



KONKAN RAILWAY CORPORATION LIMITED

STANDALONE BALANCE SHEET AS AT 31st MARCH 2021

(₹ in lakhs)

Particulars	As at 31st March 2021 Audited		As at 31st March 2020 Audited	
ASSETS				
Non-current assets				
Property, Plant and Equipment	3,34,806		3,21,564	
Capital work-in-progress	1,55,299		1,18,281	
Intangible assets	4		5	
Intangible Asset under Development	58		58	
Financial Assets				
i) Investments	2,600		2,600	
ii) Loans	33		130	
iii) Other financial assets	25		52	
Other non-current assets	6,239		5,300	
Total Non-current assets		4,99,064		4,47,990
Current assets				
Inventories	4,632		8,968	
Financial Assets				
i) Investments	1,53,712		91,044	
ii) Trade receivables	15,978		14,828	
iii) Cash and cash equivalents	29,056		65,853	
iv) Bank balances other than (iii) above	180		375	
v) Loans	2,038		1,903	
vi) Other financial assets	28,131		36,703	
Current Tax Assets (Net)	386		1,530	
Other current assets	28,853		22,163	
Total Current assets		2,62,966		2,43,367
Total Assets		7,62,030		6,91,357
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	1,48,119		1,28,306	
(b) Instruments entirely equity in nature	4,07,951		4,07,951	
(c) Other Equity	(3,99,052)		(3,44,299)	
Total Equity		1,57,018		1,91,958
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
i) Borrowings	2,68,073		2,33,025	
ii) Others financial liabilities	186		356	
Provisions	74,254		45,238	
Other non-current liabilities	4,664		3,221	
Total Non-Current Liabilities		3,47,177		2,81,840
Current liabilities				
Financial Liabilities				
i) Short Term Borrowings	14,896		-	
ii) Trade payables			-	
a) Total outstanding dues of micro and small enterprises;				
b) Total outstanding dues of creditors other than micro and small enterprises.	83,802		1,02,732	
iii) Other financial liabilities	49,153		55,197	
Other Current Liabilities	1,02,857		53,528	
Provisions	7,127		6,102	
Total Current Liabilities		2,57,835		2,17,559
Total Liabilities		6,05,012		4,99,399
Total Equity and Liabilities		7,62,030		6,91,357

As per our report of even date
See accompanying notes to the Standalone Financial Statements

For V K Surana & Co.
Chartered Accountants
Firm Registration No. 110634W

For and on behalf of Board

CA Sudhir Surana
Partner
Membership No. 043414
UDIN:

SANJAY GUPTA
Chairman and Managing Director
DIN:06710604

Place : Nagpur
Date: 28th June, 2021

Place : Navi Mumbai
Date: 28th June, 2021



KONKAN RAILWAY CORPORATION LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE HALF YEAR ENDED 31ST MARCH 2021

(₹ in lakhs)

Particulars	For the 6 month	For the 6 month	For the Year	For the Year
	ended 31st March 2021	ended 31st March 2020	ended 31st March 2021	ended 31st March 2020
	Unaudited	Unaudited	Audited	Audited
I. Revenue From Operations				
Sale of services:				
i) Traffic Revenue	44,154	57,124	58,864	1,12,672
ii) Project revenue	63,360	75,854	97,390	1,50,156
Other operating revenue	1,275	889	1,381	1,440
Total Revenue from Operations	1,08,789	1,33,867	1,57,635	2,64,268
II. Other Income	4,542	6,456	8,094	9,212
III. Total Income (I+II)	1,13,331	1,40,323	1,65,729	2,73,480
IV. Expenses				
Cost of Operation				
i) Train Operation Expenses	22,456	28,659	32,938	58,161
ii) Project Cost	57,257	73,351	83,952	1,41,434
Change in inventory of Finished Goods	-	(4,225)	4,225	(4,225)
Employee benefits expense	30,240	25,998	55,805	53,515
Finance costs	7,020	6,848	13,803	13,190
Depreciation and amortization expense	3,236	3,377	6,363	6,198
Other expenses	3,851	2,551	5,284	4,823
Total expenses (IV)	1,24,061	1,36,561	2,02,370	2,73,096
V. Profit/(loss) before tax (III- IV)	(10,731)	3,763	(36,641)	384
VI. Tax expense:				
i) Current tax				
ii) Deferred tax				
VII. Profit / (Loss) for the year (V-VI)	(10,731)	3,763	(36,641)	384
VIII. Other Comprehensive Income				
(i) Items that will not be reclassified to profit or loss	(8,931)	(16,080)	(18,471)	(19,080)
(ii) Income tax relating to items that will not be reclassified to profit or loss				
Total Other Comprehensive Loss, net of tax	(8,931)	(16,080)	(18,471)	(19,080)
IX. Total Comprehensive Income for theyear (VII+VIII)	(19,662)	(12,317)	(55,112)	(18,696)
Earnings per Share (of ₹ 1000/- each) (not annualised)				
i) Basic	(78.44)	29.45	(267.85)	3.00
ii) Diluted *	-	7.02	-	0.72

See accompanying notes to the Standalone Financial Statements

*KRCL has issued Compulsary Convertible Non Cumulative Preference Shares worth ₹407951 Lakhs which for the period are further anti-dilutive, hence diluted EPS has not been calculated.

As per our report of even date

For V K Surana & Co.
Chartered Accountants
FRN No.110634W

For Konkan Railway Corporation Ltd.

CA Sudhir Surana
Partner
Membership No: 043414
UDIN:

SANJAY GUPTA
Chairman and Managing Director
DIN:06710604

Place : Nagpur
Date: 28th June, 2021

Place : Navi Mumbai
Date: 28th June, 2021

KONKAN RAILWAY CORPORATION LIMITED

Details of Non-Convertible Debentures issued on Private Placement basis under Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Agreement")

Sr. No.	Particulars	Year Ended	Year Ended
		31-Mar-2021	31-Mar-2020
		(Audited)	(Audited)
(a)	Credit Rating	AAA(CE), AA+	AAA(CE), AA+
(b)	Asset Coverage Ratio	1.78	2.03
(c)	Debt Equity Ratio	1.80	1.21
(d)	Previous due date for payment of Interest	1st Jan, 2021	1st Jan, 2020
	Date of payment of interest	1st Jan, 2021	1st Jan, 2020
(e)	Next due date for payment of Interest	1st July, 2021	1st July, 2020
	Amount of Interest (in Lakhs)	13803	13190
(f)	Debt Service Coverage Ratio	(1.65)	1.03
(g)	Interest Service Coverage Ratio	(1.65)	1.03
(i)	Debenture Redemption Reserve	-	-
(j)	Net Worth (In Lakhs)	1,57,018	1,91,958
(k)	Net Profit after Tax (In Lakhs)	(36,641)	384
(l)	Earnings per Share (before extraordinary items) (of ₹1000/- each)		
	(a) Basic	(267.85)	3.00
	(b) Diluted	-	0.72
	Earnings per Share (after extraordinary items) (of ₹1000/- each)		
	(a) Basic	(267.85)	3.00
	(b) Diluted	-	0.72

For Konkan Railway Corporation Ltd.

SANJAY GUPTA
Chairman and Managing Director
DIN:06710604

NOTES FORMING PART OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE YEAR ENDED 31STMARCH, 2021

1. The financial results for the year ended 31stMarch, 2021 and the corresponding period for the previous year ended 31st March, 2020 are Ind-AS compliant. The financial results have been prepared in compliance with the Companies (Indian Accounting Standards) Rules, 2015 and Schedule III to the Companies Act, 2013.
2. The financial results are prepared in accordance with the requirements of Regulation 52 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015.
3. 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 ₹ 2326 Lakhs in FY 2019-20 and has kept it as a liability pending further directions from MoR, GOI.

Further during the current period, & until the date, the facts and circumstances relating to severer dip in cargo projection, electrification costs, significant escalations in project costs due to changes in extant laws, non-commissioning of complementary rail links of Chiplun-Karad and Vaibhavwadi-Kolhapur, difficulties in effecting financial closure, non- acquisition of land, steep rise in land prices etc. have transpired the JDRL Project unviable. The second study report by PWC has fortified the fact that traffic projections are bleak, making the project unviable. During the joint meetings of investing partners, the KRCL has expressed its concern that the KRCL being Government company, involving public money the investment of ₹2600 Lakhs in the project cannot be forgone. In response to this, JSWJPL vide its letter dated 24 May 2021, has expressed its intentions to make good investment of KRCL, with a request of amicable closure of Concession Agreement and Shareholders' Agreement without any other costs, penalty or liabilities.

As at 31st March'2021, JDRL has accounted for an impairment loss on its CWIP amounting to ₹4531 Lakhs indicating the intention of the management of the company not to continue the project. However, at the same time the JV is exploring alternative usage of the current infrastructure available / built for the railway network and have engaged experts in this field for utilization of Company assets. As such the accounts are drawn on going concern basis.

Therefore, in view of the positive net worth of the company, going concern assumptions, KRCL is already in possession of ₹ 2326 Lakhs and the offer given by M/s JSWJPL to recoup the loss of investment, if any, it is the considered opinion of the management that the investment made in M/s JDRL is intact even though the JDRL has accounted for an impairment loss and the Networth of the JV company has partially eroded.

4. Indian Railways suspended all passenger trains in March 2020 following the national lockdown to combat Covid-19 pandemic. As a precautionary measure, regular passenger train operation over Indian Railways remained suspended during the entire year i.e 2020-21. It is stated that there was a continuous increase in coaching revenue of the corporation since open line started working in FY 1998-99. However Coaching revenue reduced substantially due to suspension of regular train services on account of Covid-19 lock down throughout the current year. During the current year as against 2586.78 (Millions) Passenger kilometer (PKm), same was 11973.35 (Millions) in previous year, i.e reduction of around 78.39% against previous year. As a result the Coaching revenue (including other coaching revenue) during the current year has been reduced to ₹ 20069 Lakhs as compared to ₹ 68078 Lakhs in the previous year (i.e reduction of Coaching revenue by 70.52%).

Suspension of regular passenger trains operation during the entire year i.e during 2020-21 put a severe strain on the corporation's finance and hence coaching revenue of finance year 2020-21 cannot be compared with coaching revenue of the previous year.

Further due to covid situation and restricted operation due to lockdown etc. the project revenue has also been affected substantially. As against the project revenue of ₹150156 Lakhs in the previous year the same is declined to ₹ 97389 Lakhs during the current year, i.e. reduction of around 35.14 % against previous year.

Further during April'21 to May'21, due to prevailing travel restrictions & partial lock down in various states, there is a continuing impact on financial performance of the Corporation, whereby the traffic revenue was ₹ 9500 Lakhs (approx) as against ₹ 10700 Lakhs.(approx.), in 2019 -20 (which is a comparable period of operation). However, there is marginal improvement of Covid situation from June 21 and if the trend improves, Traffic Revenue may improve in FY 2021-22. Further Corporation does not foresee any revenue loss in project segment during FY 2021-22.

In view of financial constraint faced by company due to covid pandemic, on the request of the company, Ministry of Railways has granted refundable financial assistance of ₹23500 Lakhs on 21 May 2021.

With the improving situation of train operations, the management is hopeful of revival of normal revenue and to overcome the financial constraint faced due to Covid-19.

5. In the F.Y. 2018-19 the company has come out with the 2nd Rights Issue for ₹ 19600 Lakhs to the shareholders in their existing shareholding proportion which was kept open from 1.12.2018 to 29.12.2018 (both days inclusive). During FY 2019-20 the company has allotted shares against 2nd right issue to the tune of ₹2352 Lakhs whereas in June'2020 the remaining shares of 2nd Right issue were allotted to the shareholder amounting to ₹ 2940 Lakhs. The Board of Director in their meeting have allowed for receiving the subscription from the shareholders even after the closure of Rights Issue.

Likewise, in the F.Y. 2019-20 the Company has announced 3rd Right issue of ₹ 49000 lakhs to the shareholders in their existing shareholding proportion which was kept open for the period 16/12/2019 to 14/01/2020 (both days inclusive). During FY 20-21 the Company has allotted shares against 3rd right issue to the tune of ₹16873 Lakhs whereas share application money received whose allotment is not yet initiated is ₹2259 Lakhs as on 31st March'2021. Further in the month of May' 2021, ₹8131 Lakhs was received as share application money but allotment is not yet initiated. And balance of ₹ 21737 Lakhs is not yet received from the shareholders till date.

Consequently, the Board of Director in their meeting have allowed for receiving the subscription from the shareholders even after the closure of Rights Issue.

6. Receivable and payable balances of Railways, Government Authorities, Suppliers, Contractors etc. are subject to confirmation / adjustment / reconciliation. The Corporation is in the process of review of such balances for carrying out necessary adjustments in the subsequent year.
7. 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 the mortgage deed (not registered) in favour of the Corporation for land purchased at Ulve, Suratkal, Madgaon and Ratnagiri. The loan has been classified as unsecured. Balance of KRWO are subject to confirmation.
8. Trade payable includes ₹ 60087 Lakhs in respect of amount due to railways, out of which Includes old outstanding of ₹36512 Lakhs which is payable for more than 1 year and Includes old outstanding of ₹16725 Lakhs which is payable for more than 3 year.
9. There is a difference of ₹ 21402 Lakhs in authorized share capital as per records of Ministry of Corporate Affairs – MCA (₹ 829353 Lakhs) and as per company's records (₹ 807951 Lakhs). At the time of increase in authorized share capital for issue of Preference Shares, based on the approval of The Cabinet Committee on Economic Affairs (CCEA) for 1st restructuring, the request for increase in Authorized Share Capital to ₹ 429353 Lakhs was submitted to Government and resolution was passed in EGM dt.16.02.2009. Based on this Form 5 was filed with ROC for the increase in Authorized share capital. However, later the H'ble President of India approved the increase of ₹407951 Lakhs only. Consequently, the application was given to MCA for correction / reduction in authorised share capital in line with approval of President of India. However, the same is not yet done and the Management is pursuing for the same. Alternatively management will approach to Government of India to grant approval for enhanced share capital in line with MCA.
10. Investment with Life Insurance Corporation under Group Leave encashment Scheme includes Life Assurance Benefits and is also used for general business purpose.

11. KRCL has an unabsorbed depreciation of ₹101959 Lakhs (₹114663 Lakhs.), as computed under Income Tax Act 1961. In view of above, no income tax provision is made during the current year.

Considering the past trend of income and payment towards servicing of interest, 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 Ind AS-12 deferred tax asset has not been created.

12. The prior period expenses and income accounted for during the year have been treated in accordance with Ind AS-8. The relevant adjustments have been made and the corresponding previous year figures have been restated, including in the retained earnings for figures prior to previous year.

As such, Income amounting to ₹826 Lakhs accounted for during the current year, were pertaining to previous year(s). Therefore, as per Ind AS – 8, these prior period expenses and income have been shifted to previous year and the relevant expenses and income for previous year are restated, resulting in the reduction of Profit After Tax for previous years by ₹212 Lakhs. Consequently, opening Reserves and Surplus for that year have also been increased by ₹1039 Lakhs. Also Current and Non-Current Liabilities for the previous year have been restated and increased by ₹1091 Lakhs and Current Assets for the previous year have been restated and increased by ₹ 265 Lakhs.

13. As at 31st March, 2021 the claim under arbitration against the Corporation is ₹88252 Lakhs relating to USBRL Project. However, it is the considered opinion of the Corporation that in case of any adverse outcome of case, the claim will be chargeable to the project as per MOU between Northern Railway (NR) and KRCL. Arbitration claim amounting to ₹5152 Lakhs up to 31st March, 2021 are charged to and accepted by Northern Railway.

14. The company have policy of physical verification of fixed assets every year by a physical verification cell. However due to outbreak of Covid 19 pandemic, no physical verification has been done during current financial year.

15. In respect of contingencies of liabilities on account of maintenance/defects and arbitration/court award, where no provision is made in the books of accounts, as the Corporation is of the opinion that the same would be made good by sub-contractor or would be charged to fixed asset. The interest not recoverable, if any, will be charged to revenue in the year of award, as the outcome of the same is not certain.

16. Previous periods' figures have been regrouped wherever necessary to conform to current periods' classification.

17. The status of investor complaints for the year ended 31st March, 2021 was as follows:-

-No. of investor complaints pending at the beginning of the First half year	Nil
-Received during Second half of the year 2020-21	Nil
-Disposed off during the Second half of the year 2020-21	Nil
-Remaining unresolved at the end of Second half of the year 2020-21.	Nil

Date: - 28.06.2021

(Sanjay Gupta)
Chairman and Managing Director



KONKAN RAILWAY CORPORATION LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2021

(₹ in lakhs)

Particulars	As at 31st March 2021 Audited		As at 31st March 2020 Audited	
ASSETS				
Non-current assets				
Property, Plant and Equipment	3,34,806		3,21,564	
Capital work-in-progress	1,55,299		1,18,281	
Intangible assets	4		5	
Intangible Asset under Development	58		58	
Financial Assets				
i) Investments	1,401		2,644	
ii) Loans	33		130	
iii) Other financial assets	24		52	
Other non-current assets	6,239		5,300	
Total Non-current assets		4,97,864		4,48,034
Current assets				
Inventories	4,632		8,968	
Financial Assets				
i) Investments	1,53,712		91,044	
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Total Current assets		2,62,966		2,43,367
Total Assets		7,60,830		6,91,401
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Equity				
i) Equity Share capital	1,48,119		1,28,306	
ii) Instruments entirely equity in nature	4,07,951		4,07,951	
iii) Other Equity	(4,00,252)		(3,44,256)	
Total Equity		1,55,818		1,92,001
LIABILITIES				
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Financial Liabilities				
i) Borrowings	2,68,073		2,33,025	
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Total Liabilities		6,05,012		4,99,399
Total Equity and Liabilities		7,60,830		6,91,401

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Partner
Membership No. 043414
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SANJAY GUPTA
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DIN:06710604

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KONKAN RAILWAY CORPORATION LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE HALF YEAR ENDED 31ST MARCH 2021

(₹ in lakhs)

Particulars	For the 6 month	For the 6 month	For the Year	For the Year
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IV. Expenses				
Cost of Operation				
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ii) Project Cost	57,257	73,351	83,952	1,41,434
Change in inventory of Finished Goods	-	(4,225)	4,225	(4,225)
Employee benefits expense	30,240	25,998	55,805	53,515
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Other expenses	3,851	2,551	5,284	4,823
Total expenses (IV)	1,24,061	1,36,561	2,02,370	2,73,096
V. Profit/(loss) before tax (III- IV)	(10,730)	3,763	(36,641)	384
VI. Tax expense:				
i) Current tax				
ii) Deferred tax				
VII. Profit / (Loss) for the year (V-VI)	(10,730)	3,763	(36,641)	384
VIII. Share of (profit)/loss of Joint Venture	1,243	(1)	1,243	(1)
IX. Profit / (Loss) for the year including of (profit)/loss share of Associates	(11,973)	3,763	(37,884)	385
X. Other Comprehensive Income				
(i) Items that will not be reclassified to profit or loss	(8,931)	(16,079)	(18,471)	(19,079)
(ii) Income tax relating to items that will not be reclassified to profit or loss				
Total Other Comprehensive Loss, net of tax	(8,931)	(16,079)	(18,471)	(19,079)
XI. Total Comprehensive Income for the year (IX+X)	(20,904)	(12,316)	(56,355)	(18,695)
Earnings per Share (of ₹ 1000/- each)(not annualised)				
(a) Basic	(87.52)	29.45	(276.93)	3.01
(b) Diluted *		7.02		0.72

See accompanying notes to the Consolidated Financial Statements

*KRCL has issued Compulsary Convertible Non Cumulative Preference Shares worth ₹407951 Lakhs which for the period are further anti-dilutive, hence diluted EPS has not been calculated.

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Sr. No.	Particulars	Year Ended	Year Ended
		31-Mar-2021 (Audited)	31-Mar-2020 (Audited)
(a)	Credit Rating	AAA(CE), AA+	AAA(CE), AA+
(b)	Asset Coverage Ratio	1.78	2.03
(c)	Debt Equity Ratio	1.72	1.22
(d)	Previous due date for payment of Interest	1st Jan, 2021	1st Jan, 2020
	Date of payment of interest	1st Jan, 2021	1st Jan, 2020
(e)	Next due date for payment of Interest	1st July, 2021	1st July, 2020
	Amount of Interest (in Lakhs)	13803	13190
(f)	Debt Service Coverage Ratio	(1.74)	1.03
(g)	Interest Service Coverage Ratio	(1.74)	1.03
(i)	Debenture Redemption Reserve	-	-
(j)	Net Worth (In Lakhs)	1,55,819	1,92,001
(k)	Net Profit after Tax (In Lakhs)	(37,884)	385
(l)	Earnings per Share (before extraordinary items) (of ₹1000/- each)		
	(a) Basic	(276.93)	3.01
	(b) Diluted	-	0.72
	Earnings per Share (after extraordinary items) (of ₹1000/- each)		
	(a) Basic	(276.93)	3.01
	(b) Diluted	-	0.72

For Konkan Railway Corporation Ltd.

SANJAY GUPTA
Chairman and Managing Director
DIN:06710604

NOTES FORMING PART OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2021

1. The financial results for the year ended 31st March, 2021 and the corresponding period for the previous year ended 31st March, 2020 are Ind-AS compliant. The financial results have been prepared in compliance with the Companies (Indian Accounting Standards) Rules, 2015 and Schedule III to the Companies Act, 2013.
2. The financial results are prepared in accordance with the requirements of Regulation 52 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015.
3. 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 ₹ 2326 Lakhs in FY 2019-20 and has kept it as a liability pending further directions from MoR, GOI.

Further during the current period, & until the date, the facts and circumstances relating to severer dip in cargo projection, electrification costs, significant escalations in project costs due to changes in extant laws, non-commissioning of complementary rail links of Chiplun-Karad and Vaibhavwadi-Kolhapur, difficulties in effecting financial closure, non- acquisition of land, steep rise in land prices etc. have transpired the JDRL Project unviable. The second study report by PWC has fortified the fact that traffic projections are bleak, making the project unviable. During the joint meetings of investing partners, the KRCL has expressed its concern that the KRCL being Government company, involving public money the investment of ₹2600 Lakhs in the project cannot be forgone. In response to this, JSWJPL vide its letter dated 24 May 2021, has expressed its intentions to make good investment of KRCL, with a request of amicable closure of Concession Agreement and Shareholders' Agreement without any other costs, penalty or liabilities.

As at 31st March'2021, JDRL has accounted for an impairment loss on its CWIP amounting to ₹4531 Lakhs indicating the intention of the management of the company not to continue the project. However, at the same time the JV is exploring alternative usage of the current infrastructure available / built for the railway network and have engaged experts in this field for utilization of Company assets. As such the accounts are drawn on going concern basis.

Therefore, in view of the positive net worth of the company, going concern assumptions, KRCL is already in possession of ₹ 2326 Lakhs and the offer given by M/s JSWJPL to recoup the loss of investment, if any, it is the considered opinion of the management that the investment made in M/s JDRL is intact even though the JDRL has accounted for an impairment loss and the Networth of the JV company has partially eroded.

4. Indian Railways suspended all passenger trains in March 2020 following the national lockdown to combat Covid-19 pandemic. As a precautionary measure, regular passenger train operation over Indian Railways remained suspended during the entire year i.e 2020-21. It is stated that there was a continuous increase in coaching revenue of the corporation since open line started working in FY 1998-99. However Coaching revenue reduced substantially due to suspension of regular train services on account of Covid-19 lock down throughout the current year. During the current year as against 2586.78 (Millions) Passenger kilometer (PKm), same was 11973.35 (Millions) in previous year, i.e reduction of around 78.39% against previous year. As a result the Coaching revenue (including other coaching revenue) during the current year has been reduced to ₹ 20069 Lakhs as compared to ₹ 68078 Lakhs in the previous year (i.e reduction of Coaching revenue by 70.52%).

Suspension of regular passenger trains operation during the entire year i.e during 2020-21 put a severe strain on the corporation's finance and hence coaching revenue of finance year 2020-21 cannot be compared with coaching revenue of the previous year.

Further due to covid situation and restricted operation due to lockdown etc. the project revenue has also been affected substantially. As against the project revenue of ₹150156 Lakhs in the previous year the same is declined to ₹ 97389 Lakhs during the current year, i.e. reduction of around 35.14 % against previous year.

Further during April'21 to May'21, due to prevailing travel restrictions & partial lock down in various states, there is a continuing impact on financial performance of the Corporation, whereby the traffic revenue was ₹ 9500 Lakhs (approx) as against ₹ 10700 Lakhs.(approx.), in 2019 -20 (which is a comparable period of operation). However, there is marginal improvement of Covid situation from June 21 and if the trend improves, Traffic Revenue may improve in FY 2021-22. Further Corporation does not foresee any revenue loss in project segment during FY 2021-22.

In view of financial constraint faced by company due to covid pandemic, on the request of the company, Ministry of Railways has granted refundable financial assistance of ₹23500 Lakhs on 21 May 2021.

With the improving situation of train operations, the management is hopeful of revival of normal revenue and to overcome the financial constraint faced due to Covid-19.

5. In the F.Y. 2018-19 the company has come out with the 2nd Rights Issue for ₹ 19600 Lakhs to the shareholders in their existing shareholding proportion which was kept open from 1.12.2018 to 29.12.2018 (both days inclusive). During FY 2019-20 the company has allotted shares against 2nd right issue to the tune of ₹ 2352 Lakhs whereas in June'2020 the remaining shares of 2nd Right issue were allotted to the shareholder amounting to ₹ 2940 Lakhs. The Board of Director in their meeting have allowed for receiving the subscription from the shareholders even after the closure of Rights Issue.

Likewise, in the F.Y. 2019-20 the Company has announced 3rd Right issue of ₹ 49000 lakhs to the shareholders in their existing shareholding proportion which was kept open for the period 16/12/2019 to 14/01/2020 (both days inclusive). During FY 20-21 the Company has allotted shares against 3rd right issue to the tune of ₹16873 Lakhs whereas share application money received whose allotment is not yet initiated is ₹2259 Lakhs as on 31st March'2021. Further in the month of May' 2021, ₹8131 Lakhs was received as share application money but allotment is not yet initiated. And balance of ₹ 21737 Lakhs is not yet received from the shareholders till date.

Consequently, the Board of Director in their meeting have allowed for receiving the subscription from the shareholders even after the closure of Rights Issue.

6. Receivable and payable balances of Railways, Government Authorities, Suppliers, Contractors etc. are subject to confirmation / adjustment / reconciliation. The Corporation is in the process of review of such balances for carrying out necessary adjustments in the subsequent year.
7. 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 the mortgage deed (not registered) in favour of the Corporation for land purchased at Ulve, Suratkal, Madgaon and Ratnagiri. The loan has been classified as unsecured. Balance of KRWO are subject to confirmation.
8. Trade payable includes ₹ 60087 Lakhs in respect of amount due to railways, out of which Includes old outstanding of ₹36512 Lakhs which is payable for more than 1 year and Includes old outstanding of ₹16725 Lakhs which is payable for more than 3 year.
9. There is a difference of ₹ 21402 Lakhs in authorized share capital as per records of Ministry of Corporate Affairs – MCA (₹ 829353 Lakhs) and as per company's records (₹ 807951 Lakhs). At the time of increase in authorized share capital for issue of Preference Shares, based on the approval of The Cabinet Committee on Economic Affairs (CCEA) for 1st restructuring, the request for increase in Authorized Share Capital to ₹ 429353 Lakhs was submitted to Government and resolution was passed in EGM dt.16.02.2009. Based on this Form 5 was filed with ROC for the increase in Authorized share capital. However, later the H'ble President of India approved the increase of ₹407951 Lakhs only. Consequently, the application was given to MCA for correction / reduction in authorised share capital in line with approval of President of India. However, the same is not yet done and the Management is pursuing for the same. Alternatively management will approach to Government of India to grant approval for enhanced share capital in line with MCA.
10. Investment with Life Insurance Corporation under Group Leave encashment Scheme includes Life Assurance Benefits and is also used for general business purpose.

11. KRCL has an unabsorbed depreciation of ₹101959 Lakhs (₹114663 Lakhs.), as computed under Income Tax Act 1961. In view of above, no income tax provision is made during the current year.

Considering the past trend of income and payment towards servicing of interest, 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 Ind AS-12 deferred tax asset has not been created.

12. The prior period expenses and income accounted for during the year have been treated in accordance with Ind AS-8. The relevant adjustments have been made and the corresponding previous year figures have been restated, including in the retained earnings for figures prior to previous year.

As such, Income amounting to ₹826 Lakhs accounted for during the current year, were pertaining to previous year(s). Therefore, as per Ind AS – 8, these prior period expenses and income have been shifted to previous year and the relevant expenses and income for previous year are restated, resulting in the reduction of Profit After Tax for previous years by ₹212 Lakhs. Consequently, opening Reserves and Surplus for that year have also been increased by ₹1039 Lakhs. Also Current and Non-Current Liabilities for the previous year have been restated and increased by ₹1091 Lakhs and Current Assets for the previous year have been restated and increased by ₹ 265 Lakhs.

13. As at 31st March, 2021 the claim under arbitration against the Corporation is ₹88252 Lakhs relating to USBRL Project. However, it is the considered opinion of the Corporation that in case of any adverse outcome of case, the claim will be chargeable to the project as per MOU between Northern Railway (NR) and KRCL. Arbitration claim amounting to ₹5152 Lakhs up to 31st March, 2021 are charged to and accepted by Northern Railway.

14. The company have policy of physical verification of fixed assets every year by a physical verification cell. However due to outbreak of Covid 19 pandemic, no physical verification has been done during current financial year.

15. In respect of contingencies of liabilities on account of maintenance/defects and arbitration/court award, where no provision is made in the books of accounts, as the Corporation is of the opinion that the same would be made good by sub-contractor or would be charged to fixed asset. The interest not recoverable, if any, will be charged to revenue in the year of award, as the outcome of the same is not certain.

16. Previous periods' figures have been regrouped wherever necessary to conform to current periods' classification.

17. The status of investor complaints for the year ended 31st March, 2021 was as follows:-

-No. of investor complaints pending at the beginning of the First half year	Nil
-Received during Second half of the year 2020-21	Nil
-Disposed off during the Second half of the year 2020-21	Nil
-Remaining unresolved at the end of Second half of the year 2020-21.	Nil

Date: - 28.06.2021

(Sanjay Gupta)
Chairman and Managing Director