity

Amount (Rs. in Lakhs)

Particulars	Reserves & Surplus		Share Application Money Pending Allotment	Total
	General Reserve	Retained Earnings		
Balance at the beginning of the year	-	22,185.28	20,000.00	42,185.28
Changes in accounting policy or prior period errors	-	(2,931.50)	-	(2,931.50)
Restated balance at the beginning of the year	-	19,253.78	20,000.00	39,253.78
Profit for the year	-	5,379.30	-	5,379.30
Other Comprehensive Income for the year (net of income tax)	-	(26.30)	-	(26.30)
Total Comprehensive Income for the year	-	5,353.00	-	5,353.00
Share application money received during the period	-	-	1,37,600.00	1,37,600.00
Share issued during the year	-	-	(1,28,143.00)	(1,28,143.00)
Share issue expenses	-	(128.14)	-	(128.14)
Balance at the end of the year	-	24,478.64	29,457.00	53,935.64

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

For AKGVG & Associates
Chartered Accountants
FRN: 018598N

For and on Behalf of Board of Directors

Partner: Aman Aggarwal
M. No.: 515385

Rajendra Prasad
Managing Director
DIN: 08006234

Vivek Prakash Tripathi
Director Finance and CFO
DIN: 10216466

Sumita Sharma
Company Secretary
M No: FCS 5250

Date : 20th July 2023
Place: New Delhi

STATEMENT OF CHANGES IN EQUITY for the year ended 31 March, 2022

A. Equity Share Capital

Particulars	Balance at the beginning of the current reporting period	Change in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Number of Shares (No's)	9,58,00,000	-	9,58,00,000	3,35,00,000	12,93,00,000
Amount of Share Capital (Amount in Rs. Lakh)	9,58,000	-	9,58,000	3,35,000	12,93,000

B. Other Equity

Particulars	Reserves & Surplus			Share Application Money Pending Allotment	Total
	General Reserve	Retained Earnings			
Balance at the beginning of the year	-	14,134.55		1,00,000	1,14,134.55
Changes in accounting policy or prior period errors	-	(1,076.48)		-	(1,076.48)
Restated balance at the beginning of the year	-	13,058.07		1,00,000	1,13,058.07
Profit for the year	-	6,538.23		-	6,538.23
Other Comprehensive Income for the year (net of income tax)	-	(7.51)		-	(7.51)
Total Comprehensive Income for the year	-	6,530.72		-	6,530.72
Share application money received during the period	-	-		2,55,000.00	2,55,000.00
Share issued during the year	-	-		(3,35,000.00)	(3,35,000.00)
Share issue expenses	-	(335.00)		-	(335.00)
Balance at the end of the year	-	19,253.79		20,000.00	39,253.79

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

For AKGVG & Associates
Chartered Accountants
FRN: 018598N

For and on Behalf of Board of Directors

Partner: Aman Aggarwal
M. No.: 515385

Rajendra Prasad
Managing Director
DIN: 08006234

Vivek Prakash Tripathi
Director Finance and CFO
DIN: 10216466

Sumita Sharma
Company Secretary
M No: FCS 5250

Date : 20th July 2023
Place: New Delhi

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31st MARCH 2023 (1 – 43)**

1. General Information

National High Speed Rail Corporation 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 (hereinafter referred to as "MAHSR project") 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 by 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 and other accounting principles generally accepted in India.

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. 2.21)
- ii. Defined benefit plan and plan Assets.

c) Current Versus Non Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:-

- expected to be realized, or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within 12 months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it is:-

- expected to be settled in the normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within 12 months after the reporting date; or
- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating Cycle:

The operating cycle is the time between acquisition of assets for processing and their realization in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

d) 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 recognised 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:

- 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.
- Provisions: Provisions are determined based on estimation to settle the obligation at balance sheet date.
- 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.
- Impairment test of non-financial assets: The recoverable amount of Property, Plant and Equipment is determined based on judgement of assumptions of technical experts.
- 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.
- 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.

e) 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 in 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 recognised 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:
- i. Assets given to employees: Assets given to employees have been depreciated over the period of 3 years on SLM basis except mobile phone.
 - ii. Mobile phone given to employees: Assets given to employees have been depreciated over the period of 2 years on SLM basis.
 - iii. Reimbursement of Cost of Brief case and Landline instrument issued to employees on non returnable basis are charged to expense in the year of payment.
- (d) The estimated useful life of assets for current and comparative period of significant items of property plant and equipment (Other Than Assets given to Employees) are as follows:
- | | |
|---------------------|----------|
| Furniture & Fixture | 10 Years |
| EDP Assets | 3 Years |
| Office Equipment | 5 Years |
| Vehicles | 8 Years |
| Building | 60 Years |
| Track Slab | 15 Years |
- (e) Leasehold improvements are amortized over the period of lease from the month in which such improvements are capitalized.
- (f) Depreciation methods, useful lives and residual values are reviewed at each reporting date.

2.5 Intangible Assets

a) Initial recognition and measurement

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably.

Intangible assets acquired by the Company are measured at cost on initial recognition. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Expenditure on development activities is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

b) Amortization

Intangible Assets are amortized as follow:

1. Software - Other than ERP 3 Years
2. Software - ERP 5 Years
3. Right for Use of Land is amortized over the period of right of usage. Useful life of such assets for current and comparative period is 15 years.

c) Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset

when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

d) Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

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 date are disclosed under capital work-in-progress.

Liquidated Damages are accounted for on settlement of bill. Claims including Price Variations are accounted for on acceptance.

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.

Interest earned on Pass through assistance (EAP funds) against interest bearing loan from JICA and interest bearing advance provided to contractors etc. related to project are adjusted against Interest During Construction (IDC) under CWIP to the extent of borrowing costs.

2.7 Land

1. Land is recognized as an asset on the basis of control, as required by the Framework for the preparation and presentation of financial statements in accordance with Indian Accounting Standards.
2. The land parcels handed over by the land owners including various government bodies and departments and taken possession by the company have been capitalized at the time of taking the possession of the land by the company or on making payment whichever is earlier without waiting for the registration of title deeds in the name of the company.
3. Enhanced compensation, if any, shall be booked as and when the payment is due since the amount cannot be estimated.
4. Cost of rehabilitation and resettlement and other expenses relating to land is added to the cost of land.
5. Payments made provisionally / corresponding effect of obligation provided towards cost or compensation related to the land including lease-hold land in possession, cost of acquisition of structures less sale proceeds of such structures demolished are treated as cost of the land or lease-hold land.
6. Payment made provisionally / corresponding effect of obligation provided towards land acquired on temporary basis is amortized over the possession period of the land.
7. Amount paid to Competent Authority for Land Acquisition (CALA) for buying land for the

company is initially treated as Advance for Land (CALA). The disbursement there from through the CALA accounts directly to the landowners for the said purpose is adjusted as land cost and the balance shown as advance with CALA.

2.8 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.

2.9 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.

2.10 Leases

- i. As A Lessee

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-

use-asset or the end of the lease term. The estimated useful life of the right-of-use asset is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

The lease liability is measured at amortized cost using the effective interest method; it is remeasured when there is a change in future leases payments from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use asset that do not meet the definition of Investment property under the "Right of use Assets" and lease liabilities in "other financial liabilities" in the Balance Sheet.

Short term Lease and Leases of low value assets

The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

ii. As A Lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, the Company applies Ind AS-115 "Revenue from contract with customers" to allocate the consideration in the contract.

The Company recognizes lease payments received under operating lease as income on a straight-line basis over the lease term as part of "Other Income".

2.11 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.

2.12 Borrowing Cost

Borrowing cost incurred on the funds borrowed specifically for the project and identified therewith is capitalised 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.

Income pertaining to temporary deployment of borrowed fund is adjusted against borrowing cost to the extent of borrowing cost; amount in excess of borrowing cost is credited to statement of profit and loss.

2.13 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 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 and LTC is recognized in the same manner as in the case of defined benefit plans as mentioned in (c)(ii) below except in case of Long term employee benefit plan actuarial gain or loss is recognized in statement of profit and loss.

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. Company also provides National Pension Scheme benefit to its employees. 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, Baggage Allowance and post medical retirement benefit are 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.

- The Company has set up a separate NHSRCL Employee Group Gratuity Trust/ NHSRCL Medical Trust for managing Gratuity/Medical Fund.
- The company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability.
- Gain or loss through re-measurements of net defined benefit liability/ (asset) is recognized in Other Comprehensive Income.
- The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in Other Comprehensive Income.

- Service cost and net interest cost/(income) on the net defined benefit liability/ (asset) are recognized in Statement of Profit and Loss.
- 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, Baggage Allowance and Post retirement medical scheme are recognized 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.

2.14 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).

2.15 Deferred tax

In accordance with the Indian Accounting Standard (IndAS 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).

2.16 Earnings Per Share

1. Basic earnings per share are calculated by dividing the net profit or loss for the year 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 year 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 year are adjusted for the effects of all dilutive potential equity shares.

2.17 Preliminary Expenses

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

2.18 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.

2.19 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).

2.20 Fair Value Measurement

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

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

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

2.21 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 Amortised Cost

Financial assets are subsequently measured at amortised 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 amortised 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 recognised in profit or loss.

Financial Liabilities

Financial liabilities are classified in following categories:

- i. **Financial liabilities at Amortized Cost**
Financial liabilities at amortised 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 derecognised 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 recognised 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 recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applies on whether there has been significant increase in credit risk.

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

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

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn, and sale is expected within one year from the date of the classification. Disposal groups classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately in the statement of financial position.

If the criteria stated by IND AS 105 "Non-current Assets Held for Sale and Discontinued Operations" are no longer met, the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of (i) its carrying amount before the asset was classified as held for sale, adjusted for depreciation that would have been 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.

2.23 Prior Period Adjustments

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated unless it is impracticable, in which case, the comparative information is adjusted to apply the new accounting policy prospectively from the earliest date practicable.

Prepaid Expenses

Prepaid Expenses upto Rs. 5,00,000/- in each case are treated as expenditure / income of the year and accounted for to the natural head of accounts.

2.24 Standard/ Amendments issued but not yet effective

MCA had issued the Indian Accounting Standards Amendments Rules, 2023 vide notification dated 31st March 2023. In the Indian Accounting Standards Amendments Rules, 2023, amendments has been made in following standards:

1. First-time Adoption of Indian Accounting Standards (Ind AS-101)
2. Share Based Payment (Ind AS – 102)
3. Business Combinations (Ind AS – 103)
4. Financial Instruments: Disclosures (Ind AS – 107)
5. Financial Instruments (Ind AS – 109)
6. Revenue from Contracts with Customers (Ind AS – 115)
7. Presentation of Financial Statements (Ind AS – 1)
8. Accounting Policies, Changes in Accounting Estimates and Errors (Ind AS – 8)
9. Income Taxes (Ind AS – 12)
10. Interim Financial Reporting (Ind AS – 34)

The effective date of these amendments is annual periods beginning on or after 1st April 2023. The Company is currently evaluating the impact of the amendments and has not yet determined the impact on the financial statements.

Note :- 3
Property, Plant and Equipment

Particulars	Amount (Rs. in Lakhs)									
	Free Hold Land	Lease Hold Land	Building	Track Slab	Lease Hold Improvements	Furniture & Fixtures	Motor Vehicles	EDP Assets	Office Equipment	Total
Gross Carrying Amount										
At 1st April 2021	5,31,009.36	18,327.00	3,772.71	1,339.76	643.24	715.77	75.02	1,145.22	707.58	5,57,735.66
Additions	2,63,671.40	1,086.73	-	-	3.74	99.63	-	375.46	131.95	2,65,368.91
Disposals / Adjustments	-	-	-	-	-	(1.92)	-	(7.19)	(19.54)	(28.65)
At 31st March 2022	7,94,680.76	19,413.73	3,772.71	1,339.76	646.98	813.48	75.02	1,513.49	819.99	8,23,075.92
Additions	1,24,225.74	-	-	-	91.87	58.65	-	170.48	144.67	1,24,691.41
Disposals / Adjustments	(2.05)	2.05	-	-	-	(2.74)	-	(20.14)	(42.03)	(64.91)
At 31st March 2023	9,18,904.45	19,415.78	3,772.71	1,339.76	738.85	869.39	75.02	1,663.83	922.63	9,47,702.42
Accumulated Depreciation and Impairment										
At 1st April 2021	-	-	2.76	182.79	545.81	170.29	28.37	623.07	303.26	1,856.35
Depreciation charge for the year	59.76	-	59.76	75.94	(97.51)	120.41	8.92	226.08	138.26	531.86
Disposals / Adjustments	-	-	-	-	-	(1.17)	-	(2.68)	(3.59)	(7.44)
At 31st March 2022	-	-	62.52	258.73	448.30	289.53	37.29	846.47	437.93	2,380.77
Depreciation charge for the year	59.73	-	59.73	84.85	148.17	119.27	8.91	263.77	200.01	884.71
Disposals / Adjustments	-	-	-	-	-	(1.46)	-	(17.69)	(37.86)	(57.01)
At 31st March 2023	-	-	122.25	343.58	596.47	407.34	46.20	1,092.55	600.08	3,208.47
Net Carrying Value										
At 31st March 2023	9,18,904.45	19,415.78	3,650.46	996.18	142.38	462.05	28.82	571.28	322.55	9,44,493.95
At 31st March 2022	7,94,680.76	19,413.73	3,710.19	1,081.03	198.68	523.95	37.73	667.02	382.06	8,20,695.15

Note 3.1 -- Addition to Freehold land / Leasehold Land 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 / State Government / Local Authorities, etc. of Rs. 19,415.78 Lakhs (PY Rs. 19,413.73 Lakhs). However, in some cases, lease terms are yet to be finalised. In some cases Freehold land acquired title/mutation transfer is pending.

Note 3.2 -- Expense related to land has been allocated to Freehold Land, Leasehold Land and Right for Using Land in proportionate to Addition made to respective head of Land during the year.

Note 3.3 -- Refer note 41 (xviii) for information in respect of Title Deeds of Immovable Properties not held in the name of the Company.

Note :-- 4
Capital Work-in-Progress

Particulars	Amount (Rs. in Lakhs)	
	Total	
At 1st April 2021	2,71,509.79	
Additions (subsequent expenditure)	7,45,286.69	
Adjustments	-	
At 31st March 2022	10,16,796.48	
Additions (subsequent expenditure)	15,82,708.76	
Adjustments	-	
At 31st March 2023	25,99,505.24	

Note 4.1 -- Details of Capital Work-in-Progress

Particulars	Amount (Rs. in Lakhs)					
	Balance		FY 2021-22		FY 2022-23	
	As at 01.04.2021	Additions	Adjustments	As at 31.03.2022	Additions	Adjustments
a. MAHSR:						
Construction / Procurement Cost *	1,00,108.30	6,81,614.44	-	7,81,722.74	14,80,012.78	-
Utility Shifting	1,14,367.55	33,370.55	-	1,47,738.10	23,305.56	-
Consulting Service Cost	16,690.27	12,426.81	-	29,117.08	30,871.93	-
Preliminary Project Expenditure	4,349.87	1,079.15	-	5,429.02	1,285.73	-
Incidental Project expenditure	36,889.41	18,842.88	-	55,732.29	21,571.74	-
Less: Sale of Tender & other Income	(895.61)	(2,047.14)	-	(2,942.75)	(753.66)	-
b. Office Building:						
Office Building	-	-	-	-	26,414.68	-
Total	2,71,509.79	7,45,286.69	-	10,16,796.48	15,82,708.76	-

* This includes amount of Rs. 26,414.68 Lakhs towards New Office Building for NHSRCL Corporate Office.

Note 4.2 -- Ageing Schedule of Capital Work-in-Progress

As on 31st March 2023

CWIP	Amount (Rs. in Lakhs)				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2 to 3 years	More than 3 years	Total
Projects in progress (MAHSR*)	15,56,294.08	7,45,286.69	1,51,686.66	1,19,823.13	25,73,090.56
NBCC Tower Construction	26,414.68	-	-	-	26,414.68
Projects Temporarily suspended	-	-	-	-	-
Total	15,82,708.76	7,45,286.69	1,51,686.66	1,19,823.13	25,99,505.24

As on 31st March 2022

CWIP	Amount (Rs. in Lakhs)		
	Amount in CWIP for a period of		
	Less than 1 year	1-2 years	2 to 3 years
Projects in progress (MAHSR*)	7,45,286.69	1,51,686.66	82,718.21
Projects Temporarily suspended	-	-	-
Total	7,45,286.69	1,51,686.66	82,718.21

Since there is no overdue and exceeded cost, so disclosure for both categories (exceeded cost or overdue) on a combined basis is not reported.

* Mumbai Ahmedabad High Speed Rail Project.

Note 5.1 -- Other Intangible Assets

Particulars	Amount (Rs. in Lakhs)			
	Spectrum Charges	Software	Right for Use of Land*	Total
Gross Carrying Amount				
At 1st April 2021	-	388.17	1,681.69	2,069.85
Additions	-	5,451.82	822.82	6,274.64
Disposals/Adjustments	-	-	(13.58)	(13.58)
At 31st March 2022	-	5,839.99	2,490.93	8,330.91
Additions	1,159.47	48.78	70.29	1,278.54
Disposals/ Adjustments	-	(116.99)	-	(116.99)
At 31st March 2023	1,159.47	5,771.78	2,561.22	9,492.46
At 1st April 2021				
Amortization charge for the year	-	200.24	127.33	327.58
Disposals/Adjustments	-	862.18	133.05	995.23
At 31st March 2022	-	1,062.42	260.38	1,322.81
Amortization charge for the year	187.42	1,128.15	168.47	1,484.04
Disposals/ Adjustments	-	-	-	-
At 31st March 2023	187.42	2,190.57	428.85	2,806.85
Net Carrying Value				
At 31st March 2023	972.05	3,581.21	2,132.37	6,685.61
At 31st March 2022	-	4,777.55	2,230.54	7,008.10

* In response to Western Railways letter no. W 340/23 dated 22.02.2019, the Company had made a partial payment of Rs. 8,000.00 lakh towards acquisition/hand-over of certain land parcels for Mumbai-Ahmedabad High Speed Rail (MAHSR) in earlier years. Basis communication received, life of assets was considered as 35 years and accordingly payment made was amortised and was recognised in capital work in progress. During the earlier year, the Company has received another letter from Western Railways dated 08.01.2021 for additional provisional payment towards part of the land and has also re-assessed the accounting treatment (including life of these assets) based on additional information and documents available. Since the terms and conditions for acquiring the aforesaid land are still under consideration including final valuation with the Western Railways and re-assessment done by the Company, the same has been accounted for as a change in accounting estimate. Accordingly, such amount of Rs. 7,758.17 lakh has been reclassified to capital advances in the earlier year and amortisation cost thereon of Rs. 241.83 lakh recorded under the head "Capital work in progress" has also been regrouped to capital advances. Pending the finalisation of terms and conditions and final consideration, the financial impact of the above change in estimate on the statement of profit & loss of future periods is not ascertainable as at March 31, 2023.

Note 5.2 -- Intangible Assets Under Development

Particulars	Amount (Rs. in Lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Intangible Assets Under Development –	509.36	-
Computer Software		
Total	509.36	-

Note 5.2.1 – Ageing Schedule of Intangible Assets Under Development

As on 31st March 2023

Amount (Rs. in Lakhs)

Intangible Assets under development	Amount in Intangible Assets under development for a period of				Total
	Less than 1 year	1-2 years	2 to 3 years	More than 3 years	
Projects in progress	509.36	-	-	-	509.36
Projects Temporarily suspended	-	-	-	-	-

As on 31st March 2022

Amount (Rs. in Lakhs)

Intangible Assets under development	Amount in Intangible Assets under development for a period of				Total
	Less than 1 year	1-2 years	2 to 3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects Temporarily suspended	-	-	-	-	-

Since the cost has not exceeded of completion is not overdue as completed to its original plan, so disclosure for both categories (exceeded cost or overdue) on a combined basis is not reported.

Note 5.3 -- Right of Use of Assets

Amount (Rs. in Lakhs)

Particulars	Building	Vehicle	Total
<u>Gross Carrying Amount</u>			
At 1st April 2021	2,924.62	273.69	3,198.33
Additions During the year	245.91	145.61	391.52
Disposals/Adjustments	(271.86)	-	(271.86)
At 31st March 2022	2,898.67	419.30	3,317.99
Additions During the year	190.72	117.51	308.23
Disposals/Adjustments	(79.30)	(208.71)	(288.01)
At 31st March 2023	3,010.09	328.10	3,338.21
<u>Accumulated Depreciation and Impairment</u>			
At 1st April 2021	747.60	138.74	886.34
Depreciation charge for the year	722.63	85.95	808.58
Disposals / Adjustments	(271.86)	-	(271.86)
At 31st March 2022	1,198.37	224.69	1,423.06
Depreciation charge for the year	648.11	94.73	742.84
Disposals / Adjustments	(79.30)	(208.71)	(288.01)
At 31st March 2023	1,767.18	110.71	1,877.89
<u>Net Carrying Value</u>			
At 31st March 2023	1,242.91	217.39	1,460.32
At 31st March 2022	1,700.31	194.61	1,894.92

Note :-- 6
Financial Assets – Non Current

Note 6.1 -- Loans

Particulars	Amount (Rs. in Lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Unsecured, Considered Good, at amortised cost		
House Building Advance (HBA) Loan to Employee	25.69	27.66
Total	25.69	27.66

Note 6.2 -- Other Financial Assets

Particulars	Amount (Rs. in Lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Unsecured Considered Good, at amortised cost		
Security Deposit	227.88	517.34
Placed as Lien (Refer note 6.2.1)	-	17.10
Total	227.88	534.44

The Company has pledged a part of its Long-term deposit of Rs. 17.10 Lakhs as performance guarantee to Maharashtra Industrial Development Corporation (MIDC).

Note 6.2.1 – Details of Fixed deposits placed as Lien

Particulars	Amount (Rs. in Lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
MIDC (Maharashtra Industrial Development Corporation)	-	17.10
Total	-	17.10

Note :-- 7
Deferred Tax Assets (Net)

Particulars	Amount (Rs. in Lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
A. Deferred Tax Liabilities		
Property, Plant and Equipment	546.70	107.85
Total of Deferred Tax Liabilities	546.70	107.85
B. Deferred Tax Assets		
Preliminary Expenses	136.22	163.15
Property, Plant and Equipment	-	-
Provision for Employee Benefits	268.92	232.60
Lease liabilities and ROU (Right of use)	60.26	50.82
Total of Deferred Tax Assets	465.40	446.57
Net Deferred Tax (Liability)/ Assets	(81.30)	338.72

Movement in Deferred Tax Asset/(Liability)

Amount (Rs. in Lakhs)

Particulars	Pre- liminary Expenses	Lease liabilities & ROU (Right of Use)	Property, Plant and Equipment	Employee Benefit Expenses	Total
Opening balance as at 1st April 2021	131.57	-	99.28	152.56	383.41
Charged/ (credited) during the year					
- To Profit & Loss	31.59	50.82	(207.13)	77.52	(47.20)
- To other comprehensive income	-	-	-	2.52	2.52
Closing balance as at 31st March 2022	163.15	50.82	(107.85)	232.60	338.72
Charged/ (credited) during the year					
- To Profit & Loss	(26.93)	9.44	(438.85)	27.47	(428.87)
- To other comprehensive income	-	-	-	8.85	8.85
Closing balance as at 31st March 2023	136.22	60.26	(546.70)	268.92	(81.30)

Note :-- 8

Other Non-Current Assets

Amount (Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
a) Capital Advances		
Advance For Land Acquisition	90,470.84	1,11,550.67
Advance For Others (Refer Note 8.1)	5,52,473.46	5,36,472.89
b) Others		
Fair value adjustment – Security Deposit (Refer Note 8.2)	0.83	15.60
Fair value adjustment – House Building Advance (HBA) (Refer Note 8.3)	8.30	9.31
Total	6,42,953.43	6,48,048.47

Note 8.1 -- It includes balances lying in bank account being operated by a contractor on behalf of the Company wherein the contractor is permitted to make specified transactions in relation to utility shifting works of the Company. Therefore, above balance has been disclosed as capital advances.

Note 8.2 -- It represents the unamortised portion of difference between Fair value and transaction value of security deposit.

Note 8.3 -- 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 -- Trade Receivables

Amount (Rs. in Lakhs)

Particulars	Amount (Rs. in Lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Trade Receivables		
Considered good – Secured;	-	-
Considered good – Unsecured;	-	-
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables – credit impaired	-	-
	-	-
	-	-

Note 9.1.1 – There is no trade receivables, hence the ageing of the same is not prepared and disclosed.

Note 9.2 -- Cash and Cash equivalents

Amount (Rs. in Lakhs)

Particulars	Amount (Rs. in Lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Currency in Hand		
Balances with banks:		
– In Current Account	1,444.81	24,679.60
– In Flexi Account	35,828.60	32,316.20
In Imprest Account	14.78	12.15
Fixed Deposits (with original maturity of 3 months or Less than 3 Months)	20,000.00	2,40,102.81
Total	57,288.19	2,97,110.76
	57,288.19	2,97,110.76

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

Note 9.3 -- Bank Balances other than Cash and Cash Equivalents

Amount (Rs. in Lakhs)

Particulars	Amount (Rs. in Lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Balances with Banks:		
Fixed Deposits (with original maturity of More than 3 Months up to 12 months)	-	20,202.29
Fixed deposits placed as Lien (MIDC) (Refer Note 9.3.1)	17.10	-
Earmarked Balances with Banks (Refer Note 9.3.2)	89.32	105.88
Total	106.42	20,308.17
	106.42	20,308.17

Note 9.3.1 – The Company has pledged a part of its Long-term deposit of Rs. 17.10 Lakhs as performance guarantee to Maharashtra Industrial Development Corporation (MIDC).

Note 9.3.2 – Earmarked balances with banks represent unspent balance for CSR expenses.

Note 9.4 -- Loans

Particulars	Amount (Rs. in Lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Unsecured, Considered Good, at amortised cost		
House Building Advance (HBA) Loan to Employee	3.85	3.85
Total	3.85	3.85

Note 9.5 -- Other Financial Assets

Particulars	Amount (Rs. in Lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Interest Accrued	157.02	559.98
Other Receivables	1.68	2.89
Interest Receivable	73.82	144.66
Security Deposit	648.12	309.24
Total	880.64	1,016.77

Note :-- 10

Other Current Assets

Particulars	Amount (Rs. in Lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Advances other than Capital Advance		
Advances For Expenses	12.97	2.64
Others		
Prepaid Expenses	289.78	1,230.85
Fair value adjustment-Security Deposit*	15.58	17.69
Fair value adjustment-House Building Advance (HBA)**	0.87	0.89
Advance-HSR Innovation Trust	-	3.52
Expenditure on New HSR projects (Refer Note 17.1)	10,105.09	6,802.03
Total	10,424.29	8,057.62

* It represents the unamortised portion of difference between Fair value and transaction value of Security Deposits.

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

Note :-- 11
Equity Share Capital

Amount (Rs. in Lakhs)

Particulars	As at	As at
	31st March 2023	31st March 2022
Authorised share capital		
20,00,00,000 Equity Shares of Rs. 1000 each	20,00,000	20,00,000
(As at 31 March 2022, 20,00,00,000 Equity shares of Rs.1000 each)	20,00,000	20,00,000
Issued/ Subscribed and Paid up Capital		
14,21,14,300 Equity shares of Rs. 1000 each	14,21,143	12,93,000
(As at 31 March 2022, 12,93,00,000 Equity shares of Rs.1000 each)	14,21,143	12,93,000

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

Particulars	As at 31st March 2023		As at 31st March 2022	
	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	12,93,00,000	12,93,000	9,58,00,000	9,58,000
Add: Shares Issued during the year	1,28,14,300	1,28,143	3,35,00,000	3,35,000
Issued / Subscribed and Paid up Equity Capital outstanding at the end of the year	14,21,14,300	14,21,143	12,93,00,000	12,93,000

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 2023, dividend declared for distribution to equity shareholders was Nil (previous year: 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 2023		As at 31st March 2022	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares				
Ministry of Railway, Govt. of India & its Nominees	10,00,00,000	70.37%	10,00,00,000	77.34%
Government of Gujarat	4,20,54,300	29.59%	2,93,00,000	22.66%
Government of Maharashtra	60,000	0.04%	-	0.00%
Total	14,21,14,300	100.00%	12,93,00,000	100.00%

Note 11.4 -- Details of Shares held by Promoters

As at 31st March 2023

Promoter Name	No. of share at the beginning of the year (No's)	Change during the year	No of share at the end of the year	% of total share	% change during the year
Equity share of INR 1000 each: Ministry of Railway, Govt. of India & its Nominees	10,00,00,000	-	10,00,00,000	70.37%	-6.97%
Government of Gujarat	2,93,00,000	1,27,54,300	4,20,54,300	29.59%	6.93%
Government of Maharashtra	-	60,000	60,000	0.04%	0.04%
Total	12,93,00,000	1,28,14,300	14,21,14,300	100.00%	

As at 31st March 2022

Promoter Name	No. of share at the beginning of the year (No's)	Change during the year	No of share at the end of the year	% of total share	% change during the year
Equity share of INR 1000 each: Ministry of Railway, Govt. of India & its Nominees	8,95,00,000	1,05,00,000	10,00,00,000	77.34%	-16.08%
Government of Gujarat	63,00,000	2,30,00,000	2,93,00,000	22.66%	16.08%
Government of Maharashtra	-	-	-	-	-
Total	9,58,00,000	3,35,00,000	12,93,00,000	100.00%	

Note 11.5 -- No equity shares were issued as bonus, or for consideration other than cash and no shares bought back during the period of five years immediately preceding the reporting date.

Note :-- 12 Other Equity

Amount (Rs. in Lakhs)

Particulars	As at	As at
	31 st March 2023	31 st March 2022
Retained Earnings (Refer Note 12.1)	24,478.64	19,253.79
Share Application Money Pending allotment (Refer Note 12.2)	29,457.00	20,000.00
Total	53,935.64	39,253.79

Note 12.1 -- Retained Earnings

Amount (Rs. in Lakhs)

Particulars	As at	As at
	31 st March 2023	31 st March 2022
Balance at the beginning of the year	22,185.28	14,134.53
Changes in accounting policy or prior period errors	(2,931.49)	(1,076.46)
Restated balance at the beginning of the year	19,253.79	13,058.07
Add: Profit during the year	5,379.29	6,538.23
Less: Share Issue Expenses	(128.14)	(335.00)
Add: Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(26.30)	(7.51)
Closing Balance	24,478.64	19,253.79

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	As at
	31st March 2023	31st March 2022
Opening Balance	20,000.00	1,00,000.00
Add: Share Application Money Received during the Year	1,37,600.00	2,55,000.00
Less: Share Issued During the Year	(1,28,143.00)	(3,35,000.00)
Closing Balance	29,457.00	20,000.00

Note 12.2.1 – Shares in respect of 'Share application money pending allotment' as at 31st March 2023 has been allotted on 26th June 2023.

Note :-- 13

Financial Liabilities – Non Current

Note 13.1 -- Lease Liabilities

Amount (Rs. in Lakhs)

Particulars	As at	As at
	31st March 2023	31st March 2022
Lease Liabilities	867.76	1,414.81
Total	867.76	1,414.81

Note 13.2 -- Other Financial Liabilities (at amortised cost)

Amount (Rs. in Lakhs)

Particulars	As at	As at 31st
	31st March 2023	March 2022
Advance from Ministry of Railways (Refer Note 13.2.1)	25,20,000.00	13,20,000.00
Security Deposit	10,799.86	523.08
Other Payable	1,765.90	-
Total	25,32,565.76	13,20,523.08

Note 13.2.1 – Ministry of Finance (MOF) has executed following agreements (as on 31-Mar-2023) with Japan International Cooperation Agency ("JICA") for availing loan facilities for Mumbai-Ahmedabad High Speed Rail (MAHSR) Project. The repayment period is 50 years (including grace period of 15 years). The rate of interest is 0.1 % per annum.

Purpose	Construction of training institute for the project	Construction of MAHSR	Construction of MAHSR	Construction of MAHSR	Construction of MAHSR
LOAN ID	ID- P264	ID- P277	ID- P279	ID- P305	ID-P309
Sanctioned Loan Amount (in Million JPY)	10,453	89,547	1,50,000	1,00,000	3,00,000
Date of Signing of Loan Agreement	15-09-2017	28-09-2018	29-10-2018	25-07-2022	29-03-2023

Consequently, Ministry of Railways ("MOR") has released a partial sum of Rs. 25,20,000/- lakh (Previous Year Rs. 13,20,000/- Lakh) to the Company as External Aided Project ("EAP") against JICA Loan till 31st March 2023.

The terms and conditions in relation to the above EAP between the Company and MOR is under consideration as on the date of these financial statements. Pending finalisation of the related terms and conditions, the Company has presented the above EAP under the head "Financial liabilities – non-current" and no consequential expenses have been recorded in these financial statements.

The transaction price is considered as Fair Value for Advance from the Ministry of Railway since interest for a similar instrument with a similar credit rating is not available as in case of NHSRCL. Therefore, no adjustment for Fair Valuation is required in accordance with Ind AS 109.

Note :-- 14

Provisions – Non Current

Particulars	Amount (Rs. in Lakhs)	
	As at 31st March 2023	As at 31st March 2022
Provision for Leave Encashment	591.20	603.26
Provision for Baggage/Settlement Allowance	37.34	27.83
Provision for LTC (Leave Travel Concession)	163.42	115.51
Provision for CSR	-	4.85
Total	791.96	751.45

Note :-- 15

Other Non Current Liabilities

Particulars	Amount (Rs. in Lakhs)	
	As at 31st March 2023	As at 31st March 2022
Rent Income Received in Advance	-	8.75
Total	-	8.75

Note :-- 16

Financial Liabilities- Current

Note 16.1 -- Lease Liabilities

Particulars	Amount (Rs. in Lakhs)	
	As at 31st March 2023	As at 31st March 2022
Lease Liabilities	831.96	682.03
Total	831.96	682.03

Note 16.2 -- Trade Payables

Particulars	Amount (Rs. in Lakhs)	
	As at 31st March 2023	As at 31st March 2022
Trade Payables*		
(A) total outstanding dues of micro enterprises and small enterprises; and	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	-	-
Total	-	-

* There are no trade payables, hence the ageing and disclosure of payables to related parties is not prepared.

Note 16.3 -- Other Financial Liabilities (at amortised cost)

Amount (Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Other Payables (Refer Note 16.3.1)	2,28,449.66	1,41,384.05
Employee Benefit Payables	20.81	27.79
Security Deposit	754.94	1,795.91
Total	2,29,225.41	1,43,207.75

Note 16.3.1 – Other payables are non-interest bearing instruments.

Note :-- 17

Other Current Liabilities

Amount (Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
<u>Contract Liability</u>		
Advance from Customer (Refer Note 17.1)	10,207.00	10,207.00
<u>Others</u>		
Rent Income Received in Advance	8.75	23.31
Statutory Dues	14,928.24	12,983.45
Others	1.06	-
Total	25,145.05	23,213.76

Note 17.1 -- Ministry of Railways (MOR) has assigned the work of preparation of Detailed Project Report ("DPR report") for seven High Speed Rail ("HSR") Corridors in some specified locations in India. Accordingly, the Company has received advances of Rs. Nil during the year ended March 31, 2023 (March 31, 2022: Nil and March 31, 2021: Rs. 10,207 lakh) in relation to the above work.

The terms and conditions governing above DPR projects are still under consideration and the work is in progress for all the corridors as at March 31, 2023. Pending finalisation of terms and conditions, expenditure incurred on these DPRs till March 31, 2023 is considered under "Other Current Assets" and advances received from MOR have been disclosed as "Advances from Customer".

Note :-- 18

Provisions – Current

Amount (Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Provision for CSR Expenditure	74.45	101.03
Provision for Gratuity	185.93	126.85
Provision for Leave Encashment	51.62	24.98
Provision for Baggage/Settlement Allowance	0.52	0.34
Provision for LTC (Leave Travel Concession)	6.46	2.75
Provision for Post Retirement Medical Benefits	32.03	22.68
Total	351.01	278.63

Note :-- 19

Current Tax Assets (Net)/Current Tax Liability (Net)

Amount (Rs. in Lakhs)

Particulars	Amount (Rs. in Lakhs)	
	As at 31st March 2023	As at 31st March 2022
Current Tax Assets		
Provision for current Tax	(1,041.52)	(2,074.74)
Advance Tax and Tax deducted at source	1,415.50	2,567.68
Income Tax Refundable Previous Year	-	-
Total	373.98	492.94
Current Tax Liability		
Provision for current Tax	-	-
Advance Tax and Tax deducted at source	-	-
Total	-	-

Note :-- 20

Other Income

Amount (Rs. in Lakhs)

Particulars	Amount (Rs. in Lakhs)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Interest Income		
Interest Income on FDR's	7,740.40	6,236.95
Interest Income – Flexi Account	1,626.92	5,376.90
Interest Income – Others	254.82	500.61
Interest Income of HBA Loan to employee	2.23	3.59
Interest income on Financial Assets	21.13	19.64
Other Non-Operating Income		
Other Receipts	131.13	114.96
Amortisation of Financial liabilities	-	65.43
Total	9,776.63	12,318.08

Note :-- 21

Employee Benefit Expenses

Amount (Rs. in Lakhs)

Particulars	Amount (Rs. in Lakhs)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Salaries and Wages	9,504.14	8,894.58
Contribution to Provident and Other Fund	1,074.50	849.02
Staff Welfare Expenses	1,417.13	1,108.56
Total	11,995.77	10,852.16
Less: Transferred to CWIP	(11,755.11)	(10,657.87)
Total	240.66	194.29

Note :-- 22
Finance Cost

Amount (Rs. in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Interest on Tax	13.77	4.85
Interest on lease liability	157.78	154.07
	171.55	158.92
Less: Transferred to CWIP	(155.27)	(151.84)
Total	16.28	7.08

Note :-- 23
Depreciation and Amortization Expense

Amount (Rs. in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Depreciation on Tangible Assets (Refer Note 3)	884.72	531.87
Amortization of Other Intangible Assets (Refer Note 5.1)	1,484.04	995.23
Depreciation on Right of Use Assets (Refer Note 5.3)	742.84	808.58
Total	3,111.60	2,335.68
Less: Transferred to CWIP	(2,918.43)	(2,166.16)
Total	193.17	169.52

Note :-- 24
Other Expenses

Amount (Rs. in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Office Rent	1,095.79	1,020.58
Duties, Rates & Taxes	83.43	91.52
Repair Maintenance & others	1,360.96	630.25
Power & Fuel	146.68	133.75
Travelling Expenses	1,815.97	1,369.20
Payment to Auditors (Refer Note 24.1)	5.44	3.35
Legal & Professional Fees	208.68	322.37
Printing & Stationery	96.92	109.65
Communication Expenses	109.92	88.33
Books & Periodicals	8.47	9.86
Guest Entertainment Expenses	85.40	49.79
Project Promotion	112.64	154.52
Research and Development Expenses	351.42	1,700.50
Miscellaneous Expenses	24.08	24.77
House Keeping Expenses	420.79	402.61
Outsourcing of manpower	2,226.85	2,273.66
Advertisement Expenses	27.32	12.25
Website Development Charges	21.45	21.11
CSR Expenses	134.28	106.15
Foreign Exchange Loss (Net)	1,021.54	576.78
Total	9,358.03	9,101.00
Less: Transferred to CWIP	(6,882.28)	(5,812.71)
Total	2,475.75	3,288.29

Note 24.1 -- Details of Payment to Auditors

Particulars	Amount (Rs. in Lakhs)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Payment to Auditors		
Audit Fees	4.50	2.50
Reimbursement of Expenses	0.79	0.40
GST on Audit Fees	0.14	0.45
Total	5.43	3.35

Note :-- 25
Income Tax Expense

Particulars	Amount (Rs. in Lakhs)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Current Income Tax:		
Current Income tax charge	1,041.52	2,074.74
Previous Year Income Tax	1.09	(1.27)
Deferred Tax:		
In respect of the current year	428.87	47.20
Total	1,471.48	2,120.67

Income Tax Expense in Other comprehensive income

Particulars	Amount (Rs. in Lakhs)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Deferred Tax:		
In respect of the current year	(8.85)	(2.52)
	(8.85)	(2.52)
Total Tax Expense	1,462.63	2,118.15

Reconciliation between Tax Expense and the Accounting Profit :

Amount (Rs. in Lakhs)

Particulars	Amount (Rs. in Lakhs)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Accounting profit before tax from continuing operations	6,815.62	8,648.87
Accounting profit before income tax	6,815.62	8,648.87
At India's Statutory Income tax rate of 25.168% (P.Y. 25.168%)	1,715.36	2,176.75
Tax effect of amounts which are not deductible (taxable) in calculating Taxable income		
Ind AS Adjustment (Net)	(3.87)	(24.75)
Interest on Taxes	3.47	1.22
Adjustments for Share Issue expenses	(59.17)	(52.73)
Deferred tax adjustments	420.02	44.68
Adjustment of depreciation	(648.06)	(519.34)
Prior Period Expenses		466.87
Corporate Social Responsibility	33.79	26.72
Previous Year income tax expense	1.09	(1.27)
	1,462.63	2,118.15
Income tax expense reported in the statement of profit and loss (relating to continuing operations)	1,462.63	2,118.15
Effective Tax Rate	21.46%	24.49%

Note :-- 26

Components of Other Comprehensive Income (OCI)

Amount (Rs. in Lakhs)

Particulars	FVTOCI Reserve	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Remeasurement of Defined benefit plans	(35.15)	(10.03)
Total	(35.15)	(10.03)
Tax on Remeasurement of Defined benefit plans	8.85	2.52
Total	8.85	2.52

Note :-- 27

Earnings per share (EPS)

Particulars	Amount (Rs. in Lakhs)	
	For the year ended 31st March 2023 (Rs. per share)	For the year ended 31st March 2022 (Rs. per share)
Basic EPS		
From Continuing operation (Refer Note 27.1)	3.92	5.46
From Discontinuing operation (Refer Note 27.1)	-	-
Diluted EPS		
From Continuing operation (Refer Note 27.2)	3.91	5.46
From Discontinuing operation (Refer Note 27.2)	-	-

Note 27.1 -- Basic Earning per Share

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

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Profit attributable to equity holders of the company:		
From Continuing operations (Rs. in Lakhs)	5,379.29	6,538.23
From Discontinuing operation (Rs. in Lakhs)	-	-
Earnings used in calculation of Basic Earning Per Share (Rs. in Lakhs)	5,379.29	6,538.23
Weighted average number of shares for the purpose of basic earnings per share (Number of shares in Lakhs)	1,373.60	1,196.61
From Continuing operation	3.92	5.46
From Discontinuing operation	-	-

Note 27.2 -- 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 2023	For the year ended 31st March 2022
Profit attributable to equity holders of the company:		
From Continuing operations (Rs. in Lakhs)	5,379.29	6,538.23
From Discontinuing operation (Rs. in Lakhs)	-	-
Earnings used in calculation of diluted Earning Per Share from continuing operations	5,379.29	6,538.23
From Continuing operation	3.91	5.46
From Discontinuing operation	-	-

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

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Weighted average number of shares for the purpose of basic earnings per share (Number of shares in Lakhs)	1,373.60	1,196.61
Effect of Dilution:	1.21	0.22
Weighted average number of shares for the purpose of Diluted earnings per share (Number of shares in Lakhs)	1,374.81	1,196.83

Notes :-- 28

(i) 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 shareholders and benefit to other stake holders. Company does not have any borrowings as at 31st March 2023.

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 2023.

(ii) Reconciliation of Liabilities arising from financing activities as on 31st March 2023

Amount (Rs. in Lakhs)

Particulars	Lease Liabilities	Equity Share Capital	Stamp Duty Payable	Share Application Money	Advance from Ministry of Railway towards EAP	Total
Balance at 01st April, 2021	2,460.80	9,58,000.00	60.00	1,00,000.00	2,00,000.00	12,60,520.80
Recognition on Adoption of Ind AS-116	-	-	-	-	-	-
Restated Balance at 01st April, 2021	2,460.80	9,58,000.00	60.00	1,00,000.00	2,00,000.00	12,60,520.80
Cash flows:-						
- Payment	(909.56)	-	(377.50)	-	-	(1,287.06)
- Proceeds	-	2,35,000.00	-	20,000.00	11,20,000.00	13,75,000.00
Non-Cash:-						
- Addition during the year	391.53	-	335.00	-	-	726.53
- Interest on Lease liabilities	154.07	-	-	-	-	154.07
- Share application money recognised as equity share capital	-	1,00,000.00	-	(1,00,000.00)	-	-
Balance at 31st March, 2022	2,096.84	12,93,000.00	17.50	20,000.00	13,20,000.00	26,35,114.34
Recognition on Adoption of Ind AS-116	-	-	-	-	-	-
Restated Balance at 01st April, 2022	2,096.84	12,93,000.00	17.50	20,000.00	13,20,000.00	26,35,114.34
Cash flows:-						
- Payment	(861.36)	-	(145.64)	-	-	(1,007.00)
- Proceeds	-	1,08,143.00	-	29,457.00	12,00,000.00	13,37,600.00
Non-Cash:-						
- Addition during the year	306.46	-	128.14	-	-	434.60
- Interest on Lease liabilities	157.78	-	-	-	-	157.78
- Share application money recognised as equity share capital	-	20,000.00	-	(20,000.00)	-	-
Balance at 31st March, 2023	1,699.72	14,21,143.00	-	29,457.00	25,20,000.00	39,72,299.72

Note :-- 29
Fair Value Measurements

(i) Financial Instruments by Category

Amount (Rs. in Lakhs)

Particulars	As at 31st March 2023			As at 31st March 2022		
	FVTPL*	FVTOCI**	Amortized Cost	FVTPL*	FVTOCI**	Amortized Cost
Financial Assets						
(i) Security Deposits	-	-	876.00	-	-	826.58
(ii) HBA Loan to Employees	-	-	29.54	-	-	31.51
(iii) Cash and Cash Equivalents	-	-	57,288.19	-	-	2,97,110.76
(iv) Bank Balances Other than (iii) Above	-	-	106.42	-	-	20,308.17
(v) Others	-	-	232.52	-	-	724.63
Total Financial Assets	-	-	58,532.67	-	-	3,19,001.65
Financial Liabilities						
(i) Security Deposits	-	-	11,554.80	-	-	2,318.99
(ii) Advance from Ministry of Railway towards EAP	-	-	25,20,000.00	-	-	13,20,000.00
(iii) Lease liabilities	-	-	1,699.72	-	-	2,096.84
(iv) Others	-	-	2,30,236.37	-	-	1,41,411.84
(v) Grant in Aid from Ministry of Railway	-	-	-	-	-	-
Total Financial Liabilities	-	-	27,63,490.89	-	-	14,65,827.67

* 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.

Amount (Rs. in Lakhs)

Particulars	As at 31st March 2023		As at 31st March 2022	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial Assets				
Security Deposit	876.00	818.68	826.58	790.19
Employee's Loans	29.54	29.13	31.51	31.03
Total Financial Assets	905.54	847.81	858.09	821.22
Financial Liabilities				
Security Deposit	11,554.80	11,554.80	2,318.99	2,318.99
Total Financial Liabilities	11,554.80	11,554.80	2,318.99	2,318.99

- 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.
- 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 31st March 2023:-

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	-	-	818.68	818.68
Employee's Loans	-	-	29.13	29.13
	-	-	847.81	847.81

Quantitative disclosures of fair value measurement hierarchy for financial liabilities as on 31st March 2023:-

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	-	-	11,554.80	11,554.80
	-	-	11,554.80	11,554.80

Quantitative disclosures of fair value measurement hierarchy for financial assets as on 31st March 2022:-

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	-	-	790.19	790.19
Employee's Loans	-	-	31.03	31.03
	-	-	821.22	821.22

Quantitative disclosures of fair value measurement hierarchy for financial liabilities as on 31st March 2022:-

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	-	-	2,318.99	2,318.99
	-	-	2,318.99	2,318.99

Note :-- 30
Financial Risk Management

The Company is exposed to various risk in relation to financial instruments. The Company is exposed to market risk, credit risk and liquidity risk. The company financial risk activities are governed by appropriated policies and procedures and that financial risk are identified, measured and managed in accordance with the companies policies and risk objectives, 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 contracts denominated in foreign currency. Company does not have any hedging instruments to cover foreign exchange risk. The company's significant exposure to Foreign Currency risk at the end of reporting period is as follows:

As at 31st March 2023

Amount (Rs. in Lakhs)

Particulars	As at 31st March 2023		As at 31st March 2022	
	USD	JPY	USD	JPY
Liability				
Payable to Contractors	16,614.19	88,217.82	21,420.68	67.21

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and JPY exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Amount (Rs. in Lakhs)

	Change in USD Rate	Effect on profit before tax
As at 31st March 2023	5%	(830.75)
	-5%	830.75
As at 31st March 2022	5%	(1,363.31)
	-5%	1,363.31

Amount (Rs. in Lakhs)

	Change in JPY Rate	Effect on profit before tax
As at 31st March 2023	5%	(441.12)
	-5%	441.12
As at 31st March 2022	5%	(399.05)
	-5%	399.05

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 and Advance from Ministry of Railway towards JICA funded project.

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 :-- 31

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 and Intangible Assets

The estimated useful lives of property, plant & equipment and Intangible Assets 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.

d) Leases

Company uses its estimation in determining whether or not contract contains a lease, extension option of the lease agreement and termination option of the lease agreement will exercised or not. Further company uses estimation in calculating the appropriate discount rate to use during lease term of the leases.

Note :-- 32

Related Party Disclosure

Note 32.1 -- Related Parties

Note 32.1.1 – Key Managerial Personnel of the entity

Name	Position
Anil Kumar Lohati (w.e.f. 22-02-2023)	Part-time Chairman
Vinay Kumar Tripathi (Upto 31-12-2022)	Part-time Chairman
Rajendra Prasad	Managing Director and Director Project (Whole Time Director)
Satish Chandra Agnihotri (Upto 07-07-2022)	Managing Director (Whole Time Director)
Arun Bijalwan (Upto 30-06-2023)	Director Finance (Whole Time Director) & CFO
Vivek Prakash Tripathi (w.e.f. 01-07-2023)	General Manager Finance [holding the additional charge of Director Finance (Whole Time Director) and CFO]
Vijay Kumar	Director Rolling Stock (Whole Time Director)
Sandeep Kumar	Director Electrical & Systems (Whole Time Director)
Mukul Saran Mathur (w.e.f. 06-01-2023)	Part Time (Official) Director
Anvita Sinha (w.e.f. 12-07-2022)	Part Time (Official) Director
Hareshkumar Chandulal Modi	Part Time (Official) Director
Ravindra Nath Singh (Upto 07-11-2022)	Part Time (Official) Director
Petal Dhillon (Upto 17-06-2022)	Part Time (Official) Director
Sumita Sharma	Company Secretary

Note 32.1.2 – Other Related Party

Name of other related party	Nature of Relationship
NHSRCL Employees Group Gratuity Trust	Post Retirement Benefit Trust
NHSRCL Medical Trust	Post Retirement Benefit Trust
HSR Innovation Centre Trust	Research and Development Trust
Government of Maharashtra	Promotor of the Company
Ministry of Railway, Govt. of India & its Nominees	Promotor of the Company
Government of Gujarat	Promotor of the Company

Note 32.2 -- Transaction and Balances of related parties

Note 32.2.1 – Compensation of Key Managerial Personnel:

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

Particulars	Amount (Rs. in Lakhs)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Short Term Benefits	283.08	353.02
Post-employment benefits	48.73	8.51
Other long-term benefits	9.07	34.27
	340.88	395.80

Note 32.2.2 – Transaction with Trusts

Amount (Rs. in Lakhs)

Particulars	For the year ended	
	31st March 2023	31st March 2022
NHSRCL Employees Group Gratuity Trust – contribution	128.05	83.66
NHSRCL Medical Trust – contribution	22.68	2.42
HSR Innovation Centre Trust	390.81	1,718.71
	541.54	1,804.79

Note 32.3 -- 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) & Government of Gujarat

Certain Significant transactions during FY 2022-23 & 2021-22:

Amount (Rs. in Lakhs)

Particulars	For the year ended 31st March 2023			For the year ended 31st March 2022		
	Government of Maharashtra	Ministry of Railway (MoR)	Government of Gujarat	Government of Maharashtra	Ministry of Railway (MoR)	Government of Gujarat
Amount received towards Equity Share Capital	600.00	-	1,37,000.00	-	1,05,000.00	1,50,000.00
Advance from Ministry of Railways	-	12,00,000.00	-	-	11,20,000.00	-
Advance received for projects (contract liabilities)	-	-	-	-	-	-
Payment made towards Utility shifting and other allied works	-	(690.60)	-	-	(685.14)	-
Payment made towards purchase of Government Land	(707.14)	-	(2,366.87)	(2,431.41)	-	(7,225.54)

Note :-- 33

Contingent Liability and Capital Commitment

(i) Capital Commitment

The amount of works to be executed on capital account and not provided for (net of advances) as at 31.03.2023 Rs. 30,81,843.25 Lakhs (Previous Year Rs. 38,13,394.98 Lakhs).

- (ii) Claims against the company not acknowledge as debts is Rs. 195.62 Lakhs (Previous Year Rs.126.95 Lakhs), court cases pertaining to land acquisitions are going on in various courts, liability in respect of court cases is not determinable at balance sheet date.

The Company regularly acquires land from government and private parties for its projects and compensates the owners in monetary values.

In case of private parties, the Company reimburses the stamp duty and registration fees on subsequent purchase of new property as per company policy for Land and R&R Payments. The amount of reimbursement for stamp duty and registration fees on subsequent purchase of new property cannot be estimated.

Note :-- 34

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 recognized 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	2022-23	2021-22
The Company recognised the following amounts in Statement of Profit and Loss for the year		
Employer Contribution to Provident Fund etc.	1,074.50	849.02
	1,074.50	849.02

b) Defined Benefit Plans and other Long term Benefit plans

Note 34.1 – Gratuity and Leave Encashment

Note 34.1.1 – Plan Liability

Amount (Rs. in Lakhs)

Particulars	2022-23		2021-22	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present value of obligation as at the end of the period	521.00	642.81	315.75	628.24

Note 34.1.2 – Service Cost

Amount (Rs. in Lakhs)

Particulars	2022-23		2021-22	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current Service Cost	137.13	168.85	101.58	204.81
Past Service Cost including curtailment Gains/ Losses	-	-	-	-
Gains or Losses on Non routine settlements	-	-	-	-
Total Service Cost	137.13	168.85	101.58	204.81

Note 34.1.3 – Net Interest Cost

Amount (Rs. in Lakhs)

Particulars	2022-23		2021-22	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Interest Cost on Defined Benefit Obligation	22.58	44.92	13.12	28.73
Interest Income on Plan Assets	(13.51)	-	(7.43)	-
Net Interest Cost (Income)	9.07	44.92	5.69	28.73

Note 34.1.4 – Change in Benefit Obligation

Amount (Rs. in Lakhs)

Particulars	2022-23		2021-22	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present value of obligation as at the beginning of the year	315.76	628.25	192.90	422.51
Interest Cost	22.58	44.92	13.12	28.73
Service Cost	137.13	168.85	101.58	204.81
Past Service Cost including curtailment	-	-	-	-
Gains/Losses	-	-	-	-
Benefits Paid	-	(38.15)	(11.94)	(31.47)
Total Actuarial (Gain)/ Loss on Obligation	45.54	(161.05)	20.10	3.66
Present value of obligation as at the End of the year	521.01	642.82	315.76	628.24

Note 34.1.5 – Bifurcation of Actuarial Gain/Loss on Obligation

Amount (Rs. in Lakhs)

Particulars	2022-23		2021-22	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Actuarial (Gain)/ Loss on arising from Change in Demographic Assumption	-	-	-	-
Actuarial (Gain)/ Loss on arising from Change in Financial Assumption	(12.90)	(14.58)	(14.72)	(29.01)
Actuarial (Gain)/ Loss on arising from Experience Adjustment	58.45	(146.47)	34.83	32.68

Note 34.1.6 – Actuarial Gain/ Loss on Plan Asset

Amount (Rs. in Lakhs)

Particulars	2022-23		2021-22	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Expected Interest Income	(13.51)	-	(7.43)	-
Actual Income on Plan Asset	19.32	-	7.95	-
Actuarial gain /(loss) for the year on Asset	5.81	-	0.52	-

Note 34.1.7 – Change in Net value of obligation:

Amount (Rs. in Lakhs)

Particulars	2022-23		2021-22	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Opening Balance	126.84	628.25	83.66	422.51
Interest Cost	9.07	44.92	5.69	28.73
Current service cost	137.13	168.85	101.58	204.81
Past Service Cost including curtailment Gains/ Losses	-	-	-	-
Benefit directly paid by entity	-	(38.15)	-	(31.48)
Contribution to Trust	(126.84)	-	(83.66)	-
Actuarial (Gain)/ Loss on obligation	39.73	(161.05)	19.58	3.67
Closing Balance	185.93	642.82	126.85	628.24

Note 34.1.8 – Change in fair value of Plan Assets

Amount (Rs. in Lakhs)

Particulars	2022-23		2021-22	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Fair value of Plan Assets at the beginning of the year	188.91	-	109.24	-
Expected return on Plan Assets	19.32	-	7.95	-
Employer's contribution	126.84	-	83.66	-
Benefit Paid	-	-	(11.94)	-
Actuarial (loss)/ gain on Obligations	-	-	-	-
Closing Balance	335.07	-	188.91	-

Note 34.1.9 – Amount Recognised in Balance Sheet

Amount (Rs. in Lakhs)

Particulars	2022-23		2021-22	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Estimated Present Value of obligations as at the end of the year	521.00	642.81	315.76	628.24
Fair value of Plan Assets as at the end of the Year	(335.08)	-	(188.91)	-
Provision in Balance Sheet	185.92	642.81	126.85	628.24
Current	185.92	51.62	126.85	24.98
Non Current	-	591.19	-	603.26

Note 34.1.10 – Expenditure recognised in the Statement of Profit & Loss

Amount (Rs. in Lakhs)

Particulars	2022-23		2021-22	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current Service Cost	137.13	168.85	101.58	204.81
Past Service Cost including curtailment Gains/ Losses	-	-	-	-
Interest Cost	9.07	44.92	5.69	28.73
Net Actuarial (Gain) / Loss recognized in the year	-	(161.05)	-	3.67
Total expenses recognized in the Statement of Profit and Loss	146.20	52.72	107.27	237.21

Note 34.1.11 – Expenditure recognised in Other Comprehensive Income

Amount (Rs. in Lakhs)

Particulars	2022-23		2021-22	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Net cumulative unrecognized actuarial gain/ (loss) opening	-	-	-	-
Actuarial gain/ (loss) for the year on PBO	(45.54)	-	(20.10)	-
Actuarial gain/ (loss) for the year on the assets	5.81	-	0.52	-
Unrecognized Actuarial gain/ (loss) at the end of the year	(39.73)	-	(19.58)	-

Note 34.1.12 – Bifurcation of PBO at the end of year in current and non current

Amount (Rs. in Lakhs)

Particulars	2022-23		2021-22	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current liability (Amount due within one year)	6.73	51.62	1.64	24.98
Non-Current liability (Amount due over one year)	514.27	591.19	314.12	603.26
Total PBO at the end of year	521.00	642.81	315.76	628.24

Note 34.1.13 – Bifurcation of Net (Liability)/ Assets

Amount (Rs. in Lakhs)

Particulars	2022-23		2021-22	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current liability		185.92		126.85
Non-Current liability		-		-
Total PBO at the end of year		185.92		126.85

Note 34.1.14 – Expected contribution for the next annual reporting period

Amount (Rs. in Lakhs)

Particulars	2022-23		2021-22	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Service Cost	151.97	183.07	122.69	239.53
Net Interest Cost	13.65	47.18	9.07	44.92
Total Expected contribution for the next annual reporting period	165.62	230.25	131.76	284.45

Note 34.1.15 – Maturity Profile of Defined Benefit Obligation

Amount (Rs. in Lakhs)

Year	Gratuity	Leave Encashment
0 to 1 Year	6.73	51.62
1 to 2 Year	44.17	42.35
2 to 3 Year	14.48	20.19
3 to 4 Year	34.38	39.15
4 to 5 Year	18.78	25.19
5 to 6 Year	19.76	26.17
6 Year Onwards	382.70	438.14

Note 34.2 -- Leave Travel Concession (LTC), Baggage Allowance, Post Retirement Medical Benefits

Note 34.2.1 – Plan Liability

Amount (Rs. in Lakhs)

Particulars	2022-23			2021-22		
	LTC	Baggage Allowance	Post Retirement Medical Benefits	LTC	Baggage Allowance	Post Retirement Medical Benefits
Present value of obligation as at the end of the period	169.89	37.86	108.97	118.25	28.17	76.48

Note 34.2.2 – Service Cost

Amount (Rs. in Lakhs)

Particulars	2022-23			2021-22		
	LTC	Baggage Allowance	Post Retirement Medical Benefits	LTC	Baggage Allowance	Post Retirement Medical Benefits
Current Service Cost	43.64	16.72	28.01	37.18	15.86	24.07
Past Service Cost including curtailment Gains/ Losses	-	-	-	-	-	-
Gains or Losses on Non routine settlements	-	-	-	-	-	-
Total Service Cost	43.64	16.72	28.01	37.18	15.86	24.07

Note 34.2.3 – Net Interest Cost

Amount (Rs. in Lakhs)

Particulars	2022-23			2021-22		
	LTC	Baggage Allowance	Post Retirement Medical Benefits	LTC	Baggage Allowance	Post Retirement Medical Benefits
Interest Cost on Defined Benefit Obligation	8.45	2.01	5.47	5.36	1.29	3.49
Interest Income on Plan Assets	-	-	(3.85)	-	-	(3.32)
Net Interest Cost (Income)	8.45	2.01	1.62	5.36	1.29	0.17

Note 34.2.4 – Change in Present Benefit Obligation

Amount (Rs. in Lakhs)

Particulars	2022-23			2021-22		
	LTC	Baggage Allowance	Post Retirement Medical Benefits	LTC	Baggage Allowance	Post Retirement Medical Benefits
Present value of obligation as at the beginning of the period	118.25	28.17	76.48	78.76	19.01	51.25
Interest Cost	8.45	2.01	5.47	5.35	1.29	3.49
Service Cost	43.64	16.72	28.01	37.18	15.87	24.07
Past Service Cost	-	-	-	-	-	-
Benefits Paid	(56.14)	(2.07)	(3.28)	(32.34)	-	(0.50)
Total Actuarial (Gain)/ Loss on Obligation	55.68	(6.98)	2.29	29.29	(8.00)	(1.83)
Present value of obligation as at the End of the period	169.88	37.85	108.97	118.24	28.17	76.48

Note 34.2.5 – Actuarial (Gain)/ Loss on Obligation

Amount (Rs. in Lakhs)

Particulars	2022-23			2021-22		
	LTC	Baggage Allowance	Post Retirement Medical Benefits	LTC	Baggage Allowance	Post Retirement Medical Benefits
Actuarial (Gain)/ Loss on arising from Change in Demographic Assumption	-	-	-	-	-	-
Actuarial (Gain)/ Loss on arising from Change in Financial Assumption	(4.32)	(0.43)	(3.53)	(5.87)	(1.77)	(3.44)
Actuarial (Gain)/ Loss on arising from Experience Adjustment	60.00	(6.55)	5.82	35.17	(6.22)	1.62

Note 34.2.6 – Actuarial (Gain)/ Loss on Plan Asset

Amount (Rs. in Lakhs)

Particulars	2022-23			2021-22		
	LTC	Baggage Allowance	Post Retirement Medical Benefits	LTC	Baggage Allowance	Post Retirement Medical Benefits
Expected Interest Income	-	-	3.85	-	-	3.32
Actual Income on Plan Asset	-	-	3.73	-	-	3.05
Actuarial gain / (loss) for the year on Asset	-	-	(0.11)	-	-	(0.27)

Note 34.2.7 – Amount Recognised in Balance Sheet

Amount (Rs. in Lakhs)

Particulars	2022-23			2021-22		
	LTC	Baggage Allowance	Post Retirement Medical Benefits	LTC	Baggage Allowance	Post Retirement Medical Benefits
Estimated Present Value of obligations as at the end of the year	169.89	37.86	108.97	118.24	28.17	76.48
Fair value of Plan Assets as at the end of the Year	-	-	(76.94)	-	-	(53.80)
Net Liability / (Net Assets) recognized in Balance Sheet	169.89	37.86	32.03	118.24	28.17	22.68
Current	6.46	0.52	32.03	2.74	0.34	22.68
Non Current	163.42	37.34	-	115.50	27.83	-

Note 34.2.8 – Expenditure recognised in the Statement of Profit & Loss

Amount (Rs. in Lakhs)

Particulars	2022-23			2021-22		
	LTC	Baggage Allowance	Post Retirement Medical Benefits	LTC	Baggage Allowance	Post Retirement Medical Benefits
Current Service Cost	43.64	16.72	28.01	37.18	15.86	24.06
Past Service Cost including curtailment Gains/ Losses	-	-	-	-	-	-
Interest Cost	8.45	2.01	1.62	5.35	1.29	0.16
Net Actuarial (Gain) / Loss recognized in the year	55.68	-	-	29.30	-	-
Total expenses recognized in the Statement of Profit and Loss	107.77	18.73	29.63	71.83	17.15	24.22

Note 34.2.9 – Expenditure recognised in Other Comprehensive Income

Amount (Rs. in Lakhs)

Particulars	2022-23			2021-22		
	LTC	Baggage Allowance	Post Retirement Medical Benefits	LTC	Baggage Allowance	Post Retirement Medical Benefits
Net cumulative unrecognized actuarial gain/ (loss) opening	-	-	-	-	-	-
Actuarial gain/ (loss) for the year on PBO	-	6.98	(2.29)	-	8.00	1.82
Actuarial gain/ (loss) for the year on the assets	-	-	(0.11)	-	-	(0.27)
Unrecognized Actuarial gain/ (loss) at the end of the year	-	6.98	(2.40)	-	8.00	1.55

Note 34.2.10 – Change in fair value of Plan Assets

Amount (Rs. in Lakhs)

Particulars	2022-23			2021-22		
	LTC	Baggage Allowance	Post Retirement Medical Benefits	LTC	Baggage Allowance	Post Retirement Medical Benefits
Fair value of Plan Assets at the beginning of the year	-	-	53.80	-	-	48.84
Expected return on Plan Assets	-	-	3.74	-	-	3.04
Employer's contribution	-	-	22.68	-	-	2.42
Benefit Paid	-	-	(3.28)	-	-	(0.50)
Actuarial (loss)/ gain on Obligations	-	-	-	-	-	-
Closing Balance	-	-	76.94	-	-	53.80

Note 34.2.11 – Change in Net value of obligation:

Amount (Rs. in Lakhs)

Particulars	2022-23			2021-22		
	LTC	Baggage Allowance	Post Retirement Medical Benefits	LTC	Baggage Allowance	Post Retirement Medical Benefits
Opening Balance	118.25	28.17	22.68	78.75	19.00	2.42
Interest Cost	8.45	2.01	1.62	5.36	1.29	0.16
Current service cost	43.64	16.72	28.01	37.18	15.88	24.07
Past Service Cost including curtailment	-	-	-	-	-	-
Gains / Losses	-	-	-	-	-	-
Benefit paid	(56.14)	(2.07)	-	(32.34)	-	-
Contribution to Trust	-	-	(22.68)	-	-	(2.42)
Actuarial (Gain)/ Loss on obligation	55.68	(6.97)	2.40	29.29	(8.00)	(1.55)
Closing Balance	169.88	37.86	32.03	118.24	28.17	22.68

Note 34.2.12 – Bifurcation of PBO at the end of year in current and non current:

Amount (Rs. in Lakhs)

Particulars	2022-23			2021-22		
	LTC	Baggage Allowance	Post Retirement Medical Benefits	LTC	Baggage Allowance	Post Retirement Medical Benefits
Current liability (Amount due within one year)	6.46	0.52	0.07	2.74	0.34	0.22
Non-Current liability (Amount due over one year)	163.42	37.34	108.90	115.50	27.83	76.25
Total PBO at the end of year	169.89	37.86	108.97	118.24	28.17	76.47

Note 34.2.13 – Bifurcation of Net (Liability)/ Assets:

Particulars	Amount (Rs. in Lakhs)	
	2022-23	2021-22
	Post Retirement Medical Benefits	Post Retirement Medical Benefits
Current Liability	(32.03)	(22.68)
Non-Current liability	-	-
Total PBO at the end of year	(32.03)	(22.68)

Note 34.2.14 – Expected contribution for the next annual reporting period

Particulars	Amount (Rs. in Lakhs)					
	2022-23			2021-22		
	LTC	Baggage Allowance	Post Retirement Medical Benefits	LTC	Baggage Allowance	Post Retirement Medical Benefits
Service Cost	-	21.37	32.06	-	21.14	29.78
Net Interest Cost	-	2.78	2.35	-	2.01	1.62
Expected Expense for the next annual reporting period	-	24.15	34.42	-	23.15	31.40

Note 34.2.15 – Maturity Profile of Defined Benefit Obligation

Year	Amount (Rs. in Lakhs)		
	LTC	Baggage Allowance	Post Retirement Medical Benefits
0 to 1 Year	-	0.52	-
1 to 2 Year	-	1.86	-
2 to 3 Year	-	1.96	-
3 to 4 Year	-	2.29	-
4 to 5 Year	-	3.39	-
5 to 6 Year	-	4.03	-
6 Year Onwards	-	23.81	-

Note 34.3 -- Principal actuarial assumption at the Balance Sheet Date

ACTUARIAL ASSUMPTIONS	2022-23	2021-22
Method Of Valuation:	Project Unit Credit Method	Project Unit Credit Method
Discount Rate:	7.34%	7.15%
Salary Escalation Rate:	6.50%	6.50%
Retirement Age:	60 Years	60 Years
Withdrawal Rate:	Upto 30 Years – 3% From 31 to 44 Years – 2% Above 44 Years – 1%	Upto 30 Years – 3% From 31 to 44 Years – 2% Above 44 Years – 1%
Mortality Rate:	100% of India Assured Lives Mortality (2012-14)	100% of India Assured Lives Mortality (2012-14)

Note 34.4 -- Sensitivity Analysis

Particulars	Change in assumptions	Amount (Rs. in Lakhs)				
		Effect on Baggage Allowance	Effect on Gratuity obligation	Effect on Leave Encashment	Effect on LTC	Effect on Post Retirement Medical Benefits
Discount Rate	0.50% (0.50%)	(2.17) 2.41	(31.91) 35.09	(36.23) 39.32	(10.71) 11.78	(7.46) 8.26
Salary Growth	0.50% (0.50%)	- -	34.30 (32.23)	39.52 (36.43)	- -	- -

Note :-- 35

Foreign Currency Expenses

Amount (Rs. in Lakhs)

Particulars	2022-23	2021-22
Expenses related to Project (CWIP)	2,71,646.59	72,230.14
Foreign TA/DA	42.51	-
Foreign Travel Expenses	213.79	-
Membership Fees	9.61	8.64
	2,71,912.50	72,238.78

Note :-- 36

Corporate Social Responsibility

The company is required to spend Rs. 134.27 lakhs on Corporate Social Responsibility (CSR) as follows:

Note 36.1 -- Amount approved by the Board to be spent during the year:

Amount (Rs. in Lakhs)

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Amount approved by the Board to be spent during the year	134.27	106.15

Note 36.2 -- Details of Amount spent during the year is as follow:

Amount (Rs. in Lakhs)

Particulars	Spent during the year		Yet to be paid		Total
	For the previous Year	For the Current Year	For the previous Year	For the Current Year	
During the Year ended 31st March 2023					
(i) Construction/ Acquisition of any Asset	24.25	-	24.25	-	48.50
(ii) On purpose other than (i) above	-	-	-	-	-
a) Contribution to four funds as mentioned in Schedule VII of the Companies Act, 2013	-	-	-	-	-
b) Contribution towards PM CARES Fund	-	47.57	-	-	47.57
c) Health Care	42.50	36.50	14.87	50.20	144.07
During the Year ended 31st March 2022					
(i) Construction/Acquisition of any Asset	-	-	-	48.50	48.50
(ii) On purpose other than (i) above	-	-	-	-	-
a) Contribution to four funds as mentioned in Schedule VII of the Companies Act, 2013	-	-	-	-	-
b) Contribution towards PM CARES Fund	-	0.28	-	-	0.28
c) Health Care	-	-	-	57.37	57.37

Note 36.3 -- Details of ongoing project and other than ongoing project

In case of S. 135(6) (Ongoing Project)

Amount (Rs. in Lakhs)

Opening Balance as at 01st April 2022		Amount required to be spent during the year	Amount spent during the year		Closing Balance as at 31st March 2023	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	105.87	86.70	36.50	66.75	-	89.32

In case of S. 135(5) (Other than ongoing project)

Amount (Rs. in Lakhs)

Opening Balance as at 01st April 2022	Amount deposited in Specified Fund of Sch. VII within 6 months or during the year	Amount required to be spent during the year	Amount spent during the year	Closing Balance as at 31st March 2023
-	47.57	47.57	-	-

In case of S. 135(6) (Ongoing Project)

Amount (Rs. in Lakhs)

Opening Balance as at 01st April 2021		Amount required to be spent during the year	Amount spent during the year		Closing Balance as at 31st March 2022	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	-	105.87	-	-	-	105.87

In case of S. 135(5) (Other than ongoing project)

Amount (Rs. in Lakhs)

Opening Balance as at 01st April 2021	Amount deposited in Specified Fund of Sch. VII within 6 months or during the year	Amount required to be spent during the year	Amount spent during the year	Closing Balance as at 31st March 2022
-	0.28	0.28	-	-

As per plan approved by CSR committee and BoD, CSR amount will be utilised in 2 year (i.e. F Y 2022-23 and 2023-24) being a multi-year project.

No contribution has been made by company to a trust controlled by the company in relation to CSR expenditure.

Note :-- 37

Note 37.1 -- Disclosures under Ind AS-116

- (i) Effective 1st April, 2019 the Company adopted Ind AS-116 "Leases" and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of the initial application. Company has selected the option of recording the right of use assets and corresponding lease liability by the present value of the remaining lease payments as on the date of the initial application and therefore impact on the retained earnings due to adoption of the Ind AS-116 is Nil.
- (ii) Summary of the practical expedients elected on initial application:
- Applied the exemption not to recognize right-of-use-assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
 - Excluded the initial direct costs from the measurement of the right of use asset at the date of initial application.
 - Ind AS-116 is applied to only those contracts that were previously classified leases under Ind AS-17.
 - Applied the Single discount rate for the portfolio of leases.
 - Use hindsight, in determining the lease term if the contract contains options to extend or terminate the lease.
- (iii) The weighted average incremental borrowings rate applied during the year to lease liabilities is 8.60% & 7.80% (MCLR)
- (iv) Summary of the assets under the operating leases by the Company are as follows:

Particulars of the Assets	Lessor Name	Lease Period	Termination Clauses
3rd Floor, D21 Corporate Park, Dwarka Sector 21, New Delhi-110077	Manikaran Power Limited	10-01-2020	10-01-2025
P No. 10/11, R S No.15/1A, 9/2, Office No.1007, Tower - A, Swastik Universal, Rundh, Surat 395007	Suken Dineshchandra Shah	01-08-2021	31-07-2025
A-203, Swastik Universal, Rundh, Surat 395007	Vibhuti Organisor / Armaan Corporation	01-05-2021	30-04-2025
R.S.No. 60/2P, Office No.1001 to 1006, Swastik Universal, Rundh, Surat 395007	Vimal Kapadaia	01-04-2021	31-12-2022
R.S.No. 60/2P, Office No.1001 to 1006, Swastik Universal, Rundh, Surat 395007	Vimal Kapadaia	01-01-2023	31-12-2026
5 Vehicles	Lease Plan India Pvt Ltd	30-03-2019	15-04-2023
20 Vehicles	Lease Plan India Pvt Ltd	14-01-2018	09-05-2022
6 Vehicles	Mercury Car Rentals Pvt Ltd	29-01-2019	28-01-2023
4 Vehicles	Mercury Car Rentals Pvt Ltd	23-12-2019	15-03-2024

Particulars of the Assets	Lessor Name	Lease Period	Termination Clauses
20 Vehicles	Mercury Car Rentals Pvt Ltd	14-01-2022	13-01-2026
5 Vehicles	Mercury Car Rentals Pvt Ltd	23-12-2019	22-12-2023
4 Vehicles	Mercury Car Rentals Pvt Ltd	09-01-2023	08-01-2027
16 Vehicles	Lease Plan India Pvt Ltd	01-08-2022	31-07-2026

- (v) Movement in Lease Liability and Right of use Assets
- (a) The carrying amounts of right-of-use assets recognised and the movements during the year are disclosed in Note 5.3.
- (b) Movement in Lease Liability is given below:

Amount (Rs. in Lakhs)

Particulars	Building	Vehicle	Building	Vehicle
	As at 31st March 2023	As at 31st March 2023	As at 31st March 2022	As at 31st March 2022
Opening Balance as to the beginning of the year	1,895.52	201.32	2,316.51	144.30
Recognition on Transition to IndAS	-	-	-	-
Additions during the year	190.72	117.51	245.91	145.61
Modifications during the year	(1.77)	-	-	-
Interest recognised during the year	139.10	18.68	139.73	14.34
Payment made during the year/ total cash outflow for the leases	(748.53)	(112.83)	(806.63)	(102.93)
Closing Balance as on the end of the year	1,475.04	224.68	1,895.52	201.32

- (vi) The Company has elected not to recognize a lease liability for short term leases of low value assets. Expenses related to these leases are not included in the measurement of the lease liability. Details of the same are as follows:-

Amount (Rs. in Lakhs)

Particulars	Building	Vehicle	Building	Vehicle
	As at 31st March 2023	As at 31st March 2023	As at 31st March 2022	As at 31st March 2022
Short term leases	1,095.79	-	1,020.58	-
Leases of low value of assets	-	-	-	-
	1,095.79	-	1,020.58	-

(vii) Lease Liabilities presented in the Balance sheet are as follows:-

Amount (Rs. in Lakhs)

Particulars	Building	Vehicle	Total	Building	Vehicle	Total
	As at 31st March 2023	As at 31st March 2023		As at 31st March 2022	As at 31st March 2022	
Current Portion	753.76	78.20	831.96	601.10	80.93	682.03
Non-Current Portion	721.28	146.48	867.76	1,294.42	120.39	1,414.81
	1,475.04	224.68	1,699.72	1,895.52	201.32	2,096.84

(viii) Maturity Analysis of the Lease Liabilities as on 31st March 2023

Amount (Rs. in Lakhs)

Particulars	31st March 2023			31st March 2022		
	Less than 1 Year	1-2 years	2 years and above	Less than 1 Year	1-2 years	2 years and above
Office Lease	851.07	660.13	103.33	736.17	794.55	608.03
Vehicle Lease	93.67	76.57	82.75	95.88	57.75	73.65
	944.74	736.70	186.08	832.05	852.30	681.68

(ix) Expenses related to the variable lease payments are Nil.

(x) Income from subleasing of the right of use assets is not applicable to the Company.

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

Note 37.2 -- Impairment of Assets

The company has assessed at the end of Financial year whether there is any indication (As per para 12 of IndAS 36) that an asset may be impaired. The management is of the view that no indication for impairment of assets exists at balance sheet date. The management has carried out a review on impairment of all the assets of the Company including intangible assets in accordance with Ind AS-36 'Impairment of Assets'. On the basis of review, the management is of the opinion that the economic performance of property, plant & equipment and intangibles and other assets, is not worse than expected and therefore, no impairment of any assets has been made as on the Balance Sheet date.

Note :-- 38

Disclosure of Ind AS 115 "Revenue from Contracts with Customers"

Contract balances

Amount (Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
a) Trade receivables	-	-
b) Contract assets	-	-
c) Contract liabilities	10,207.00	10,207.00

(a) Trade Receivables

Amount (Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Trade Receivables at the beginning of the year	-	-
Net Revenue Recognized during the year	-	-
Adjustments	-	-
Payment received during the year	-	-
Closing Balance of the Trade Receivables	-	-

(b) Contract Assets

Amount (Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Contract Asset at the beginning of the year	-	-
Transfer from Contract Asset to Trade Receivable and increase as a result of changes in measure of progress	-	-
Contract Asset at the end of the year	-	-

(c) Contract Liabilities

Amount (Rs. in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Contract Liabilities at the beginning of the year	10,207.00	10,207.00
Transfer from Contract Liabilities to Revenue and increase as a result of changes in measure of progress	-	-
Contract Liabilities at the end of the year	10,207.00	10,207.00

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

Performance obligation

The company's performance obligation in relation to projects will be satisfied upon delivery of project reports to the customer and final acceptance of the customer.

Note :-- 39
MSME Disclosure

The company has identified enterprises which have provided goods and services to the Company and which qualify under the definition of Micro, Small and Medium Enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMDA). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31st March 2023 and 31st March 2022 has been made in the financial statements based on information received and available with the Company, to the extent identified by the management. The details of overdue amount and interest payable are set out below:

Amount (Rs. in Lakhs)

Description	Year ended 31 March 2023	Year ended 31 March 2022
a) Principal amount remaining unpaid to any supplier as at the end of the year	385.06	355.26
b) Interest due on the above amount	-	-
Amount of interest paid in terms of Section 16 of the Micro, Small and Medium Enterprises Act, 2006 and amounts of payment made to the suppliers beyond the appointed day during the year.	Nil	Nil
Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under this Act.	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of the year.	Nil	Nil
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	Nil	Nil

Note :-- 40

Disclosures pursuant to Schedule III of the Companies Act 2013

- A.** The MCA vide notification dated 24th March 2021 has amended Schedule III to the Companies Act, 2013 in respect of certain disclosures which are applicable from 1st April 2021. The Company has incorporated the changes as per the said amendment in the financial statements and below disclosures are made in compliance of the said amendment:
- (i) The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the year as required to be reported as per Schedule III of Companies Act, 2013.
 - (ii) The Company has not traded or invested in Crypto Currency or Virtual Currency during the year.
 - (iii) The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
 - (iv) The Company do not have any prior period errors to be disclosed separately in statement of changes in equity.
 - (v) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

- (vi) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

- (vii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

- (viii) The Company does not have any loans and advances in the nature of loans to promoters, directors, KMP and other related parties.

- (ix) Company has not surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

- (x) Property plant and Equipment's including ROU Assets has not been revalued during the year, therefore subsequent disclosures as required by Schedule III are not applicable.

- (xi) Intangible Assets has not been revalued during the year, therefore subsequent disclosures as required by Schedule III are not applicable

- (xii) Company does not have borrowings from banks and financial institutions, therefore additional disclosures as required by Schedule III are not applicable.

- (xiii) Company does not have Investment Property, therefore additional disclosure as required by Schedule III are not applicable.

- (xiv) Company is not required to submit quarterly stock statements to Banks or Financial Institutions, therefore additional disclosure as required by Schedule III are not applicable.

- (xv) Company is not classified as willful defaulter by Banks of Financial Institution, therefore additional disclosure as required by Schedule III are not applicable.

- (xvi) Company does not have further investment in any company, therefore there is no requirement for compliance under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017. Therefore additional disclosures as required by Companies Act 2013, are not applicable.

(xvii)

Particulars	Numerator	Denominator	March 31, 2023	March 31, 2022	% change	Reason for change more than 25%
Current ratio	Current Assets	Current Liabilities	0.27	1.95	-86.15%	Ratio is not comparable since company is under construction stage.
Return on equity ratio	Net Profits after taxes	Average Shareholder's Equity	-	0.01	-100.00%	Ratio is not comparable since company is under construction stage and there are no operating profits.
Return on capital employed	Earnings before interest and taxes	Capital Employed	-	-	-	Ratio is not comparable and determinable since company is under construction stage and there are no operating profits.
Debt Service Coverage Ratio	Earnings available for debt services	Total interest and principal repayments	6.49	7.38	-12.06%	Ratio is not comparable since company is under construction stage and there are no operating profits.

The following ratios are not applicable to the company, hence no calculation has been done

S. No.	Particulars
1	Debt Equity Ratio
2	Inventory turnover ratio
3	Trade receivables turnover ratio
4	Trade payable turnover ratio
5	Net capital turnover ratio
6	Net profit ratio
7	Return on Investment

(xviii) Title Deeds of Immovable Properties not held in name of the Company

Amount (Rs. in Lakhs)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
Property Plant and Equipment	Land-Freehold	3,28,654.81	Project Affected Person	No	*	Transfer of ownership is under process
	Land-Freehold	11,593.02	Government of Gujarat	Yes	*	Transfer of ownership is under process
	Land-Leasehold	664.03	Government of Gujarat	Yes	Draft lease agreement under process	In case of leasehold land tile shall remain with Government
	Land-Leasehold	11,688.12	Government of Maharashtra	Yes	Financial Year 2018-19	Execution of Lease Agreement is under process
Investment property	Nil	Nil	-	NA	NA	NA
Non-current asset held for sale	Nil	Nil	-	NA	NA	NA
Others	Nil	Nil	-	NA	NA	NA

* Freehold land includes land acquired from various projects affected persons and Government Departments which has been acquired at various dates, therefore date wise disclosure for such acquisition is not indicated.

Note: Excludes items of property, where title will not be transferred nor lease agreement to be signed. Only permission to usage right is obtained.

B. The financial statement is prepared as required by schedule III (amended by notification dated March 24, 2021) to the extent applicable to the company. Following items are not reported in financial statement as these are not applicable to the company or having NIL value.

Current and Non-Current Assets

- Investment property
- Goodwill
- Biological Assets other than bearer plants
- Investments
- Inventory

f) Trade Receivables

Current and Non-current liabilities

a) Refund Liabilities

b) Government Grants

all other disclosures to the extent not applicable are not reported.

C. Other disclosures

The Code on Social Security, 2020 ("the Code") relating to employee benefits during employment and postemployment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the code becomes effective.

Note :-- 41

Changes in Accounting Treatment of Spectrum Charges, Project Promotion Expenses and Research & Development Expenditure incurred by the Company as per the opinion of Expert Advisory Committee of ICAI

Note 41.1 -- Transactions are as follows:

Nature	Amount (Rs. in Lakhs)	
	2021-22	
Project Promotion Expense	926.23	
Research and Development Expenses	2,005.27	
Total	2,931.50	

Note 41.1.1 – The above expenditure incurred by the company were considered as Capital Expenditure and was accordingly recognised as Capital Work in Progress in the financial statement of the company. Now as per opinion received from ICAI, from financial year 2022-23 such expenditure has been considered as Revenue Expenditure and charged to Profit and loss account and opening balance of above expenditure outstanding as on 01-04-2022 and 01-04-2021 has been adjusted from the Opening Retained Earning account in the respective financial year.

Note 41.2 -- Correction of transactions with impact on Balance Sheet & Statement of Profit and Loss Items

Note 41.2.1 – Impact on Balance Sheet Item is as follows:

Line Items	Amount (Rs. in Lakhs)		
	2021-22	Opening Balance as at 1st April 2021	Total
Capital Work in Progress	(1,855.02)	(1,076.48)	(2,931.50)
Total Assets	(1,855.02)	(1,076.48)	(2,931.50)
Other Financial Liabilities	-	-	-
Total Liability	-	-	-
Net Assets (Equity)	(1,855.02)	(1,076.48)	(2,931.50)

Note 41.2.2 – Impact on Profit & Loss Items are as follows:

Nature	Amount (Rs. in Lakhs)	
	2021-22	
Employee Benefit Expense	-	-
Depreciation and Amortization Expense	-	-
Other Expenses	1,855.02	
Total Expenses	1,855.02	
Total Revenue	-	
Profit before Tax	(1,855.02)	

Note 41.2.3 – Impact in Earning Per Share (Basic & Diluted):

Nature	Amount (Rs. in Lakhs)	
	2022-23	
Impact on Profit attributable to Equity Share Holders (Rs. in Lakhs)	(1,855.02)	
Weighted average nos. of Equity Shares (Number of Shares in Lakhs)	1,373.60	
Impact on Earnings Per Share (Basic & Diluted) (in Rs.)	(1.35)	

Note :-- 42

Previous year figures has been reclassified / regrouped, wherever required, to confirm to current year's presentation of those figures.

Note :-- 43

Approval of Financial Statement

The financial statements were approved by the Board of Directors at its meeting held on 20th July 2023

For AKGVG & Associates
Chartered Accountants
FRN: 018598N

For and on Behalf of Board of Directors

Partner: Aman Aggarwal
M. No.: 515385

Rajendra Prasad
Managing Director
DIN: 08006234

Vivek Prakash Tripathi
Director Finance and CFO
DIN: 10216466

Sumita Sharma
Company Secretary
M No: FCS 5250

Date : 20th July 2023
Place: New Delhi

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 2023.

The preparation of financial statements of National High Speed Rail Corporation Limited (NHSRCL) for the year ended 31st March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 20 July 2023.

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 year ended 31 March 2023 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 Auditor and is limited primarily to inquiries of the Statutory Auditor and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report:

A. COMMENTS ON PROFITABILITY

Statement of Profit and Loss for the year ended 31st March 2023

Other Income – Rs. 97,76.63 lakh - Note 20

The 'Other Income' includes Rs. 86,32.98 lakh¹ being the interest earned by Company, during 2022-23, on the deposits of the surplus from Externally Aided Projects Funds.

As per requirements of Ind AS 23 the interest income should be adjusted against borrowing costs to be capitalised in the cost of assets. The depiction of income earned on deposits of surplus EAP funds under "Other Income" instead as adjustment under Capital- Work-in-Progress had resulted into overstatement of 'Other Income' and 'Profit before Tax' by Rs. 8,632.98 lakh, Retained Earnings² by Rs. 114,63.03 lakh and 'Capital Work-in-Progress' by Rs. 200,96.01³ lakh.

1. Ministry of Railways releases funds to the Company in advance towards Equity and Externally Aided Projects (EAP) for construction of the Project. The funds are temporarily invested by the Company in Bank deposits. The figures of interest earned on 'EAP' funds have been calculated on proportionate basis on Equity and EAP funds deposited in the banks.
2. Including prior period error of Rs. 2,72.18 lakh, Rs. 13,22.41 lakh and Rs. 98,68.44 lakh during 2018-19, 2020-21, and 2021-22 respectively.
3. Capital-work-in-progress of Rs. 2,72.18 lakh, Rs. 13,22.41 lakh, Rs. 98,68.44 lakh & Rs.86,32.98 lakh during 2018-19, 2020-21, 2021-22, & 2022-23 respectively.

B. COMMENTS ON FINANCIAL POSITION

(i) Balance Sheet

- (a) The Company was booking the payment of spectrum charges under Capital Work in progress up to the year 2021-22. During the years from 2018-19 to 2021-22, the Company has booked the payment of spectrum charges of Rs. 4,402 lakh as Capital Work in progress. However, on the basis of the opinion of the Expert Advisor Committee (EAC) of ICAI, the company changed this practice and treated the payment of Rs. 972.05 lakh towards spectrum charges as Intangible Assets during the year 2022-23.

However, the earlier practice followed by the Company was an error, therefore, the same should have been corrected retrospectively as required under para 42 (b) of the Ind AS - 8 and the opinion of EAC of ICAI.

- (b) Similarly, the Company was booking the expenditure towards Project Promotion Expenses and Research & Development Expenditure under Capital Work in progress upto the year 2021-22 and during the years from 2017-18 to 2021-22, the Company has booked the expenditure of Rs. 2,931 lakh as Capital Work in progress. However, on the basis of the opinion of the Expert Advisory Committee (EAC) of ICAI, the company changed this practice and treated the expenditure as revenue expenses and adjusted with retained earning during the year 2022-23.

However, the earlier practice followed by the Company was an error, therefore, the same should have been corrected retrospectively as required under para 42 (b) of the Ind AS - 8 and the opinion of EAC of ICAI.

As the above errors occurred before the earliest prior period presented i.e. 2021-22, therefore, the opening balances of assets, liabilities, and equity for the earliest prior period presented i.e. 2021-22 should have been restated.

Thus, the Balance Sheet as on 31 March 2023 presented by the Company is not in conformity with the requirement of Ind AS - 8.

C. COMMENTS ON DISCLOSURE

(i) Significant Accounting Policy

Other intangible Assets – Rs. 6,685.61 lakh (Note 5.1)

The Company has treated the payment spectrum charges as Intangible Assets on the basis of the opinion of Expert Advisor Committee of ICAI. However, the Company had not disclosed any accounting policy regarding the recognition, measurement, and amortization of spectrum charges as intangible Assets.

Thus, the Significant Accounting Policy is deficient to the extent.

(ii) Revenue Recognition (Note 2.9)

The Company has disclosed in its Accounting Policy in respect of Revenue from Contracts with Customers as; (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, and (ii) Revenue is measured at the Fair Value of the consideration received or receivable.

However, as per para 46 of Ind AS 15, Revenue from Contracts with Customers, requires that the entity shall recognize as revenue the amount of the transaction price, excluding the estimates of variable consideration that is allocated to that performance obligation.

Thus, the Significant Accounting Policy in respect of Revenue Recognition is deficient to the extent.

D. COMMENTS ON AUDITOR'S REPORT

Independent Auditor's Report

A reference is invited to the Independent Auditor's Report dated 20th July 2023 whereby the Independent Auditor has opined that the Financial Statements give the information required by the Companies Act 2013 in the manner so required and give a 'true and fair view' in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act.

The opinion of the Independent Auditor is not sustainable as the comment at Serial No. A has a significant adverse impact on the reported profits of the Company for the year 2022-23. The Current year's reported 'Profit before exceptional items & tax' of Rs. 6,850.77 lakh converts into 'Loss before exceptional items & tax' to the tune of Rs. 1,782.21 lakh.

Consequently, the opinion expressed by the Independent Auditor on the 'true and fair view' of the financial statements of the Company for the year 2022-23 vide their Audit Report (under the heading 'Opinion' of the Report) is not sustainable.

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

**Dr. Nilotpal Goswami
Director General of Audit
Railway Commercial, New Delhi**

Date : 15th September 2023

Place : New Delhi

**MANAGEMENT REPLY TO COMMENTS OF COMPTROLLER AND AUDITOR
GENERAL OF INDIA (C&AG) ON FINANCIAL STATEMENTS FOR 2022-23**

Sl. No.	C&AG Comments	Management Reply on C&AG comments
A.	<p><u>COMMENTS ON PROFITABILITY</u></p> <p>Statement of Profit and Loss for the year ended 31st March 2023</p> <p>Other Income – Rs. 97,76.63 lakh - Note 20</p> <p>The 'Other Income' includes Rs.86,32.98 lakh¹ being the interest earned by Company, during 2022-23, on the deposits of the surplus from Externally Aided Projects Funds.</p> <p>As per requirements of Ind AS 23 the interest income should be adjusted against borrowing costs to be capitalised in the cost of assets. The depiction of income earned on deposits of surplus EAP funds under "Other Income" instead as adjustment under Capital- Work-in-Progress had resulted into overstatement of 'Other Income' and 'Profit before Tax' by Rs. 86,32.98 lakh, Retained Earnings² by Rs.114,63.03 lakh and 'Capital Work-in-Progress' by Rs. 200,96.01³ lakh.</p> <p>1. Ministry of Railways releases funds to the Company in advance towards Equity and Externally Aided Projects (EAP) for construction of the Project. The funds are temporarily invested by the Company in Bank deposits. The figures of interest earned on 'EAP' funds have been calculated on proportionate basis on Equity and EAP funds deposited in the banks.</p> <p>2. Including prior period error of Rs. 2,72.18 lakh, Rs. 13,22.41 lakh and Rs. 98,68.44 lakh during 2018-19, 2020-21, and 2021-22 respectively.</p> <p>3. Capital-work-in-progress of Rs.2,72.18 lakh, Rs. 13,22.41 lakh, Rs. 98,68.44 lakh & Rs.86,32.98 lakh during 2018-19, 2020-21, 2021-22, & 2022-23 respectively.</p>	<p>The Mumbai-Ahmedabad High Speed Rail (MAHSR) Project was approved by cabinet on 09.12.2015 and thereafter a public limited company, National High Speed Rail Corporation Limited (NHSRCL), was incorporated. The capital cost of the project is approx. INR1.08 lakh crores. For the total cost of the project, funds have been arranged by the company in the form of equity from Ministry of Railways (MoR), Govt of Gujarat, Govt of Maharashtra. Government of India through Ministry of Finance (MoF) has arranged a Overseas Development Assistance Loan from Japan International Cooperation Agency (JICA).</p> <p>MoF has executed agreements with JICA for availing loan for the MAHSR Project towards construction and procurement at rate of interest is 0.1 % per annum, with payment period of 50 year.</p> <p>Owing to the multiyear construction and procurement period of MAHSR, the fund are released by MoR (including Equity) based on request from NHSRCL depending upon estimated expenditures liable to be met. MoR releases the funds, as and when required. The amount released against Equity Contribution is shown as Equity. The funds released as External Aided Project (EAP), is shown as Advances received from MoR, as these are against the JICA ODA Loan. These are shown as advances, as the terms and conditions on which the Loan will be passed on to NHSRCL is still under discussion with MoF and MoR, as on date of these financial statements of NHSRCL.</p> <p>NHSRCL has treated Interest earned on funds invested out of same, as other income. NHSRCL further sought the opinion of Expert Advisory Council (EAC) of Institute of Chartered Accountants of India (ICAI) to have conclusive advice on the matter. The extract of was the opinion of EAC of ICAI (vide Para 16), as under:</p> <p>(i) The interest income to the extent of the borrowing costs, calculated using the effective interest method (EIR), should be adjusted against the said borrowing costs to be capitalised in the cost of the asset as per the requirements of Ind AS 23.</p> <p>(ii) The excess/surplus interest income (if any) should be recognized in the Statement of Profit and Loss, as per the requirements of Ind AS 1 read with Ind AS 107.</p> <p>As per advice of the EAC of ICAI, the same was affected in the financial statement of NHSRCL, to the extent possible. However, there are practical difficulties in determining the exact amount of the income which needed to be charged</p>

Sl. No.	C&AG Comments	Management Reply on C&AG comments
		<p>towards cost of borrowing, since as on balance sheet date, most of information as required for fair valuation/EIR including future repayments, period of loan etc. are not available. Furthermore, a lack of a similar funding instrument, with these terms and conditions that has same features as of MAHSR project, are not available, which could have served as a benchmark.</p> <p>MAHSR project is a unique, very first of its kind, country's first technology driven project involving Transfer of Technology, having large financial implications, viability of MAHSR project and associated implementation risks of execution, operations and maintenance. It was thus considered prudent, by the management, to wait for the finalization of terms and conditions by MoF and MoR, under which the ODA Loan from JICA will be passed on to NHSRCL. Therefore, company decided to adopt a conservative approach and considered the advance (EAP) at their transaction price, pending settlement of terms, as fair value. To further clarify and inform, NHSRCL has given following disclosure under its financial statements at Note 13.2.1:</p> <p>"The transaction price is considered as Fair Value for Advance from the Ministry of Railway since Interest for a similar instrument with a similar credit rating is not available as in case of NHSRCL. Therefore, no adjustment for Fair Valuation is required in accordance with Ind AS 109."</p> <p>It is to note that the borrowing cost to be capitalized as on balance sheet date cannot be determined, therefore, in compliance with opinion given by EAC, interest income has been credited to statement of profit and loss. It is to note that the this issue has significant financial implications for MAHSR.</p> <p>Assuming, that the interest income is not to be credited to the statement of profit and loss, and is to be charged to the Capital Work in Progress (CWIP), the impact on CWIP, as stated in the comments is not correct since while charging the same to CWIP, corresponding borrowing cost is also to be recognized, which is currently not available as on date of these financial statements. A possibility may arise, that the borrowing cost as required to be capitalized, is lower than the interest income from the corresponding funds. The remaining interest shall still be credited to statement of profit and loss. In absence of any final decision on the matter, interalia, regarding the interest rate, settlement of terms and conditions of passing of ODA Loan to NHSRCL, the treatment has accordingly been done as opined by EAC of ICAI in the matter.</p> <p>Furthermore, NHSRCL is following up with MoR for the same. As and when the terms and conditions are finalized regarding the passing of ODA Loan to NHSRCL, the same will be taken in to consideration and necessary accounting treatment shall be made in preparation of next financial statements duly incorporating the impact during previous financial year/s.</p>

Sl. No.	C&AG Comments	Management Reply on C&AG comments
<p>B.</p> <p><u>COMMENTS ON FINANCIAL POSITION</u></p> <p>i. Balance Sheet</p>	<p>(a) The Company was booking the payment of spectrum charges under Capital Work in progress up to the year 2021-22. During the years from 2018-19 to 2021-22, the Company has booked the payment of spectrum charges of Rs.4,402 lakh as Capital Work in progress. However, on the basis of the opinion of the Expert Advisor Committee (EAC) of ICAI, the company changed this practice and treated the payment of Rs. 972.05 lakh towards spectrum charges as Intangible Assets during the year 2022-23.</p> <p>However, the earlier practice followed by the Company was an error, therefore, the same should have been corrected retrospectively as required under para 42 (b) of the Ind AS - 8 and the opinion of EAC of ICAI.</p> <p>(b) Similarly, the Company was booking the expenditure towards Project Promotion Expenses and Research & Development Expenditure under Capital Work in progress upto the year 2021-22 and during the years from 2017-18 to 2021-22, the Company has booked the expenditure of</p>	<p>NHSRCL has capitalized certain expenditure related to project towards Spectrum Charges, Project Promotion and Research & Development upto 31st March 2022 in its books of accounts, however, CAG during supplementary audit for financial year (FY) 2021-22 raised observations stating that these items of expenditures should be charged to statement of profit and Loss. Accordingly, matter was referred to Expert Advisory committee (EAC) of ICAI for their opinion on the same.</p> <p>(a) The impact of opinion of EAC of ICAI on Spectrum charges, relates to classification of item from Current Assets to carrying amount of Intangible assets of Rs.972.05 Lakhs and had no impact on profit and loss or retained earnings.</p> <p>IndAS 8 requires restatement of material prior period errors only and a material error is something which can influence the decision of user. EAC in its opinion at para 7 has specifically provided that:</p> <p><i>“The Committee notes that the basic issues raised by the querist relate to the accounting treatment of expenditure on spectrum charges, project promotion expenses and research & development expenditure incurred for the Project. The Committee has, therefore, examined only these issues and has not examined any other issue that may arise from the Facts of the Case, such as, consideration of materiality, timing of capitalization as PPE...”</i></p> <p>From the above para, it is evident that EAC has not dealt with materiality of item. Since this transaction does not have impact on reported amount of profit and loss, also considering size of NHSRCL balance sheet this transaction is considered as not material for the purpose of retrospective restatement of financial statement.</p> <p>Therefore, in compliance to the requirement of Ind AS 8 and opinion of EAC, spectrum charges has not been restated retrospectively. Moreover, the said comments do not have impact on the financial position of company.</p> <p>(b) Out of the total expenditure of Rs. 2931 lakh, the amount of Rs. 1855 lakh relates to the FY 2021-22 and balance of Rs. 1076 lakh relates to a period prior to 2021-22 since inception. It is stated in comment, that this amount has been adjusted in the opening retained earnings in FY 2022-23, however, this comment is not correct since company has not adjusted the amount in opening retained earnings of FY 2022-23. The accounting treatment adopted by company is explained below:</p>

Sl. No.	C&AG Comments	Management Reply on C&AG comments
	<p>Rs.2,931 lakh as Capital Work in progress.</p> <p>However, on the basis of the opinion of the Expert Advisory Committee (EAC) of ICAI, the company changed this practice and treated the expenditure as revenue expenses and adjusted with retained earning during the year 2022-23.</p> <p>However, the earlier practice followed by the Company was an error, therefore, the same should have been corrected retrospectively as required under para 42 (b) of the Ind AS - 8 and the opinion of EAC of ICAI.</p> <p>As the above errors occurred before the earliest prior period presented i.e. 2021-22, therefore, the opening balances of assets, liabilities, and equity for the earliest prior period presented i.e. 2021-22 should have been restated.</p> <p>Thus, the Balance Sheet as on 31 March 2023 presented by the Company is not in conformity with the requirement of Ind AS - 8.</p>	<p>Para 5 of IndAS 8 provides that:</p> <p><i>Retrospective restatement is correcting the recognition, measurement and disclosure of amounts of elements of financial statements as if a prior period error had never occurred.</i></p> <p>This can be understood that correction is required to be made in financial statements in a way that these amounts were always there in financial statements. Further, para 42 of IndAS 8 provides that:</p> <p><i>Subject to paragraph 43, an entity shall correct material prior period errors retrospectively in the first set of financial statements approved for issue after their discovery by:</i></p> <p>(a) <i>restating the comparative amounts for the prior period(s) presented in which the error occurred; or</i></p> <p>(b) <i>if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.</i></p> <p>In compliance with para (a) above, NHSRCL has restated the transaction by charging an amount of Rs. 1855 lakh to the statement of profit and loss for FY 2021-22 and corresponding impact on Capital work in progress for the period which has resulted in decline in profit of FY 2021-22. Necessary disclosure in this respect has been made by way of note 41 of financial statement.</p> <p>In applying restatement for the period prior to 2021-22 related to cumulative transaction of Rs. 1076 lakh, NHSRCL has applied following treatment:</p> <ol style="list-style-type: none"> 1. Restatement of opening balance of retained earnings as on 1st April 2021, it represents that if this transaction was always there then retained earnings as on 1st April 2021 was lower by Rs. 1076 lakh (Note 12) related to the retained earnings wherein opening balance as on 1st April 2021 has been restated, can be referred in this regard. 2. Restatement of opening amount of capital work in progress as on 1st April 2021, it represents that if this transaction was always there then opening amount of Capital work progress would have been lower by Rs. 1076 lakh. <p>Necessary disclosure in this respect is also made by way of detailed disclosures under Note 41 of financial statements highlighting impact of EAC opinion on Balance sheet, Statement of profit and loss and earning per share.</p> <p>Hence, the company has complied with the requirement of para 42 of IndAS 8. Moreover, the said comments do not have impact on the financial position of company.</p>

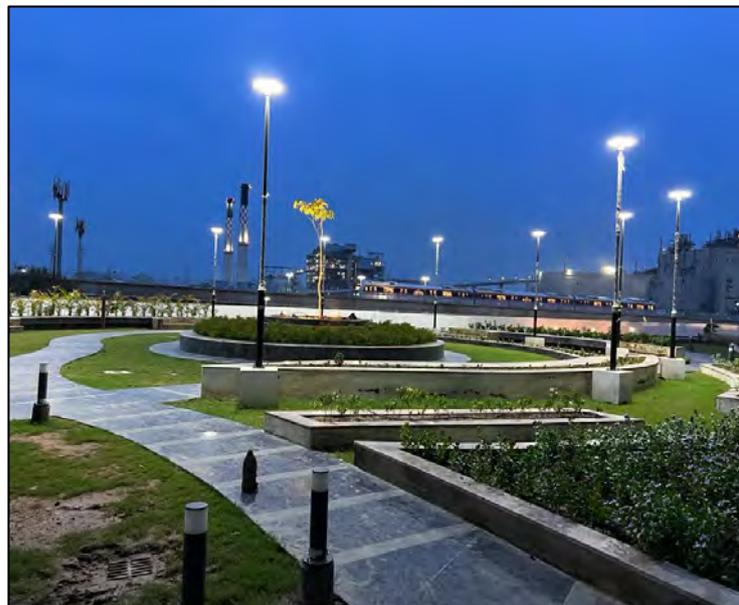
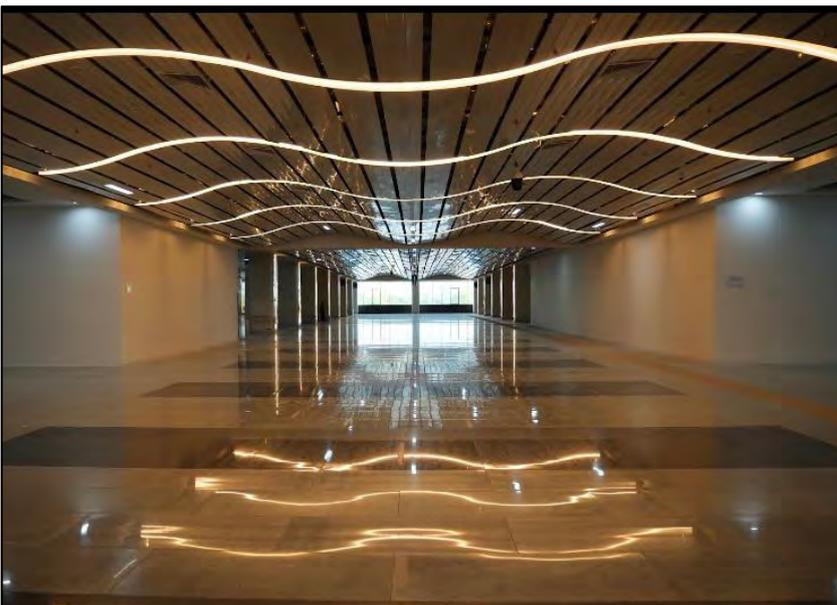
Sl. No.	C&AG Comments	Management Reply on C&AG comments
C	<p><u>COMMENTS ON DISCLOSURE</u></p> <p>(i) Significant Accounting Policy Other intangible Assets - Rs. 6,685.61 lakh (Note 5.1) The Company has treated the payment spectrum charges as Intangible Assets on the basis of the opinion of Expert Advisor Committee of ICAI. However, the Company had not disclosed any accounting policy regarding the recognition, measurement, and amortization of spectrum charges as intangible Assets.</p> <p>Thus, the Significant Accounting Policy is deficient to the extent.</p> <p>(ii) Revenue Recognition (Note 2.9) The Company has disclosed in its Accounting Policy in respect of Revenue from Contracts with Customers as; (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, and (ii) Revenue is measured at the Fair Value of the consideration received or receivable.</p> <p>However, as per para 46 of Ind AS 15, Revenue from Contracts with Customers, requires that the entity shall recognize as revenue the amount of the transaction price, excluding the estimates of variable consideration that is allocated to that performance obligation.</p> <p>Thus, the Significant Accounting Policy in respect of Revenue Recognition is deficient to the extent.</p>	<p>C&AG comments has been noted. However, the said comments do not impact the overall view of the financial statements.</p> <p>C&AG comments has been noted. However, the said comments do not impact the overall view of the financial statements.</p>
D.	<p><u>COMMENTS ON AUDITOR'S REPORT</u></p> <p>Independent Auditor's Report A reference is invited to the Independent Auditor's Report dated 20th July 2023 whereby the Independent Auditor has opined that the Financial Statements give the information required by the Companies Act 2013 in the manner so required and give a 'true and fair view' in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act.</p> <p>The opinion of the Independent Auditor is not sustainable as the comment at Serial No. A has a significant adverse impact on the reported profits of the Company for the year 2022-23. The Current year's reported 'Profit before exceptional items & tax' of Rs. 6,850.77 lakh converts into 'Loss before exceptional items & tax' to the tune of Rs. 1,782.21 lakh.</p> <p>Consequently, the opinion expressed by the Independent Auditor on the 'true and fair view' of the financial statements of the Company for the year 2022-23 vide their Audit Report (under the heading 'Opinion' of the Report) is not sustainable.</p>	<p>Reply as referred above at S. No. A, to be read in context of this comment.</p>

For and on behalf of the Board of Directors

(Rajendra Prasad)
Managing Director
[DIN: 08006234]

(Vivek Prakash Tripathi)
Director Finance
[DIN: 10216466]

Date : 29th September 2023
Place : New Delhi



Passenger Hub Terminal, Sabarmati, Gujarat