



कोंकण रेलवे कॉर्पोरेशन लिमिटेड  
(भारत सरकार का उपक्रम)  
**KONKAN RAILWAY CORPORATION LTD.**  
(A Government of India Undertaking)

वार्षिक रिपोर्ट  
**ANNUAL REPORT**  
**2023 - 2024**





# कोंकण रेलवे का मानचित्र KONKAN RAILWAY System Map

31 मार्च 2024 तक संशोधित किया गया है। /  
Corrected upto 31st March 2024



## SALIENT FEATURES

Sr.	Description	Unit	Maharashtra	Goa	Karnataka	Total
1.	Jurisdiction		0/619 to 362/0	362/0 to 488/0	488/0 to 739/760	739.941 km
2.	Route km	km	361.161	106	261.76	739.941
3.	Trunk km	km	626.10	168.29	309.24	1095.92
4.	No. of Stations					
a)	Crossing	No.	36	9	23	68
b)	Halt	No.	1	1	2	4
5.	IMP/Major Bridge	No.	104	36	50	190
6.	Tunnels	No.	68	10	13	91
7.	Cuttings	No.	63	10	11	84
		No.	353	66	145	564
		No.	125			
		No.	29	16	43	87
8.	ROB/RUB/FOB	No.	163	58	167	378





## KONKAN RAILWAY CORPORATION LTD.

### CONTENTS

BOARD OF DIRECTORS.....	2
FINANCIAL SUMMARY FOR THE YEAR 2014-15 TO 2023-24 .....	4
VISION - MISSION - OBJECTIVES .....	5
NOTICE OF 34 <sup>th</sup> ANNUAL GENERAL MEETING .....	6
CHAIRMAN'S SPEECH .....	18
DIRECTORS' REPORT .....	25
ANNEXURE - 1 TO DIRECTORS' REPORT : SECRETARIAL AUDIT REPORT.....	93
ANNEXURE - 2 MANAGEMENT REPLY TO THE OBSERVATION OF SECRETARIAL AUDITOR....	98
ANNEXURE - 3 TO DIRECTORS' REPORT : DIRECTORS' OTHER DIRECTORSHIP AND ATTENDANCE AT MEETINGS .....	99
ANNEXURE - 4 TO DIRECTORS' REPORT : ANNUAL REPORT ON CSR ACTIVITIES .....	101
ANNEXURE - 5 TO DIRECTORS' REPORT : CEO & CFO CERTIFICATION .....	104
ANNEXURE - 6 TO DIRECTORS' REPORT : CERTIFICATE ON CORPORATE GOVERNANCE..	105
<b>FINANCIAL STATEMENTS (STANDALONE)</b>	
INDEPENDENT AUDITOR'S REPORT .....	106
MANAGEMENT REPLIES TO THE STATUTORY AUDITORS REMARKS .....	129
COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA .....	132
FINANCIAL STATEMENTS (STANDALONE).....	134
<b>FINANCIAL STATEMENTS (CONSOLIDATED)</b>	
INDEPENDENT AUDITOR'S REPORT .....	219
COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA .....	235
FINANCIAL STATEMENTS (CONSOLIDATED).....	237
FORM AOC-1 : STATEMENT CONTAINING SILENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES, JOINT VENTURES .....	321
STATISTICAL SUMMARY OF TRAIN OPERATIONS .....	322



## KONKAN RAILWAY CORPORATION LTD.

### BOARD OF DIRECTORS



**Shri Santosh Kumar Jha**  
Chairman and Managing Director



**Shri R M Bhadang**  
Director (Finance)



**Shri R. K. Hegde**  
Director (Way & Works)

### Government Directors (Railway Board)



**Shri Anurag Kapil**  
Executive Director, Finance (Expenditure-II)  
(w.e.f.20.05.2024)



**Shri Priya Ranjan Parhi**  
Executive Director (Infra-I)

### State Governments Directors



**Dr. Manjula N.**  
Secretary  
Infrastructure Development Department  
Government of Karnataka



**Shri Subhash Chandra**  
Secretary (Transport)  
Government of Goa



**Shri Biju Prabhakar**  
Secretary (Transport)  
Government of Kerala

### Part-time Non-Official Independent Director



**Shri Sanmoy Banerjee**  
Independent Director

### Company Secretary



**Shri Rajendra Parab**





## KONKAN RAILWAY CORPORATION LTD.

### BOARD OF DIRECTORS

#### FUNCTIONAL DIRECTORS

- |                                       |                          |
|---------------------------------------|--------------------------|
| 1. Chairman and Managing Director     | : Shri Santosh Kumar Jha |
| 2. Director (Finance)                 | : Shri R M Bhadang       |
| 3. Director (Way & Works)             | : Shri R. K. Hegde       |
| 4. Director (Operations & Commercial) | : Vacant                 |

#### GOVERNMENT DIRECTORS (RAILWAY BOARD)

- |   |                           |
|---|---------------------------|
| 1. Executive Director, Finance (Expenditure-II) | Shri Anurag Kapil         |
| 2. Executive Director / Infra - I               | : Shri Priya Ranjan Parhi |

#### STATE GOVERNMENTS DIRECTORS

- |                |   |
|----------------|---|
| 1. Maharashtra | : Vacant  |
| 2. Karnataka   | : Dr. Manjula N.<br>Secretary (Infrastructure Development Department) |
| 3. Goa         | : Shri Subhash Chandra<br>Secretary (Transport)                       |
| 4. Kerala      | : Shri Biju Prabhakar<br>Secretary (Transport)                        |

#### NON-OFFICIAL DIRECTORS

1. Shri Sanmoy Banerjee
2. Vacant
3. Vacant
4. Vacant

#### COMPANY SECRETARY

Shri Rajendra C. Parab

#### C & AG AUDITOR

Director General

Indian Audit and Accounts Department

Office of the Director General of Audit

Central Railway, 4th floor, New Administrative Building, Dadabhai Naoroji, CSMT, Mumbai –400001

M/s. Sarda & Pareek LLP

: Statutory Auditors, Mumbai

Chartered Accountants

M/s. Priyanka Yadav & Associates.

: Secretarial Auditor, Navi Mumbai

Practicing Company Secretaries

#### Banker

State Bank of India

Corporate Accounts Group Branch

Neville House, 3rd floor, J N Heredia Marg,

Ballard Estate, Mumbai - 400001.

#### Registered & Corporate Office

Belapur Bhavan, Plot No. 6, Sector 11, CBD Belapur, Navi Mumbai - 400 614, Maharashtra

(Corporate Identity Number) : U35201MH1990GOI223738

(Legal Entity Identifier) : 335800CK2UZ7PG7WLL79

Website : www.konkanrailway.com; Tel.: 022 27572015-18; Fax: 022 27572420

e-mail: compsec@krcl.co.in



## KONKAN RAILWAY CORPORATION LTD.

### FINANCIAL SUMMARY FOR THE YEAR 2014 -15 TO 2023 - 24

(₹ in Crore)

Sr. No.	Particulars	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
1	Traffic Revenue (including other income)	972.61	1,098.58	1,137.38	1,228.30	1,338.14	1,233.24	683.59	1,277.14	1,877.53	1,979.43
2	Project Revenue	350.02	526.41	1,015.22	1,255.12	1,560.83	1,501.56	973.89	2,086.56	3,274.70	2,698.10
3	<b>Total Revenue</b>	<b>1,322.63</b>	<b>1,624.99</b>	<b>2,152.60</b>	<b>2,483.42</b>	<b>2,898.97</b>	<b>2,734.80</b>	<b>1,657.48</b>	<b>3,363.70</b>	<b>5,152.23</b>	<b>4,677.53</b>
4	Expenditure	1,089.33	1,306.65	1,889.38	2,175.66	2,607.74	2,537.08	1,819.81	3,231.28	4,519.31	3,941.23
5	Operating Margin	233.30	318.34	263.22	307.76	291.23	197.72	-162.33	132.42	632.92	736.30
6	Interest Expenses	124.19	130.20	153.54	131.00	134.59	131.90	138.03	192.78	234.51	271.91
7	Depreciation	69.72	54.18	50.02	54.03	56.91	61.98	64.90	80.51	119.48	162.65
8	Profit/(Loss) Before Prior Period Adjustment and Tax	39.39	133.96	59.66	122.73	99.73	3.84	-365.26	-140.87	278.93	301.74
9	Prior Period Adjustment / Exceptional item	-	-	-	-	-	-	-	-	-	-
10	Profit/(Loss) After Prior Period Adjustment	39.39	133.96	59.66	122.73	99.73	3.84	-365.26	-140.87	278.93	301.74
11	Tax	-	-	-	-	-	-	-	-	-	-
12	<b>Profit/(Loss) After Tax (PAT)</b>	<b>39.39</b>	<b>133.96</b>	<b>59.66</b>	<b>122.73</b>	<b>99.73</b>	<b>3.84</b>	<b>-365.26</b>	<b>-140.87</b>	<b>278.93</b>	<b>301.74</b>
13	Other Comprehensive Income		-2.32	-58.26	-29.53	-88.45	-190.80	-184.71	-123.75	-151.46	-72.36
14	Total Comprehensive Income		131.64	1.40	93.20	11.28	-186.96	-549.97	-264.62	127.47	229.38
15	Gross Block	4,223.14	4,356.21	4,424.34	4,512.85	4,571.61	4,695.33	4,891.03	5,705.10	6,954.23	5,402.73
16	Net Fixed Assets	3,032.64	3,065.77	3,146.30	3,360.52	3,139.42	3,215.64	3,346.50	4,090.50	5,227.88	5,240.08
17	Inventories	6.62	42.07	47.45	48.47	52.32	89.68	46.31	74.66	64.57	65.49
18	Current Asset	1,139.53	1,871.86	2,270.65	2,206.74	2,197.33	2,433.67	2,629.86	3,087.78	3,246.08	3,766.01
19	Current Liabilities	1,459.80	1,939.08	2,029.22	1,844.62	1,864.48	2,175.59	2,576.42	2,968.33	2,901.88	3,675.68
20	Current ratio	0.78	0.97	1.12	1.20	1.18	1.12	1.02	1.04	1.12	1.02
21	Authorised Equity Share Capital	806.46	806.46	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00
22	Equity Share Capital (held by Govt. of India & State Govt)	806.45	806.45	806.45	1,029.66	1,259.54	1,283.05	1,481.19	1,623.53	1,785.61	2,037.11
23	Calls in Arrears	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	-	-
24	Authorised Preference Share Capital	4,079.51	4,079.51	4,079.51	4,079.51	4,079.51	4,079.51	4,079.51	4,079.51	4,079.51	4,079.51
25	Preference Share Capital (held by Govt. of India)	4,079.51	4,079.51	4,079.51	4,079.51	4,079.51	4,079.51	4,079.51	4,079.51	4,079.51	3,828.01
26	<b>Total Share Capital (22 + 25)</b>	<b>4,885.96</b>	<b>4,885.96</b>	<b>4,885.96</b>	<b>5,109.17</b>	<b>5,339.05</b>	<b>5,362.56</b>	<b>5,560.70</b>	<b>5,703.04</b>	<b>5,865.12</b>	<b>5,865.12</b>
27	Accumulated Losses	-	-	-	-	-	-	-	-	-	-
28	Adjustment related to Fixed Assets (Pursuant to enactment of Schedule II of the Company Act, 2013)	-39.00	-	-	-	-	-	-	-	-	-
29	Reserves & Surplus (Excluding Share Application money)	-3,532.46	-3,394.18	-3,392.78	-3,277.54	-3,273.66	-3,442.99	-3,989.65	-4,202.58	-4,072.68	-3,843.30
30	Net Worth	1,353.50	1,491.78	1,493.18	1,831.63	2,065.39	1,919.57	1,571.05	1,500.46	1,792.44	2,021.82
31	Capital Employed (CE)	2,881.70	3,203.48	3,244.88	3,581.63	4,004.47	4,249.82	4,465.00	4,901.11	4,945.35	5,993.20
32	Secured Loan	1,528.20	1,711.70	1,751.70	1,750.00	1,939.08	2,330.25	2,680.73	2,666.29	2,699.93	3,241.18
33	Unsecured Loan							213.22	734.36	452.98	730.20
34	Total Debt (Secured Loan+Unsecured Loan)	1,528.20	1,711.70	1,751.70	1,750.00	1,939.08	2,330.25	2,893.95	3,400.65	3,152.91	3,971.38
35	PAT to Capital Employed (in %)	1.37%	4.18%	1.84%	3.43%	2.49%	0.09%	-8.18%	-2.87%	5.64%	5.03%
36	Operating Margin to Capital Employed (in %)	8.10%	9.94%	8.11%	8.59%	7.27%	4.65%	-3.64%	2.70%	12.80%	12.29%
37	PAT to Share Capital (in %)	0.81%	2.74%	1.22%	2.40%	1.87%	0.07%	-6.57%	-2.47%	4.76%	5.14%
38	Expenditure to Income Ratio	0.97	0.92	0.97	0.95	0.97	1.00	1.22	1.04	0.95	0.94
39	Number of Employees	4,943	5,052	5,162	5,253	5,396	5,566	5,519	5,507	5,425	5,325
40	Income per employee	0.27	0.32	0.42	0.47	0.54	0.49	0.30	0.61	0.95	0.88
41	Debt Equity ratio including losses	1.13	1.15	1.17	0.96	0.94	1.21	1.84	2.27	1.76	1.96
42	Debt Equity ratio excluding losses	0.31	0.35	0.36	0.34	0.36	0.43	0.52	0.60	0.54	0.68
43	Operating Ratio	0.88	0.84	0.90	0.90	0.92	0.95	1.14	0.98	0.90	0.88





## KONKAN RAILWAY CORPORATION LTD.

### VISION - MISSION - OBJECTIVES

**“A CUSTOMER IS THE MOST IMPORTANT VISITOR OF OUR PREMISES...”**

- MAHATMA GANDHI

#### Vision

“To become a world class surface transport company and infrastructure solution provider”.

#### Mission

- a. To develop safe, eco-friendly and cost effective railway transport infrastructure for growth and prosperity of the Nation in general and Konkan region in particular, ensuring financial & environmental sustainability.
- b. To promote and encourage best practices in construction and maintenance thereof to achieve “Total Customer Satisfaction”.
- c. To ensure growth and professional excellence of our employees.

#### Objectives

- a. Train operations: -

To provide safe, punctual and affordable passenger and freight transportation to maximise user satisfaction.

- b. Infrastructure projects: -

To leverage our talent and experience towards achieving excellence in timely delivery of challenging infrastructure projects of world class standard.



## KONKAN RAILWAY CORPORATION LTD.

### NOTICE OF THE THIRTY FOURTH ANNUAL GENERAL MEETING OF THE MEMBERS OF KONKAN RAILWAY CORPORATION LIMITED

Notice is hereby given that the 34<sup>th</sup> Annual General Meeting of the Members of Konkan Railway Corporation Limited will be held on Tuesday, 10<sup>th</sup> September, 2024 at 14:30 hrs. through Video Conferencing ("VC") to transact the following business:

#### ORDINARY BUSINESS:

##### ITEM NO.1 ADOPTION OF FINANCIAL STATEMENTS

To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated Financial Statements) of the Corporation for the financial year ended March 31, 2024, the reports of the Board of Directors and Auditors thereon.

##### ITEM NO.2 FIXATION OF REMUNERATION OF STATUTORY AUDITORS

To fix the remuneration of the Statutory Auditors appointed by the Comptroller & Auditor General of India for the financial year 2024-25.

#### SPECIAL BUSINESS:

##### ITEM NO.3

##### APPOINTMENT OF SHRI SANTOSH KUMAR JHA AS CHAIRMAN AND MANAGING DIRECTOR OF THE COMPANY

To consider appointment of Shri Santosh Kumar Jha (DIN 07738247), Chairman and Managing Director [ who was Director (Operations & Commercial)], of the Company and if thought fit, to pass with or without modification(s), the following Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Article 65(1) of the Articles of Association of the Company and in terms of first proviso to Regulation 27(1C) of SEBI (LODR) Regulations, 2015, the consent of the Shareholders of the Company be and are hereby accorded to the appointment of Shri Santosh Kumar Jha (DIN 07738247)(DOB: 26.03.1967), as Chairman and Managing Director of the Company, w.e.f. 01.04.2024, for a period up to 31.03.2027 (i.e., till the date of his superannuation) or until further orders, whichever is earlier, in terms of Ministry of Railway's letter No. 2022/E(O)II/40/27 New Delhi dated 26.02.2024.

**RESOLVED FURTHER THAT** the Company Secretary be and is hereby authorised to do all such acts, deeds and things and to sign all such documents as may be necessary, expedient and incidental thereto to give effect to this resolution."

##### ITEM NO.4

##### APPOINTMENT OF DR. MANJULA N. AS DIRECTOR OF THE COMPANY

To consider appointment of Dr. Manjula N.(DIN-07508345), Secretary (Infrastructure Development Department), Government of Karnataka, as Director of the Company and if thought fit, to pass with or without modification(s), the following Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Article 66(1) of the Articles of Association of the Company





## KONKAN RAILWAY CORPORATION LTD.

and in terms of first proviso to Regulation 27(1C) of SEBI (LODR) Regulations, 2015, the consent of the Shareholders of the Company be and are hereby accorded to the appointment of Dr. Manjula N.(DIN-07508345)(DOB: 21.08.1975), Secretary (Infrastructure Development Department), Government of Karnataka, who is appointed by the Governor of Karnataka, vide letter No. IDD 217 NSW 2021 Bengaluru dated 07.03.2024, as Part Time Official Director, on the Board of the Corporation w.e.f. 07.03.2024, for a period until further notification received from Government of Karnataka.

**RESOLVED FURTHER THAT** the Company Secretary be and is hereby authorised to do all such acts, deeds and things and to sign all such documents as may be necessary, expedient and incidental thereto to give effect to this resolution.”

### ITEM NO.5

#### APPOINTMENT OF SHRIANURAG KAPIL AS DIRECTOR OF THE COMPANY

To consider appointment of Shri Anurag Kapil (DIN-06640383), Executive Director Finance (Expenditure-II), Railway Board, as Director of the Company and if thought fit, to pass with or without modification(s), the following Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Article 65 (1) of the Articles of Association of the Company and in terms of first proviso to Regulation 27(1C) of SEBI (LODR) Regulations, 2015, the consent of the Shareholders of the Company be and are hereby accorded to the appointment of Shri Anurag Kapil (DIN-06640383), (DOB: 21.09.1973), Executive Director Finance (Expenditure-II), Railway Board, who is appointed by the Ministry of Railway's letter No. 2022/PL/57/10 New Delhi dated 20.05.2024, as Part Time Official Director on the Board of the Corporation w.e.f. 20.05.2024, for a period until further notification received from the Ministry of Railways.

**RESOLVED FURTHER THAT** the Company Secretary be and is hereby authorised to do all such acts, deeds and things and to sign all such documents as may be necessary, expedient and incidental thereto to give effect to this resolution.”

### ITEM NO.6

#### CONVERSION OF COMPULSORILY CONVERTIBLE PREFERENCE SHARES (“CCPS”) OF ₹ 423.70 CRORE TO EQUITY SHARES AND ALLOTMENT OF EQUITY SHARES UPON CONVERSION OF CCPS.

To consider and pass the following resolutions with or without modifications as a Special Resolution.

**“RESOLVED THAT** pursuant to the provisions of Section 42, 55, 62 and other applicable provisions if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force), the Memorandum of Association and Articles of Association of the Company, consent of the Shareholders of the Company be and are hereby accorded to the Board of Directors to convert 42,37,000 nos. of Compulsorily Convertible Non-Cumulative 15 years Preference Shares (CCPS) of ₹ 1000/- (Rupees One Thousand Only) each, into 42,37,000 nos. of Equity Shares of ₹ 1000/- each, in seven (07) tranches as per details given below:



## KONKAN RAILWAY CORPORATION LTD.

Sl. No.	Security Details	Amount (₹ in Crore)	Name of Security Holder	Date of Issue	Date of Conversion to Equity Shares
1	3 <sup>rd</sup> tranche of 375000 nos. of CCPS of ₹1000/- each	37.50	The President of India (through Ministry of Railways)	01-10-2009	01-10-2024
2	4 <sup>th</sup> tranche of 820000 nos. of CCPS of ₹1000/- each	82.00		30-10-2009	30-10-2024
3	5 <sup>th</sup> tranche of 675000 nos. of CCPS of ₹1000/- each	67.50		30-11-2009	30-11-2024
4	6 <sup>th</sup> tranche of 250000 nos. of CCPS of ₹1000/- each	25.00		26-02-2010	26-02-2025
5	7 <sup>th</sup> tranche of 513600 nos. of CCPS of ₹1000/- each	51.36		21-04-2010	21-04-2025
6	8 <sup>th</sup> tranche of 1179400 nos. of CCPS of ₹1000/- each	117.94		25-05-2010	25-05-2025
7	9 <sup>th</sup> tranche of 424000 nos. of CCPS of ₹1000/- each	42.40		13-07-2010	13-07-2025
	Total	423.70			

**“RESOLVED FURTHER THAT** pursuant to the provisions of Section 42, 62 and other applicable provisions if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force), and subject to necessary approvals/ sanctions/





## KONKAN RAILWAY CORPORATION LTD.

permissions of appropriate statutory/ regulatory authorities, if applicable, the consent of the Shareholders of the Company be and are hereby accorded to the Board of Directors to create, offer, issue and allot 42,37,000 nos. of Equity Shares having a face value of ₹ 1000/- (Rupees One Thousand Only) each, to the President of India (through Ministry of Railways) upon conversion of 42,37,000 nos. of Compulsorily Convertible Non-Cumulative 15 years Preference Shares of ₹ 1000/- each.

### RESOLVED FURTHER THAT

- a) The Equity Shares to be allotted pursuant to conversion of the CCPS shall be in dematerialised form;
- b) The Equity Shares allotted pursuant to conversion of the CCPS shall rank pari-passu with existing Equity Shares in all respects.
- c) The Shareholders took note of change in shareholding pattern consequent to conversion of CCPS to Equity as mentioned here under:

Shareholder(s)	Present holding of Paid-up Equity Share Capital (As on 27.05.2024) (₹ in Crore)	Existing Share holding pattern (As on 27.05.2024)	Allotment of Equity Shares on conversion of CCPS to Equity (₹ in Crore)	Paid-up Equity Share Capital after conversion of CCPS to Equity (₹ in Crore)	New Shareholding pattern after conversion of CCPS to Equity
Ministry of Railways	1256.1277	59.18%	423.70	1679.8277	65.97%
Government of Maharashtra	396.5425	18.68%	-	396.5425	15.57%
Government of Karnataka	270.3699	12.74%	-	270.3699	10.62%
Government of Goa*	91.2980	4.30%	-	91.2980	3.59%
Government of Kerala	108.1481	5.10%	-	108.1481	4.25%
<b>Total</b>	<b>2122.4862</b>	<b>100%</b>	<b>423.70</b>	<b>2546.1862</b>	<b>100%</b>

\* The Shareholding of Government of Goa will increase further, after receipt of ₹ 16.85 Crore towards subscription and final payment of 3<sup>rd</sup> Rights Issue of ₹ 490 Crore.

The shareholding of Ministry of Railways will further increase when all the Compulsorily Convertible Non-Cumulative 15 years / 20 years Preference Shares, total amounting to ₹ 4079.51 Crore gets converted in to Equity shares on 30.03.2029.



## KONKAN RAILWAY CORPORATION LTD.

The Shareholding pattern at that point of time would be as under:

Shareholder(s)	Equity Shares Holding (₹ in Crore)	% of holding
Ministry of Railways	4998.7577	85.23%
Government of Maharashtra	396.5425	6.76%
Government of Karnataka	270.3699	4.61%
Government of Goa	91.2980	1.56%
Government of Kerala	108.1481	1.84%
<b>Total</b>	<b>5865.1162</b>	<b>100%</b>

**RESOLVED FURTHER THAT** the Equity Shares to be allotted to the Allottee upon conversion, be issued in Demat Form, and that the Board of Directors be and is hereby authorized to make necessary applications and to take all such steps as may be necessary for and in connection with the admission of such Equity Shares with the depository, i.e., National Securities Depository Limited for the credit of such Equity Shares to be allotted upon conversion of Compulsorily Convertible Preference Shares to the Demat account of the Allottee and payment of stamp duty on issue of equity shares as per Indian Stamp Act, 1899.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable for such purpose including but not limited to execution of various deeds, documents, writings, agreements, and also to modify, accept, and give effect to any modifications therein and the terms and conditions of the issue, as may be required by statutory, regulatory and other appropriate authorities and to settle all queries or doubts that may arise in the proposed issue, without being required to seek any further consent from the shareholders.

**RESOLVED FURTHER THAT** subject to applicable laws, the Board of Directors be and is hereby also authorized to delegate, all or any of the powers herein conferred, to the Chairman and Managing Director or officer(s) of the company nominated by him and to revoke and substitute such delegation from time to time, as deemed fit by the Board of Directors, to give effect to the aforesaid resolutions.”

**For Konkan Railway Corporation Limited**

**Sd /-**

**PLACE: CBD Belapur, Navi Mumbai**

**DATE: 13/08/2024**

**Rajendra C. Parab**

**Company Secretary**



## KONKAN RAILWAY CORPORATION LTD.

### NOTES:

1. Pursuant to Section 102 of the Companies Act, 2013, Explanatory Statement in respect of the business under Item Nos. 3 to 6 of the Notice, are annexed herewith.
2. The Ministry of Corporate Affairs (MCA) vide its General Circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021, December 28, 2022 and September 25, 2023 (collectively referred to as MCA Circulars) has permitted the holding of the Annual General Meeting (AGM) through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 (the Act) and the MCA Circulars, the 34<sup>th</sup> AGM of the Company is being held through VC on Tuesday, 10<sup>th</sup> September, 2024 at 14:30 hrs. The deemed venue of the proceedings of the 34<sup>th</sup> AGM shall be the Registered Office of the Company at 3<sup>rd</sup> Floor, Board Room, Belapur Bhavan, Plot no. 6, Sector 11, CBD Belapur, Navi Mumbai – 400 614.
3. In terms of the MCA Circulars, the requirement of sending proxy forms to holders of securities as per provisions of section 105 of the Act has been dispensed with. Therefore, the facility to appoint proxy by the members will not be available and consequently, the proxy form, attendance slip and route map are not annexed to this notice convening the 34<sup>th</sup> AGM of the Company. However, in pursuance of Section 112 of the Act and Rules framed thereunder, the President of India and the Governors of participating States of Maharashtra, Karnataka, Goa and Kerala are entitled to appoint authorized representatives for the purpose of participation during the 34<sup>th</sup> AGM, through VC.
4. Since the 34<sup>th</sup> AGM is being held pursuant to the MCA Circulars through VC, physical attendance of members has been dispensed with.
5. Record date for closure of Register of Members and Share Transfer Books of the Company will be Saturday, 31<sup>st</sup> August, 2024.
6. In accordance with the MCA Circulars, the Notice along with the Annual Report of the Company for the financial year ended March 31, 2024, is being sent through e-mail. The Notice and the Annual Report for the financial year ended March 31, 2024 is available on the website of the Company viz., [www.konkanrailway.com](http://www.konkanrailway.com).
7. The link to attend the 34<sup>th</sup> AGM through VC will be intimated to the Members prior to the 34<sup>th</sup> AGM date.
8. All documents referred to in the accompanying Notice shall be made available for inspection by the Members of the Company up to and including the date of 34<sup>th</sup> AGM. Members desirous of inspecting the same may send their requests to [compsec@krcl.co.in](mailto:compsec@krcl.co.in).
9. As per the provisions of Clause 3.A. II. of the General Circular No. 20/2020 dated May 5, 2020, the matter of Special Business as appearing at Item Nos. 3, 4, 5 & 6 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.
10. Kindly note that, under section 103 of Companies Act, 2013, if at the expiration of half an hour from the time appointed for holding the meeting, a quorum (i.e. minimum 5 members personally present other than proxy) is not present, the meeting shall stand adjourned to the





## KONKAN RAILWAY CORPORATION LTD.

same day in the next week or if that day is a public holiday, until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place, as the Board may determine, and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be the quorum, and may transact the business for which the meeting was called.

### EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS ITEMS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### ITEM NO. 3

#### APPOINTMENT OF SHRI SANTOSH KUMAR JHA (DIN 07738247) AS CHAIRMAN AND MANAGING DIRECTOR OF THE COMPANY

I. Article 65 of Articles of Association of the Company (Appointment of Chairman, Chairman and Managing Director, Directors and their terms of Office by the President) provides that:

- (1) The President shall have powers to appoint:
  - (a) Chairman (Full-time or Part-time) and Managing Director(s) or other Full-time Directors;
  - (b) The Directors representing the Government of India; and
  - (c) Non-official Directors in consultation with the Chairman.

The Directors appointed by the President shall hold office until removed by him or until their resignation, retirement, death or otherwise.

II. The President of India (through Ministry of Railways) vide letter No. 2022 /E(O)II/40/27 New Delhi dated 26.02.2024, has appointed Shri Santosh Kumar Jha (DIN 07738247), as Chairman and Managing Director of the Company, w.e.f. 01.04.2024, for a period up to 31.03.2027 (i.e., till the date of his superannuation) or until further orders, whichever is earlier.

III. Section 152(2) of the Companies Act, 2013 provides that "Save as otherwise expressly provided in this Act, every director shall be appointed by the company in general meeting". Further, Regulation 17(1C) of SEBI (LODR) Regulations, 2015 provides that "the listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors or as a manager is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. However, SEBI vide amendment notification dated 17.01.2023 has inserted a proviso to Regulation 17(1C), where Public Sector Companies are given relaxation for obtaining shareholder's approval within three months of the appointment of the director. However, Public Sector Companies are required to obtain approval of the shareholders for appointment of Director in the next AGM in line with the requirements of the Companies Act, 2013. Accordingly, all the appointments made by the President of India and the Governors of participating States of Maharashtra, Karnataka, Goa & Kerala, are required to be approved by the Shareholders in the next AGM.



## KONKAN RAILWAY CORPORATION LTD.

- IV. The Board of Directors at their 181<sup>st</sup> Meeting held on 29.05.2024 had considered & recommend the appointment of Shri Santosh Kumar Jha, as Chairman and Managing Director of the Corporation, to the Shareholders of the Corporation, for approval, as per the direction of the President of India (through Ministry of Railways) .
- V. None of the other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the resolution set out at item No. 3 of the Notice except Shri Santosh Kumar Jha, being a Director of the Company.

### ITEM NO. 4

#### **APPOINTMENT OF DR. MANJULA N. (DIN-07508345) AS DIRECTOR OF THE COMPANY**

- I. Article 66 of Articles of Association of the Company (Appointment of Directors by Governors) provides that:
- (1) The Governor of each State shall have the right to nominate on the Board of Directors of the Company, an Officer of the rank of Secretary or above of the State Concerned as Director and an alternate Director for such Director during his absence for a period of not less than three months from India. The Directors and alternate Directors to be so nominated shall be non-executive Directors.
- (2) The non-executive directors so appointed shall hold office until removed by the Governor concerned or until their resignation, retirement, death or otherwise.
- (3) The Governor has the powers to remove the non-executive director appointed by him from office at any time in his absolute discretion and also has the right to fill any vacancy arising from removal, death or otherwise as provided in this Article.
- II. The Governor of Karnataka (through Government of Karnataka) vide letter No. IDD 217 NSW 2021 Bengaluru dated 07.03.2024, has appointed Dr. Manjula N., Secretary (Infrastructure Development Department), Government of Karnataka as Part Time Official Director on the Board of the Corporation w.e.f. 07.03.2024.
- III. Section 152(2) of the Companies Act, 2013 provides that "Save as otherwise expressly provided in this Act, every director shall be appointed by the company in general meeting". Further, Regulation 17(1C) of SEBI (LODR) Regulations, 2015 provides that "the listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors or as a manager is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. However, SEBI vide amendment notification dated 17.01.2023 has inserted a proviso to Regulation 17(1C), where Public Sector Companies are given relaxation for obtaining shareholder's approval within three months of the appointment of the director. However, Public Sector Companies are required to obtain approval of the shareholders for appointment of Director in the next AGM in line with the requirements of the Companies Act, 2013. Accordingly, all the appointments made by the President of India and the Governors of participating States of Maharashtra, Karnataka, Goa & Kerala, are required to be approved by the Shareholders in the next AGM.
- IV. The Board of Directors at their 181<sup>st</sup> Meeting held on 29.05.2024 had considered and recomend the appointment of Dr. Manjula N., Secretary (Infrastructure Development Department), Government of Karnataka as Part-time Official Director on the Board of the



## KONKAN RAILWAY CORPORATION LTD.

Corporation, to the Shareholders of the Corporation, for approval, as per the direction of the Governor of Karnataka .

- V. None of the other Directors, Key Managerial Personnel of the Company or their relatives are in anyway, concerned or interested in the resolution set out at item No.4 of the Notice except Dr. Manjula N., being a Director of the Company.

### ITEM NO. 5

#### APPOINTMENT OF SHRI ANURAG KAPIL (DIN-06640383) AS DIRECTOR OF THE COMPANY

I. Article 65 of Articles of Association of the Company provides that:

- (1) The President shall have powers to appoint:
- (a) Chairman (Full-time or Part-time) and Managing Director(s) or other Full-time Directors;
- (b) The Directors representing the Government of India; and
- (c) Non-official Directors in consultation with the Chairman.

The Directors appointed by the President shall hold office until removed by him or until their resignation, retirement, death or otherwise.

II. The President of India (through Ministry of Railways) vide letter No. 2022/PL/57/10 New Delhi dated 20.05.2024, has appointed Shri Anurag Kapil (DIN-06640383), Executive Director Finance (Expenditure-II), Railway Board as a Director of the Company w.e.f. 20.05.2024, till he holds the post of Executive Director Finance (Expenditure-II), Railway Board or further orders, whichever is earlier.

III. Section 152(2) of the Companies Act, 2013 provides that "Save as otherwise expressly provided in this Act, every director shall be appointed by the company in general meeting". Further, Regulation 17(1C) of SEBI (LODR) Regulations, 2015 provides that "the listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors or as a manager is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. However, SEBI vide amendment notification dated 17.01.2023 has inserted a proviso to Regulation 17(1C), where Public Sector Companies are given relaxation for obtaining shareholder's approval within three months of the appointment of the director. However, Public Sector Companies are required to obtain approval of the shareholders for appointment of Director in the next AGM in line with the requirements of the Companies Act, 2013. Accordingly, all the appointments made by the President of India and the Governors of participating States of Maharashtra, Karnataka, Goa & Kerala, are required to be approved by the Shareholders in the next AGM.

IV. The Board of Directors at their 181<sup>st</sup> Meeting held on 29.05.2024 had considered and recommend the appointment of Shri Anurag Kapil (DIN-06640383), Executive Director Finance (Expenditure-II), Railway Board as Part-time Official Director on the Board of the Corporation, to the shareholders of the Corporation, for approval, as per the direction of the President of India (through Ministry of Railways).

- V. None of the other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the resolution set out at item No. 5 of the Notice except Shri Anurag Kapil being a Director of the Company.





## KONKAN RAILWAY CORPORATION LTD.

### ITEM NO. 6

#### CONVERSION OF COMPULSORILY CONVERTIBLE PREFERENCE SHARES ("CCPS") OF ₹423.70 CRORE TO EQUITY SHARES AND ALLOTMENT OF EQUITY SHARES UPON CONVERSION OF CCPS

- I. As part of 1<sup>st</sup> and 2<sup>nd</sup> Financial Restructuring, 15 years/ 20 years Compulsorily Convertible, Non-Cumulative Preference Shares (CCPS) worth ₹ 4079.51 Crore was issued in favour of the Hon'ble President of India in 12 tranches as detailed hereunder: -

Sl. No. / Tranche	Date of Issue of Preference Share	Amount (₹ in Crore)	Date of Conversion to Equity Share Capital
1	30-03-2009	251.50	30-03-2024
2	27-05-2009	85.38	27-05-2024
3	01-10-2009	37.50	01-10-2024
4	30-10-2009	82.00	30-10-2024
5	30-11-2009	67.50	30-11-2024
6	26-02-2010	25.00	26-02-2025
7	21-04-2010	51.36	21-04-2025
8	25-05-2010	117.94	25-05-2025
9	13-07-2010	42.40	13-07-2025
10	19-11-2010	61.48	19-11-2025
11	24-12-2010	34.99	24-12-2025
12	30-03-2009	3222.46	30-03-2029
Total		4079.51	

- II. The Board of Directors at their 178<sup>th</sup> Meeting held on 09.11.2023 had approved the proposal of conversion of two tranches (1<sup>st</sup> & 2<sup>nd</sup>) of CCPS worth ₹ 336.88 Crore to Equity Shares, out of 12 tranches, subject to approval of Shareholders. Accordingly, the Shareholders of the Company, at their Extra-Ordinary General Meeting held on 12.03.2024 had approved the proposal of conversion of CCPS of ₹ 336.88 Crore to equity shares and allotment of equity shares of ₹ 336.88 Crore in favour of the Hon'ble President of India, on preferential allotment basis. Further, the Ministry of Railways vide Letter No. 2023/PL/50/08 dated 12.03.2024 had communicated the approval of Ministry of Railways to the proposal of conversion of CCPS of ₹ 336.88 Crore to equity shares under 1<sup>st</sup> & 2<sup>nd</sup> tranches of ₹ 251.50 Crore & ₹ 85.38 Crore on 30.03.2024 & 27.05.2024 resp. Thereafter, the Stakeholders' Relationship Committee at their meetings held on 30.03.2024 and 27.05.2024 had allotted the Equity Shares worth ₹ 251.50 Crore. and ₹85.38 Crore resp. in favour of the Hon'ble President of India pursuant to conversion of 1<sup>st</sup> and 2<sup>nd</sup> tranche of CCPS to Equity Shares.
- III. Now, the Board of Directors at their 181<sup>st</sup> Meeting held on 29<sup>th</sup> May, 2024 had approved the proposal of obtaining shareholders' approval for conversion of ₹ 423.70 Crore of CCPS (for 3<sup>rd</sup> tranche to 9<sup>th</sup> tranche) to Equity Shares in the 34<sup>th</sup> Annual General Meeting of the Company in terms of Rule 13(2) (e) of Companies (Share Capital and Debenture) Rules, 2014.



## KONKAN RAILWAY CORPORATION LTD.

- IV.** It may be noted that as per Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014, it is necessary to disclose the details of the Preferential Issue and certain other matters to the shareholders of the Company, while seeking their approval for issuing the Equity Shares on preferential basis. Hence, the relevant disclosures/details are given below:
- i) Objects of the issue: The equity shares are proposed to be allotted pursuant to conversion of CCPS held by the Hon'ble President of India (promoter group).
  - ii) Total number of shares or other securities to be issued: 42,37,000 nos. of Equity Shares having a face value of ₹ 1000/- each total amounting to ₹ 423.70 Crore to be issued to the Hon'ble President of India (acting through Ministry of Railways).
  - iii) The price or price band at/within which the allotment is proposed: The price of the equity shares will be ₹ 1000/- per share.
  - iv) Basis on which the price has been arrived at along with report of the registered valuer: The conversion price of ₹ 1000 per equity share has been arrived as per the terms of issue of CCPS in favour of the Hon'ble President of India. Further, a valuation report is also obtained from an Independent Registered Valuer - Shri Subodh Kumar, having Reg No: IBBI / RV / 05 / 2019/11705.
  - v) Relevant date with reference to which the price has been arrived at:- It has been taken as per Valuation Report and terms of issue of CCPS.
  - vi) The class or classes of persons to whom the allotment is proposed to be made: The Equity shares will be allotted to the Hon'ble President of India (Promoter).
  - vii) Intention of promoters, directors or key managerial personnel to subscribe to the offer: The entire offer is made to existing preference shareholder of the Company.
  - viii) Proposed time within which the preferential issue shall be completed: Equity Shares shall be allotted within a period of 15 days from the date of conversion.
  - ix) The name of the proposed allottee and the percentage of post preferential offer capital that may be held by him: The Proposed allottee is the Hon'ble President of India and his/her post preferential offer capital is approx. 65.97%.
  - x) Change in control, if any, in the Company consequent to the preferential issue: There will be no change in control of the Company pursuant to the issuance of equity shares by the Company upon conversion of CCPS.
  - xi) The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price: Equity Shares of ₹ 251.50 Crore & ₹ 85.38 Crore having face value of ₹ 1000 each were allotted on preferential basis to the Hon'ble President of India on 30.03.2024 & 27.05.2024 resp.
  - xii) Justification for the allotment proposed to be made for consideration other than cash together



## KONKAN RAILWAY CORPORATION LTD.

with valuation report of the registered valuer: The conversion price of ₹ 1000 per equity share has been arrived as per the terms of issue of CCPS in favour of the Hon'ble President of India and the Valuation Report.

xiii) The pre issue and post issue shareholding pattern of the company in the following format -

Sr. No.	Category	Pre-issue		Post-issue	
		No of shares held	% of share holding	No of shares held	% of share holding
A	Promoters' holding				
1	Indian				
	Individual (Central Government & State Governments)	21224862	100%	25461862	100%
	Bodies corporate	-	-	-	-
	Sub-total	21224862	100%	25461862	100%
2	Foreign promoters	-	-	-	-
	sub-total (A)	21224862	100%	25461862	100%
B	Non-promoters' holding	-	-	-	-
1	Institutional investors	-	-	-	-
2	Non-institution	-	-	-	-
	Private corporate bodies	-	-	-	-
	Directors and relatives	-	-	-	-
	Indian public	-	-	-	-
	others (including NRIs)	-	-	-	-
	Sub-total (B)	-	-	-	-
	GRAND TOTAL	21224862	100%	25461862	100%

V. In terms of Sections 42, 55 and 62 of the Companies Act, 2013, approval of the Shareholders of the Company by way of a Special Resolution is required to issue the Equity Shares by way of a preferential allotment on private placement basis. Therefore, the Board of Directors commends the above resolutions.

VI. None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the resolution set out at item No.6 of the Notice.

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**KONKAN RAILWAY CORPORATION LTD.**

## **CHAIRMAN'S SPEECH**



**Shri Santosh Kumar Jha**  
Chairman and Managing Director

Dear Shareholders,

I have with all humbleness taken over the charge of Chairman and Managing Director of this esteemed organization from 01.04.2024. It gives me immense pleasure to extend to you a warm welcome to the 34th Annual General Meeting of your Corporation.

### **1.0 FINANCIAL PERFORMANCE**

- 1.1 The performance of your Corporation for the year 2023-24 has been covered in detail in the Directors' Report. I would like to inform you that the total revenue during the year was ₹4677.53 crore as compared to ₹5152.25 crore (figure restated) of 2022-23 and a net Profit of ₹301.73 crore was earned during the year as compared to the Profit of ₹278.93 crore of 2022-23. I have immense pleasure to inform you that this is the highest ever profit achieved by the Corporation since its inception.
- 1.2 The net worth of the Corporation as on 31<sup>st</sup> March, 2024 stands at ₹2021.82 crore.
- 1.3 During the year, there was no issue and redemption of Bonds.
- 1.4 The Corporation has achieved "Very Good" rating in MoU targets set with the Ministry of Railways for the financial year 2022-23. Excellent MoU rating is expected for the financial year 2023-24. MOU with MoR for financial year 2024-25 has been finalized.

### **2.0 OPERATING PERFORMANCE**

- 2.1 During the year, on an average 49 pairs of Mail/Express trains and 04 pairs of passenger trains per day were run over Konkan Railway. The passenger revenue during the financial year was ₹1029.99 crore registering an increase of 5.6% over the corresponding earning of ₹975.09 crore of last year. This has been the highest ever.





## KONKAN RAILWAY CORPORATION LTD.

- 2.2 On the freight front, on an average, 18 freight trains were run per day including Roll on - Roll off (RORO) services during the financial year of 2023-24. The freight revenue during the financial year was ₹700.62 crore, which is 6.1% less than that of previous year's ₹746.41 crore.

### 3.0 PROJECTS

#### 3.1 DOMESTIC PROJECTS

- i) USBRL Project (J&K) – During the year 2023-24, ₹2522.37 crore (excluding GST) turnover was achieved as compared to ₹3135.14 crore (excluding GST) in the financial year 2022-23. On 20.02.2024, Hon'ble Prime Minister dedicated new rail line between Banihal-Khari-Sumber-Sangaldan Section and Electrification of Baramulla-Srinagar-Banihal-Sangaldan Section to the nation.
- ii) Besides USBRL, work in other projects including Rail Connectivity for Vizhinjam Port; Rolling Stock Factory at Lote, Chiplun; Road Tunnel Project in Kerala; Khurda Bolangir new Railway line and various PMC Projects are progressing satisfactorily.

#### 3.2 INTERNATIONAL PROJECTS

- i) DEMU Flag off – Hon'ble Prime Ministers of India and Nepal together flagged off the first DEMU service from Jaynagar (India) to Kurtha (Nepal) on 02<sup>nd</sup> April 2022, this is being operated by Konkan Railway under a commercial contract for Nepal Railway Corporation Limited. The Agreement for Extension of Operationalisation of Jayanagar (India) – Kurtha (Nepal) - Bijalpur (Nepal) railway was entered between Nepal Railway Company Limited and KRCL for the period till 31 December, 2024.
- ii) Final Location Survey for Raxaul – Kathmandu new Electrified BG Line: East Central Railway has awarded Final Location Survey for new BG Line (136 km) between Raxaul (India) and Kathmandu (Nepal) and is being executed by Konkan Railway. Traverse Survey, Topographic Survey, Geological Mapping & Field Survey are completed for full stretch. FLS Report has been approved by ECR/Railway Board. Project Evaluation Committee / Gatishakti, Railway Board, has accepted the report and recommended to take the project forward.
- iii) Tata Chemicals Magadi Limited (Kenya): Konkan Railway had signed a contract with M/s. Tata Chemicals Limited, Magadi, Kenya for Rehabilitation of Railway Systems including Track, Locomotives and Rolling stock in March 2023, and work on this project had already started. The Phase I of this project was completed in July 2023. This is KRCL's first International Project in the African continent and the second International Project after the successful performance in Nepal.

### 4.0 SAFETY WORK

During the year 2023-24, there were no reported accidents of any type. This was a commendable performance.

- 4.1 Inter Railway Safety Audit of Konkan Railway has been conducted by SAG officers Safety



## KONKAN RAILWAY CORPORATION LTD.

Audit team of Metro Railway Kolkata on 01<sup>st</sup> & 2<sup>nd</sup> November 2023 in RN & KAWR region. Intra Railway Safety Audit of Karwar Region has been conducted on 19<sup>th</sup> & 20<sup>th</sup> April 2023 by the team of KRCL Officers. Intra Railway Safety Audit of Ratnagiri Region has been conducted on 17<sup>th</sup> & 18<sup>th</sup> July 2023 by the team of KRCL Officers. Intra Railway Safety Audit of KARWAR Region has been conducted on 26<sup>th</sup> & 27<sup>th</sup> February 2024 by the team of KRCL Officers. Overall, the audit was satisfactory. All the points which required immediate attention have been attended to. For certain items, long term planning is required and these are being taken up.

- 4.2 During the year 2023-24, Corporation has completed total Track Renewal (Complete Track Renewal / Through Weld Renewal) for a total length of 80 km. Out of total M/L length of 746 Km laid during construction, the Track Renewal completed till 31.03.2024 is 631 km. After completion of above safety work, Corporation has achieved 37% reduction in weld failures as compared to previous financial year 2022-23.

### 5.0 PARLIAMENTARY COMMITTEES

- 5.1 During the year 2023-24, your Corporation's working was reviewed by 5 Parliamentary Committees.

### 6.0 WAY FORWARD–BUSINESS DEVELOPMENT

#### 6.1. Freight Operations:-

- 6.1.1. To adapt to the emerging trend of containerization, 5 goods sheds over KR, namely Indapur, Khed, Ratnagiri, Verna and Thokur have been declared as Container Rail Terminals. Container handling infrastructure has been successfully developed at Khed and Ratnagiri CRTs, and traffic has commenced from both locations, gradually gaining momentum for Ratnagiri. Currently, both domestic and EXIM rakes are being handled at these terminals. DP World has also commenced container operations at Verna w.e.f. January 2024. It is anticipated that container traffic across Konkan Railway will generate a total originating revenue of ₹ 73.75 Crore this year.
- 6.1.2. Warehousing, the heart of logistics and supply chain, has been a key focus area for the Corporation this year. Corporation has partnered with Central Warehousing Corporation through an MoU for development of world class goods sheds and state-of-art warehousing over Konkan Railway, with an investment of ₹ 200 Crore. In Phase I, 2 lakh Sq. ft. warehousing is being developed at 4 locations, namely Thokur, Udupi, Verna and Indapur. The development work at Thokur has been completed, Udupi is nearing completion, and construction is ongoing at Verna and Indapur, with expected completion by December 2024. The total investment for these locations is ₹ 60.79 Crore. More locations namely Zarap, Ratnagiri and Goregaon Road are under examination for development in Phase II.
- 6.1.3. Given the dynamic nature of the logistics industry and the growing emphasis on integrated cold chain logistics, Corporation is developing Cold storage and Integrated



## KONKAN RAILWAY CORPORATION LTD.

packhouse in Ratnagiri with a total storage capacity of 2000 MT at an area admeasuring 7861 Sqm. The project with total investment of ₹ 18.66 Crore is being undertaken to meet the storage and export needs of fisheries and mango producers/transporters in the area. Facilities such as fruits washing, segregation, packing, storage along with plug-in facilities for reefer containers will be made available for storage of products with temperature requirement ranging from 12 degree to -18 degree. Funds amounting to ₹ 1.5 Crore have been sanctioned by APEDA for the project. MAHAPREIT has already finalized the agency for the development work, which is expected to commence soon.

6.1.4. As a result of the rigorous efforts of the Corporation, new traffic stream of MRPL's POL traffic from HPCT siding has started during the year. The traffic volume is 14 half rakes per month, with originating revenue projection of ₹ 18.48 Crore during the year.

### 6.2. Projects:

#### 6.2.1. Domestic Projects:

- (i) Operation and Maintenance of Navi Mumbai Metroline-1- Corporation has undertaken the train operation services, station control, supply of manpower and other O&M activities for a period of 3 years at a contract price of ₹ 12.73 Crore.
- (ii) Rail connectivity to Vizhinjam International Seaport (VISL), Kerala: MOU has been signed between the Corporation and VISL to link the Vizhinjam Seaport, Balaramapuram railway station. The Detailed Project Report with an estimated cost of ₹ 1200.38 Crore has been approved by Southern Railway under NGR model. Land acquisition for the project is in progress.
- (iii) Anakkampoyil – Kalladi - Meppadi Tunnel Road Project (AKM): Government of Kerala has assigned KRCL as Special Purpose Vehicle (SPV) for the execution of the AKM Road Tunnel Project. A Tripartite Agreement has been signed between Konkan Railway, Public Works (H) Department and Kerala Infrastructure Investment Fund Board (KIIFB) to implement the project. Corporation has prepared DPR for Twin Tube unidirectional Tunnel with 4 lane approach road and two parallel major bridges at southern end at an estimated cost of ₹ 2043.74 Crore. Administrative sanction for DPR from Government of Kerala has been received. Tenders has been finalized.
- (iv) Corporation is currently offering Project Management Consultancy services for 16 projects valued at ₹ 966 lakhs, working with MMRDA, SMC, and the R&B Division of PWD in Anand, Rajkot, and GWSSB. Additionally, we are providing comprehensive Consultancy Services including Design, Drawing, Survey, and Inspection for various projects of Central Railway, NHAI, Western Railway, and KWIL, amounting to a total value of ₹ 5534 lakhs.
- (v) Execution of Viaduct, Major bridges & ROBs in Khurda Road - Bolangir new BG Rail Line Project in East Cost Railway, Odisha. The project involves the construction of 2



## KONKAN RAILWAY CORPORATION LTD.

major viaducts, 11 major bridges, 7 ROB's and 1 RUB. The total cost of the project is ₹ 337.17 Crore and in progress.

- (vi) Corporation has secured two packages for construction of Taranga Hill - Abu Road via Ambaji new BG line project in the Ajmer division of North Western Railway, with a total value of ₹ 715.80 Crore. The mobilization work has been commenced at site.
- (vii) Corporation is carrying out 3<sup>rd</sup> Party Inspection of Structural Steel Fabrication work for 83 projects all over India in various Zonal Railways and other installations.
- (viii) Route Electrification for other Zonal Railways: Corporation is bidding for Railway Electrification Projects in a big way to increase its project earnings. In this regard, Corporation has received 09 nos. of LOA with the project cost of ₹ 338.67 Crore, for route electrification work of other Zonal Railways and the works are in progress.
- (ix) Rolling Stock Component Factory (RSCF) - The construction of RSCF for Central Railway has progressed well. Cluster-1 for LHB bogie overhaul is almost completed and is expected to become operational after September 2024. The financial progress so far has been ₹ 344.96 Crore. Corporation is looking forward to get the post operation and maintenance work of RSCF after completion of the project.
- (x) Corporation has signed a MoU with Delhi Metro (DMRC) to jointly pitch for upcoming metro rail projects in India and abroad, as project service providers for a wide spectrum of infrastructure projects encompassing metro/railways, high-speed rail, highways, mega-bridges, tunnels, institutional buildings, workshops or depots, S&T works, and railway electrification.

Also, meeting was held with Integrated Coach Factory, Chennai for supply of Metro coaches. Further, meeting was held with BEML Ltd. where it was proposed that KRCL would be an O&M partner for all the coaches of Metro Trains.

### 6.2.2. International Projects:

- (i) (a) Nepal Project: Corporation is engaged in Operations & Maintenance of Indo-Nepal Cross Border Railway between Jaynagar and Kurtha stations of Nepal Railway till December 2024. As part of the agreement, Corporation carried out operations & maintenance of DEMU trainsets, supplied expert manpower and minimum equipment, created basic systems for railway operations and provided technical support for maintenance of track and signaling systems. The contract value of the project is ₹ 24.74 Crore.  
(b) Work of one-time revival / maintenance of PWay and S&T assets of Nepal Railway: Railway Board has awarded the work of one-time revival of PWay and S&T assets of Nepal Railway to KRCL. The value of the project is ₹12.98 Crore. The work is in progress.
- (ii) Tata Chemical Project, Kenya: Konkan Railway had signed a contract with M/s. Tata Chemicals Limited, Magadi, Kenya for Rehabilitation of Railway Systems including Track,





## KONKAN RAILWAY CORPORATION LTD.

Locomotives and Rolling stock in March 2023, and work on this project had already started. The Phase I of this project was completed in July 2023. The value of the project is ₹1.14 Crore.

- 6.3 The road ahead is full of challenges. I am confident that Corporation will be able to overcome the challenges and feel confident to pursue all the opportunities in train operations as well as road and railway infrastructure whether domestic and/or international in coming years.

### 7.0 INDUSTRIAL RELATIONS

- 7.1 Industrial Relations during the period was peaceful, cordial and harmonious. I express my gratitude to the recognized union and associations for extending their support for operation of the services of the Corporation.

### 8.0 CORPORATE GOVERNANCE

- 8.1 The Corporation's Corporate Governance Policy is aligned with the Vision and Mission Policy of the Corporation. DPE Guidelines relating to Corporate Governance are followed and complied with. For effective implementation of Corporate Governance Policy, the Corporation has in place; diversified and experienced Board of Directors with various Committees of the Board as per the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and DPE Guidelines; Code of Conduct to promote ethical and responsible decision making for Board of Directors and Senior Management, Integrity Pact for Vendors, Whistle Blower Policy, System of Accountability, Policy of making timely and appropriate disclosures, Policy of Corporate Social Responsibility, Policy to safeguard sexual harassment of women at workplace, etc.

### 8.2 TRANSPARENCY

To promote and facilitate transparency, Corporation is following best practice, which are as under:

- a) e-office
- b) Introduction of GeM and e-tendering of Works and Store Contracts
- c) Integrity pact implemented w.e.f. 2013. Corporation has regularly appointed two Independent External Monitors since 2019.
- d) e-auction by Stores Dept.
- e) On-line filing of APAR for executives and non-executives.
- f) All PRS counters are covered with CCTVs.
- g) Cashless facilities – RO-RO, PRS & all freight bookings.
- h) 100% payment through Banks for employees, Vendors & Contractors, etc.
- i) Vacancy notification on Website.
- j) Online recruitment process.
- k) 'Rail Madad', a passenger complaint management system to resolve passenger's



## KONKAN RAILWAY CORPORATION LTD.

complaints. Complaints are being monitored 24 X 7 on Rail Madad portal.

- l) New Web Portal for Capturing details of candidates under National Apprentice Trainee Scheme category.
- m) Mobile App for the employees, for availing of Pass and Leave sanctions from anywhere.
- n) Retirement Benefit through settlement module.
- o) Digitisation of Emergency Quota (EQ) Management for submission of EQ request by employees of the Corporation.
- p) Online Vigilance Complaint Management System - 2.0. to make complaint online and track the progress online.

### 9. MISCELLANEOUS

- 9.1 कोंकण रेलवे कॉर्पोरेशन लिमिटेड द्वारा वर्ष 2022-23 के दौरान अखिल भारतीय स्तर पर 'ख' क्षेत्र के सार्वजनिक क्षेत्र के उपक्रमों की श्रेणी के अंतर्गत राजभाषा कार्यान्वयन में सराहनीय कार्य करने के लिए 'राजभाषा कीर्ति पुरस्कार-तृतीय स्थान की राजभाषा शील्ड' प्रदान कर सम्मानित किया गया। कोंकण रेलवे को नौवीं बार यह पुरस्कार प्राप्त हुआ है।
- 9.2 नगर राजभाषा कार्यान्वयन समिति, नवी मुंबई द्वारा वर्ष 2022-23 के दौरान अखिल भारतीय स्तर पर 'ख' क्षेत्र की नगर राजभाषा कार्यान्वयन समितियों की श्रेणी के अंतर्गत राजभाषा कार्यान्वयन में सराहनीय कार्य करने के लिए 'नराकास राजभाषा सम्मान पुरस्कार - तृतीय स्थान की राजभाषा शील्ड' प्रदान किया गया। कोंकण रेलवे विगत छह वर्षों से नराकास नवी मुंबई का कार्य-संचालन कर रही है। नराकास, नवी मुंबई को पाँचवीं बार यह पुरस्कार प्राप्त हुआ है।

### 10.0 ACKNOWLEDGEMENT

I take this opportunity to express my sincere thanks to the Ministry of Railways and Governments of States of Maharashtra, Karnataka, Goa, Kerala as well as Central Government Departments and Agencies for their help, support and co-operation. I also thank my colleagues on the Board of Directors for their valuable guidance and advice in the management of the Corporation. I would like to record my appreciation for the efforts of all the employees, their dedication and hard work which played crucial role in achieving highest ever profit of ₹ 301.73 crore for the Corporation. I hope that the highly motivated and efficient work force will help the Corporation in succeeding in all future endeavors.

**Place: CBD Belapur, Navi Mumbai**

**Date: 10<sup>th</sup> September, 2024**

Sd/-  
**(Santosh Kumar Jha)**  
Chairman and Managing Director  
DIN 07738247



## KONKAN RAILWAY CORPORATION LTD.

### निदेशकों की रिपोर्ट DIRECTORS' REPORT

**Dear Shareholders,**

The Directors of Konkan Railway Corporation Limited have great pleasure in presenting the "THIRTY FOURTH" Directors' Report on the working of your Corporation.

#### 1. FINANCIAL PERFORMANCE

The Financial performance of the Corporation for the year ended 31<sup>st</sup> March, 2024 is summarized as below:

(₹ in Lakhs )

Particulars	Standalone	
	2023-24	2022-23 (Restated)
Total Income	4,67,753.07	5,15,225.03
Profit before Interest, Depreciation, Tax and Exceptional items	73,630.08	63,267.64
Finance cost	27,191.37	23,426.92
Depreciation and Amortization expense	16,264.86	11,947.70
Profit Before Tax	30,173.84	27,893.02
Profit After Tax	30,173.84	27,893.02
Other Comprehensive Income	(7,235.83)	(15,146.14)
Total Comprehensive Income	22,938.01	12,746.88

#### 1.1. FINANCIAL RESULTS OF OPERATION

The total revenue of the Corporation is ₹ 4,67,753 Lakh (Rupees four lakh sixty seven thousand seven hundred fifty three Lakh) as compared to previous year's total revenue of ₹ 5,15,225 Lakh (Rupees five lakh fifteen thousand two hundred twenty five lakh). Train operations have yielded gross earnings of ₹1,73,062 lakh (Rupees one lakh seventy three thousand sixty two lakh) with ₹ 3,291 lakh (Rupees three thousand two hundred ninety one lakh) as other operating revenue. The project revenue is ₹ 2,69,810 Lakh (Rupees two lakh sixty nine thousand eight hundred ten



## KONKAN RAILWAY CORPORATION LTD.

lakh). The operating surplus (after meeting the operating costs), i.e., the Earnings before Interest, Depreciation, Taxes & Amortization (EBIDTA) is ₹ 73,630 Lakh (Rupees seventy three thousand six hundred thirty lakh). The Net Profit (Profit after Tax) is ₹ 30,174 Lakh (Rupees thirty thousand one hundred seventy four lakh).

### 2. SHARE CAPITAL

**2.1. Equity Share Capital:** The paid-up equity share capital of the Corporation stood at ₹2,03,710.62 lakh as on 31.03.2024, against the authorized equity share capital of ₹ 4,00,000 lakh.

The details of paid-up Equity Share Capital are as under:

Sr. No.	Name of Shareholder(s)	Paid-Up Equity Share Capital as on 31.03.2024 (₹)	Percentage of Shareholding
1	Ministry of Railways	1170,74,74,000	57.47
2	Government of Maharashtra	396,54,24,000	19.47
3	Government of Goa	91,29,79,000	4.48
4	Government of Karnataka	270,36,98,000	13.27
5	Government of Kerala	108,14,80,000	5.31
6	Railway Board Nominee	1,000	
7	Railway Board Nominee	1,000	
8	Railway Board Nominee	1,000	
9	Special Commissioner, Maharashtra	1,000	
10	Resident Commissioner, Goa	1,000	
11	Resident Commissioner, Karnataka	1,000	
12	Resident Commissioner, Kerala	1,000	
	<b>Total</b>	<b>2037,10,62,000</b>	<b>100</b>





## KONKAN RAILWAY CORPORATION LTD.

The 3<sup>rd</sup> Rights Issue subscription amount of ₹ 16.85 Crore is still unpaid by Government of Goa.

- 2.2. Preference Share Capital:** The Paid-up, Compulsorily Convertible, Non-Cumulative Preference Share (CCPS) Capital of the Corporation, as on 31.03.2024, stood at ₹ 3,82,801 lakh, after conversion of ₹ 25,150 lakh of CCPS to Equity Shares on 30.03.2024. The Authorised CCPS Capital stood at ₹ 4,07,951 lakh. The entire preference Share Capital is held by Ministry of Railways.
- 2.3. Issue & Redemption of Bonds:** There was no issue and redemption of Bonds during the year.
- 2.4. AAA (CE) Rating of Bonds:** For the year 2023-24, Credit Rating Agencies -CARE, ICRA and India Ratings, have reaffirmed “AAA(CE)” rating for the outstanding Bonds of the Corporation.

### 3. BUSINESS OF TRAIN OPERATIONS

**3.1. Coaching Operations:** On an average, forty-six passenger carrying trains per day were run on this single line section during the year of 2023-24. Presently 49 pairs of Mail/Express and 04 pairs of passenger trains are running over Konkan Railway. In addition to this, 667 nos. of special trains were run during Summer, Ganpati, Diwali, Winter, Anganewadi yatra & Holi festival to clear extra rush of passengers during the year of 2023-24. Besides this, 1721 nos. of other special trains were run during the year including FTR special, Election special, Military special etc. At Sawantwadi station new cross over had been inserted between terminal line and loop line no.2. This had enabled the reversal of locomotive on the terminal line. The work was completed on 16.04.2023. During the year, two Vande Bharat Express trains i.e. CSMT-MAO-CSMT and MAQ-MAO-MAQ were introduced with MPS of 120 KMPH over KRCL section. Service of T. No. 16585/16586 SMVB-MAQ-SMVB Express had been extended up to MRDW w.e.f. 16.09.2023 with increased frequency to Daily. The maximum permissible speed of T. No. 12432/12431, 22414/22413, 12051/12052 & 22119/22120 has been enhanced from 110 to 120 KMPH over Konkan Railway section during the year after trial run with AC Locomotives. Highest ever Coaching earnings of ₹1029.99 Crore (Passenger and other coaching revenue) was achieved during the year which is 5.6% more than previous year's ₹ 975.10 Crore.





## KONKAN RAILWAY CORPORATION LTD.

**3.2. Freight Operations:** On an average, eighteen freight trains per day including Roll “ON”-Roll “OFF” (RO-RO) services were run on KRCL during the year of 2023-24. Total freight traffic of 11.22 million tons was carried during the year and thereby fetched freight revenue of ₹ 700.62 Crore (Goods + sundry revenue). Originating loading during the year was 2.612 million tons and KRCL had achieved target of 2.550 million tons assigned for the year of 2023-24 by Railway Board. The innovative RO-RO service has completed 25 years of its successful run. More than 7.10 Lakh trucks had been transported since introduction of RO-RO service in January 1999. RO-RO service had played vital role in precious fuel saving and in reducing pollution. Examination facility at VEN and HPCT has been upgraded. VEN depot has been upgraded from Intensive to Premium and HPCT from Premium to CC. Premium BPC was issued to BCN Empty rake first time on KRCL on 17.08.2023 from Verna examination depot. The imported coal traffic to APLU siding at Nandikoor had picked up during the year and a total of 849 rakes (2.56 million tons) were handled during the year. New loading of Container traffic from Khed was commissioned since March 2024. During the year, new traffic streams of Container traffic were started from Verna and Khed Terminals.

### 3.3. Improvement in services

- Hon'ble Prime Minister flagged off Vande Bharat Train No. 22229/22230 between CSMT- MAO in June 2023 and Train No. 20645/20646 between MAQ-MAO in December 2023.



- Executive lounge at MAO with state-of-art facilities for passengers was inaugurated by Hon'ble CM of Goa in June 2023. Also, at Thivim, executive lounge has been commissioned in December 2023. The lounge includes modern amenities for passenger comfort, such as single seating cushion sofa, premium single large comfortable sofa seating, executive VIP room (max 04 persons), sleeping pods, minishower package, relax zone package, work station access, cafeteria etc.



## KONKAN RAILWAY CORPORATION LTD.



- Bird View Lake, Karmali: To promote tourism & recreational activities, "Bird Watching Tourism Centre" has been developed at PF-2 of Karmali station. Apart from enjoying the picturable view of lake, passengers / visitors will be able to enjoy variety of delicious foods & beverages including Goan delicacies.
- UTS-cum-PRS facility is commissioned at GOK, MRDW, BYNR, BTJL & SGR.
- PRS Reservation facility is commissioned at Panjim & Rajapur Post Office.
- Retiring Room facility is commissioned at UD and KAWR in September 2023.
- Train No. 16585/16586 SMVB-MAQ-SMVB Exp is extended up to MRDW in September 2023 under Daily Express train category.
- Battery operated car service has been commissioned at MAO in November 2023.



- Coach restaurant at Madgaon is inaugurated on 11.02.2024 to offer a rich dining experience to passengers as well as other tourists at Goa.





## KONKAN RAILWAY CORPORATION LTD.



- In order to enhance travel experience for the passengers, “Recreation and Wellness facilities” were started at MAO, THVM and KRMI stations. These facilities offer entertainment for people of all ages and are also equipped with Automatic Full Body Massager Chairs.



- Preventive Checks: During 2023-24, an amount of ₹409.07 lakh was recovered from irregular travelers.
- MAO and UD stations have been included in Amrit Bharat Station scheme in financial year 2023-24.
- Up gradation of goods sheds: -
  - ❖ Infrastructure augmentation work at KHED and RN Container Rail Terminals (CRTs) was taken up in collaboration with CONCOR. At Ratnagiri, reefer plug-in facilities would be made available to cater reefer container traffic.
  - ❖ The infrastructure augmentation work at UD, TOK, VEN & INP has been started. The good sheds will have facilities such as paved circulating area, warehousing, high mast tower lights, CCTV coverage, parking yard and concrete approach road, merchant room, labour room, cafeteria etc. The work for UD & TOK is in the final stage of completion and the work for INP & VEN is in progress.





## KONKAN RAILWAY CORPORATION LTD.

### 3.4. Business Development:

- Multi Modal Logistics Park (MMLP) at BALLI: EXIM container service commenced from MMLP, Balli to JNPT from 10.07.2021. In financial year 2023-24, 203 EXIM container rakes (13,636 Containers) and 152 Domestic rakes (20,715 Containers) were handled at MMLP, BALLI. Corporation gets additional revenue from MMLP based on business turn over and land leasing charges.
- New traffic initiatives:
- Container operations commenced from KHED w.e.f.13.03.2024 and VEN (5 rakes up to March 2024).



- 2000 MT Cold storage and Integrated Packhouse at Ratnagiri is being developed in collaboration with MAHAPREIT & APEDA, to cater to fisheries and mango producers/transporters in Ratnagiri area.
- NFR (Non-Fare Revenue streams)
  - ❖ To provide shopping experience at stations, Corporation started a new innovative idea of “Sale of Garments” at Madgaon and Thivim Railway stations.



## KONKAN RAILWAY CORPORATION LTD.



- ❖ “One Station One Product” Scheme: To provide a market for local/indigenous products and enhanced livelihood & welfare of local artisans, potters, weavers/ hand loom, tribal etc., the scheme of 'One Station One Product' has been implemented at Ratnagiri, Kankavali, Kudal, Thivim, Madgaon and Udupi stations in specially designed stalls.
- ❖ Licensing of Commercial Plots: To facilitate the customers to handle inward and outward rail bound consignment, allotment of commercial plots is being done on license basis for stacking of their consignment. Total 9905 Sqm area was licensed in financial year 2023-24 (KHED-2945 Sqm, RN-4376 Sqm, VEN-2584 Sqm) at annual Land License Fee of ₹ 11.7 lakh.
- ❖ Rail Arcade - Contract of Setting up, operation, management & transfer of Rail Arcade at Madgaon has been awarded in August, 2023. Setting up of the facilities is in progress.

#### 4. CIVIL ENGINEERING

- During the year 2023-24, Corporation has completed total Track Renewal (Complete Track Renewal / Through Weld Renewal) for a total length of 80 Km. Out of total M/L length of 746 Km laid during construction, the Track Renewal completed till 31.03.2024 is 631 Km. After completion of above safety work, Corporation has achieved 37% reduction in weld failures as compared to previous financial year 2022-23.
- One Level Crossing (LC 23 at Km.304/115) between Nandgaon and Kankavli in Ratnagiri Region has been eliminated by diversion through the existing bridge which enhances the safety in train operation.
- The monsoon 2023 has passed without any major unusual on Engineering account even though total average rainfall of 3321 mm has been received during the monsoon 2023.
- Traffic facility work of engine run line at SWV was constructed during the year 2023-24 and commissioned on 21.12.2023.
- Environmental improvement by tree plantation: Every year Corporation is carrying out the tree plantation for improvement of environment and during the year 108884 nos. of saplings has been planted against the target of 100000 trees.



## KONKAN RAILWAY CORPORATION LTD.

### 5. INFRASTRUCTURE PROJECTS

#### 5.1. Construction of Katra-Dharam section of Udampur- Srinagar-Baramulla Rail Link (USBRL) Project, J&K

KRCL is executing part of USBRL Project in UT of J & K, comprising 16 tunnels, 22 Major Bridges and 2 Iconic Bridges (Chenab Bridge and Anji Bridge). On 20.02.2024, Hon'ble Prime Minister dedicated new rail line between Banihal-Khari-Sumber-Sangaldan Section and Electrification of Baramulla-Srinagar-Banihal-Sangaldan Section to the nation. Also, 1st Electric Train (MEMU) from Baramulla to Srinagar and Inaugural train from Sangaldan to Baramulla were flagged off simultaneously from Srinagar & Sangaldan respectively remotely from Jammu. 3 block sections; Reasi-Bakkal, Bakkal-Dugga & Sangaldan Sumber completed in all respect during this financial year.

KRCL has completed excavation of all 16 tunnels. Total Tunnel excavation of Main tunnel is 44.59 Km. Tunnel T1 (length 3159m) passing through Main Boundary Thrust (MBT- also called as Reasi Thrust)) with heavy ingress of water is made breakthrough during this financial year. Further, Breakthrough of Main Tunnel T13 (length 9.274 Km), Main Tunnel T14 of length 6.284 km (KRCL 1.723 km) and Escape Tunnel T14 of length 6.284 km (KRCL 1884 m) achieved in this financial year. Tunnel lining of 6472 m is achieved during this financial year. Lining of Main Tunnel T14 (KRCL 1723 m), Escape Tunnel T13 (length 9109 m) & Escape Tunnel T14 (KRCL 1884 m) is completed in this financial year. Cumulative length of Tunnel lining (Main + Escape) completed is 65.97 Km.

Anji Bridge is the first Cable Stayed Bridge for Railway in the Country. The construction of Anji Bridge is completed including track linking work in this financial year. Total 21 Bridges completed out of 22 Bridges. The Bridge no. 60 (5 x 45m Composite Girder) which accommodates Main line and a loop line with two High Level Passenger Platforms is being constructed in Sawalkote Yard in very challenging and congested location. The launching of super-structure is completed during this financial year and it is in advanced stage of completion.

All Ballast Less Track (BLT) work completed except Tunnel T1 and Sawalkote Yard. BLT at Reasi, Bakkal, Dugga & Sangaldan yard completed during this financial year. 23.38 km BLT completed during this financial Year. Total 53.95 km BLT completed out of 59.6 km. The Works in Sawalkote Station building completed during this financial year. With this, works in all 5 Station buildings is completed. Financial Progress of ₹ 2522.37 Crore (excluding GST) has been achieved during this financial year.





## KONKAN RAILWAY CORPORATION LTD.

Hon'ble Prime Minister dedicated new rail line between Banihal-Khari-Sumber-Sangaldan ( total 48 km stretch)



## Anji Bridge





## KONKAN RAILWAY CORPORATION LTD.

**Breakthrough Tunnel T1**



**Breakthrough Tunnel T13-Main Tunnel**



**Breakthrough Tunnel T14-Main Tunnel    Lining of Main Tunnel T14 Completed**



**Lining of Escape Tunnel T13 completed**







## KONKAN RAILWAY CORPORATION LTD.

### Bridge 60



### Ballast Less Track (BLT)

#### Reasi Yard



#### Bakkal Yard



#### Dugga Yard



#### Sangaldan Yard



#### Tunnel T6



#### Bridge 39





## KONKAN RAILWAY CORPORATION LTD.

- 5.2. Anakkampoyil–Kalladi-Meppadi Tunnel Road Project:** Government of Kerala has assigned KRCL as Special Purpose Vehicle (SPV) for the execution of the Anakkampoyil-Kalladi-Meppadi Road Tunnel Project. A Tripartite Agreement has been signed between Konkan Railway, Public Works (H) Department and Kerala Infrastructure Investment Fund Board (KIIFB) to implement the project. KRCL has prepared DPR for Twin Tube unidirectional Tunnel with 4 lane approach road and two parallel major bridges at southern end at an estimated cost of ₹ 2043.74 Crore. Administrative sanction for DPR from Government of Kerala has been received. Tender process is in progress.
- 5.3. DPR for Thalassery to Mysuru New Railway Line:** Kerala Rail Development Corporation Limited (KRDCL) has entrusted the work of preparing Feasibility Study Report and Detailed Project Report to KRCL for the proposed Thalassery – Mysuru new Railway line. The project is being executed in two stages, i.e., Thalassery to Minangadi as Phase -I in Kerala State (103.64 km) and the remaining portion from Minangadi to Kadakola as Phase-II in Karnataka State. The Final Location survey and Geotechnical investigation from Thalassery to Minangadi of 103.64 RKM has been completed. The Aerial Electromagnetic (AEM) Survey from Thalassery to all tunnel locations has been completed. DPR for Phase-I from Thalassery to Minangadi is submitted to KRDCL for approval.
- 5.4. Rail connectivity to Vizhinjam International Seaport, Kerala:** MOU has been signed between KRCL and Vizhinjam International Seaport Ltd (VISL) to link the Vizhinjam Seaport (11 km). The Detailed Project Report (DPR) with an estimated cost of ₹ 980.935 Crore has been approved by Southern Railway under NGR model. Land acquisition for the project is in progress.
- 5.5. Final Location Survey for Raxaul – Kathmandu new Electrified BG Line:** East Central Railway has awarded Final Location Survey for new BG Line (136 km) between Raxaul (India) and Kathmandu (Nepal) and is being executed by Konkan Railway. Traverse Survey, Topographic Survey, Geological Mapping & Field Survey are completed for full stretch. FLS Report has been approved by ECR/Railway Board. Project Evaluation Committee / Gatishakti, Railway Board, has accepted the report and recommended to take the project forward.
- 5.6. Proposed Circular BG Rail Connectivity in Sindhudurg District:** Feasibility study for the proposed circular BG Rail connectivity in Sindhudurg District has been taken up by KRCL. The Circular Railway to start from Nangaon and pass through Devgad, Malvan, Vengurla, Sawantwadi, Kudal, Kankavali and back to Nandgaon, for an approximate length of 190 km to promote tourism.
- 5.7. Execution of Viaduct, Major bridges & ROBs in Khurda Road - Bolangir new BG Rail Line Project in ECoR, Odisha:** The project involves the construction of two major viaducts (21x24.4 M & 48x24.4M), 9 major bridges, 7 ROBs (including three NH ROBs), and one RUB, along with other allied works. Currently, work on 12 bridges, including two major viaducts, is in progress, of which four bridges are in the final completion stage. Work on the remaining bridges will commence shortly after the clearance of encumbrances by ECoR, with the aim to complete all bridges by 31.12.2025. The total cost of the project is ₹ 337.17 Crore. As on date, the total financial progress of this project is ₹ 68.79 Crore.





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### 5.8. Project Management Consultants:

5.8.1. Supervision Consultant of Rail-Over-Bridges (RoB) along the metro line 2B, 4, 5 and 9: A Memorandum of Understanding was signed between KRCL and MMRDA for PMC work of supervision of construction of Rail-Over-Bridges (RoBs) along Metro lines 2B, 4, 5, and 9 in the Mumbai Region for 10 railway crossings. The work is in progress at 7 crossings and is in the completion stage at the Mankhurd-Govandi crossing.



### 5.8.2. PMC Projects in Surat Municipal Corporation (SMC)

5.8.2.1. Rail Over Bridge at Saroli: Surat Municipal Corporation awarded the Project Management Consultancy for supervision of the construction of an RoB over the railway portion at a cost of ₹ 3.50 Lakh per month in March 2022, with a completion period of 12 months. The work has been completed and opened for traffic.



## KONKAN RAILWAY CORPORATION LTD.



5.8.2.2. Rail over Bridge at Siddhartha Nagar: Surat Municipal Corporation awarded the Project Management Consultancy for supervision of the construction of a RoB over the railway portion at a cost of ₹ 4.99 Lakh per month in December 2021, with a completion period of 12 months. Further supervision service was extended for a period of 6 months. Supervision of 60% of the work has been completed.



5.8.2.3. Underpass (RUB) at Udhana Yard: Surat Municipal Corporation awarded the Project Management Consultancy for the construction of an underpass (RUB) at a cost of ₹ 4.26 Lakh per month in July 2022, with a completion period of 16 months. Further supervision service was extended for a period of 6 months. The work includes supervision of the construction of a 180 m underpass, out of which 148 m has been cast in-situ and 32 m by pushing method under the running line of Udhna-Bhusaval. The cast in-situ work has been completed, and pushing work is likely to be completed by May 2024.







## KONKAN RAILWAY CORPORATION LTD.

- 5.8.2.4. R&B Division, Rajkot has awarded the Project Management Consultancy for inspection of the construction of a RoB at a cost of ₹ 4.13 Lakh per month in January 2024 for a period of 3 months. The manpower has been deployed from January 2024 and the work is in progress.



RoB at Rajkot



RoB at Anand

### 5.8.2.5. PMC Projects in R&B Division, Anand

- R&B Division, Anand has awarded the Project Management Consultancy for the construction of a RoB in lieu of LC No. 28 at a cost of ₹ 5.79 Lakh per month in October 2023. 75% of the work has been completed and the remaining work is in progress.
- The work of PMC for the construction of a RoB in lieu of LC No. 11 has been commenced from March 2024.

- 5.8.2.6. Vapi Nagarpalika has awarded the Project Management Consultancy for laying a 900mm dia DI Pipe with a 1200mm casing pipe Sewerage Pipeline with a completion period of 4 months. The manpower has been deployed from November 2023 and the work is in progress.

- 5.8.2.7. Gujarat Water Supply & Sewerage Board (GWSSB) has awarded the Project Management Consultancy for laying 800mm dia MS Pipe with a 1200mm casing pipe Sewerage Pipeline in December 2023. The manpower has been deployed from February 2024 and the work is in progress.

- 5.8.2.8. Narmada Development Division No. 20, Mandleshwar, MP has awarded the Project Management Consultancy for laying pipeline crossing under the railway track at 5 different locations in January 2024. The supervision work at 4 locations started from February 2024.

### 5.8.3. Consultancy:

- 5.8.3.1. Ratlam-Neemuch Consultancy Project: The consultancy involves various aspects of the project, including updating detailed estimates and DPRs, conducting detailed design drawing, and managing the bid process for the EPC works tender along the Neemuch-Ratlam stretch spanning 132.92 KM, which was awarded to the Konkan Railway by Western Railway. KRCL has effectively completed the Bid Process Management till the award for six tenders. Furthermore, the preparation of GADs and Detailed design drawings for Station Building, Staff Quarter, Location Plans, Platform Shelter, Service Building, Platform Wall, Retaining Wall, Minor Bridges, FOB for all Stations, LWR Plans, and other





## KONKAN RAILWAY CORPORATION LTD.

related structures has been completed and submitted to WRly. The preparation of remaining drawings for utility layout plans, modular shelters for seating arrangements, plumbing details, and electrical (concealed wiring) are currently in progress. The total physical progress achieved is 70%.



The Commissioning of the Namli to Dhoswas section of 11.796 km has been carried out on 20.03.2024

### 5.8.3.2. Consultancy services in Central Railway:

- **Wardha-Yavatmal Tunnel Design Consultancy:** The Geotechnical Investigation Report, Geological Mapping Report, Seismic Refraction Tomography Report, Preliminary Design of Tunnel – Volume I & II, and Tunnel Design Drawings (Rev A) have been submitted to Central Railway for approval.
- **Itarsi-Nagpur 3rd line Tunnel Design Consultancy:** Final Geotechnical Investigation Report, Geological Mapping, Seismic Refraction Tomography Report, Preliminary Design of Tunnel, and Tunnel Design Drawings (Rev A1) were submitted to Central Railway for approval.
- **Feasibility Studies, DPR & Design Consultancy of various Routes of Central Railway:** Central Railway has awarded the work of Feasibility Studies, DPR & Design Consultancy of various Routes of Central Railway with a completion period of 2 years. The work on 34 routes have been taken up and Inception Reports of 21 routes as well as Alignment Designs for 18 routes and 9 DPR/ PECT/RECT have been submitted.





## KONKAN RAILWAY CORPORATION LTD.

5.8.3.3. Tunnel Consultancy services for National Highway tunnels of NHAI: Memorandum of Understanding (MoU) was signed between KRCL and NHAI on 22.11.2023 for Consultancy Services involving the Review/Proof Check of Designs, Drawings, and safety aspects in slope stabilization & tunnel construction, and to conduct safety audits of existing slope protection and tunnels for NHAI projects on a demand basis. Accordingly, the Safety and quality audit of 4 National Highway tunnels in the UT of Jammu and Kashmir has been carried out.



### 6. ELECTRICAL

6.1. **Safety:** High standards of safety were maintained with following achievements

- Electrical accident of fire in KRCL trains – Nil
- En-route AC failure (CNAC) in KRCL trains – Nil
- Detention of trains on account of tunnel ventilation failure – Nil

7. **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:** The information pertaining to conservation of Energy, technology Absorption and Foreign Exchange Earnings and Outgo stipulated under section 134(3)(m) of the Companies Act, 2013, read with the sub rule 3 of rule 8 of Companies (Accounts) Rules, 2014 are as under: -

7.1. Energy Management:

7.2. Green Energy: During the year, 5.47 lakh units were generated by the Solar Power Plants installed, thereby saving of ₹ 59.33 lakh has been achieved. Cumulative saving of ₹ 464.11 lakh and cumulative generation of 42.14 lakh units have resulted since this provision.

7.3. Non-Fare Revenue: 54261 units of electricity were generated and exported to the State Electricity Grids. An amount of ₹ 3.35 lakh was credited in the energy bills for such generation.



## KONKAN RAILWAY CORPORATION LTD.

- 7.4.** TRD: More than 80% of freight traffic are already switched over to electric traction. During the year, savings of appx. ₹ 252.50 Crore is achieved on fuel cost.
- 7.5.** Bidding for Outsiders: Electrical department has participated in 54 tenders of outsiders (Appx. estimated cost ₹ 3089.52 Crore). Seven LOA has already been received from WC Rly (04), SW Rly (02), S Rly (01) for ₹ 274.60 Crore and the work is in progress.
- 7.6.** OHE training center at Ratnagiri: A full-fledged OHE training center has been developed and is now operational at Ratnagiri TRD depot. It helps in improving the OHE maintenance skills of the staff. Periodic training is arranged for the staff in the training center.
- 7.7.** Removal of Speed restriction in Byndoor Tunnel Departmentally: An issue of Pantograph hitting to cantilever assembly was observed in Byndoor Tunnel due to which Caution order was imposed in the tunnel. To address this, the case was studied and the heights were adjusted to the optimal to avoid the case of hitting the Pantograph and removed the caution order.
- 7.8.** Provision of High Mast for lighting at Verna depot: To enhance the lighting arrangement and to ensure better illumination, 2 nos. of 16 Mtrs. Height High Mast was provided for premium intensive examination of freight wagons at Verna depot.
- 7.9.** Isolation of Verna and MAO Yard: Isolation of Verna and MAO Yard was achieved by installing an isolator between the Balli and MAO section as well as the Verna and Karmali section. This placement of isolators allows for the maintenance of the respective sections without isolating the entire MAO and VEN yard. This streamlines the maintenance process, ensuring no disruptions to the yard while facilitating efficient and targeted maintenance activities on the Verna and MAO sections.
- 7.10.** Effective utilization of staffs in TL & AC Depot: To optimize staff allocation and streamline operations for the project and safety departments, the TL and AC depot were merged and operated together. This enables for the efficient use of resources, reduces redundancy, and enhances overall operational effectiveness.
- 7.11.** Shifting of Barcem & Karwar tunnel ventilation systems to Karbude Control Room: The reduction in manpower was achieved by automating the tunnel ventilation systems of Karwar & Barcem and subsequently shifting the control operations to the Karbude Control Room. This enabled to utilize manpower effectively and spared 08 nos. of staffs from ventilation, optimizing the allocation of resources and eliminating the separate need for continuous manual monitoring and operation of the ventilation systems in Karwar & Barcem Tunnel due to which saving an amount of ₹ 97.3 lakh per annum.



## KONKAN RAILWAY CORPORATION LTD.

- 7.12.** Improvement of illumination level at R&D line No.8 at Verna yard: To enhance the Illumination and to enable effective attention & intensive examination of goods trains at R&D line No.8 at Verna yard, lighting enhancement were done and required level of illumination were provided.
- 7.13.** Roof top at LHB AC coaches: To address the issue of rainwater entering the passenger area and causing damage to the flexible AC ducts and the Electrical Panels, a protective cover made of stainless steel has been installed over the open area. During the rainy season, water has been entering the duct area of the RMPU from the roof, and through the AC ducts, this water has been seeping into the passenger area and electrical control panel. This aims to prevent rainwater from entering the passenger area and protect the flexible AC ducts and control panel from water leakage. This proactive measure will enhance the comfort and safety of the passengers.
- 7.14.** Supply & fixing of medium duty racks in Karwar region: The provision of medium-duty racks has been implemented to facilitate the stacking of maintenance spares at the TRD depots. These medium-duty racks are designed to efficiently organize and store a variety of maintenance spares, ensuring easy accessibility and optimal utilization of space. By utilizing these racks, it enables the TRD depots to maintain an organized and systematic inventory of maintenance spares, thereby enhancing operational efficiency and reducing the time required for spares retrieval during emergencies and breakdowns.
- 7.15.** Bond replacement: Karwar Region area is located in the coastal area therefore observing the deteriorating and rusting of bonds and to ensure the safety in the different depot, bonds are being replaced in the entire region.
- 7.16.** HPCT Yard Electrification Work: To eliminate the demand for diesel locomotives in the HPCT Yard, the HPCT yard was electrified. The work of electrification was completed within the stipulated time.
- 7.17.** OHE Modification work for construction of ROB: The GSIDC (Goa State Infrastructure Development Corporation) proposed a Road Over Bridge (ROB) at Margao. The electrical modification work for Overhead Equipment (OHE) was completed departmentally. This involved shifting three terminations to ensure the safe and efficient provision of the new ROB and OHE system.
- 7.18.** Training and skill enhancement. Providing regular training to employees on electrical safety protocols, including safe handling of equipment and procedures to be followed in the electrified section during maintenance and emergency work in the section.
- 7.19.** Technology absorption



## KONKAN RAILWAY CORPORATION LTD.

Details are mentioned below in the table:

Sl. No.	Particulars	Status
(a)	Details of technology imported	Nil
(b)	Year of import	Nil
(c)	Whether the technology been fully absorbed	Nil
(d)	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Nil
(e)	Expenditure incurred on Research and Development.	Nil

**7.20. Foreign exchange earnings and outgo:** During the year, there was foreign exchange Earnings of ₹ Nil and Foreign Exchange Out go of ₹ 22.40 Lakh on account of Business development and training.

## 8. MECHANICAL

### 8.1. Operationalization of Indo-Nepal Cross Border Railway

Nepal Railway Company Limited continued to engage Konkan Railway Corporation Limited for Operations & Maintenance support till December 2024. As part of this agreement, Konkan Railway carried out operations & maintenance of DEMU trainsets, supplied expert manpower and minimum equipment, created basic systems for railway operations and provided technical support for maintenance of track and signaling systems. This is the first ever International Project of KRCL in Railway Operation & Maintenance. The operationalization of Indo-Nepal Cross Border Railway between Jaynagar and Kurtha stations of Nepal Railway was started by KRCL w.e.f. 03 April 2022 after inauguration by Hon'ble Prime Ministers of India and Nepal on 02 April 2022. Since then, Konkan Railway has operated a minimum of two up and two down train services every day with 100% punctuality. The Agreement for Extension of Operationalisation of Jayanagar (India) – Kurtha (Nepal) - Bijalpur (Nepal) railway was entered into between Nepal Railway Company Limited and KRCL for the period till 31 December 2024. Thus, Konkan Railway has successfully completed two years of Operationalisation of the cross border India-Nepal Passenger rail link. During this period, Konkan Railway operated 1422 DEMU services with 100% punctuality.

**8.2. Private Maintenance of 10 CONCOR-owned BLC rakes:** KRCL received a Notification of Award (NOA) on 04 January 2024 from CONCOR for the work of examination and maintenance of 10 CONCOR-owned BLC rakes at Inland Container Depot, Tughlakabad. The work was started w.e.f. 17 January 2024. KRCL has carried out this activity with its in-house trained C&W staff. KRCL submitted its bid against the Expression of Interest (EOI) for selecting prospective rolling stock suppliers floated





## KONKAN RAILWAY CORPORATION LTD.

by Greater Wellington Regional Council, New Zealand for the Lower North Island Rail Integrated Mobility (LNIRIM) project, on 21 February 2024. An MOU was signed between Rail Coach Factory, Kapurthala and KRCL on 20 February 2023 to design, manufacture, supply and commission rolling stock for the LNIRIM project, if KRCL's bid is successful. Another MOU was signed in the month of October 2023 between BEML Limited Bangalore and KRCL to explore opportunities for supply/ export of Rolling Stock to the Indian and overseas customers.

- 8.3. Tata Chemicals Magadi Limited:** Konkan Railway had signed a contract with M/s. Tata Chemicals Limited, Magadi, Kenya for Rehabilitation of Railway Systems including Track, Locomotives and Rolling stock in March 2023, and work on this project had already started. The Phase I of this project was completed in July 2023. This is KRCL's first International Project in the African continent and the second International Project after the successful performance in Nepal.
- 8.4. Construction work of Rolling Stock Component factory (RSCF):** The construction of RSCF for Central Railway has progressed well. Cluster-1 for LHB bogie overhaul is almost completed and is expected to become operational in September 2024. The financial progress so far has been ₹290.84 Crore.
- 8.5. Premium and Closed-Circuit Rake Examination:** Premium Examination has been started at Verna Depot for first time in the month of August 2023. Closed Circuit Rake examination of all rakes (IR & OPVT rakes) has been started from 8 November 2023 and BPC for 30+5 Days /10,000 KM whichever is earlier have been issued in the month of November 2023.

## 9. SIGNAL AND TELECOMMUNICATION

- 9.1. Train Operations - Improvements:** Improvement of Terminus Line and TTM Siding: Engine run line at SWV commissioned on 16.04.2023 on loop line no.2 at MAQ end and TTM Siding at Karwar commissioned on 20.12.2023 on loop line no.2 at MAQ end.



Engine run line at SWV



TTM Siding at Karwar



## KONKAN RAILWAY CORPORATION LTD.

- 9.2. Alterations in Electronic Interlocking:** In house alteration in Electronic Interlocking logic circuits including FAT (Factory Acceptance test) & SAT (Site Acceptance Test) at 4 stations completed by CSTE's Drawing office team resulting in cost saving of ₹ 1.04 Crore is achieved. Further, first time on IR, KR Drawing office design team has developed In-house Power Block / Un Block collar on VDU of EI system & alteration in point operations "Pop up" menu as per CRS inquiry report of Balasore & implemented at Indapur station on 05.01.2024 and Padubidri station on 18.01.2024, resulting in cost savings of approximately ₹ 52 Lakh.



- 9.3. Doubling of TOK-JOK (SR) & MJO-CSM (SWR):** MOU has been signed with S.Rly for doubling of TOK-JOKT bottle neck section with provision of EI and yard flexibility at no cost to KR – saving approx. ₹ 15.5 Crore for S&T works. Work is planned in coordination with S.Rly in July/Aug 2024. RVNL has deposited an amount of ₹ 3.64 Crore for MJO-CSM Doubling work on 29.07.2023 incidental to Vasco-Londa doubling. Work is in advance stage and planned for commissioning with RVNL in April, 2024.



**TOK- JOKT Doubling**



**MJO- CSM Doubling**





## KONKAN RAILWAY CORPORATION LTD.

- 9.4. Non-Fare revenue earnings:** OFC Lease Agreement with BSNL - As a part of commercial exploitation of OFC, agreement signed with BSNL for investment of ₹ 31.86 Crore towards advance lease of 04 dark fibers and full amount received on 14.07.2023. This has resulted in saving of the expenditure of ₹ 31 Crore towards OFC/QUAD replacement in balance critical mid-sections of BLP-MAO.

**OFC Lease Agreement with RCIL** - Superseding the earlier revenue sharing agreement, a new fibre Lease Agreement has been signed between Railtel & KRCL on 17.10.2023, towards the leasing of 05 nos. Optic Fibers for amount of ₹ 198 lakh (Including GST) per annum with annual increment.



MOU Signing with BSNL



MOU Signing with RCIL

## 10. SAFETY

Konkan Railway has given focus on safety to ensure train service without an accident by taking various measures in renewals, maintenance and upgradation of infrastructure by giving enhanced Block hours. Further, the personnel involved in Train operations have been trained on their working knowledge through training, workshops, interactions, webinars, drives etc. Konkan Railway Officials have been nominated for training sessions arranged by Indian Railway to have an enhanced exposure. Further, Family members of the running staff have been involved to realize the importance of quality rest at home. During the financial year there were no Consequential train accidents.

Inter Railway Safety Audit of Konkan Railway has been conducted by SAG officers Safety Audit team of Metro Railway Kolkata on 01<sup>st</sup> & 2<sup>nd</sup> November 2023 in RN & KAWR region. Intra Railway Safety Audit of Karwar Region has been conducted on 19<sup>th</sup> & 20<sup>th</sup> April 2023 by the team of CSO, Dy.CSO, Sr.REE/RN, RME/RN, SSO/Optg/HQ, ASO/S&T/MAO and AEE/MAO along with concerned Regional Officers. Intra Railway Safety Audit of Ratnagiri Region has been conducted on 17<sup>th</sup> & 18<sup>th</sup> July 2023 by the team of CSO, Dy.CSO, Sr.RME/MAO, SSO/Optg/HQ, SSO/Engg/MAO and ASO/S&T/MAO along with concerned



## KONKAN RAILWAY CORPORATION LTD.

Regional Officers. Intra Railway Safety Audit of KARWAR Region has been conducted on 26<sup>th</sup> and 27<sup>th</sup> February 2024 by the team of CSO, Dy.CSO, DyCEE/HQ, DyCSTE/Proj/1, SrRTM/MAQ, and DGM/Loco along with Regional Officers. International Level Crossing Awareness Day (ILCAD)–2023 was observed over Konkan Railway on 15<sup>th</sup> June 2023.

On 23.11.2023, Konkan Railway had organized a Joint Mock Exercise at VERNA, GOA with NDRF/5 Battalion Pune along-with co-ordination of GOA State Fire brigade team. Konkan Railway Officials were actively participated (One batch of Officials @ Mumbai & Other batch @ Ratnagiri) in State Level Mock Exercise on Cyclone and Cyclone induced disasters conducted by Maharashtra State Government on 07.11.2023 (Table Top Meeting) and physical exercise on 09.11.2023. As per directives of Railway Board, Mock Exercise / Mock drill has been conducted quarterly in both Regions of Konkan Railway.

To bring the Safety Awareness amongst the safety category staff, total 80 nos. of Safety Seminars/Webinar/Workshops were organized wherein 4404 staff had participated, total 17 nos. of Safety Drives and total 8 nos. of Safety Circulars and 6 nos. of JPOs were issued on different Safety Subject. International Level Crossing Awareness Day (ILCAD) – 2023 was observed over Konkan Railway on 15<sup>th</sup> June 2023. On 24.11.2023, CRS/CC carried out window trailing inspection by Train No-20111 Dn between SNDD-MAO section. A Special Awareness drive was conducted for villagers to prevent CRO (Cattle Run Over) cases at different locations in both RN and KAWR regions.

Disaster Management Plan 2024 in Bilingual has been issued in the month of February 2024. Station Working Rule for stations has been prepared and issued timely. In addition, Correction Slips & revalidation of Station Working Rule has been issued as per requirement. A hand book on Safety for safety category staff has been prepared & circulated to all concerned in the month of April 2023. On 23.01.2024, a Pocket Size Hand Book on Safety DO's & DONT's for Crew and Station Master / Points man has been issued. G&SR of KR in HINDI has been issued in the month of March 2024.

## 11. HUMAN RESOURCES DEVELOPMENT

### 11.1. Policy Framing

- ❖ For the first time ever in the history of KRCL, Online Exams for Selections through GDCE were conducted through Mobile in which employees from CO, RN & KAWR attended the exam. The exam was conducted without pen, paper or computer but through the candidates own mobile phone. The exam was conducted successfully.
- ❖ To resolve the issues of contractual employees, a new contract policy on fixed term basis was introduced on 15.09.2023.





## KONKAN RAILWAY CORPORATION LTD.

- ❖ Standardization of documents required for inclusion of family members / dependent relatives, etc in Passes/PTOs as per Railway Board has been incorporated in KRCL.
- ❖ A new cell, namely, Project Development Monitoring Cell (PDMC) is formed with the aim of enhancing business activities in KRCL.
- ❖ Ex-gratia of ₹ 17,951/- per employee (Total ₹ 8,99,01,065/-) has been granted to all Non-Executives of KRCL.
- ❖ Liaison Officer for PwBD, EWS and Ex-Servicemen was nominated in KRCL.
- ❖ New Modules developed:
  - a. Settlement Module
  - b. Cadre Module
  - c. DAR Module
- ❖ Labour Notice Boards and ICC Notice Boards have been displayed at all stations and establishment offices of KRCL.
- ❖ Weeding of old records (Total 815 kg) of Personnel Department has been carried out as per prescribed procedure.

### 11.2. Recruitment

A total of 10 employees are appointed against Compassionate Ground Appointment. The details are as under:

Department	Non-Executive
Civil-Engineering	03
Electrical	01
Operating (Station Master)	01
Mechanical	01
Commercial	03
Personnel	01
Total	10

### Promotions / Contract Employment:

The total number of employees promoted and number of contract employment in KRCL is as below:

Contract Employment	GDCE	Promotions	MACPS
42	89	552	193



## KONKAN RAILWAY CORPORATION LTD.

### 11.3. Employee Awareness Programmes:

- A Workshop on 'Retirement benefits' for employees superannuating in 2024 & 2025 and National Pension System for the employees of Karwar region was organised at Community Hall, Madgaon on 29.01.2024. Financial Institutions like HDFC, Tata Capital, SBI etc., participated in the event and explained the various schemes available for Investment and planning of retirement corpus. Do's and Don'ts has also been explained to retired employees.
- Seminar on Reservation to Ministerial Staff of Corporate Office, Belapur was conducted at Board Room on 04.02.2024 by CPO/KRCL.
- Session on National Pension Scheme for NPS employees and investment opportunities for retiring employees at Corporate Office, Belapur on 15.09.2023.
- For the first time in KRCL, Pension Adalat was organized for resolving the problems faced by retired employees at KRV Nerul on 17.05.2023.
- Interactive sessions on APAR's and IPRS with employees at regular intervals are conducted across all regions of KRCL.

### 11.4. Welfare:

- As a part of AKAM, Dance Competitions for KRCL Employees and their family members were held at CO and Regions. The final Dance Competition in Solo and Group Categories were held at Community Hall, Madgaon. Cash prizes and certificates were distributed.
- Inter Regional Sports Meet was conducted at Madgaon on 27.01.2024 to 28.01.2024.
- Scholarship / Cash Prizes of ₹ 11,67,000/- were distributed to 345 employees of KRCL.
- The details of Picnics that were organized for employees and their families across KRCL are as under:-

Sr No	Region	Date	Location	No. of employees / family members
1	CO	16.03.2024	Imagica Water Park, Kopoli	128
2	RN	13.01.2024	Family picnic to Koyna Hydro Electric Project	45
3	RN	20.01.2024	Family picnic to Redij Ganapathi	63
4	KAWR	24.12.2023	Yuva Meridian, Kundapur	53
5	KAWR	17.12.2023	Nirmit Park, Devalmakki	96



## KONKAN RAILWAY CORPORATION LTD.

**11.5. Industrial relations:** During the year industrial relations have been cordial with Unions and SC,ST as well as OBC Associations.

**11.6. Women Empowerment:** Informative, Educative & Gender Sensitizations programmes were organized to empower Women Employees regarding POSH Act on 20.10.2023 at Corporate Office Belapur. International Women's Day was celebrated in KRCL. As on 31.03.2024, there are 446 nos of women employees in the Corporation working all over jurisdiction of Konkan Railway holding some of important postings and crucial operation of train running. The percentage of women employees is 8.37% of the total employees.

### 11.7. Human Resources Position as on 31.03.2024

Group	GEN	OBC	SC	ST	Total	Ex-Serviceman	PH	Minorities
Executives	145	47	30	11	233	1	4	19
Non-Executives	1850	2097	802	343	5092	12	50	554
Total	1995	2144	832	354	5325	13	54	573

**11.8. Particulars of Employees:** As per provisions of Section 197 of the Companies Act, 2013 read with the rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company is required to disclose the ratio of the remuneration of each Director to the median employee's remuneration and such other details as may be prescribed in the Director's Report. However, as per Notification No. GSR463 (E) dated 05.06.2015 issued by the Ministry of Corporate Affairs, Government Companies are exempted from complying with provisions of section 197 of the Companies Act, 2013. Konkan Railway Corporation Limited being a Government Company, such particulars are not included as part of Director's Report.



Workshop on 'Retirement benefits' for employees superannuating in 2024 & 2025 and National Pension System for the employees of Karwar region was organised at Community Hall, Madgaon on 29.01.2024 and attended by CPO.



## KONKAN RAILWAY CORPORATION LTD.



Session to Women Employees regarding POSH Act on 20.10.2023 at Corporate Office Belapur. International Women's Day was celebrated in KRCL



Session on National Pension Scheme for NPS employees and investment opportunities for retiring employees at Corporate Office, Belapur on 15.09.2023.

### 12. TRAINING

- In the year 2023-24, Training department made a saving of apprx. ₹ 2.87 Crore by conducting all mandatory safety courses and targeted non-safety programs in-house. Earning of ₹ 47.87 lakh was made during the year while Revenue expenditure for the year was limited to ₹ 70.32 lakh against the sanctioned amount of ₹ 1.16 Crore thereby saving 39% of the revenue budget. Timely RC training was imparted to 572 due staff. During the year, 16 Initial Courses were conducted in-house for various categories of staff and total 252 trainees were covered. As many as 962 number of courses were conducted and the training man-days achieved in the year 2023-24 were 37230 which is Highest ever training man-days in the last 10 years.
- Following Safety Courses were conducted during the year.
  - Under SPAD, total 259 LP/ALP (repeat) and 171 (individual) LP/ALP were covered.
  - 15 awareness sessions were conducted on 'Working of trains in Automatic Block Section' covering 91 employees of all Safety departments.
  - 57 Safety workshops were held in the year in which 1245 (individual) staff participated.
  - 08 Fire Fighting sessions were conducted for 148 front-line staff.
  - 178 Contract staff was also extended safety counselling.
  - 454 safety sessions were conducted through LEAP (Learning Enhancement and Assessment Program) covering 3248 individual staff by all Instructors.
  - 05 Sessions, for Executives were conducted in which 14 Executives were trained, on - Formation Construction; Best Practices for Safe Cross Passage – Investigation, Design and Construction; Rolling Block Program; Digital Transformation of Railways - Train to Track and Operational to Maintenance and Slope Stabilization Challenges in Infrastructure Projects.





## KONKAN RAILWAY CORPORATION LTD.

- During the year, various Courses/soft skills programs were conducted for all employees.
- a] Non-executives: Total 255 Sessions/courses were conducted, for non-executives, covering 5289 staff (repeat count) and 1275 individual staff as below:
- 03 Initial courses for Junior TE CUM CA.
  - Sensitization programs (Moral and Work Ethics, Gender Sensitization at work place, Safety of Women and Child at Railway Station and Security of Children at Railway Station).
  - 25 sessions conducted through LEAP (Learning Enhancement and Assessment Program) covering 351 individual staff by all Instructors.
  - 03 Refresher courses for TE and CA.
- b] Executives: As many as 28 programs were conducted through Department of Public Enterprises, reputed Management Institutes, expert individual trainers and External Training Institutes. in which 137 Executives in repeat count and 108 individual Executives were trained.
- c] Skill Programs: During the year, several Skill training programs were conducted for various categories of employees, viz.
- Skill enhancing training for 103 Artisans (of Engineering, S&T, Mechanical and Electrical Department).
  - Functional and soft skills training for 87 SHKHs/RHKHs and 78 contract housekeeping staff.
  - Supervisory Skill Enhancement program for 103 Supervisors.
  - Health and Wellness Program for 283 KRCL staff and 41 contract housekeeping staff.
  - Skill Development Training for 41 S&T staff.
- d] Non-safety workshops: 03 workshops were conducted on non-safety topics - out of which 02 were on Motivation for Executives and Staff and 01 on HIV/AIDS. Total 313 (repeat count) and 296 individual staff were trained.

**RHSDC:** During the year, 12 soft skills programs were organized and 1458 youth were trained. Total 4382 individual staff were covered through various trainings during the year. Under Public Awareness programs, total 40 interactions were held and 2634 citizens were sensitized and made aware, including school and college students.

13. **MATERIAL MANAGEMENT :** During the year, scrap sale of ₹ 37.25 Crore has been achieved (which includes ₹ 3.99 Crore from USBRL Project). This is 43% higher (28% higher if USBRL Project is excluded) than the last year's scrap sale of ₹ 26.02 Crore. Money value



## KONKAN RAILWAY CORPORATION LTD.

realized during the year is ₹ 22.09 Crore. For ECoR Project at Odisha, reinforcement steel – 1905 MT for ₹ 12.38 Crore from M/s. SAIL and PPC Cement in bulk – 7750 MTs for ₹ 4.10 Crore were procured on GeM Portal. Rail 60 Kg, PO placed for ₹ 79.63 Crore on M/s. Jindal Steel Power Ltd. for 10035.280 MT. It is estimated that a saving of ₹ 8.9 Crore has been achieved. With the implementation of Third Party Inspection (TPI) the payment of Inspection charges to RITES has been reduced to ¼th of the previous year. Total 30 Cases for Electrical Project valuing ₹ 319.62 Crore has been initiated and Rate contract is placed for ₹ 83.61 Crore.

### 14. VIGILANCE

In this endeavor to fight the menace of corruption, KRCL Vigilance has taken a holistic approach which includes detecting irregularities, analysing and finding out reasons for such irregularities and making effective systemic improvements to curb them.

#### ➤ Special Achievements by Vigilance:

“KRCL's Complaint Handling Policy” for Vigilance Dept.: Based on the latest complaint handling policy and circulars of the CVC, the policy of dealing with the complaints in KRCL has been drawn by Vigilance. The “KRCL's Complaint Handling Policy” is available on website <http://www.konkanrailway.com> for the information of the users.

“Vigilance Complaint Management System (VCMS)”: Information about corruption, malpractice or misconduct on the part of KRCL officials reaches the Vigilance department from various sources. An online VCMS has been developed in house to deal with all the complaints lodged / submitted either online or offline. All complaints received by Vigilance department since 01.11.2023 are being handled through this system.

#### ➤ Preventive Vigilance Checks to safeguard Working System: In the year 2023-24, total 177 preventive checks were conducted, resulting into recovery of ₹ 2.01 Crore. Of the total 55 nos. Complaints received in year 2023-24, 39 were found to be anonymous / pseudonymous, 11 complaints without vigilance angle were sent to concerned department for necessary action. 3 complaints were investigated and allegations not proved. As on date, 2 complaints are under investigations.

#### ➤ Systemic Improvement: Based on the preventive checks, 5 systemic improvements were issued in FY 2023-24:

- Issued Joint Procedure Order for delivery of S&T scrap on weight basis.
- If the private cash is more than prescribed ceiling, the denominations of the cash and its purpose should be mentioned in the private cash register available at station and such cash should duly be verified by supervisor, failing which DAR action may be initiated.
- Revision of TTE Roster upto 48 working hours weekly followed by proper rotation of staff to avoid regular working in particular section.



## KONKAN RAILWAY CORPORATION LTD.

- System improvement was sent to COS with following suggestions:
  - ❖ Submission of Manufacturers Authorisation Form should be mandatory in GeM as well as IREPS. Offers without MAF should be summarily rejected.
  - ❖ Special undertaking from consignee may be obtained in case MAF is not submitted. Consignee should not blame about the quality of material procured afterwards.
  - ❖ Once it is clearly mentioned about rejection of bid on the basis of non-submission of MAF the provision of penalty for non-submission does not arise.
- Following points were suggested as system improvement to MMD regarding vague Inspection Certificates issued by KRCL of the consignment/materials.
  - ❖ A standard format of Inspection Certificate should be followed.
  - ❖ Details of different type of tests carried out while inspection may be mentioned.
  - ❖ Proper record of the Quantities received, accepted / rejected may be maintained at the office of officials inspecting the materials.
- Preventive Vigilance Activities: Apart from the preventive checks conducted, steps are taken to educate the employees on the ill effects of Corruption and to inculcate good ethics, honesty and integrity. The information for the year 2023-24 is as follows:
  - Training on “Vigilance matters” by CVI/Traffic at KRA imparted to Commercial Assts. and TTEs. Around 30 staff attended the same.
  - Training was given by CVI/Traffic at KRA to JE and SSE of Electrical department on “Vigilance Matters”. Around 25 staff attended the same.
- Vigilance Awareness Week 2023: Vigilance Awareness was observed from 16<sup>th</sup> August to 15<sup>th</sup> November 2023, as per CVC guidelines. This year's theme given by CVC was “Say no to Corruption; Commit to Nation”. As part of this campaign, the following programs/activities were carried out by Vigilance department:
  - Essay competition in Hindi and English on the topic “Say no to corruption; commit to the Nation” was conducted for all employees and their family members and the winners were awarded attractive cash prizes and certificates.
  - Drawing competitions were conducted for 3 different age groups for the employees and their family members and the winners were awarded attractive cash prizes and certificates.
  - Quiz competitions were organized during the week and correct answers were given prizes on the spot.



## KONKAN RAILWAY CORPORATION LTD.

- As a step towards creating awareness on the need for inculcating cyber hygiene as a tool towards cybersecurity, an online session for all the employees of the Corporation was organized on 07.11.2023.
- A PPT on “PIDPI (Public Interest Disclosure and Protection of Informants)” was presented by Deputy Chief Vigilance Officer at Ratnagiri and Madgaon on 11.09.2023 and 05.10.2023 respectively.
- An online seminar on “Basis of Public Procurement” was organized by the PCOS on 13.09.2023.
- A session on “Ethics and Governance” was organized by external speaker Shri Himanshu Vishnoi on 29.09.2023.
- On 27.10.2023, a session for officers and employees of KRCL on the topic “Discipline and Appeal Rule including Role of IO and PO” was organized.
- On 30.10.2023, the first day of the Vigilance Awareness Week, the Integrity Pledge was administered to all the officers and employees in line with the instructions of CVC.
- An online “Vigilance Complaint Management System (VCMS)” has been developed in house to deal with all the complaints lodged / submitted either online or offline. VCMS was inaugurated on 01.11.2023 during the Vigilance Awareness Week by CMD.

**15. HEALTH CARE:** Manday loss in 2023-24 was 1.2%, thereby ensuring availability of more human resource at respective workstation and increased output. 52 health checkup and diagnostic camps were organized in the health units during the year. 2186 beneficiaries have availed the benefit of these camps. 212 Initial Medical Examinations and 1510 Periodical Medical Examinations were conducted during the year.

### **16. INFORMATION TECHNOLOGY**

- FAS Application which was deployed on MRVC with application support for 5 years at a total cost of ₹ 6.08 Crore has completed 1 year of working, where-in MRVC has discontinued its old Tally system, and have completely moved to KRCL FAS application. IDFC First Bank was integrated in FAS for On-Line Payment to the vendors thereby empowering real-time access for payments directly from banks. Various MIS reports Project-Wise, Profit-Centre wise, Budget & revised estimate wise expenditure reports with D&G charges have been implemented.
- IFAS has been integrated with Axis Bank for On-Line Payment to the vendors. The Bank API integration empowers businesses with real-time access for payments directly from banks. This feature facilitates accurate processing of transactions, enhancing operational efficiency while ensuring timely payments.





## KONKAN RAILWAY CORPORATION LTD.

- KRCL has modernized its Java based ERP application catering to all departmental functions, by revamping the application code to connect to a new Open Source PostgreSQL Database.
- Provision for virtual depot has been implemented in the Stores and Inventory Module. Goods directly received at locations other than RN and MAO depot, a concept of designating at such locations as virtual depots for the purpose of state-wise GST bifurcation is achieved by incorporating improvements in line with Audit compliance observations.
- KRCL has undertaken Modernization of ERP database by moving away from proprietary to Open-source Database thereby avoiding Software lock-in with cost benefit to KRCL.
- Enhancements in Settlement Module for PPO, settlement calculation for VRS, Resignation, Removal to reduce the time for processing for settlement was achieved.
- Vigilance Complaint Management System (VCMS): Prior to implementation of VCMS, all complaints related to vigilance dealt by KRCL Vigilance department were dealt in offline mode that is complaints were received either by letter (hand delivery or DAK) or e-mail etc. For this, complainant was required to write letters and arrange submission of complaints manually to the Vigilance department or alternative sent through email. New online portal "Vigilance Complaint Management System (VCMS)" is a quick, easy, and cost-effective system wherein the complainant can lodge his/her complaint online by logging to KRCL website with supporting document in soft form. Complainant can check the status of complaints by using the system generated complaint ID and Password which are sent to the complainant's e-mail ID on successful registration of the complaint.
- Digitisation of DAR Management of the Corporation was achieved, with end to end visibility of overall DAR status, auto generation of standard forms of KR, Enquiry schedule details, Interfaced with Employee service register, Cadre, Settlement systems to link penalty imposition, with ease to manage to all DAR dealing authorities, as well as Personnel dept for overall organisational position.
- KRCL has hosted its mobile apps in Mobile Seva app platform of Govt of India meticulously adhering to specific guidelines for secure hosting by fortifying with SSL certifications, API level upgrades, and have undergone rigorous testing and verification.
- KRCL has modernised its eOffice to the latest version with enhanced infrastructure having various new navigational feature, Calendar, VC, and other tools, including various security checks for authentication.



## KONKAN RAILWAY CORPORATION LTD.

### 17. RAILWAY PROTECTION FORCE

Railway Protection Force deployed in KRCL are assigned with the responsibility of Protection of KRCL properties, assets and protection of passengers and passenger area which they execute as per provisions envisaged under RPF Act, Railway Property Unlawful Possession Act 1966, Railways Act, 1989 etc. In spite of the lean strength position, RPF/KRCL has efficiently discharged their responsibility by ensuring security to Railway property, passengers and enabling smooth operations of Trains over KRCL. During the Financial year 2023-24, due to the alertness and efforts of RPF staff over KRCL, 29 criminals involved in committing theft of passenger belongings were arrested by RPF with recovery of stolen property worth ₹ 21,946,610/-. 1071 cases under the Railways Act were registered against offenders including anti-social elements from Trains & Railway premises and a total fine amount of ₹ 10,35,850/- was realised from them by various Courts.

RPF teams conducted raid against Touts operating in black marketing of reservation tickets and 22 offenders were arrested with recovery of tickets worth ₹ 2,16,430.85/- forfeiture of 115 nos. of future journey tickets and 376 nos. of illegal User IDs were blocked by IRCTC. All the arrested offenders were prosecuted in Courts of Law. RPF staff assisted Commercial staff in ticket checking in which 4063 persons were fined and an amount of ₹ 26,38,092/- was realised. RPF staff of Konkan Railway secured 241 lost/ left behind luggage / valuable articles of passengers worth ₹ 82,96,513 /- and handed over the same to owners /passengers. RPF rescued 84 run away children including 25 minor girls from Trains / Rly. Premises and handed over them to their parents / Child Help Line. During the period under review, RPF/KRCL seized 4190 illegally transported liquor bottles valued ₹ 6,23,859/- with arrest of 47 bootleggers from trains /station premises and handed over to Excise department. Similarly, 241 Cigarette smoking cases were detected and fine amount of ₹ 48,200/- was realised from defaulters.

Security of Women and Children on Railways: Safety and security of Women and Children are accorded high priority and real time assistance is ensured on complaints received through Helpline No.139, Twitter and Rail Madad etc.

### 18. PROGRESS IN OFFICIAL LANGUAGE IMPLEMENTATION OF CORPORATION

- 1) कोंकण रेलवे कॉर्पोरेशन लिमिटेड द्वारा वर्ष 2022-23 के दौरान अखिल भारतीय स्तर पर 'ख' क्षेत्र के सार्वजनिक क्षेत्र के उपक्रमों की श्रेणी के अंतर्गत राजभाषा कार्यान्वयन में सराहनीय कार्य करने के लिए दिनांक 14 सितंबर, 2023 को पुणे में आयोजित 'हिंदी दिवस एवं तृतीय अखिल भारतीय राजभाषा सम्मेलन' में भारत के माननीय गृह राज्य मंत्री श्री अजय कुमार मिश्रा जी द्वारा कोंकण रेलवे कॉर्पोरेशन लिमिटेड के निदेशक (परिचालन एवं वाणिज्य), श्री सन्तोष कुमार झा जी को 'राजभाषा कीर्ति पुरस्कार- तृतीय स्थान की राजभाषा शील्ड' प्रदान कर सम्मानित किया गया। कोंकण रेलवे को नौवीं बार यह पुरस्कार प्राप्त हुआ है।



## KONKAN RAILWAY CORPORATION LTD.



- 2) नगर राजभाषा कार्यान्वयन समिति, नवी मुंबई द्वारा वर्ष 2022-23 के दौरान अखिल भारतीय स्तर पर 'ख' क्षेत्र की नगर राजभाषा कार्यान्वयन समितियों की श्रेणी के अंतर्गत राजभाषा कार्यान्वयन में सराहनीय कार्य करने के लिए दिनांक 15 सितंबर, 2023 को पुणे में आयोजित 'हिंदी दिवस एवं तृतीय अखिल भारतीय राजभाषा सम्मेलन' में केरल के माननीय राज्यपाल, श्री आरिफ मोहम्मद खान और भारत के माननीय गृह राज्य मंत्री श्री अजय कुमार मिश्रा जी द्वारा नराकास, नवी मुंबई के कार्यकारी अध्यक्ष, श्री सन्तोष कुमार झा जी को 'नराकास राजभाषा सम्मान पुरस्कार - तृतीय स्थान की राजभाषा शील्ड' प्रदान कर तथा सदस्य सचिव, नराकास, नवी मुंबई, श्री सत्येंद्र कुमार शुक्ला जी को प्रशस्ति प्रमाण-पत्र प्रदान कर सम्मानित किया गया। कोंकण रेलवे विगत छह वर्षों से नराकास नवी मुंबई का कार्य-संचालन कर रही है। नराकास, नवी मुंबई को पाँचवीं बार यह पुरस्कार प्राप्त हुआ है।



- 3) दिनांक 23.11.2023 को न्यूक्लियर पावर कॉर्पोरेशन लिमिटेड, चेम्बूर, अणुशक्तिनगर, मुम्बई के ऑडिटोरियम में गृह मंत्रालय, राजभाषा विभाग, नई दिल्ली द्वारा वर्ष 2022-23 के लिए आयोजित क्षेत्रीय राजभाषा सम्मेलन के दौरान राजभाषा नीति के उत्कृष्ट कार्यान्वयन हेतु कोंकण रेलवे, मडगांव कार्यालय को द्वितीय स्थान का क्षेत्रीय राजभाषा पुरस्कार प्राप्त हुआ। शील्ड तथा प्रमाणपत्र का वितरण श्री रमेश बैस, माननीय राज्यपाल, महाराष्ट्र तथा श्री अजय मिश्र, माननीय गृह राज्य मंत्री जी के करकमलों से किया गया। कोंकण रेलवे मडगांव कार्यालय की ओर से शील्ड श्री प्रशांत गाड, स्टेशन प्रबंधक, मडगांव और प्रमाण-पत्र श्री सतीश धुरी, हिंदी अनुवादक द्वारा स्वीकारा गया।



## KONKAN RAILWAY CORPORATION LTD.



- 4) दिनांक 19.01.2024 को एचएएल मैनेजमेंट अकादमी, संजय नगर, बंगलुरु ऑडिटोरियम में गृह मंत्रालय, राजभाषा विभाग, नई दिल्ली द्वारा वर्ष 2022-23 के लिए आयोजित क्षेत्रीय राजभाषा सम्मेलन में राजभाषा नीति के उत्कृष्ट कार्यान्वयन हेतु कोंकण रेलवे, मंगलुरु कार्यालय को प्रथम स्थान के क्षेत्रीय राजभाषा पुरस्कार से सम्मानित किया गया। शील्ड तथा प्रमाण-पत्र का वितरण श्री अजय मिश्र, माननीय गृह राज्य मंत्री जी के करकमलों से किया गया। कोंकण रेलवे मंगलुरु कार्यालय की ओर से शील्ड श्री जी डी मीणा, सहायक यातायात प्रबंधक, मंगलुरु और प्रमाण-पत्र श्री सतीश धुरी, हिंदी अनुवादक द्वारा स्वीकारा गया।



- 5) दिनांक 22.03.2024 को रेलवे बोर्ड, नई दिल्ली में संपन्न समारोह में कोंकण रेलवे को वर्ष 2022 के दौरान उत्कृष्ट कार्य करने के लिए आदर्श उपक्रम के रूप में "रेल मंत्री राजभाषा रनिंग ट्रॉफी" से सम्मानित किया गया। इस ट्रॉफी को श्रीमती जया वर्मा सिन्हा, अध्यक्ष एवं मुख्य कार्यकारी अधिकारी के करकमलों से प्रदान किया गया और श्री सत्येन्द्र कुमार शुक्ला, मुख्य राजभाषा अधिकारी द्वारा ग्रहण किया गया।





## KONKAN RAILWAY CORPORATION LTD.



- 6) दिनांक 28.11.2023 को नवी मुंबई नराकास की 38वीं बैठक में वर्ष 2022-2023 के दौरान नवी मुंबई नराकास के सदस्य कार्यालयों में उपक्रमों की श्रेणी में हिंदी के उत्कृष्ट कार्यान्वयन हेतु कोंकण रेलवे कॉर्पोरेशन लिमिटेड को 'प्रथम स्थान की राजभाषा शील्ड' तथा सर्वश्रेष्ठ गृह पत्रिका के प्रकाशन हेतु कोंकण रेलवे कॉर्पोरेशन लिमिटेड को 'प्रथम स्थान की राजभाषा शील्ड' से सम्मानित किया गया।



### 19. GENERAL ADMINISTRATION


#### 19.1. Campaigns & Drives

- **World Environment Day** was observed on 05.06.2023 in a befitting manner with the theme 'Beat Plastic Pollution' on Konkan Railway.
- **International Yoga Day** was observed on 21.06.2023 at KR Vihar Nerul, Navi Mumbai. All the necessary arrangements for the success of the program was ensured. A report in this regard was sent to Railway Board.
- **Swachhta Pakhwada 2023** was observed from 16 to 30.09.2023. During this period, various activities were carried out and posted on Social Media handles of KRCL tagging @swachchbharat, @RailMinIndia & other Zonal Railways. Necessary works have been undertaken during Swachhta Pakhwara Campaign to weed out all old outdated



## KONKAN RAILWAY CORPORATION LTD.

records. Shredders were arranged for the same thereby creating much required office space.

- **Samvidhan Divas (Constitution Day)** was celebrated on 26.11.2023 at the Corporate Office, Regional Offices in Ratnagiri and Karwar as well as Project Office of USBRL at J&K, wherein the Preamble was read by all the employees. Awareness was spread regarding Fundamental Principles of the Indian Constitution and duties and responsibilities of railway servants as citizens of the country.
- **National Voters Day** was observed on 25.01.2024 at the Corporate Office, Regional Offices in Ratnagiri and Karwar as well as Project Office of USBRL at J&K, wherein the Pledge was administered to all the employees.
- **Foundation Day:** Konkan Railway celebrated its 33<sup>rd</sup> Foundation Day on 16.10.2023 in a befitting manner at the CIDCO Exhibition Centre, Vashi. The event was successfully organised and streamed live on YouTube channel of KR. Various logistic arrangements for awardees, design and printing of banners, memorabilia for the event, liaising with the event managers, co-ordinating with all the Depts. for successful conduct of the function.
-  **25 years of Operation Phase:** Special Logo was designed and used as watermark on Letterheads of KRCL. Special Memorabilia in form of Key Chains and fridge magnets featuring 25 years logo were designed and printed. 25 years of Operations was also observed in a befitting manner during the Foundation Day celebration showcasing journey of operations by way of large size hanging banners. The special attraction was 25 years Operations Phase logo rangoli. The event was also marked with various selfie points and a cultural evening wherein a Hindi Drama was arranged for the audience.
- **Independence Day and Republic Day:** Independence Day was celebrated on 15<sup>th</sup> August 2023 all over Konkan Railway. 'Meri Mati Mera Desh' pledge was administered during the celebrations. 'Har Ghar Tiranga' Abhiyaan was also undertaken and National Flags were procured and distributed to all employees.
- **Sports Meet:** As a welfare measure and to promote team spirit, Sports events were organized for Executives and Non-Executives in various disciplines.
- **Quiz Programs:** General Administration dept organized Hindi and English Quiz competition for all employees of Corporate Office during the Rajbhasha Pakhwara and Vigilance Awareness Week respectively.
- **Parliament Session:** 75 parliamentary questions received from Lok Sabha and Rajya Sabha and 02 State Legislative Assembly were replied in 2023-24.

### 19.2. Business Development

- **Infrastructure Development through MPLAD Scheme:** All dues against works executed under MPLAD Scheme has been received from Collectorates. A new



## KONKAN RAILWAY CORPORATION LTD.

proposal for the work of Providing Platform Shelters and other ancillary works at a total cost of ₹ 1.49 Crore has been submitted to Hon'ble MP/Rajya Sabha, Goa on 28.02.2024 for consideration and approval.

- Infrastructure Development through CFA Schemes of Ministry of Tourism:
  - ₹ 2500 Lakh Tourism infrastructure Development works at Madgaon, Karmali & Thivim Stations under CFA scheme of Ministry of Tourism are in progress. Work is expected to be completed in June 2024. Work Completed: MAO-100%, KRMI — 100% & THVM — 85%.
  - DPR has been submitted to Ministry of Tourism, Govt of India for development of tourism infrastructure at KHED, SGR, KKW, KAWR, KUDA & SL stations on 21.07.2023. Total proposed work is for ₹ 5000 Lakh.
- MoU with CWC and CRWC: An MoU was signed with M/s. CWC and CRWC on 04.03.2022 for development & Maintenance of Goods shed and Rail side warehousing complexes at 10 stations of KRCL. CWC and CRWC will make the investment for development. Only land will be provided by KRCL on long term license. Work has commenced at Udupi, Thokur, Verna and Indapur Stations. The work at Udupi and Thokur is expected to be completed by April 2024.
- Gati Shakti Proposals:
  - M/s. Continental Mega Food Park Pvt. Ltd., Navi Mumbai has submitted proposal for developing Goods shed and other infrastructure at Veer station under Gati Shakti Multi-Modal Cargo Terminal (GCT) Policy. In Principle Approval for the above proposal accorded in August 2022. Process for acquisition of additional land required by M/s. Continental Mega Food Park Pvt. Ltd is in progress.
  - M/s.JSW Jaigarh Port Ltd has submitted proposal for setting up of Siding at Bhoke station for handling of cargo through rail under Gati Shakti Multi-Modal Cargo Terminal (GCT) Policy. In Principle Approval for the above proposal has been accorded in October 2022. DPR for GCT submitted by M/s. JSW Jaigad Port Limited on 31.08.2023. Finalization of option for development of the Siding is in progress.
  - Rail Connectivity to Minor Ports: Karnataka Maritime Board (KMB) issued Work Order on 22.12.2023 for preparing a DPR for rail connectivity to Manki Port at a cost of ₹30 Lakh (excl GST). KMB has released an advance amount of ₹15 Lakh to KRCL on 13.03.2024.
  - Station re-development through “Amrit Bharat Station Scheme”: Railway Board has accorded approval on 07.07.2023 and 10.01.2024 for integrated redevelopment of Madgaon Station and Udupi Station respectively under “Amrit Bharat Station Scheme”. Consultant has been appointed for Providing Architectural and Technical Consultancy for Feasibility Study, Master Planning, Urban Designing, Engineering and Preparation of Detailed Project Report (DPR) for Madgaon Station. Conceptual plans are under finalization Process for appointment of consultant for Udupi Station is in progress.



## KONKAN RAILWAY CORPORATION LTD.

### 19.3. VISITS OF PARLIAMENTARY COMMITTEES & OTHER MEETINGS

KRCL had an opportunity to interact with a total of 05 Parliament Committees on various issues in financial year 2023-24.

- ❖ Department Related Parliamentary Standing Committee on Industry visited KRCL at Goa on 21.04.2023 with regard to implementation of 25% prescribed procurement from Micro & Small Enterprises (MSEs) by CPSEs under the Public Procurement Policy and review of release of their payment.
- ❖ Second Sub-Committee on Official Language visited on 14.07.2023 regarding works of RRM's Office, KAWR.
- ❖ Study Visit of the Standing Committee on Railways (2022-23) at Srinagar on 05.09.2023 on the subject 'New Lines / Gauge Conversion / Doubling / Electrification and Signaling in Indian Railways with special emphasis on Udhampur-Srinagar-Baramulla Rail Link (USBRL) Project'.
- ❖ Study Visit of Public Accounts Committee at Goa on 04.10.2023 with regard to Audit Report No. 13 of 2023 on 'Railway Finances'.
- ❖ Study Visit of Standing Committee on Railways (2023-24) at Patna on 27.02.2024 regarding 'New Lines/Gauge Conversion/Doubling/ Electrification & Signaling in IR with special emphasis on Raxaul-Kathmandu Rail Line.
- ❖ Konkan Railway Users' Consultative Committee: Two meetings were organized with the new reconstituted KRUC in a befitting manner at Goa on 05.07.2023 and at Mangaluru on 02.03.2024 for which all the logistic arrangements were coordinated by General Administration Department. This initiative was highly appreciated by KRUC Members. Various passengers' related issues were discussed during the meeting.



(1st Row L-R): Sachin Vahalkar (Pax Assoc), T. I. Madhusoodanan (MLA), Dhananjay B Mahadik (MP), Umesh Jadhav (MP), Sanjay Gupta (ex-CMD/KRCL), Francisco C. Sardinha (MP), N. K. Premachandran (MP), Ashish Pednekar (MCCI), Ganesh Gaonkar (MLA), Lalit Gandhi (MCCI) & Chandrakant Gawas (GCCl)

(IInd Row L-R): Baban Ghatge (DGM/PR/MAO), V C Sinha (COM), R R Kamble (RRM/RN), B B Nikam (RRM/KAWR), L K Verma (ex-CCM), P Chithrasen (Secy to CMD), A K Sinha (CSC), Santosh Kumar Jha (Dir O&C), Rajesh Bhadang (DF), R Nagadath (CE), Joseph George (GM/SP&BD), N M Telang (CM/Admin) & Asha Shetty (DGM/G).



(R-L): G G Mohandas Prabhu (KCCI), Sachin Vahalkar (Pax Assoc), Chandrakant Gawas (GCCl), Satish Krishna Sail (MLA), Sanjay Gupta (ex-CMD /KRCL), Santosh Kumar Jha (Dir O&C), N M Telang (CM/Admin), Asha Shetty (DGM/G), B B Nikam (RRM/KAWR)

(R-L): R Nagadath (CE), A K Sinha (CSC), R R Kamble (RRM/RN), P Chithrasen (Secy to CMD), Dinesh Bonde (Dy.CCM-L/A CCM), V C Sinha (COM), Vinay Kumar (RTM/MAQ)





## KONKAN RAILWAY CORPORATION LTD.

### 20. MEMORANDUM OF UNDERSTANDING (MOU) RATINGS

Department of Public Enterprises assigned “VERY GOOD” MOU rating to the Corporation for the year 2022-23. The overall performance of Corporation in terms of MOU Parameters for the year 2023-24, is expected to be “EXCELLENT”. The achievement of non-financial and compliance parameters of MoU 2023-24 are as under:

Sl. No.	Name of Parameter	Achievement
1	Gross Tonne Kilometre (GTKM) (in Million)	15735
2	Acceptance / Rejection of invoices of Goods and Services through TReDS portal within specified time (in %).	100
3	Procurement from GeM as per approved Procurement Plan (in %).	100

Sl. No.	Compliance Parameters	Remarks
1	DPE guidelines issued from time to time on CSR expenditure by CPSEs	Complied
2	Compliance of provisions in the Companies Act, 2013 (or SEBI (LODR) regulations in case of listed entities) on Corporate Governance such as:  (i) Composition of Board of Directors (ii) Board Committees (Audit Committee etc.) (iii) Holding Board Meetings (iv) Related Party Transaction (v) Disclosures and Transparency	(i) Not Complied (ii) Complied (iii) Complied (iv) Complied (v) Complied
3	Target as given by NITI Aayog on Assets Monetization Milestones	Complied
4	Procurement of goods or services through MSEs as % of total procurement of goods and services - 25%	Complied
5	Procurement of goods or services through SC/ST MSEs as % of total procurement of goods and services - 4%	Not Complied
6	Procurement of goods or services through Women MSEs as % of total procurement of goods and services - 3%	Complied
7	Steps and initiative taken for Health & Safety improvement of Human Resources in CPSEs - Target to be prescribed by the Administrative Ministry): Organising health camps for medical screening of employees at work place on important health days up to March 24 such as International day of Universal Health coverage day (12 <sup>th</sup> December, 2023), World Cancer Day (4 <sup>th</sup> February, 2024), World Tuberculosis Day (24 <sup>th</sup> March, 2024).	Complied
8	Compliance with provisions relating to TReDS as outlined in DPE OM No. DPE-7(4)/2007-Fin dated 04.05.2020.	Complied



## KONKAN RAILWAY CORPORATION LTD.

21. **DIVIDEND:** The Board of Directors do not propose to recommend for payment of dividend during the year under review.
22. **RESERVES:** In view of accumulated losses, the Board of Directors do not propose to transfer any amount to Bond / Debenture Redemption Reserve in terms of the Companies (Share Capital and Debentures) Rules 2014, which mandates the Corporation to create a Debenture Redemption Reserve for the purpose of redemption of Debentures.
23. **INVESTOR EDUCATION AND PROTECTION FUND (IEPF):**  
The Corporation had issued various Series of Bonds (public and private placement basis) from the incorporation of the Company, which are listed on National Stock Exchange (NSE). The unclaimed and unpaid Interest and Redemption cum Interest amounts on these Bonds were transferred to IEPF Authority as per Section 205C of Companies Act, 1956 (now under Section 125 of the Companies Act, 2013) and rules framed thereto. Bondholders whose amount is unclaimed and unpaid as per the list submitted to IEPF Authority and uploaded on Companies website at <https://konkanrailway.com/department/viewdept/bonds>, can now claim the said amount from IEPF Authority by filing web form IEPF-5, available at <http://www.iepf.gov.in/IEPF/corporates.html> and after obtaining verification report from the Corporation.
24. **A STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK, IF ANY, WHICH IN THE OPINION OF THE BOARD MAY THREATEN THE EXISTENCE OF THE COMPANY**  
The Corporation has in place a Risk Management Policy in line with the DPE Guidelines on Corporate Governance for CPSEs to ensure the integration and alignment of the risk management system with the corporate and operational objectives. The Risk Management Cell constituted by the Risk Management Committee was tasked to evaluate department wise risks along with mitigation plan. A booklet has been prepared covering departmental risks and its mitigation plan and the same is revised periodically.
25. **AUDITORS**
- 25.1. **Statutory Auditor:** The Comptroller & Auditor General of India had appointed M/s. Sarda & Pareek LLP, Chartered Accountants, as Statutory Auditor for the year 2023-24.
- 25.2. **Internal Auditor:** The Companies Act, 2013 has given statutory recognition to Internal Audit, keeping in view its relevance in today's business scenario. As per section 138 of the Companies Act, 2013, read with Rule 13 of Companies (Accounts) Rules 2014, the Corporation has appointed M/s. L. B. Jha & Company, Chartered Accountants, an independent accounting firm, to undertake the internal audit of the Corporation for the year 2023-24.



## KONKAN RAILWAY CORPORATION LTD.

### 25.3. Internal Control Systems and their adequacy

The Corporation has robust Internal Systems and processes in place for smooth and efficient conduct of business and complies with relevant laws and regulations. It has adequate system of internal financial controls in place, in the form of well documented delegation of power, policies and procedures, that cover critical as well as important activities of financial and other operating functions for safeguarding of assets, prevention and detection of fraud and error, ensuring accuracy and completeness of the accounting records and timely preparation of reliable financial information.

The procedures are in the form of manuals, guidelines, delegation of powers and IT system and controls which are affected through people operating in various departments within the Corporation at different levels at each stage of the processes. These are designed to ensure compliance with the internal financial controls as detailed in the Companies Act, 2013 and prevalent on Indian Railways. In order to ensure that all checks and balances are in place and all internal control systems are in order, regular and exhaustive internal audits are conducted by experienced independent firms of Chartered Accountants in close co-ordination with Corporation's own internal audit Department.

Internal Audit covers all areas of operation of the Corporation, as per annual Internal Audit Program. Internal Audit helps in improving accuracy and efficiency of transactions and operations by undertaking review of in-built controls, scrutiny of payments and expenditure and examination of financial and technical records of the Corporation. The internal audit reports for Financial Year 2023-24 were received on quarterly basis and their observations were taken up at the management level. A summary of Audit Observations and Action Taken Reports were regularly placed before the Audit Committee and the recommendations of the Audit Committee were duly complied with by the Corporation.

**25.4. Secretarial Auditor:** The Board of Directors appointed M/s. Priyanka Yadav & Associates, Practicing Company Secretaries, to conduct Secretarial Audit for the year 2023-24. The Secretarial Audit Report for the year ended March 31, 2024 is placed as **Annexure – 1**.

**25.5. Maintenance of Cost Records:** The Corporation is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, as it falls under table of non-regulated sectors under heading as "Railway or tramway locomotives, rolling stock, railway or tramway fixtures and fittings, mechanical (including electro mechanical) traffic signaling equipment of all kinds; (8601 to 8609) for the reason that, the provision of Chapter Codes and description (ITC HSN) is applicable for the company which is in production of Railway or tramway locomotives, rolling



## KONKAN RAILWAY CORPORATION LTD.

stock, railway or tramway fixtures and fittings, mechanical (including electro mechanical) traffic signaling equipment of all kind.

### 26. CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements of the Corporation prepared in accordance with the provisions of the Companies Act, 2013 and the relevant Indian Accounting Standards (Ind AS) form part of the Annual Report of the Corporation.

### 27. EXPLANATION OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION, ADVERSE REMARK OR DISCLAIMER MADE BY THE SECRETARIAL AUDITOR, STATUTORY AUDITORS & COMPTROLLER AND AUDITOR GENERAL OF INDIA:

**Secretarial Auditor's Report:** The comments of the Secretarial Auditor and Management reply thereto has been placed as **Annexure-2**.

**Statutory Auditor's Report:** The comments of the Statutory Auditor and Management reply thereto has been placed at page no.129.

**Comments of Comptroller and Auditor General of India:** The comments of the Comptroller and Auditor General of India has been placed at page no.132 & 235.

**Frauds reported by the Auditors:** No fraud has been reported by the Statutory Auditor or Secretarial Auditor of the Corporation.

### 28. CORPORATE GOVERNANCE

**Philosophy on Corporate Governance:** The Corporation's philosophy on Corporate Governance is based on the principles of honesty, integrity, accountability, adequate disclosures, legal compliances, transparency in decision making and avoiding conflicts of interest. The Corporation gives importance to adherence of adopted corporate values and objectives and discharging social responsibilities as a good corporate citizen. The Corporation believes in providing excellent services to the Shareholders and Customers including ensuring safety to the passengers and improving the productivity through efficiency in all spheres of activities. The motto of the Corporation is "Sadar Seva" summarizing the ethos of the Corporation. The Corporation, being a Government Company, its activities are monitored by several external agencies like the Secretarial Auditors, Statutory Auditors, the Comptroller & Auditor General of India, the Central Vigilance Commission (CVC), Parliamentary Committees, etc. Corporation structure, business and disclosure practices have been aligned to the Corporate Governance Philosophy.

In order to uphold the highest standards of corporate governance, the Corporation has implemented, both in letter and spirit, the guidelines enunciated by the Department of Public Enterprises, Government of India, on Corporate Governance. For effective implementation,





## KONKAN RAILWAY CORPORATION LTD.

the following good governance practices have been put in place:

- Code of Conduct for Board of Directors and Senior Management
- Integrity Pact for Vendors
- Systems in place for ensuring compliance of Applicable Laws, Rules & Regulations
- Whistle Blower Policy
- Corporate Social Responsibility Policy
- Risk Management Policy
- Related Party Transaction Policy
- Preservation of documents and their archiving policy
- Directors' Training Policy
- Conduct, Discipline and Appeal Rules for Employees

All above policies are available at <https://konkanrailway.com/departments/viewdept/bonds>.

### 29. BOARD OF DIRECTORS

The Board of Directors headed by Chairman & Managing Director, is the apex body which oversees the overall functioning of the Corporation. It is vested with the ultimate responsibility of the management and performance of the Corporation. The Board has its Charter and accordingly, decisions of the Board are aligned to serve in the best interest of the Corporation. The Board has approved the 4<sup>th</sup> Corporate Plan 2023-2027 which indicates the overall direction of the Corporation.

The Board frames policies and programs and oversees its implementation. It has constituted following five (5) Sub-Committees to assist in the management of the day-to-day affairs of the Corporation and to facilitate a smooth and efficient flow of decision-making process.

1. Audit Committee,
2. Nomination & Remuneration Committee,
3. Risk Management Committee,
4. Corporate Social Responsibility & Sustainability Committee and
5. Stakeholders' Relationship Committee

Ministry of Railways vide Gazette Notification dated 17.01.2022 has designated Chairman & Managing Director as "Railway Administration" of KRCL under section 2(32) of the Railways Act, 1989. The Corporation is a member of Indian Railways Conference Association (IRCA) and follows the operating and commercial rules framed by Ministry of Railways from time to time.



## KONKAN RAILWAY CORPORATION LTD.

The Board of Directors consists of fourteen Directors, out of which four are functional Directors including Chairman and Managing Director, Director (Finance), Director (Way & Works) and Director (Operations & Commercial). Two Nominee Directors from Ministry of Railways, one Nominee Director from each participating States (Maharashtra, Karnataka, Goa and Kerala) are part- time official Directors and there are four part-time Non-official Directors (Independent Directors) in the Board. The Corporation, being a Government Company under Section 2(45) of the Companies Act, 2013, its functional Directors (Executive) and part-time Non-official Directors (Independent Directors) are appointed by the Department of Public Enterprises (DPE), the President of India nominates two Directors representing Ministry of Railways and Governor of each participating States nominates an Officer of the rank of Secretary or above as the Director in the Corporation.

The details of the Directors on the Board of the Corporation during the period from 01<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024 and as on date of this report are given below:

Sl. No.	Name of the Directors	Tenure	
		Date of Appointment	Date of Cessation
1	Shri Santosh Kumar Jha* Chairman and Managing Director DIN 07738247	01.04.2024	
2	Shri R.M. Bhadang Director (Finance) & CFO DIN 09050270	28.01.2021	
3	Shri R. K. Hegde Director (Way & Works) DIN 10148836	01.05.2023	
4	Shri Ajeet Kumar Srivastava Executive Director, Finance (Expenditure-II) / Railway Board DIN 08187918	21.07.2022	20.05.2024
5	Shri Priya Ranjan Parhi Executive Director (Infra)-I / Railway Board, DIN 09499859	21.07.2022	
6	Shri Parrag Jaiin Nainutia Principal Secretary (Transport & Ports), Government of Maharashtra, DIN 00295846	14.03.2023	06.05.2024



## KONKAN RAILWAY CORPORATION LTD.

7	Dr. Manjula N. Secretary (IDD), Government of Karnataka, DIN 07508345	07.03.2024	
8	Shri Subhash Chandra Secretary (Transport), Government of Goa, DIN 09808399	11.10.2022	
9	Shri Biju Prabhakar Secretary (Transport), Government of Kerala, DIN 03093072	01.11.2022	
10	Shri Sanmoy Banerjee Independent Director, DIN 09440533	09.11.2021	
11	Shri Santosh Kumar Jha Director (Operations & Commercial) DIN 07738247	11.11.2021	31.03.2024
12	Shri Sanjay Gupta Ex-Chairman and Managing Director, DIN 06710604	08.07.2016	31.03.2024
13	Shri Gaurav Gupta Additional Chief Secretary, IDD, Government of Karnataka, DIN 02184763	04.06.2022	06.03.2024

\* Presently, Chairman and Managing Director also holds additional charge of Director (Operations & Commercial).

The Board of Directors meets at least once in a quarter and at more frequent intervals, if considered necessary, focusing on formulation of policies, strategies and business plans, exercising control, delegation of powers, reviewing performance of the Corporation, approving contracts for high value items, quarterly results, annual accounts, capital expenditure proposals, compliance with statutory/regulatory requirements, major accounting provisions and other statutorily required matters. The Board Meetings are generally scheduled well in advance and the notice of each Board Meeting is given in writing to each Director well in time. All the items on the agenda are accompanied by notes giving comprehensive information on the related subjects and in certain matters such as financial/business plans and financial results, detailed presentations are made. The agenda and the relevant notes are sent in advance separately to each Director and only in exceptional cases, the same is tabled at the time of the meeting. The Board is also free to recommend the inclusion of any matter for discussion in consultation with the Chairman. As and when required, Senior Executives of the Corporation are also invited to attend Board Meetings and provide clarifications. During the year under review, six Board Meetings were held on 25.05.2023, 11.08.2023, 18.08.2023, 09.11.2023,



## KONKAN RAILWAY CORPORATION LTD.

13.02.2024 and 12.03.2024.

The Corporation is providing training to Board Members as per the Policy on training of Board Members, as approved by the Board of Directors. They are also given principal documents about the Corporation which include Memorandum and Articles of Association, Annual Report, latest unaudited financial results, Corporate Plan with MoU targets and achievements, DPE guidelines on Corporate Governance for CPSEs and related provisions on Duties, Responsibilities, etc. of Directors.

All Directors are covered with the Director and Officer (D&O) Insurance Liability Policy with requisite sum.

The Board members, based on their requirement, attend various seminars, conferences, training programs from time to time. During the year, Corporation's Directors were nominated / had attended training programs organized by DPE, CII, ASSOCHAM, Indian Research Centre, SCOPE, Institute of Directors, etc. through online/offline mode.

The composition of Board of Directors, attendance at the Board meetings during the year 2023-24, attendance at the last Annual General Meeting and the number of other Directorships, Chairmanships and Committee's memberships is placed as **Annexure – 3**.

### 30. AUDIT COMMITTEE

The terms of reference of the Audit Committee are as specified in Section 177 of the Companies Act, 2013, and the rules framed there under and the Guidelines on Corporate Governance issued by the Department of Public Enterprises. The primary function of the Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial reports, related party transactions, the Corporation's systems of internal controls regarding finance, accounting and legal compliance that management and the Board have established and the Corporation's auditing, accounting and financial reporting process, generally.

The Audit Committee reviews reports of the Internal Auditors, meets Statutory Auditors and discusses their findings, suggestions and other related matters and reviews the major accounting policies followed by the Corporation. The Audit Committee reviews the quarterly and annual financial results before their submission to the Board.

The Chairman of the Audit Committee apprises the Board about the observations of the Audit Committee during the Board Meetings. The Minutes of the Audit Committee Meetings are placed before the Board of Directors, for information and noting.

The recommendations of the Audit Committee on any matter relating to financial management including the Audit Report, shall be binding on the Board. However, where such recommendations are not accepted by the Board, the reasons for the same shall be recorded in the minutes of the Board meeting and the same are to be communicated to the





## KONKAN RAILWAY CORPORATION LTD.

shareholders. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, seek information from employees and obtain outside legal and professional advice.

The Board of Directors have reconstituted the Audit Committee on 12.08.2022, comprising of following Directors:

Sl. No.	Name of Member	Status
1	Shri Sanmoy Banerjee, Independent Director	Chairman
2	Shri Sanjay Gupta, Ex -Chairman and Managing Director (Cessation of Directorship w.e.f. 01.04.2024)	Member
3	Shri Santosh Kumar Jha, Director (Operations & Commercial) (Appointed as Chairman and Managing Director w.e.f. 01.04.2024)	Member

Note - The Audit Committee would be reconstituted by the Board of Directors at their 181<sup>st</sup> Meeting to be held on 29.05.2024.

Director (Finance) and Statutory Auditor of the Corporation are Permanent Invitees to the Audit Committee. The Company Secretary is the Secretary to the Audit Committee.

The 101<sup>st</sup> to 106<sup>th</sup> Audit Committee Meetings were held on 25.05.2023, 11.08.2023, 18.08.2023, 09.11.2023, 03.01.2024 and 13.02.2024. resp. During the year 2023-24, the attendance of the Members of the Audit Committee at the meetings is as follows:

Name of Director	Status	No. of Meetings		
		Held	Required to be attended	Attended
Shri Sanmoy Banerjee, Independent Director	Chairman	6	6	6
Shri Santosh Kumar Jha, Chairman & Managing Director	Member	6	6	6
Shri Sanjay Gupta Ex-Chairman & Managing Director	Member	6	6	6

The Chairman of the Audit Committee was present at the last Annual General Meeting.



## KONKAN RAILWAY CORPORATION LTD.

### 31. NOMINATION AND REMUNERATION COMMITTEE

The Corporation, being a Government Company, its functional Directors are appointed by the President of India, through Ministry of Railways. The Directors draw remuneration as determined by the Government of India and as per the terms and conditions of their appointment, as amended from time to time.

The Board of Directors have reconstituted the Nomination and Remuneration Committee on 09.11.2023, comprising of following Directors:

Sl. No.	Name of Member	Status
1	Shri Sanmoy Banerjee, Independent Director	Chairman
2	Shri Parrag Jaiin Nainutia, Principal Secretary (Transport & Ports), Government of Maharashtra	Member
3	Shri Priya Ranjan Parhi, Executive Director (Infra)-I / Railway Board	Member

The scope of the Committee is as under;

- I. To decide Performance Related Pay ("Pay") of the Corporation.
- II. Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

The 5<sup>th</sup> & 6<sup>th</sup> Nomination and Remuneration Committee Meetings were held on 03.01.2024 & 29.02.2024 resp. The attendance of the Members of the Nomination and Remuneration Committee at the meetings is as follows:

Name of Director	Status	No. of Meetings		
		Held	Required to be attended	Attended
Shri Sanmoy Banerjee, Independent Director	Chairman	2	2	2
Shri Parrag Jaiin Nainutia, Principal Secretary (Transport & Ports), Government of Maharashtra	Member	2	2	1
Shri Priya Ranjan Parhi, Executive Director (Infra)-I / Railway Board	Member	2	2	1



## KONKAN RAILWAY CORPORATION LTD.

Nomination and Remuneration Committee was not constituted during the last Annual General Meeting held on 11.09.2023. Hence, presence of Chairman of Nomination and Remuneration Committee at the last Annual General Meeting does not arise.

### **32. COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT, REMUNERATION AND RELATED DISCLOSURES**

As per Section 134 (3) (p) of the Companies Act 2013, the Board's Report of a Listed Company shall include a statement indicating the manner of formal annual evaluation of Board, Individual Directors, etc. Ministry of Corporate Affairs (MCA) has vide its notification dated 05.06.2015 notified the exemptions to Government Companies from the provisions of the Companies Act, 2013 which inter-alia provides that Section 134 (3) (p) regarding statement on formal annual evaluation shall not apply to Government Companies in case the Directors are evaluated by the Ministry which is administratively in-charge of the Company as per its own evaluation methodology. Further, in line with aforementioned exemptions, Sub-Sections (2), (3) & (4) of Section 178 regarding appointment, performance evaluation and remuneration shall not apply to Directors of Government Companies.

In terms of notification dated 05.07.2017 issued by MCA, the provisions in Schedule IV of the Companies Act, 2013 about reviewing the performance of Chairperson and Non-Independent Directors and the Board as a whole by the Independent Directors in their separate meeting and that on the basis of performance evaluation of Independent Directors, it shall be determined whether to extend or continue their term of appointment shall not apply to a Government Company if the requirements in respect of same are specified by the concerned Ministries or Departments of the Central Government and such requirements are complied with by the Government Companies. Since the appointment of the Directors in the Company is decided by the Government of India and participating State Governments, the requirement related to evaluation of Directors as stated in Schedule IV are not applicable to the Corporation.

Konkan Railway Corporation Limited is a Government Company under the administrative control of Ministry of Railways. The selection procedure for all the Directors including CMD is also laid down by the Government of India and all the Directors including CMD of the Company have been appointed in accordance with the said procedure. The functional Directors including CMD are selected on the recommendations of PESB in accordance with the procedure and guidelines laid down by Government of India. Its functional Directors including CMD are appointed by Ministry of Railways and there is system and procedure laid down by Department of Public Enterprises for evaluation of its functional Directors including CMD. The evaluation frame work for assessing the performance of functional Directors including CMD comprises of the following Key areas:

- Performance of the Company is undertaken through MOU signed with Ministry of Railways.
- The evaluation of Directors includes self-evaluation by the respective Directors and subsequent assessment by CMD for the functional Directors and thereafter final evaluation by the Ministry of Railways, the Administrative Ministry.



## KONKAN RAILWAY CORPORATION LTD.

- The evaluation of CMD includes his self-evaluation and final evaluation by the Ministry of Railways.
- In respect of Government nominee Directors of the Ministry of Railways and four participating States i.e., Maharashtra, Goa, Karnataka and Kerala, their respective evaluation is done by the Ministry of Railways and States of Maharashtra, Goa, Karnataka and Kerala as per the procedure laid down under their respective service rules. The evaluation of Independent Directors is done by the Board of the Company.

The induction of Officers at below Board level is made by way of recruitment, promotion and/or lateral entry by way of deputation/immediate absorption of the Officials from Ministry of Railways, Government Departments and other PSUs. The performance of below Board level Officials at HAGs/SAGs is evaluated on the basis of the achievement of MOU targets as approved by Administrative Ministry and DPE and other targets fixed by the concerned controlling Board level Directors. Konkan Railway Corporation Limited follows a robust Annual Performance Appraisal Report (APAR) in compliance with the instructions of Administrative Ministry i.e., Ministry of Railways for evaluation of performance of its below Board level Official in HAGs/SAGs and below grade. Format for evaluation comprises Appraisal of performance against objectives and targets in each Key Performance Areas (KPA)s, Quality of works and attributes like Decision making ability and judgement, Inter-personal relation and team work, Initiative, Personal characteristics, Reliability/Dependability, Attitude towards SC/ST/Weaker section of society, analytical ability, Subject/Task knowledge, Attitude towards work, Quality of output, Communication skills, Safety, approach to Customers, Human Resource Development, Cost and Expenditure control, Innovation/new technology progression, Cleanliness/Environment progression and Participation in social activities/functions, General, Fitness, Performance and Grading. KPAs are proposed by the Appraisee and approved by Appraiser in the beginning of the year which is subject to mid-year review for further modification/improvement, if any. The Officials are rated for their performance accordingly.

Konkan Railway Corporation Limited being a Government Company, the remuneration payable to its Board Level functional Directors including CMD is in accordance with the guidelines issued by Department of Public Enterprises (DPE) in pursuance of recommendations of the committee on pay revision under IDA pattern and Senior Management officials below Board Level and all other employees under CDA pattern is in accordance with VII CPC.

The Board of Directors has taken note of the selection and remuneration of the Board Level functional Directors, appointed by the Administrative Ministry i.e., Ministry of Railways, in accordance with DPE guidelines. Details of Remuneration of Functional Directors of the Corporation during the year 2023-24 are as under:





## KONKAN RAILWAY CORPORATION LTD.

(₹ in lakh)

Name of the Director	Designation	Pay	Allowances	Total
Shri Santosh Kumar Jha	Chairman and Managing Director	33.35	29.64	62.99
Shri R.M. Bhadang	Director (Finance)	23.08	19.51	42.59
Shri R. K. Hegde	Director (Way & Works)	23.95	25.16	49.11
Shri Sanjay Gupta	Ex-Chairman and Managing Director	34.77	32.08	66.85

### 33. STAKEHOLDERS' RELATIONSHIP COMMITTEE

In compliance of Regulation 20(2A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 (5) of the Companies Act, 2013, the Board of Directors have reconstituted the Stakeholders' Relationship Committee, comprising of following Directors:

Sl. No.	Name of Member	Status
1	Shri Ajeet Kumar Srivastava Executive Director, Finance (Expenditure-II), Railway Board	Chairman
2	Shri Parrag Jain Nainutia, Principal Secretary (Transport & Ports), Government of Maharashtra	Member
3	Dr. Manjula N., Secretary (IDD), Government of Karnataka (w.e.f. 07.03.2024)	Member
4	Shri Biju Prabhakar, Secretary (Transport), Government of Kerala	Member
5	Shri Subhash Chandra, Secretary (Transport), Government of Goa	Member
6	Shri Sanjay Gupta, Ex-Chairman & Managing Director (Cessation of Directorship w.e.f. 01.04.2024)	Member
7	Shri Sanmoy Banerjee, Independent Director	Member
8	Shri Gaurav Gupta, Additional Chief Secretary (IDD), Government of Karnataka (up to 06.03.2024)	Member

Note - The Stakeholders' Relationship Committee would be reconstituted by the Board of Directors at their 181st Meeting to be held on 29.05.2024.

The Shareholders' Committee was constituted for approving transfers, transmissions, splitting, consolidation of Bonds and Shares; Allotment of Bonds & Shares and redressal of Shareholders/ Investors complaints. Equity and Preference Shares are not listed in any of the stock exchanges. Only privately placed Bonds are listed in the National Stock Exchange of India Limited. Company Secretary is acting as Compliance Officer to address and resolve the queries/complaints received from Shareholders or Bondholders.

The 21<sup>st</sup> and 22<sup>nd</sup> Stakeholders' Relationship Committee Meetings were held on 09.11.2023 and



## KONKAN RAILWAY CORPORATION LTD.

30.03.2024 resp. The meetings were held for Transfer of Equity shares and allotment of equity shares in connection with conversion of Compulsorily Convertible, Non-Cumulative Preference Share to Equity Shares.

The attendance of the Members of the Stakeholders' Relationship Committee at the meetings is as follows: -

Name of Director	Status	No. of Meetings		
		Held	Required to be attended	Attended
Shri Ajeet Kumar Srivastava Executive Director, Finance (Expenditure - II), Railway Board	Chairman	02	02	00
Shri Parrag Jaiin Nainutia, Principal Secretary (Transport & Ports), Government of Maharashtra	Member	02	02	00
Shri Gaurav Gupta, Additional Chief Secretary (IDD), Government of Karnataka	Member	02	01	00
Shri Biju Prabhakar Secretary (Transport), Government of Kerala	Member	02	02	01
Shri Subhash Chandra, Secretary (Transport), Government of Goa	Member	02	02	00
Shri Sanjay Gupta, Ex-Chairman & Managing Director	Member	02	02	02
Shri Sanmoy Banerjee, Independent Director	Member	02	02	02
Dr. Manjula N., Secretary (IDD), Government of Karnataka	Member	02	01	01

### 34. MEETING OF INDEPENDENT DIRECTORS

Pursuant to the requirements of Schedule IV (Code of Independent Directors) of Companies Act, 2013 and in accordance with Department of Public Enterprises (DPE)'s Office Memorandum No. F. No. 16 (4)/2012-GM dated 20 June 2013, a separate meeting of Independent Directors, without the presence of any Functional Directors, Government Nominee Directors and Management personnel



## KONKAN RAILWAY CORPORATION LTD.

of Corporation, was to be held during the year under review. However, the Corporation had only one Independent Director during the year, therefore, meeting of Independent Directors was not held in the year.

### 35. DECLARATION OF INDEPENDENT DIRECTOR

The Independent Director has confirmed and declared that he is not disqualified to act as Independent Directors as per Section 149 (7) of the Companies Act, 2013 and he has complied with the Code for Independent Directors prescribed in Schedule IV to the Act (to the extent applicable to a Government Company). The declaration was placed in the meeting of Board of Directors, which was duly noted and recorded.

### 36. RISK MANAGEMENT COMMITTEE

The Corporation has in place a Risk Management Policy in line with the DPE Guidelines on Corporate Governance for CPSEs to ensure the integration and alignment of the risk management system with the corporate and operational objectives. The Risk Management Cell constituted by the Risk Management Committee was tasked to evaluate department wise risks along with mitigation plan. Accordingly, a booklet was prepared covering departmental risks and its mitigation plan and same was placed before the Risk Management Committee and subsequently approved by the Board of Directors.

The Board of Directors had reconstituted the Risk Management Committee on 12.08.2022, comprising of following Directors:

Sl. No.	Name of Member	Status
1	Shri Sanjay Gupta, Ex-Chairman and Managing Director(Cessation of Directorship w.e.f. 01.04.2024)	Chairman
2	Shri R.M. Bhadang, Director (Finance)	Member
3	Shri Santosh Kumar Jha, Director (Operations & Commercial)(Appointed as Chairman and Managing Director w.e.f. 01.04.2024)	Member
4	Shri Sanmoy Banerjee, Independent Director	Member

Note - The Risk Management Committee would be reconstituted by the Board of Directors at their 181st Meeting to be held on 29.05.2024.

The 16th Risk Management Committee Meeting was held through Video Conferencing on 13.02.2024 and attended by all the members of the Committee except Shri Santosh Kumar Jha.

### 37. CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY COMMITTEE (“CSR & S COMMITTEE”)



## KONKAN RAILWAY CORPORATION LTD.

The Board of Directors of the Corporation at their 173<sup>rd</sup> meeting held on 14.02.2023 has approved the revised Corporate Social Responsibility and Sustainability Policy formulated as per Section 135 of the Companies Act, 2013 and rules made there under. The CSR & S Committee is responsible for planning, implementation and monitoring the CSR & S activities within the ambit of Schedule VII of Companies Act, 2013 and DPE guidelines.

The Board of Directors have reconstituted the CSR & S Committee on 12.08.2022, comprising of following Directors:

Sl. No.	Name of Member	Status
1	Shri Sanjay Gupta, Ex-Chairman and Managing Director (Cessation of Directorship w.e.f. 01.04.2024)	Chairman
2	Shri R.M. Bhadang, Director (Finance)	Member
3	Shri Sanmoy Banerjee, Independent Director	Member

Note - The CSR&S Committee would be reconstituted by the Board of Directors at their 181<sup>st</sup> Meeting to be held on 29.05.2024.

The Company Secretary is the Secretary to the Committee. General Manager (Admin) of the Corporation has been nominated as the nodal officer to oversee the works of CSR activities.

Considering the fact that the Average Net Profit of last three financial years is in negative and also, there was no unspent CSR amount of previous year left for spending in the financial year 2023-24 under ongoing CSR Project, no CSR & S Committee meeting was held during the financial year 2023-24.

A Report on CSR Activities for the financial year 2023-24, as required under the Companies Act, 2013, is enclosed as **Annexure – 4**.

### 38. ANNUAL GENERAL MEETINGS

The last three Annual General Meetings (AGM) were held through Video Conferencing on 27.09.2021, 26.08.2022 and 11.09.2023. No special resolution was passed in the last three AGMs. The Annual General Meeting for the year 2023-24 will be held through Video Conferencing on Tuesday, 10<sup>th</sup> September, 2024.

The attendance of the Shareholders at the last Annual General Meeting is as under:





## KONKAN RAILWAY CORPORATION LTD.

Sl. No.	Name of the shareholder	Attendance of shareholders at the 33 <sup>rd</sup> AGM (Yes/No/Not Applicable)
1	Representative of the President of India	Yes
2	Representative of the Governor of Maharashtra	Yes
3	Representative of the Governor of Karnataka	Yes
4	Representative of the Governor of Goa	Yes
5	Representative of the Governor of Kerala	Yes
6	Special Commissioner, Govt. of Maharashtra	Yes
7	Resident Commissioner, Govt. of Karnataka	Yes
8	Resident Commissioner, Govt. of Goa	No
9	Resident Commissioner, Govt. of Kerala	No
10	Shri R. N. Sunkar, Member (Infrastructure), Railway Board	Not Applicable
11	Shri Shirish Kumar Sinha, Additional Member (Planning), Railway Board	Not Applicable
12	Shri Sandeep Jain, Executive Director (PSU), Railway Board	Not Applicable

During the year, an Extraordinary General Meeting of the Shareholders was held on 12.03.2024, to obtain approval of the Shareholders for allotment of Equity Shares on Preferential basis pursuant to conversion of Compulsorily Convertible, Preference Shares to Equity Shares. During the year, no resolution was passed through Postal Ballot.

### 39. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (3) (c) and Section 134(5) of the Companies Act, 2013, the Board of Directors of the Corporation confirms as under: –

- (i) That in the preparation of the annual accounts, the applicable accounting standards has been followed along with proper explanation relating to material departures;
- (ii) That the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Corporation at the end of the financial year 31st March, 2024 and of the profit / loss of the Corporation for that period;



## KONKAN RAILWAY CORPORATION LTD.

- (iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Corporation and for preventing and detecting fraud and other irregularities;
- (iv) The Directors had prepared the annual accounts on a 'going concern' basis;
- (v) Being a listed Company, the Directors had laid down internal financial controls to be followed by the Corporation and that such internal financial controls are adequate and were operating effectively and
- (vi) The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 40. VIGIL MECHANISM

The Corporation has a vigil mechanism to report about unethical behavior, actual or suspected fraud or violation of the Corporation's Code of Conduct. As a part of its vigil mechanism, the Corporation has adopted a Whistle Blower Policy to provide appropriate avenues to the employees of the Corporation to report to the Management. The Policy also provides for adequate safeguards against victimization of employees who avail of the mechanism. It provides for direct access to the Chairman of the Audit Committee in exceptional cases. The Vigil Mechanism (Whistle Blower Policy) is available on the website of the Corporation at [https://konkanrailway.com/uploads/editor\\_images/1661254499\\_whistle%20blower%20-23-08-2022.pdf](https://konkanrailway.com/uploads/editor_images/1661254499_whistle%20blower%20-23-08-2022.pdf).

### 41. EXTRACT OF ANNUAL RETURN

A copy of the Annual Return of the Corporation for the financial year 2023-24 will be made available at <https://konkanrailway.com/departments/viewdept/bonds>.

### 42. DETAILS ON JV AND ASSOCIATE COMPANIES

Corporation had one Associate Company named Jaigarh Digni Rail Limited (JDRL), which was incorporated on 21.05.2015 with contribution of 26% Equity by the Corporation, 11% equity by Maharashtra Maritime Board and 63% equity by JSW Jaigarh Port Limited (JSWJPL). Due to various technical and commercial reasons the JDRL project became unviable. On 11th August, 2023, all the shares of KRCL were transferred to JSWJPL.

### 43. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS:

The particulars of loans, guarantees and investments are disclosed in the financial statement at note no. 8 & 12.



## KONKAN RAILWAY CORPORATION LTD.

### 44. DETAILS OF FIXED DEPOSITS:

The Corporation has not accepted deposits from public as envisaged under Sections 73 to 76 of Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014.

### 45. RELATED PARTY TRANSACTIONS:

The Board of Directors at their 169th Meeting held on 10.02.2022 had approved the policy on Related Party Transactions. All contracts/arrangement/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or their relatives, the Associate Company which may have a potential conflict with the interest of the Company at large. Prior omnibus approval of the Audit Committee is obtained on yearly basis for all Related Party Transactions with Government related entities which are of unforeseen and repetitive nature valuing up to ₹1 Crore in a financial year. All Related Party Transactions are placed before the Audit Committee for approval. None of the Directors has any pecuniary relationships or transactions vis-a- vis the Company. The details of transactions with related parties are disclosed in the accompanying financial statements as per requirement of Indian Accounting Standard (Ind AS) 24. There are no transactions to be reported in Form AOC-2.

### 46. DETAILS OF KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR:

Shri R. K. Hegde, Director (Way & Works) was appointed as Key Managerial Personnel (KMP) by the Board of Directors w.e.f. 11.08.2023. Shri Sanjay Gupta, Ex-Chairman and Managing Director has ceased to be KMP after his retirement from Company' service on 31.03.2024.

### 47. COMPLIANCES

47.1. During the year, the Corporation has complied with the provisions of Companies Act, 2013, SEBI (LODR) Regulations, Guidelines issued by the Department of Public Enterprises, Government of India including the Guidelines on Corporate Governance for CPSEs. The Corporation has submitted Quarterly Compliance Report on Corporate Governance to the Department of Public Enterprise (DPE), Government of India through online mode as prescribed by DPE.

47.2. CEO & CFO Certification: The Chairman & Managing Director (CEO) and Director Finance (CFO) have certified in writing with respect to the truth and fairness of the financial statements, due compliances and financial reporting which was placed before the Audit Committee and the Board of Directors, is placed to this Report as **Annexure – 5**.



## KONKAN RAILWAY CORPORATION LTD.

- 47.3.** Certificate on Compliance of Corporate Governance: Certificate obtained from M/s. Rupali Abhyankar & Co., Practicing Company Secretaries, regarding compliance of the conditions of Corporate Governance is placed as **Annexure – 6.**

### **48. CODE OF CONDUCT**

The Board of Directors of the Corporation has approved the revised “Code of Business Conduct and Ethics for Board Members and Senior Management” for better Corporate Governance and fair & transparent practices as per Guidelines issued by the Department of Public Enterprises. The revised Code of Conduct is displayed on the website of the Corporation at [http://konkanrailway.com/uploads/editor\\_images/1550560293\\_Revised%20Code%20of%20conduct%20%20%20Approved%20%20155%20BoD%20-%202018-01-2019.pdf](http://konkanrailway.com/uploads/editor_images/1550560293_Revised%20Code%20of%20conduct%20%20%20Approved%20%20155%20BoD%20-%202018-01-2019.pdf).

The Board members and Senior Management personnel to whom the said Code is applicable have affirmed compliance with the same for the year ended 31st March, 2024. A declaration to this effect signed by the Chairman & Managing Director of the Corporation is appended hereunder.

#### **48.1. Declaration:**

Pursuant to the Department of Public Enterprise’s (DPE) Guidelines on Corporate Governance for Central Public Sector Enterprises as contained in the DPE OM No. 18(8)/2005-GM dated 14 May 2010, it is hereby declared that all the Board Members and Senior Management Personnel of the Corporation have affirmed compliance with the Code of Conduct & Ethics for Board Members and Senior Management Personnel of Konkan Railway Corporation Limited, for the year ended 31st March, 2024.

### **49. DISCLOSURES**

- 49.1.** During the year, there has been no materially significant related party transaction with the Directors, Management or their relatives that have a potential conflict with the interest of the Corporation.
- 49.2.** The Corporation has complied with all the requirements of the Listing Agreement entered into with the National Stock Exchange as well as the regulations and guidelines of Securities and Exchange Board of India (SEBI) and Secretarial Standards as prescribed by Institute of Company Secretaries of India.
- 49.3.** Compliance on Corporate Governance: This Report duly complies with the legal requirements in respect of data that should be disclosed in a Corporate Governance Report for the year 2023-24.

### **50. PRESIDENTIAL DIRECTIVE:**

During the year no Presidential Directive was received.





## KONKAN RAILWAY CORPORATION LTD.

### 51. IMPLEMENTATION OF RIGHT TO INFORMATION (RTI) ACT, 2005

RTI Act, 2005, as an instrument for improving the system of Governance and a 'weapon of mass empowerment' has raised the expectations of all sections of the society. In order to promote transparency and accountability in administration, designated Central Public Information Officer (CPIOs) at Corporate Office and Regional Offices are entrusted with the responsibility of providing information to citizens requesting for the information under the Act. Grievances received on the Centralized Public Grievance Redress and Monitoring System (CPGRAMS) are promptly monitored and acted upon. During the year, 197 CPGRAMS references and 374 RTI cases were registered. The content of the replies was appropriate and only 10% of cases went for appeal. The RTI Act, 2005 and other details are available on the website of the Corporation at [https://konkanrailway.com/pages/viewpage/right\\_to\\_information\\_act](https://konkanrailway.com/pages/viewpage/right_to_information_act).

Summary of applications received and disposed of during the year 2023-24 under the Act is furnished below:

#### Block I: Details about the requests and appeals

	Opening Balance 1/4/2023	Total Received including Transferred Applications [u/s 6(3)]	Transferred Applications u/s 6(3)	Requests /Appeals rejected	Requests /Appeals replied	Closing Balance
No. of Requests	15	417	24	3	388	17
First Appeals	0	24	-	-	23	1

CAPIOs designated	CPIOs designated	AAs designated
0	3	3

#### Block II: Details about fees Collected, penalty imposed and disciplinary action taken

Registration Fees collected u/s 7	Addl. Fee Collected u/s 7(3)	Penalty Amount Recovered as directed by CIC u/s 20(1)	Disciplinary action taken against any officer u/s 20(2)
₹ 2,580/-	₹ 10,648/-	0	0



## KONKAN RAILWAY CORPORATION LTD.

### Block III: Details Regarding Mandatory Disclosures

I	Is the Mandatory Disclosures under Section 4(1)(b) posted on the website	Yes
II	Details of webpage, where the disclosure is posted	www.konkanrailway.com
III	Last Date of updating of Mandatory disclosure under Section 4(1)b	16-08-2023
IV	Has the Mandatory Disclosure been audited by third party as per DOPT vide OM No. 1/6/2011-IR dated 15-04-2013	Yes
V	Detail/URL of webpage, where the Audit Report is posted	www.konkanrailway.com
VI	Date of audit of Mandatory disclosures under Section 4(1)b	02-03-2022

### 52. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

During the year under review there are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operation in future. However, the contingent liabilities reported to the note to the financial statement may have significant and material impact on the going concern status and company operation in future, if orders are passed against the Corporation.

### 53. GENERAL

Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- (i) Detailed reasons for any voluntary revision of financial statement in the relevant financial year in which the revision is made.
- (ii) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- (iii) No material changes have occurred as at the end of the financial year to which the balance sheet of the Company relates and the date of this report.
- (iv) There was no material change in the nature of business of the Company during the financial year 2023-24.
- (v) There are no applications made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.
- (vi) Onetime Settlement with any Bank or Financial Institution: As no settlement has



## KONKAN RAILWAY CORPORATION LTD.

taken place with any of the Bank or Financial Institution during the financial year, therefore, no disclosure or reporting is required in respect of the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions.

- (vii) Details of significant changes in key financial ratios: The key financial ratios are disclosed in the accompanying financial statements.

### 54. GENERAL SHAREHOLDERS' INFORMATION AND DISCLOSURE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

**54.1. Share/Bond Transfer System:** All privately placed bonds are in dematerialized form. Equity Shares are also in dematerialized form having ISIN - INE139F01017.

**54.2. Listing of Bonds:** The privately placed bonds are listed in National Stock Exchange of India Limited (NSE) and annual listing fee for the year 2024-25 has been paid to NSE.

#### 54.3. Name and Address of Registrar & Transfer Agent is as under

**Link Intime India Private Limited**, C-101, 247 Park, LBS Marg, Vikhroli (W), Mumbai -400083, email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).

#### 54.4. Disclosure under Regulation 53(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

Name and contact details of Debenture Trustee to the Debentures (Bonds) is as under:

IDBI Trusteeship Services Limited, Universal Insurance Building, Ground Floor, Sir P. M. Road, Fort, Mumbai – 400 001. email: [itsl@idbitrustee.com](mailto:itsl@idbitrustee.com).

#### 54.5. Details of Securities Trustee

Name and contact details of Securities Trustee to the Term Loan Facility of ₹ 1200 Crore, is as under:

Catalyst Trusteeship Ltd., Windsor, 6th Floor, Office No - 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai – 400098. e-mail: [dt.mumbai@ctltrustee.com](mailto:dt.mumbai@ctltrustee.com), website: [www.catalysttrustee.com](http://www.catalysttrustee.com).

**54.6. Means of Communication:** All quarterly financial results were published in Free Press Journal (English), Hamara Mahanagar (Rajbasha) and Nav Shakti (Marathi). Annual Accounts, Quarterly Unaudited Financial Results and Annual Review placed before both the House of Parliament of the previous years are available at <https://konkanrailway.com/pages/viewpage/financials>. Communication with stakeholders is also done through Twitter Handle, Facebook Page, Instagram and Press Release in print media and website of the Corporation.



## KONKAN RAILWAY CORPORATION LTD.

### 54.7. Disclosure under Regulation 53(f) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 188(2) of Companies Act, 2013 with regard to Related Party transaction

The details of related party transactions are provided in the financial statement under the heading "Related Party Disclosures" at note no. 47 to the standalone financial statements for the financial year 2023-24.

### 54.8. Explanation pertaining to Large Corporate Disclosure:

The Corporation is a Large Corporate in terms of Regulation 50B of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and require to raise 25% of its incremental borrowings done during financial year 2021-22, 2022-23 and 2023-24 (in a block period of 3 years) by way of issuance of debt securities till March 31, 2024. In case the same is not complied, the Corporation is required to provide an explanation in the Annual Report as per SEBI Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/172 dated October 19, 2023. In this regard, it is stated that the Corporation has not issued any debt security during the block period and the incremental borrowing in the year 2021-22 (₹ 470 Crore), 2022-23 (Nil) and 2023-24 (₹ 800 Crore) had arisen on account of borrowing tie-up with commercial banks for national interest projects way before the SEBI Guidelines on Large Corporate.

### 54.9. Details of Dematerialization of Bonds

Sl. No.	ISIN	Nature of issue	Series of the Security	Amount (₹ in Crore)
1	INE139F07048	Privately placed bonds	16-II	170
2	INE139F07055	Privately placed bonds	16-III	110
3	INE139F07063	Privately placed bonds	16-IV	500
4	INE139F07089	Privately placed bonds	17-II	250
5	INE139F07097	Privately placed bonds	17-III	50
6	INE139F07105	Privately placed bonds	18-I	300
7	INE139F07113	Privately placed bonds	19-I	120
Total				1,500

**54.10. Record Date for Payment of Interest to Bondholders:** The Record Date for payment of Interest to the Bondholders on 1st January is 16th December and for payment of Interest on 1st July is 16th June, every year.

**54.11. Address for correspondence:** The investors' correspondence should be addressed to:



## KONKAN RAILWAY CORPORATION LTD.

Registered & Corporate Office at Belapur Bhavan, Plot No.6, Sector 11, CBD Belapur, Navi Mumbai - 400 614, Maharashtra.

### 54.12. Financial Calendar

Annual financial results of previous year	May
Annual General Meeting	August / September
Quarterly financial results	August, November and February

**54.13. Market Price Data of Scripts:** The Bonds are not actively traded in the National Stock Exchange. Hence, market cap is not available. The Equity and Preference Shares of the Company are not listed.

**54.14. Details of Investor Grievances:** The Corporation has not received any complaint from the National Stock Exchanges or SEBI or the Ministry of Corporate Affairs or any other Governmental or Non-Governmental agency with regard to grievances of the Bondholders.

**55. PROCUREMENT OF GOODS & SERVICES FROM MSEs :** During the year, Corporation has achieved the target of 4.80% of procurement made from MSEs owned by Women Entrepreneurs against the MSEs target of 3%. Against Govt of India's target of 25% of total procurement, Corporation has achieved 55.97%.

**56. PROCUREMENT OF GOODS & SERVICES THROUGH GEM:** During the year, procurement of Goods and Services by the Corporation on Government e Marketplace (GeM) portal is ₹ 56.01 Crore i.e. 35.70% of total procurement. Highest ever 2087 items were covered during the year.

### 57. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Corporation prohibits any kind of act of sexual harassment at work place and included the acts amounting to sexual harassment at workplace in its Conduct Rules and Certified Standing Order and Discipline and Appeal Rules, 2001 [as certified on 06.02.2001 by the Regional Labour Commissioner (Central), Mumbai under Industrial Employment (Standing Orders) Act, 1946] so as to prohibit any such Act. Corporation constituted an Internal Complaints Committees at Corporate Office, Belapur and Regional Offices at Ratnagiri and Karwar to receive and investigate complaints related to "Sexual harassment at workplace" following the guidelines issued by Hon'ble Supreme Court of India in Visakha Vs. State of Rajasthan. A Special Counsellor is also appointed at Corporate Office. During the year, 01 case was reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and currently under process. Pursuant to Rule 8(5) (x) of the Companies (Accounts) Rules, 2014, it is declared that the Corporation has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.





## KONKAN RAILWAY CORPORATION LTD.

### 58. MANAGEMENT DISCUSSION & ANALYSIS REPORT

#### 58.1. Industry Structure and Development

The core business activity of the Corporation is transportation of passengers and goods by rail and providing various related logistic supports. The Railway transportation in India is reserved for the Public Sector. The second major core activity of the Corporation is undertaking of construction projects by utilizing its vast experience in engineering and management skills available with it in construction of tunnels and bridges.

#### 58.2. Strengths & Weaknesses

##### Mega-project management skills

The Corporation is able to handle mega Railway and construction projects because of its vast experience in special engineering, construction and management skills.

##### Efficient Train Operation

Daily on an average 46 nos. of passenger carrying trains and 18 nos. of freight trains including Roll on Roll off (RORO) services are run on the single line section and punctuality performance is close to 69%.

#### 58.3. Opportunities and Threats

Originating traffic is low. Passenger traffic on this line is very buoyant but the goods traffic is mainly cross traffic loaded from other Zonal Railways. In order to improve the originating traffic, the Corporation proposes to increase the container services and undertake port connectivity projects. Corporation has also undertaken Project Management Consultancy works.

#### 58.4. Segment-wise and product wise performance

Particulars	2022-23	2023-24	% Variation
Traffic Earnings	1721.51	1730.61	0.53%
Project Earnings	3274.70	2698.10	(17.61%)
<b>Total</b>	<b>4996.21</b>	<b>4428.71</b>	<b>(11.36%)</b>

#### 58.5. Future Outlook

**58.5.1. Rail Connectivity to Vizhinjam International Seaport, Kerala:** The work involves execution of construction works for Rail connectivity from Seaport to nearest feasible railway station. Land acquisition for the project is in progress.

**58.5.2. Tata Chemicals Magadi Limited:** Konkan Railway has signed a contract with M/s. Tata Chemicals Limited, Magadi, Kenya for Rehabilitation of Railway Systems



## KONKAN RAILWAY CORPORATION LTD.

including Track, Locomotives and Rolling stock. The work on this project has already been started. The Phase I of this project was completed in July 2023.

**58.5.3. Anakkampoyil – Kalladi - Meppadi Tunnel Road Project:** Government of Kerala has assigned KRCL as Special Purpose Vehicle (SPV) for the execution of the Anakkampoyil – Kalladi - Meppadi Road Tunnel Project at an estimated cost of ₹ 2043.74 Crore. Administrative sanction for DPR from Government of Kerala has been received. Tender process is in progress.

### 59. RISKS AND AREA OF CONCERNS

#### 59.1. Changes in Freight & Passenger Fares

The freight and passenger fares are decided by Ministry of Railways and the changes may or may not be favorable to Konkan Railway.

#### 59.2. Changes in Traffic pattern

Majority of freight traffic on Corporation is cross, food grain & fertilizer traffic. The pattern of freight traffic is not fixed but changing all the time depending upon various factors like production, supply and demand.

### 60. ACKNOWLEDGEMENT

The Board of Directors gratefully acknowledge the assistance, active support and guidance received from the Ministry of Railways, Government of India, as well as from the State Governments of Maharashtra, Goa, Karnataka and Kerala. The Board of Directors express deep appreciation of the valuable contribution made by the officers and employees of the Corporation during the year under review.

For and on behalf of the Board of Directors

Sd/-

Santosh Kumar Jha

Chairman and Managing Director

DIN 07738247

Place: Navi Mumbai

Date: 29<sup>th</sup> May, 2024



## KONKAN RAILWAY CORPORATION LTD.

### ANNEXURE – 1

#### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

[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]

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024

To,  
The Members,  
KONKAN RAILWAY CORPORATION LIMITED  
(CIN: U35201MH1990GOI223738)  
Registered Office: Belapur Bhavan, Sector 11, C.B.D. Belapur,  
Navi Mumbai-400614, Maharashtra, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by Konkan Railway Corporation Limited (herein after 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, Minutes Books, Forms and Returns filed and other record 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 financial year ended 31st March, 2024, 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:

1. We have examined that the books, papers, minute books, forms and returns filed and other records were properly maintained by Konkan Railway Corporation Limited ("the Company") for the financial year ended on 31st March 2024, according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the rules made thereunder;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company: -



## KONKAN RAILWAY CORPORATION LTD.

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; [Not applicable during the Audit Period]
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; [Not applicable during the Audit Period]
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; [Not applicable during the Audit Period]
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; [Not applicable during the Audit Period]
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; [Not applicable during the Audit Period]
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; [Not applicable during the Audit Period]
- i. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The management had identified and confirmed the following laws are specifically applicable to the company namely:

- a. Railways Act 1989;
- b. Contract Labour Regulation and Abolition Act 1970;
- c. Employees Provident Fund and Miscellaneous Provisions Act 1952;
- d. Employees State Insurance Act 1948;
- e. Equal Remuneration Act 1976;
- f. Indian Contract Act 1872;
- g. Income Tax Act 1961, Indirect Tax Laws;
- h. Indian Stamp Act 1999;
- i. Industrial Disputes Act 1947;
- j. Maternity Benefits Act 1961;
- k. Minimum Wages Act 1948;



## KONKAN RAILWAY CORPORATION LTD.

- l. Negotiable Instruments Act 1881;
- m. Payment of Bonus Act 1965;
- n. Payment of Gratuity Act 1972;
- o. Payment of Wages Act 1936 and other applicable labour laws.

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

- i Revised Secretarial Standards with regard to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by Institute of Company Secretaries of India with effect from 1<sup>st</sup> April, 2024;
- ii Debt Listing Agreements entered into by the Company with National Stock Exchange, DPE Guidelines on Corporate Governance for CPSE:

During the Audit Period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc. mentioned above subject to the following observations.

- a) Observations/ Non-Compliances/ Adverse Remarks/ Qualifications are as follows:
  - 1. The Composition of the Board of Directors was not in compliance with the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Section 149 of the Companies Act, 2013 read with The Companies (Appointment and Qualification of directors) Rules, 2014.
  - 2. The Composition of the Audit Committee, Nomination & Remuneration Committee, Risk Management Committee was not in compliance with Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013.
  - 3. Nomination & Remuneration Committee was not formed during the audit period under review from 01.04.2023 to 09.11.2023.
  - 4. There was no women director on Board during the audit period under review from 01.04.2023 to 06.03.2024.
  - 5. The 3rd Rights Issue subscription amount of ₹16.85 Crore is still unpaid by Government of Goa.
  - 6. In terms of Section 71 of the Companies Act, 2013 the Company is required to create a Debenture Redemption Reserve of an adequate amount in respect of bonds issued. However, due to accumulated losses no Debenture Redemption Reserve has been created by the Company.
  - 7. Meeting of Independent Director was not held during the audit period under review.

Based on the information received and records maintained, We further report that:

- 1. As per the Information provided by the management, adequate notice were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda





## KONKAN RAILWAY CORPORATION LTD.

were 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.

2. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes: All the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period under review the company has converted CCPS into equity shares.

Further here have been enlisted major actions or events undertaken by the Company:

- i Company has given loan to Konkan Railway Welfare Organisation, as mentioned in the minutes of 175th Board of Directors Meeting, however no repayment received by the company till date;
- ii POSH Committee of the Company has received one compliant under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.
- iii Company has not complied with the Procurement of goods or services through SC/ST MSEs as % of total procurement of goods and services - 4%.

We have relied on the information and representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, and Regulations to the Company.

We further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

Place: Navi Mumbai  
Date: 27-05-2024

For Priyanka Yadav and Associates,  
Practicing Company Secretary  
(Peer Review No.: 2222/2022)

Sd/-  
CS Priyanka Yadav  
ACS No. 48355  
COP NO. 19836  
UDIN: A048355F000462307



## KONKAN RAILWAY CORPORATION LTD.

### Annexure A

To  
The Members,  
KONKAN RAILWAY CORPORATION LIMITED  
(CIN: U35201MH1990GOI223738)  
Registered Office: Belapur Bhavan, Sector 11, C.B.D. Belapur,  
Navi Mumbai-400614, Maharashtra, India

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 secretarial records. We believe that the processes and practices, We followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards etc., is the responsibility of the management of the Company. Our examination was limited to the verification of procedures on random test basis.
5. Where ever required, We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. 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.

Place: Navi Mumbai  
Date: 27-05-2024

For Priyanka Yadav and Associates,  
Practicing Company Secretary  
(Peer Review No.: 2222/2022)

Sd/-  
CS Priyanka Yadav  
ACS No. 48355  
COP NO. 19836  
UDIN: A048355F000462307



## KONKAN RAILWAY CORPORATION LTD.

### ANNEXURE – 2

#### MANAGEMENT REPLY TO THE OBSERVATION OF SECRETARIAL AUDITOR

Sr. No.	Observations / Non - Compliances / Adverse Remarks / Qualifications	Management Remarks
1.	The Composition of the Board of Directors was not in compliance with the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Section 149 of the Companies Act, 2013 read with The Companies (Appointment and Qualification of directors) Rules, 2014.	The Corporation being a Government Company, the appointment of Independent Directors on the Board is made by the Government of India {(through Administrative Ministry i.e., Ministry of Railways (MoR)}. Accordingly, request is made to MoR to appoint requisite number of Independent Directors and Woman Director on the Board of the Corporation.
2.	The Composition of the Audit Committee, Nomination & Remuneration Committee, Risk Management Committee was not in compliance with Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013.	
3.	Nomination & Remuneration Committee was not formed during the audit period under review from 01.04.2023 to 09.11.2023.	
4.	There was no women director on Board during the audit period under review from 01.04.2023 to 06.03.2024.	
5.	The 3rd Rights Issue subscription amount of ₹16.85 Crore is still unpaid by Government of Goa.	Payment is under process by the Government of Goa.
6.	In terms of Section 71 of the Companies Act, 2013 the Company is required to create a Debenture Redemption Reserve of an adequate amount in respect of bonds issued.  However, due to accumulated losses no Debenture Redemption Reserve has been created by the Company.	Noted.
7.	Meeting of Independent Director was not held during the audit period under review	During the year, there was only one Independent Director on the Board of the Company. Hence, Meeting of Independent Director was not held.



## KONKAN RAILWAY CORPORATION LTD.

Sr. No.	Enlisted major actions or events undertaken by the Company	Management Remarks
i.	Company has given loan to Konkan Railway Welfare Organisation, as mentioned in the minutes of 175 <sup>th</sup> Board of Directors Meeting, however no repayment received by the company till date.	Noted.
ii.	POSH Committee of the Company has received one compliant under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.	Noted.
iii.	Company has not complied with the Procurement of goods or services through SC/ST MSEs as % of total procurement of goods and services - 4%.	Factual Correct. During the year, Corporation has conducted 3 nos. of vendor awareness programs for SC/ST MSEs to be eligible for supply of procurement of good and services to the Corporation. However, Corporation could achieve supply from SC/ST MSEs to the tune of 0.24% of total procurement of goods and service.

### ANNEXURE – 3

#### DIRECTORS' OTHER DIRECTORSHIP AND ATTENDANCE AT MEETINGS

Name of the Director, their qualification and date of birth	Category of Directorship	No. of Board Meetings			Attendance at last AGM	Directorship in other companies		Membership in Board's committee (in other companies)	
		Held	Required to be attended	Attended		As Chairman	As Director	As Chairman	As Member
Shri Santosh Kumar Jha M. Sc (Geology), MBA(Marketing) 26.03.1967	Chairman & Managing Director	6	6	6	Yes	0	0	0	0
Shri R. M. Bhadang, Civil Engineer, CS, ICWAI, MBA(Finance) 01.06.1966	Director (Finance)	6	6	6	Yes	0	0	0	0



## KONKAN RAILWAY CORPORATION LTD.

Shri R. K. Hegde, BE(Civil) 20.05.1965	Director (Way & Works)	6	6	6	Yes	0	0	0	0
Shri Ajeet Kumar Srivastava, IRAS 03.12.1973	Executive Director, Finance (Expenditure-II) / Railway Board	6	6	3	Yes	0	2	0	0
Shri Priya Ranjan Parhi, IRTS 14.10.1968	Executive Director (Infra)-I / Railway Board	6	6	1	Yes	0	7	0	0
Shri Parrag Jain Nainutia, IAS B.Tech (Electrical), Diploma in Export Management. 14.12.1972	Principal Secretary (Transport & Ports), Government of Maharashtra	6	6	2	No	0	5	0	0
Dr. Manjula N., IAS 21.08.1975	Secretary, IDD, Government of Karnataka	6	1	0	Not Applicable	0	8	0	0
Shri Subhash Chandra, IAS 15.09.1964	Secretary (Transport), Government of Goa	6	6	2	No	0	0	0	0
Shri Biju Prabhakar, IAS 20.04.1965	Secretary (Transport), Government of Kerala	6	6	0	No	0	6	0	0
Shri Sanmoy Banerjee, M.A(Political Science) 14.12.1961	Independent Director	6	6	6	Yes	0	0	0	0
Shri Sanjay Gupta, BE(Mech) 20.03.1964	Ex-Chairman & Managing Director	6	6	6	Yes	0	0	0	0
Shri Gaurav Gupta, IAS 27.07.1967	Additional Chief Secretary, IDD, Government of Karnataka	6	6	0	No	0	0	0	0





## KONKAN RAILWAY CORPORATION LTD.

### ANNEXURE - 4

#### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1. **BRIEF OUTLINE ON CSR POLICY OF THE CORPORATION:**

The CSR policy of the Corporation aims at developing Corporation specific social responsibility strategies in long, medium and short-term period with built in mechanism for implementation and monitoring towards all-round development of people residing in and around the Corporation's area of operation. The CSR policy and the activities undertaken under the CSR policy of the Corporation can be viewed at <https://konkanrailway.com/pages/viewpage/csraactivity>.

2. **COMPOSITION OF CSR COMMITTEE**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Sanjay Gupta (Cessation of Directorship w.e.f. 01.04.2024)	Ex-Chairman and Managing Director / Executive Director	0	0
2	Shri R.M. Bhadang	Director (Finance) / Executive Director	0	0
3	Shri Sanmoy Banerjee	Independent Director	0	0

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company: **<https://konkanrailway.com/pages/viewpage/csraactivity>**.
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: **Not Applicable**.
5. (a) Average net profit of the company as per sub-section (5) of section 135: **Nil [as the Average is ₹ (-) 75.73 Crore]**.
- (b) Two percent of average net profit of the company as per sub-section (5) of section 135: **Nil**.
- (c) Surplus arising out of the CSR Projects or programs or activities of the previous financial years: **Nil**.
- (d) Amount required to be set-off for the financial year, if any: **Nil**.



## KONKAN RAILWAY CORPORATION LTD.

- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: **Nil.**
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Nil.**
- (b) Amount spent in Administrative Overheads: **Nil.**
- (c) Amount spent on Impact Assessment, if applicable: **Nil.**
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **Nil.**
- (e) CSR amount spent or unspent for the Financial Year:

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

(f) Excess amount for set-off, if any:

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

7. Details of Unspent CSR amount for the preceding three financial years:



## KONKAN RAILWAY CORPORATION LTD.

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance Amount in Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per second proviso to section 135(5), if any.		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1.	2020-21	1,52,12,561	1,52,12,561	1,70,14,439	18,965	17.09.2021	1,51,93,596	Nil
2.	2021-22	0	1,99,023	1,99,023	0	NA	0	Nil
3.	2022-23	0	0	0	0	NA	0	Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No.**

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **Not Applicable.**

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration number, if applicable	Name	Registered address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: **Not Applicable.**

Place: Navi Mumbai  
Dated: 29th May, 2024

Sd/-  
Santosh Kumar Jha  
Chairman and Managing Director  
Chairman of CSR & S Committee  
DIN 07738247



## KONKAN RAILWAY CORPORATION LTD.

### ANNEXURE - 5

#### CEO & CFO CERTIFICATION

We hereby certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the year 2023- 24 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Corporation's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Corporation during the year, which are fraudulent, illegal or violative of the Corporation's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Corporation and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee significant changes in accounting policies during the year 2023-24 and that the same have been disclosed in the notes to the financial statements.
- (e) There are no significant changes in internal control policy.
- (f) There are no instances of any frauds that have come to notice.

Sd/-

R. M. Bhadang  
Director (Finance) & CFO  
DIN 09050270

Sd/-

Santosh Kumar Jha  
Chairman and Managing Director  
DIN 07738247

Place: Navi Mumbai  
Dated: 29th May, 2024



## KONKAN RAILWAY CORPORATION LTD.

### ANNEXURE – 6

#### **CERTIFICATE ON CORPORATE GOVERNANCE**

To

The Members of Konkan Railway Corporation Limited

We have examined the compliance of conditions of corporate governance by Konkan Railway Corporation Limited (hereinafter referred "the Company"), for the year ended on 31st March, 2024 as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015 as amended ("SEBI Listing Regulations").

#### **Management's Responsibility**

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

#### **Auditor's Responsibility**

1. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
2. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
3. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance (the "Guidance Note") issued by ICSI.

Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has not complied with the requirement of board composition with respect to appointment of independent and woman directors, the rest of the conditions of Corporate Governance as stipulated in SEBI Listing Regulations during the year ended March 31, 2024 are complied with by the company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 27<sup>th</sup> May 2024

Place: Navi Mumbai

UDIN: F009230F000456380

Sd/-

CS Rupali Abhyankar

Company Secretary

FCS 9230 CP 10509





**KONKAN RAILWAY CORPORATION LTD.**

## **SARDA & PAREEK LLP**

### **Chartered Accountants**

Mahavir Apartments, Third Floor, 598, M.G. Road, Near Sun City Cinema,  
Vile Parle (E), Mumbai - 400057

Tel.: +91 2226101124 / 26 Email : [spca@sardapareek.com](mailto:spca@sardapareek.com)

### **INDEPENDENT AUDITOR'S REPORT**

**To the Members of Konkan Railway Corporation Limited**

**Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying standalone financial statements of Konkan Railway Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31st March 2024, and its profit(financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### **Emphasis of Matters**

We draw attention to the Note No.12.1 of the standalone financial statement, wherein the company



## KONKAN RAILWAY CORPORATION LTD.

has deposited its free funds in Life Insurance Corporation through Group Leave Encashment scheme, whereas the Note No. 40(C) of the standalone financial statements states that Leave Encashment Scheme considered as per Actuarial Valuation are unfunded. However as per the information available and explanations given to us, these funds are used for life assurance benefits as well as for general business purpose.

Our opinion is not modified in respect of these matters.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current financial year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	Auditors' response to Key Audit Matters
<b>A. Revenue from Contracts with Customers in respect of Company's Project Segment as per Ind AS 115.</b>	
<ul style="list-style-type: none"> <li>Accounting Standard on Revenue which prescribes five steps revenue recognition model.</li> <li>The Company recognizes revenue for a performance obligation satisfied over time after estimating its progress towards complete satisfaction of the performance obligation. The recognition of revenue requires assessments and judgments to be made on changes in work scope, claims (compensation, rebates etc.) and other payments to the extent performance obligation is satisfied. The company measures the performance obligation by applying input method. In the contracts where performance obligation cannot be measured by input method, the output method is applied, which faithfully depict the Company's performance towards complete satisfaction of the performance obligation.</li> </ul>	<ul style="list-style-type: none"> <li>Our audit procedures included considering the appropriateness of the Company's revenue recognition accounting policies and assessing compliance with the policies in terms of the applicable accounting standards.</li> <li>Evaluated the effectiveness of control over the preparation of information that are design to ensure the completeness and accuracy.</li> <li>Selected samples of contract, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and satisfaction of performance obligations.</li> <li>We performed following substantive procedures over revenue recognition with specific focus on whether there is single performance obligation or multiple performance obligations in the contract</li> </ul>



## KONKAN RAILWAY CORPORATION LTD.

<ul style="list-style-type: none"> <li>● Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.</li> <li>● The further explanation why we consider this as a Key Audit Matters as follows:  The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized at a point in time or over time. Additionally, revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.  Refer Note No. 2(K) of material accounting policy in standalone financial statements.</li> </ul>	<p>and whether the performance obligation is being satisfied over the period of time or at a point in time:</p> <ol style="list-style-type: none"> <li>1. Read, analysed and identified the distinct performance obligations in these contracts.</li> <li>2. Compared these performance obligations with that identified and recorded by the Company.</li> <li>3. Considered the terms of the contracts to verify the transaction price used to allocate to separate performance obligations.</li> <li>4. Checked whether the performance obligation is being satisfied over the period of time or at a point in time.</li> <li>5. Performed analytical procedures for reasonableness of revenues disclosed.</li> <li>6. Obtained and verified the project cost and project revenue workings maintained by the company, where input method is followed for recognizing revenue.</li> </ol>
<b>B. Measurement of Contract Asset where Performance Obligation has been satisfied with respect to Project Segment.</b>	
<p>The Company in its contract with customers, promises to transfer services to its customers based on the terms of agreement, which may be rendered in various forms of construction contracts. The recognition of revenue is based on contractual terms, which could be either agreed unit price or cost plus margin arrangements. At each reporting date, revenue is accrued for costs incurred against work performed that may not have been invoiced. Identifying whether the Company's</p>	<p>Our audit procedures are related to the:</p> <ol style="list-style-type: none"> <li>1. Evaluation of evidence supporting the execution of work;</li> <li>2. Evaluation of recoverability of the amounts spent with respect to its enforceability for receipt of payment from customers; and</li> <li>3. Assessment of adjusting events after the reporting date i.e. 31st March, 2024 and the date when the financial statements are</li> </ol>



## KONKAN RAILWAY CORPORATION LTD.

<p>performance has resulted in a service that would be billable and collectable where the works carried out have not been acknowledged by customers as of the reporting date, involves a significant amount of judgement.</p> <p>During the current year, company has booked unbilled revenue amounting to Rs. 3261.54 Lakhs with respect to revenue earned from Projects.</p> <p>Refer Note No. 34.1(c) of standalone financial statements.</p>	<p>approved by the Company's Board of Directors and its impact thereof on the carrying amount of the related contract assets.</p> <p>4. Discussed with management about the accounting treatment with respect to recognition of revenue wherein the performance obligation is satisfied but not invoiced.</p> <p>5. As previous year comparable are restated, it had prior period impact on the financial statements. We verified the said impact on the financial statements, as per the working provided by Management.</p>
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### **C. Impairment of Loan given to Related Party**

<p>As per the requirements of Ind AS 109, the Company assesses at the end of every reporting period, whether there is any indication that a financial instrument may be impaired. If any such indication exists, the Company estimates the recoverable amount of the financial instrument. The determination of recoverable amount being fair value of the financial instrument involves significant estimates, assumptions and judgements of the professionals.</p> <p>The Company has given loan to Konkan Railway Welfare Organisation (KRWO), formed for the welfare of the employees of the Company, which carries interest @ 7% p.a. and is repayable in 7 years from the date of disbursement. The loans were disbursed during the period 2010-11 to 2014-15. KRWO has executed simple mortgage deed in favour of the Company. Loan amounting to Rs.2,032.69 Lakhs has become due on completion of seven years from the disbursement of respective loans. The Company has tested this loan for impairment in</p>	<p>Our audit procedure in relation to the loan given to related party included the following:</p> <ol style="list-style-type: none"> <li>1. Obtained and read agreement entered between KRCL and KRWO and the terms of the repayment of the loan by KRWO to KRCL.</li> <li>2. We evaluated the reasons for delay in the repayment of the loan by KRWO to KRCL and obtained our understanding in the manner in which loan amount will be recovered in future.</li> <li>3. As there was indication of impairment with respect to loan given, during Q2 Limited Review, discussed with management for impairing the said loan.</li> <li>4. Obtained and verified the Impairment testing/working conducted by the management for the said loan.</li> <li>5. Obtained and read the valuation reports issued by the valuer of land parcels and its impact on the loan provided to KRWO.</li> </ol>
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## KONKAN RAILWAY CORPORATION LTD.

<p>accordance with Ind AS 109 by comparing its recoverable amount with carrying amount as at 31st March 2024. The recoverable amount of the Loan has been assessed by the company as per the Fair Valuation of the Lands which are held by KRWO.</p> <p>The company has provided for impairment loss amounting to Rs. 1648.09 Lakhs which includes principal amount of Rs. 527.64 Lakhs and Rs.1120.45 lakhs towards interest. Impairment of assets is a key audit matter considering the significance of the carrying value, estimations and the significant judgement involved in impairment assessment.</p> <p>Refer to Note 16.2 of the standalone financial statement.</p>	
<b>D. Treatment of Assistance received from Ministry of Railways (MOR)</b>	
<p>As per the requirements of IndAS 109, an entity needs to measure its financial liability at its fair value. In case, where the transaction value differs from its fair value, then entity is required to measure it at fair value considering the market rates, where as the difference between the fair value and transaction value shall be charged to Profit and Loss unless it qualifies for recognition under liability.</p> <p>During previous years, Company had received Assistance from Ministry of Railways (MOR) amounting to Rs. 14500 Lakhs and Rs. 23500 Lakhs, bearing Nil interest rate and the same is repayable in 3 years from the date of disbursement. Since the transaction value and fair value of the said loan differs with respect to rate of interest, the said loan is required to be discounted at company's cost of debt and the difference between the fair value and transaction value is adjusted in other equity. Refer Note No. 23.2 (3) of standalone financial statement.</p>	<p>Our audit procedure in relation to the assistance received from MOR included the following:</p> <ol style="list-style-type: none"> <li>1. Obtained and read the letter received from MOR and evaluated the terms of the said letter.</li> <li>2. We evaluated the nature of the assistance received from the Ministry of Railways.</li> <li>3. Discussed with management regarding accounting treatment to be done with respect to loan received.</li> <li>4. Obtained and verified the fair valuation working conducted by the management for the financial instrument.</li> </ol>





## KONKAN RAILWAY CORPORATION LTD.

### **E. Testing and Verifying Internal Financial Controls placed by the Company:**

The company needs to place its internal financial controls over financial reporting wherein the Standard Operating Procedures ('SOP'), Risk involved due to aberration in SOPs as well as the controls placed to mitigate those risks, needs to be defined. The company is also required to test its operating effectiveness every year.

Defining risk involved on the Internal Financial Controls over financial reporting requires significant judgements and hence the same needs to be evaluated and updated as and when required. During the course of Audit, we are required to comment on the operating effectiveness on the internal financial controls over financial reporting placed.

Our audit procedures involved:

1. Understanding the SOPs defined by the management.
2. Discussed with the management regarding the issues that will arise if there are any aberration in SOPs, accordingly it was found that management has not defined the risk that can arise due to aberration in not following the controls as per its SOPs.
3. While understanding the system and verifying the controls placed within the system, there were some areas where the processes were not implemented in the system.
4. Discussed and obtained our understanding with the management about the issues recognized in the system.
5. Evaluated its impact on the financial statements of the company.

Refer Annexure B.

### **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 Company's annual report viz. Board/Directors Report and its Annexures, Corporate Governance etc. but does not include the consolidated financial statement, standalone financial statements and our auditor's report there on. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we



## KONKAN RAILWAY CORPORATION LTD.

conclude that there is a material misstatement of this other information, we are required to report that fact.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

### **Responsibilities of Management and Those Charged With Governance for the Standalone Financial Statements**

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit (financial performance including other comprehensive income), changes in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for Audit of the Standalone Financial Statements**

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



## KONKAN RAILWAY CORPORATION LTD.

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

- Identify and assess the risks of material misstatement of the standalone 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances,



## KONKAN RAILWAY CORPORATION LTD.

we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

The audit of standalone financial statements for the previous year ended 31st March, 2023 included in the current year's standalone financial statement have been carried out by G B C A & Associates LLP, Chartered Accountants.

Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the '**Annexure A**' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by the section 143 (3) of the Act, based on our audit we report that:
  - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and beliefs were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e. The provisions of Section 164 (2) of the Act regarding disqualification of directors are not applicable to the Company in view of Notification No. G.S.R. 463 (E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in '**Annexure B**' to this report and our report expresses a qualified opinion on the adequacy and operating effectiveness



## KONKAN RAILWAY CORPORATION LTD.

of the company's internal financial control over financial reporting;

3. 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:
- a. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note No. 44 to the standalone financial statements.
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses requiring provision.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - d. The Management has represented that,
    - a) to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014, as amended, as provided under (a) and (b) above, contain any material misstatement.
  - e. The Company has not declared any dividend (i.e. interim or final) during current financial year 2023-24, previous financial year 2022-23 and up to the date of our audit report. Accordingly, provisions of section 123 of the Companies Act, 2013 is not applicable during current financial year 2023-24.





## KONKAN RAILWAY CORPORATION LTD.

- f. On the basis of our examination on test check basis, the company has used accounting software for maintaining its books of accounts which have feature of recording audit trail facility except in respect of property, plant and equipment records which are maintained manually and the same has operated throughout the year for all transactions recorded in the software and during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the Statutory Requirements for record retention.
4. With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act, as amended: As per notification No. G.S.R. 463 (E). Dated 5th June 2015 issued by Ministry of Corporate Affairs, Provisions of section 197 of Companies Act, 2013 is not applicable, being a Government Company. Accordingly, the section 197(16) of the Act is not applicable to the Company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
5. As required under section 143(5) of the Companies Act, 2013, we give in the '**Annexure C**', a statement on the directions issued by the Comptroller and Auditor General of India after complying the suggested methodology of Audit, the action taken thereon and its impact on the accounts and standalone financial statement of the company.

### For SARDA & PAREEK LLP

Chartered Accountants

Firm Registration No. 109262W/W100673

Sd/-

**CA Niranjan Joshi**

Partner

Membership No. 102789

UDIN:24102789BKCOTJ7162

Place: Belapur

Date: 29.05.2024



## KONKAN RAILWAY CORPORATION LTD.

### ANNEXURE A

#### **to the Independent Auditor's Report of even date on the financial statements of Konkan Railway Corporation Limited**

(Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report).

#### **A statement on matters specified in paragraph 3 & 4 of the Companies (Auditor's Report) Order 2020 ("the order"), in terms of section 143(11) of the Companies Act, 2013,**

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

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) The company has maintained records manually of:
    - (A) Property, plant and equipment (P.P.E.), however there isn't sufficient description of the asset to make identification possible, situation and location / custody of the assets is not mentioned. Also in certain cases the quantities and per unit rates are not mentioned.
    - (B) The company has maintained proper records showing full particulars of intangible assets.
  - (b) Previously, the company was having the policy of physical verification of P.P.E. by physical verification cell. During current year the company has appointed an independent external agency to physically verify the P.P.E. of the company. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanation given to us and the record examined by us, the title deeds / conveyance deeds of the leasehold land and Buildings are held in the name of the company. However, in respect of freehold land worth Rs. 22805.45 Lakhs held by the company, due to lack of compilation of the adequate information related to freehold land and reconciliation with books, we are unable to comment whether all the title deeds of such freehold land are held in the name of the Company. As informed by the Management, the compilation of the adequate information of freehold land is under process.
  - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of use assets) and intangible assets during the year.



## KONKAN RAILWAY CORPORATION LTD.

- (e) As per the information and explanation given to us and based on our verification, no proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) In respect of Company's Inventories:
- (a) As explained to us, the company has a policy of physical verification of the inventory of stores, spares, diesel and others on annual basis by the Stock Verification Cell under Perpetual Inventory System, while Inventories of Rails are physically verified once in two years.
- In our opinion, the coverage and procedure of verification is appropriate as regard to the size, nature and volume of Inventories.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. 500 lakhs, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) During the current financial year 2023-24, 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 to any other parties. Hence, reporting under clause 3(iii)(a){A & B},(b),(c),(d),(e) and (f) of the Order is not applicable in respect transactions during current financial year 2023-24.
- However, the company has granted unsecured loan to its related party – Konkan Railway Welfare Organization during the years 2010-11 to 2014-15, the same has been evaluated for impairment as stated in clause “C” under Key Audit Matters Paragraph of our Audit report.
- (iv) As per information and explanation given to us, Company has not sanctioned any loans, investments, guarantees and Security within the provision of section 185 and 186 of Companies Act 2013 except in one case where the Company has granted unsecured loans to one of its related party – Konkan Railway Welfare Organization wherein the rate of interest charged by the company is 7% calculated through simple interest, which was lower than the cost of funds to the Company. The said loan was evaluated for impairment during the previous financial year and the amount of Rs.1648 Lakhs is impaired. In case of Investment in Associate Company (i.e. Jaigrah Digni Rail Limited), the company has complied the provisions of section 186 of the



## KONKAN RAILWAY CORPORATION LTD.

Companies Act 2013. The said investment in associate company has been disposed off during the year.

- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148 (1) of the Companies Act 2013 for the business activities carried out by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.
- (vii) In respect of Statutory Dues:

- (a) The Company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Income-Tax, Duty of Customs, Cess and other material statutory dues with the appropriate authorities applicable to the company, whereas the employee's state insurance is not applicable to the company.

There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Goods and Service Tax, Duty of Customs, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March , 2024 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31<sup>st</sup> March , 2024 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where dispute is pending	Period in which amount relates	Gross disputed amount (Rs. in Lakhs )	Amount deposited under protest/adjusted by tax authorities (Rs. in Lakhs)	Amount not deposited (Rs in Lakhs)
Finance Act	Service Tax	CESTAT Mumbai as per directives of Mumbai High Court	2009-10 to 2014-15	70460	1000	69460
Finance Act	Service Tax	CESTAT Mumbai	2017-18	11	11	0
Jharkhand Value Added Tax	Value Added Tax	Patna High Court	2004-05 to 2008-09	1971	0	1971



## KONKAN RAILWAY CORPORATION LTD.

Note:

1. The Demand of Tax Deducted at Source (TDS) amounting to Rs. 6.06 Lakhs appearing in the income tax portal is not considered in the above disputed dues considering the fact that same arises out of mismatch in the information provided by the company and information available with Income Tax Portal.
- (viii) 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) In respect of Borrowings:
  - (a) In our opinion, during the year, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
  - (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
  - (c) During the year, the Company has availed corporate loan of Rs. 55000 Lakhs from Bank of Baroda for long term working capital requirement of the company. As per information and explanations given to us, based on our verification, the Company has utilized the funds for the purpose it was raised.
  - (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
  - (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its Associate. Further the company has no Subsidiaries and Joint Ventures.
  - (f) The Company has not raised loans during the year on the pledge of securities held in its Associate Company.
- (x) In respect of Issue of Securities:
  - (a) The Company has not raised moneys 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) During the year, 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) In respect of Fraud:
  - (a) As per the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.





## KONKAN RAILWAY CORPORATION LTD.

- (b) 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 up to the date of this report.
- (c) As represented to us by the Management, no whistle blower complaints are received by the company during the year.
- (xii) The Company is not a Nidhi Company. Therefore, reporting under clause (xii) of the Order is not applicable.
- (xiii) According to the information and explanation given to us and based on our examination of records, during the year the Company has entered into transactions with related parties which majorly comprises of governments namely different railways, government companies and public sector undertakings.

In respect of the Transactions with Government Companies, the provisions of section 188 of the Companies Act 2013 are not applicable vide Notification No G.S.R 463 (E) dated 5 June 2015 issued by Ministry of Corporate Affairs, whereas in respect of transaction with related parties other than Government Companies to whom the provisions of section 188 of Companies Act, 2013 are applicable the company has complied with the same. However, the provisions of section 177 of the Companies Act have been complied in respect of transactions with all its related parties.

As prescribed in Para 25 of Ind AS 24, the company has claimed the exemption of detailed disclosure requirements of Related Party transactions. However, as per Para 26 of Ind AS the requisite disclosure have been incorporated in the Notes to standalone financial statement.
- (xiv) In respect of Internal Audit:
  - (a) For the current financial year 2023-24, the internal audit system is commensurate with the size, nature and complexity of the business, except for following areas:
    - i. Information Technology General Control Audit,
    - ii. Cyber Audit,
    - iii. Continuously monitoring and testing Internal Financial Controls.
  - (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion, during the year the Company has not entered any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of section 192 of the Act are not applicable.
- (xvi) 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), (b) and (c) of the Order is not applicable. Moreover there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is also not applicable.



## KONKAN RAILWAY CORPORATION LTD.

- (xvii) The Company has not incurred cash losses during the current financial year as well as in previous year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) 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) During the current financial year, the company is not required to spend amount on Corporate Social Responsibility (CSR) considering the net average loss in preceding 3 financial years. Accordingly reporting under the clause (xx) of the order is not applicable.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

### **For SARDA & PAREEK LLP**

Chartered Accountants

Firm Registration Number 109262W/W100673

**Sd/-**

**CA Niranjan Joshi**

Partner

Membership No: 102789

UDIN:24102789BKCOTJ7162

Place: Navi Mumbai

Date: 29.05.2024



## KONKAN RAILWAY CORPORATION LTD.

### **ANNEXURE B**

#### **to the Independent Auditor's Report of even date on the standalone financial statements of Konkan Railway Corporation Limited**

(Referred to in Paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" section of our report).

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

We have audited the internal financial controls over financial reporting of Konkan Railway Corporation Limited ("the Company") for the period ended 31st March 2024, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial statement based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and the Standards on Auditing ("SA"s) prescribed under section 143(10) of the Companies Act, 2013 (the "Act"), 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 standalone financial statements, whether



## KONKAN RAILWAY CORPORATION LTD.

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 statement.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting with reference to standalone financial statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone 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 standalone 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.

### **Modified Opinion**

According to the information and explanation given to us and based on our audit, our report is Qualified in respect of the following material weakness identified as at 31st March 2024:

- a) Management has not defined the risk that can arise due to aberration in not following the controls as per its standard operating procedures and its mitigation measures to address such aberration.
- b) Sub-ledgers of the Suppliers, Contractors and other parties are not maintained in IT System. Only the contract wise details of settled transactions are generated in IT system. Due to this the age wise analysis of the outstanding dues, classification of Micro, Small and Medium Enterprises (MSME) and details of timely repayment of dues cannot be generated from IT System and manual intervention is involved in this aspects.
- c) Consumption of Inventory and Stock lying at Verna and Chiplun storage locations are not yet maintained in IT Systems and manual records are maintained by the company at the mentioned storage locations. Further the report for open purchase orders for all locations are not generated from IT System. Due to which, the details regarding the movement analysis, capital commitment, revenue commitment, purchase order analysis, age-wise analysis and



## KONKAN RAILWAY CORPORATION LTD.

purchase of inventories despite having sufficient inventory balances could not be generated from the IT system and manual intervention is involved in this process.

- d) Fixed Asset Register is not maintained in IT System and complete records are maintained in the excel file due to which manual calculations have been carried out for working of Depreciation amount which involves the manual intervention in this process.
- e) Management has implemented Measurement Book (MB) Module in Integrated Financial Accounting System (IFAS) to pass service entries related to work contracts, but there were instances wherein service entries were not passed through the MB Module.
- f) Contractors Bills are maintained Contract wise manually but the report containing the Contract wise details along with initial history is not generated from the IT System.
- g) Clearing of completed transactions are not initiated in IT system. Due to which reports of open items of assets and liabilities could not be generated from IT system.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31<sup>st</sup> March, 2024, 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 weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31st March, 2024 standalone financial statements of the Company, and these material weaknesses does not affect our opinion on the standalone financial statement of the company.

### **For SARDA & PAREEK LLP**

Chartered Accountants

Firm Registration Number 109262W/W100673

**Sd/-**

**CA Niranjan Joshi**

Partner

Membership No: 102789

UDIN:24102789BKCOTJ7162

Place: Navi Mumbai

Date: 29.05.2024





## KONKAN RAILWAY CORPORATION LTD.

### ANNEXURE C

#### **to the Independent Auditor's Report of even date on the Standalone financial statements of Konkan Railway Corporation Limited**

(Referred to in Paragraph 3(g) under "Report on Other Legal and Regulatory Requirements" section of our report).

- 1) Report on Directions, if any issued under 143(5) of the Companies Act, 2013: The directions were issued by the Comptroller and Auditor General of India (CAG) for FY 2020-21 and onwards on website of CAG - <http://www.care.cag.gov.in/policy/Directions2020-21.pdf>.

We have reported our observations on the standalone financial statement for FY 23-24 based on the directions issued by CAG as indicate above.

Sr. No.	Directions	Replies
1	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.	Except for the matters stated in "Annexure B", the company has implemented ERP system at corporate office and its units using Integrated Financial Accounting System (IFAS). All the financial transactions are recorded through various modules in the system.No financial transactions are accounted otherwise than through the ERP system, there is no implication on processing of accounting transactions on the integrity of the accounts.
2	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?	During the year there is no restructuring of existing loan, nor cases of waiver and write off of debts / loan or interest by the lender to the company due to company's inability to repay the loan. There is no impact on Accounts and standalone financial statements.
3	Whether funds received/receivable for specific schemes from central/state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	The funds received / receivable for specific schemes from central / state agencies are properly accounted for. There is no impact on the Accounts and standalone financial statements.



## KONKAN RAILWAY CORPORATION LTD.

2) Report on Additional Directions, issued under 143(5) of the Companies Act, 2013:

The directions were issued by the Comptroller and Auditor General of India (CAG) for FY 2022-23 and onwards vide letter no. DGA/CR/KRCL/Suppl.Audit/2022-23/128 dated 28-04-2023 to previous auditors. We have reported our observations on the standalone financial statement for FY 23-24 based on the directions issued by CAG as indicate above.

Sr. No.	Directions	Replies
1	Whether KRCL is accounting the revenue of its projects according to Indian Accounting Standard 115 and other applicable Ind AS. If yes, details and working papers may be provided during supplementary audit of Accounts.	<p>Our audit procedures included considering the appropriateness of the Company's revenue recognition accounting policies and assessing compliance with the policies in terms of the applicable accounting standards. We performed following substantive procedures over revenue recognition with specific focus on whether there is single performance obligation or multiple performance obligations in the contract and whether the performance obligation is being satisfied over the period of time or at a point in time:</p> <ol style="list-style-type: none"> <li>1. Read, analysed and identified the distinct performance obligations in these contracts.</li> <li>2. Compared these performance obligations with that identified and recorded by the Company.</li> <li>3. Considered the terms of the contracts to verify the transaction price used to allocate to separate performance obligations.</li> <li>4. Checked whether the performance obligation is being satisfied over the period of time or at a point in time.</li> <li>5. Performed analytical procedures for reasonableness of revenues disclosed. According to the information gathered and the explanation received from the Management, the company is complying with IndAS 115.</li> </ol>



## KONKAN RAILWAY CORPORATION LTD.

2	Whether provision for the employees' benefits (Gratuity, Leave encashment, etc.) has been correctly made by KRCL and whether the salary escalation rate used for provisioning is appropriate.	<p>Provisions for Employee Benefits Expenses (Gratuity, Pension, Leave Encashment and Post-Retirement Medical Benefit) have been made by KRCL on the basis of Actuarial Report as per IndAS 19. Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• Verifying relevant data used for the actuarial calculations.</li> <li>• Evaluated the reasonableness of actuarial assumptions in the report for calculation of provision considering past trends, industry standards, etc.</li> <li>• Conducted discussions with appointed actuarial professional regarding the basis of assumption considered in the actuarial report.</li> </ul> <p>As per the information provided and explanations received from appointed actuary and management, the provisions made and the assumptions considered appropriate.</p>
3	Whether management of the company has fully complied with directions of Management Letters issued to them for the previous 3 Supplementary Audits by C&AG?	<p>We have gone through all the management letters issued during the Supplementary Audit of C&amp;AG of previous 3 financial years. As per information and explanation received from the management, the company has complied with all observation which may materially affect the financial position of the company as stated in Supplementary Audit.</p>

### For SARDA & PAREEK LLP

Chartered Accountants

Firm Registration Number 109262W/W100673

**Sd/-**

**CA Niranjan Joshi**

Partner

Membership No: 102789

UDIN:24102789BKCOTJ7162

Place: Navi Mumbai

Date: 29.05.2024



## KONKAN RAILWAY CORPORATION LTD.

### Management Replies to the Statutory Auditor's remarks for the Financial year ended 31st March 2024

Sr. No	Statutory Auditor's Remarks	Management Reply
1	<p><b>Emphasis of Matters Para: 3</b></p> <p>We draw attention to the Note No.12.1 of the standalone financial statement, wherein the company has deposited its free funds in Life Insurance Corporation through Group Leave Encashment scheme, whereas the Note No. 40(C) of the standalone financial statements states that Leave Encashment Scheme considered as per Actuarial Valuation are unfunded. However as per the information available and explanations given to us, these funds are used for life assurance benefits as well as for general business purpose.</p>	Factually correct
<b>Annexure A - a statement on matters specified in paragraph 3 &amp;4 of the Companies (Auditor's Report) Order 2020 ("The Order") in terms of section 143(11) of the Companies Act, 2013.</b>		
	<p>i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:</p> <p>A) The company has maintained records manually of: Property, Plant, and equipment (P.P.E.), however there is not sufficient description of the asset to make identification possible, situation and location/custody of the assets is not mentioned. Also, in certain cases the quantities and per unit rates are not mentioned.</p>	Noted for necessary action.
	<p>C) According to the information and explanation given to us and the record examined by us, the title deeds / conveyance deeds of the leasehold land and Buildings are held in the name of the company. However, in respect of freehold land worth Rs. 22,805.45 Lakhs held by the company, due to lack of compilation of the adequate information related to freehold land and reconciliation with books, we are unable to comment whether all the title deeds of such freehold land are held in the name of the Company. As informed by the management, the compilation of the adequate information of freehold land is in under process.</p>	<p>Factually Correct. Title Deeds of all lands acquired by KRCL are in the name of KRCL.</p> <p>Compilation of a Land register (freehold land) is being undertaken by K R C L and Reconciliation of Land value as per land register and books of Accounts is in progress.</p>



## KONKAN RAILWAY CORPORATION LTD.

Sr. No	Statutory Auditor's Remarks	Management Reply
	<p><b>xiv (a):</b> For the current financial year 2023- 24, the internal audit system is commensurate with the size, nature, and complexity of the business, except for following areas:</p> <ul style="list-style-type: none"> <li>i) Information Technology General Control Audit,</li> <li>ii) Cyber Audit</li> <li>iii) Continuously monitoring and testing internal Financial Controls.</li> </ul>	<ul style="list-style-type: none"> <li>I) KRCL has received Information Security Certificate ISO 27001: 2200 which covers ITGC (Information Technology General Control).</li> <li>II) Cyber Security Audit for IT infrastructure and application have been conducted by M/s CDAC.</li> <li>III) Noted for necessary action.</li> </ul>
<b>Annexure B – Modified Opinion</b>		
According to the information and explanation given to us and based on our audit, our report is Qualified in respect of the following material weakness identified as at 31st March 2024:		
a	Management has not defined the risk that can arise due to aberration in not following the controls as per its standard operating procedures and its mitigation measures to address such aberration.	Standard operating procedures are in place and its scope for aberrations are limited due to availability of ERP system in place.
b	Sub-ledgers of the Suppliers, Contractors and other parties are not maintained in IT System. Only the contract wise details of settled transactions are generated in IT system. Due to this the age wise analysis of the outstanding dues, classification of Micro, Small and Medium Enterprises (MSME) and details of timely repayment of dues cannot be generated from IT System and manual intervention is involved in these aspects.	Necessary reports have been developed and are under testing/implementation.
c	Consumption of Inventory and Stock lying at Verna and Chiplun storage locations are not yet maintained in IT Systems and manual records are maintained by the company at the mentioned storage locations. Further the report for open purchase orders for all locations are not generated from IT System. Due to which, the details regarding the movement analysis, capital commitment, revenue commitment, purchase order analysis, age-wise analysis and purchase of inventories despite having sufficient inventory balances could not be generated from the IT system and manual intervention is involved in this process.	Inventory at Verna & Chiplun sub-depot: Items stored at Verna & Chiplun are critical to railway operations and supplied through OEM under rate contract and not procured through Stores & Inventory module. The details of receipt, consumption and stock are controlled and monitored through manual registers.





## KONKAN RAILWAY CORPORATION LTD.

Sr. No	Statutory Auditor's Remarks	Management Reply
d	Fixed Asset Register is not maintained in IT System and complete records are maintained in the excel file due to which manual calculations have been carried out for working of Depreciation amount which involves the manual intervention in this process.	Noted. Excel based Fixed Assets Register (FAR) is being migrated to a system-based FAR.
e	Management has implemented Measurement Book (MB) Module in Integrated Financial Accounting System (IFAS) to pass service entries related to work contracts, but there were instances wherein service entries were not passed through the MB Module.	MB Module is not part of IFAS and therefore it is not compulsory to create Service Entry Sheet in IFAS through MB Module.
f	Contractors Bills are maintained Contract wise manually but the report containing the Contract wise details along with initial history is not generated from the IT System.	Details of contracts existing prior to implementation of IFAS is maintained manually and information on other contracts are available in IFAS.
g	Clearing of completed transactions are not initiated in IT system. Due to which reports of open items of assets and liabilities could not be generated from IT system.	Noted for necessary action.



## KONKAN RAILWAY CORPORATION LTD.



महानिदेशक लेखापरीक्षा कार्यालय, मध्य रेल  
नवीन प्रशासनिक भवन, चौथी मंजिल  
दा.नौ.मार्ग, मुंबई, छ.शि.ट - 400 001  
Office of the Director General of Audit  
Central Railway  
4<sup>th</sup> Floor, New Administrative Building  
Dadabhai Naoroji, CSMT, Mumbai - 400 001  
Phone: 022-2262 1343 Fax: 022-2262 0720  
e-mail: pdarlycr@cag.gov.in



No. DG/CR/KRCL/Suppl. Audit/2024-25/ 864

Dated: 02.08.2024

To  
**The Chairman and Managing Director,**  
Konkan Railway Corporation Ltd.,  
Belapur Bhavan, Belapur CBD,  
Navi Mumbai - 400 614

Sir,

**Sub: Comments of the Comptroller and Auditor General of India on the accounts (standalone and consolidated) on the accounts of Konkan Railway Corporation Ltd for financial year 2023-24.**

The Supplementary Audit of Consolidated and Standalone Ind-AS Financial Statements of Konkan Railway Corporation Limited for the year 2023-24, duly certified by the Independent Auditors, commenced on 03-06-2024. In respect of supplementary audit, the comments of the Comptroller and Auditor General of India under section 143(6)(b) of the companies act 2013 on the accounts (standalone and Consolidated) of Konkan Railway Corporation Ltd for the year 2023-24 are enclosed herewith in **Annexure-I A & I B**.

Receipt of this letter and the enclosures may please be acknowledged.

Encl: As Above

*Supriya*  
02/08/2024  
(Supriya Singh)  
Principal Director of Audit

Copy to the Director General (Railways), Office of the Comptroller and Auditor General of India, New Delhi -110 124 for information.



## KONKAN RAILWAY CORPORATION LTD.

### Annexure IA

#### COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF KONKAN RAILWAY CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024.

The preparation of standalone financial statements of Konkan Railway Corporation Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 May 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143 (6) (a) of the Act of the financial statements of Konkan Railway Corporation Limited for the year ended 31 March 2024. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, nothing significant has come to my attention which would give rise to any comment upon or supplement to Statutory Auditor's report under section 143(6)(b) of the Act.

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

*Supriya*  
(Supriya Singh)  
02/08/2024

**Principal Director of Audit,  
Central Railway, Mumbai**

**Place: Mumbai**

**Date: 02.08.2024**



# KONKAN RAILWAY CORPORATION LTD.

## STANDALONE BALANCE SHEET AS AT 31ST MARCH 2024

(₹ in Lakhs)

Particulars	Note No.	As at 31st March 2024		As at 31st March 2023	
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, Plant and Equipment	3	5,21,597.79		5,19,141.80	
Capital work-in-progress	4	28,214.00		15,828.28	
Right of use Assets	5	2,378.34		3,492.93	
Intangible assets	6	32.04		153.90	
Intangible Asset under Development	7	61.31		61.31	
Financial Assets					
i) Loans	8	28.36		31.00	
ii) Other financial assets	9	3,206.36		3,738.27	
Other non-current assets	10	3,897.55		3,869.41	
<b>Total Non-current assets</b>			<b>5,59,415.75</b>		<b>5,46,316.90</b>
<b>Current assets</b>					
Inventories	11	6,549.19		6,641.44	
Financial Assets					
i) Investments	12	2,67,981.85		1,85,016.02	
ii) Trade receivables	13	24,518.30		26,632.77	
iii) Cash and cash equivalents	14	30,669.44		52,567.58	
iv) Bank balances other than (iii) above	15	6,021.39		6,690.26	
v) Loans	16	1,509.82		1,509.82	
vi) Other financial assets	17	31,689.34		45,351.46	
Current Tax Assets (Net)	18	1,634.30		444.48	
Other current assets	19	6,023.72		11,189.67	
Assets held for Sale	3.10	3.89		-	
<b>Total Current assets</b>			<b>3,76,601.24</b>		<b>3,36,043.50</b>
<b>Total Assets</b>			<b>9,36,016.99</b>		<b>8,82,360.40</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Equity Share capital	20	2,03,710.62		1,78,560.62	
Instruments entirely equity in nature	21	3,82,801.00		4,07,951.00	
Other Equity	22	(3,84,330.16)		(4,07,268.18)	
<b>Total Equity</b>			<b>2,02,181.46</b>		<b>1,79,243.44</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Financial Liabilities					
i) Borrowings	23	2,50,674.24		3,02,332.33	
ia) Lease Liabilities	24	1,136.57		2,156.49	
Provisions	25	1,05,384.69		1,02,477.40	
Other non-current liabilities	26	9,072.12		6,089.75	
<b>Total Non-Current Liabilities</b>			<b>3,66,267.62</b>		<b>4,13,055.97</b>
<b>Current liabilities</b>					
Financial Liabilities					
i) Borrowings	27	1,46,464.01		12,959.54	
ia) Lease Liabilities	28	1,283.19		1,343.97	
ii) Trade payables					
a) Total outstanding dues of micro and small enterprises;		1,355.45		764.93	
b) Total outstanding dues of creditors other than micro and small enterprises.	29	1,16,777.10		1,40,394.30	
iii) Other financial liabilities	30	79,169.54		71,359.11	
Other Current Liabilities	31	13,142.66		54,112.00	
Provisions	32	9,375.96		9,127.14	
<b>Total Current Liabilities</b>			<b>3,67,567.91</b>		<b>2,90,060.99</b>
<b>Total Liabilities</b>			<b>7,33,835.53</b>		<b>7,03,116.96</b>
<b>Total Equity and Liabilities</b>			<b>9,36,016.99</b>		<b>8,82,360.40</b>

See accompanying notes to the Standalone Financial Statements

Material Accounting Policies  
As per our report of even date

**For Sarda & Pareek LLP**  
Chartered Accountants  
Firm Registration No. : 109262W/W/100673

**Sd/-**  
**CA Niranjan Joshi**  
Partner  
Membership No.: 102789  
Place : Navi Mumbai  
Date: 29th May 2024

2

For and on behalf of Board

**Sd/-**  
**Rajesh Bhadang**  
Director (Finance)  
DIN: 09050270

Place : Navi Mumbai  
Date: 29th May, 2024

**Sd/-**  
**Santosh Kumar Jha**  
Chairman and Managing Director  
DIN: 07738247

**Sd/-**  
**Rajendra Parab**  
Company Secretary



# KONKAN RAILWAY CORPORATION LTD.

## STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in Lakhs)

Particulars	Note No.	For the Year Ended	
		31st March' 2024	31st March' 2023
<b>I. Revenue From Operations</b>			
Sale of services:			
i) Traffic revenue	33	173,061.81	1,72,151.05
ii) Project revenue	34	269,810.13	3,27,470.38
Other operating revenue	35	3,291.25	3,225.38
<b>Total Revenue from Operations</b>		<b>446,163.19</b>	<b>5,02,846.81</b>
<b>II. Other Income</b>	36	21,589.88	12,378.22
<b>III. Total Income (I+II)</b>		<b>4,67,753.07</b>	<b>5,15,225.03</b>
<b>IV. Expenses</b>			
Cost of Operation			
i) Train Operation Expenses	37	65,082.77	71,284.06
ii) Project Cost	38	2,47,111.53	3,00,483.75
Changes in Inventory of Work in Progress	39	(189.61)	(1,130.44)
Employee benefits expense	40	76,564.64	74,232.73
Finance costs	41	27,191.37	23,426.92
Depreciation and amortization expense	3, 5 & 6	16,264.86	11,947.70
Other expenses	42	5,553.67	7,087.29
<b>Total expenses (IV)</b>		<b>4,37,579.23</b>	<b>4,87,332.01</b>
<b>V. Profit/(loss) before tax (III- IV)</b>		<b>30,173.84</b>	<b>27,893.02</b>
<b>VI. Tax expense:</b>			
i) Current tax		-	-
ii) Deferred tax		-	-
<b>VII. Profit / (Loss) for the year (V-VI)</b>		<b>30,173.84</b>	<b>27,893.02</b>
<b>VIII. Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss		(7,235.83)	(15,146.14)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Total Other Comprehensive Loss, net of tax</b>		<b>(7,235.83)</b>	<b>(15,146.14)</b>
<b>IX. Total Comprehensive income for the year (VII+VIII)</b>		<b>22,938.01</b>	<b>12,746.88</b>
<b>X. Earnings per equity share of par value of ₹ 1,000/-(Amount in Rupees) :</b>			
i) Basic	49	168.92	163.58
ii) Diluted		51.45	48.22

See accompanying notes to the Standalone Financial Statements

Material Accounting Policies

As per our report of even date

For Sarda & Pareek LLP

Chartered Accountants

Firm Registration No. :109262W/W100673

Sd/-

CA Niranjan Joshi

Partner

Membership No.: 102789

Place :Navi Mumbai

Date: 29th May 2024

2

Sd/-

Rajesh Bhadang

Director (Finance)

DIN: 09050270

Place : Navi Mumbai

Date: 29th May, 2024

For and on behalf of Board

Sd/-

Santosh Kumar Jha

Chairman and Managing Director

DIN:07738247

Sd/-

Rajendra Parab

Company Secretary





## KONKAN RAILWAY CORPORATION LTD.

### STANDALONE CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2024

(₹ in Lakhs)

PARTICULARS	For the Period Ended 31st March 2024	For the Period Ended 31st March 2023
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before tax	30,173.84	27,893.02
<b><u>Adjustments for Non-Cash Items:</u></b>		
Depreciation and Amortisation Expenses	16,264.86	11,947.70
Unwinding of Finance Cost of Financial Instruments	2,680.43	2,258.79
Excess provision of earlier years written back (net)	(4,359.34)	(381.03)
<b><u>Adjustments for classification of Cash generated from Other activities:</u></b>		
Interest on Deposits	(16,951.56)	(11,725.69)
Finance Cost	24,510.94	21,168.13
Loss on Decapitalization	27.92	1.81
Profit on sale of fixed asset	(0.22)	(1.38)
Provisions for Post Retirement Benefits	(4,328.54)	2,402.88
<b>Operating Profit before Working Capital changes</b>	<b>48,018.33</b>	<b>53,564.23</b>
<b><u>Adjustment for Working Capital Changes</u></b>		
Adjustment for		
<b>A) Current Liabilities</b>		
i) Trade payables		
a) Total outstanding dues of micro and small enterprises;	590.52	764.93
b) Total outstanding dues of creditors other than micro and small enterprises.	(19,257.86)	21,414.84
ii) Other financial liabilities	7,810.43	8,800.54
Other Current Liabilities	(40,969.34)	(23,194.51)
Provisions for Post Retirement Benefits	248.81	1,319.69
<b>B) Current Assets</b>		
Inventories	92.25	825.19
Trade receivables	2,114.48	(9,507.77)
Other current assets	5,162.06	23,788.49
<b>NET CASH FLOW FROM OPERATION</b>	<b>3,809.68</b>	<b>77,775.63</b>
Taxes Paid	(1,189.82)	383.00
<b>NET CASH FLOW FROM OPERATING ACTIVITIES A</b>	<b>2,619.86</b>	<b>78,158.64</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Addition in Property, Plant and Equipments (Net)	(17,507.59)	(1,25,737.04)
Decrease / (Increase) in Capital Work in Progress	(12,385.72)	93,914.79
Addition in Intangible Asset	(0.55)	(3.14)
Decrease / (Increase) in Intangible Asset under development	-	(32.04)
Decrease / (Increase) in Other Non-Current Assets	(28.15)	5,694.01
Interest on Deposits	16,951.57	11,725.69
Decrease / (Increase) in Non-Current Loans	2.64	2.32
Decrease / (Increase) Other Non-Current financial assets	531.91	(630.90)



# KONKAN RAILWAY CORPORATION LTD.

## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in Lakhs)

PARTICULARS		For the Period Ended 31st March 2024	For the Period Ended 31st March 2023
Decrease / (Increase) Financial assets-Loan		-	527.51
Decrease / (Increase) in Current Investments		(85,565.82)	(18,862.26)
Sale of Share in JDRL		2,600.00	
Decrease / (Increase) in Bank balances other than Cash and Cash Equivalent		668.87	(1,252.18)
(Decrease) / Increase in Other Non-Current Liabilities		2,982.37	111.19
Decrease / (Increase) Other Current financial assets		13,662.12	2,120.82
<b>NET CASH USED IN INVESTMENT ACTIVITIES B</b>		<b>(78,088.35)</b>	<b>(32,421.23)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Issue of Share Capital		-	16,207.77
Lease Liability Paid		(1,084.66)	(981.62)
Finance Cost on Capital Project		-	10,480.21
Increase / (Decrease) Share Application Money Pending Allotment		-	(2,669.77)
Loan from Bank for Capital Project		-	1,864.05
Assistance Received from MOR		-	14,500.00
Loan from Bank		80,040.95	(40,483.61)
Loan Repaid		(875.00)	-
Finance Cost		(24,510.94)	(21,168.13)
<b>NET CASH USED IN FINANCING ACTIVITIES C</b>		<b>53,570.35</b>	<b>(22,251.09)</b>
<b>Net increase in Cash &amp; Cash equivalents D= A+B+C</b>		<b>(21,898.14)</b>	<b>23,486.29</b>
Cash & Cash equivalents at beginning of year E		52,567.58	29,081.29
<b>Cash &amp; Cash equivalents at end of the year F= D+E</b>		<b>30,669.44</b>	<b>52,567.58</b>

- Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the profit before tax as set out in Ind AS-7 "Statement of Cash Flow" prescribed under Companies Act (Indian Accounting Standard) Rules, 2015 of Companies Act, 2013.
- Reconciliation of Cash & Cash equivalents and its components included in the above Standalone Statement of cash Flow:

Particulars		As at 31st March 2024	As at 31st March 2023
Cash on hand		293.94	264.34
Balances with banks (of the nature of cash and cash equivalents)			
a) In Current Accounts		8,879.79	10,788.10
b) In Deposit Accounts with original maturity of less than 3 months:			
i) In Autosweep Account		17,525.71	40,515.14
ii) In Fixed Deposit		3,970.00	1,000.00
<b>Total Cash &amp; Cash Equivalents as per Balance Sheet and Standalone Statement of Cash Flow</b>		<b>30,669.44</b>	<b>52,567.58</b>

- Figures in Bracket in statement of cash Flow represent cash outflow.
- See accompanying notes to the Standalone Financial Statements
- Material Accounting Policies

2

As per our report of even date

For and on behalf of Board

**For Sarda & Pareek LLP**  
Chartered Accountants  
Firm Registration No. :109262W/W100673

**Sd/-**  
**CA Niranjan Joshi**  
Partner

Membership No.: 102789  
Place :Navi Mumbai  
Date: 29th May 2024

**Sd/-**  
**Rajesh Bhadang**  
Director (Finance)  
DIN: 09050270

Place : Navi Mumbai  
Date: 29th May, 2024

**Sd/-**  
**Santosh Kumar Jha**  
Chairman and Managing Director  
DIN:07738247

**Sd/-**  
**Rajendra Parab**  
Company Secretary



# KONKAN RAILWAY CORPORATION LTD.

## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2024

### A. Equity Share Capital

#### (1) For the Financial Year 2023-24

(₹ in Lakhs)

Particulars	Balance at 1st April'2023	Changes 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 Financial year 2023-24	Balance at 31st March'2024
Equity Share Capital	1,78,560.62	-	1,78,560.62	25,150.00	2,03,710.62

#### (2) For the Financial Year 2022-23

(₹ in Lakhs)

Particulars	Balance at 1st April'2022	Changes 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 Financial year 2022-23	Balance at 31st March'2023
Equity Share Capital	1,62,353.84	-	1,62,353.84	16,206.78	1,78,560.62

### B. Instruments entirely equity in nature

#### Compulsorily Convertible Preference Shares:

#### (1) For the Financial Year 2023-24

(₹ in Lakhs)

Particulars	Balance at 1st April'2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Compulsorily Convertible Preference Shares during Financial year 2023-24	Balance at 31st March'2024
Compulsorily Convertible Non Cumulative Preference Shares	4,07,951.00	-	4,07,951.00	(25,150.00)	3,82,801.00

#### (2) For the Financial Year 2022-23

(₹ in Lakhs)

Particulars	Balance at 1st April'2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Compulsorily Convertible Preference Shares during Financial year 2022-23	Balance at 31st March'2023
Compulsorily Convertible Non Cumulative Preference Shares	4,07,951.00	-	4,07,951.00	-	4,07,951.00

### C. Other equity

(₹ in Lakhs)

Particulars	Share application money pending allotment	Equity Component of Compound financial instruments	Reserves and Surplus	Items of Other Comprehensive Income	Total
			Retained Earnings	Remeasurements of the defined benefit plans	
(1) For the Financial Year 2023-24					
Balance at the 1st April'2023	-	7,685.62	(3,32,026.52)	(82,927.27)	(4,07,268.17)
Changes in accounting policy	-	-	-	-	-
Prior period errors	-	-	-	-	-
Restated balance at the 1st April'2023	-	7,685.62	(3,32,026.52)	(82,927.27)	(4,07,268.17)
Total Comprehensive Income for the year	-	-	30,173.84	(7,235.83)	22,938.01
Share application money received during the financial year	-	-	-	-	-
Issue of Share Capital against the Share Application money	-	-	-	-	-
Adjustment of Equity Component as per Ind AS-109	-	-	-	-	-
Balance at 31st March'2024	-	7,685.62	(3,01,852.68)	(90,163.10)	(3,84,330.16)



## KONKAN RAILWAY CORPORATION LTD.

### STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2024

( ₹ in Lakhs)

Particulars	Share application money pending allotment	Equity Component of Compound financial instruments	Reserves and Surplus	Items of Other Comprehensive Income	Total
			Retained Earnings	Remeasurements of the defined benefit plans	
<b>(2) For the Financial Year 2022-23</b>					
Balance at the 1st April'2022	2,669.77	4,773.27	(3,59,919.54)	(67,781.13)	<b>(4,20,257.64)</b>
Changes in accounting policy	-	-	-	-	-
Prior period errors	-	-	-	-	-
Restated balance at the 1st April'2022	2,669.77	4,773.27	(3,59,919.54)	(67,781.13)	<b>(4,20,257.64)</b>
Total Comprehensive Income for the year	-	-	27,893.02	(15,146.14)	<b>12,746.88</b>
Share application money received during the financial year	13,537.01	-	-	-	<b>13,537.01</b>
Adjustment of Equity Component as per Ind AS-109	-	2,912.35	-	-	<b>2,912.35</b>
Issue of Share Capital against the Share Application money	(16,206.78)	-	-	-	<b>(16,206.78)</b>
<b>Balance at 31st March'2023</b>	<b>-</b>	<b>7,685.62</b>	<b>(3,32,026.52)</b>	<b>(82,927.27)</b>	<b>(4,07,268.18)</b>

**Nature and purpose of reserves:** Since there are no reserves other than Retained Earnings, the disclosure requirement "stating description of the purposes of each reserve within equity" is not applicable.

See accompanying notes to the Standalone Financial Statements

Material Accounting Policies

As per our report of even date

2

**For Sarda & Pareek LLP**  
Chartered Accountants  
Firm Registration No. :109262W/W100673

**Sd/-**  
**CA Niranjan Joshi**  
Partner  
Membership No.: 102789  
Place :Navi Mumbai  
Date: 29th May 2024

For and on behalf of Board

**Sd/-**  
**Rajesh Bhadang**  
Director (Finance)  
DIN: 09050270

Place : Navi Mumbai  
Date: 29th May, 2024

**Sd/-**  
**Santosh Kumar Jha**  
Chairman and Managing Director  
DIN:07738247

**Sd/-**  
**Rajendra Parab**  
Company Secretary



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### 1. Corporate information:

Konkan Railway Corporation Ltd. ('Corporation') is a Government Company domiciled in India and is incorporated on 19th July' 1990 under the provisions of the Companies Act. The registered office of the company is located at Belapur Bhavan, Plot No 6, Sector 11, CBD-Belapur, Navi Mumbai 400614.

The Corporation is engaged into the passenger and goods transport services by rail as well as project services for Zonal Railways and Other Agencies.

The bonds of the company are listed on National Stock Exchange.

The standalone financial statements are approved for issue by the Company's Board of Directors on May 29, 2024.

#### 2. Material Accounting Policies

##### A. Basis of Preparation of Standalone Financial Statements

- 2.1 The standalone financial statements of the Corporation have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereafter and the relevant provisions of the Companies Act 2013, as applicable. The standalone financial statements for the year are prepared in accordance with Ind-AS.

The standalone financial statements are prepared on a going concern basis. The standalone financial statements have been prepared on a historical cost convention and on an accrual concept basis.

The standalone financial statements are presented in INR which is the functional currency of the Corporation and the currency of primary environment in which corporate operates, and all values are rounded to the nearest Lakhs(INR 00,000) up to two decimals place except as otherwise indicated.

##### 2.2 Accounting Estimates

The preparation of the Standalone financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of Standalone financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

##### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty





## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the Standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone financial statements.

#### **B. Property, Plant and Equipment & Depreciation.**

- i. The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if:
  - (a) it is probable that future economic benefits associated with the item will flow to the entity; and
  - (b) the cost of the item can be measured reliably.
- ii. The Property, Plant and Equipment in use are shown at cost comprises of purchase price, import duties, related incidental expenses and non-refundable purchase taxes, after deducting trade discounts and rebates less accumulated depreciation and accumulated impairment losses, if any. Adjustments arising from Foreign Exchange Rate variations relating to borrowings attributable to fixed assets are allocated to those assets purchased out of Foreign Exchange Loans. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset if the recognition criteria are met.
- iii. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.
- iv. The Corporation considers adjustment to carrying cost of its assets on account of cost of decommissioning, only if the same is significant.
- v. In case of Fixed Assets other than Land the amount of arbitration claim and interest upto 26.01.1998 (date of Capitalization) is added to the fixed assets. Interest paid for post 26.01.1998 is charged to Revenue.
- vi. When a major replacement or maintenance is performed, its cost is recognized in the carrying amount of the plant and equipment, if the recognition criteria are satisfied and the gross block and depreciation block of old assets is removed from the block. All other repair and maintenance costs are recognized in profit or loss as incurred.
- vii. As required by Ind AS 16 the depreciation has been calculated considering



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

Component Accounting wherever relevant i.e. if component of an asset is significant in value as compared to the total value of the asset and its useful life is different than the life of the asset. The depreciation of each such component is calculated separately.

Depreciation under Straight-Line Method is charged as per useful life prescribed in Schedule II of the Companies Act, 2013 except the following items:

Asset description	Life of asset (in years)	Basis of Depreciation
Lease hold land		As per Lease agreement
Bridges	80	As per Research Designs & Standards Organization Code
Tunnels	80	
<u>P.Way Track:</u> a) Rails and Fastenings b) Sleepers c) Ballast	25 35 35	As per Technical assessment.
ROB/RUB/Level crossing	60	As per Railway Finance code
Loco Diesel	36	
Wagons	30	
Crane	25	
Other service wagon	30	
Tower Wagon	40	
Electronic Interlocking	15	

- viii. Depreciation on assets added/disposed off during the year is charged from/up to the date of addition/disposal. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- ix. As the Corporation had paid the original compensation based on the value determined and provided by Special Land Acquisition Officer (SLAO), the Interest on additional compensation as per the Court award is added to the cost of land, considering it as part of land compensation.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

- x. An item of property, plant and equipment and any significant part is derecognized upon disposal or when no future economic benefits are expected from its use or disposal and any gain or loss arising from it is included in the income statement when the asset is derecognized.

#### C. Capital work-in-progress:

Property, plant and equipment which are not yet ready for their intended use are carried at cost, comprising of purchase price, import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, related incidental expenses and attributable interest and are shown as Capital work-in-progress.

The capital inventory at the year end is also shown under Capital Work in progress.

#### D. Intangible Assets and Amortization:

- i. The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if:  
it is probable that future economic benefits associated with the item will flow to the entity; and the cost of the item can be measured reliably.
- ii. Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion and accumulated impairment losses. All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustment arising from exchanges rate variation attributable to the intangible assets are capitalized.
- iii. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.
- iv. The Company's intangible assets comprises assets with finite useful life which are amortized on a straight-line basis over the period of their expected useful life. Amortization/Depreciation of Intangible Assets is made as under:
- v. Patents, designs, R&D expenses considered as intangible assets - over their useful life or 10 years whichever is lower.
- vi. Specialized computer software - over a period of 3 years.
- vii. An intangible asset arising from development (or from the development phase of an internal project) shall be recognised if, and only if, an entity can demonstrate all of the following:
  - (a) the technical feasibility of completing the intangible asset so that it will be



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

available for use or sale.

- (b) its intention to complete the intangible asset and use or sell it.
- (c) its ability to use or sell intangible assets.
- (d) how the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- (f) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

viii. An intangible asset shall be derecognized:

- (a) on disposal; or
- (b) when no future economic benefits are expected from its use or disposal.

ix. Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

#### **E. Inventories:**

- i. The inventories are valued at cost or net realizable value whichever is lower. The cost of Inventories is determined on Weighted Average basis.
- ii. Rails released from decapitalization which are reusable, are valued at written down value.
- iii. Project and construction related Works in Progress are valued at cost or net realizable value whichever is lower.
- iv. Cost includes expenditures incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.
- v. Net realizable value is the estimated selling price in the ordinary course of business, less the selling expenses.

#### **F. Foreign Currencies:**

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

foreign currency at the date of the transaction.

- i. Monetary items denominated in foreign currencies at the year end are restated at year end foreign exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- ii. Any income or expense on account of foreign exchange difference either on settlement or on translation is recognized in the Statement of Profit & Loss except in case where they relate to acquisition of Fixed Assets in which case they are adjusted to the carrying cost of such Fixed Assets.
- iii. In cases where the historical cost of a depreciable asset has undergone a change due to increase or decrease in the long term liability on account of foreign exchange fluctuations arising at the year end, the depreciation on the revised unamortized depreciable amount is provided prospectively over the residual useful life of the asset from the year following such capitalization.

#### **G. Post-employment benefits and short-term employee benefits:**

##### **i. Defined benefit plans:**

The liability in respect of defined benefit plans and other post-employment benefits (mainly pensions to employees joined prior to 01.01.2004 and Gratuity) are calculated using the projected unit credit method and spread over the period during which the benefit is expected to be derived from employees' services, consistent with the advice of qualified actuaries. The long term obligations are measured at present value of estimated future cash flows discounted at rates reflecting the yields on risk free government bonds that have maturity dates approximating the terms of the Corporation's obligations.

Actuarial gains and losses are recognized in Other Comprehensive Income.

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.





## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

**ii. Termination benefits:**

Termination benefits are recognized as an expense when the Corporation is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Corporation has made an offer encouraging voluntary redundancy. It is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

**iii. Defined contribution plans:**

The Corporation pays fixed contributions in relation to several state plans and insurances for individual employees. The Corporation has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognized as an expense in the period that related employee services are received.

**iv. Compensated leave of absence:**

The Corporation's current policies permit certain categories of employees to accumulate and carry forward a portion of their unutilized compensated absences and utilize them in future periods or receive cash in lieu thereof in accordance with the terms of such policies. The Corporation measures the expected cost of accumulating compensated absences as the additional amount that the Corporation expects to pay as a result of the unused entitlement that has accumulated at the statements of financial position date. Such measurement is based on actuarial valuation as at the statements of financial position date carried out by a qualified actuary. Gains and losses resulting from remeasurements of the net defined benefit liability are included in profit and loss account as Leave encashment expenses in the period in which they occur.

**v. Post Retirement Medical benefits:**

The Company has Post Retirement Medical Benefit Plan for Employees and their spouse at superannuation with minimum 20 years of service against one time contribution by the employee equivalent to the last month's basic pay at the time of retirement. The valuation of the benefit plan has been carried by the qualified actuary. Gain and losses resulting from measurement of the net defined benefit liabilities are included in the Profit & Loss account.

**vi. Other Employees benefit:**

Service cost on the Corporation's defined benefit plan is included in employee benefits



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Net interest expense on the net defined benefit liability is included in finance costs. Gains and losses resulting from remeasurements of the net defined benefit liability are included in Other Comprehensive Income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Employees who have joined service on or after 1.1.2004 are governed by 'National Pension System' as announced by the Government of India. The said scheme is a defined contribution scheme and contribution is charged to Statement of Profit & Loss.

#### **H. Impairment of Non-Financial Assets:**

The Company assesses at each Balance Sheet date whether there is any indication that an asset, including intangible asset, may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss Account.

#### **Recoverable amount is determined:**

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.
- In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### I. Leased Assets:

The Company as a lessee: The Company's lease asset classes primarily consist of leases for land and buildings, Vehicles, Plant and Machinery, IT Asset. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether : (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor: Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

#### J. Financial Instruments:

##### **FINANCIAL ASSETS**

###### **Initial recognition and measurement**

Financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset except trade receivables which are initially recognised at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

###### **Investment in Subsidiaries, Associates and Joint Ventures**

The Company accounts for its investments in Subsidiaries, associates and joint venture at cost less impairment loss (if any).

###### **Subsequent Measurement**

For purposes of subsequent measurement, financial assets are classified in following categories:

###### **Financial assets at amortized cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective 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. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognized in the Statement of Profit and Loss.



## **KONKAN RAILWAY CORPORATION LTD.**

### **Notes forming part of the Standalone Financial Statements**

#### **Financial assets at 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. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss. In respect of equity investments (other than for investment in subsidiaries and associates) which are not held for trading, the Company has made an irrevocable election to present subsequent changes in the fair value of such instruments in OCI. Such an election is made by the Company on an instrument-by-instrument basis at the time of transition for existing equity instruments/ initial recognition for new equity instruments.

#### **Financial assets at fair value through profit or loss**

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

#### **Impairment of Financial Assets**

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL. ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls).





## **KONKAN RAILWAY CORPORATION LTD.**

### **Notes forming part of the Standalone Financial Statements**

#### **De-recognition of Financial Assets**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

#### **EQUITY INSTRUMENT AND FINANCIAL LIABILITIES**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

##### **Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

##### **Financial Liabilities**

##### **Initial recognition and subsequent measurement**

Financial liabilities are recognized initially at fair value and in case of borrowing and payables, net of material directly attributable cost.

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

##### **De-recognition of Financial Liabilities**

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

#### Offsetting Financial Liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

#### Financial Derivatives:

Derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind-AS 109 are recognized in the statement of profit and loss.

#### K. Revenue Recognition:

The Corporation recognises revenue to depict the transfer of promised services to customers. The revenue is recognised in accordance with Ind AS 115 Construction Contracts is detailed as under:

- i. The corporation has recognised it's revenue in accordance with Ind AS 115 – Revenue from Contracts with Customers as under:
- ii. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. Generally, control is transferred upon supply of goods to the customer or when the goods are made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the contracts.
- iii. Revenue from rendering of services is recognised over the time by measuring the progress towards complete satisfaction of performance obligations at the reporting period. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

The Company transfers control of a good or service over time and therefore satisfies a



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

performance obligation and recognises revenue over a period if one of the following criteria is met:

- (a) the customer simultaneously consumes the benefit of the Company's performance or
- (b) the customer controls the asset as it is being created/enhanced by the Company's performance or
- (c) there is no alternative use of the asset and the Company has either explicit or implicit right of payment considering legal precedents.

In all other cases, performance obligation is considered as satisfied at a point in time.

- iv. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. The Company includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income. The company measures progress towards complete satisfaction of performance obligation by Input Method wherever possible.
- v. In many cases, the Company receives short-term advances from its customers. The Company does not adjust the committed amount of consideration for the effects of a significant financing component if it expects, that the period between the transfer of the good or service to the customer as per the contract and the receipt of payment from customers will be one year or less.
- vi. The Company also receives long-term advances from customers. Excess income generated out of differential interest are recognised as finance income for the Corporation.
- vii. Contract balances:

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional, and the Corporation has accounted the same in line with the provisions of Ind AS 115.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

**Contract Assets & Liabilities:** A Contract Assets is the performance by transferring goods and services to a customer, before the customer pays consideration or before payment is due, the entity shall present the contract as a contract asset, excluding any amount presented as a receivable.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

- viii. The Corporation has complied with the aforesaid provision in preparation of Standalone Financial Statement.
- ix. Contract modification: During the year no contracts were modified, hence contracts were not required to be recognised as separate & distinct.
- x. The traffic earning from Railway business is received from goods and passenger traffic. Goods earnings are pertaining to Railway Receipts generated through the system for carriage of goods over railway network. Passenger earnings are pertaining to Tickets booked by people.
- xi. Performance Obligation: Railway Receipt (RR) is prepared by the railway for booking the freight for movement of goods from one station to another station. Once the RR is prepared, performance obligation of Railways is to transport the materials up to location defined in the Railway Receipt.
- xii. Revenue from passenger is recognised once the Tickets(seat) are booked on railway network based on application submitted by passengers. Seat once allotted by railways gives exclusive right of travel to the concerned passenger only. Railways cannot allot this reserved seat to another person unless it is cancelled by first person. Journey by passenger on the specified date is the performance obligation of railways.
- xiii. The passenger must pay 100% fare at the time of booking the seat. There is no variable consideration involved. There is no significant financing component involved. The railways take the responsibility of safe journey up to the destination booked by the passenger.
- xiv. Revenue collected by all railways on account of freight and fares is processed through a computerized program run by CRIS to allocate the share of revenue to each railway for the distance travelled by the train on that railway. For KRCL, Central Railway is the nodal agency for the settlement of dues among KRCL and all other railways. Revenue



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

on account of apportioned earnings is booked by KRCL based on monthly settlement between KRCL and Central Railway through single window system. Revenue collected on KR stations every month is treated as originating earnings and the same is brought into the books of accounts.

The above treatment is in line with provision of Ind AS 115 related to performance obligation.

- xv. Sale of scrap, salvage or waste materials is accounted at the time of realization.
- xvi. Commission received on encashment of warrants issued by Defense/Police is recognized on accrual basis.
- xvii. Interest income is recognized using Effective interest rate (EIR). Interest income is included in finance income in the statement of profit and loss.
- xviii. Dividend income is recognized when the Corporation's right to receive the payment is established, which is generally when shareholders approve the dividend.

#### **L. Contractor's claims:**

- i. Claims for material escalation by contractors are accounted for only when such claims are accepted after due verification.
- ii. Penalty for delay in completion / defective work is accounted as and when recovered from the contractors.

#### **M. Provisions:**

A provision shall be recognized when:

- (a) an entity has a present obligation (legal or constructive) as a result of a past event;
- (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (c) a reliable estimate can be made of the amount of the obligation. If these conditions are not met, no provision shall be recognized.

Provision is made for all known material undisputed liabilities (legal or constructive) existing on the date of balance sheet.

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

No provision for contingency is recognized in respect of warranty/ defect or maintenance





## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

liability where the Corporation has back to back arrangement with sub-contractor for the same liability and there is certainty that such liability would be made good by the sub-contractor.

#### **N. Contingent liabilities and Contingent assets:**

- i. Contingent Liability is disclosed in the case of:-
  - a) 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.
  - b) a possible obligation, unless the probability of outflow of resources is remote.
- ii. Contingent liability is disclosed for defects or maintenance liability when Corporation has no back to back arrangements with sub-contractor for liability and there is virtual certainty that such liability would be made good by the sub-contractor.
- iii. Contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.
- iv. Contingent Assets are not recognised in the standalone financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

#### **O. Taxes on Income**

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

##### **a. Current Income Tax**

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

##### **b. Deferred Income Tax**

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### **P. Current and Non-Current Classifications:**

The Corporation presents assets and liabilities in the balance sheet based on current/ non current classification.

An asset as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Occurs primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

#### **Q. Borrowing Cost:**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

#### **R. Government Grants:**

Governments grant are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the period that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

#### **S. Cash & cash Equivalents:**

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **T. Earnings per share**

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

#### **U. Trade Receivables and Trade Payable**

##### **Trade receivables**

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at transaction price and subsequently measured at amortized cost using the EIR method, less provision for impairment.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### Trade payables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their transaction price and subsequently measured at amortized cost using the EIR method.

#### V. 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 classified as held for sale are presented separately in the statement of financial position. If the criteria stated by IND AS 105 "Non-current Assets Held for Sale and Discontinued Operations" are no longer met the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of (i) its carrying amount before the asset was classified as held for sale adjusted for depreciation that would have been recognised had that asset not been classified as held for sale and (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale.

#### W. Prior period errors

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.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### 3. Property, Plant and Equipment

( ₹ in Lakhs)

Classification	Gross carrying amounts				Accumulated Depreciation, amortization and impairment				Net carrying amounts	
	As at the beginning of financial Year	Additions	Deletions / disposals	As at the end of financial year	As at the beginning of financial Year	Charge for the Year	Deletions / disposals	As at the end of financial year	As at the end of current financial year	As at the end of previous financial year
<b>For the year ended March 31, 2024</b>										
Land:										
i) Free Hold Land	22,805.45	827.44	0.04	23,632.85	-	0.00	-	0.00	23,632.85	22,805.45
ii) Earth Work	1,31,451.34	42.33	9.05	1,31,484.62	-	-	-	-	1,31,484.62	1,31,451.34
Buildings	37,783.81	2,239.32	47.68	39,975.45	9,168.69	958.02	45.25	10,081.46	29,893.99	28,615.12
Plant And Equipment	1,72,543.82	3,265.35	86.96	1,75,722.21	33,482.15	7,681.51	7.20	41,156.46	1,34,565.75	1,39,061.66
Furniture And Fixtures	672.94	14.50	-	687.44	413.68	39.18	-	452.86	234.58	259.26
Vehicles	706.48	22.80	103.02	626.26	575.47	31.98	97.87	509.58	116.68	131.01
Office Equipment	4,020.52	140.21	30.16	4,130.57	3,633.48	191.28	26.35	3,798.41	332.16	387.04
P.Way Track (Rails,Ballast,Sleepers)	1,28,238.70	10,351.48	1,694.23	1,36,895.95	60,088.02	3,910.53	1,352.03	62,646.52	74,249.43	68,150.69
Bridges & Tunnels	1,79,523.00	60.68	-	1,79,583.68	58,241.18	2,016.09	-	60,257.27	1,19,326.41	1,21,282.13
Rob, Rub, Fob & LC	6,168.96	703.63	-	6,872.59	742.32	102.80	-	845.12	6,027.47	5,426.64
Locos & Others Rolling Stock	3,714.82	268.65	-	3,983.47	2,143.36	106.26	-	2,249.62	1,733.85	1,571.46
<b>TOTAL</b>	<b>6,87,629.84</b>	<b>17,936.39</b>	<b>1,971.14</b>	<b>7,03,595.09</b>	<b>1,68,488.35</b>	<b>15,037.65</b>	<b>1,528.70</b>	<b>1,81,997.30</b>	<b>5,21,597.79</b>	<b>5,19,141.80</b>
<b>For the year ended March 31, 2023</b>										
Land:										
i) Free Hold Land	22,497.12	308.33	-	22,805.45	-	-	-	-	22,805.45	22,497.12
ii) Earth Work	1,30,421.06	1,030.58	0.30	1,31,451.34	-	-	-	-	1,31,451.34	1,30,421.06
Buildings	31,315.53	6,468.27	-	37,783.81	8,565.97	602.72	-	9,168.69	28,615.12	22,749.56
Plant And Equipment	60,224.03	1,12,319.79	-	1,72,543.82	29,083.63	4,398.52	-	33,482.15	1,39,061.66	31,140.40
Furniture And Fixtures	626.37	46.57	-	672.94	377.94	35.74	-	413.68	259.26	248.43
Vehicles	679.95	26.53	-	706.48	540.23	36.39	1.15	575.47	131.01	139.72
Office Equipment	4,013.11	74.51	67.10	4,020.52	3,588.80	106.76	62.08	3,633.48	387.04	424.31
P.Way Track (Rails,Ballast,Sleepers)	1,24,453.21	4,752.11	966.62	1,28,238.70	57,297.01	3,383.48	592.47	60,088.02	68,150.69	67,156.20
Bridges & Tunnels	1,78,576.81	946.19	-	1,79,523.00	56,296.95	1,944.23	-	58,241.18	1,21,282.13	1,22,279.86
Rob, Rub, Fob & LC	6,021.34	147.62	-	6,168.96	645.07	97.25	-	742.32	5,426.64	5,376.87
Locos & Others Rolling Stock	3,714.82	-	-	3,714.82	2,048.29	95.07	-	2,143.36	1,571.46	1,666.54
<b>TOTAL</b>	<b>5,62,543.35</b>	<b>1,26,120.50</b>	<b>1,034.02</b>	<b>6,87,629.84</b>	<b>1,58,443.89</b>	<b>10,700.16</b>	<b>655.70</b>	<b>1,68,488.35</b>	<b>5,19,141.80</b>	<b>4,04,100.06</b>





## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

- 3.1. In accordance with the provisions of Ind AS the effect of prior period depreciation accounted for during the year is ₹ Nil Lakhs (₹ 144 Lakhs), by restating the previous year figures for the depreciation relating to FY 2021-22 and retained earnings for depreciation relating to period prior to 2021-22. Consequently, the opening Gross block and depreciation block of relevant Fixed Assets has been reduced and restated.
- 3.2. Fixed assets exclude track measuring 185.275 km's (of gross value ₹13,200.00 Lakhs) was sold to consortium led by IL&FS in the F.Y. 1995-96. Subsequently the same was sold by consortium led by IL&FS to Ministry of Railways in the F.Y. 2003-04. Thereafter the same was leased back by Railways to Corporation.
- 3.3. In cases where most of the works have been completed and only some portion remain to be executed but the asset is ready for put to use, then the value of same is capitalized based on the technical assessment.
- 3.4. On all the capital cost relating to construction / erection etc. of any fixed assets involving assistance and monitoring of manpower of KRCL, the Corporation charges specified % of cost of project for Engineering, Electrical and S&T Department as 'Direction & General (D & G) Charges' in accordance with the Railway Board guidelines.
- 3.5. The Corporation is having the regular program for physical verification of fixed assets. Adjustment on account of discrepancy, if any, is carried out after due verification and reconciliation. During FY 2023-24, external firm was appointed to do physical verification of fixed assets accordingly the additional depreciation amounting to ₹1758.20 Lakhs has been charged to profit and Loss account of current year due to change in estimated useful life of various fixed assets.
- 3.6. Land cost includes indirect expenses incurred in the process of acquisition of land and the interest paid as per the court order in connection with enhancement of compensation of land price. Provisional advance payments consequent to awards based on certificates of Special Land Acquisition Officer (SLAO) is adjusted as and when final awards and acquaintance details are certified by the SLAOs.
- 3.7. Depreciation related to Asset used in USBRL Project is charged to the Project. Depreciation related to asset used for Route electrification and Doubling project is charged to respective CWIP. Total depreciation charged to the project/CWIP is ₹ Nil Lakhs (₹ 5 Lakhs).
- 3.8. During the year Complete Track Renewal (CTR) was carried out in Karwar section for approximately 45 kms and ₹ 9,881.80 lakhs have been capitalized on this account. The related impact of decapitalization is as follows:
- Gross Block reduced by ₹1625.97 Lakhs
- Depreciation block reduced by ₹ 1513.34 Lakhs
- Value of Re-usable Inventory of Rails & Sleepers ₹ 20.84 Lakhs
- Value of Scrap Inventory of Rails & Sleepers ₹ 91.79 lakhs



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

- 3.9. During execution of deposit work relating to development of railway facilities for the customers, certain assets are created on the land of KRCL, the cost which is recovered from the customer. However, as per the agreement, the ownership of such property always rests with KRCL and the customer has only right to use.

As no cost is borne by KRCL such properties are continued at zero cost.

#### 3.10 Asset Held for Sale

( ₹ in Lakhs)

Particular	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Property, Plant & Equipment	3.89	--
<b>Total</b>	<b>3.89</b>	<b>--</b>

In respect of assets classified as held for sale, the company is in the process of selling some old vehicles. The sale will be materialized in upcoming months.

#### 4. Capital work-in-progress

( ₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Carrying Amount of Capital work-in-progress	28,214.00	15,828.28

- 4.1 Interest amounting to ₹ Nil (₹ 2,986.02 Lakhs, cumulative ₹ 13,466.23 Lakhs ) have been charged to the project of Route electrification and Roha-Veer doubling in accordance with Ind AS 23 Borrowing Costs.
- 4.2 Capital Work in Progress includes capital inventory amounting to ₹ 12,354.16 Lakhs (₹3,453.47 Lakhs) Comprising of Rails, Sleepers, Cables etc.
- 4.3 During the FY 2023-24, the Corporation has capitalized ₹ 9881.80 Lakhs for Complete Track Renewal, ₹ 647.90 Lakhs for RUB in lieu of LC-45, ₹ 2,123.08 Lakhs for Passenger Amenities in Karwar Section.

#### CWIP Ageing Schedule

( ₹ in Lakhs)

CWIP for FY 2023-24	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Projects in progress :	23,044.36	1,611.31	3,179.43	68.90	27,904.00
(b) Projects temporarily suspended :	-	-	-	310.00	310.00



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Standalone Financial Statements**

**CWIP Ageing Schedule**

( ₹ in Lakhs)

CWIP for FY 2022-23	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Projects in progress :	4,301.00	4,929.69	5,880.00	407.59	15,518.28
(b) Projects temporarily suspended :	-	-	-	310.00	310.00

**CWIP Completion Schedule**

For capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan

( ₹ in Lakhs)

CWIP for FY 2023-24	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Complete Track Renewal	4,632.87	-	-	-	4,632.87

**CWIP Completion Schedule**

For capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan.

( ₹ in Lakhs)

CWIP for FY 2022-23	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
RUB in Lieu of LC-45	705.00	-	-	-	705.00
Passenger Amenities	-	962.00	-	-	962.00
Complete Track Renewal	-	-	-	14,513.87	14,513.87

**5. Right of Use Assets**

( ₹ in Lakhs)

Classification	Gross carrying amounts				Accumulated Amortisation				Net carrying amounts	
	As at the beginning of financial Year	Additions	Deletions / disposals	As at the end of financial year	As at the beginning of financial Year	Charge for the Year	Deletions / disposals	As at the end of financial year	As at the end of current financial year	As at the end of previous financial year
<b>For the year ended March 31, 2024</b>										
Lease Hold Land	494.05	-	-	494.05	226.79	7.39	-	234.18	259.87	267.26
Vehicles	85.91	-	10.51	75.40	31.15	42.19	10.51	62.82	12.58	54.76
S & T Equipments	1,045.81	3.96	-	1,049.77	506.50	236.51	-	743.01	306.76	539.31
IT Equipments	4,150.96	-	-	4,150.96	1,519.36	832.47	-	2,351.83	1,799.13	2,631.60
<b>TOTAL</b>	<b>5,776.73</b>	<b>3.96</b>	<b>10.51</b>	<b>5,770.18</b>	<b>2,283.80</b>	<b>1,118.56</b>	<b>10.51</b>	<b>3,391.84</b>	<b>2,378.34</b>	<b>3,492.93</b>
<b>For the year ended March 31, 2023</b>										
Lease Hold Land	494.05	-	-	494.05	221.35	7.40	1.95	226.79	267.26	272.70
Vehicles	123.73	75.40	113.22	85.91	92.88	51.49	113.22	31.15	54.76	30.85
S & T Equipments	1,037.25	15.82	7.26	1,045.81	279.59	234.17	7.26	506.50	539.31	757.66
IT Equipments	4,297.64	-	146.68	4,150.96	689.17	830.19	-	1,519.36	2,631.60	3,608.47
<b>TOTAL</b>	<b>5,952.67</b>	<b>91.22</b>	<b>267.16</b>	<b>5,776.73</b>	<b>1,282.99</b>	<b>1,123.25</b>	<b>122.43</b>	<b>2,283.80</b>	<b>3,492.93</b>	<b>4,669.68</b>



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Standalone Financial Statements**

**6. Intangible Assets**

( ₹ in Lakhs)

Classification	Gross carrying amounts				Accumulated Amortisation				Net carrying amounts	
	As at the beginning of financial Year	Additions	Deletions / disposals	As at the end of financial year	As at the beginning of financial Year	Charge for the Year	Deletions / disposals	As at the end of financial year	As at the end of current financial year	As at the end of previous financial year
<b>For the year ended March 31, 2024</b>										
Patent	120.53	-	-	120.53	117.19	0.49		117.68	2.85	3.34
Knowhow	1,389.54	-	-	1,389.54	1,389.54			1,389.54	-	-
Software	506.64	0.54	-	507.18	356.08	124.79	2.88	477.99	29.19	150.56
<b>TOTAL</b>	<b>2,016.71</b>	<b>0.54</b>	<b>-</b>	<b>2,017.25</b>	<b>1,862.81</b>	<b>125.28</b>	<b>2.88</b>	<b>1,985.21</b>	<b>32.04</b>	<b>153.90</b>
<b>For the year ended March 31, 2023</b>										
Patent	120.53	-	-	120.53	116.70	0.49	-	117.19	3.34	3.83
Knowhow	1,389.54	-	-	1,389.54	1,389.54	-	-	1,389.54	-	-
Software	503.50	3.14	-	506.64	226.99	129.09	-	356.08	150.56	276.51
<b>TOTAL</b>	<b>2,013.57</b>	<b>3.14</b>	<b>-</b>	<b>2,016.71</b>	<b>1,733.23</b>	<b>129.58</b>	<b>-</b>	<b>1,862.81</b>	<b>153.90</b>	<b>280.34</b>

**7. Intangible Asset under Development**

( ₹ in Lakhs)

Particulars	As at	As at
	31st March 2024	31st March 2023
Software	61.31	61.31
<b>Total</b>	<b>61.31</b>	<b>61.31</b>

**Intangible Asset under development Ageing Schedule**

( ₹ in Lakhs)

for FY 2023-24	Amount in Intangible Asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Projects in progress :	-	32.04	29.27	-	61.31

**Intangible Asset under Development Ageing Schedule**

( ₹ in Lakhs)

for FY 2022-23	Amount in Intangible Asset under Development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Projects in progress :	32.04	29.27	-	-	61.31



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Standalone Financial Statements**

**Intangible Asset under Development Completion Schedule**

For Intangible Asset under Development whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in Lakhs)

CWIP for FY 2023-24	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
RTMAS	61.31	-	-	-	61.31

**8. Non-current Financial Assets : Loans**

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Financial Asset measured at amortised cost</b>				
<b>Other Loans (Considered good-Secured)</b>				
Housing Building Advance		19.31		23.99
Interest Accrued but not due on House Building Advance		9.05		7.01
<b>TOTAL</b>		<b>28.36</b>		<b>31.00</b>

8.1 The house building advance for construction of house is given to employees which is secured by mortgage of house.

**9. Non-current Financial Assets : Other financial assets**

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Financial assets carried at amortized cost</b>				
<b>Unsecured, considered good</b>				
Security Deposit with Govt. Authorities		2,630.25		2,642.58
Bank deposit with remaining maturity of more than 12 months as on Balance sheet date, held as margin money or security against the bank guarantees and others.		77.11		42.69
Other Bank Deposits with remaining maturity of more than 12 months as on Balance sheet date		499.00		1,053.00
<b>TOTAL</b>		<b>3,206.36</b>		<b>3,738.27</b>





## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### 10. Other non-current Assets

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Capital Advances</b>				
<b>Unsecured, considered good</b>				
Capital Advances including Advances for Land Acquisition		3,132.60		3,132.60
<b>Deposits with Court for</b>				
<b>Unsecured, considered good</b>				
Land Acquisition (Refer Note 44 (vii))		764.95		736.81
<b>TOTAL</b>		<b>3,897.55</b>		<b>3,869.41</b>

#### 11. Inventories

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Valued at Lower of Cost (WAM Basis) or Net Realisable Value:</b>				
(As taken, valued and certified by the Management)				
Stores and spares		4,132.63		3,965.18
Diesel		276.71		469.32
Rails (including reusable for replacement purpose)		338.65		751.40
Scrap (Ref note : 11.2)		340.35		184.29
Work in Progress		1,460.85		1,271.25
<b>TOTAL</b>		<b>6,549.19</b>		<b>6,641.44</b>

11.1 During the previous year, the cost formula of valuation of Stores & Spares & General Inventory was changed from First-in-First-Out (FIFO) to Weighted Average Method (WAM) to be in agreement with new Stores & Inventory Module. Due to this, cost of consumption for the year ended 31st March 2023 has increased by ₹ 26.62 lakhs leading to decrease in profit by ₹ 26.62 lakhs.

11.2 Inventory of scrap contains rails and sleepers released during various Capital works and are valued at cost or net realisable value whichever is lower, cost being written down value.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### Current Financial Assets

#### 12. Investments

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Unquoted, At Amortized cost</b>				
Investments with Life Insurance Corporation (LIC) under Group Leave encashment Scheme including Life Assurance Benefits (Ref Note: 12.1)		2,67,981.85		1,82,416.02
<b>Financial Assest measured at cost, Unquoted</b>				
Investments in equity instruments of Associates: Nil ( 2,60,00,000) Fully paid Equity Shares of Jaigarh Digni Rail Limited at par value of ₹10/- each (Ref Note: 12.2)		-		2600.00
<b>TOTAL</b>		<b>2,67,981.85</b>		<b>1,85,016.02</b>
<b>Aggregate amount of Unquoted Investment</b>		<b>2,67,981.85</b>		<b>1,85,016.02</b>

12.1 Investment with Life Insurance Corporation under Group Leave encashment Scheme includes Life Assurance Benefits and is also used for general buisness purpose.

12.2 JDRL is a JV company in which KRCL and Maharashtra Maritime Board (MMB) holds 26% and 11 % equity respectively and balance is held by JSW Jaigarh Port Limited (JSWJPL). JDRL was formed for construction, operation and maintenance of a Railway system for providing port connectivity between Jaigad Port and Digni Railway Station on KR Route. JDRL has entered into the requisite Concession Agreement with Ministry of Railway through KRCL.

Consequent to failure of JDRL to achieve the milestone of Financial closure in terms of the Concession Agreement, KRCL had encashed the Bank Guarantee of ₹ 2,326.00 lakhs in FY 2019-20 and has kept it as a liability pending further directions from MoR, GOI.

On 11th August 2023, the equity investment of KRCL in JDRL amounting to ₹ 2,600.00 lakhs was taken over by JSWJPL and KRCL has exited from the joint venture.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### 13. Trade Receivables

( ₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Trade Receivables (Considered good-Unsecured )</b>				
Traffic Earnings and other receivable		14,699.17		12,791.09
Projects Receivables		9,819.13		13,841.68
<b>Trade Receivables - Credit impaired</b>				
Traffic Earnings and other receivables:	172.16		172.16	
Less: Allowance for expected Credit loss	172.16	-	172.16	-
Projects Receivables:	2,718.16		2,718.16	
Less: Allowance for expected Credit loss	2,718.16	-	2,718.16	-
<b>TOTAL</b>		<b>24,518.30</b>		<b>26,632.77</b>

13.1 All material Trade Receivables are having uniform credit terms as agreed between parties and there is no incidence of extended credit days/terms. Hence, this does not involve any significant financing element. There are trade receivables which are not realised in time or as per the credit terms due to various reasons and it is subject to reconciliation for final settlement.

#### 13.2 Trade receivables ageing schedule as on 31st March 2024

( ₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	10,916.44	9,817.24	1,302.40	1,184.83	1,297.39	24,518.30
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	1,662.32	1,662.32
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	13.00	1,215.00	1,228.00

Note: No due date of payment is specified in respect of above trade receivable and accordingly the ageing is given from the date of transaction.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### Trade receivables ageing schedule as on 31st March 2023

( ₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	18,660.33	4,542.59	1,292.77	1,439.62	697.46	26,632.77
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	1,662.32	1,662.32
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	13.00	-	1,215.00	1,228.00

Note: No due date of payment is specified in respect of above trade receivable and accordingly the ageing is given from the date of transaction.

#### 14. Cash and Cash Equivalents

( ₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Balances with banks (of the nature of cash and cash equivalents)</b>				
a) In Current Accounts		8,879.79		10,788.10
b) In Deposit Accounts with original maturity of less than 3 months:				
i) In Autosweep Account		17,525.71		40,515.14
ii) In Fixed Deposit		3,970.00		1,000.00
Cash on hand		293.94		264.34
<b>TOTAL</b>		<b>30,669.44</b>		<b>52,567.58</b>

#### 15. Bank balances other than Cash and Cash equivalents

( ₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>In Deposit Accounts with original maturity of more than 3 months but remaining maturity of less than 12 months :</b>				
In Fixed Deposit		5,805.34		6,559.52
In Fixed Deposit held as margin money or security against the bank guarantees and others		216.05		130.74
<b>TOTAL</b>		<b>6,021.39</b>		<b>6,690.26</b>



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### Current Financial Assets

##### 16. Loans

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Financial assets measured at amortized cost</b>				
<b>Loans to related parties (considered good - Unsecured)</b>				
Loans to Konkan Railway Welfare Organisation (Ref Note 16.1)		1,505.06		1,505.06
<b>Loans to others (considered good - Secured)</b>				
House Building Advance (HBA)		4.76		4.76
<b>Unsecured, Credit Impaired</b>				
Loans to Konkan Railway Welfare Organisation (Ref Note 16.2)	527.64		527.64	
Less: Allowance for expected Credit loss	527.64	-	527.64	-
<b>TOTAL</b>		<b>1509.82</b>		<b>1509.82</b>

16.1 Loan given to Konkan Railway Welfare Organisation (KRWO), formed for the welfare of the employees of the Corporation, carries interest @ 7% p.a and is repayable in 7 years from the date of disbursement. The loans were disbursed during the period 2010-11 to 2014-15. The KRWO has executed simple mortgage deed in favour of the Corporation and accordingly the loan has been classified as unsecured.

16.2 As on 31st March 2024 Loan amounting to ₹2032.69 Lakhs (₹2032.69 Lakhs) had become due on completion of seven years from the disbursement of respective loans. However, in accordance with Ind AS 109 in order to get fair value, during the previous financial year, the valuation reports of land parcels was obtained from valuers. The total value of land as per valuation report was ₹1505.06 lakhs. On this basis, during previous financial year the corporation had recognized impairment loss allowance to the extent of ₹1648.09 Lakhs which includes principal amount of ₹527.64 Lakhs and ₹1120.45 lakhs towards interest.

#### Current Financial Assets

##### 17. Other Financial Assets

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Unsecured, considered good:</b>				
Interest Accrued but not due on Investments and Deposits		133.13		291.12
Other Inter Railway Financial Adjustment (IRFA) Receivables		29,907.22		44,097.78
Receivable from Gratuity Trust		759.01		840.37
Advances to Employees		18.67		47.98
<b>Deposits with</b>				
Others		871.31		74.21
<b>Unsecured, Credit Impaired</b>				
Others	0.90		0.90	
Less: Allowance for expected Credit loss	0.90	-	0.90	-
<b>Unsecured, Credit Impaired</b>				
Interest Accrued on Loans (Refer Note 17.1)	1,120.45		1,120.45	
Less: Allowance for expected Credit loss	1,120.45	-	1,120.45	-
<b>TOTAL</b>		<b>31,689.34</b>		<b>45,351.46</b>





## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

17.1 Interest accrued amounting to Nil (₹1120.45 Lakhs) is overdue and the management is in process of recovery from KRWO. Also refer Note 16.2.

#### 18. Current Tax Assets (Net)

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Due from Tax Authorities:</b>				
Income Tax & TDS for Current Year		1,634.30		444.48
<b>TOTAL</b>		<b>1,634.30</b>		<b>444.48</b>

#### 19. Other Current Assets

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Unsecured and Considered good</b>				
Advances other than capital advances:				
Other Advances: Project Advances		420.84		2,279.26
Advances to Contractors / Suppliers		1,228.16		1,670.92
Prepaid Expenses		92.61		127.06
Duties and Taxes Receivable:				
a) Goods & Services Taxes (GST-ITC)	2,418.61		4,101.37	
b) Goods & Services Taxes - (GST Recd. in Advance)	1,316.60		1,323.79	
c) Income Tax for Earlier Years	533.20	4,268.41	561.46	5,986.62
Deposits with Court for				
Tax Cases (Ref. Note 44 (v))	13.70	13.70	1,125.81	1,125.81
<b>Unsecured, credit impaired</b>				
Project Advances	613.54		613.54	
Less: Allowance for expected Credit loss	613.54	-	613.54	-
Advances to Contractors / Suppliers	5.47		5.47	
Less: Allowance for expected Credit loss	5.47	-	5.47	-
<b>TOTAL</b>		<b>6,023.72</b>		<b>11,189.67</b>



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Standalone Financial Statements**

**20. Equity**

**(a) Equity Share capital**

**(b) Instruments entirely equity in nature**

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Authorised Share Capital</b>				
4,00,00,000 (4,00,00,000) Equity Shares of par value of ₹ 1000/- each		<b>4,00,000.00</b>		4,00,000.00
3,22,24,600 (3,22,24,600) Compulsorily Convertible Non Cumulative 20 Years Preference Shares of par value of ₹ 1000/- each		<b>3,22,246.00</b>		3,22,246.00
85,70,500 (85,70,500) Compulsorily Convertible Non Cumulative 15 Years Preference Shares of par value of ₹ 1000/- each		<b>85,705.00</b>		85,705.00
		<b>8,07,951.00</b>		8,07,951.00
<b>Issued, subscribed and fully paid up Share Capital</b>				
203,71,062 (178,56,062) Equity Shares of par value of ₹1000/- each fully paid up		<b>2,03,710.62</b>		1,78,560.62
<b>(A) Total of Issued, subscribed and fully paid up Share Capital</b>		<b>2,03,710.62</b>		<b>1,78,560.62</b>

20.1 The reconciliation of the number of shares outstanding is set out below :

**Equity Shares**

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number of shares	Amount	Number of shares	Amount
At beginning of the year	<b>1,78,56,062</b>	<b>1,78,560.62</b>	1,62,35,384	1,62,353.84
Changes during the year:				
Right shares issued	-	-	16,20,678	16,206.78
Compulsorily Convertible Non-cumulative 15 Years Preference Shares	<b>25,15,000</b>	<b>25,150.00</b>	-	-
At the end of the year	<b>2,03,71,062</b>	<b>2,03,710.62</b>	<b>1,78,56,062</b>	<b>1,78,560.62</b>

20.2 Non-Cumulative Redeemable 20 years/ 15 years Preference Shares totaling to ₹4,07,951 Lakhs held in the name of Ministry of Railways are converted into Compulsory Convertible Non-cumulative Preference Shares (CCPS) w.e.f. 31/03/2015 with the approval of competent authority. Out of the above CCPS amounting to ₹ 25,150 Lakhs were converted into equity shares on 30th March 2024. Further, on 27th May 2024, CCPS amounting to ₹ 8,538.00 lakhs were also converted into Equity shares.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### 21. Instruments entirely equity in nature

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Preference Shares (Refer Note 21.6)</b>				
i) 3,22,24,600 (3,22,24,600) Compulsorily Convertible Non Cumulative 20 Years Preference Shares of par value ₹ 1000/- each.		3,22,246.00		3,22,246.00
ii) 60,55,500 (85,70,500) Compulsorily Convertible Non Cumulative 15 Years Preference Shares of par value ₹ 1000/- each .		60,555.00		85,705.00
<b>TOTAL</b>		<b>3,82,801.00</b>		<b>4,07,951.00</b>

#### 21.1 Rights, preferences and restrictions attached to Shares

##### Equity Shares

The Corporation has only one class of equity shares having a par value of ₹ 1000/- each.

The Corporation was incorporated as a joint venture between the Government of India acting through Ministry of Railways and the participating State Governments of Maharashtra, Goa, Karnataka and Kerala to construct and operate the Konkan Railway Broad Gauge Line (KR Route). The Corporation was originally intended to be merged with Indian Railways upon completion of 15 years or as and when its loan liabilities are fully discharged, whichever is earlier. According to the initial MOU, the government of India would pay the contributions made by state governments towards equity at par, after the Corporation liquidates the loan obtained for completing KR route. However, on 7th January 2009, Ministry of Railways communicated the approval of Cabinet Committee on Economic Affairs that the Corporation shall continue as a Central PSU even after discharge of its debt liabilities.

The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders. In the event of Liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining asset of the company after distribution of all preferential payments. The distribution will be in proportion to the number of equity shares held by the shareholders.

##### Preference Shares

KRCL has issued only one type of Preference Shares to Govt. of India (MOR) without voting rights.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### 21.2 The details of Equity Shareholders holding more than 5% shares

Name of Shareholder	As at 31st March 2024		As at 31st March 2023	
	Number of shares	% held	Number of shares	% held
Ministry of Railways	1,17,07,477	57.47%	91,92,477	51.48%
Government of Maharashtra	39,65,425	19.47%	39,65,425	22.21%
Government of Karnataka	27,03,699	13.27%	27,03,699	15.14%
Government of Kerala	10,81,481	5.31%	10,81,481	6.06%
Government of Goa	9,12,980	4.48%	9,12,980	5.11%

21.3 Non-Cumulative Redeemable 20 years/ 15 years Preference Shares totaling to ₹4,07,951 Lakhs held in the name of Ministry of Railways are converted into Compulsory Convertible Non-cumulative Preference Shares (CCPS) w.e.f. 31/03/2015 with the approval of competent authority. Out of the above CCPS amounting to ₹ 25,150 Lakhs were converted into equity shares on 30th March 2024. Further, on 27th May 2024, CCPS amounting to ₹ 8,538.00 lakhs were also converted into Equity shares.

#### 21.4 The reconciliation of the number of shares outstanding is set out below :

##### (i) Compulsorily Convertible Non-cumulative 20 Years Preference Shares (₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number of shares	Amount	Number of shares	Amount
At beginning of the year	3,22,24,600	3,22,246.00	3,22,24,600	3,22,246.00
Changes during the year	-	-	-	-
At end of the year	3,22,24,600	3,22,246.00	3,22,24,600	3,22,246.00

##### (ii) Compulsorily Convertible Non-cumulative 15 Years Preference Shares (₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number of shares	Amount	Number of shares	Amount
At beginning of the year	85,70,500	85,705.00	85,70,500	85,705.00
Changes during the year : Conversion to Equity Shares	(25,15,000)	(25,150.00)	-	-
At end of the year	60,55,500	60,555.00	85,70,500	85,705.00



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

- 21.5 The salient features of Capital Restructuring proposal as approved by Cabinet Committee on Economic Affairs and given effect to, are as follows:

The Loans provided by the Ministry of Railways along with accrued interest thereon as at 31st March, 2008 amounting to ₹ 3,22,246 Lakhs were converted into Non-cumulative Preferential Shares redeemable at the end of 20 years.

Likewise, the Ministry of Railways has provided financial assistance amounting to ₹85,705 Lakhs by way of subscription to Non-cumulative Preferential Shares redeemable at the end of 15 years towards full debt servicing and 50% of the value of Bonds redeemable during financial years 2008-09 to 2010-11.

Thereafter these Non-Cumulative Redeemable 20 years / 15 years Preference Shares totaling to ₹4,07,951 Lakhs held in the name of Ministry of Railways are converted into Compulsory Convertible Non-cumulative Preference Shares (CCPS) w.e.f. 31/03/2015 with the approval of competent authority. The approval of Central Government has been received on 26th December, 2017.

- 21.6 The details of Preference Shareholders holding more than 5% shares

Compulsorily Convertible Non-cumulative 20 Years Preference Shares	As at 31st March 2024		As at 31st March 2023	
Name of Shareholder	Number of shares	% held	Number of shares	% held
Ministry of Railways	3,22,24,600	100	3,22,24,600	100

Compulsorily Convertible Non-cumulative 15 Years Preference Shares	As at 31st March 2024		As at 31st March 2023	
Name of Shareholder	Number of shares	% held	Number of shares	% held
Ministry of Railways	60,55,500	100	85,70,500	100





## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

Details of Preference Shares convertible into Equity shares with date of issued along with the earliest date of conversion given here under:-

Sr.No.	Date of issue of preference share	As at 31st March 2024		As at 31st March 2023	
		Amount ( ₹ in Lakhs)	Date of conversion to Equity Share Capital	Amount ( ₹ in Lakhs)	Date of conversion to Equity Share Capital
1	30/03/2009	3,22,246	30/03/2029	3,22,246	30/03/2029
2	24/12/2010	3,499	24/12/2025	3,499	24/12/2025
3	19/11/2010	6,148	19/11/2025	6,148	19/11/2025
4	13/07/2010	4,240	13/07/2025	4,240	13/07/2025
5	25/05/2010	11,794	25/05/2025	11,794	25/05/2025
6	21/04/2010	5,136	21/04/2025	5,136	21/04/2025
7	26/02/2010	2,500	26/02/2025	2,500	26/02/2025
8	30/11/2009	6,750	30/11/2024	6,750	30/11/2024
9	30/10/2009	8,200	30/10/2024	8,200	30/10/2024
10	01/10/2009	3,750	01/10/2024	3,750	01/10/2024
11	27/05/2009	8,538	27/05/2024	8,538	27/05/2024
12	30/03/2009	-	-	25,150	30/03/2024
	<b>TOTAL</b>	<b>3,82,801</b>		<b>4,07,951</b>	

#### 21.7 Details of Shares held by promoters at 31st March 2024

Promoter name	No. of Shares	% of total shares	% Change during the year
<b>Equity Share</b>			
Ministry of Railways	1,17,07,477	57.47%	5.99%
Government of Maharashtra	39,65,425	19.47%	-2.74%
Government of Karnataka	27,03,699	13.27%	-1.87%
Government of Kerala	10,81,481	5.31%	-0.75%
Government of Goa	9,12,980	4.48%	-0.63%
<b>Compulsorily Convertible Non Cumulative 20 Years Preference Shares of par value ₹1000/- each.</b>			
Ministry of Railways	3,22,24,600	100.00%	0.00%
<b>Compulsorily Convertible Non Cumulative 15 Years Preference Shares of par value ₹1000/- each.</b>			
Ministry of Railways	60,55,500	100.00%	0.00%



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### Shares held by promoters at 31st March 2023

Promoter name	No. of Shares	% of total shares	% Change during the year
<b>Equity Share</b>			
Ministry of Railways	91,92,477	51.48%	-1.33%
Government of Maharashtra	39,65,425	22.21%	-0.57%
Government of Karnataka	27,03,699	15.14%	3.02%
Government of Kerala	10,81,481	6.06%	-0.61%
Government of Goa	9,12,980	5.11%	-0.51%
<b>Compulsorily Convertible Non Cumulative 20 Years Preference Shares of par value ₹1000/- each</b>			
Ministry of Railways	3,22,24,600	100.00%	0.00%
<b>Compulsorily Convertible Non Cumulative 15 Years Preference Shares of par value ₹1000/- each</b>			
Ministry of Railways	85,70,500	100.00%	0.00%

#### 21.8 Information regarding issue of shares in last five years immediately preceding the Balance Sheet date:

Particulars	31st March 2024	31st March 2023
1) Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash.	NIL	NIL
2) Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	NIL	NIL
3) Aggregate number and class of shares bought back.	NIL	NIL

#### 22. Other Equity

##### A) Retained Earnings

( ₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
<b>Deficit in the Statement of Profit and Loss</b>		
Balance as at the beginning of the year	(3,32,026.53)	(3,59,919.55)
Restated Balance as at the beginning of the year	(3,32,026.53)	(3,59,919.55)
Add/(Less) : Profit/(Loss) for the year	30,173.84	27,893.02
Add/ (Less): Equity Component in Debt Instruments (Ref Note: 23.2.3)	7,685.62	7,685.62
Balance as at the end of the year	<b>(2,94,167.06)</b>	<b>(3,24,340.91)</b>



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### B) Other Comprehensive Income

( ₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
<b>Remeasurements of Defined Benefit Plans Obligations</b>		
Balance as at the beginning of the year	(82,927.27)	(67,781.13)
Add/(Less) : Additions during the year	(7,235.83)	(15,146.14)
<b>Balance as at the end of the year</b>	<b>(90,163.10)</b>	<b>(82,927.27)</b>

#### C) Share Application Money Pending Allotment

( ₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
<b>Share Application Money Pending Allotment</b>		
Balance as at the beginning of the year	-	2,669.77
Share application money received during the financial year	-	13,537.01
Issue of Share Capital against the Share Application money	-	16,206.78
Balance as at the end of the year	-	-
<b>Total Other Equity (A+B+C)</b>	<b>(3,84,330.16)</b>	<b>(4,07,268.18)</b>

#### Non-current Financial Liabilities

#### 23. Borrowings

##### (A) Bonds:

( ₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
<b>Secured and issued through Private Placement</b>		
7.94%, 1200 taxable bonds of ₹10 lakh each 19- I series redeemable on 01.10.2029 (Refer Note 23.1 (d))	12,000.00	12,000.00
7.65%, 3000 taxable bonds of ₹ 10 lakh each 18-I series redeemable on 22.09.2026	30,000.00	30,000.00
8.30%, 500 taxable bonds of ₹ 10 lakh each 17-III series redeemable on 29.04.2026	5,000.00	5,000.00
8.50%, 2500 taxable bonds of ₹10 lakh each 17-II series redeemable on 30.03.2026	25,000.00	25,000.00
9.08%, 5000 taxable bonds of ₹ 10 lakh each 16-IV series redeemable on 25.09.2024	-	50,000.00
9.18%, 1100 taxable bonds of ₹ 10 lakh each 16-III series redeemable on 11.08.2024	-	11,000.00
9.15%, 1700 taxable bonds of ₹ 10 lakh each 16-II series redeemable on 21.07.2024	-	17,000.00
<b>TOTAL (A)</b>	<b>72,000.00</b>	<b>1,50,000.00</b>



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### 23.1

- (a) The IDBI Trusteeship Services Limited has been appointed as Trustees to the Bond Holders for all series of Bonds.
- (b) All Bonds issued by the Corporation under various Series are secured by way of pari-passu charges / mortgage created / to be created on movable / immovable assets of the Corporation except book debts.
- (c) Corporation is authorised to reissue all bonds u/s 121 of the Companies Act, 1956 (Corresponding section 73 notified under Companies Act, 2013) after complying all the formalities required for reissue or fresh issue of bonds or both.
- (d) These bonds carry a put and call option on 01/10/2024, giving a right, to redeem the bonds before scheduled redemption date at par at the end of 5 years from the date of allotment .
- (e) In terms of Section 71 of the Companies Act, 2013 the Corporation is required to create a Debenture Redemption Reserve of an adequate amount in respect of bonds issued. However, due to accumulated losses no Debenture Redemption Reserve has been created by the Corporation.
- (f) Letter of Comfort has been given by the Ministry of Railways in respect of all the Bonds issued for which No fees has been charged by MOR .
- (g) The bonds are listed on National Stock Exchange.

#### 23.2 Non-current Financial Liabilities:

##### Borrowings:

##### (B) Term Loans:

( ₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Secured:</b>				
<b>From Banks:</b>				
Loans from State Bank of India (SBI) (Ref Note: 23.2.1)		65,624.84		69,124.83
Loan from Bank of Baroda (Ref Note: 23.2.2)		52,250.00		-
<b>From Other Financial Institutions:</b>				
Export-Import Bank of India (Ref Note: 23.2.1)		47,493.56		49,368.56
<b>Unsecured:</b>				
<b>Related Party</b>				
Assistance from MOR (Ref Note: 23.2.3)		13,305.84		33,838.94
<b>TOTAL (B)</b>		<b>1,78,674.24</b>		<b>1,52,332.33</b>
<b>TOTAL A+B</b>		<b>2,50,674.24</b>		<b>3,02,332.33</b>



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### 1) Details of Terms & Condition, Rate of Interest, repayment schedule for Rupee term Loan

- (a) Konkan Railway Corporation Limited (KRCL) had entered into a Rupee Term Loan Agreement for ₹ 1,20,000.00 Lakhs for 20 years tenure on 9th April, 2017 with consortium of State Bank of India (lead bank) and Export-Import Bank of India for its Route Electrification and Roha to Veer Doubling Project. With effect from 1st September 2023, the interest rate applicable is 3-month MCLR of SBI (presently, 8.20%) with quarterly re-set clause. Before 1st September 2023, the interest rate applicable is 1 year MCLR of SBI with annual re-set clause. The repayment of loan started from March 2024 quarter and future repayment will be done as per schedule mentioned in (c).
- (b) The facility is secured by way of a pari passu charge by way of hypothecation on all Fixed Assets pertaining to the project, both present and future.
- (c) Quarterly Repayment is scheduled after moratorium period as per below mentioned schedule:

Qtr	Repayment % per Qtr	Amount in Lakhs (per quarter)	Repayment % per Annum	Amount in Lakhs
1-16	1.25	1,500.00	5.00	24,000.00
17-20	0.13	150.00	.50	600.00
Bullet repayment option at the end of 10th year	NA	NA	79.50	95400 (Lumpsum)

In case rollover is opted Rollover amortisation schedule:

Qtr	Repayment % per Qtr	Amount in Lakhs	Repayment per Annum %	Amount in Lakhs
21-56	1.88	2,250.00	7.50	81,000.00
57-60	3.00	3,600.00	12.00	14,400.00

#### 2) Details of Terms & Condition, Rate of Interest, repayment schedule for Loan from Bank of Baroda

The Corporation has availed corporate loan amounting to ₹ 55,000.00 lakhs during the FY 2023-24 for 126 months to meet the long term working capital requirement . The interest rate applicable is 1 year G-sec (presently, 8.15% annualized) reset at every 3 months. The loan is repayable in 40 equal quarterly installments of ₹1,375.00 Lakhs commencing from 01st October 2024. The facility is secured by way of a Parri-Passu charge on all fixed assets, both present and future except current assets.

#### 3) Details of Terms & Condition, Rate of Interest, repayment schedule for Loan from Ministry of Railways.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

The company has received ₹ Nil (₹14,500.00 Lakhs) from Ministry of Railways as Financial Assistance to be repayable in three years from date of disbursement bearing nil interest rate. Since the transaction value and fair value of the said assistance differs with respect to rate of interest the said assistance is required to be discounted using company's cost of debt. The difference between the fair value and transaction value has been adjusted in Other Equity as per the requirement of Ind AS-109.

#### Non-current Financial Liabilities:

##### 24. Lease Liabilities

(₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Lease Liability (Refer Note: 48)	1,136.57	2,156.49
<b>TOTAL</b>	<b>1,136.57</b>	<b>2,156.49</b>

##### 25. Non-current Liabilities: Provisions

(₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
<b>Provision for employee benefits</b>		
Compensated Leave Absences	33,566.12	30,366.85
Employee Pension Scheme (Refer Note : 25.1)	60,654.26	60,895.90
Gratuity (Refer Note: 25.1)	7,305.07	7,798.12
Post Retirement Medical Benefits	3,859.24	3,416.53
<b>TOTAL</b>	<b>1,05,384.69</b>	<b>1,02,477.40</b>

25.1 Net of the amount of Investments held by KRCL Employees Super Annuation Trust and KRCL Employee's Gratuity Trust.

##### 26. Other Non-current Liabilities

(₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Deferred government grant (Ref note: 26.1 & 26.2)	5,886.12	6,089.75
Advance received from Customers	3,186.00	-
<b>TOTAL</b>	<b>9,072.12</b>	<b>6,089.75</b>





## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

- 26.1 Government Grant includes grant received from Ministry of Tourism for Station development for passenger amenities including interest earned on the same and Grant received from MP LAD Fund.
- 26.2 During the previous financial year, KRCL had received ₹2,275.00 Lakhs from Kolhapur PWD for construction of RUB in lieu of LC-21, ₹165.00 Lakhs from MP LAD for passenger amenities and ₹ 750.00 Lakhs from Ministry of Tourism.

### 27. Borrowings

( ₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
<b>Unsecured Loan</b>		
<b>Repayable on Demand</b>		
IndusInd Bank (Ref note: 27.1)	30,000.00	5,000.00
<b>Interest Accrued but not due</b>		
On Bonds	5640.78	5,640.78
On Loans From Financial Institution & Banks	859.71	818.76
<b>Current Maturities of Long term Borrowings</b>		
<b>From Bonds</b>		
9.08%, 5000 taxable bonds of ₹ 10 lakh each 16-IV series redeemable on 25.09.2024	50,000.00	-
9.18%, 1100 taxable bonds of ₹ 10 lakh each 16-III series redeemable on 11.08.2024	11,000.00	-
9.15% 1700 taxable bonds of ₹ 10 lakh each 16-II series redeemable on 21.07.2024	17,000.00	-
<b>From Banks:</b>		
Loans from State Bank of India (SBI)	3,500.00	875.00
Loan from Bank of Baroda	2,750.00	-
<b>From Other Financial Institutions:</b>		
Export-Import Bank of India	2,500.00	625.00
<b>From Related Parties:</b>		
Assistance from MOR (Ref Note: 23.2.3)	23,213.52	-
<b>TOTAL</b>	<b>1,46,464.01</b>	<b>12,959.54</b>



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

27.1 Indusind Bank vide Sanction letter No. IBL/Public Sector Unit-WEST/SLR-12053/FY 22-23 Dated 4th Nov 2022 has enhanced the limit of short-term loan previously sanctioned on 1st June 2022 from ₹ 10,000.00 Lakhs to ₹ 30,000.00 Lakhs. The purpose of the loan is for augmentation of working capital for temporary cash flow mismatch. The rate of interest is @ 7.40% p.a. (Linked to 3 months T-bill rate). The loan is repayable within one year from each tranche of withdrawal.

#### Current Financial Liabilities:

##### 28. Lease Liabilities

( ₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Lease Liability (Refer Note 48)	1,283.19	1,343.97
<b>TOTAL</b>	<b>1,283.19</b>	<b>1,343.97</b>

##### 29. Trade Payables

( ₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Contractors	1,641.03	8,432.19
Contractors - Project	13,580.80	20,846.30
Railways	85,493.82	88,363.08
Project Payables	17,416.90	23,517.66
<b>TOTAL</b>	<b>1,18,132.55</b>	<b>1,41,159.23</b>

#### Details relating to Micro, Small and Medium enterprises (Ref. Note: 29.1):

(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;		
Principal Outstanding	1355.45	764.93
Interest Outstanding	NIL	0.79
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	NIL	NIL



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Act, 2006;	NIL	27.81
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	28.6
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL
Explanation.- The terms 'appointed day', 'buyer', 'enterprise', 'micro enterprise', 'small enterprise' and 'supplier', shall have the same meaning as assigned to them under clauses (b), (d), (e), (h), (m) and (n) respectively of section 2 of the Micro, Small and Medium Enterprises Development Act, 2006."		

29.1 Purchase orders to MSME parties are separately identified and processed for payment to avoid delay in payment. There is no demand/complain from MSME parties for non receipt of payment or interest on delayed payment.

29.2 There is no incidence of extended credit terms with reference to Trade Payables.

#### 29.3. Trade Payables Ageing Schedule

( ₹ in Lakhs)

FOR FY 2023-24	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1,355.45	-	-	-	1,355.45
(ii) Others	31,759.97	29,692.96	14,663.15	40,661.02	1,16,777.10
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Standalone Financial Statements**

( ₹ in Lakhs)

FOR FY 2022-23	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	764.93	-	-	-	764.93
(ii) Others	78,279.23	21,763.93	5,461.31	34,889.82	1,40,394.29
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**Current Financial Liabilities**

**30. Other Financial Liabilities**

( ₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Employee payable	3,502.42	5,518.12
NPS Payable	677.11	625.90
Expenses Payable	15,064.41	14,628.79
Other Payables		
For Capital Works	9,487.59	1,023.90
To Associates (Refer Note : 30.1)	-	2,325.90
For Others (Refer Note : 30.2, 30.3)	6,159.21	8,619.18
Deposits from		
Contractors & Others (Refer Note : 30.4)	44,028.80	38,117.32
Associates	250.00	500.00
<b>TOTAL</b>	<b>79,169.54</b>	<b>71,359.11</b>

- 30.1 The amount of other Payables includes amount of Bank Guarantee encashed relating to Jaigarh Digni Rail Limited (JV) consequent to non-achievement of milestone of financial closure as detailed in Note 12.2. The amount was refunded to JDRL on closure of concession agreement on 11th August 2023.
- 30.2 The amount of other payables includes an amount of ₹ 2500.00 lakhs received from RDSO for research and development of SKY Bus Technology which is refundable as per the letter received from Railway Board vide no 2K/Proj/SBM/1/1Pt. dated 26/10/2015.
- 30.3 The amount of Other Payables includes an amount of ₹2037.97 Lakhs (₹2070.67 Lakhs) forfeited from the parties related to USBRL project . The same needs to be refunded to Northern Railway once the arbitration proceedings related to this are completed in all respects.
- 30.4 Pending verification of the impact of GST in respect of contract awarded for USBRL Project in the pre GST regime involving Excise and Service Tax, certain percentage of deductions from the bill of sub contractors are kept in deposits from contractors to the tune of ₹ 11,658.75 Lakhs ( ₹9,700.83 Lakhs).



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Standalone Financial Statements**

**31. Other Current Liabilities** (₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Advance received from Customers (Refer note 31.1)	9,824.72	49,045.72
From Associates	26.10	26.10
Duties and Taxes Payable :		
a) Goods & Services Taxes (GST)	794.47	2,051.88
b) Goods & Services Taxes - Tax Deducted Source (GST - TDS)	643.52	834.53
c) Income Tax Deducted at Source	1,299.41	1,515.83
d) Labour Cess	305.21	433.92
Deferred Government Grant	249.23	204.02
<b>TOTAL</b>	<b>13,142.66</b>	<b>54,112.00</b>

31.1 Advance received from customers includes loss due to foreign currency fluctuation to the extent of ₹ 0.32 Lakhs (Profit ₹ 0.12 Lakhs).

**32. Current Liabilities : Provisions** (₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Provision for employee benefits :		
Employee Pension Scheme*	6,310.57	6,459.50
Gratuity*	1,588.08	1,575.38
Compensated Leave Absences	1,410.71	1,042.03
Post Retirement Medical Benefits	66.60	50.23
<b>TOTAL</b>	<b>9,375.96</b>	<b>9,127.14</b>

\* Net of the amount of Investments held by KRCL Employees Super Annuation Trust and KRCL Employees' Gratuity Trust.

**Revenue From Operations**

**Sale of Services:**

**33. Traffic Revenue** (₹ in Lakhs)

Particulars	For the Year Ended	
	31st March 2024	31st March 2023
Passenger	1,01,610.51	96,242.71
Other Coaching Revenue	1,389.11	1,266.76
Goods	68,917.05	73,646.75
Sundry Revenue	1,145.14	994.83
<b>TOTAL</b>	<b>1,73,061.81</b>	<b>1,72,151.05</b>



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### 34. Project Revenue

( ₹ in Lakhs)

Particulars	For the Year Ended	
	31st March 2024	31st March 2023
Udhampur Srinagar Baramulla Rail Link (USBRL) Project (Ref Note: 34.1 (c) )	252,237.21	3,13,514.68
NTPC Kudgi	263.16	785.19
NTPC Gadawara	4,293.21	1,881.50
Rolling Stock Component Factory	6,911.71	8,125.30
Other Projects (Ref Note: 34.1 (c) )	6,104.84	3,163.71
<b>TOTAL</b>	<b>2,69,810.13</b>	<b>3,27,470.38</b>

#### 34.1

- (a) The Contract agreement between the Corporation and Northern Railway for the execution of USBRL Project was initially upto 15.08.2007 and validity of the contract was extended upto 31.03.2025.
- (b) In terms of the contract between the Corporation and Northern Railway for execution of USBRL Project, monthly account statements are being submitted by the Corporation in the mutually agreed proforma incorporating all the expenses and 10% profit. So far there is no disallowances of any item of expenditure. Disallowance if any will be incorporated in the accounts on its occurrence.
- NTPC Kudgi Project and NTPC Gadawara Project were awarded to KRCL on bidding basis. KRCL is eligible for management fees of certain percentage of the estimated cost of the works and the expenses other than project related, like Salary, Administrative expenses are to be born by the Corporation.
- (c) The Project Revenue of USBRL and Other projects includes unbilled revenue to the tune of ₹ 3261.54 Lakhs (₹8817.46 Lakhs) and ₹ 95.42 Lakhs (Nil) respectively.
- (d) Reconciliation of Gross Revenue from Contracts with Customers

( ₹ in Lakhs)

Particulars	For the Year Ended	
	31st March 2024	31st March 2023
Traffic Revenue	1,73,061.81	1,72,151.05
Project Revenue	2,69,810.13	3,27,470.38
Total	4,42,871.94	4,99,621.43
Less : Discount, incentives, price concession, return, etc.	-	-
<b>TOTAL</b>	<b>4,42,871.94</b>	<b>4,99,621.43</b>





## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### 35. Other Operating Revenue:

( ₹ in Lakhs)

Particulars	For the Year Ended	
	31st March 2024	31st March 2023
Other Operating Revenue	2,524.01	2,542.09
Other Miscellaneous Income	767.24	683.29
<b>TOTAL</b>	<b>3,291.25</b>	<b>3,225.38</b>

#### 36. Other Income

( ₹ in Lakhs)

Particulars	For the Year Ended	
	31st March 2024	31st March 2023
Interest on Investments and Fixed Deposits (Ref Note:36.1)	16,949.53	11,652.10
Interest on Loans	2.04	73.59
Revenue from Government Grant (Refer Note 36.2)	241.39	239.20
Other Income	37.36	30.92
Profit on Sale of Asset	0.22	1.38
Excess provision of earlier years written back (net) (Refer Note 36.3)	4,359.34	381.03
<b>TOTAL</b>	<b>21,589.88</b>	<b>12,378.22</b>

- 36.1 Interest on investment include interest earned on part of revolving advance received from Northern Railway for USBRL project parked with LIC of ₹ Nil (₹ 583.87 lakhs). KRCL has transferred interest @ Nil % p.a. (6% p.a) to Northern railway as against 7.92% p.a (7.75 % p.a) earned by the company (intimated by LIC at year end).
- 36.2 The Revenue from Government grant includes amount received from Nirbhaya Fund worth ₹205.49 Lakhs (₹223.67Lakhs) utilised for installation of CCTV Surveillance System.
- 36.3 The Other Income "excess provision of earlier years written back " includes reversal on account of Indian Railway Financial Adjustment (IRFA) charges amounting to ₹ 2433.28 Lakhs (Nil), due to full and final settlement of Account of respective years. Also, it includes reversal on account of excess provision of Tuition Fees amounting to ₹1147.33 Lakhs (Nil).



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### Cost of Operation :

#### 37. Train Operation Expenses

( ₹ in Lakhs)

Particulars	For the Year Ended			
	31st March 2024		31st March 2023	
Fuel expenses :				
Diesel Charges	8,439.35		28,666.27	
Electricity Charges	14,218.45	22,657.80	6,942.99	35,609.26
Hire Charges of Rolling Stock		25,892.77		23,992.35
Electricity and Water Charges		693.44		672.81
Catering Expenses		1,190.98		1,118.75
Repair and Maintenance				
Permanent Way	7,110.04		5,275.45	
Station and Other Buildings	1,273.50		553.41	
Plant and Equipments	2,704.74		1,499.42	
Bridges & Tunnels	549.47		203.14	
Rolling Stock	1,299.75	12,937.50	868.29	8,399.71
Inventory Consumed for Stores & Spares (Ref Note 11.1)		1,710.28		1,491.18
<b>TOTAL</b>		<b>65,082.77</b>		<b>71,284.06</b>



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### 38. Project Cost

( ₹ in Lakhs)

Particulars	For the Year Ended			
	31st March 2024		31st March 2023	
<b>Udhampur Srinagar Baramulla Rail Link Project</b>				
Payment to contractors	2,21,991.17		2,78,253.65	
Establishment charges	6,205.98		5,673.72	
Other than Establishment charges	2,375.44	2,30,572.59	2,140.48	2,86,067.85
<b>NTPC Kudgi</b>				
Payment to contractors	266.84		762.95	
Establishment charges	7.72		14.45	
Other than Establishment charges	3.91	278.48	4.52	781.92
<b>NTPC Gadawara</b>				
Payment to contractors	4,200.52		1,881.51	
Establishment charges	225.06		255.31	
Other than Establishment charges	34.12	4,459.70	36.31	2,173.13
<b>Rolling Stock Component Factory</b>				
Payment to contractors	6,568.15		7,483.52	
Establishment charges	72.98		100.33	
Other than Establishment charges	26.63	6,667.76	5.68	7,589.53
<b>Other Projects</b>				
Payment to contractors	2,137.83		2,393.44	
Establishment charges	1,885.90		656.78	
Other than Establishment charges	1,109.27	5,133.00	821.10	3,871.32
<b>TOTAL</b>		<b>247,111.53</b>		<b>3,00,483.75</b>

#### 39. Changes in Inventory of Work in Progress

( ₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Opening Inventory of Work in Progress	1,271.25	140.81
Less: Closing Inventory of Work in Progress	1,460.86	1,271.25
<b>TOTAL</b>	<b>(189.61)</b>	<b>(1,130.44)</b>



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### 40. Employee Benefits Expense

( ₹ in Lakhs)

Particulars	For the Year Ended			
	31st March 2024		31st March 2023	
<b>Salaries and wages</b>				
Salary and wages	53,786.80	58,170.10	50,804.24	56,421.33
Compensated Leave Absences	4,383.30		5,617.09	
<b>Contribution to Provident Fund and Other Fund</b>				
Employee Pension Scheme	10,229.56	14,475.94	9,412.84	13,380.30
Gratuity	1,892.93		1,879.62	
Contribution to Provident Fund and NPS (Refer Note No. 40.5)	2,353.45		2,087.84	
<b>Staff Welfare Expenses</b>				
Staff Welfare Expenses	2,837.35	3,918.60	2,833.20	4,431.10
Post Retirement Medical Benefits	429.84		1,411.27	
Cash Awards	28.26		17.97	
Training Expenses (Refer No. 40.4)	568.83		62.98	
Foreign Service Contribution	54.32		105.68	
<b>TOTAL</b>		<b>76,564.64</b>		<b>74,232.73</b>

40.1 The High Court of Bombay in April 2008 exempted the Corporation from the purview of Employees Provident Fund and Miscellaneous Provisions Act, 1952 and permitted the Corporation to maintain its own provident fund and pension scheme. Accordingly, Pension was restored as per Railway Service (Pension) Rules, 1993 and it is managed by erstwhile 'Konkan Railway Corporation Employees Superannuation Trust' through Life Insurance Corporation of India. As per amendment made on 15th Feb 2021, pension is managed by KRCL Employees Superannuation trust through LIC or any other insurer as defined in clause 28BB of Section 2 of the Income Tax Act, 1961.

However, the employees those who have joined on or after 1.1.2004 are continued to be governed by the 'National Pension System' as announced by the Government of India.

40.2 An amount ₹ 66.02 Lakhs (Previous year ₹ 154.81 Lakhs) has been deducted from Salary, Wages and Allowance etc. and charged to Capital/Deposit Work on account of Direction & General/Establishment expenses.

40.3 Out of Actuarial Expenses charged, Pension Expense ₹ 346.35 Lakhs ( ₹ 247.31 Lakhs), Gratuity Expenses ₹ 44.24 Lakhs ( ₹ 41.19 Lakhs), Compensated Leave Absences Expenses ₹ 102.44 Lakhs ( ₹ 123.10 Lakhs) and PRMS expenses ₹ 11.39 Lakhs ( ₹ 30.91 Lakhs) have been charged to USBRL Project based on number of employees deployed to the project.

40.4 Training Fees payable to ZRTI, Bhusawal for previous periods amounting to ₹ 470.33 Lakhs has been provided during current financial year. Also ref note 44(xi).

40.5 Disclosures for Employee benefit expenses as per Ind-AS 19 are given below :

Employees Contribution for National Pension System (NPS) is deducted at 10% Whereas as employer contribution is made at the rate of 14%.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### (A) Defined Contribution Plan :

- (i) The employees joined on or after 1.1.2004 are governed by the Contributory Pension Scheme introduced by Government of India. The Corporation is contributing an amount equal to the contribution made by the employees to the fund or the rate notified by the Ministry of Finance and Railway Board and there is no further liability on this account.

( ₹ in Lakhs)

(ii) Particulars	For the Year Ended	
	31st March 2024	31st March 2023
Employer's Contribution to Pension Fund (Post 2004)	2,254.61	2,002.80

#### (B) Defined Benefit Plan :

- (i) Gratuity: The employees' gratuity fund scheme managed by a Trust, is a defined benefit plan. The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. Represents benefits to employee on the basis of number of years of service rendered. The employee is entitled to receive the same on retirement or resignation or death. The Corporation has formed a trust for gratuity, which is funded by the Corporation. However the funding to Gratuity fund as required by actuary valuation is partly funded.
- (ii) Pension : It represents benefits to employees joined prior to 1.1.2004 on the basis of rules framed in the Employees Pension Scheme. Rules as under:
- Retirement pension on normal retirement at age of superannuation.
  - No pension benefits accrue on exits before Normal Retirement age (except in case of approved Voluntary Retirement).
  - In-service death benefit to spouse:  
There is no qualifying period of minimum service prescribed for Family Pension @ 30% of last drawn salary subject to minimum of monthly amount of ₹ 9,000/- and a maximum of ₹ 1,25,000/- is payable to spouse/eligible person as per Indian Railway Pension Rule, 1993. However for the first 10 years from date of death, Enhanced Family Pension @ 50% of last drawn salary, will be payable.
  - Benefit to Family on death of member while receiving pension:  
Family pension as defined above shall be payable to the family. However until 7 years from the date of death or up to his age of 67 years whichever is less, Enhanced Family Pension as defined above shall be payable.
  - For all Pension payments DA is allowed for at an appropriate rate consistent with the rates declared by the Corporation.

#### Voluntary Retirement Scheme:

The Corporation has implemented the Voluntary Retirement Scheme (VRS) as applicable to Central Government employees and Railway employees w.e.f.01.06.2016.

- (iii) Post Retirement Medical Benefit Plan for Employees including their spouse at superannuation/death/VRS/medically invalidation against one time contribution equivalent to the last month's basic pay at the time of retirement as per KRREHS Policy.



# KONKAN RAILWAY CORPORATION LTD.

## Notes forming part of the Standalone Financial Statements

### 40 ( C) INDIAN ACCOUNTING STANDARDS (IND AS): 19 - Employee Benefits

The following table sets out the status of the defined benefit Pension Plan, Gratuity Plan and Leave Salary Plan as required under Ind AS 19:

( ₹ in Lakhs)

Particulars	Funded		Funded		Unfunded		Unfunded	
	Pension		Gratuity		PRMS		Leave Salary	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<b>Reconciliation of opening and closing balances of Defined Benefit Obligation</b>								
Defined benefit obligation at the beginning of the year	1,53,222.96	1,30,195.65	34,416.78	31,886.78	3,411.00	1,969.00	31,408.88	26,806.72
Adj. to PVO at the beginning of the year	-	-	-	-	-	-	-	-
Current Service Cost	5,684.36	5,746.21	1,386.33	1,385.00	244.95	1,442.00	760.66	948.56
Interest Cost	11,486.17	9,563.94	2,485.69	2,169.00	253.94	-	2,295.41	1,888.81
Components of actuarial gain/losses on obligations	-	-	-	-	-	-	-	-
Due to change in financial assumptions	7,949.80	4,597.61	543.60	(193.00)	214.57	-	659.99	2,202.19
Due to change in demographic assumptions	-	-	-	-	-	-	-	-
due to experience adjustments	(1,218.26)	9,838.44	(247.63)	295.00	(203.55)	-	769.67	700.64
Actuarial losses (gains)	6,731.54	14,436.05	295.97	102.00	-	-	1,429.66	2,902.83
Past service cost	-	-	-	-	-	-	-	-
Benefits paid	(6,903.93)	(6,718.89)	(1,092.26)	(1,126.00)	4.92	-	(917.78)	(1,138.04)
Defined benefit obligation at the year end	1,70,221.10	1,53,222.96	37,492.51	34,416.78	3,925.83	3,411.00	34,976.83	31,408.88
<b>Reconciliation of opening and closing balances of Fair Value of Plan Assets</b>								
Fair value of plan assets at the beginning of the year	85,867.55	74,810.22	25,097.90	23,309.90	-	-	-	-
Interest Income	6,594.61	5,650.00	1,934.87	1,633.00	-	-	-	-
Contributions by employer	17,402.53	12,515.27	3,191.24	1,500.00	-	-	-	-
Benefit Paid	(6,903.93)	(6,718.89)	(1,092.26)	(1,126.00)	-	-	-	-
Return on plan assets excluding amounts included in interest income	295.50	(389.05)	(492.80)	(219.00)	-	-	-	-
Fair value of plan assets at the year end	1,03,256.26	85,867.55	28,638.95	25,097.90	-	-	-	-
The actual return on plan asset is ₹	6,890.11	5,260.95	1,442.07	1,414.00	-	-	-	-
<b>Reconciliation of present value of the obligation and fair value of the plan assets</b>								
Present Value of Funded obligation at the year end	1,70,221.10	1,53,222.96	37,492.51	34,416.78	-	-	-	-
Present Value of Unfunded obligation at the year end	-	-	-	-	3,925.83	3,411.00	34,976.83	31,408.88
Fair Value of Plan assets at the year end	1,03,256.26	85,867.55	28,638.95	25,097.90	-	-	-	-
<b>Amount Recognised in the Balance Sheet</b>	66,964.84	67,355.41	8,853.56	9,318.88	3,925.83	3,411.00	34,976.83	31,408.88
<b>Composition of plan assets</b>								
Policy of insurance	78.00%	84.00%	100 %	100 %	-	-	-	-
GOI Securities	21.00%	13.00%	-	-	-	-	-	-
Cash at bank	1.00%	3.00%	-	-	-	-	-	-





# KONKAN RAILWAY CORPORATION LTD.

## Notes forming part of the Standalone Financial Statements

(₹ in Lakhs)

Particulars	Funded		Funded		Unfunded		Unfunded	
	Pension		Gratuity		PRMS		Leave Salary	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<b>Net Cost recognised in Statement of Profit and Loss</b>								
(Under the head "Employee Benefit Expenses" - Refer note no. 40)								
Current Service Cost	5,684.36	5,746.21	1,386.33	1,385.00	244.95	1,442.00	760.66	948.56
Interest Cost	11,486.17	9,563.94	2,485.69	2,169.00	-	-	2,295.41	1,888.81
Past service cost	-	-	-	-	-	-	-	-
Interest Income	(6,594.61)	(5,650.00)	(1,934.87)	(1,633.00)	253.94	-	-	-
Due to change in financial assumptions	-	-	-	-	-	-	659.99	2,202.19
Due to change in demographic assumptions	-	-	-	-	-	-	-	-
due to experience adjustments	-	-	-	-	-	-	769.67	700.64
Total cost considered as Employee Benefit expenses	10,575.92	9,660.15	1,937.15	1,921.00	498.89	1,442.00	4,485.73	5,740.20
<b>Other Comprehensive Income</b>								
Other Comprehensive Income at the beginning of the year	74,659.35	59,834.25	8,267.41	7,946.41	-	-	-	-
Components of actuarial gain/losses on obligations	-	-	-	-	-	-	-	-
Due to change in financial assumptions	7,949.80	4,597.61	543.60	(193.00)	214.57			
Due to change in demographic assumptions	-	-	-	-	-	-	-	-
due to experience adjustments	(1,218.26)	9,838.44	(247.63)	295.00	(203.55)	-	-	-
Actuarial (Gains)/Losses on Obligation	6,731.54	14,436.05	295.97	102.00	-	-	-	-
Return on plan assets excluding amounts included in interest income	(295.50)	389.05	492.80	219.00	-	-	-	-
Other Comprehensive Income at the end of the year	81,095.39	74,659.35	9,056.18	8,267.41	11.02	-	-	-
<b>Reconciliation of opening and closing net liability recognized in Balance Sheet</b>								
Net Liability at the beginning of the year	67,355.40	55,385.42	9,319.88	8,577.88	3,411.00	-	31,408.64	26,806.48
Expenses as recognized in profit and loss account	10,575.92	9,660.15	1,937.15	1,921.00	498.89	-	4,485.73	5,740.20
Other Comprehensive Income for the current period	6,436.04	14,825.10	788.77	321.00	11.02	-	-	-
Expenses deducted from the fund	-	-	-	-	-	-	-	-
Benefits paid by the Company	-	-	-	-	4.92	-	(917.78)	(1,138.04)
Employers Contribution	(17,402.53)	(12,515.27)	(3,191.24)	(1,500.00)	-	-	-	-
Net liability/(Asset) recognized in Balance Sheet at the year end	66,964.83	67,355.40	8,854.56	9,319.88	3,925.83	-	34,976.59	31,408.64
<b>Principal Actuarial Assumptions: -</b>								
Discount Rate	7.20%	7.50%	7.20%	7.40%	7.20%	7.50%	7.20%	7.40%
Salary Escalation	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Pension growth rate	2.50%	2.50%	NA	NA	NA	NA	NA	NA
Withdrawal rates at all stages	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%
Medical Growth rate	-	-	-	-	4.00%	4.00%	-	-
Cost of Medical Claims (in ₹)	-	-	-	-	10,000.00	10,000.00	-	-



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Standalone Financial Statements**

(₹ in Lakhs)

Particulars	Funded		Funded		Unfunded		Unfunded	
	Pension		Gratuity		PRMS		Leave Salary	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<b>Sensitivity to key assumptions</b>								
Discount rate + 0.5%	1,57,091.28	1,40,704.39	36,157.00	33,134.00	3,582.77	-	33,363.26	29,916.00
Discount rate - 0.5%	1,84,551.88	1,65,807.81	38,909.00	35,778.00	4,312.32	-	36,717.57	33,020.00
Salary growth rate + 0.5%	1,74,133.61	1,56,832.09	37,913.00	34,866.00	3,871.22	-	36,695.91	33,003.00
Salary growth rate - 0.5%	1,66,031.15	1,48,372.29	37,025.00	33,928.00	3,977.52	-	33,367.59	29,917.00
Medical Inflation Rate + 0.5%	-	-	-	-	4,379.83	-	-	-
Medical Inflation Rate - 0.5%	-	-	-	-	3,517.84	-	-	-
<b>Expected Post employment term of the obligation</b>	15.53	16.00	7.75	8.30	17.92	19.00	9.72	10.48
<b>Expected future cashflows from the plan</b>								
<i>We have not considered the future accrual while computing the cashflows.</i>								
1st Year	311.77	1,360.00	2,158.00	1,652.00	66.60	-	1,410.71	1,042.00
2nd Year	371.42	2,057.00	2,619.00	2,310.00	85.79	-	1,717.53	1,517.00
3rd Year	440.66	3,181.00	3,601.00	2,527.00	113.95	-	2,481.93	1,724.00
4th Year	520.15	4,397.00	4,528.00	3,559.00	150.41	-	3,262.65	2,474.00
5th Year	610.57	6,503.00	4,995.00	4,480.00	191.79	-	3,656.84	3,243.00
6th to 10th Year	22,135.36	54,812.00	22,835.00	22,590.00	1,590.48	-	19,933.39	19,099.00

**41. Finance Costs**

( ₹ in Lakhs)

Particulars	For the Year Ended	
	31st March 2024	31st March 2023
<b>Interest on</b>		
Bonds	12,893.10	12,893.10
Loan from Financial Institution & Banks (Refer note 41.1)	11,343.89	7,858.53
Other Interest (Refer note 41.2)	30.58	92.61
Finance Cost Unwinding Of Financial Instrument (Ref Note: 23.2 (3) and 41.3)	2,680.43	2,258.79
Finance Charges on Lease Assets	243.37	323.89
<b>TOTAL</b>	<b>27,191.37</b>	<b>23,426.92</b>

41.1 Out of the total interest of ₹ Nil Lakhs (₹8853.55 Lakhs) on Rupee Term Loan from State Bank of India and Export-Import Bank of India for its Route Electrification and Roha to Veer Doubling Project. Interest amounting to ₹ Nil Lakhs (₹ 2986.02 Lakhs) have been charged to the project in accordance with Ind AS 23 Borrowing Costs. Interest amounting to ₹ Nil Lakhs (₹ 5867.53 Lakhs) on this loan is charged to Profit and Loss.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

- 41.2 Other Interest includes ₹25.23 Lakhs ( ₹76.95 Lakhs) on account of interest paid on arbitration awards and Land cases during the current financial year.
- 41.3 In continuation to Note 23.2.3, the finance cost includes interest portion unwinded for assistance received from Ministry of Railways as per Ind AS 109 .

#### 42. Other Expenses

( ₹ in Lakhs)

Particulars	For the Year Ended	
	31st March 2024	31st March 2023
Rent for Residential buildings	8.54	16.49
Rent for Office buildings	94.89	884.09
Telephone and Communications	3.50	3.09
Vehicle Expenses	87.89	96.47
Vehicle Hiring Expense	182.99	307.59
Corporate Social Responsibility Expenses (Refer Note : 56)	-	10.29
Legal Expenses	95.81	22.89
Advertisement & publicity	171.99	134.62
Director Sitting Fees	3.35	3.90
Payment to Auditors	26.68	21.22
Travelling expenses	2,165.99	2,022.82
Commission	82.33	57.69
Insurance	16.32	13.35
Indirect Tax	-	2.99
Repairs and Maintenance-Staff Qtrs,Office Building	514.20	187.45
Electricity and Water Charges: Qtrs & Admin Building	258.72	239.55
Other Sundry Expenses	1,350.32	1,134.25
Inventory Consumed for General Items	453.70	275.89
Balances written off	8.53	-
Allowance for expected Credit Loss (Ref Note: 16.2)	-	1,650.84
Loss on Decapitalization	27.92	1.81
<b>TOTAL</b>	<b>5,553.67</b>	<b>7,087.29</b>



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### 43. Provision for Contingencies

- i. As per the terms and conditions of project, the corporation is required to make good, the defects in the project work undertaken for defined period of time depending on the terms specified in the MOU/Agreement.
- ii. However, the Corporation stipulates similar condition to the sub-contractor and retains the Security Deposit/ obtains the financial guarantees. As such, management is of the view that there would not be any major financial impact on account of the same and no provision is required to be made in accordance with Ind AS 37 on "Provision, Contingent Liabilities and Contingent Assets".

#### 44. Contingent liabilities and Contingent Asset:

##### Claims/Disputed liabilities not acknowledged as debt:

- i. Against the court cases/arbitration proceeding relating to USBRL project, if any liability arises, then as per the MOU between Northern Railway (NR) and KRCL, the same will be absorbed by NR. In case of any dispute between KRCL and NR on said claim, the same will be decided under Arbitration between NR & KRCL. Even if, it is to be shared by KRCL as per the outcome of Arbitration, the liability of KRCL should be limited to 80% of the total profit of the Project of that year.

As such no contingent liability has been considered against the Arbitration claims settled by KRCL up to 31st March 2024 amounting to ₹9,031 Lakhs (₹7,680 Lakhs) charged to project and accepted by Northern Railway. Similarly, claims of ₹1,66,034 Lakhs (₹87,088 Lakhs) under Arbitration and Court case related to USBRL Project, in case of an adverse outcome of cases, these claims also will be chargeable to the Projects. No contingent liability arises until the claims settled by KRCL are disputed by Northern Railway(NR).

- ii. Apart from above, the claims by contractors against the Corporation pending under Arbitration are ₹1,819 Lakhs (₹1,282 Lakhs). Besides this, against the arbitration award to the tune of ₹ 1,186 Lakhs (₹1,186 Lakhs) the corporation has preferred an appeal in the Court.
- iii. An agreement of collaboration for manufacturing, installation, commissioning and maintaining of Networked ACDs for use on Railways was awarded to M/s Kernex Microsystems (India) Ltd. in connection with the execution of the said agreement M/s Kernex Microsystems (I) Ltd. has raised claim of ₹35,000 Lakhs(₹35,000 Lakhs) against KRCL through arbitration. At present, the petition is pending in the Mumbai High Court for appointment of arbitral tribunal.
- iv. Assessment of Income Tax for the Financial Year 2007-08 to 2014-15 & 2016-17 & 2017-18 are pending at various levels of Appellate Authority. However, considering the past Assessment and existing substantial carry forward un-absorbed Depreciation loss of ₹ 93,365 Lakhs ( ₹1,16,818 Lakhs) and un-absorbed Business loss of ₹ Nil Lakhs (₹ 4,701 Lakhs), there will not be any impact on financials of the company.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

- v. Against the demand of the Service Tax Department of ₹70,460 Lakhs (₹70,460 Lakhs) apart from interest thereon for the period from 2009-10 to 2014-15, the corporation has filed a writ petition with CESTAT, Mumbai on 28th August 2019 as per the directive of High Court, Mumbai by depositing ₹1,000 Lakhs, challenging the same as unconstitutional and against the service tax law being double taxation on business transaction between KRCL and Indian Railways. The Corporation has got a favorable order from CESTAT. However, department has filed an appeal in Supreme Court.
- Against the demand raised by Asst Commissioner, CGST & Central Excise for excess availment of CENVAT credit of ₹8 Lakhs and Service Tax liability on Advance for works contract of ₹ 3 Lakhs for FY 2017-18 and 100% penalty and applicable interest, the Corporation had filed an appeal with CESTAT, Mumbai by depositing tax amount as Demand under protest.
- The TRACES Portal of Income tax department shows demand of ₹ 6.06 Lakh (₹ 23.38 Lakhs) of which ₹4.98 Lakh pertains to FY 2007-08 & 2011-12, which remain unadjusted due to technical reason. Remaining ₹1.08 Lakh for current year and under process for reconciliation.
- vi. There is demand of ₹1,971 Lakhs (₹1,971 Lakhs) towards Value Added tax by the department of Commercial tax for work of Road Over Bridge (ROB) executed in Jharkhand state which has been challenged by the Corporation.
- vii. 80 (83) cases relating to land have been filed by the landowners in several Courts for revision of amount of the award passed by the concerned SLAOs of the respective State Governments involving amount of ₹ 1,067 Lakhs (₹1,327 Lakhs) (approx.). The Corporation has deposited ₹ 764.95 Lakhs (₹ 736.81 Lakhs) with the Court including Interest.
- viii. 683 (747) cases have been filed for enhance Land Compensation payable to claimants under section 28A of Land Acquisition Act, 1894 having financial implication of ₹23,831 Lakhs (₹25,324 Lakhs).
- ix. Total 58 (59) personal claims pertaining to railway accidents are pending with Tribunal amounting to ₹ 456 Lakhs (₹464 Lakhs).
- x. Water charges outstanding to the extent of ₹36 Lakhs on account of interest/penalty charged by MIDC Ratnagiri on water consumption beyond sanctioned quota during Sep 2010 to Aug 2020 is being negotiated with MIDC.
- xi. Training fees amounting to ₹464.71 Lakh to Zonal Railway Training Institute, Bhusawal is disputed by the Corporation based on working agreement of the Corporation with Ministry of Railways.
- xii. Bank guarantee amounting to ₹ 6304.32 Lakhs (₹1958.42 Lakhs) have been issued on account of EMD in the cases of tenders in which the Corporation has participated as vendor.
- xiii. In other cases, claims against the companies amount to ₹171.37 Lakhs ( ₹171.37 Lakhs).



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### Contingent Assets: NIL

#### 45. Capital and Revenue Commitments

Estimated amount of contracts remaining to be executed on account of capital not provided for, are ₹5,144.84 Lakhs (₹12,207.24 Lakhs).

#### Revenue commitment

Estimated amount of contracts remaining to be executed on account of revenue not provided for, are ₹1,32,355.82 Lakhs (₹2,29,360.05 Lakhs).

#### 46. Operating Segment Reporting

- i. As per Ind-AS 108 an operating segment is a component of an entity:
  - a) that engages in business activities from which it may earn revenues and incurred expenses.
  - b) whose operating results are regularly reviewed by the Competent Authority to make decisions about resources to be allocated to the segment and assess its performance, and
  - c) For which discrete financial information is available.
- ii. Based on above, the Corporation has two operating segments, i.e. (i) Traffic & (ii) Project; required disclosures are made for the same in the financial statements.
- iii. Segment revenue and expenses directly identifiable / allocable to the segment are classified accordingly. The expenses relating to the specific projects are chargeable to the related project cost as per the terms of contract. Due to which the major portion of the common expenses are considered as attributable to the Open line, and allocated to Traffic Earnings. Segment assets and liabilities include those directly identifiable with the respective segments.

Information in accordance with Ind-AS 108 on Operating Segment Reporting for the year ended 31.03.2024.  
(₹ in Lakhs)

Primary Segments	Traffic		Projects		Consolidated Total	
Particulars	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<b>REVENUE</b>						
External Revenue	1,76,353.06	1,75,376.43	2,69,810.13	3,27,470.38	4,46,163.19	5,02,846.81
Inter Segment Revenue	-	-	-	-	-	-
Total Revenue	1,76,353.06	1,75,376.43	2,69,810.13	3,27,470.38	4,46,163.19	5,02,846.81
<b>RESULT</b>						
Segment result	29,151.98	22,772.35	22,888.21	28,117.07	52,040.19	50,889.42
Unallocated Expenses	-	-	-	-	-	-
Operating Profit	29,151.98	22,772.35	22,888.21	28,117.07	52,040.19	50,889.42





## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

Finance Income	16,686.13	11,556.83	265.43	168.86	16,951.56	11,725.69
Other Income	4,610.39	593.89	27.92	58.64	4,638.31	652.53
Finance charges	27,191.37	23,426.92	-	-	27,191.37	23,426.92
Depreciation/Amortization	16,264.86	11,943.70	-	4.00	16,264.86	11,947.70
Income Taxes (WealthTax/GBT)						
Profit from ordinary activities	6,992.27	-447.55	23,181.56	28,340.57	30,173.84	27,893.02
Exceptional Items						
Net Profit	6,992.27	-447.55	23,181.56	28,340.57	30,173.84	27,893.02
<b>OTHER INFORMATION</b>						
Segment Assets	7,22,377.30	6,47,477.40	2,13,639.69	2,34,883.00	9,36,016.99	8,82,360.40
Unallocated Corporate Assets	-	-	-	-	-	-
Total Assets	7,22,377.30	6,47,477.40	2,13,639.69	2,34,883.00	9,36,016.99	8,82,360.40
Segment Liabilities	5,27,255.74	4,98,744.96	2,06,579.79	2,04,372.00	7,33,835.53	7,03,116.96
Unallocated Corporate Liabilities	-	-	-	-	-	-
Total Liabilities	5,27,255.74	4,98,744.96	2,06,579.79	2,04,372.00	7,33,835.53	7,03,116.96
Depreciation and Amortization	16,264.86	11,943.70	-	4.00	16,264.86	11,947.70

#### 47. Related Party Disclosures: -

The Corporation being a Government related entity is exempt from the general disclosure requirements in relation to related party transactions and outstanding balances with the controlling Government and another entity under same Government. The related disclosure in accordance with para 26 of Ind AS 24 are given hereunder;

**47.1** Government of India (acting through Ministry of Railways -MOR) is holding 57.47% of equity shares and State Govt. of Maharashtra, Goa, Karnataka and Kerala holding 19.47%, 4.48%, 13.27% and 5.31% respectively in the Corporation. Accordingly, Corporation is controlled by the Government of India (Ministry of Railways). The Corporation along with other Zonal Railways and entities like RDSO, CRIS, IRCTC, NIC, ICF, Railtel are under the control of the Ministry of Railways.

A substantial portion of Traffic Earnings of the Corporation accrues from various Zonal Railways. The Corporation also makes payment of significant amounts of Traffic Earnings to said Zonal Railways as per the agreement with the Ministry of Railways. Such "apportioned earnings" form a major part of traffic revenue of the Corporation.

The revenue expenditure incurred under the head 'Train Operations Expenses' include large amount of expenditure towards Hire charges of Coaches, Locos and Wagons and fuel charges from the various Zonal Railways.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

A large portion of Project Revenue is contributed by the various Zonal Railways and from other PSU companies owned by Central Government/State Governments.

The details of transactions along with name of the projects and such awarding entities are mentioned below:

(₹ in Lakhs)

Related Party Name	Nature of Transaction	2023-24	2022-23
Govt of India through Zonal Railways	Fuel Expenses	8,439.35	28,666.27
Govt of India through Zonal Railways	Hire Charges	25,892.77	23,992.35
Govt of India through Zonal Railways	Catering expenses	1,190.98	1,118.75
Govt of India through Zonal Railways	Electricity Charges	10,738.01	5,304.25
Central Railway	Maintenance Charges	---	58.00
RAILTEL	Leasing Charges	50.47	111.00
RAILTEL	Project Cost	5,216.42	3,020.00
RAILTEL	Leasing Income	384.36	--
Center for Railway Information System	AMC	44.12	37.00
BITES	Inspection Fees	23.17	15.74
BITES	Project Cost	55.63	73.12
Container Corporation of India Ltd	Traffic Revenue	5,376.94	4,027.84
RVNL	Project Revenue	177.08	82.06
MSEZL	Project Revenue	--	172.75
Vizhinjam International Seaport Limited	Project Revenue	43.40	432.78
East Coast Railway	Project Revenue	3,054.66	313.79
Central Railway	Project Revenue	6,911.71	8,125.30
Western Railway	Project Revenue	158.76	101.52
Northern Railway	Project Revenue	2,52,237.21	3,13,514.68
Maharashtra Rail Infrastructure Development Corporation Ltd.	Project Revenue	48.62	105.76
Mumbai Metropolitan region Development Authority	Project Revenue	166.82	73.34
Mumbai Rail Vikas Corporation Limited	Project Revenue	238.62	--
Kerala Waterways & Infrastructure Ltd.	Project Revenue	27.00	21.94
Govt of India through Ministry of Railways	Financial Assistance	---	14,500.00



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

KRCL has issued bonds for long term borrowings to the tune of ₹1,50,000.00 Lakhs (₹1,50,000.00 Lakhs) wherein letter of comfort has been issued by Ministry of Railways in favor of lending agencies.

#### 47.2 Investment in associate company Jaigarh Digni Rail Limited- 26 % holding

The company had subscribed 2,60,00,000 (2,60,00,000) of Equity Shares at par value of ₹10/- each at total cost of ₹2,600.00 Lakhs (₹ 2,600.00 Lakhs). On 11th August 2023, the equity investment of KRCL in JDRL amounting to ₹2,600.00 lakhs was taken over by JSWJPL and KRCL has exited from the joint venture.

Bank Guarantee of ₹2,326.00 Lakhs was encashed during FY 2019-20 relating to Jaigarh Digni Rail Limited (JV) consequent to non-achievement of milestone of financial closure. The amount encashed from Bank Guarantee has also been returned to JDRL.

#### 47.3 Loan to Konkan Railway Welfare Organization (KRWO)

Loan has been given to Konkan Railway Welfare Organization (KRWO) formed for the welfare for the employees of Corporation. As on 31st March 2022, total amount receivable from KRWO is ₹ 3081.99 Lakhs (₹2939.71 Lakhs) including interest amounting to ₹ 142.28 Lakhs for that year. The loan has been classified as unsecured pending execution of mortgage deed in favour of the Corporation. The KRWO has executed simple mortgage instead of registered mortgage deed in favour of the Corporation as per the terms and conditions of the sanction. As on 31st March 2024 Loan amounting to ₹2032.69 Lakhs (₹ 2032.69 Lakhs) had become due on completion of seven years from the disbursement of respective loans. However, in accordance with Ind AS 109 in order to get fair value, during the previous financial year, the valuation reports of land parcels was obtained from valuers. The total value of land as per valuation report was ₹1505.06 lakhs. On this basis, during previous financial year the Corporation had recognized impairment loss allowance to the extent of ₹1648.09 Lakhs which includes principal amount of ₹ 527.64 Lakhs and ₹1120.45 lakhs towards interest.

#### 47.4 Ramakrishna Hegde Skill Development Centre (RHSDC)

RHSDC is a society registered under Karnataka Societies Registration Act 1969 at Udupi, Karnataka with an object to setting up of training centre for imparting training in Mechatronics to engineering students and industry professionals.

Further Corporation had spent Nil (₹ 0.43 Lakhs) from CSR fund for the said society towards Corpus fund and other expenditure of RHSDC.

#### 47.5 Trusts for Employee Benefits:

Konkan Railway Employees Group Gratuity Trust was made on 15th February 2005 and Konkan Railway Corporation Employees Superannuation Trust (Fund) was made on 29th June 2009 were registered and reported to the Income Tax department on 14th March 2005



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

& 14th February 2005 respectively. Income Tax department vide order no CIT-10/Gratuity/2005-06 dated 21st April 2005 & C.I.T -10/ Super annuation / 2004-2005 dated 21st April 2005 approved these trusts & informed Corporation about the modus operandi to run the trust. During the Financial Year 2022-23, the Corporation has deposited ₹3191.24 Lakhs (₹1500.00 Lakhs) to Konkan Railway Employees Group Gratuity Trust and has paid ₹17,402.53 Lakhs (₹12,515.27 Lakhs) to Konkan Railway Employees Superannuation Trust.

**47.6** The Key Managerial Personnel of the Corporation and their remuneration (including Superannuation benefits) are as below:

- a) **Shri Sanjay Gupta, Chairman and Managing Director** (till 31/03/2024) Salary & Allowances: ₹77.65 Lakhs (₹75.39 Lakhs) including Employer Contribution to PF: ₹10.80 Lakhs (₹9.92 Lakhs); Perks: Nil
- b) **Shri Rajesh Bhadang, Director (Finance)** Salary & Allowances: ₹ 49.77 Lakhs (₹ 45.90 Lakhs) including Employer Contribution to PF: ₹ 7.16 Lakhs (₹6.59 Lakhs); Perks: Nil
- c) **Shri Santosh Kumar Jha, Director (Operations & Commercial)** Salary & Allowances: ₹73.36 Lakhs (₹67.37 Lakhs) including Employer Contribution to PF: ₹10.35 Lakhs (₹9.52 Lakhs); Perks: Nil
- d) **Shri Subhas Chandra Gupta, Director (Way & Works)** (Till 20.04.2022)Salary & Allowances: ₹Nil(₹4.87 Lakhs) including Employer Contribution to PF: ₹Nil (₹0.19 Lakhs); Perks: Nil
- e) **Shri Ram Krishna Hegde, Director (Way & Works)** (01/05/2023-till date) Salary & Allowances: ₹56.56 Lakhs including Employer Contribution to PF: ₹7.45 Lakhs; Perks: Nil
- f) **Shri Rajendra Parab, (Company Secretary)** Salary & Allowances: ₹ 32.78 Lakhs (₹30.86 Lakhs) including Employer Contribution to PF: ₹ 1.46 Lakhs( ₹ 1.42 Lakhs); Perks: Nil

g) Sitting Fees Paid to Independent directors : (₹ in Lakhs)

Particulars	2023-24	2022-23
Shri Sanmoy Banerjee	2.55	2.40
Shri Sukhchain Singh	--	0.15
Shri M Devaraja Reddy	--	0.30
Shri R Srinivasan	--	0.15

**48. Lease payments:**

The details of the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis are as follows:



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Standalone Financial Statements**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Less than one year	1,276	1,344
One to five years	1,334	2,156
More than five years	---	--
Total	2,610	3,500

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

**As Lessor**

The Corporation is engaged in leasing of Dark optic fiber. Further the corporation also collects way leave charges from various telecom companies for installation of mobile towers on land pertaining to KRCL. Also the Corporation collects license fees from various vendors for stalls at various station on KR route.

Way leave Charges on assets given on lease to others was ₹149.14 Lakhs (₹39.80 Lakhs) for the year ended March 31, 2024

License Fees on assets given on lease to others was ₹ 1,324.65 Lakhs (₹741.83 Lakhs) for the year ended March 31, 2024.

The details of the contractual maturities of lease payments to be received as at March 31, 2024 on an undiscounted basis are as follows:

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Less than one year	195	46
One to five years	1,101	140
More than five years	829	54
Total	2,125	240

**49. Earnings per Share (EPS) is calculated as under:**

Particulars	2023-24	2022-23
Net Profit / (Loss) for the year (₹ in Lakhs)	30,173.84	27,893.02
Weighted average no. of Equity shares of ₹ 1,000 each	1,78,62,934	1,70,51,910
Weighted average no. of Ordinary Shares for Diluted EPS	5,86,51,162	5,78,47,010
Earnings Per Share (in ₹)	168.92	163.58
Earnings Per Share Diluted (in ₹)	51.45	48.22



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

50. Receivable and payable balances of Railways, Government Authorities, Suppliers, Contractors etc. are subject to confirmation / adjustment / reconciliation. The Corporation is in the process of reviewing such balances for carrying out necessary adjustments in the subsequent years.

#### 51. Taxes on Income

- i. Reconciliation of Tax expense and the accounting profit multiplied by India's domestic tax rate for:

(₹ in Lakhs)

Particulars	For the year ended	
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
<b>Accounting profit before Income Tax</b>	30,173.84	27,893.02
At country's statutory Income Tax @ 25.17%	7,594.76	7,020.67
Difference in PPE as per books and Income Tax Act	(3,730.00)	(5,427.00)
Non-deductible expenses for tax purposes	1,881.00	1,351.00
Employee benefit expenses allowed on payment basis	(2,246.17)	(1,650.00)
Expenses disallowed under 43B	770.00	6,166.00
Other expense allowable for tax purpose	(343.00)	(373.00)
Amount adjusted against b/f loss and depreciation	(3,926.59)	(7087.67)
<b>Effective Income Tax</b>	<b>Nil</b>	<b>Nil</b>

- ii. KRCL has an unabsorbed depreciation of ₹93,365 Lakhs (₹1,16,818 Lakhs) and unabsorbed business loss of ₹ Nil Lakhs (₹ 4701 Lakhs), as computed under Income Tax Act 1961. In view of above, no income tax provision is made during the current year.
- iii. Considering the past trend availability of unabsorbed depreciation and brought forward business, management is of the view that the future taxable profit shall not be sufficient to recoup/recover the deferred tax asset in near future. In view of this, as per IndAS 12 deferred tax asset has not been created.
- iv. The Refund of the Income tax of ₹ 2,167 Lakhs( ₹ 997 Lakhs) is pending for various reasons such as disputed demand raised against certain dis-allowances, pending completion of Assessment of immediately preceding years, pending processing of refund order, etc. The Management is pursuing the claim for recovery of the same and is of the opinion that no provision is required for the same.





## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### 52. Capital Management

- For the purpose of the company's capital management, capital includes issued equity capital, attributable to the equity holders of the holding company. The primary objective of the company capital management is to maximize the shareholder value.
- The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.
- The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, Loan obligation, trade and other payables and less cash and cash equivalents.

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Non-current Borrowings	2,50,674.24	3,02,332.33
Current Borrowing	36,500.49	11,459.54
Current Maturities of Non-current Borrowing	1,09,963.52	1,500.00
<b>Total Debt</b>	<b>3,97,138.25</b>	<b>3,15,291.86</b>
Less: Cash & Cash Equivalent	30,669.44	52,567.58
<b>Net debt</b>	<b>3,66,468.82</b>	<b>2,62,724.28</b>
(a) Equity Share capital	2,03,710.62	1,78,560.62
(b) Instruments entirely equity in nature	3,82,801.00	4,07,951.00
(c) Other Equity	(3,84,330.16)	(4,07,268.18)
Total capital	2,02,181.46	1,79,243.44
Capital and net debt	5,68,650.28	4,41,967.73
Gearing Ratio	64.45%	59.44%

#### 53. Financial Risk Management Objectives and Policies:

The Corporation's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Corporation's operations and to provide guarantees to support its operations. The Corporation's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

##### Credit risk:

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Corporation is exposed to credit risk from its operating activities [primarily trade receivables] and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Standalone Financial Statements**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Trade Receivables	24,518.30	26,632.77
Total	24,518.30	26,632.77

The Company evaluates the concentration of risk with respect to trade receivables as low, as most of them are government entities.

**Exposure to the Credit risk on the financial guarantee:**

- i. Performance Guarantees have been given for various projects amounting to ₹ 6,460.42 Lakhs (₹2,005.00 Lakhs). Against this ₹ 156.10 Lakhs (₹46.60 Lakhs) margin money has been kept in the form of term deposits, remaining are issued against non-fund-based limit.

**Financial instruments and cash deposits:**

Credit risk from balances with banks and financial institutions is managed by the Corporation's Finance department in accordance with the Corporation's policy. Investments of surplus funds are made only with approved counter parties and within credit limits assigned to each counter party. Counter party credit limits are reviewed by the Corporation's Board of Directors on an annual basis and may be updated throughout the year subject to approval of the Corporation's Finance Committee. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments.

The Corporation's maximum exposure to credit risk is 'Other deposits' illustrated in Note 17 of the balance sheet at March 31, 2024 and March 31, 2023.

**Liquidity risk:**

The Corporation monitors its risk of a shortage of funds using a liquidity planning tool. The Corporation's objective is to maintain a balance between continuity of funding and flexibility through the use of bonds. The Corporation assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Corporation has access to a enough variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

**The table below summarizes the maturity profile of the KRCL's financial liabilities based on contractual undiscounted payments** (₹ in Lakhs)

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
<b><u>Year ended March 31, 2024</u></b>						
Borrowings	-	5,640.78	78,000.00	60,000.00	12,000.00	1,55,640.78
Lease liabilities	-	325.33	957.86	1,136.57	--	2,419.76
Secured Loan from Bank & Financial Institutes	-	2,359.71	7,250.00	1,17,000.39	48,368.00	1,74,978.10
Unsecured Loan from Others	-	23,213.52	--	13,305.85	--	36,519.37
Unsecured Loan from Banks	-	--	30,000.00	--	--	30,000.00
Other financial liabilities	-	4,179.54	74,990.00	--	--	79,169.54
Trade and other payables	-	1,18,132.55	--	--	--	1,18,132.55
<b>Total</b>	<b>-</b>	<b>1,53,851.43</b>	<b>1,91,197.86</b>	<b>1,91,442.80</b>	<b>60,368.00</b>	<b>5,96,860.09</b>
<b><u>Year ended March 31, 2023</u></b>						
Borrowings	-	--	5,641.00	1,38,000.00	12,000.00	1,55,641.00
Lease liabilities	-	336.00	1,008.46	2,156.00	--	3,500.46
Secured Loan from Bank & Financial Institutes	-	819.00	1,500.00	22,500.00	94,493.00	1,19,312.00
Unsecured Loan from Others	-	--	--	35,338.87	--	35,338.87
Unsecured Loan from Banks	-	--	5,000.00	--	--	5,000.00
Other financial liabilities	-	6,271.00	65,088.11	--	--	71,359.11
Trade and other payables	-	1,41,159.23	--	--	--	1,41,159.23
<b>Total</b>	<b>-</b>	<b>1,48,585.23</b>	<b>78,237.57</b>	<b>1,97,994.87</b>	<b>1,06,493.00</b>	<b>5,31,310.67</b>

**The table below summarizes the maturity profile of the KRCL's financial assets based on contractual undiscounted payments** (₹ in Lakhs)

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
<b><u>Year ended March 31, 2024</u></b>						
Investment	3,000.00	2,64,981.85	--	--	--	2,67,981.85
Trade Receivables	--	14,699.17	9,819.13	--	--	24,518.30
Cash and Cash Equivalent	30,669.44	--	--	--	--	30,669.44
Bank balance other than cash & Cash Equivalents	--	--	6,021.39	--	--	6,021.39
Loan	--	1.00	1,506.18	20.00	11.00	1,538.18
Other Financial Assets	--	910.81	30,778.53	3,206.36	--	34,895.70
<b>Total</b>	<b>33,669.44</b>	<b>2,80,592.33</b>	<b>48,123.23</b>	<b>3,228.36</b>	<b>11.00</b>	<b>3,65,624.86</b>
<b><u>Year ended March 31, 2023</u></b>						
Investment	3,000.00	1,79,416.02	2,600.00	--	--	1,85,016.02
Trade Receivables	--	22,176.77	4,456.00	--	--	26,632.77
Cash and Cash Equivalent	52,567.58	--	--	--	--	52,567.58
Bank balance other than cash & Cash Equivalents	--	--	6,690.26	--	--	6,690.26
Loan	--	1.00	1,508.82	20.00	11.00	1,540.82
Other Financial Assets	--	1,179.00	44,172.73	3,738.00	--	49,089.73
<b>Total</b>	<b>55,567.58</b>	<b>2,02,772.79</b>	<b>59,427.81</b>	<b>3,758.00</b>	<b>11.00</b>	<b>3,21,537.18</b>



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### Market Risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to the risk of changes in interest rates relates primarily to the Company's debt obligations with floating interest rates.

#### 54. Fair Values:

The management assesses that cash and cash equivalents, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities are included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Long-term fixed-rate receivables/borrowings are evaluated by the Corporation based on parameters such as interest rates, and individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are considered for the expected credit losses of these receivables.

#### A) Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2024 were as follows:

(₹ in Lakhs)

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments	2,67,981.85	----	----	2,67,981.85	2,67,981.85
Trade receivables	24,518.30	----	----	24,518.30	24,518.30
Loans	1,538.18	----	----	1,538.18	1,538.18
Others financial assets	34,895.70	----	----	34,895.70	34,895.70
Cash and cash equivalents	30,669.44	----	----	30,669.44	30,669.44
Other bank balances	6,021.39	----	----	6,021.39	6,021.39
Liabilities:					
Borrowings	3,97,138.25	----	----	3,97,138.25	3,97,138.25
Lease Liabilities	2,419.76			2,419.76	2,419.76
Trade payables	1,18,132.55	----	----	1,18,132.55	1,18,132.55
Other financial liabilities	79,169.54	----	----	79,169.54	79,169.54



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Standalone Financial Statements**

The carrying value and fair value of financial instruments by categories as at 31 March 2023 were as follows:

(₹ in Lakhs)

Particulars	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Financial assets / liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Investments	1,85,016.02	----	----	1,85,016.02	1,85,016.02
Trade receivables	26,632.77	----	----	26,632.77	26,632.77
Loans	1,540.82	----	----	1,540.82	1,540.82
Others financial assets	49,089.73	----	----	49,089.73	49,089.73
Cash and cash equivalents	52,567.58	----	---	52,567.58	52,567.58
Other bank balances	6,690.26	----	----	6,690.26	6,690.26
<b>Liabilities:</b>					
Borrowings	3,15,291.87	----	----	3,15,291.87	3,15,291.87
Lease Liabilities	3,500.45	----	----	3,500.45	3,500.45
Trade payables	1,41,159.23	----	----	1,41,159.23	1,41,159.23
Other financial liabilities	71,359.11	----	----	71,359.11	71,359.11

**55. Auditors remuneration (excluding GST)**

(₹ in Lakhs)

Particulars	2023-24	2022-23
Statutory audit fees / Limited review	18.50	16.00
Tax audit fees	-	3.00
Certification	-	1.00
<b>Total</b>	<b>18.50</b>	<b>20.00</b>

**56. Corporate Social Responsibility Expenses (CSR)**

As per Section 135 of the Companies Act, 2013 read with guidelines issued by Department of Public Enterprises, GOI, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The details of CSR expenses for the year are as under:



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Standalone Financial Statements**

Particulars	F.Y. 2023 - 24	F.Y. 2022 - 23
(a) amount required to be spent by the company during the year	Nil	Nil
(b) amount of expenditure incurred	Nil	₹10.29 Lakh
(c) shortfall at the end of the year	Nil	Nil
(d) total of previous years shortfall	Nil	Nil
(e) reason for shortfall	NA	NA
(f) nature of CSR activities	Nil	Health Care, Promoting Education and Skill Development.
(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard.	Nil	₹0.43 Lakh was contributed to Ramakrishna Hegde Skill Development Centre (RHSDC), Udupi under CSR for soft skill training to local youths of employable age.
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	Nil	Nil

**57. Additional Disclosure as per Ind-AS 115.**

**REVENUE FROM OPERATIONS**

**Accounting Policy**

The Company derives revenues primarily from passenger and Freight transportation business by running Mail/Express/Passenger and freight Trains including Roll-On-Roll-Off Services.

The Company also started generating substantial revenue from construction & consultancy projects.

Under Cost Plus Contract, Revenue is determined by adding the aggregate cost-plus proportionate margin as agreed with Principal Customer.

Under Fixed Price Contract Revenue is recognized by adding the aggregate cost and proportionate margin using the percentage completion method. Percentage of completion is determined as a proportion of cost incurred to date to the total estimated contract cost.

Revenue is recognized upon transfer of control of services to customers in an amount that reflects the consideration we expect to receive in exchange for those services.

**Disclosures:**

Trade receivables (mentioned in Note 57.3)

A receivable represents the Company's right to an amount of consideration that is unconditional, and the Corporation has accounted the same in line with the provisions of Ind AS 115.





## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

Contract Assets & Liabilities (mentioned in Note 57.4 & 57.5)

A Contract Assets is the performance by transferring goods and services to a customer, before the customer pays consideration or before payment is due, the entity shall present the contract as a contract asset, excluding any amount presented as a receivable.

A Contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

There is no significant changes in contract asset and contract liability.

#### **Performance Obligation:**

The company considers time line indicators mentioned in the contract for performance obligation. Transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc are indicators of discharge of service obligations. The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period. Depending on the terms of contract, controls on the asset or existence of enforceable right to payment is established against performance in full or part discharge of obligation.

KRCL is engaged in execution of projects either as deposit work or as a project management consultant or on cost plus contract basis.

Typically, KRCL receives advance consideration on some of the contracts and some are executed based on the defined payment term in the contract. The consideration on contracts can be Cost Plus or Fixed, however, unconstrained by any uncertainty.

KRCL is also involved in execution of contract where- in it acts as an intermediary.

Transaction price allocated to the remaining performance obligations.

The revenue recognized corresponds to the value transferred to customer.

The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations as on 31st Mar 2024 was ₹2,73,567 Lakhs (₹3,26,337 Lakhs) out of which around 30% is expected to be recognized as revenue in the next year and the balance in subsequent years.

In accordance with Para 121 of Ind AS 115, the Company has not specifically disclosed contracts with expected duration of one year or less.

Significant judgements in the application of this Standard:

Revenue is recognized upon transfer of control of promised deliverables to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those deliverables. Revenue is recognized based on output measured by Aggregate Cost-plus margin.

In respect of other fixed-price contracts, revenue is recognized using percentage-of completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation.

Determining the transaction price and the amounts allocated to performance obligations Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognized when there is billing in excess of revenues.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### 57.1 Disaggregation of revenue from contract with customers:

Set out below is the disaggregation of Revenue from contracts with customers into operating segment and geography:

(₹ in Lakhs)

Type of Services	For the year ended					
	31 <sup>st</sup> March 2024			31 <sup>st</sup> March 2023		
	Domestic	International	Total	Domestic	International	Total
Train Operation (Openline)	1,73,061.81	--	1,73,061.81	1,72,151.05		1,72,151.05
Project Revenue	2,68,984.86	825.27	2,69,810.13	3,26,512.78	957.60	3,27,470.38
<b>Total</b>	<b>4,42,046.67</b>	<b>825.27</b>	<b>4,42,871.94</b>	<b>4,98,663.83</b>	<b>957.60</b>	<b>4,99,621.43</b>

#### 57.2 Details of Contract Balances:

(₹ in Lakhs)

Contract balances	For the year ended	
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Trade Receivables	24,518.30	26,632.77
Contract Assets	3,356.96	8,817.46
Contract Liabilities	13,010.71	49,046.72

#### 57.3 Movement in Contract Receivables during the year:

(₹ in Lakhs)

Contract Receivables	For the year ended	
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Receivables at the beginning of the year	26,632.77	17,125.01
Add: Addition during the year	4,42,871.94	4,99,621.43
Less: Adjusted during the year	4,44,986.41	4,90,113.67
Receivables at the end of the year	24,518.30	26,632.77

#### 57.4 Movement in Contract Assets during the year:

(₹ in Lakhs)

Contract Assets	For the year ended	
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
At the beginning of the year	8,817.46	5,301.25
Add: Addition during the year	3,356.96	8,817.46
Less: Adjusted during the year	8,817.46	5,301.25
At the end of the year	3,356.96	8,817.46



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Standalone Financial Statements**

**57.5 Movement in Contract Liabilities during the year:**

(₹ in Lakhs)

Contract Liabilities	For the year ended	
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
At the beginning of the year	49,045.72	67,282.13
Add: Addition during the year	5,10,597.00	3,50,289.56
Less: Adjusted during the year	5,46,632.00	3,68,525.97
At the end of the year	13,010.72	49,045.72

58. Figures in bracket indicates figures of previous year.

59. Previous year figures have been regrouped/ rearranged wherever necessary.

60. Other additional regulatory disclosures as required under Schedule III:

**a) Valuation by registered valuer:**

During the year the company has not revalued its property, plant and equipment or intangible assets.

**b) Loans and advances:**

The company has not granted any loans and advances in the nature of loans to promoters, Directors, Key Managerial Personnel (KMPs) and the related parties, repayable on demand or granted without specifying terms.

**c) Benami Property:**

No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

**d) Willful Defaulter:**

The company has not been declared as willful defaulter by any bank or financial institution or any other lenders during the year.

**e) Relationship with Struck off company:**

The company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

**f) Registration of Charges or satisfaction with Registrar of Companies (ROC):**

There are no charges or satisfaction of charges pending for registration with the Registrar of Companies (ROC) beyond the statutory period.

**g) Compliance with number of Layer of Companies:**

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules 2017.

**h) Scheme of arrangement:**

During the year there is no Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 for the company.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### i) Utilisation of Borrowed Fund:

- i) The company has not advanced or loaned or invested any funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
  - i. 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
  - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- ii) The company has not received any funds 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:
  - i) 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
  - ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

#### j) Undisclosed Income:

During the year the company has not disclosed any income in terms of any transaction not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessment under the Income Tax Act 1961.

#### k) Virtual Currency:

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

#### Ratio Analysis

Ratio	Current Period	Previous Period	% Variance	Reason for Variance
Current Ratio	1.02	1.16	-11.56	Within admissible limit
Debt Equity Ratio	1.96	1.76	11.67	Within admissible limit
Debt Service Coverage Ratio	2.62	1.31	100.80	Higher EBIT and less debt repayment compared to previous year.
Return on Equity Ratio	0.16	0.17	-6.61	Within admissible limit
Inventory Turnover Ratio	67.65	71.29	-5.10	Within admissible limit
Trade Receivables Turnover Ratio	17.44	22.98	-24.10	Within admissible limit
Trade Payables Turnover Ratio	2.41	2.85	-15.42	Within admissible limit
Net Capital Turnover Ratio	49.39	10.94	351.65	Increase in long term working capital loan.
Net Profit Ratio	6.76	5.55	21.92	Within admissible limit
Return on Capital Employed	9.57	10.38	-7.76	Within admissible limit
Return on Investment	14.81	15.62	-5.18	Within admissible limit



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

#### 1. Current Ratio

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

#### 2. Debt – Equity Ratio

$$\text{Debt – Equity Ratio} = \frac{\text{Total Debt}}{\text{Shareholder's Equity}}$$

#### 3. Debt Service Coverage Ratio

$$\text{Debt Service Coverage Ratio} = \frac{\text{Earnings available for debt service}}{\text{Debt Service}}$$

Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

Debt service = Interest & Lease Payments + Principal Repayments

“Net Profit after tax” means reported amount of “Profit / (loss) for the period” and it does not include items of other comprehensive income.

#### 4. Return on Equity (ROE):

$$\text{ROE} = \frac{\text{Net Profits after taxes – Preference Dividend (if any)}}{\text{Average Shareholder's Equity}}$$

#### 5. Inventory Turnover Ratio

$$\text{Inventory Turnover ratio} = \frac{\text{Cost of goods sold OR sales}}{\text{Average Inventory}}$$

Average inventory is (Opening + Closing balance / 2)

#### 6. Trade receivables turnover ratio

$$\text{Trade receivables turnover ratio} = \frac{\text{Net Credit Sales}}{\text{Avg. Accounts Receivable}}$$

Net credit sales consist of gross credit sales minus sales return. Trade receivables includes



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Standalone Financial Statements

sundry debtors and bills receivables.

Average trade debtors = (Opening + Closing balance / 2)

When the information about credit sales, opening and closing balances of trade debtors is not available then the ratio can be calculated by dividing total sales by closing balances of trade receivables.

#### 7. Trade payables turnover ratio

$$\text{Trade payables turnover ratio} = \frac{\text{Net Credit Purchases}}{\text{Average Trade Payables}}$$

Net credit purchases consist of gross credit purchases minus purchase return.

When the information about credit purchases, opening and closing balances of trade creditors is not available then the ratio is calculated by dividing total purchases by the closing balance of trade creditors.

#### 8. Net capital turnover ratio

$$\text{Net capital turnover ratio} = \frac{\text{Net Sales}}{\text{Working Capital}}$$

Net sales shall be calculated as total sales minus sales returns.

Working capital shall be calculated as current assets minus current liabilities.

#### 9. Net profit ratio

$$\text{Net Profit Ratio} = \frac{\text{Net Profit}}{\text{Net Sales}}$$

Net profit shall be after tax.

Net sales shall be calculated as total sales minus sales returns.

#### 10. Return on capital employed (ROCE)

$$\text{ROCE} = \frac{\text{Earning before interest and taxes}}{\text{Capital Employed}}$$

Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability





**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Standalone Financial Statements**

**11. Return on investment**

$$\text{ROI} = \frac{\text{Profit after Tax}}{\text{Equity Share Capital + Share Application Money Pending Allotment}}$$

For **Sarda & Pareek LLP.**

Chartered Accountants,

Firms Registration No.109262W/W100673

For and on behalf of the Board

**Sd/-**

**CA Niranjan Joshi**

Partner

Membership No. 102789

**Sd/-**

**Rajesh Bhadang**

Director (Finance)

DIN: 09050270

**Sd/-**

**Santosh Kumar Jha**

Chairman and Managing Director

DIN: 07738247

Place : Navi Mumbai

Date: 29th May 2024

Place : Navi Mumbai

Date: 29th May 2024

**Sd/-**

**Rajendra Parab**

Company Secretary



**KONKAN RAILWAY CORPORATION LTD.**

## **SARDA & PAREEK LLP**

### **Chartered Accountants**

Mahavir Apartments, Third Floor, 598, M.G. Road, Near Sun City Cinema,  
Vile Parle (E), Mumbai - 400057

Tel.: +91 2226101124 / 26 Email : [spca@sardapareek.com](mailto:spca@sardapareek.com)

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## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of Konkan Railway Corporation Limited**

**Report on the audit of the Consolidated Financial Statements**

### **Opinion**

We have audited the accompanying consolidated financial statements of Konkan Railway Corporation Limited ("the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its jointly controlled entities, which comprise the consolidated balance sheet as at 31 March 2024, the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated Statement of changes in Equity and the consolidated cash flow statements for the year ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with 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 consolidated state of affairs of the Group as at 31 March, 2024, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Ind AS financial statements section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

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

### **Emphasis of Matters**

We draw your attention to Note No. 12.2 of the consolidated financial statements which indicate that



## KONKAN RAILWAY CORPORATION LTD.

during the year 2023 – 2024 the holding of 26% Equity Shares in Associate Company Jaigarh Digni Rail Limited was disposed off.

We draw attention to the Note No.12.1 of the consolidated financial statement, wherein the company has deposited its free funds in Life Insurance Corporation through Group Leave Encashment scheme, whereas the Note No. 40(C) of the consolidated financial statements states that Leave Encashment Scheme considered as per Actuarial Valuation are unfunded. However as per the information available and explanations given to us, these funds are used for life assurance benefits as well as for general business purpose.

Our opinion is not modified in respect of these matters.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	Auditors' response to Key Audit Matters
<b>A. Revenue from Contracts with Customers in respect of Company's Project Segment as per Ind AS 115.</b>	
<ul style="list-style-type: none"> <li>Accounting Standard on Revenue which prescribes five steps revenue recognition model.</li> <li>The Company recognizes revenue for a performance obligation satisfied over time after estimating its progress towards complete satisfaction of the performance obligation. The recognition of revenue requires assessments and judgments to be made on changes in work scope, claims (compensation, rebates etc.) and other payments to the extent performance obligation is satisfied. The company measures the performance obligation by applying input method. In the contracts where performance obligation cannot be measured by input method, the output method is applied, which faithfully depict the Company's performance towards complete satisfaction of the performance obligation.</li> <li>Ind AS 115 requires entities to exercise</li> </ul>	<ul style="list-style-type: none"> <li>Our audit procedures included considering the appropriateness of the Company's revenue recognition accounting policies and assessing compliance with the policies in terms of the applicable accounting standards.</li> <li>Evaluated the effectiveness of control over the preparation of information that are design to ensure the completeness and accuracy.</li> <li>Selected samples of contract, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and satisfaction of performance obligations.</li> <li>We performed following substantive procedures over revenue recognition with specific focus on whether there is single performance obligation or multiple performance obligations in the contract</li> </ul>



## KONKAN RAILWAY CORPORATION LTD.

<p>judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.</p> <ul style="list-style-type: none"> <li>● The further explanation why we consider this as a Key Audit Matters as follows:</li> </ul> <p>The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized at a point in time or over time. Additionally, revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p> <p>Refer Note No. 2(L) of material accounting policy in consolidated financial statements.</p>	<p>and whether the performance obligation is being satisfied over the period of time or at a point in time:</p> <ol style="list-style-type: none"> <li>1. Read, analysed and identified the distinct performance obligations in these contracts.</li> <li>2. Compared these performance obligations with that identified and recorded by the Company.</li> <li>3. Considered the terms of the contracts to verify the transaction price used to allocate to separate performance obligations.</li> <li>4. Checked whether the performance obligation is being satisfied over the period of time or at a point in time.</li> <li>5. Performed analytical procedures for reasonableness of revenues disclosed.</li> <li>6. Obtained and verified the project cost and project revenue workings maintained by the company, where input method is followed for recognizing revenue.</li> </ol>
<p><b>B. Measurement of Contract Asset where Performance Obligation has been satisfied with respect to Project Segment.</b></p>	
<p>The Company in its contract with customers, promises to transfer services to its customers based on the terms of agreement, which may be rendered in various forms of construction contracts. The recognition of revenue is based on contractual terms, which could be either agreed unit price or cost plus margin arrangements. At each reporting date, revenue is accrued for costs incurred against work performed that may not have been invoiced. Identifying whether the Company's</p>	<p>Our audit procedures are related to the:</p> <ol style="list-style-type: none"> <li>1. Evaluation of evidence supporting the execution of work;</li> <li>2. Evaluation of recoverability of the amounts spent with respect to its enforceability for receipt of payment from customers; and</li> <li>3. Assessment of adjusting events after the reporting date i.e. 31st March, 2024 and the date when the financial statements are</li> </ol>



## KONKAN RAILWAY CORPORATION LTD.

<p>performance has resulted in a service that would be billable and collectable where the works carried out have not been acknowledged by customers as of the reporting date, involves a significant amount of judgement.</p> <p>During the current year, company has booked unbilled revenue amounting to Rs. 3261.54 Lakhs with respect to revenue earned from Projects.</p> <p>Refer Note No. 34.1(c) of consolidated financial statements.</p>	<p>approved by the Company's Board of Directors and its impact thereof on the carrying amount of the related contract assets.</p> <ol style="list-style-type: none"> <li>4. Discussed with management about the accounting treatment with respect to recognition of revenue wherein the performance obligation is satisfied but not invoiced.</li> <li>5. As previous year comparable are restated, it had prior period impact on the financial statements. We verified the said impact on the financial statements, as per the working provided by Management.</li> </ol>
<p><b>C. Impairment of Loan given to Related Party</b></p>	
<p>As per the requirements of Ind AS 109, the Company assesses at the end of every reporting period, whether there is any indication that a financial instrument may be impaired. If any such indication exists, the Company estimates the recoverable amount of the financial instrument. The determination of recoverable amount being fair value of the financial instrument involves significant estimates, assumptions and judgements of the professionals.</p> <p>The Company has given loan to Konkan Railway Welfare Organisation (KRWO), formed for the welfare of the employees of the Company, which carries interest @ 7% p.a. and is repayable in 7 years from the date of disbursement. The loans were disbursed during the period 2010-11 to 2014-15. KRWO has executed simple mortgage deed in favour of the Company. As on 31st March 2024, Loan amounting to Rs. 2,032.69 Lakhs has become due on completion of seven years from the disbursement of respective loans. The Company has tested this loan for impairment in</p>	<p>Our audit procedure in relation to the loan given to related party included the following:</p> <ol style="list-style-type: none"> <li>1. Obtained and read agreement entered between KRCL and KRWO and the terms of the repayment of the loan by KRWO to KRCL.</li> <li>2. We evaluated the reasons for delay in the repayment of the loan by KRWO to KRCL and obtained our understanding in the manner in which loan amount will be recovered in future.</li> <li>3. As there was indication of impairment with respect to loan given, during Q2 Limited Review, discussed with management for impairing the said loan.</li> <li>4. Obtained and verified the Impairment testing/working conducted by the management for the said loan.</li> <li>5. Obtained and read the valuation reports issued by the valuer of land parcels and its impact on the loan provided to KRWO.</li> </ol>



## KONKAN RAILWAY CORPORATION LTD.

<p>accordance with Ind AS 109 by comparing its recoverable amount with carrying amount as at 31st March 2024. The recoverable amount of the Loan has been assessed by the company as per the Fair Valuation of the Lands which are held by KRWO.</p> <p>The company has provided for impairment loss amounting to Rs. 1648.09 Lakhs which includes principal amount of Rs. 527.64 Lakhs and Rs.1120.45 lakhs towards interest. Impairment of assets is a key audit matter considering the significance of the carrying value, estimations and the significant judgement involved in impairment assessment.</p> <p>Refer to Note 16.2 of the consolidated financial statement.</p>	
<b>D. Treatment of Assistance received from Ministry of Railways (MOR)</b>	
<p>As per the requirements of IndAS 109, an entity needs to measure its financial liability at its fair value. In case, where the transaction value differs from its fair value, then entity is required to measure it at fair value considering the market rates, where as the difference between the fair value and transaction value shall be charged to Profit and Loss unless it qualifies for recognition under liability.</p> <p>During previous years, Company had received Assistance from Ministry of Railways (MOR) amounting to Rs. 14500 Lakhs and Rs. 23500 Lakhs, bearing Nil interest rate and the same is repayable in 3 years from the date of disbursement. Since the transaction value and fair value of the said loan differs with respect to rate of interest, the said loan is required to be discounted at company's cost of debt and the difference between the fair value and transaction value is adjusted in other equity. Refer Note No. 23.2 (3) of consolidated financial statement.</p>	<p>Our audit procedure in relation to the assistance received from MOR included the following:</p> <ol style="list-style-type: none"> <li>1. Obtained and read the letter received from MOR and evaluated the terms of the said letter.</li> <li>2. We evaluated the nature of the assistance received from the Ministry of Railways.</li> <li>3. Discussed with Management regarding accounting treatment to be done with respect to loan received.</li> <li>4. Obtained and verified the fair valuation working conducted by the management for the financial instrument.</li> </ol>





## KONKAN RAILWAY CORPORATION LTD.

<b>E. Testing and Verifying Internal Financial Controls placed by the Company:</b>	
<p>The company needs to place its internal financial controls over financial reporting wherein the Standard Operating Procedures ('SOP'), Risk involved due to aberration in SOPs as well as the controls placed to mitigate those risks, needs to be defined. The company is also required to test its operating effectiveness every year.</p> <p>Defining risk involved on the Internal Financial Controls over financial reporting requires significant judgements and hence the same needs to be evaluated and updated as and when required. During the course of Audit, we are required to comment on the operating effectiveness on the internal financial controls over financial reporting placed.</p>	<p>Our audit procedures involved:</p> <ol style="list-style-type: none"> <li>1. Understanding the SOPs defined by the management.</li> <li>2. Discussed with the management regarding the issues that will arise if there are any aberration in SOPs, accordingly it was found that management has not defined the risk that can arise due to aberration in not following the controls as per its SOPs.</li> <li>3. While understanding the system and verifying the controls placed within the system, there were some areas where the processes were not implemented in the system.</li> <li>4. Discussed and obtained our understanding with the management about the issues recognized in the system.</li> <li>5. Evaluated its impact on the financial statements of the company.</li> </ol> <p>Refer Annexure A.</p>

### **Information other than the Financial Statements and Auditor's Report thereon**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report viz. Board/Directors Report and its Annexures, Corporate Governance etc. but does not include the consolidated financial statement, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our 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.



## KONKAN RAILWAY CORPORATION LTD.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

### **Responsibilities of Management and Those Charged With Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these consolidated financial statements that give a true and fair view of the state of affairs (financial position), profit (financial performance including other comprehensive income), changes in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for Audit of Consolidated Financial Statements**

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

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



## KONKAN RAILWAY CORPORATION LTD.

- Identify and assess the risks of material misstatement of the consolidated 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements.

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

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



## KONKAN RAILWAY CORPORATION LTD.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

The consolidated financial statements also include the group's share of Rs. 9.19 Lakhs (Previous Year Rs. 38.09 Lakhs) loss (net) using equity method in One (1) jointly controlled entity which was disposed off during the year (Refer Note No.12.2) whose financial statements/ financial information have not been audited by their auditor but certified by the management and included in the consolidated financial statements for the year ended 31st March, 2024.

The audit of consolidated financial statements for the previous year ended March 31, 2023 included in the current year's consolidated financial statement have been carried out by G B C A & Associates LLP, Chartered Accountants.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the management.

### Report on Other Legal and Regulatory Requirements

As required by the section 143 (3) of the Act, based on our audit we report that:

- a. We have sought and obtained all the information and explanations, which to the best of our knowledge and beliefs were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- b. In our opinion, proper books of account as required by law have been kept relating to preparation of the aforesaid consolidated Ind AS financial statement so far as it appears from our examination of those books and the report of the other Auditor;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statement
- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;



## KONKAN RAILWAY CORPORATION LTD.

- e. The provisions of Section 164 (2) of the Act regarding disqualification of directors are not applicable to the holding Company in view of Notification No. G.S.R. 463 (E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India. In respect of Associate Company which was disposed off during the year (Refer Note No.12.2), these details are not available.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its Associate Company with reference to these consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in '**Annexure A**' to this report and our report expresses a qualified opinion on the adequacy and operating effectiveness of the Holding company's internal financial control over financial reporting;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - 1. The Holding Company has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer Note No. 44 to the consolidated financial statements.
  - 2. The Holding Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses requiring provision.
  - 3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.
  - 4. The Management has represented that,
    - a) to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



## KONKAN RAILWAY CORPORATION LTD.

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) the Companies (Audit and Auditors) Rules, 2014, as amended, as provided under (a) and (b) above, contain any material misstatement.
- 5. The Holding Company has not declared any dividend (i.e. interim or final) during current financial year 2023-24, previous financial year 2022-23 and upto the date of our audit report. Accordingly, provisions of section 123 of the Companies Act 2013 is not applicable during current financial year 2023-24.
- 6. On the basis of our examination on test check basis, the company has used accounting software for maintaining its books of accounts which have feature of recording audit trail facility except in respect of property, plant and equipment records which are maintained manually and the same has operated throughout the year for all transactions recorded in the software and during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the Statutory Requirements for record retention.
- h. With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act, as amended:

### **In respect of Holding Company:**

As per notification No. G.S.R. 463 (E). Dated 5th June 2015 issued by Ministry of Corporate Affairs, Provisions of section 197 of Companies Act 2013 is not applicable, being a Government Company. Accordingly, the section 197(16) of the Act is not applicable to the Company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

- i. We draw your attention to Emphasis of Matter regarding disposal of the holding of 26% Equity Shares in Associate Company Jaigarh Digni Rail Limited during the year 2023-24. Hence information of Associate Company has not been provided for the above clauses.
- j. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Government of India in terms of sub-section (11) of section 143 of the Act, we give the details of the qualification or adverse remarks in paragraphs 3 and 4 of the Order of Holding and Associate Company:





## KONKAN RAILWAY CORPORATION LTD.

Sr	Name & CIN	Holding/ Subsidiary/ Associate Company	Clause number of CARO Report which is qualified or is adverse
1	Konkan Railway Corporation Limited - U35201MH1990GOI223738	Holding Company	i(a)(A),(c), iii, iv, vii(b), xiv(a)
2	Jaigrah Digni Rail Limited - U60232MH2015PLC26471	Associate Company	We draw your attention to Emphasis of Matter regarding disposal of the holding of 26% Equity Shares in Associate Company Jaigarh Digni Rail Limited during the year 2023–24. Hence information of Associate Company has not been provided for the above clauses.

### For SARDA & PAREEK LLP

Chartered Accountants

Firm Registration No. 109262W/W100673

Sd/-

**CA Niranjan Joshi**

Partner

Membership No.102789

UDIN: 24102789BKCOTK9170

Place: Belapur

Date: 29.05.2024



## KONKAN RAILWAY CORPORATION LTD.

### Annexure A

#### **to the Independent Auditors Report of even date on the consolidated financial statements of Konkan Railway Corporation Limited**

(Referred to in Paragraph 17(f) under "Report on Other Legal and Regulatory Requirements" section of our report).

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

We have audited the internal financial controls over financial reporting of Konkan Railway Corporation Limited ("the Company") and Associate Company for the period ended March 31, 2024, in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

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

The respective Board of Directors of Holding Company and its Associate Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and its Associate Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Holding and Associate Company's internal financial controls over financial statement based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and the Standards on Auditing ("SA"s) prescribed under section 143(10) of the Companies Act, 2013(the "Act"), 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.



## KONKAN RAILWAY CORPORATION LTD.

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 consolidated 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 Holding and Associate Company's internal financial controls system over financial statement.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting with reference to consolidated financial statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated 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 consolidated 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 consolidated 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.

### **Modified Opinion**

According to the information and explanation given to us and based on our audit, our report is Qualified in respect of the following material weakness identified as at 31st March 2024:

- a) Management has not defined the risk that can arise due to aberration in not following the controls as per its standard operating procedures and its mitigation measures to address such aberration.



## KONKAN RAILWAY CORPORATION LTD.

- b) Sub-ledgers of the Suppliers, Contractors and other parties are not maintained in IT System. Only the contract wise details of settled transactions are generated in IT system. Due to this the age wise analysis of the outstanding dues, classification of Micro, Small and Medium Enterprises (MSME) and details of timely repayment of dues cannot be generated from IT System and manual intervention is involved in this aspects.
- c) Consumption of Inventory and Stock lying at Verna and Chiplun storage locations are not yet maintained in IT Systems and manual records are maintained by the company at the mentioned storage locations. Further the report for open purchase orders for all locations are not generated from IT System. Due to which, the details regarding the movement analysis, capital commitment, revenue commitment, purchase order analysis, age-wise analysis and purchase of inventories despite having sufficient inventory balances could not be generated from the IT system and manual intervention is involved in these process.
- d) Fixed Asset Register is not maintained in IT System and complete records are maintained in the excel file due to which manual calculations have been carried out for working of Depreciation amount which involves the manual intervention in this process.
- e) Management has implemented Measurement Book (MB) Module in Integrated Financial Accounting System (IFAS) to pass service entries related to work contracts, but there were instances wherein service entries were not passed through the MB Module.
- f) Contractors Bills are maintained Contract wise manually but the report containing the Contract wise details along with initial history is not generated from the IT System.
- g) Clearing of completed transactions are not initiated in IT system. Due to which reports of open items of assets and liabilities could not be generated from IT system.
- h) We draw your attention to Emphasis of Matter regarding disposal of the holding of 26% Equity Shares in Associate Company Jaigarh Digni Rail Limited during the year 2023–24. Hence information of Associate Company has not been provided for this report. Hence information of Associate Company has not been provided for the above clauses.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has



## KONKAN RAILWAY CORPORATION LTD.

maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2024, 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 weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31st March, 2024 consolidated financial statements of the Company, and these material weaknesses does not affect our opinion on the consolidated financial statement of the company.

### Other Matters

We draw your attention to Emphasis of Matter regarding disposal of the holding of 26% Equity Shares in Associate Company Jaigarh Digni Rail Limited during the year 2023–24. Hence information of Associate Company has not been provided for the above clauses.

### For SARDA & PAREEK LLP

Chartered Accountants

Firm Registration Number: 109262W/W100673

Sd/-

**CA Niranjana Joshi**

Partner

Membership No: 102789

UDIN: 24102789BKCOTK9170

Place: Navi Mumbai

Date: 29.05.2024



## KONKAN RAILWAY CORPORATION LTD.



सत्यमेव जयते

महानिदेशक लेखापरीक्षा कार्यालय, मध्य रेल  
नवीन प्रशासनिक भवन, चौथी मंजिल  
दा.नौ.मार्ग, मुंबई, छ.शि.ट - 400 001  
Office of the Director General of Audit  
Central Railway  
4<sup>th</sup> Floor, New Administrative Building  
Dadabhai Naoroji, CSMT, Mumbai - 400 001  
Phone: 022-2262 1343 Fax: 022-2262 0720  
e-mail: pdarlycer@cag.gov.in



SUPREME AUDIT INSTITUTION OF INDIA  
लोकहितार्थं सर्वत्र  
Dedicated to Truth in Public Interest

No. DG/CR/KRCL/Suppl. Audit/2024-25/ 864

Dated: 02.08.2024

To  
**The Chairman and Managing Director,**  
Konkan Railway Corporation Ltd.,  
Belapur Bhavan, Belapur CBD,  
Navi Mumbai - 400 614

Sir,

**Sub: Comments of the Comptroller and Auditor General of India on the accounts (standalone and consolidated) on the accounts of Konkan Railway Corporation Ltd for financial year 2023-24.**

The Supplementary Audit of Consolidated and Standalone Ind-AS Financial Statements of Konkan Railway Corporation Limited for the year 2023-24, duly certified by the Independent Auditors, commenced on 03-06-2024. In respect of supplementary audit, the comments of the Comptroller and Auditor General of India under section 143(6)(b) of the companies act 2013 on the accounts (standalone and Consolidated) of Konkan Railway Corporation Ltd for the year 2023-24 are enclosed herewith in **Annexure-I A & I B**.

Receipt of this letter and the enclosures may please be acknowledged.

*Supriya*  
(Supriya Singh)  
02/08/2024

Principal Director of Audit

Encl: As Above

Copy to the Director General (Railways), Office of the Comptroller and Auditor General of India, New Delhi -110 124 for information.





## KONKAN RAILWAY CORPORATION LTD.

Annexure-IB

### COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KONKAN RAILWAY CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024.

The preparation of consolidated financial statements of Konkan Railway Corporation Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) read with section 129 (4) of the Act is/are responsible for expressing opinion on the financial statements under Section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 May 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements under section 143 (6) (a) read with section 129 (4) of the Act of the financial statements of Konkan Railway Corporation Limited for the year ended 31 March 2024. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, nothing significant has come to my attention which would give rise to any comment upon or supplement to Statutory Auditor's report under Section 143 (6) (b) read with section 129 (4) of the Act.

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

*Supriya*  
02/08/2024

(Supriya Singh)

Principal Director of Audit,  
Central Railway, Mumbai

Place: Mumbai

Date: 02.08.2024



# KONKAN RAILWAY CORPORATION LTD.

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2024

( ₹ in Lakhs)

Particulars	Note No.	As at 31st March 2024		As at 31st March 2023	
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, Plant and Equipment	3	5,21,597.79		5,19,141.80	
Capital work-in-progress	4	28,214.00		15,828.28	
Right of use Assets	5	2,378.34		3,492.93	
Intangible assets	6	32.04		153.90	
Intangible Asset under Development	7	61.31		61.31	
Financial Assets					
i) Loans	8	28.36		31.00	
ii) Other financial assets	9	3,206.36		3,738.27	
Other non-current assets	10	3,897.55		3,869.41	
<b>Total Non-current assets</b>			<b>5,59,415.75</b>		<b>5,46,316.90</b>
<b>Current assets</b>					
Inventories	11	6,549.19		6,641.44	
Financial Assets					
i) Investments	12	2,67,981.85		1,83,750.54	
ii) Trade receivables	13	24,518.30		26,632.77	
iii) Cash and cash equivalents	14	30,669.44		52,567.58	
iv) Bank balances other than (iii) above	15	6,021.39		6,690.26	
v) Loans	16	1,509.82		1,509.82	
vi) Other financial assets	17	31,689.34		45,351.46	
Current Tax Assets (Net)	18	1,634.30		444.48	
Other current assets	19	6,023.72		11,189.67	
Assets held for Sale	3.10	3.89		-	
<b>Total Current assets</b>			<b>3,76,601.24</b>		<b>3,34,778.02</b>
<b>Total Assets</b>			<b>9,36,016.99</b>		<b>8,81,094.92</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Equity Share capital	20	2,03,710.62		1,78,560.62	
Instruments entirely equity in nature	21	3,82,801.00		4,07,951.00	
Other Equity	22	(3,84,330.16)		(4,08,533.66)	
<b>Total Equity</b>			<b>2,02,181.46</b>		<b>1,77,977.96</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Financial Liabilities					
i) Borrowings	23	2,50,674.24		3,02,332.33	
ia) Lease Liabilities	24	1,136.57		2,156.49	
Provisions	25	1,05,384.69		1,02,477.40	
Other non-current liabilities	26	9,072.12		6,089.75	
<b>Total Non-Current Liabilities</b>			<b>3,66,267.62</b>		<b>4,13,055.97</b>
<b>Current liabilities</b>					
Financial Liabilities					
i) Borrowings	27	1,46,464.01		12,959.54	
ia) Lease Liabilities	28	1,283.19		1,343.97	
ii) Trade payables					
a) Total outstanding dues of micro and small enterprises;		1,355.45		764.93	
b) Total outstanding dues of creditors other than micro and small enterprises.	29	1,16,777.10		1,40,394.30	
iii) Other financial liabilities	30	79,169.54		71,359.11	
Other Current Liabilities	31	13,142.66		54,112.00	
Provisions	32	9,375.96		9,127.14	
<b>Total Current Liabilities</b>			<b>3,67,567.91</b>		<b>2,90,060.99</b>
<b>Total Liabilities</b>			<b>7,33,835.53</b>		<b>7,03,116.96</b>
<b>Total Equity and Liabilities</b>			<b>9,36,016.99</b>		<b>8,81,094.92</b>

See accompanying notes to the Consolidated Financial Statements

Material Accounting Policies

As per our report of even date

**For Sarda & Pareek LLP**

Chartered Accountants

Firm Registration No. : 109262W/W100673

**Sd/-**

**CA Niranjan Joshi**

Partner

Membership No.: 102789

Place : Navi Mumbai

Date: 29th May 2024

2

For and on behalf of Board

**Sd/-**

**Rajesh Bhadang**

Director (Finance)

DIN: 09050270

Place : Navi Mumbai

Date: 29th May, 2024

**Sd/-**

**Santosh Kumar Jha**

Chairman and Managing Director

DIN: 07738247

**Sd/-**

**Rajendra Parab**

Company Secretary



## KONKAN RAILWAY CORPORATION LTD.

### CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in Lakhs)

Particulars	Note No.	For the Year Ended	
		31st March'2024	31st March'2023
<b>I. Revenue From Operations</b>			
Sale of services:			
i) Traffic revenue	33	1,73,061.81	1,72,151.05
ii) Project revenue	34	2,69,810.13	3,27,470.38
Other operating revenue	35	3,291.25	3,225.38
<b>Total Revenue from Operations</b>		<b>4,46,163.19</b>	<b>5,02,846.81</b>
<b>II. Other Income</b>	36	22,864.55	12,378.22
<b>III. Total Income (I+II)</b>		<b>4,69,027.74</b>	<b>5,15,225.03</b>
<b>IV. Expenses</b>			
Cost of Operation			
i) Train Operation Expenses	37	65,082.77	71,284.06
ii) Project Cost	38	2,47,111.53	3,00,483.75
Changes in Inventory of Work in Progress	39	(189.61)	(1,130.44)
Employee benefits expense	40	76,564.64	74,232.73
Finance costs	41	27,191.37	23,426.92
Depreciation and amortization expense	3, 5 & 6	16,264.86	11,947.70
Other expenses	42	5,553.67	7,087.29
<b>Total expenses (IV)</b>		<b>4,37,579.23</b>	<b>4,87,332.01</b>
<b>V. Profit/(loss) before tax (III- IV)</b>		<b>31,448.51</b>	<b>27,893.02</b>
<b>VI. Tax expense:</b>			
i) Current tax		-	-
ii) Deferred tax		-	-
<b>VII. Profit / (Loss) for the year (V-VI)</b>		<b>31,448.51</b>	<b>27,893.02</b>
<b>VIII. Share of (profit)/loss of joint Venture</b>		<b>9.19</b>	<b>38.09</b>
<b>IX. Profit / (Loss) for the year including of (profit)/loss share of Associates</b>		<b>31,439.32</b>	<b>27,854.93</b>
<b>X. Other Comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss		(7,235.83)	(15,146.14)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Total Other Comprehensive Loss, net of tax</b>		<b>(7,235.83)</b>	<b>(15,146.14)</b>
<b>XI. Total Comprehensive income for the year (IX+X)</b>		<b>24,203.49</b>	<b>12,708.79</b>
<b>XII. Earnings per equity share of par value of ₹ 1,000/-(Amount in Rupees) :</b>			
i) Basic	49	176.00	163.35
ii) Diluted		53.60	48.15

See accompanying notes to the Consolidated Financial Statements

Material Accounting Policies

As per our report of even date

**For Sarda & Pareek LLP**

Chartered Accountants

Firm Registration No. :109262W/W100673

**Sd/-**

**CA Niranjana Joshi**

Partner

Membership No.: 102789

Place :Navi Mumbai

Date: 29th May 2024

2

For and on behalf of Board

**Sd/-**

**Rajesh Bhadang**

Director (Finance)

DIN: 09050270

Place : Navi Mumbai

Date: 29th May, 2024

**Sd/-**

**Santosh Kumar Jha**

Chairman and Managing Director

DIN:07738247

**Sd/-**

**Rajendra Parab**

Company Secretary



## KONKAN RAILWAY CORPORATION LTD.

### CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2024

(₹ in Lakhs)

PARTICULARS	For the Period Ended 31st March 2024	For the Period Ended 31st March 2023
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before tax	31,439.32	27,854.93
<b>Adjustments for Non-Cash Items:</b>		
Depreciation and Amortisation Expenses	16,264.86	11,947.70
Unwinding of Finance Cost of Financial Instruments	2,680.43	2,258.79
Excess provision of earlier years written back (net)	(4,359.34)	(381.03)
<b>Adjustments for classification of Cash generated from Other activities:</b>		
Interest on Deposits	(16,951.56)	(11,725.69)
Finance Cost	24,510.94	21,168.13
Loss on Decapitalization	27.92	1.81
Profit on sale of fixed asset	(0.22)	(1.38)
Profit on Sale of investment in Associate	(1,265.48)	-
Provisions for Post Retirement Benefits	(4,328.54)	2,402.87
<b>Operating Profit before Working Capital changes</b>	<b>48,018.33</b>	<b>53,526.13</b>
<b>Adjustment for Working Capital Changes</b>		
Adjustment for		
<b>A) Current Liabilities</b>		
i) Trade payables		
a) Total outstanding dues of micro and small enterprises;	590.52	764.93
b) Total outstanding dues of creditors other than micro and small enterprises.	(19,257.86)	21,414.84
ii) Other financial liabilities	7,810.43	8,800.54
Other Current Liabilities	(40,969.34)	(23,194.51)
Provisions for Post Retirement Benefits	248.81	1,319.69
<b>B) Current Assets</b>		
Inventories	92.25	825.19
Trade receivables	2,114.48	(9,507.77)
Other current assets	5,162.06	23,788.49
<b>NET CASH FLOW FROM OPERATION</b>	<b>3,809.68</b>	<b>77,737.53</b>
Taxes Paid	(1,189.82)	383.00
<b>NET CASH FLOW FROM OPERATING ACTIVITIES A</b>	<b>2,619.86</b>	<b>78,120.52</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Addition in Property, Plant and Equipments (Net)	(17,507.59)	(1,25,737.04)
Decrease / (Increase) in Capital Work in Progress	(12,385.72)	93,914.79
Addition in Intangible Asset	(0.55)	(3.14)
Decrease / (Increase) in Intangible Asset under development	-	(32.04)
Decrease / (Increase) in Other Non-Current Assets	(28.14)	5,694.01
Interest on Deposits	16,951.56	11,725.69
Decrease / (Increase) in Non-Current Loans	2.64	2.32
Decrease / (Increase) Other Non-Current financial assets	531.91	(630.90)



## KONKAN RAILWAY CORPORATION LTD.

### CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2024

( ₹ in Lakhs)

PARTICULARS	For the Period Ended 31st March 2024	For the Period Ended 31st March 2023
Decrease / (Increase) Financial assets-Loan	-	527.51
Decrease / (Increase) in Current Investments	(85,565.83)	(18,824.18)
Sale of Share in JDRL	2,600.00	-
Decrease / (Increase) in Bank balances other than Cash and Cash Equivalent	668.88	(1,252.18)
(Decrease) / Increase in Other Non-Current Liabilities	2,982.37	111.19
Decrease / (Increase) Other Current financial assets	13,662.12	2,120.82
<b>NET CASH USED IN INVESTMENT ACTIVITIES B</b>	<b>(78,088.35)</b>	<b>(32,383.15)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue of Share Capital	-	16,207.77
Lease Liability Paid	(1,084.65)	(981.62)
Finance Cost on Capital Project	-	10,480.21
Increase / (Decrease) Share Application Money Pending Allotment	-	(2,669.77)
Loan from Bank for Capital Project	-	1,864.05
Assistance Received from MOR	-	14,500.00
Loan from Bank	80,040.95	(40,483.61)
Loan Repaid	(875.00)	-
Finance Cost	(24,510.94)	(21,168.13)
<b>NET CASH USED IN FINANCING ACTIVITIES C</b>	<b>53,570.35</b>	<b>(22,251.09)</b>
<b>Net increase in Cash &amp; Cash equivalents D= A+B+C</b>	<b>(21,898.14)</b>	<b>23,486.29</b>
Cash & Cash equivalents at beginning of year E	52,567.58	29,081.29
<b>Cash &amp; Cash equivalents at end of the year F= D+E</b>	<b>30,669.44</b>	<b>52,567.58</b>

- 1) Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the profit before tax as set out in Ind AS-7 "Statement of Cash Flow" prescribed under Companies Act (Indian Accounting Standard) Rules, 2015 of Companies Act, 2013.
- 2) Reconciliation of Cash & Cash equivalents and its components included in the above Consolidated Statement of cash Flow:

Particulars	As at 31st March 2024	As at 31st March 2023
Cash on hand	293.94	264.34
Balances with banks (of the nature of cash and cash equivalents)		
a) In Current Accounts	8,879.79	10,788.10
b) In Deposit Accounts with original maturity of less than 3 months:		
i) In Autosweep Account	17,525.71	40,515.14
ii) In Fixed Deposit	3,970.00	1,000.00
<b>Total Cash &amp; Cash Equivalents as per Balance Sheet and Consolidated Statement of Cash Flow</b>	<b>30,669.44</b>	<b>52,567.58</b>

- 3) Figures in Bracket in statement of cash Flow represent cash outflow.
- 4) See accompanying notes to the Consolidated Financial Statements
- 5) Material Accounting Policies

2

As per our report of even date

For and on behalf of Board

**For Sarda & Pareek LLP**  
Chartered Accountants  
Firm Registration No. :109262W/W100673

**Sd/-**  
**CA Niranjan Joshi**  
Partner  
Membership No.: 102789  
Place :Navi Mumbai  
Date: 29th May 2024

**Sd/-**  
**Rajesh Bhadang**  
Director (Finance)  
DIN: 09050270

Place : Navi Mumbai  
Date: 29th May, 2024

**Sd/-**  
**Santosh Kumar Jha**  
Chairman and Managing Director  
DIN:07738247

**Sd/-**  
**Rajendra Parab**  
Company Secretary



## KONKAN RAILWAY CORPORATION LTD.

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2024

#### A. Equity Share Capital

##### (1) For the Financial Year 2023-24

( ₹ in Lakhs)

Particulars	Balance at 1st April'2023	Changes 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 Financial year 2023-24	Balance at 31st March'2024
Equity Share Capital	1,78,560.62	-	1,78,560.62	25,150.00	2,03,710.62

##### (2) For the Financial Year 2022-23

( ₹ in Lakhs)

Particulars	Balance at 1st April'2022	Changes 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 Financial year 2022-23	Balance at 31st March'2023
Equity Share Capital	1,62,353.84	-	1,62,353.84	16,206.78	1,78,560.62

#### B. Instruments entirely equity in nature

##### Compulsorily Convertible Preference Shares:

##### (1) For the Financial Year 2023-24

( ₹ in Lakhs)

Particulars	Balance at 1st April'2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Compulsorily Convertible Preference Shares during Financial year 2023-24	Balance at 31st March'2024
Compulsorily Convertible Non Cumulative Preference Shares	4,07,951.00	-	4,07,951.00	(25,150.00)	3,82,801.00

##### (2) For the Financial Year 2022-23

( ₹ in Lakhs)

Particulars	Balance at 1st April'2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Compulsorily Convertible Preference Shares during Financial year 2022-23	Balance at 31st March'2023
Compulsorily Convertible Non Cumulative Preference Shares	4,07,951.00	-	4,07,951.00	-	4,07,951.00

#### C. Other equity

( ₹ in Lakhs)

Particulars	Share application money pending allotment	Equity Component of Compound financial instruments	Reserves and Surplus	Items of Other Comprehensive Income	Total
			Retained Earnings	Remeasurements of the defined benefit plans	
(1) For the Financial Year 2023-24					
Balance at the 1st April'2023	-	7,685.62	(3,33,292.01)	(82,927.27)	(4,08,533.66)
Changes in accounting policy	-	-	-	-	-
Prior period errors	-	-	-	-	-
Restated balance at the 1st April'2023	-	7,685.62	(3,33,292.01)	(82,927.27)	(4,08,533.66)
Total Comprehensive Income for the year	-	-	31,439.32	(7,235.83)	24,203.49
Share application money received during the financial year	-	-	-	-	-
Issue of Share Capital against the Share Application money	-	-	-	-	-
Adjustment of Equity Component as per Ind AS-109	-	-	-	-	-
Balance at 31st March'2024	-	7,685.62	(3,01,852.69)	(90,163.10)	(3,84,330.16)





## KONKAN RAILWAY CORPORATION LTD.

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2024

( ₹ in Lakhs)

Particulars	Share application money pending allotment	Equity Component of Compound financial instruments	Reserves and Surplus	Items of Other Comprehensive Income	Total
			Retained Earnings	Remeasurements of the defined benefit plans	
<b>(2) For the Financial Year 2022-23</b>					
Balance at the 1st April'2022	2,669.77	4,773.27	(3,61,146.94)	(67,781.13)	<b>(4,21,485.04)</b>
Changes in accounting policy	-	-	-	-	-
Prior period errors	-	-	-	-	-
Restated balance at the 1st April'2022	2,669.77	4,773.27	(3,61,146.94)	(67,781.13)	<b>(4,21,485.04)</b>
Total Comprehensive Income for the year	-	-	27,854.93	(15,146.14)	<b>12,708.79</b>
Share application money received during the financial year	13,537.01	-	-	-	<b>13,537.01</b>
Adjustment of Equity Component as per Ind AS-109	-	2,912.35	-	-	<b>2,912.35</b>
Issue of Share Capital against the Share Application money	(16,206.78)	-	-	-	<b>(16,206.78)</b>
<b>Balance at 31st March'2023</b>	<b>-</b>	<b>7,685.62</b>	<b>(3,33,292.01)</b>	<b>(82,927.27)</b>	<b>(4,08,533.66)</b>

**Nature and purpose of reserves:** Since there are no reserves other than Retained Earnings, the disclosure requirement "stating description of the purposes of each reserve within equity" is not applicable.

See accompanying notes to the Consolidated Financial Statements

Material Accounting Policies

2

As per our report of even date

**For Sarda & Pareek LLP**

Chartered Accountants

Firm Registration No. :109262W/W100673

For and on behalf of Board

**Sd/-**

**Rajesh Bhadang**

Director (Finance)

DIN: 09050270

**Sd/-**

**Santosh Kumar Jha**

Chairman and Managing Director

DIN:07738247

**Sd/-**

**CA Niranjan Joshi**

Partner

Membership No.: 102789

Place :Navi Mumbai

Date: 29th May 2024

Place : Navi Mumbai

Date: 29th May, 2024

**Sd/-**

**Rajendra Parab**

Company Secretary



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

#### 1. Corporate information:

Konkan Railway Corporation Ltd. ('Corporation') is a Government Company domiciled in India and is incorporated on 19<sup>th</sup> July'1990 under the provisions of the Companies Act. The registered office of the company is located at Belapur Bhavan, Plot No 6, Sector 11, CBD-Belapur, Navi Mumbai 400614.

The Corporation is engaged into the passenger and goods transport services by rail as well as project services for Zonal Railways and Other Agencies.

The bonds of the company are listed on National Stock Exchange.

The Consolidated financial statements are approved for issue by the Company's Board of Directors on May 29, 2024.

#### 2. Material Accounting Policies

##### A. Basis of Preparation of Consolidated Financial Statements

**2.1** The Consolidated financial statements of the Corporation have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereafter and the relevant provisions of the Companies Act 2013, as applicable. The Consolidated financial statements for the year are prepared in accordance with Ind-AS.

The Consolidated financial statements are prepared on a going concern basis. The Consolidated financial statements have been prepared on a historical cost convention and on an accrual concept basis.

The Consolidated financial statements are presented in INR which is the functional currency of the Corporation and the currency of primary environment in which corporate operates, and all values are rounded to the nearest Lakhs (INR 00,000) up to two decimals place except as otherwise indicated.

##### 2.2 Accounting Estimates

The preparation of the Consolidated financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of Consolidated financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

#### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the Consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Consolidated financial statements.

#### B. Basis of Consolidation

The Consolidated financial statements have been prepared on the following basis:

- a) The Financial Statements of the associated enterprises used in the consolidation are drawn upto the same reporting date as of the company i.e year ended 31<sup>st</sup> March 2023.
- b) The financial statements of the company and its associates are prepared in accordance with the provision of Ind AS-28 through equity method.
- c) Under Equity method, the investments are initially recognized at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets.
- d) The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income.

#### C. Property, Plant and Equipment & Depreciation.

- i. The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if:
  - (a) it is probable that future economic benefits associated with the item will flow to the entity; and
  - (b) the cost of the item can be measured reliably.
- ii. The Property, Plant and Equipment in use are shown at cost comprises of purchase price, import duties, related incidental expenses and non-refundable purchase taxes, after deducting trade discounts and rebates less accumulated depreciation and accumulated impairment losses, if any. Adjustments arising from Foreign Exchange Rate variations relating to borrowings attributable to fixed assets are allocated to those assets purchased out of Foreign Exchange Loans. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

capitalized as part of the cost of that asset if the recognition criteria are met.

- iii. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.
- iv. The Corporation considers adjustment to carrying cost of its assets on account of cost of decommissioning, only if the same is significant.
- v. In case of Fixed Assets other than Land the amount of arbitration claim and interest upto 26.01.1998 (date of Capitalization) is added to the fixed assets. Interest paid for post 26.01.1998 is charged to Revenue.
- vi. When a major replacement or maintenance is performed, its cost is recognized in the carrying amount of the plant and equipment, if the recognition criteria are satisfied and the gross block and depreciation block of old assets is removed from the block. All other repair and maintenance costs are recognized in profit or loss as incurred.
- vii. As required by Ind AS 16 the depreciation has been calculated considering Component Accounting wherever relevant i.e. if component of an asset is significant in value as compared to the total value of the asset and its useful life is different than the life of the asset. The depreciation of each such component is calculated separately.

Depreciation under Straight-Line Method is charged as per useful life prescribed in Schedule II of the Companies Act, 2013 except the following items:

Asset description	Life of asset (in years)	Basis of Depreciation
Lease hold land		As per Lease agreement
Bridges	80	As per Research Designs & Standards Organization Code
Tunnels	80	
P.Way Track: a) Rails and Fastenings b) Sleepers c) Ballast	25 35 35	As per Technical assessment.
ROB/RUB/Level crossing	60	As per Railway Finance code
Loco Diesel	36	
Wagons	30	
Crane	25	
Other service wagon	30	
Tower Wagon	40	
Electronic Interlocking	15	



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

- viii. Depreciation on assets added/disposed off during the year is charged from/up to the date of addition/disposal. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- ix. As the Corporation had paid the original compensation based on the value determined and provided by Special Land Acquisition Officer (SLAO), the Interest on additional compensation as per the Court award is added to the cost of land, considering it as part of land compensation.
- x. An item of property, plant and equipment and any significant part is derecognized upon disposal or when no future economic benefits are expected from its use or disposal and any gain or loss arising from it is included in the income statement when the asset is derecognized.

#### **D. Capital work-in-progress:**

Property, plant and equipment which are not yet ready for their intended use are carried at cost, comprising of purchase price, import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, related incidental expenses and attributable interest and are shown as Capital work-in-progress.

The capital inventory at the year end is also shown under Capital Work in progress.

#### **E. Intangible Assets and Amortization:**

- i. The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if:
  - it is probable that future economic benefits associated with the item will flow to the entity; and
  - the cost of the item can be measured reliably.
- ii. Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion and accumulated impairment losses. All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustment arising from exchanges rate variation attributable to the intangible assets are capitalized.
- iii. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.
- iv. The Company's intangible assets comprises assets with finite useful life which are amortized on a straight-line basis over the period of their expected useful life. Amortization/Depreciation of Intangible Assets is made as under:
- v. Patents, designs, R&D expenses considered as intangible assets - over their useful life or 10 years whichever is lower.
- vi. Specialized computer software - over a period of 3 years.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

- vii. An intangible asset arising from development (or from the development phase of an internal project) shall be recognised if, and only if, an entity can demonstrate all of the following:
- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale.
  - (b) its intention to complete the intangible asset and use or sell it.
  - (c) its ability to use or sell intangible assets.
  - (d) how the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.
  - (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
  - (f) its ability to measure reliably the expenditure attributable to the intangible asset during its development.
- viii. An intangible asset shall be derecognized:
- (a) on disposal; or
  - (b) when no future economic benefits are expected from its use or disposal.
- ix. Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

#### **F. Inventories:**

- i. The inventories are valued at cost or net realizable value whichever is lower. The cost of Inventories is determined on Weighted Average basis.
- ii. Rails released from decapitalization which are reusable, are valued at written down value.
- iii. Project and construction related Works in Progress are valued at cost or net realizable value whichever is lower.
- iv. Cost includes expenditures incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.
- v. Net realizable value is the estimated selling price in the ordinary course of business, less the selling expenses.

#### **G. Foreign Currencies:**

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.





## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

- i. Monetary items denominated in foreign currencies at the year end are restated at year end foreign exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- ii. Any income or expense on account of foreign exchange difference either on settlement or on translation is recognized in the Statement of Profit & Loss except in case where they relate to acquisition of Fixed Assets in which case they are adjusted to the carrying cost of such Fixed Assets.
- iii. In cases where the historical cost of a depreciable asset has undergone a change due to increase or decrease in the long term liability on account of foreign exchange fluctuations arising at the year end, the depreciation on the revised unamortized depreciable amount is provided prospectively over the residual useful life of the asset from the year following such capitalization.

#### H. Post-employment benefits and short-term employee benefits:

##### i. Defined benefit plans:

The liability in respect of defined benefit plans and other post-employment benefits (mainly pensions to employees joined prior to 01.01.2004 and Gratuity) are calculated using the projected unit credit method and spread over the period during which the benefit is expected to be derived from employees' services, consistent with the advice of qualified actuaries. The long term obligations are measured at present value of estimated future cash flows discounted at rates reflecting the yields on risk free government bonds that have maturity dates approximating the terms of the Corporation's obligations.

Actuarial gains and losses are recognized in Other Comprehensive Income.

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

##### ii. Termination benefits:

Termination benefits are recognized as an expense when the Corporation is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Corporation has made an offer



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

encouraging voluntary redundancy. It is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

**iii. Defined contribution plans:**

The Corporation pays fixed contributions in relation to several state plans and insurances for individual employees. The Corporation has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognized as an expense in the period that related employee services are received.

**iv. Compensated leave of absence:**

The Corporation's current policies permit certain categories of employees to accumulate and carry forward a portion of their unutilized compensated absences and utilize them in future periods or receive cash in lieu thereof in accordance with the terms of such policies. The Corporation measures the expected cost of accumulating compensated absences as the additional amount that the Corporation expects to pay as a result of the unused entitlement that has accumulated at the statements of financial position date. Such measurement is based on actuarial valuation as at the statements of financial position date carried out by a qualified actuary. Gains and losses resulting from remeasurements of the net defined benefit liability are included in profit and loss account as Leave encashment expenses in the period in which they occur.

**v. Post Retirement Medical benefits:**

The Company has Post Retirement Medical Benefit Plan for Employees and their spouse at superannuation with minimum 20 years of service against one time contribution by the employee equivalent to the last month's basic pay at the time of retirement. The valuation of the benefit plan has been carried by the qualified actuary. Gain and losses resulting from measurement of the net defined benefit liabilities are included in the Profit & Loss account.

**vi. Other Employees benefit:**

Service cost on the Corporation's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Net interest expense on the net defined benefit liability is included in finance costs. Gains and losses resulting from remeasurements of the net defined benefit liability are included in Other Comprehensive Income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Employees who have joined service on or after 1.1.2004 are governed by 'National Pension System' as announced by the Government of India. The said scheme is a defined contribution scheme and contribution is charged to Statement of Profit & Loss.

**I. Impairment of Non-Financial Assets:**

The Company assesses at each Balance Sheet date whether there is any indication that an asset,



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

including intangible asset, may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss Account.

#### Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.
- In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

#### J. Leased Assets:

**The Company as a lessee:** The Company's lease asset classes primarily consist of leases for land and buildings, Vehicles, Plant and Machinery, IT Asset. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether : (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**The Company as a lessor:** Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

#### **K. Financial Instruments:**

##### **FINANCIAL ASSETS**

###### **Initial recognition and measurement**

Financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset except trade receivables which are initially recognised at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

#### Investment in Subsidiaries, Associates and Joint Ventures

The Company accounts for its investments in Subsidiaries, associates and joint venture at cost less impairment loss (if any).

#### Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

##### Financial assets at amortized cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective 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. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognized in the Statement of Profit and Loss.

##### Financial assets at 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. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss. In respect of equity investments (other than for investment in subsidiaries and associates) which are not held for trading, the Company has made an irrevocable election to present subsequent changes in the fair value of such instruments in OCI. Such an election is made by the Company on an instrument-by-instrument basis at the time of transition for existing equity instruments/ initial recognition for new equity instruments.

##### Financial assets at fair value through profit or loss

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

#### Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL. ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls).

#### De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

#### EQUITY INSTRUMENT AND FINANCIAL LIABILITIES

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

#### Financial Liabilities

##### Initial recognition and subsequent measurement

Financial liabilities are recognized initially at fair value and in case of borrowing and payables, net of material directly attributable cost.

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

##### De-recognition of Financial Liabilities





## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

#### Offsetting Financial Liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

#### Financial Derivatives:

Derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind-AS 109 are recognized in the statement of profit and loss.

#### L. Revenue Recognition:

The Corporation recognises revenue to depict the transfer of promised services to customers. The revenue is recognised in accordance with Ind AS 115 Construction Contracts is detailed as under:

- i. The Corporation has recognised it's revenue in accordance with Ind AS 115 – Revenue from Contracts with Customers as under:
- ii. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. Generally, control is transferred upon supply of goods to the customer or when the goods are made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the contracts.
- iii. Revenue from rendering of services is recognised over the time by measuring the progress towards complete satisfaction of performance obligations at the reporting period. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

The Company transfers control of a good or service over time and therefore satisfies a performance obligation and recognises revenue over a period if one of the following criteria is met:



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

- (a) the customer simultaneously consumes the benefit of the Company's performance or
- (b) the customer controls the asset as it is being created/enhanced by the Company's performance or
- (c) there is no alternative use of the asset and the Company has either explicit or implicit right of payment considering legal precedents.

In all other cases, performance obligation is considered as satisfied at a point in time.

- iv. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. The Company includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income. The company measures progress towards complete satisfaction of performance obligation by Input Method wherever possible.
- v. In many cases, the Company receives short-term advances from its customers. The Company does not adjust the committed amount of consideration for the effects of a significant financing component if it expects, that the period between the transfer of the good or service to the customer as per the contract and the receipt of payment from customers will be one year or less.
- vi. The Company also receives long-term advances from customers. Excess income generated out of differential interest are recognised as finance income for the Corporation.
- vii. Contract balances:

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional, and the Corporation has accounted the same in line with the provisions of Ind AS 115.

Contract Assets & Liabilities: A Contract Assets is the performance by transferring goods and services to a customer, before the customer pays consideration or before payment is due, the entity shall present the contract as a contract asset, excluding any amount presented as a receivable.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

- viii. The Corporation has complied with the aforesaid provision in preparation of Consolidated Financial Statement.
- ix. Contract modification: During the year no contracts were modified, hence contracts were not required to be recognised as separate & distinct.
- x. The traffic earning from Railway business is received from goods and passenger traffic. Goods earnings are pertaining to Railway Receipts generated through the system for carriage of goods over railway network. Passenger earnings are pertaining to Tickets booked by people.
- xi. Performance Obligation : Railway Receipt (RR) is prepared by the railway for booking the freight for movement of goods from one station to another station. Once the RR is prepared, performance obligation of Railways is to transport the materials up to location defined in the Railway Receipt.
- xii. Revenue from passenger is recognised once the Tickets(seat) are booked on railway network based on application submitted by passengers. Seat once allotted by railways gives exclusive right of travel to the concerned passenger only. Railways cannot allot this reserved seat to another person unless it is cancelled by first person. Journey by passenger on the specified date is the performance obligation of railways.
- xiii. The passenger must pay 100% fare at the time of booking the seat. There is no variable consideration involved. There is no significant financing component involved. The railways take the responsibility of safe journey up to the destination booked by the passenger.
- xiv. Revenue collected by all railways on account of freight and fares is processed through a computerized program run by CRIS to allocate the share of revenue to each railway for the distance travelled by the train on that railway. For KRCL, Central Railway is the nodal agency for the settlement of dues among KRCL and all other railways. Revenue on account of apportioned earnings is booked by KRCL based on monthly settlement between KRCL and Central Railway through single window system. Revenue collected on KR stations every month is treated as originating earnings and the same is brought into the books of accounts.  
  
The above treatment is in line with provision of Ind AS 115 related to performance obligation.
- xv. Sale of scrap, salvage or waste materials is accounted at the time of realization.
- xvi. Commission received on encashment of warrants issued by Defense/Police is recognized on accrual basis.
- xvii. Interest income is recognized using Effective interest rate (EIR). Interest income is included in finance income in the statement of profit and loss.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

- xviii. Dividend income is recognized when the Corporation's right to receive the payment is established, which is generally when shareholders approve the dividend.

#### **M. Contractor's claims:**

- i. Claims for material escalation by contractors are accounted for only when such claims are accepted after due verification.
- ii. Penalty for delay in completion / defective work is accounted as and when recovered from the contractors.

#### **N. Provisions:**

A provision shall be recognized when:

- (a) an entity has a present obligation (legal or constructive) as a result of a past event;
- (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (c) a reliable estimate can be made of the amount of the obligation. If these conditions are not met, no provision shall be recognized.

Provision is made for all known material undisputed liabilities (legal or constructive) existing on the date of balance sheet.

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

No provision for contingency is recognized in respect of warranty/ defect or maintenance liability where the Corporation has back to back arrangement with sub-contractor for the same liability and there is certainty that such liability would be made good by the sub-contractor.

#### **O. Contingent liabilities and Contingent assets:**

- i. Contingent Liability is disclosed in the case of:-
  - a) 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.
  - b) a possible obligation, unless the probability of outflow of resources is remote.
- ii. Contingent liability is disclosed for defects or maintenance liability when Corporation has no back to back arrangements with sub-contractor for liability and there is virtual certainty that such liability would be made good by the sub-contractor.
- iii. Contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.
- iv. Contingent Assets are not recognised in the Consolidated financial statements. However,



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

#### **P. Taxes on Income**

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

##### **a. Current Income Tax**

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

##### **b. Deferred Income Tax**

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### **Q. Current and Non-Current Classifications:**

The Corporation presents assets and liabilities in the balance sheet based on current/ non-current classification.

##### **An asset as current when it is:**

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Occurs primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

All other assets are classified as non-current.

Liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

#### **R. Borrowing Cost:**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

#### **S. Government Grants:**

Governments grant are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the period that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

#### **T. Cash & cash Equivalents:**

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **U. Earnings per share**

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for





## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

#### V. Trade Receivables and Trade Payable

##### Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at transaction price and subsequently measured at amortized cost using the EIR method, less provision for impairment.

##### Trade payables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their transaction price and subsequently measured at amortized cost using the EIR method.

#### W. 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 classified as held for sale are presented separately in the statement of financial position. If the criteria stated by IND AS 105 "Non-current Assets Held for Sale and Discontinued Operations" are no longer met the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of (i) its carrying amount before the asset was classified as held for sale adjusted for depreciation that would have been recognised had that asset not been classified as held for sale and (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale.

#### X. Prior period errors

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.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

#### 3. Property, Plant and Equipment

( ₹ in Lakhs)

Classification	Gross carrying amounts				Accumulated Depreciation, amortization and impairment				Net carrying amounts	
	As at the beginning of financial Year	Additions	Deletions / disposals	As at the end of financial year	As at the beginning of financial Year	Charge for the Year	Deletions / disposals	As at the end of financial year	As at the end of current financial year	As at the end of previous financial year
<b>For the year ended March 31, 2024</b>										
Land:										
i) Free Hold Land	22,805.45	827.44	0.04	23,632.85	-	0.00	-	0.00	23,632.85	22,805.45
ii) Earth Work	1,31,451.34	42.33	9.05	1,31,484.62	-	-	-	-	1,31,484.62	1,31,451.34
Buildings	37,783.81	2,239.32	47.68	39,975.45	9,168.69	958.02	45.25	10,081.46	29,893.99	28,615.12
Plant And Equipment	1,72,543.82	3,265.35	86.96	1,75,722.21	33,482.15	7,681.51	7.20	41,156.46	1,34,565.75	1,39,061.66
Furniture And Fixtures	672.94	14.50	-	687.44	413.68	39.18	-	452.86	234.58	259.26
Vehicles	706.48	22.80	103.02	626.26	575.47	31.98	97.87	509.58	116.68	131.01
Office Equipment	4,020.52	140.21	30.16	4,130.57	3,633.48	191.28	26.35	3,798.41	332.16	387.04
P.Way Track (Rails,Ballast,Sleepers)	1,28,238.70	10,351.48	1,694.23	1,36,895.95	60,088.02	3,910.53	1,352.03	62,646.52	74,249.43	68,150.69
Bridges & Tunnels	1,79,523.00	60.68	-	1,79,583.68	58,241.18	2,016.09	-	60,257.27	1,19,326.41	1,21,282.13
Rob, Rub, Fob & LC	6,168.96	703.63	-	6,872.59	742.32	102.80	-	845.12	6,027.47	5,426.64
Locos & Others Rolling Stock	3,714.82	268.65	-	3,983.47	2,143.36	106.26	-	2,249.62	1,733.85	1,571.46
<b>TOTAL</b>	<b>6,87,629.84</b>	<b>17,936.39</b>	<b>1,971.14</b>	<b>7,03,595.09</b>	<b>1,68,488.35</b>	<b>15,037.65</b>	<b>1,528.70</b>	<b>1,81,997.30</b>	<b>5,21,597.79</b>	<b>5,19,141.80</b>
<b>For the year ended March 31, 2023</b>										
Land:										
i) Free Hold Land	22,497.12	308.33	-	22,805.45	-	-	-	-	22,805.45	22,497.12
ii) Earth Work	1,30,421.06	1,030.58	0.30	1,31,451.34	-	-	-	-	1,31,451.34	1,30,421.06
Buildings	31,315.53	6,468.27	-	37,783.81	8,565.97	602.72	-	9,168.69	28,615.12	22,749.56
Plant And Equipment	60,224.03	1,12,319.79	-	1,72,543.82	29,083.63	4,398.52	-	33,482.15	1,39,061.66	31,140.40
Furniture And Fixtures	626.37	46.57	-	672.94	377.94	35.74	-	413.68	259.26	248.43
Vehicles	679.95	26.53	-	706.48	540.23	36.39	1.15	575.47	131.01	139.72
Office Equipment	4,013.11	74.51	67.10	4,020.52	3,588.80	106.76	62.08	3,633.48	387.04	424.31
P.Way Track (Rails,Ballast,Sleepers)	1,24,453.21	4,752.11	966.62	1,28,238.70	57,297.01	3,383.48	592.47	60,088.02	68,150.69	67,156.20
Bridges & Tunnels	1,78,576.81	946.19	-	1,79,523.00	56,296.95	1,944.23	-	58,241.18	1,21,282.13	1,22,279.86
Rob, Rub, Fob & LC	6,021.34	147.62	-	6,168.96	645.07	97.25	-	742.32	5,426.64	5,376.87
Locos & Others Rolling Stock	3,714.82	-	-	3,714.82	2,048.29	95.07	-	2,143.36	1,571.46	1,666.54
<b>TOTAL</b>	<b>5,62,543.35</b>	<b>1,26,120.50</b>	<b>1,034.02</b>	<b>6,87,629.84</b>	<b>1,58,443.89</b>	<b>10,700.16</b>	<b>655.70</b>	<b>1,68,488.35</b>	<b>5,19,141.80</b>	<b>4,04,100.06</b>



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

- 3.1. In accordance with the provisions of Ind AS the effect of prior period depreciation accounted for during the year is ₹ Nil Lakhs (₹ 144 Lakhs), by restating the previous year figures for the depreciation relating to FY 2021-22 and retained earnings for depreciation relating to period prior to 2021-22. Consequently, the opening Gross block and depreciation block of relevant Fixed Assets has been reduced and restated.
- 3.2. Fixed assets exclude track measuring 185.275 km's (of gross value ₹13,200.00 Lakhs) was sold to consortium led by IL&FS in the F.Y. 1995-96. Subsequently the same was sold by consortium led by IL&FS to Ministry of Railways in the F.Y. 2003-04. Thereafter the same was leased back by Railways to Corporation.
- 3.3. In cases where most of the works have been completed and only some portion remain to be executed but the asset is ready for put to use, then the value of same is capitalized based on the technical assessment.
- 3.4. On all the capital cost relating to construction / erection etc. of any fixed assets involving assistance and monitoring of manpower of KRCL, the Corporation charges specified % of cost of project for Engineering, Electrical and S&T Department as 'Direction & General (D & G) Charges' in accordance with the Railway Board guidelines.
- 3.5. The Corporation is having the regular program for physical verification of fixed assets. Adjustment on account of discrepancy, if any, is carried out after due verification and reconciliation. During FY 2023-24, external firm was appointed to do physical verification of fixed assets accordingly the additional depreciation amounting to ₹1,758.20 Lakhs has been charged to profit and Loss account of current year due to change in estimated useful life of various fixed assets.
- 3.6. Land cost includes indirect expenses incurred in the process of acquisition of land and the interest paid as per the court order in connection with enhancement of compensation of land price. Provisional advance payments consequent to awards based on certificates of Special Land Acquisition Officer (SLAO) is adjusted as and when final awards and acquaintance details are certified by the SLAOs.
- 3.7. Depreciation related to Asset used in USBRL Project is charged to the Project. Depreciation related to asset used for Route electrification and Doubling project is charged to respective CWIP. Total depreciation charged to the project/CWIP is ₹ Nil Lakhs (₹ 5 Lakhs).
- 3.8. During the year Complete Track Renewal (CTR) was carried out in Karwar section for approximately 45 kms and ₹ 9,881.80 lakhs have been capitalized on this account. The related impact of decapitalization is as follows:  
Gross Block reduced by ₹1625.97 Lakhs  
Depreciation block reduced by ₹ 1513.34 Lakhs  
Value of Re-usable Inventory of Rails & Sleepers ₹ 20.84 Lakhs  
Value of Scrap Inventory of Rails & Sleepers ₹ 91.79 Lakhs



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

- 3.9. During execution of deposit work relating to development of railway facilities for the customers, certain assets are created on the land of KRCL, the cost which is recovered from the customer. However, as per the agreement, the ownership of such property always rests with KRCL and the customer has only right to use.

As no cost is borne by KRCL such properties are continued at zero cost.

3.10 Asset Held for Sale

( ₹ in Lakhs)

Particular	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Property, Plant & Equipment	3.89	--
<b>Total</b>	<b>3.89</b>	<b>--</b>

In respect of assets classified as held for sale, the company is in the process of selling some old vehicles. The sale will be materialized in upcoming months.

4. Capital work-in-progress

( ₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Carrying Amount of Capital work-in-progress	28,214.00	15,828.28

- 4.1 Interest amounting to ₹ Nil ( ₹ 2,986.02 Lakhs, cumulative ₹ 13,466.23 Lakhs ) have been charged to the project of Route electrification and Roha-Veer doubling in accordance with Ind AS 23 Borrowing Costs.
- 4.2 Capital Work in Progress includes capital inventory amounting to ₹ 12,354.16 Lakhs ( ₹ 3,453.47 Lakhs ) Comprising of Rails, Sleepers, Cables etc.
- 4.3 During the FY 2023-24, the Corporation has capitalized ₹ 9,881.80 Lakhs for Complete Track Renewal, ₹ 647.90 Lakhs for RUB in lieu of LC-45, ₹ 2,123.08 Lakhs for Passenger Amenities in Karwar Section.

**CWIP Ageing Schedule**

( ₹ in Lakhs)

CWIP for FY 2023-24	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Projects in progress :	23,044.36	1,611.31	3,179.43	68.90	27,904.00
(b) Projects temporarily suspended :	-	-	-	310.00	310.00



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**CWIP Ageing Schedule**

( ₹ in Lakhs)

CWIP for FY 2022-23	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Projects in progress :	4,301.00	4,929.69	5,880.00	407.59	15,518.28
(b) Projects temporarily suspended :	-	-	-	310.00	310.00

**CWIP Completion Schedule**

For capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan

( ₹ in Lakhs)

CWIP for FY 2023-24	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Complete Track Renewal	4,632.87	-	-	-	4,632.87

**CWIP Completion Schedule**

For capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan.

( ₹ in Lakhs)

CWIP for FY 2022-23	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
RUB in Lieu of LC-45	705.00	-	-	-	705.00
Passenger Amenities	-	962.00	-	-	962.00
Complete Track Renewal	-	-	-	14,513.87	14,513.87

**5. Right of Use Assets**

( ₹ in Lakhs)

Classification	Gross carrying amounts				Accumulated Amortisation				Net carrying amounts	
	As at the beginning of financial Year	Additions	Deletions / disposals	As at the end of financial year	As at the beginning of financial Year	Charge for the Year	Deletions / disposals	As at the end of financial year	As at the end of current financial year	As at the end of previous financial year
<b>For the year ended March 31, 2024</b>										
Lease Hold Land	494.05	-	-	494.05	226.79	7.39	-	234.18	259.87	267.26
Vehicles	85.91	-	10.51	75.40	31.15	42.19	10.51	62.82	12.58	54.76
S & T Equipments	1,045.81	3.96	-	1,049.77	506.50	236.51	-	743.01	306.76	539.31
IT Equipments	4,150.96	-	-	4,150.96	1,519.36	832.47	-	2,351.83	1,799.13	2,631.60
<b>TOTAL</b>	<b>5,776.73</b>	<b>3.96</b>	<b>10.51</b>	<b>5,770.18</b>	<b>2,283.80</b>	<b>1,118.56</b>	<b>10.51</b>	<b>3,391.84</b>	<b>2,378.34</b>	<b>3,492.93</b>
<b>For the year ended March 31, 2023</b>										
Lease Hold Land	494.05	-	-	494.05	221.35	7.40	1.95	226.79	267.26	272.70
Vehicles	123.73	75.40	113.22	85.91	92.88	51.49	113.22	31.15	54.76	30.85
S & T Equipments	1,037.25	15.82	7.26	1,045.81	279.59	234.17	7.26	506.50	539.31	757.66
IT Equipments	4,297.64	-	146.68	4,150.96	689.17	830.19	-	1,519.36	2,631.60	3,608.47
<b>TOTAL</b>	<b>5,952.67</b>	<b>91.22</b>	<b>267.16</b>	<b>5,776.73</b>	<b>1,282.99</b>	<b>1,123.25</b>	<b>122.43</b>	<b>2,283.80</b>	<b>3,492.93</b>	<b>4,669.68</b>



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**6. Intangible Assets**

( ₹ in Lakhs)

Classification	Gross carrying amounts				Accumulated Amortisation				Net carrying amounts	
	As at the beginning of financial Year	Additions	Deletions / disposals	As at the end of financial year	As at the beginning of financial Year	Charge for the Year	Deletions / disposals	As at the end of financial year	As at the end of current financial year	As at the end of previous financial year
<b>For the year ended March 31, 2024</b>										
Patent	120.53	-	-	120.53	117.19	0.49		117.68	2.85	3.34
Knowhow	1,389.54	-	-	1,389.54	1,389.54			1,389.54	-	-
Software	506.64	0.54	-	507.18	356.08	124.79	2.88	477.99	29.19	150.56
<b>TOTAL</b>	<b>2,016.71</b>	<b>0.54</b>	<b>-</b>	<b>2,017.25</b>	<b>1,862.81</b>	<b>125.28</b>	<b>2.88</b>	<b>1,985.21</b>	<b>32.04</b>	<b>153.90</b>
<b>For the year ended March 31, 2023</b>										
Patent	120.53	-	-	120.53	116.70	0.49	-	117.19	3.34	3.83
Knowhow	1,389.54	-	-	1,389.54	1,389.54	-	-	1,389.54	-	-
Software	503.50	3.14	-	506.64	226.99	129.09	-	356.08	150.56	276.51
<b>TOTAL</b>	<b>2,013.57</b>	<b>3.14</b>	<b>-</b>	<b>2,016.71</b>	<b>1,733.23</b>	<b>129.58</b>	<b>-</b>	<b>1,862.81</b>	<b>153.90</b>	<b>280.34</b>

**7. Intangible Asset under Development**

( ₹ in Lakhs)

Particulars	As at	As at
	31st March 2024	31st March 2023
Software	61.31	61.31
<b>Total</b>	<b>61.31</b>	<b>61.31</b>

**Intangible Asset under development Ageing Schedule**

( ₹ in Lakhs)

for FY 2023-24	Amount in Intangible Asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>(a) Projects in progress :</b>	-	32.04	29.27	-	61.31

**Intangible Asset under Development Ageing Schedule**

( ₹ in Lakhs)

for FY 2022-23	Amount in Intangible Asset under Development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>(a) Projects in progress :</b>	32.04	29.27	-	-	61.31





**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**Intangible Asset under Development Completion Schedule**

For Intangible Asset under Development whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in Lakhs)

CWIP for FY 2023-24	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
RTMAS	61.31	-	-	-	61.31

**8. Non-current Financial Assets : Loans**

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Financial Asset measured at amortised cost</b>				
<b>Other Loans (Considered good-Secured)</b>				
Housing Building Advance		19.31		23.99
Interest Accrued but not due on House Building Advance		9.05		7.01
<b>TOTAL</b>		<b>28.36</b>		<b>31.00</b>

8.1 The house building advance for construction of house is given to employees which is secured by mortgage of house.

**9. Non-current Financial Assets : Other financial assets**

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Financial assets carried at amortized cost</b>				
<b>Unsecured, considered good</b>				
Security Deposit with Govt. Authorities		2,630.25		2,642.58
Bank deposit with remaining maturity of more than 12 months as on Balance sheet date, held as margin money or security against the bank guarantees and others.		77.11		42.69
Other Bank Deposits with remaining maturity of more than 12 months as on Balance sheet date		499.00		1,053.00
<b>TOTAL</b>		<b>3,206.36</b>		<b>3,738.27</b>



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**10. Other non-current Assets**

( ₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Capital Advances</b>				
<b>Unsecured, considered good</b>				
Capital Advances including Advances for Land Acquisition		3,132.60		3,132.60
<b>Deposits with Court for</b>				
<b>Unsecured, considered good</b>				
Land Acquisition (Refer Note 44 (vii))		764.95		736.81
<b>TOTAL</b>		<b>3,897.55</b>		<b>3,869.41</b>

**11. Inventories**

( ₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Valued at Lower of Cost (WAM Basis) or Net Realisable Value:</b> (As taken, valued and certified by the Management)				
Stores and spares		4,132.63		3,965.18
Diesel		276.71		469.32
Rails (including reusable for replacement purpose)		338.65		751.40
Scrap (Ref note : 11.2)		340.35		184.29
Work in Progress		1,460.85		1,271.25
<b>TOTAL</b>		<b>6,549.19</b>		<b>6,641.44</b>

11.1 During the previous year, the cost formula of valuation of Stores & Spares & General Inventory was changed from First-in-First-Out (FIFO) to Weighted Average Method (WAM) to be in agreement with new Stores & Inventory Module. Due to this, cost of consumption for the year ended 31st March 2023 has increased by ₹ 26.62 lakhs leading to decrease in profit by ₹ 26.62 lakhs.

11.2 Inventory of scrap contains rails and sleepers released during various Capital works and are valued at cost or net realisable value whichever is lower, cost being written down value.



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**Current Financial Assets**

**12. Investments**

( ₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Unquoted, At Amortized cost</b> Investments with Life Insurance Corporation (LIC) under Group Leave encashment Scheme including Life Assurance Benefits (Ref Note: 12.1)		2,67,981.85		1,82,416.02
<b>Financial Assest measured at cost, Unquoted</b> Investments in equity instruments of Associates: Nil ( 2,60,00,000) Fully paid Equity Shares of Jaigarh Digni Rail Limited at par value of ₹10/- each (Ref Note: 12.2)		-		1,334.52
<b>TOTAL</b>		<b>2,67,981.85</b>		<b>1,83,750.54</b>
<b>Aggregate amount of Unquoted Investment</b>		<b>2,67,981.85</b>		<b>1,83,750.54</b>

12.1 Investment with Life Insurance Corporation under Group Leave encashment Scheme includes Life Assurance Benefits and is also used for general buisness purpose.

**12.2 Investment in Associate**  
**Carrying amount of the Investment**

( ₹ in Lakhs)

Particulars	As at 11 <sup>th</sup> August 2023		As at 31st March 2023	
Current Assets	2,625.32		2,362.47	
Non Current Assets	3,423.92		3,673.31	
Current Liabilities	(906.82)		(857.79)	
Non Current Liabilities	(45.00)		(45.21)	
<b>Equity</b>		5,097.42		5,132.78
Proportion of the Group's Ownership		0.26		0.26
<b>Total Carrying amount of the Investment</b>		<b>1,325.33</b>		<b>1,334.52</b>



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**Group Share of (Profit)/Loss for the year**

( ₹ in Lakhs)

Particulars	As at 11 <sup>th</sup> August 2023		As at 31st March 2023	
Revenue	-		0.69	
Employee Benefit Expenses	(3.90)		(24.79)	
Finance Cost	(27.54)		(60.96)	
Depreciation & Amortisation Expenses	-		-	
Other Expenses	(4.81)		(61.22)	
Impairment in respect of Capital Work in Progress and Intangible assets	-		-	
<b>Profit/(Loss) before Tax</b>		(36.25)		(146.28)
Income Tax Expense		-		-
<b>Profit/(Loss) for the year</b>		(36.25)		(146.28)
<b>Other Comprehensive Income</b>	0.89		(0.18)	
<b>Total Comprehensive Income for the year</b>		(35.36)		(146.46)
<b>Group Share of (Profit)/Loss for the year</b>		<b>9.19</b>		<b>38.09</b>

**Additional Information of the Investment**

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	₹ in Lakhs	As % of consolidated profit or loss	₹ in Lakhs
Jaigarh Digni Rail Limited	<b>26.00%</b>	<b>1,325.33</b>	<b>26.00%</b>	<b>9.43</b>

Name of the entity in the Group	Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated other comprehensive income	₹ in Lakhs	As % of total comprehensive income	₹ in Lakhs
Jaigarh Digni Rail Limited	<b>26.00%</b>	<b>0.23</b>	<b>26.00%</b>	<b>9.19</b>

JDRL is a JV company in which KRCL and Maharashtra Maritime Board (MMB) holds 26% and 11 % equity respectively and balance is held by JSW Jaigarh Port Limited (JSWJPL). JDRL was formed for construction, operation and maintenance of a Railway system for providing port connectivity between Jaigad Port and Digni Railway Station on KR Route. JDRL has entered into the requisite Concession Agreement with Ministry of Railway through KRCL.

Consequent to failure of JDRL to achieve the milestone of Financial closure in terms of the Concession Agreement, KRCL had encashed the Bank Guarantee of ₹ 2,326.00 Lakhs in FY 2019-20 and has kept it as a liability pending further directions from MoR, GOI.

On 11th August 2023, the equity investment of KRCL in JDRL amounting to ₹ 2,600.00 lakhs was taken over by JSWJPL and KRCL has exited from the joint venture.



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**13. Trade Receivables**

( ₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Trade Receivables (Considered good-Unsecured )</b>				
Traffic Earnings and other receivable		14,699.17		12,791.09
Projects Receivables		9,819.13		13,841.68
<b>Trade Receivables - Credit impaired</b>				
Traffic Earnings and other receivables:	172.16		172.16	
Less: Allowance for expected Credit loss	172.16	-	172.16	-
Projects Receivables:	2,718.16		2,718.16	
Less: Allowance for expected Credit loss	2,718.16	-	2,718.16	-
<b>TOTAL</b>		<b>24,518.30</b>		<b>26,632.77</b>

13.1 All material Trade Receivables are having uniform credit terms as agreed between parties and there is no incidence of extended credit days/terms. Hence, this does not involve any significant financing element. There are trade receivables which are not realised in time or as per the credit terms due to various reasons and it is subject to reconciliation for final settlement.

**13.2 Trade receivables ageing schedule as on 31st March 2024**

( ₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	10,916.44	9,817.24	1,302.40	1,184.83	1,297.39	24,518.30
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	1,662.32	1,662.32
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	13.00	1,215.00	1,228.00

Note: No due date of payment is specified in respect of above trade receivable and accordingly the ageing is given from the date of transaction.



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**Trade receivables ageing schedule as on 31st March 2023**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	18,660.33	4,542.59	1,292.77	1,439.62	697.46	26,632.77
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	1,662.32	1,662.32
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	13.00	-	1,215.00	1,228.00

Note: No due date of payment is specified in respect of above trade receivable and accordingly the ageing is given from the date of transaction.

**14. Cash and Cash Equivalents**

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Balances with banks (of the nature of cash and cash equivalents)</b>				
a) In Current Accounts		8,879.79		10,788.10
b) In Deposit Accounts with original maturity of less than 3 months:				
i) In Autosweep Account		17,525.71		40,515.14
ii) In Fixed Deposit		3,970.00		1,000.00
Cash on hand		293.94		264.34
<b>TOTAL</b>		<b>30,669.44</b>		<b>52,567.58</b>

**15. Bank balances other than Cash and Cash Equivalents**

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>In Deposit Accounts with original maturity of more than 3 months but remaining maturity of less than 12 months :</b>				
In Fixed Deposit		5,805.34		6,559.52
In Fixed Deposit held as margin money or security against the bank guarantees and others		216.05		130.74
<b>TOTAL</b>		<b>6,021.39</b>		<b>6,690.26</b>





**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**Current Financial Assets**

**16. Loans**

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Financial assets measured at amortized cost</b>				
<b>Loans to related parties (considered good - Unsecured)</b>				
Loans to Konkan Railway Welfare Organisation (Ref Note 16.1)		1,505.06		1,505.06
<b>Loans to others (considered good - Secured)</b>				
House Building Advance (HBA)		4.76		4.76
<b>Unsecured, Credit Impaired</b>				
Loans to Konkan Railway Welfare Organisation (Ref Note 16.2)	527.64		527.64	
Less: Allowance for expected Credit loss	527.64	-	527.64	-
<b>TOTAL</b>		<b>1509.82</b>		<b>1509.82</b>

- 16.1 Loan given to Konkan Railway Welfare Organisation (KRWO), formed for the welfare of the employees of the Corporation, carries interest @ 7% p.a and is repayable in 7 years from the date of disbursement. The loans were disbursed during the period 2010-11 to 2014-15. The KRWO has executed simple mortgage deed in favour of the Corporation and accordingly the loan has been classified as unsecured.
- 16.2 As on 31st March 2024 Loan amounting to ₹2,032.69 Lakhs (₹2,032.69 Lakhs) had become due on completion of seven years from the disbursement of respective loans. However, in accordance with Ind AS 109 in order to get fair value, during the previous financial year, the valuation reports of land parcels was obtained from valuers. The total value of land as per valuation report was ₹1,505.06 lakhs. On this basis, during previous financial year the corporation had recognized impairment loss allowance to the extent of ₹1,648.09 Lakhs which includes principal amount of ₹527.64 Lakhs and ₹1,120.45 lakhs towards interest.

**Current Financial Assets**

**17. Other Financial Assets**

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Unsecured, considered good:</b>				
Interest Accrued but not due on Investments and Deposits		133.13		291.12
Other Inter Railway Financial Adjustment (IRFA) Receivables		29,907.22		44,097.78
Receivable from Gratuity Trust		759.01		840.37
Advances to Employees		18.67		47.98
<b>Deposits with</b>				
Others		871.31		74.21
<b>Unsecured, Credit Impaired</b>				
Others	0.90		0.90	
Less: Allowance for expected Credit loss	0.90	-	0.90	-
<b>Unsecured, Credit Impaired</b>				
Interest Accrued on Loans (Refer Note 17.1)	1,120.45		1,120.45	
Less: Allowance for expected Credit loss	1,120.45	-	1,120.45	-
<b>TOTAL</b>		<b>31,689.34</b>		<b>45,351.46</b>



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

17.1 Interest accrued amounting to Nil (₹1120.45 Lakhs) is overdue and the management is in process of recovery from KRWO. Also refer Note 16.2.

**18. Current Tax Assets (Net)**

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Due from Tax Authorities:</b>				
Income Tax & TDS for Current Year		1,634.30		444.48
<b>TOTAL</b>		<b>1,634.30</b>		<b>444.48</b>

**19. Other Current Assets**

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Unsecured and Considered good</b>				
Advances other than capital advances:				
Other Advances: Project Advances		420.84		2,279.26
Advances to Contractors / Suppliers		1,228.16		1,670.92
Prepaid Expenses		92.61		127.06
Duties and Taxes Receivable:				
a) Goods & Services Taxes (GST-ITC)	2,418.61		4,101.37	
b) Goods & Services Taxes - (GST Recd. in Advance)	1,316.60		1,323.79	
c) Income Tax for Earlier Years	533.20	4,268.41	561.46	5,986.62
Deposits with Court for				
Tax Cases (Ref. Note 44 (v))	13.70	13.70	1,125.81	1,125.81
<b>Unsecured, credit impaired</b>				
Project Advances	613.54		613.54	
Less: Allowance for expected Credit loss	613.54	-	613.54	-
Advances to Contractors / Suppliers	5.47		5.47	
Less: Allowance for expected Credit loss	5.47	-	5.47	-
<b>TOTAL</b>		<b>6,023.72</b>		<b>11,189.67</b>



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**20. Equity**

**(a) Equity Share capital**

**(b) Instruments entirely equity in nature**

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Authorised Share Capital</b>				
4,00,00,000 (4,00,00,000) Equity Shares of par value of ₹ 1000/- each		<b>4,00,000.00</b>		4,00,000.00
3,22,24,600 (3,22,24,600) Compulsorily Convertible Non Cumulative 20 Years Preference Shares of par value of ₹ 1000/- each		<b>3,22,246.00</b>		3,22,246.00
85,70,500 (85,70,500) Compulsorily Convertible Non Cumulative 15 Years Preference Shares of par value of ₹ 1000/- each		<b>85,705.00</b>		85,705.00
		<b>8,07,951.00</b>		8,07,951.00
<b>Issued, subscribed and fully paid up Share Capital</b>				
203,71,062 (178,56,062) Equity Shares of par value of ₹1000/- each fully paid up		<b>2,03,710.62</b>		1,78,560.62
<b>(A) Total of Issued, subscribed and fully paid up Share Capital</b>		<b>2,03,710.62</b>		<b>1,78,560.62</b>

20.1 The reconciliation of the number of shares outstanding is set out below :

**Equity Shares**

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number of shares	Amount	Number of shares	Amount
At beginning of the year	<b>1,78,56,062</b>	<b>1,78,560.62</b>	1,62,35,384	1,62,353.84
Changes during the year:				
Right shares issued	-	-	16,20,678	16,206.78
Compulsorily Convertible Non-cumulative 15 Years Preference Shares	<b>25,15,000</b>	<b>25,150.00</b>	-	-
At end of the year	<b>2,03,71,062</b>	<b>2,03,710.62</b>	<b>1,78,56,062</b>	<b>1,78,560.62</b>

20.2 Non-Cumulative Redeemable 20 years/ 15 years Preference Shares totaling to ₹4,07,951 Lakhs held in the name of Ministry of Railways are converted into Compulsory Convertible Non-cumulative Preference Shares (CCPS) w.e.f. 31/03/2015 with the approval of competent authority. Out of the above CCPS amounting to ₹ 25,150 Lakhs were converted into equity shares on 30th March 2024. Further, on 27th May 2024, CCPS amounting to ₹ 8,538.00 lakhs were also converted into Equity shares.



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**21. Instruments entirely equity in nature**

(₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Preference Shares (Refer Note 21.6)</b>				
i) 3,22,24,600 (3,22,24,600) Compulsorily Convertible Non Cumulative 20 Years Preference Shares of par value ₹ 1000/- each.		3,22,246.00		3,22,246.00
ii) 60,55,500 (85,70,500) Compulsorily Convertible Non Cumulative 15 Years Preference Shares of par value ₹ 1000/- each .		60,555.00		85,705.00
<b>TOTAL</b>		<b>3,82,801.00</b>		<b>4,07,951.00</b>

**21.1 Rights, preferences and restrictions attached to Shares**

**Equity Shares**

The Corporation has only one class of equity shares having a par value of ₹ 1000/- each.

The Corporation was incorporated as a joint venture between the Government of India acting through Ministry of Railways and the participating State Governments of Maharashtra, Goa, Karnataka and Kerala to construct and operate the Konkan Railway Broad Gauge Line (KR Route). The Corporation was originally intended to be merged with Indian Railways upon completion of 15 years or as and when its loan liabilities are fully discharged, whichever is earlier. According to the initial MOU, the government of India would pay the contributions made by state governments towards equity at par, after the Corporation liquidates the loan obtained for completing KR route. However, on 7th January 2009, Ministry of Railways communicated the approval of Cabinet Committee on Economic Affairs that the Corporation shall continue as a Central PSU even after discharge of its debt liabilities.

The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders. In the event of Liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining asset of the company after distribution of all preferential payments. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Preference Shares**

KRCL has issued only one type of Preference Shares to Govt. of India (MOR) without voting rights.



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**21.2 The details of Equity Shareholders holding more than 5% shares**

Name of Shareholder	As at 31st March 2024		As at 31st March 2023	
	Number of shares	% held	Number of shares	% held
Ministry of Railways	1,17,07,477	57.47%	91,92,477	51.48%
Government of Maharashtra	39,65,425	19.47%	39,65,425	22.21%
Government of Karnataka	27,03,699	13.27%	27,03,699	15.14%
Government of Kerala	10,81,481	5.31%	10,81,481	6.06%
Government of Goa	9,12,980	4.48%	9,12,980	5.11%

21.3 Non-Cumulative Redeemable 20 years/ 15 years Preference Shares totaling to ₹4,07,951 Lakhs held in the name of Ministry of Railways are converted into Compulsory Convertible Non-cumulative Preference Shares (CCPS) w.e.f. 31/03/2015 with the approval of competent authority. Out of the above CCPS amounting to ₹ 25,150 Lakhs were converted into equity shares on 30th March 2024. Further, on 27th May 2024, CCPS amounting to ₹ 8,538.00 lakhs were also converted into Equity shares.

**21.4 The reconciliation of the number of shares outstanding is set out below :**

(i) Compulsorily Convertible Non-cumulative 20 Years Preference Shares (₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number of shares	Amount	Number of shares	Amount
At beginning of the year	3,22,24,600	3,22,246.00	3,22,24,600	3,22,246.00
Changes during the year	-	-	-	-
At end of the year	3,22,24,600	3,22,246.00	3,22,24,600	3,22,246.00

(ii) Compulsorily Convertible Non-cumulative 15 Years Preference Shares (₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number of shares	Amount	Number of shares	Amount
At beginning of the year	85,70,500	85,705.00	85,70,500	85,705.00
Changes during the year : Conversion to Equity Shares	(25,15,000)	(25,150.00)	-	-
At end of the year	60,55,500	60,555.00	85,70,500	85,705.00



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

21.5 The salient features of Capital Restructuring proposal as approved by Cabinet Committee on Economic Affairs and given effect to, are as follows:

The Loans provided by the Ministry of Railways along with accrued interest thereon as at 31st March, 2008 amounting to ₹ 3,22,246 Lakhs were converted in to Non-cumulative Preferential Shares redeemable at the end of 20 years.

Likewise, the Ministry of Railways has provided financial assistance amounting to ₹85,705 Lakhs by way of subscription to Non-cumulative Preferential Shares redeemable at the end of 15 years towards full debt servicing and 50% of the value of Bonds redeemable during financial years 2008-09 to 2010-11.

Thereafter these Non-Cumulative Redeemable 20 years / 15 years Preference Shares totaling to ₹4,07,951 Lakhs held in the name of Ministry of Railways are converted into Compulsory Convertible Non-cumulative Preference Shares (CCPS) w.e.f. 31/03/2015 with the approval of competent authority. The approval of Central Government has been received on 26th December, 2017.

21.6 The details of Preference Shareholders holding more than 5% shares

Compulsorily Convertible Non-cumulative 20 Years Preference Shares	As at 31st March 2024		As at 31st March 2023	
Name of Shareholder	Number of shares	% held	Number of shares	% held
Ministry of Railways	3,22,24,600	100	3,22,24,600	100

Compulsorily Convertible Non-cumulative 15 Years Preference Shares	As at 31st March 2024		As at 31st March 2023	
Name of Shareholder	Number of shares	% held	Number of shares	% held
Ministry of Railways	60,55,500	100	85,70,500	100





## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

Details of Preference Shares convertible into Equity shares with date of issued along with the earliest date of conversion given here under:-

Sr.No.	Date of issue of preference share	As at 31st March 2024		As at 31st March 2023	
		Amount ( ₹ in Lakhs)	Date of conversion to Equity Share Capital	Amount ( ₹ in Lakhs)	Date of conversion to Equity Share Capital
1	30/03/2009	3,22,246	30/03/2029	3,22,246	30/03/2029
2	24/12/2010	3,499	24/12/2025	3,499	24/12/2025
3	19/11/2010	6,148	19/11/2025	6,148	19/11/2025
4	13/07/2010	4,240	13/07/2025	4,240	13/07/2025
5	25/05/2010	11,794	25/05/2025	11,794	25/05/2025
6	21/04/2010	5,136	21/04/2025	5,136	21/04/2025
7	26/02/2010	2,500	26/02/2025	2,500	26/02/2025
8	30/11/2009	6,750	30/11/2024	6,750	30/11/2024
9	30/10/2009	8,200	30/10/2024	8,200	30/10/2024
10	01/10/2009	3,750	01/10/2024	3,750	01/10/2024
11	27/05/2009	8,538	27/05/2024	8,538	27/05/2024
12	30/03/2009	-	-	25,150	30/03/2024
	<b>TOTAL</b>	<b>3,82,801</b>		<b>4,07,951</b>	

#### 21.7 Details of Shares held by promoters at 31st March 2024

Promoter name	No. of Shares	% of total shares	% Change during the year
<b>Equity Share</b>			
Ministry of Railways	1,17,07,477	57.47%	5.99%
Government of Maharashtra	39,65,425	19.47%	-2.74%
Government of Karnataka	27,03,699	13.27%	-1.87%
Government of Kerala	10,81,481	5.31%	-0.75%
Government of Goa	9,12,980	4.48%	-0.63%
<b>Compulsorily Convertible Non Cumulative 20 Years Preference Shares of par value ₹1000/- each.</b>			
Ministry of Railways	3,22,24,600	100.00%	0.00%
<b>Compulsorily Convertible Non Cumulative 15 Years Preference Shares of par value ₹1000/- each.</b>			
Ministry of Railways	60,55,500	100.00%	0.00%



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**Shares held by promoters at 31st March 2023**

Promoter name	No. of Shares	% of total shares	% Change during the year
<b>Equity Share</b>			
Ministry of Railways	91,92,477	51.48%	-1.33%
Government of Maharashtra	39,65,425	22.21%	-0.57%
Government of Karnataka	27,03,699	15.14%	3.02%
Government of Kerala	10,81,481	6.06%	-0.61%
Government of Goa	9,12,980	5.11%	-0.51%
<b>Compulsorily Convertible Non Cumulative 20 Years Preference Shares of par value ₹1000/- each</b>			
Ministry of Railways	3,22,24,600	100.00%	0.00%
<b>Compulsorily Convertible Non Cumulative 15 Years Preference Shares of par value ₹1000/- each</b>			
Ministry of Railways	85,70,500	100.00%	0.00%

**21.8 Information regarding issue of shares in last five years immediately preceding the Balance Sheet date:**

Particulars	31st March 2024	31st March 2023
1) Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash.	NIL	NIL
2) Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	NIL	NIL
3) Aggregate number and class of shares bought back.	NIL	NIL

**22. Other Equity**

**A) Retained Earnings**

( ₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
<b>Deficit in the Statement of Profit and Loss</b>		
Balance as at the beginning of the year	(3,33,292.01)	(3,61,146.94)
Restated Balance as at the beginning of the year	(3,33,292.01)	(3,61,146.94)
Add/(Less) : Profit/(Loss) for the year	31,439.32	27,854.93
Add/ (Less): Equity Component in Debt Instruments (Ref Note: 23.2.3)	7,685.62	7,685.62
Balance as at the end of the year	<b>(2,94,167.06)</b>	<b>(3,25,606.39)</b>



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**B) Other Comprehensive Income**

( ₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
<b>Remeasurements of Defined Benefit Plans Obligations</b>		
Balance as at the beginning of the year	(82,927.27)	(67,781.13)
Add/(Less) : Additions during the year	(7,235.83)	(15,146.14)
<b>Balance as at the end of the year</b>	<b>(90,163.10)</b>	<b>(82,927.27)</b>

**C) Share Application Money Pending Allotment**

( ₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
<b>Share Application Money Pending Allotment</b>		
Balance as at the beginning of the year	-	2,669.77
Share application money received during the financial year	-	13,537.01
Issue of Share Capital against the Share Application money	-	16,206.78
Balance as at the end of the year	-	-
<b>Total Other Equity (A+B+C)</b>	<b>(3,84,330.16)</b>	<b>(4,08,533.66)</b>

**Non-current Financial Liabilities**

**23. Borrowings**

**(A) Bonds:**

( ₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
<b>Secured and issued through Private Placement</b>		
7.94%, 1200 taxable bonds of ₹10 lakh each 19- I series redeemable on 01.10.2029 (Refer Note 23.1 (d))	12,000.00	12,000.00
7.65%, 3000 taxable bonds of ₹ 10 lakh each 18-I series redeemable on 22.09.2026	30,000.00	30,000.00
8.30%, 500 taxable bonds of ₹ 10 lakh each 17-III series redeemable on 29.04.2026	5,000.00	5,000.00
8.50%, 2500 taxable bonds of ₹10 lakh each 17-II series redeemable on 30.03.2026	25,000.00	25,000.00
9.08%, 5000 taxable bonds of ₹ 10 lakh each 16-IV series redeemable on 25.09.2024	-	50,000.00
9.18%, 1100 taxable bonds of ₹ 10 lakh each 16-III series redeemable on 11.08.2024	-	11,000.00
9.15%, 1700 taxable bonds of ₹ 10 lakh each 16-II series redeemable on 21.07.2024	-	17,000.00
<b>TOTAL (A)</b>	<b>72,000.00</b>	<b>1,50,000.00</b>



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**23.1**

- (a) The IDBI Trusteeship Services Limited has been appointed as Trustees to the Bond Holders for all series of Bonds.
- (b) All Bonds issued by the Corporation under various Series are secured by way of pari-passu charges / mortgage created / to be created on movable / immovable assets of the Corporation except book debts.
- (c) Corporation is authorised to reissue all bonds u/s 121 of the Companies Act, 1956 (Corresponding section 73 notified under Companies Act, 2013) after complying all the formalities required for reissue or fresh issue of bonds or both.
- (d) These bonds carry a put and call option on 01/10/2024, giving a right, to redeem the bonds before scheduled redemption date at par at the end of 5 years from the date of allotment .
- (e) In terms of Section 71 of the Companies Act, 2013 the Corporation is required to create a Debenture Redemption Reserve of an adequate amount in respect of bonds issued. However, due to accumulated losses no Debenture Redemption Reserve has been created by the Corporation.
- (f) Letter of Comfort has been given by the Ministry of Railways in respect of all the Bonds issued for which No fees has been charged by MOR .
- (g) The bonds are listed on National Stock Exchange.

**23.2 Non-current Financial Liabilities:**

**Borrowings:**

**(B) Term Loans:**

( ₹ in Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
<b>Secured:</b>				
<b>From Banks:</b>				
Loans from State Bank of India (SBI) (Ref Note: 23.2.1)		65,624.84		69,124.83
Loan from Bank of Baroda (Ref Note: 23.2.2)		52,250.00		-
<b>From Other Financial Institutions:</b>				
Export-Import Bank of India (Ref Note: 23.2.1)		47,493.56		49,368.56
<b>Unsecured:</b>				
<b>Related Party</b>				
Assistance from MOR (Ref Note: 23.2.3)		13,305.84		33,838.94
<b>TOTAL (B)</b>		<b>1,78,674.24</b>		<b>1,52,332.33</b>
<b>TOTAL A+B</b>		<b>2,50,674.24</b>		<b>3,02,332.33</b>



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

#### 1) Details of Terms & Condition, Rate of Interest, repayment schedule for Rupee term Loan

- (a) Konkan Railway Corporation Limited (KRCL) had entered into a Rupee Term Loan Agreement for ₹ 1,20,000.00 Lakhs for 20 years tenure on 9th April, 2017 with consortium of State Bank of India (lead bank) and Export-Import Bank of India for its Route Electrification and Roha to Veer Doubling Project. With effect from 1st September 2023, the interest rate applicable is 3-month MCLR of SBI (presently, 8.20%) with quarterly re-set clause. Before 1st September 2023, the interest rate applicable is 1 year MCLR of SBI with annual re-set clause. The repayment of loan started from March 2024 quarter and future repayment will be done as per schedule mentioned in (c).
- (b) The facility is secured by way of a pari passu charge by way of hypothecation on all Fixed Assets pertaining to the project, both present and future.
- (c) Quarterly Repayment is scheduled after moratorium period as per below mentioned schedule:

Qtr	Repayment % per Qtr	Amount in Lakhs (per quarter)	Repayment % per Annum	Amount in Lakhs
1-16	1.25	1,500.00	5.00	24,000.00
17-20	0.13	150.00	.50	600.00
Bullet repayment option at the end of 10th year	NA	NA	79.50	95400 (Lumpsum)

In case rollover is opted Rollover amortisation schedule:

Qtr	Repayment % per Qtr	Amount in Lakhs	Repayment per Annum %	Amount in Lakhs
21-56	1.88	2,250.00	7.50	81,000.00
57-60	3.00	3,600.00	12.00	14,400.00

#### 2) Details of Terms & Condition, Rate of Interest, repayment schedule for Loan from Bank of Baroda

The Corporation has availed corporate loan amounting to ₹ 55,000.00 lakhs during the FY 2023-24 for 126 months to meet the long term working capital requirement . The interest rate applicable is 1 year G-sec (presently, 8.15% annualized) reset at every 3 months. The loan is repayable in 40 equal quarterly installments of ₹1,375.00 Lakhs commencing from 01st October 2024. The facility is secured by way of a Parri-Passu charge on all fixed assets, both present and future except current assets.

#### 3) Details of Terms & Condition, Rate of Interest, repayment schedule for Loan from Ministry of Railways.



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

The company has received ₹ Nil (₹14,500.00 Lakhs) from Ministry of Railways as Financial Assistance to be repayable in three years from date of disbursement bearing nil interest rate. Since the transaction value and fair value of the said assistance differs with respect to rate of interest the said assistance is required to be discounted using company's cost of debt. The difference between the fair value and transaction value has been adjusted in Other Equity as per the requirement of IndAS-109.

**Non-current Financial Liabilities:**

**24. Lease Liabilities**

(₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Lease Liability (Refer Note : 48)	1,136.57	2,156.49
<b>TOTAL</b>	<b>1,136.57</b>	<b>2,156.49</b>

**25. Non-current Liabilities: Provisions**

(₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
<b>Provision for employee benefits</b>		
Compensated Leave Absences	33,566.12	30,366.85
Employee Pension Scheme (Refer Note: 25.1)	60,654.26	60,895.90
Gratuity (Refer Note: 25.1)	7,305.07	7,798.12
Post Retirement Medical Benefits	3,859.24	3,416.53
<b>TOTAL</b>	<b>1,05,384.69</b>	<b>1,02,477.40</b>

25.1 Net of the amount of Investments held by KRCL Employees Super Annuation Trust and KRCL Employee's Gratuity Trust.

**26. Other Non-current Liabilities**

(₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Deferred government grant (Ref note: 26.1 & 26.2)	5,886.12	6,089.75
Advance received from Customers	3,186.00	-
<b>TOTAL</b>	<b>9,072.12</b>	<b>6,089.75</b>





## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

- 26.1 Government Grant includes grant received from Ministry of Tourism for Station development for passenger amenities including interest earned on the same and Grant received from MP LAD Fund.
- 26.2 During the previous financial year, KRCL had received ₹2,275.00 Lakhs from Kolhapur PWD for construction of RUB in lieu of LC-21, ₹165.00 Lakhs from MP LAD for passenger amenities and ₹ 750.00 Lakhs from Ministry of Tourism.

## 27. Borrowings

( ₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
<b>Unsecured Loan</b>		
<b>Repayable on Demand</b>		
IndusInd Bank (Ref note: 27.1)	30,000.00	5,000.00
<b>Interest Accrued but not due</b>		
On Bonds	5640.78	5,640.78
On Loans From Financial Institution & Banks	859.71	818.76
<b>Current Maturities of Long term Borrowings</b>		
<b>From Bonds</b>		
9.08%, 5000 taxable bonds of ₹ 10 lakh each 16-IV series redeemable on 25.09.2024	50,000.00	-
9.18%, 1100 taxable bonds of ₹ 10 lakh each 16-III series redeemable on 11.08.2024	11,000.00	-
9.15% 1700 taxable bonds of ₹ 10 lakh each 16-II series redeemable on 21.07.2024	17,000.00	-
<b>From Banks:</b>		
Loans from State Bank of India (SBI)	3,500.00	875.00
Loan from Bank of Baroda	2,750.00	-
<b>From Other Financial Institutions:</b>		
Export-Import Bank of India	2,500.00	625.00
<b>From Related Parties:</b>		
Assistance from MOR (Ref Note: 23.2.3)	23,213.52	-
<b>TOTAL</b>	<b>1,46,464.01</b>	<b>12,959.54</b>



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of Consolidated Financial Statements

- 27.1 Indusind Bank vide Sanction letter No. IBL/Public Sector Unit-WEST/SLR-12053/FY 22-23 Dated 4th Nov 2022 has enhanced the limit of short-term loan previously sanctioned on 1st June 2022 from ₹ 10,000.00 Lakhs to ₹ 30,000.00 Lakhs. The purpose of the loan is for augmentation of working capital for temporary cash flow mismatch. The rate of interest is @ 7.40% p.a. (Linked to 3 months T-bill rate). The loan is repayable within one year from each tranche of withdrawal.

#### Current Financial Liabilities:

#### 28. Lease Liabilities

( ₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Lease Liability (Refer Note 48)	1,283.19	1,343.97
<b>TOTAL</b>	<b>1,283.19</b>	<b>1,343.97</b>

#### 29. Trade Payables

( ₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Contractors	1,641.03	8,432.19
Contractors - Project	13,580.80	20,846.30
Railways	85,493.82	88,363.08
Project Payables	17,416.90	23,517.66
<b>TOTAL</b>	<b>1,18,132.55</b>	<b>1,41,159.23</b>

#### Details relating to Micro, Small and Medium enterprises (Ref. Note: 29.1):

(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;		
Principal Outstanding	1355.45	764.93
Interest Outstanding	NIL	0.79
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	NIL	NIL



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Act, 2006;	NIL	27.81
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	28.6
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL
Explanation.- The terms 'appointed day', 'buyer', 'enterprise', 'micro enterprise', 'small enterprise' and 'supplier', shall have the same meaning as assigned to them under clauses (b), (d), (e), (h), (m) and (n) respectively of section 2 of the Micro, Small and Medium Enterprises Development Act, 2006."		

29.1 Purchase orders to MSME parties are separately identified and processed for payment to avoid delay in payment. There is no demand/complain from MSME parties for non receipt of payment or interest on delayed payment.

29.2 There is no incidence of extended credit terms with reference to Trade Payables.

**29.3. Trade Payables Ageing Schedule**

( ₹ in Lakhs)

FOR FY 2023-24	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1,355.45	-	-	-	1,355.45
(ii) Others	31,759.97	29,692.96	14,663.15	40,661.02	1,16,777.10
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

( ₹ in Lakhs)

FOR FY 2022-23	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	764.93	-	-	-	764.93
(ii) Others	78,279.23	21,763.93	5,461.31	34,889.82	1,40,394.29
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**Current Financial Liabilities**

**30. Other Financial Liabilities**

( ₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Employee payable	3,502.42	5,518.12
NPS Payable	677.11	625.90
Expenses Payable	15,064.41	14,628.79
Other Payables		
For Capital Works	9,487.59	1,023.90
To Associates (Refer Note : 30.1)	-	2,325.90
For Others (Refer Note : 30.2, 30.3)	6,159.21	8,619.18
Deposits from		
Contractors & Others (Refer Note : 30.4)	44,028.80	38,117.32
Associates	250.00	500.00
<b>TOTAL</b>	<b>79,169.54</b>	<b>71,359.11</b>

- 30.1 The amount of other Payables includes amount of Bank Guarantee encashed relating to Jaigarh Digni Rail Limited (JV) consequent to non-achievement of milestone of financial closure as detailed in Note 12.2. The amount was refunded to JDRL on closure of concession agreement on 11th August 2023.
- 30.2 The amount of other payables includes an amount of ₹ 2500.00 lakhs received from RDSO for research and development of SKY Bus Technology which is refundable as per the letter received from Railway Board vide no 2K/Proj/SBM/1/1Pt. dated 26/10/2015.
- 30.3 The amount of Other Payables includes an amount of ₹2037.97 Lakhs (₹2070.67 Lakhs) forfeited from the parties related to USBRL project . The same needs to be refunded to Northern Railway once the arbitration proceedings related to this are completed in all respects.
- 30.4 Pending verification of the impact of GST in respect of contract awarded for USBRL Project in the pre GST regime involving Excise and Service Tax, certain percentage of deductions from the bill of sub contractors are kept in deposits from contractors to the tune of ₹ 11,658.75 Lakhs (₹9,700.83 Lakhs).



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

#### 31. Other Current Liabilities (₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Advance received from Customers (Refer note 31.1)	9,824.72	49,045.72
From Associates	26.10	26.10
Duties and Taxes Payable :		
a) Goods & Services Taxes (GST)	794.47	2,051.88
b) Goods & Services Taxes - Tax Deducted Source (GST - TDS)	643.52	834.53
c) Income Tax Deducted at Source	1,299.41	1,515.83
d) Labour Cess	305.21	433.92
Deferred Government Grant	249.23	204.02
<b>TOTAL</b>	<b>13,142.66</b>	<b>54,112.00</b>

31.1 Advance received from customers includes loss due to foreign currency fluctuation to the extent of ₹ 0.32 Lakhs (Profit ₹ 0.12 Lakhs).

#### 32. Current Liabilities : Provisions (₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Provision for employee benefits :		
Employee Pension Scheme*	6,310.57	6,459.50
Gratuity*	1,588.08	1,575.38
Compensated Leave Absences	1,410.71	1,042.03
Post Retirement Medical Benefits	66.60	50.23
<b>TOTAL</b>	<b>9,375.96</b>	<b>9,127.14</b>

\* Net of the amount of Investments held by KRCL Employees Super Annuation Trust and KRCL Employees' Gratuity Trust.

#### Revenue From Operations

##### Sale of Services:

#### 33. Traffic Revenue (₹ in Lakhs)

Particulars	For the Year Ended	
	31st March 2024	31st March 2023
Passenger	1,01,610.51	96,242.71
Other Coaching Revenue	1,389.11	1,266.76
Goods	68,917.05	73,646.75
Sundry Revenue	1,145.14	994.83
<b>TOTAL</b>	<b>1,73,061.81</b>	<b>1,72,151.05</b>



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

#### 34. Project Revenue

( ₹ in Lakhs)

Particulars	For the Year Ended	
	31st March 2024	31st March 2023
Udhampur Srinagar Baramulla Rail Link (USBRL) Project (Ref Note: 34.1 (c) )	2,52,237.21	3,13,514.68
NTPC Kudgi	263.16	785.19
NTPC Gadawara	4,293.21	1,881.50
Rolling Stock Component Factory	6,911.71	8,125.30
Other Projects (Ref Note: 34.1 (c) )	6,104.84	3,163.71
<b>TOTAL</b>	<b>2,69,810.13</b>	<b>3,27,470.38</b>

#### 34.1

- (a) The Contract agreement between the Corporation and Northern Railway for the execution of USBRL Project was initially upto 15.08.2007 and validity of the contract was extended upto 31.03.2025.
- (b) In terms of the contract between the Corporation and Northern Railway for execution of USBRL Project, monthly account statements are being submitted by the Corporation in the mutually agreed proforma incorporating all the expenses and 10% profit. So far there is no disallowances of any item of expenditure. Disallowance if any will be incorporated in the accounts on its occurrence.  
  
NTPC Kudgi Project and NTPC Gadawara Project were awarded to KRCL on bidding basis. KRCL is eligible for management fees of certain percentage of the estimated cost of the works and the expenses other than project related, like Salary, Administrative expenses are to be born by the Corporation.
- (c) The Project Revenue of USBRL and Other projects includes unbilled revenue to the tune of ₹ 3261.54 Lakhs (₹8817.46 Lakhs) and ₹ 95.42 Lakhs (Nil) respectively.
- (d) Reconciliation of Gross Revenue from Contracts with Customers

( ₹ in Lakhs)

Particulars	For the Year Ended	
	31st March 2024	31st March 2023
Traffic Revenue	1,73,061.81	1,72,151.05
Project Revenue	2,69,810.13	3,27,470.38
Total	4,42,871.94	4,99,621.43
Less : Discount, incentives, price concession, return, etc.	-	-
<b>TOTAL</b>	<b>4,42,871.94</b>	<b>4,99,621.43</b>





**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**35. Other Operating Revenue:**

( ₹ in Lakhs)

Particulars	For the Year Ended	
	31st March 2024	31st March 2023
Other Operating Revenue	2,524.01	2,542.09
Other Miscellaneous Income	767.24	683.29
<b>TOTAL</b>	<b>3,291.25</b>	<b>3,225.38</b>

**36. Other Income**

( ₹ in Lakhs)

Particulars	For the Year Ended	
	31st March 2024	31st March 2023
Interest on Investments and Fixed Deposits (Ref Note:36.1)	16,949.53	11,652.10
Interest on Loans	2.04	73.59
Revenue from Government Grant (Refer Note 36.2)	241.39	239.20
Other Income	37.36	30.92
Profit on Sale of Asset	0.22	1.38
Profit on Sale of Investment in Associate (Refer Note 12.2)	1,274.67	-
Excess provision of earlier years written back (net) (Refer Note 36.3)	4,359.34	381.03
<b>TOTAL</b>	<b>22,864.55</b>	<b>12,378.22</b>

36.1 Interest on investment include interest earned on part of revolving advance received from Northern Railway for USBRL project parked with LIC of ₹ Nil (₹ 583.87 lakhs). KRCL has transferred interest @ Nil % p.a. (6% p.a) to Northern railway as against 7.92% p.a (7.75 % p.a) earned by the company (intimated by LIC at year end).

36.2 The Revenue from Government grant includes amount received from Nirbhaya Fund worth ₹205.49 Lakhs (₹223.67Lakhs) utilised for installation of CCTV Surveillance System.

36.3 The Other Income "excess provision of earlier years written back " includes reversal on account of Indian Railway Financial Adjustment (IRFA) charges amounting to ₹ 2433.28 Lakhs (Nil), due to full and final settlement of Account of respective years. Also, it includes reversal on account of excess provision of Tuition Fees amounting to ₹1147.33 Lakhs (Nil).



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**Cost of Operation :**

**37. Train Operation Expenses**

( ₹ in Lakhs)

Particulars	For the Year Ended			
	31st March 2024		31st March 2023	
Fuel expenses :				
Diesel Charges	8,439.35		28,666.27	
Electricity Charges	14,218.45	22,657.80	6,942.99	35,609.26
Hire Charges of Rolling Stock		25,892.77		23,992.35
Electricity and Water Charges		693.44		672.81
Catering Expenses		1,190.98		1,118.75
Repair and Maintenance				
Permanent Way	7,110.04		5,275.45	
Station and Other Buildings	1,273.50		553.41	
Plant and Equipments	2,704.74		1,499.42	
Bridges & Tunnels	549.47		203.14	
Rolling Stock	1,299.75	12,937.50	868.29	8,399.71
Inventory Consumed for Stores & Spares (Ref Note 11.1)		1,710.28		1,491.18
<b>TOTAL</b>		<b>65,082.77</b>		<b>71,284.06</b>



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**38. Project Cost**

(₹ in Lakhs)

Particulars	For the Year Ended			
	31st March 2024		31st March 2023	
<b>Udhampur Srinagar Baramulla Rail Link Project</b>				
Payment to contractors	2,21,991.17		2,78,253.65	
Establishment charges	6,205.98		5,673.72	
Other than Establishment charges	2,375.44	2,30,572.59	2,140.48	2,86,067.85
<b>NTPC Kudgi</b>				
Payment to contractors	266.84		762.95	
Establishment charges	7.72		14.45	
Other than Establishment charges	3.91	278.48	4.52	781.92
<b>NTPC Gadarwara</b>				
Payment to contractors	4,200.52		1,881.51	
Establishment charges	225.06		255.31	
Other than Establishment charges	34.12	4,459.70	36.31	2,173.13
<b>Rolling Stock Component Factory</b>				
Payment to contractors	6,568.15		7,483.52	
Establishment charges	72.98		100.33	
Other than Establishment charges	26.63	6,667.76	5.68	7,589.53
<b>Other Projects</b>				
Payment to contractors	2,137.83		2,393.44	
Establishment charges	1,885.90		656.78	
Other than Establishment charges	1,109.27	5,133.00	821.10	3,871.32
<b>TOTAL</b>		<b>2,47,111.53</b>		<b>3,00,483.75</b>

**39. Changes in Inventory of Work in Progress**

(₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Opening Inventory of Work in Progress	1,271.25	140.81
Less : Closing Inventory of Work in Progress	1,460.86	1,271.25
<b>TOTAL</b>	<b>(189.61)</b>	<b>(1,130.44)</b>



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**40. Employee Benefits Expense**

( ₹ in Lakhs)

Particulars	For the Year Ended			
	31st March 2024		31st March 2023	
<b>Salaries and wages</b>				
Salary and wages	53,786.80	58,170.10	50,804.24	56,421.33
Compensated Leave Absences	4,383.30		5,617.09	
<b>Contribution to Provident Fund and Other Fund</b>				
Employee Pension Scheme	10,229.56	14,475.94	9,412.84	13,380.30
Gratuity	1,892.93		1,879.62	
Contribution to Provident Fund and NPS (Refer Note No. 40.5)	2,353.45		2,087.84	
<b>Staff Welfare Expenses</b>				
Staff Welfare Expenses	2,837.35	3,918.60	2,833.20	4,431.10
Post Retirement Medical Benefits	429.84		1,411.27	
Cash Awards	28.26		17.97	
Training Expenses (Refer No. 40.4)	568.83		62.98	
Foreign Service Contribution	54.32		105.68	
<b>TOTAL</b>		<b>76,564.64</b>		<b>74,232.73</b>

40.1 The High Court of Bombay in April 2008 exempted the Corporation from the purview of Employees Provident Fund and Miscellaneous Provisions Act, 1952 and permitted the Corporation to maintain its own provident fund and pension scheme. Accordingly, Pension was restored as per Railway Service (Pension) Rules, 1993 and it is managed by erstwhile 'Konkan Railway Corporation Employees Superannuation Trust' through Life Insurance Corporation of India. As per amendment made on 15th Feb 2021, pension is managed by KRCL Employees Superannuation trust through LIC or any other insurer as defined in clause 28BB of Section 2 of the Income Tax Act, 1961.

However, the employees those who have joined on or after 1.1.2004 are continued to be governed by the 'National Pension System' as announced by the Government of India.

40.2 An amount ₹ 66.02 Lakhs (Previous year ₹ 154.81 Lakhs) has been deducted from Salary, Wages and Allowance etc. and charged to Capital/Deposit Work on account of Direction & General/Establishment expenses.

40.3 Out of Actuarial Expenses charged, Pension Expense ₹ 346.35 Lakhs ( ₹247.31 Lakhs), Gratuity Expenses ₹ 44.24 Lakhs ( ₹41.19 Lakhs), Compensated Leave Absences Expenses ₹ 102.44 Lakhs ( ₹ 123.10 Lakhs) and PRMS expenses ₹ 11.39 Lakhs ( ₹ 30.91 Lakhs) have been charged to USBRL Project based on number of employees deployed to the project.

40.4 Training Fees payable to ZRTI, Bhusawal for previous periods amounting to ₹ 470.33 Lakhs has been provided during current financial year. Also ref note 44(xi).

40.5 Disclosures for Employee benefit expenses as per Ind-AS 19 are given below :

Employees Contribution for National Pension System (NPS) is deducted at 10%, whereas as employer contribution is made at the rate of 14%.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

**(A) Defined Contribution Plan :**

- (i) The employees joined on or after 1.1.2004 are governed by the Contributory Pension Scheme introduced by Government of India. The Corporation is contributing an amount equal to the contribution made by the employees to the fund or the rate notified by the Ministry of Finance and Railway Board and there is no further liability on this account.

( ₹ in Lakhs)

(ii) Particulars	For the Year Ended	
	31st March 2024	31st March 2023
Employer's Contribution to Pension Fund (Post 2004)	2,254.61	2,002.80

**(B) Defined Benefit Plan :**

- (i) Gratuity: The employees' gratuity fund scheme managed by a Trust, is a defined benefit plan. The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. Represents benefits to employee on the basis of number of years of service rendered. The employee is entitled to receive the same on retirement or resignation or death. The Corporation has formed a trust for gratuity, which is funded by the Corporation. However the funding to Gratuity fund as required by actuary valuation is partly funded.
- (ii) Pension : It represents benefits to employees joined prior to 1.1.2004 on the basis of rules framed in the Employees Pension Scheme. Rules as under:
- Retirement pension on normal retirement at age of superannuation.
  - No pension benefits accrue on exits before Normal Retirement age (except in case of approved Voluntary Retirement).
  - In-service death benefit to spouse:  
There is no qualifying period of minimum service prescribed for Family Pension @ 30% of last drawn salary subject to minimum of monthly amount of ₹ 9,000/- and a maximum of ₹ 1,25,000/- is payable to spouse/eligible person as per Indian Railway Pension Rule, 1993. However for the first 10 years from date of death, Enhanced Family Pension @ 50% of last drawn salary, will be payable.
  - Benefit to Family on death of member while receiving pension:  
Family pension as defined above shall be payable to the family. However until 7 years from the date of death or up to his age of 67 years whichever is less, Enhanced Family Pension as defined above shall be payable.
  - For all Pension payments DA is allowed for at an appropriate rate consistent with the rates declared by the Corporation.

**Voluntary Retirement Scheme:**

The Corporation has implemented the Voluntary Retirement Scheme (VRS) as applicable to Central Government employees and Railway employees w.e.f.01.06.2016.

- (iii) Post Retirement Medical Benefit Plan for Employees including their spouse at superannuation/death/VRS/medically invalidation against one time contribution equivalent to the last month's basic pay at the time of retirement as per KRREHS Policy.



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**40 ( C) INDIAN ACCOUNTING STANDARDS (IND AS): 19 - Employee Benefits**

The following table sets out the status of the defined benefit Pension Plan, Gratuity Plan and Leave Salary Plan as required under Ind AS 19:  
( ₹ in Lakhs)

Particulars	Funded		Funded		Unfunded		Unfunded	
	Pension		Gratuity		PRMS		Leave Salary	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<b>Reconciliation of opening and closing balances of Defined Benefit Obligation</b>								
Defined benefit obligation at the beginning of the year	1,53,222.96	1,30,195.65	34,416.78	31,886.78	3,411.00	1,969.00	31,408.88	26,806.72
Adj. to PVO at the beginning of the year	-	-	-	-	-	-	-	-
Current Service Cost	5,684.36	5,746.21	1,386.33	1,385.00	244.95	1,442.00	760.66	948.56
Interest Cost	11,486.17	9,563.94	2,485.69	2,169.00	253.94	-	2,295.41	1,888.81
Components of actuarial gain/losses on obligations	-	-	-	-	-	-	-	-
Due to change in financial assumptions	7,949.80	4,597.61	543.60	(193.00)	214.57	-	659.99	2,202.19
Due to change in demographic assumptions	-	-	-	-	-	-	-	-
due to experience adjustments	(1,218.26)	9,838.44	(247.63)	295.00	(203.55)	-	769.67	700.64
Actuarial losses (gains)	6,731.54	14,436.05	295.97	102.00	-	-	1,429.66	2,902.83
Past service cost	-	-	-	-	-	-	-	-
Benefits paid	(6,903.93)	(6,718.89)	(1,092.26)	(1,126.00)	4.92	-	(917.78)	(1,138.04)
Defined benefit obligation at the year end	1,70,221.10	1,53,222.96	37,492.51	34,416.78	3,925.83	3,411.00	34,976.83	31,408.88
<b>Reconciliation of opening and closing balances of Fair Value of Plan Assets</b>								
Fair value of plan assets at the beginning of the year	85,867.55	74,810.22	25,097.90	23,309.90	-	-	-	-
Interest Income	6,594.61	5,650.00	1,934.87	1,633.00	-	-	-	-
Contributions by employer	17,402.53	12,515.27	3,191.24	1,500.00	-	-	-	-
Benefit Paid	(6,903.93)	(6,718.89)	(1,092.26)	(1,126.00)	-	-	-	-
Return on plan assets excluding amounts included in interest income	295.50	(389.05)	(492.80)	(219.00)	-	-	-	-
Fair value of plan assets at the year end	1,03,256.26	85,867.55	28,638.95	25,097.90	-	-	-	-
The actual return on plan asset is ₹	6,890.11	5,260.95	1,442.07	1,414.00	-	-	-	-
<b>Reconciliation of present value of the obligation and fair value of the plan assets</b>								
Present Value of Funded obligation at the year end	1,70,221.10	1,53,222.96	37,492.51	34,416.78	-	-	-	-
Present Value of Unfunded obligation at the year end	-	-	-	-	3,925.83	3,411.00	34,976.83	31,408.88
Fair Value of Plan assets at the year end	1,03,256.26	85,867.55	28,638.95	25,097.90	-	-	-	-
<b>Amount Recognised in the Balance Sheet</b>	66,964.84	67,355.41	8,853.56	9,318.88	3,925.83	3,411.00	34,976.83	31,408.88
<b>Composition of plan assets</b>								
Policy of insurance	78.00%	84.00%	100%	100%	-	-	-	-
GOI Securities	21.00%	13.00%	-	-	-	-	-	-
Cash at bank	1.00%	3.00%	-	-	-	-	-	-





**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

( ₹ in Lakhs)

Particulars	Funded		Funded		Unfunded		Unfunded	
	Pension		Gratuity		PRMS		Leave Salary	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<b>Net Cost recognised in Statement of Profit and Loss</b>								
(Under the head "Employee Benefit Expenses" - Refer note no.40)								
Current Service Cost	5,684.36	5,746.21	1,386.33	1,385.00	244.95	1,442.00	760.66	948.56
Interest Cost	11,486.17	9,563.94	2,485.69	2,169.00	-	-	2,295.41	1,888.81
Past service cost	-	-	-	-	-	-	-	-
Interest Income	(6,594.61)	(5,650.00)	(1,934.87)	(1,633.00)	253.94	-	-	-
Due to change in financial assumptions	-	-	-	-	-	-	659.99	2,202.19
Due to change in demographic assumptions	-	-	-	-	-	-	-	-
due to experience adjustments	-	-	-	-	-	-	769.67	700.64
Total cost considered as Employee Benefit expenses	10,575.92	9,660.15	1,937.15	1,921.00	498.89	1,442.00	4,485.73	5,740.20
<b>Other Comprehensive Income</b>								
Other Comprehensive Income at the beginning of the year	74,659.35	59,834.25	8,267.41	7,946.41	-	-	-	-
Components of actuarial gain/losses on obligations	-	-	-	-	-	-	-	-
Due to change in financial assumptions	7,949.80	4,597.61	543.60	(193.00)	214.57	-	-	-
Due to change in demographic assumptions	-	-	-	-	-	-	-	-
due to experience adjustments	(1,218.26)	9,838.44	(247.63)	295.00	(203.55)	-	-	-
Actuarial (Gains)/Losses on Obligation	6,731.54	14,436.05	295.97	102.00	-	-	-	-
Return on plan assets excluding amounts included in interest income	(295.50)	389.05	492.80	219.00	-	-	-	-
Other Comprehensive Income at the end of the year	81,095.39	74,659.35	9,056.18	8,267.41	11.02	-	-	-
<b>Reconciliation of opening and closing net liability recognized in Balance Sheet</b>								
Net Liability at the beginning of the year	67,355.40	55,385.42	9,319.88	8,577.88	3,411.00	-	31,408.64	26,806.48
Expenses as recognized in profit and loss account	10,575.92	9,660.15	1,937.15	1,921.00	498.89	-	4,485.73	5,740.20
Other Comprehensive Income for the current period	6,436.04	14,825.10	788.77	321.00	11.02	-	-	-
Expenses deducted from the fund	-	-	-	-	-	-	-	-
Benefits paid by the Company	-	-	-	-	4.92	-	(917.78)	(1,138.04)
Employers Contribution	(17,402.53)	(12,515.27)	(3,191.24)	(1,500.00)	-	-	-	-
Net liability/(Asset) recognized in Balance Sheet at the year end	66,964.83	67,355.40	8,854.56	9,319.88	3,925.83	-	34,976.59	31,408.64
<b>Principal Actuarial Assumptions: -</b>								
Discount Rate	7.20%	7.50%	7.20%	7.40%	7.20%	7.50%	7.20%	7.40%
Salary Escalation	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Pension growth rate	2.50%	2.50%	NA	NA	NA	NA	NA	NA
Withdrawal rates at all stages	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%
Medical Growth rate	-	-	-	-	4.00%	4.00%	-	-
Cost of Medical Claims (in ₹)	-	-	-	-	10,000.00	10,000.00	-	-



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

(₹ in Lakhs)

Particulars	Funded		Funded		Unfunded		Unfunded	
	Pension		Gratuity		PRMS		Leave Salary	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<b>Sensitivity to key assumptions</b>								
Discount rate + 0.5%	1,57,091.28	1,40,704.39	36,157.00	33,134.00	3,582.77	-	33,363.26	29,916.00
Discount rate - 0.5%	1,84,551.88	1,65,807.81	38,909.00	35,778.00	4,312.32	-	36,717.57	33,020.00
Salary growth rate + 0.5%	1,74,133.61	1,56,832.09	37,913.00	34,866.00	3,871.22	-	36,695.91	33,003.00
Salary growth rate - 0.5%	1,66,031.15	1,48,372.29	37,025.00	33,928.00	3,977.52	-	33,367.59	29,917.00
Medical Inflation Rate + 0.5%	-	-	-	-	4,379.83	-	-	-
Medical Inflation Rate - 0.5%	-	-	-	-	3,517.84	-	-	-
<b>Expected Post employment term of the obligation</b>	15.53	16.00	7.75	8.30	17.92	19.00	9.72	10.48
<b>Expected future cashflows from the plan</b>								
<i>We have not considered the future accrual while computing the cashflows.</i>								
1st Year	311.77	1,360.00	2,158.00	1,652.00	66.60	-	1,410.71	1,042.00
2nd Year	371.42	2,057.00	2,619.00	2,310.00	85.79	-	1,717.53	1,517.00
3rd Year	440.66	3,181.00	3,601.00	2,527.00	113.95	-	2,481.93	1,724.00
4th Year	520.15	4,397.00	4,528.00	3,559.00	150.41	-	3,262.65	2,474.00
5th Year	610.57	6,503.00	4,995.00	4,480.00	191.79	-	3,656.84	3,243.00
6th to 10th Year	22,135.36	54,812.00	22,835.00	22,590.00	1,590.48	-	19,933.39	19,099.00

**41. Finance Costs**

(₹ in Lakhs)

Particulars	For the Year Ended	
	31st March 2024	31st March 2023
<b>Interest on</b>		
Bonds	12,893.10	12,893.10
Loan from Financial Institution & Banks (Refer note 41.1)	11,343.89	7,858.53
Other Interest (Refer note 41.2)	30.58	92.61
Finance Cost Unwinding Of Financial Instrument (Ref Note: 23.2 (3) and 41.3)	2,680.43	2,258.79
Finance Charges on Lease Assets	243.37	323.89
<b>TOTAL</b>	<b>27,191.37</b>	<b>23,426.92</b>

41.1 Out of the total interest of ₹ Nil Lakhs (₹8853.55 Lakhs) on Rupee Term Loan from State Bank of India and Export-Import Bank of India for its Route Electrification and Roha to Veer Doubling Project. Interest amounting to ₹ Nil Lakhs (₹ 2986.02 Lakhs) have been charged to the project in accordance with Ind AS 23 Borrowing Costs. Interest amounting to ₹ Nil Lakhs (₹ 5867.53 Lakhs) on this loan is charged to Profit and Loss.



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

- 41.2 Other Interest includes ₹25.23 Lakhs ( ₹76.95 Lakhs) on account of interest paid on arbitration awards and Land cases during the current financial year.
- 41.3 In continuation to Note 23.2.3, the finance cost includes interest portion unwinded for assistance received from Ministry of Railways as per Ind AS 109 .

**42. Other Expenses**

( ₹ in Lakhs)

Particulars	For the Year Ended	
	31st March 2024	31st March 2023
Rent for Residential buildings	8.54	16.49
Rent for Office buildings	94.89	884.09
Telephone and Communications	3.50	3.09
Vehicle Expenses	87.89	96.47
Vehicle Hiring Expense	182.99	307.59
Corporate Social Responsibility Expenses (Refer Note No. 56)	-	10.29
Legal Expenses	95.81	22.89
Advertisement & publicity	171.99	134.62
Director Sitting Fees	3.35	3.90
Payment to Auditors	26.68	21.22
Travelling expenses	2,165.99	2,022.82
Commission	82.33	57.69
Insurance	16.32	13.35
Indirect Tax	-	2.99
Repairs and Maintenance-Staff Qtrs,Office Building	514.20	187.45
Electricity and Water Charges: Qtrs & Admin Building	258.72	239.55
Other Sundry Expenses	1,350.32	1,134.25
Inventory Consumed for General Items	453.70	275.89
Balances written off	8.53	-
Allowance for expected Credit Loss (Ref Note 16.2)	-	1,650.84
Loss on Decapitalization	27.92	1.81
<b>TOTAL</b>	<b>5,553.67</b>	<b>7,087.29</b>



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

#### 43. Provision for Contingencies

- i. As per the terms and conditions of project, the corporation is required to make good, the defects in the project work undertaken for defined period of time depending on the terms specified in the MOU/Agreement.
- ii. However, the Corporation stipulates similar condition to the sub-contractor and retains the Security Deposit/ obtains the financial guarantees. As such, management is of the view that there would not be any major financial impact on account of the same and no provision is required to be made in accordance with Ind AS 37 on "Provision, Contingent Liabilities and Contingent Assets".

#### 44. Contingent Liabilities and Contingent Asset:

##### Claims/Disputed liabilities not acknowledged as debt:

- i. Against the court cases/arbitration proceeding relating to USBRL project, if any liability arises, then as per the MOU between Northern Railway (NR) and KRCL, the same will be absorbed by NR. In case of any dispute between KRCL and NR on said claim, the same will be decided under Arbitration between NR & KRCL. Even if, it is to be shared by KRCL as per the outcome of Arbitration, the liability of KRCL should be limited to 80% of the total profit of the Project of that year.

As such no contingent liability has been considered against the, Arbitration claims settled by KRCL up to 31st March 2024 amounting to ₹9,031 Lakhs (₹7,680 Lakhs) charged to project and accepted by Northern Railway. Similarly, claims of ₹1,66,034 Lakhs (₹87,088 Lakhs) under Arbitration and Court case related to USBRL Project, in case of an adverse outcome of cases, these claims also will be chargeable to the Projects. No contingent liability arises until the claims settled by KRCL are disputed by Northern Railway(NR).

- ii. Apart from above, the claims by contractors against the Corporation pending under Arbitration are ₹1,819 Lakhs (₹1,282 Lakhs). Besides this, against the arbitration award to the tune of ₹ 1,186 Lakhs (₹1,186 Lakhs) the corporation has preferred an appeal in the Court.
- iii. An agreement of collaboration for manufacturing, installation, commissioning and maintaining of Networked ACDs for use on Railways was awarded to M/s Kernex Microsystems (India) Ltd. in connection with the execution of the said agreement M/s Kernex Microsystems (I) Ltd. has raised claim of ₹35,000 Lakhs(₹35,000 Lakhs) against KRCL through arbitration. At present, the petition is pending in the Mumbai High Court for appointment of arbitral tribunal.
- iv. Assessment of Income Tax for the Financial Year 2007-08 to 2014-15 & 2016-17 & 2017-18 are pending at various levels of Appellate Authority. However, considering the past Assessment and existing substantial carry forward un-absorbed Depreciation loss of ₹ 93,365 Lakhs ( ₹1,16,818 Lakhs) and un-absorbed Business loss of ₹ Nil Lakhs (₹ 4,701 Lakhs), there will not be any impact on financials of the company.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

- v. Against the demand of the Service Tax Department of ₹70,460 Lakhs (₹70,460 Lakhs) apart from interest thereon for the period from 2009-10 to 2014-15, the corporation has filed a writ petition with CESTAT, Mumbai on 28th August 2019 as per the directive of High Court, Mumbai by depositing ₹1,000 Lakhs, challenging the same as unconstitutional and against the service tax law being double taxation on business transaction between KRCL and Indian Railways. The Corporation has got a favorable order from CESTAT. However, department has filed an appeal in Supreme Court.
- Against the demand raised by Asst Commissioner, CGST & Central Excise for excess availment of CENVAT credit of ₹8 Lakhs and Service Tax liability on Advance for works contract of ₹ 3 Lakhs for FY 2017-18 and 100% penalty and applicable interest, the Corporation had filed an appeal with CESTAT, Mumbai by depositing tax amount as Demand under protest.
- The TRACES Portal of Income tax department shows demand of ₹ 6.06 Lakh (₹ 23.38 Lakhs) of which ₹4.98 Lakh pertains to FY 2007-08 & 2011-12, which remain unadjusted due to technical reason. Remaining ₹1.08 Lakh for current year and under process for reconciliation.
- vi. There is demand of ₹1,971 Lakhs (₹1,971 Lakhs) towards Value Added tax by the department of Commercial tax for work of Road Over Bridge (ROB) executed in Jharkhand state which has been challenged by the Corporation.
- vii. 80 (83) cases relating to land have been filed by the landowners in several Courts for revision of amount of the award passed by the concerned SLAOs of the respective State Governments involving amount of ₹ 1,067 Lakhs (₹1,327 Lakhs) (approx.). The Corporation has deposited ₹ 764.95 Lakhs (₹ 736.81 Lakhs) with the Court including Interest.
- viii. 683 (747) cases have been filed for enhance Land Compensation payable to claimants under section 28A of Land Acquisition Act, 1894 having financial implication of ₹23,831 Lakhs (₹25,324 Lakhs).
- ix. Total 58 (59) personal claims pertaining to railway accidents are pending with Tribunal amounting to ₹ 456 Lakhs (₹464 Lakhs).
- x. Water charges outstanding to the extent of ₹36 Lakhs on account of interest/penalty charged by MIDC Ratnagiri on water consumption beyond sanctioned quota during Sep 2010 to Aug 2020 is being negotiated with MIDC.
- xi. Training fees amounting to ₹464.71 Lakhs to Zonal Railway Training Institute, Bhusawal is disputed by the Corporation based on working agreement of the Corporation with Ministry of Railways.
- xii. Bank guarantee amounting to ₹ 6,304.32 Lakhs (₹1,958.42 Lakhs) have been issued on account of EMD in the cases of tenders in which the Corporation has participated as vendor.
- xiii. In other cases, claims against the companies amount to ₹171.37 Lakhs ( ₹171.37 Lakhs).



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

#### Contingent Assets: NIL

#### 45. Capital and Revenue Commitments

Estimated amount of contracts remaining to be executed on account of capital not provided for, are ₹5,144.84 Lakhs (₹12,207.24 Lakhs).

#### Revenue commitment

Estimated amount of contracts remaining to be executed on account of revenue not provided for, are ₹1,32,355.82 Lakhs (₹2,29,360.05 Lakhs).

#### 46. Operating Segment Reporting

- i. As per Ind-AS 108 an operating segment is a component of an entity:
  - a) that engages in business activities from which it may earn revenues and incurred expenses.
  - b) whose operating results are regularly reviewed by the Competent Authority to make decisions about resources to be allocated to the segment and assess its performance, and
  - c) For which discrete financial information is available.
- ii. Based on above, the Corporation has two operating segments, i.e. (i) Traffic & (ii) Project; required disclosures are made for the same in the financial statements.
- iii. Segment revenue and expenses directly identifiable / allocable to the segment are classified accordingly. The expenses relating to the specific projects are chargeable to the related project cost as per the terms of contract. Due to which the major portion of the common expenses are considered as attributable to the Open line, and allocated to Traffic Earnings. Segment assets and liabilities include those directly identifiable with the respective segments.

Information in accordance with Ind-AS 108 on Operating Segment Reporting for the year ended 31.03.2024.  
(₹ in Lakhs)

Primary Segments	Traffic		Projects		Consolidated Total	
Particulars	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<b>REVENUE</b>						
External Revenue	1,76,353.06	1,75,376.43	2,69,810.13	3,27,470.38	4,46,163.19	5,02,846.81
Inter Segment Revenue	-	-	-	-	-	-
Total Revenue	1,76,353.06	1,75,376.43	2,69,810.13	3,27,470.38	4,46,163.19	5,02,846.81
<b>RESULT</b>						
Segment result	29,151.98	22,772.35	22,888.21	28,117.07	52,040.19	50,889.42
Unallocated Expenses	-	-	-	-	-	-
Operating Profit	29,151.98	22,772.35	22,888.21	28,117.07	52,040.19	50,889.42





**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

Finance Income	16,686.13	11,556.83	265.43	168.86	16,951.56	11,725.69
Other Income	5,885.06	593.89	27.92	58.64	5,912.98	652.53
Finance charges	27,191.37	23,426.92	-	-	27,191.37	23,426.92
Depreciation/Amortization	16,264.86	11,943.70	-	4.00	16,264.86	11,947.70
Income Taxes (WealthTax/GBT)						
Profit from ordinary activities	8,266.95	(447.55)	23,181.56	28,340.57	31,448.51	27,893.02
Exceptional Items					-	-
Share of (Profit)/loss of Joint venture	9.19	38.09	-	-	9.19	38.09
Net Profit	8,257.76	(485.64)	23,181.56	28,340.57	31,439.32	27,854.93
<b>OTHER INFORMATION</b>						
Segment Assets	7,22,377.31	6,46,211.92	2,13,639.69	2,34,883.00	9,36,016.99	8,81,094.92
Unallocated Corporate Assets	-	-	-	-	-	-
Total Assets	7,22,377.31	6,46,211.92	2,13,639.69	2,34,883.00	9,36,016.99	8,81,094.92
Segment Liabilities	5,27,255.74	4,98,744.96	2,06,579.79	2,04,372.00	7,33,835.53	7,03,116.96
Unallocated Corporate Liabilities	-	-	-	-	-	-
Total Liabilities	5,27,255.74	4,98,744.96	2,06,579.79	2,04,372.00	7,33,835.53	7,03,116.96
Depreciation and Amortization	16,264.86	11,943.70	-	4.00	16,264.86	11,947.70

**47. Related Party Disclosures: -**

The Corporation being a Government related entity is exempt from the general disclosure requirements in relation to related party transactions and outstanding balances with the controlling Government and another entity under same Government. The related disclosure in accordance with para 26 of Ind AS 24 are given hereunder;

**47.1** Government of India (acting through Ministry of Railways -MOR) is holding 57.47% of equity shares and State Govt. of Maharashtra, Goa, Karnataka and Kerala holding 19.47%, 4.48%, 13.27% and 5.31% respectively in the Corporation. Accordingly, Corporation is controlled by the Government of India (Ministry of Railways). The Corporation along with other Zonal Railways and entities like RDSO, CRIS, IRCTC, NIC, ICF, Railtel are under the control of the Ministry of Railways.

A substantial portion of Traffic Earnings of the Corporation accrues from various Zonal Railways. The Corporation also makes payment of significant amounts of Traffic Earnings to said Zonal Railways as per the agreement with the Ministry of Railways. Such "apportioned earnings" form a major part of traffic revenue of the Corporation.

The revenue expenditure incurred under the head 'Train Operations Expenses' include large amount of expenditure towards Hire charges of Coaches, Locos and Wagons and fuel charges from the various Zonal Railways.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of Consolidated Financial Statements

A large portion of Project Revenue is contributed by the various Zonal Railways and from other PSU companies owned by Central Government/State Governments.

The details of transactions along with name of the projects and such awarding entities are mentioned below:

(₹ in Lakhs)

Related Party Name	Nature of Transaction	2023-24	2022-23
Govt of India through Zonal Railways	Fuel Expenses	8,439.35	28,666.27
Govt of India through Zonal Railways	Hire Charges	25,892.77	23,992.35
Govt of India through Zonal Railways	Catering expenses	1,190.98	1,118.75
Govt of India through Zonal Railways	Electricity Charges	10,738.01	5,304.25
Central Railway	Maintenance Charges	---	58.00
RAILTEL	Leasing Charges	50.47	111.00
RAILTEL	Project Cost	5,216.42	3,020.00
RAILTEL	Leasing Income	384.36	--
Center for Railway Information System	AMC	44.12	37.00
RITES	Inspection Fees	23.17	15.74
RITES	Project Cost	55.63	73.12
Container Corporation of India Ltd	Traffic Revenue	5,376.94	4,027.84
RVNL	Project Revenue	177.08	82.06
MSEZL	Project Revenue	--	172.75
Vizhinjam International Seaport Limited	Project Revenue	43.40	432.78
East Coast Railway	Project Revenue	3,054.66	313.79
Central Railway	Project Revenue	6,911.71	8,125.30
Western Railway	Project Revenue	158.76	101.52
Northern Railway	Project Revenue	2,52,237.21	3,13,514.68
Maharashtra Rail Infrastructure Development Corporation Ltd.	Project Revenue	48.62	105.76
Mumbai Metropolitan Region Development Authority	Project Revenue	166.82	73.34
Mumbai Rail Vikas Corporation Limited	Project Revenue	238.62	--
Kerala Waterways & Infrastructure Ltd.	Project Revenue	27.00	21.94
Govt of India through Ministry of Railways	Financial Assistance	---	14,500.00



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

KRCL has issued bonds for long term borrowings to the tune of ₹1,50,000.00 Lakhs (₹1,50,000.00 Lakhs) wherein letter of comfort has been issued by Ministry of Railways in favor of lending agencies.

#### 47.2 Investment in associate company Jaigarh Digni Rail Limited- 26 % holding

The company had subscribed 2,60,00,000 (2,60,00,000) of Equity Shares at par value of ₹10/- each at total cost of ₹2,600.00 Lakhs (₹ 2,600.00 Lakhs). On 11th August 2023, the equity investment of KRCL in JDRL amounting to ₹2,600.00 lakhs was taken over by JSWJPL and KRCL has exited from the joint venture.

Bank Guarantee of ₹2,326.00 Lakhs was encashed during FY 2019-20 relating to Jaigarh Digni Rail Limited (JV) consequent to non-achievement of milestone of financial closure. The amount encashed from Bank Guarantee has also been returned to JDRL.

#### 47.3 Loan to Konkan Railway Welfare Organization (KRWO)

Loan has been given to Konkan Railway Welfare Organization (KRWO) formed for the welfare for the employees of Corporation. As on 31st March 2022, total amount receivable from KRWO is ₹ 3081.99 Lakhs (₹2939.71 Lakhs) including interest amounting to ₹ 142.28 Lakhs for that year. The loan has been classified as unsecured pending execution of mortgage deed in favour of the Corporation. The KRWO has executed simple mortgage instead of registered mortgage deed in favour of the Corporation as per the terms and conditions of the sanction. As on 31st March 2024 Loan amounting to ₹2032.69 Lakhs (₹ 2032.69 Lakhs) had become due on completion of seven years from the disbursement of respective loans. However, in accordance with Ind AS 109 in order to get fair value, during the previous financial year, the valuation reports of land parcels was obtained from valuers. The total value of land as per valuation report was ₹1505.06 lakhs. On this basis, during previous financial year the Corporation had recognized impairment loss allowance to the extent of ₹1648.09 Lakhs which includes principal amount of ₹ 527.64 Lakhs and ₹1120.45 lakhs towards interest.

#### 47.4 Ramakrishna Hegde Skill Development Centre (RHSDC)

RHSDC is a society registered under Karnataka Societies Registration Act 1969 at Udupi , Karnataka with an object to setting up of training centre for imparting training in Mechatronics to engineering students and industry professionals.

Further Corporation had spent Nil (₹ 0.43 Lakhs) from CSR fund for the said society towards Corpus fund and other expenditure of RHSDC.

#### 47.5 Trusts for Employee Benefits:

Konkan Railway Employees Group Gratuity Trust was made on 15th February 2005 and Konkan Railway Corporation Employees Superannuation Trust (Fund) was made on 29th June 2009 were registered and reported to the Income Tax department on 14th March 2005



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

& 14th February 2005 respectively. Income Tax department vide order no CIT-10/Gratuity/2005-06 dated 21st April 2005 & C.I.T -10/ Super annuation / 2004-2005 dated 21st April 2005 approved these trusts & informed Corporation about the modus operandi to run the trust. During the Financial Year 2022-23, the Corporation has deposited ₹3,191.24 Lakhs (₹1,500.00 Lakhs) to Konkan Railway Employees Group Gratuity Trust and has paid ₹17,402.53 Lakhs (₹12,515.27 Lakhs) to Konkan Railway Employees Superannuation Trust.

**47.6** The Key Managerial Personnel of the Corporation and their remuneration (including Superannuation benefits) are as below:

- a) **Shri Sanjay Gupta, Chairman and Managing Director** (till 31/03/2024) Salary & Allowances: ₹77.65 Lakhs (₹75.39 Lakhs) including Employer Contribution to PF: ₹10.80 Lakhs (₹9.92 Lakhs); Perks: Nil
- b) **Shri Rajesh Bhadang, Director (Finance)** Salary & Allowances: ₹ 49.77 Lakhs (₹ 45.90 Lakhs) including Employer Contribution to PF: ₹ 7.16 Lakhs (₹6.59 Lakhs); Perks: Nil
- c) **Shri Santosh Kumar Jha, Director (Operations & Commercial)** Salary & Allowances: ₹73.36 Lakhs (₹67.37 Lakhs) including Employer Contribution to PF: ₹10.35 Lakhs (₹9.52 Lakhs); Perks: Nil
- d) **Shri Subhas Chandra Gupta, Director (Way & Works)** (Till 20.04.2022)Salary & Allowances: ₹Nil(₹4.87 Lakhs) including Employer Contribution to PF: ₹Nil (₹0.19 Lakhs); Perks: Nil
- e) **Shri Ram Krishna Hegde, Director (Way & Works)** (01/05/2023-till date) Salary & Allowances: ₹56.56 Lakhs including Employer Contribution to PF: ₹7.45 Lakhs; Perks: Nil
- f) **Shri Rajendra Parab, (Company Secretary)** Salary & Allowances: ₹ 32.78 Lakhs (₹30.86 Lakhs) including Employer Contribution to PF: ₹ 1.46 Lakhs( ₹ 1.42 Lakhs); Perks: Nil

g) Sitting Fees Paid to Independent directors : (₹ in Lakhs)

Particulars	2023-24	2022-23
Shri Sanmoy Banerjee	2.55	2.40
Shri Sukhchain Singh	--	0.15
Shri M Devaraja Reddy	--	0.30
Shri R Srinivasan	--	0.15

**48. Lease payments:**

The details of the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis are as follows:



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Less than one year	1,276	1,344
One to five years	1,334	2,156
More than five years	---	--
Total	2,610	3,500

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

**As Lessor**

The corporation is engaged in leasing of Dark optic fiber. Further the corporation also collects way leave charges from various telecom companies for installation of mobile towers on land pertaining to KRCL. Also the Corporation collects license fees from various vendors for stalls at various station on KR route.

Way leave Charges on assets given on lease to others was ₹149.14 Lakhs (₹39.80 Lakhs) for the year ended March 31, 2024.

License Fees on assets given on lease to others was ₹ 1,324.65 Lakhs (₹741.83 Lakhs) for the year ended March 31, 2024.

The details of the contractual maturities of lease payments to be received as at March 31, 2024 on an undiscounted basis are as follows:

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Less than one year	195	46
One to five years	1,101	140
More than five years	829	54
Total	2,125	240

**49. Earnings per Share (EPS) is calculated as under:**

Particulars	2023-24	2022-23
Net Profit / (Loss) for the year (₹ in Lakhs)	31,439.32	27,854.93
Weighted average no. of Equity shares of ₹ 1,000 each	1,78,62,934	1,70,51,910
Weighted average no. of Ordinary Shares for Diluted EPS	5,86,51,162	5,78,47,010
Earnings Per Share (in ₹)	176.00	163.35
Earnings Per Share Diluted (in ₹)	53.60	48.15



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

50. Receivable and payable balances of Railways, Government Authorities, Suppliers, Contractors etc. are subject to confirmation / adjustment / reconciliation. The Corporation is in the process of reviewing such balances for carrying out necessary adjustments in the subsequent years.

#### 51. Taxes on Income

- i. Reconciliation of Tax expense and the accounting profit multiplied by India's domestic tax rate for:

(₹ in Lakhs)

Particulars	For the year ended	
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
<b>Accounting profit before Income Tax</b>	30,173.84	27,893.02
At country's statutory Income Tax @ 25.17%	7,594.76	7,020.67
Difference in PPE as per books and Income Tax Act	(3,730.00)	(5,427.00)
Non-deductible expenses for tax purposes	1,881.00	1,351.00
Employee benefit expenses allowed on payment basis	(2,246.17)	(1,650.00)
Expenses disallowed under 43B	770.00	6,166.00
Other expense allowable for tax purpose	(343.00)	(373.00)
Amount adjusted against b/f loss and depreciation	(3,926.59)	(7087.67)
<b>Effective Income Tax</b>	<b>Nil</b>	<b>Nil</b>

- ii. KRCL has an unabsorbed depreciation of ₹93,365 Lakhs (₹1,16,818 Lakhs) and unabsorbed business loss of ₹ Nil Lakhs (₹ 4701 Lakhs), as computed under Income Tax Act 1961. In view of above, no income tax provision is made during the current year.
- iii. Considering the past trend availability of unabsorbed depreciation and brought forward business, management is of the view that the future taxable profit shall not be sufficient to recoup/recover the deferred tax asset in near future. In view of this, as per IndAS 12 deferred tax asset has not been created.
- iv. The Refund of the Income tax of ₹2167 Lakhs( ₹ 997 Lakhs) is pending for various reasons such as disputed demand raised against certain dis-allowances, pending completion of Assessment of immediately preceding years, pending processing of refund order, etc. The Management is pursuing the claim for recovery of the same and is of the opinion that no provision is required for the same.





## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

#### 52. Capital Management

- For the purpose of the company's capital management, capital includes issued equity capital, attributable to the equity holders of the holding company. The primary objective of the company capital management is to maximize the shareholder value.
- The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.
- The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, Loan obligation, trade and other payables and less cash and cash equivalents.

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Non-current Borrowings	2,50,674.24	3,02,332.33
Current Borrowing	36,500.49	11,459.54
Current Maturities of Non-current Borrowing	1,09,963.52	1,500.00
<b>Total Debt</b>	<b>3,97,138.25</b>	<b>3,15,291.86</b>
Less: Cash & Cash Equivalent	30,669.44	52,567.58
<b>Net debt</b>	<b>3,66,468.82</b>	<b>2,62,724.28</b>
(a) Equity Share capital	2,03,710.62	1,78,560.62
(b) Instruments entirely equity in nature	3,82,801.00	4,07,951.00
(c) Other Equity	(3,84,330.16)	(4,08,533.66)
Total capital	2,02,181.46	1,77,977.96
Capital and net debt	5,68,650.28	4,40,702.24
Gearing Ratio	64.45%	59.61%

#### 53. Financial Risk Management Objectives and Policies:

The Corporation's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Corporation's operations and to provide guarantees to support its operations. The Corporation's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

##### Credit risk:

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Corporation is exposed to credit risk from its operating activities [primarily trade receivables] and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Trade Receivables	24,518.30	26,632.77
Total	24,518.30	26,632.77

The Company evaluates the concentration of risk with respect to trade receivables as low, as most of them are government entities.

**Exposure to the Credit risk on the financial guarantee:**

- i. Performance Guarantees have been given for various projects amounting to ₹ 6,460.42 Lakhs (₹2,005.00 Lakhs). Against this ₹ 156.10 Lakhs (₹46.60 Lakhs) margin money has been kept in the form of term deposits, remaining are issued against non-fund-based limit.

**Financial instruments and cash deposits:**

Credit risk from balances with banks and financial institutions is managed by the Corporation's Finance department in accordance with the Corporation's policy. Investments of surplus funds are made only with approved counter parties and within credit limits assigned to each counter party. Counter party credit limits are reviewed by the Corporation's Board of Directors on an annual basis and may be updated throughout the year subject to approval of the Corporation's Finance Committee. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments.

The Corporation's maximum exposure to credit risk is 'Other deposits' illustrated in Note 17 of the balance sheet at March 31, 2024 and March 31, 2023.

**Liquidity risk:**

The Corporation monitors its risk of a shortage of funds using a liquidity planning tool. The Corporation's objective is to maintain a balance between continuity of funding and flexibility through the use of bonds. The Corporation assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Corporation has access to a enough variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

**The table below summarizes the maturity profile of the KRCL's financial liabilities based on contractual undiscounted payments** (₹ in Lakhs)

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
<b><u>Year ended March 31, 2024</u></b>						
Borrowings	-	5,640.78	78,000.00	60,000.00	12,000.00	1,55,640.78
Lease liabilities	-	325.33	957.86	1,136.57	--	2,419.76
Secured Loan from Bank & Financial Institutes	-	2,359.71	7,250.00	1,17,000.39	48,368.00	1,74,978.10
Unsecured Loan from Others	-	23,213.52	--	13,305.85	--	36,519.37
Unsecured Loan from Banks	-	--	30,000.00	--	--	30,000.00
Other financial liabilities	-	4,179.54	74,990.00	--	--	79,169.54
Trade and other payables	-	1,18,132.55	--	--	--	1,18,132.55
<b>Total</b>	<b>-</b>	<b>1,53,851.43</b>	<b>1,91,197.86</b>	<b>1,91,442.80</b>	<b>60,368.00</b>	<b>5,96,860.09</b>
<b><u>Year ended March 31, 2023</u></b>						
Borrowings	-	--	5,641.00	1,38,000.00	12,000.00	1,55,641.00
Lease liabilities	-	336.00	1,008.46	2,156.00	--	3,500.46
Secured Loan from Bank & Financial Institutes	-	819.00	1,500.00	22,500.00	94,493.00	1,19,312.00
Unsecured Loan from Others	-	--	--	35,338.87	--	35,338.87
Unsecured Loan from Banks	-	--	5,000.00	--	--	5,000.00
Other financial liabilities	-	6,271.00	65,088.11	--	--	71,359.11
Trade and other payables	-	1,41,159.23	--	--	--	1,41,159.23
<b>Total</b>	<b>-</b>	<b>1,48,585.23</b>	<b>78,237.57</b>	<b>1,97,994.87</b>	<b>1,06,493.00</b>	<b>5,31,310.67</b>

**The table below summarizes the maturity profile of the KRCL's financial assets based on contractual undiscounted payments** (₹ in Lakhs)

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
<b><u>Year ended March 31, 2024</u></b>						
Investment	3,000.00	2,64,981.85	--	--	--	2,67,981.85
Trade Receivables	--	14,699.17	9,819.13	--	--	24,518.30
Cash and Cash Equivalent	30,669.44	--	--	--	--	30,669.44
Bank balance other than cash & Cash Equivalents	--	--	6,021.39	--	--	6,021.39
Loan	--	1.00	1,506.18	20.00	11.00	1,538.18
Other Financial Assets	--	910.81	30,778.53	3,206.36	--	34,895.70
<b>Total</b>	<b>33,669.44</b>	<b>2,80,592.33</b>	<b>48,123.23</b>	<b>3,228.36</b>	<b>11.00</b>	<b>3,65,624.86</b>
<b><u>Year ended March 31, 2023</u></b>						
Investment	3,000.00	1,79,416.02	1,334.52	--	--	1,83,750.54
Trade Receivables	--	22,176.77	4,456.00	--	--	26,632.77
Cash and Cash Equivalent	52,567.58	--	--	--	--	52,567.58
Bank balance other than cash & Cash Equivalents	--	--	6,690.26	--	--	6,690.26
Loan	--	1.00	1,508.82	20.00	11.00	1,540.82
Other Financial Assets	--	1,179.00	44,172.73	3,738.00	--	49,089.73
<b>Total</b>	<b>55,567.58</b>	<b>2,02,772.79</b>	<b>58,162.32</b>	<b>3,758.00</b>	<b>11.00</b>	<b>3,21,537.18</b>



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**Market Risk:**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to the risk of changes in interest rates relates primarily to the Company's debt obligations with floating interest rates.

**54. Fair Values:**

The management assesses that cash and cash equivalents, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities are included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Long-term fixed-rate receivables/borrowings are evaluated by the Corporation based on parameters such as interest rates, and individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are considered for the expected credit losses of these receivables.

**A) Financial instruments by category**

The carrying value and fair value of financial instruments by categories as at 31 March 2024 were as follows:

(₹ in Lakhs)

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments	2,67,981.85	----	----	2,67,981.85	2,67,981.85
Trade receivables	24,518.30	----	----	24,518.30	24,518.30
Loans	1,538.18	----	----	1,538.18	1,538.18
Others financial assets	34,895.70	----	----	34,895.70	34,895.70
Cash and cash equivalents	30,669.44	----	----	30,669.44	30,669.44
Other bank balances	6,021.39	----	----	6,021.39	6,021.39
Liabilities:					
Borrowings	3,97,138.25	----	----	3,97,138.25	3,97,138.25
Lease Liabilities	2,419.76			2,419.76	2,419.76
Trade payables	1,18,132.55	----	----	1,18,132.55	1,18,132.55
Other financial liabilities	79,169.54	----	----	79,169.54	79,169.54



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

The carrying value and fair value of financial instruments by categories as at 31 March 2023 were as follows:

(₹ in Lakhs)

Particulars	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Financial assets / liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Investments	1,83,750.54	----	----	1,83,750.54	1,83,750.54
Trade receivables	26,632.77	----	----	26,632.77	26,632.77
Loans	1,540.82	----	----	1,540.82	1,540.82
Others financial assets	49,089.73	----	----	49,089.73	49,089.73
Cash and cash equivalents	52,567.58	----	---	52,567.58	52,567.58
Other bank balances	6,690.26	----	----	6,690.26	6,690.26
<b>Liabilities:</b>					
Borrowings	3,15,291.87	----	----	3,15,291.87	3,15,291.87
Lease Liabilities	3,500.45	----	----	3,500.45	3,500.45
Trade payables	1,41,159.23	----	----	1,41,159.23	1,41,159.23
Other financial liabilities	71,359.11	----	----	71,359.11	71,359.11

**55. Auditors remuneration (excluding GST)**

(₹ in Lakhs)

Particulars	2023-24	2022-23
Statutory audit fees / Limited review	18.50	16.00
Tax audit fees	-	3.00
Certification	-	1.00
<b>Total</b>	<b>18.50</b>	<b>20.00</b>

**56. Corporate Social Responsibility Expenses (CSR)**

As per Section 135 of the Companies Act, 2013 read with guidelines issued by Department of Public Enterprises, GOI, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The details of CSR expenses for the year are as under:



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

Particulars	F.Y. 2023 - 24	F.Y. 2022 - 23
(a) amount required to be spent by the company during the year	Nil	Nil
(b) amount of expenditure incurred	Nil	₹10.29 Lakh
(c) shortfall at the end of the year	Nil	Nil
(d) total of previous years shortfall	Nil	Nil
(e) reason for shortfall	NA	NA
(f) nature of CSR activities	Nil	Health Care, Promoting Education and Skill Development.
(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard.	Nil	₹0.43 Lakh was contributed to Ramakrishna Hegde Skill Development Centre (RHSDC), Udupi under CSR for soft skill training to local youths of employable age.
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	Nil	Nil

**57. Additional Disclosure as per Ind-AS 115.**

**REVENUE FROM OPERATIONS**

**Accounting Policy**

The Company derives revenues primarily from passenger and Freight transportation business by running Mail/Express/Passenger and freight Trains including Roll-On-Roll-Off Services.

The Company also started generating substantial revenue from construction & consultancy projects.

Under Cost Plus Contract, Revenue is determined by adding the aggregate cost-plus proportionate margin as agreed with Principal Customer.

Under Fixed Price Contract Revenue is recognized by adding the aggregate cost and proportionate margin using the percentage completion method. Percentage of completion is determined as a proportion of cost incurred to date to the total estimated contract cost.

Revenue is recognized upon transfer of control of services to customers in an amount that reflects the consideration we expect to receive in exchange for those services.

**Disclosures:**

Trade receivables (mentioned in Note 57.3)

A receivable represents the Company's right to an amount of consideration that is unconditional, and the Corporation has accounted the same in line with the provisions of Ind AS 115.





## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

Contract Assets & Liabilities (mentioned in Note 57.4 & 57.5)

A Contract Assets is the performance by transferring goods and services to a customer, before the customer pays consideration or before payment is due, the entity shall present the contract as a contract asset, excluding any amount presented as a receivable.

A Contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

There is no significant changes in contract asset and contract liability.

#### **Performance Obligation:**

The company considers time line indicators mentioned in the contract for performance obligation. Transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc are indicators of discharge of service obligations. The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period. Depending on the terms of contract, controls on the asset or existence of enforceable right to payment is established against performance in full or part discharge of obligation.

KRCL is engaged in execution of projects either as deposit work or as a project management consultant or on cost plus contract basis.

Typically, KRCL receives advance consideration on some of the contracts and some are executed based on the defined payment term in the contract. The consideration on contracts can be Cost Plus or Fixed, however, unconstrained by any uncertainty.

KRCL is also involved in execution of contract where- in it acts as an intermediary.

Transaction price allocated to the remaining performance obligations.

The revenue recognized corresponds to the value transferred to customer.

The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations as on 31st Mar 2024 was ₹2,73,567 Lakhs (₹3,26,337 Lakhs) out of which around 30% is expected to be recognized as revenue in the next year and the balance in subsequent years.

In accordance with Para 121 of Ind AS 115, the Company has not specifically disclosed contracts with expected duration of one year or less.

Significant judgements in the application of this Standard:

Revenue is recognized upon transfer of control of promised deliverables to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those deliverables. Revenue is recognized based on output measured by Aggregate Cost-plus margin.

In respect of other fixed-price contracts, revenue is recognized using percentage-of completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation.

Determining the transaction price and the amounts allocated to performance obligations Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognized when there is billing in excess of revenues.



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**57.1 Disaggregation of revenue from contract with customers:**

Set out below is the disaggregation of Revenue from contracts with customers into operating segment and geography:

(₹ in Lakhs)

Type of Services	For the year ended					
	31 <sup>st</sup> March 2024			31 <sup>st</sup> March 2023		
	Domestic	International	Total	Domestic	International	Total
Train Operation (Open line)	1,73,061.81	--	1,73,061.81	1,72,151.05		1,72,151.05
Project Revenue	2,68,984.86	825.27	2,69,810.13	3,26,512.78	957.60	3,27,470.38
<b>Total</b>	<b>4,42,046.67</b>	<b>825.27</b>	<b>4,42,871.94</b>	<b>4,98,663.83</b>	<b>957.60</b>	<b>4,99,621.43</b>

**57.2 Details of Contract Balances:**

(₹ in Lakhs)

Contract balances	For the year ended	
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Trade Receivables	24,518.30	26,632.77
Contract Assets	3,356.96	8,817.46
Contract Liabilities	13,010.71	49,046.72

**57.3 Movement in Contract Receivables during the year:**

(₹ in Lakhs)

Contract Receivables	For the year ended	
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Receivables at the beginning of the year	26,632.77	17,125.01
Add: Addition during the year	4,42,871.94	4,99,621.43
Less: Adjusted during the year	4,44,986.41	4,90,113.67
Receivables at the end of the year	24,518.30	26,632.77

**57.4 Movement in Contract Assets during the year:**

(₹ in Lakhs)

Contract Assets	For the year ended	
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
At the beginning of the year	8,817.46	5,301.25
Add: Addition during the year	3,356.96	8,817.46
Less: Adjusted during the year	8,817.46	5,301.25
At the end of the year	3,356.96	8,817.46



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**57.5 Movement in Contract Liabilities during the year:**

(₹ in Lakhs)

Contract Liabilities	For the year ended	
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
At the beginning of the year	49,045.72	67,282.13
Add: Addition during the year	5,10,597.00	3,50,289.56
Less: Adjusted during the year	5,46,632.00	3,68,525.97
At the end of the year	13,010.72	49,045.72

58. Figures in bracket indicates figures of previous year.

59. Previous year figures have been regrouped/ rearranged wherever necessary.

60. Other additional regulatory disclosures as required under Schedule III :

**a) Valuation by registered valuer:**

During the year the company has not revalued its property, plant and equipment or intangible assets.

**b) Loans and advances:**

The company has not granted any loans and advances in the nature of loans to promoters, Directors, Key Managerial Personnel (KMPs) and the related parties, repayable on demand or granted without specifying terms.

**c) Benami Property:**

No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

**d) Willful Defaulter:**

The company has not been declared as willful defaulter by any bank or financial institution or any other lenders during the year.

**e) Relationship with Struck off company:**

The company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

**f) Registration of Charges or satisfaction with Registrar of Companies (ROC):**

There are no charges or satisfaction of charges pending for registration with the Registrar of Companies (ROC) beyond the statutory period.

**g) Compliance with number of Layer of Companies:**

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules 2017.

**h) Scheme of arrangement:**

During the year there is no Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 for the company.



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

**i) Utilisation of Borrowed Fund:**

- i) The company has not advanced or loaned or invested any funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
  - i. 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
  - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- ii) The company has not received any funds 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:
  - i) 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
  - ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

**j) Undisclosed Income:**

During the year the company has not disclosed any income in terms of any transaction not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessment under the Income Tax Act 1961.

**k) Virtual Currency:**

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

**Ratio Analysis**

Ratio	Current Period	Previous Period	% Variance	Reason for Variance
Current Ratio	1.02	1.15	-11.23	Within admissible limit
Debt Equity Ratio	1.96	1.77	10.88	Within admissible limit
Debt Service Coverage Ratio	2.67	1.31	104.38	Higher EBIT and less debt repayment compared to previous year.
Return on Equity Ratio	0.17	0.17	-2.98	Within admissible limit
Inventory Turnover Ratio	67.65	71.29	-5.10	Within admissible limit
Trade Receivables Turnover Ratio	17.44	22.98	-24.10	Within admissible limit
Trade Payables Turnover Ratio	2.41	2.85	-15.42	Within admissible limit
Net Capital Turnover Ratio	49.39	11.25	339.22	Increase in long term working capital loan.
Net Profit Ratio	7.05	5.54	27.21	Increase in PAT
Return on Capital Employed	9.78	10.40	-5.90	Within admissible limit
Return on Investment	15.43	15.60	-1.07	Within admissible limit



## KONKAN RAILWAY CORPORATION LTD.

### Notes forming part of the Consolidated Financial Statements

#### 1. Current Ratio

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

#### 2. Debt – Equity Ratio

$$\text{Debt – Equity Ratio} = \frac{\text{Total Debt}}{\text{Shareholder's Equity}}$$

#### 3. Debt Service Coverage Ratio

$$\text{Debt Service Coverage Ratio} = \frac{\text{Earnings available for debt service}}{\text{Debt Service}}$$

Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

Debt service = Interest & Lease Payments + Principal Repayments

“Net Profit after tax” means reported amount of “Profit / (loss) for the period” and it does not include items of other comprehensive income.

#### 4. Return on Equity (ROE):

$$\text{ROE} = \frac{\text{Net Profits after taxes – Preference Dividend (if any)}}{\text{Average Shareholder's Equity}}$$

#### 5. Inventory Turnover Ratio

$$\text{Inventory Turnover ratio} = \frac{\text{Cost of goods sold OR sales}}{\text{Average Inventory}}$$

Average inventory is (Opening + Closing balance / 2)

#### 6. Trade receivables turnover ratio

$$\text{Trade receivables turnover ratio} = \frac{\text{Net Credit Sales}}{\text{Avg. Accounts Receivable}}$$

Net credit sales consist of gross credit sales minus sales return. Trade receivables includes



**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

sundry debtors and bills receivables.

Average trade debtors = (Opening + Closing balance / 2)

When the information about credit sales, opening and closing balances of trade debtors is not available then the ratio can be calculated by dividing total sales by closing balances of trade receivables.

**7. Trade payables turnover ratio**

$$\text{Trade payables turnover ratio} = \frac{\text{Net Credit Purchases}}{\text{Average Trade Payables}}$$

Net credit purchases consist of gross credit purchases minus purchase return

When the information about credit purchases, opening and closing balances of trade creditors is not available then the ratio is calculated by dividing total purchases by the closing balance of trade creditors.

**8. Net capital turnover ratio**

$$\text{Net capital turnover ratio} = \frac{\text{Net Sales}}{\text{Working Capital}}$$

Net sales shall be calculated as total sales minus sales returns.

Working capital shall be calculated as current assets minus current liabilities.

**9. Net profit ratio**

$$\text{Net Profit Ratio} = \frac{\text{Net Profit}}{\text{Net Sales}}$$

Net profit shall be after tax.

Net sales shall be calculated as total sales minus sales returns.

**10. Return on capital employed (ROCE)**

$$\text{ROCE} = \frac{\text{Earning before interest and taxes}}{\text{Capital Employed}}$$

Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability





**KONKAN RAILWAY CORPORATION LTD.**  
**Notes forming part of the Consolidated Financial Statements**

**11. Return on investment**

$$\text{ROI} = \frac{\text{Profit after Tax}}{\text{Equity Share Capital + Share Application Money Pending Allotment}}$$

For **Sarda & Pareek LLP.**

Chartered Accountants,

Firms Registration No.109262W/W100673

For and on behalf of the Board

**Sd/-**

**CA Niranjan Joshi**

Partner

Membership No. 102789

**Sd/-**

**Rajesh Bhadang**

Director (Finance)

DIN: 09050270

**Sd/-**

**Santosh Kumar Jha**

Chairman and Managing Director

DIN: 07738247

Place : Navi Mumbai

Date: 29th May 2024

Place : Navi Mumbai

Date: 29th May 2024

**Sd/-**

**Rajendra Parab**

Company Secretary

**Form AOC-1**  
**SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARY / ASSOCIATES / JOINT VENTURES AS PER COMPANIES ACT, 2013**

**Part A: Subsidiaries**

Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Not Applicable													

**Part B: Associates and Joint Ventures**

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

Name of Associate	Latest audited Balance Sheet Date	Shares of Associate/Joint Ventures held by the company on the year end		Net worth attributable to shareholding as per latest audited Balance Sheet		Profit/(Loss) for the year		Description of how there is significant influence	Reason why the associate/joint venture is not consolidated
		No.	Amount of Investment in Associates/Joint Venture (₹ in Lakhs)	Extent of Holding (%)	(₹ in Lakhs)	Considered in Consolidation (₹ in Lakhs)	Not Considered in Consolidation (₹ in Lakhs)		
1	2	3	4	5	6	7	8	9	10
Jaigarh Digni Rail Limited	31.03.2024	Nil	Nil	-	0	9.19	26.17	Note A	Consolidated as Associate

Note A: The Company has significant influence through holding more than 20 % of the Equity Shares in the investee Company in terms of Ind- AS 28.

**For SARDA & PAREEK LLP**  
**Chartered Accountants**  
**Firm Registration No. 109262W/W100673**

Sd/-  
CA Niranjn Joshi  
Partner  
Membership No. 102789

Sd/-  
R. M. Bhadang  
Director (Finance)  
DIN: 09050270

Sd/-  
Santosh Kumar Jha  
Chairman and Managing Director  
DIN: 07738247

Place: Navi Mumbai  
Date: May 29, 2024

Place: Navi Mumbai  
Date: May 29, 2024

Sd/-

Rajendra Parab  
Company Secretary

For and on behalf of Board



**KONKAN RAILWAY CORPORATION LTD.**



## KONKAN RAILWAY CORPORATION LTD.

### STATISTICAL SUMMARY OF TRAIN OPERATIONS

	YEAR 2023-24	YEAR 2022-23
<b>GENERAL INFORMATION:-</b>		
Guage	Broad Guage	Broad Guage
Route Length (Kilometers)	739 Kms	739 Kms
Number of Stations	72 (68 Crossing + 4 Halt Stations)	72 (68 Crossing + 4 Halt Stations)
<b>PERSONNEL:</b>		
Number of Employees	5325	5425
Wage Bill (₹ in Crore)	765.64	742.32
<b>OPERATING STATISTICS:</b>		
Net Tonnes Kilometers (Millions) (on actual distance)	3887	4454
NTKM/Engine Hours	15970	17114
Wagon Kilometers (Million)	90.45	115.14
Vehicle Kilometers (Million)	168.66	159.41
Net Tonnes Kilometers/Wagon day	8265	10065
Wagon Kilometers per wagon day in use	194	255
Average Engine Kilometers per Day	502	647
Wagon turn round (Days)	2.50	2.34
Daily Average Wagon interchange	1029	985
Average Speed of Goods train (kilometers per hour)	14.09	19.76
Average outage per Day on Freight	26.18	30.46
Turn round of Roll On – Roll Off trains (Days)	4.12	3.39
<b>PASSENGER TRAFFIC:</b>		
No. of passengers carried (Million)	30.89	27.96
Passenger Kilometers (Million)	13803.34	13044.40
Passenger earnings (₹ in crore)	1016.10	962.43
Average lead (Kilometers)	446.79	466.62
<b>FREIGHT TRAFFIC:</b>		
Tonnes originating (Million):		
Revenue earning traffic	2.612	2.972
<b>Net tonnes Kilometers (Million):</b>		
Revenue earning traffic (NTKM)	5830.5	6680.71
Earnings from freight carried (₹ in Crore)	685.69	732.8
(Excluding Demmorage and Wharfage charges)		
Average lead-Revenue traffic (Kilometers)	523	621
<b>REVENUE AND EXPENDITURE:</b>		
Total Income (Excluding Project) (₹ in Crore)	1979.43	1877.53
Total Expenditure (Excluding Project) (₹ in Crore)	1904.68	1879.76

**Note: -**

Operating statistics and General Information are based on actual distances whereas, statistics on passenger and freight traffic are based on chargeable distance.



सादर सेवा

**KONKAN RAILWAY CORPORATION LTD.**

NOTES



सादर सेवा

**KONKAN RAILWAY CORPORATION LTD.**

NOTES







सादर सेवा

**कोंकण रेलवे कॉर्पोरेशन लिमिटेड**  
(भारत सरकार का उपक्रम )  
**KONKAN RAILWAY CORPORATION LTD.**  
(A Government of India Undertaking)

**पंजीकृत एवं कॉर्पोरेट कार्यालय**

बेलापूर भवन, प्लॉट नं. 8, सेक्टर - 11, सी.बी.डी. बेलापूर, नवी मुंबई - 400 614.

**Registered & Corporate Office**

Belapur Bhavan, Plot No. 6, Sector 11, CBD Belapur, Navi Mumbai – 400 614

इमेल (e-mail): [compsec@krcl.co.in](mailto:compsec@krcl.co.in)

कॉर्पोरेट पहचान संख्या (Corporate Identity Number): U35201MH1990GOI223738

• Website: [www.konkanrailway.com](http://www.konkanrailway.com) Tel.: 022 27572015-18; Fax: 022 27572420