



सादर सेवा

कोंकण रेलवे कॉर्पोरेशन लिमिटेड
Konkan Railway Corporation Limited.

22 वीं वार्षिक रिपोर्ट 2011-12
22nd Annual Report 2011-12

वचन बद्धता

कोंकण रेलवे कोंकण क्षेत्र का पर्यावरण संतुलन बनाये रखते हुए क्षेत्र के विकास एवं समृद्धि के लिए एक किफायती और प्रभावी प्रेरक होगी।

कार्य के मूलभूत सिद्धांत

❖ कोंकण रेलवे सजगतापूर्ण संपूर्ण सेवा प्रदान करेगी

❖ यात्रियों के लिए –

संरक्षा		समयपालन
आराम	सुविधाएं	सेवाएं

❖ माल के लिए –

समय पर लदान	समय पर सुपुर्दगी
सुरक्षित परिवहन	तुरंत क्षतिपूर्ति
मूल्यवर्धित संभार सहायता	

❖ कोंकण रेलवे परिवार अपने आचरण से समाज में इन मुल्यों का वर्धन करेगा

सत्यनिष्ठा एरां स्वयं-अतुशासन	सादगी एवं किफायत
सुशिष्टा एरां निर्भीकता	कुशलता एरां प्रशिक्षितता
जनता का सच्चा सेवक	

❖ कोंकण रेलवे विशिष्ट गुणयुक्त प्रौद्योगिकी का प्रयोग करेगी।

इस सहस्राब्धि के लिए अद्यावत पर्यावरण संरक्षण और निरंतर वृद्धि को प्रोत्साहन अनुरक्षण की न्युनतम आवश्यकता न्युटियों के प्रति सहनशील व भविष्य की आवश्यकताओं के लिए विश्वनीय, सदा उपलब्ध और सामर्थ्यदायी

MISSION

Konkan Railway shall evolve into economic, eco-friendly & cost effective catalyst for growth & prosperity in the Konkan region.

MODE

❖ *Konkan Railway cares & Provides*

❖ *For people*

Safety		Comfort
Punctuality	Amenities	Services

❖ *For goods*

On time loading	In time delivery
Instant compensation	Intact transit
Value added logistic support	

❖ *Konkan Railway adds value to the society*

Integrity & Self-discipline	Austerity & Economy
Polite & Confident	Skilled & Trained
True public servants	

❖ *Konkan Railway Technology*

Cutting edge for this Millennium
Eco-friendly & Promotes sustainable growth
Less-maintenance or maintenance free
Fault-tolerant and open to growth for future needs.
Reliable, available and enabling.

SALIENT FEATURES OF KONKAN RAILWAY

Gauge	: Broad Gauge (1676 mm.)
Length	: 741 km.
Ruling Gradient	: 1:150 (Compensated)
Number of Stations	: 64
Number of Major Bridges	: 179 (With a total linear waterway of 19.823 km.)
ROB, RUB & FOB	: 365 Nos
Number of Minor Bridges	: 1701 (with total linear waterway of 5.58 km.)
Number of Tunnels	: 91 (Total length 84.496 km.)
Longest Tunnel	: 6.5 km. (Karbude tunnel)
Longest Bridge	: 2.065 km. (on Sharavati River)
Tallest Viaduct	: 64 meters in height (on Panval River)
Track Structure	: Rails 52 kg. (90 U.T.S.) LWR laid on monobloc PSC sleepers @ 1540 per km.
Turnouts	: Thickweb Switches on PSC sleepers.

कोंकण रेलवे की प्रमुख विशेषताएं

आमान	: बड़ी लाइन (1676 मि. मी.)
लम्बाई	: 741 कि.मी.
नियंत्रक ढलान	: 1:150 (समकृत)
स्टेशनों की संख्या	: 63
बड़े पुलों की संख्या	: 179 (कुल रेखीय जलमार्ग 19.823 कि.मी.)
आरओबी, आरयूबी व एफ ओबी	: 365
छोटे पुलों की संख्या	: 1701 (कुल रेखीय जलमार्ग 5.58 कि.मी.)
सुरंगों की संख्या	: 91 (कुल लम्बाई 84.496 कि.मी.)
सबसे लम्बी सुरंग	: 6.5 कि.मी. (करबुडे सुरंग)
सबसे लम्बा पुल	: 2.065 कि.मी. (शरावती नदी पर)
सबसे ऊंची भूमि सेतु	: 64 मी. ऊंचा (पनवल नदी पर)
रेलपथ मार्ग संरचना	: रेल 52 कि. ग्राम (90 यू.टी.एस.) पटरी 1540 मोनो ब्लॉक पीएससी स्लीपर्स कि.मी. पर बिछायी गई लम्बी झलाईवाली रेलें.
टर्न आउटस्	: पी.एस.सी. स्लीपर्स पर थिकवेब स्विचेस

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FINANCIAL SUMMARY FOR THE YEAR 2001-02 TO 2010-12

Sr. No.	Particulars	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
1	Total Income (incl. other income)	168	189	228	245	289	630	669	787	787	766	924	1001
2	Expenditure (incl. increase/decrease in stock)	133	145	146	195	217	499	510	555	600	520	697	758
	Misc expenditure	26.35	21.03	15.11	9.7	6.89	0	0	0	0	0	0	0
3	Operating Margin	35	44	82	50	72	131	159	232	187	246	227	243
4	Interest Expenses	345	335	328	332	304	303	321	305	190	166	140	134
5	Depreciation	70	71	70	70	69	70	70	70	76	77	85	90
6	Loss/Profit before tax	-380	-362	-316	-352	-301	-242	-232	-143	-79	3.00	2.84	19.25
6a	Tax						0.65	0.78	0.80	0.42	0.01	0.03	0.00
7	Profit after tax	-380	-362	-316	-352	-301	-243	-233	-144	-79	3	3	19
8	Dividend	0	0	0	0	0	0	0	0	0	0	0	0
9	Foreign Projects reserve	0	0	0	0	0	0	0	0	0	0	0	0
10	General Reserves	15.21	15.21	15.21	15.06	5.55	0	0	0	0	0	0	0
11	Other Reserves	0	0	0	0	0	0	0	0	0	0	0	0
12	Reserves & Surplus	0	0	0	0	0	0	0	0	0	0	0	0
13.a	Gross block	3504	3519	3530	3547	3615	3656	3687	3732	3792	3876	3929	4039
13.b	Net Fixed Assets	3295	3232	3174	3137	3148	3137	3121	3110	3100	3073	3053	3049
14	Inventories	17	13	23	26	61	16	13	11	16	14	24	19
15	Foreign Exchange earnings	0	0	0	0	0	0	0	0	0	0	0	0
16	Equity Share Capital	779	784	784	789	790	803	803	803	806	806	806	806
	Preference Share Capital	0	0	0	0	0	0	0	0	3474	3771	4080	4080
	Total Share Capital	779	784	784	789	790	803	803	803	4280	4577	4886	4886
17	Capital employed	3188	3157	3133	3111	3184	3172	3112	3222	3307	3366	3355	3316
18	Government Investment	*	*	*	*	*	*	*	*	*	*	*	*
19	Net Worth	-534	-894	-1211	-1559	-1859	-2080	-2314	-2459	937	1247	1557	1576
20	Profit before tax to Capital employed	-0.119	-0.115	-0.101	-0.113	-0.095	-0.076	-0.075	-0.045	-0.024	0.001	0.001	0.006
21	Operating Margin to capital employed	0.011	0.014	0.026	0.016	0.023	0.041	0.051	0.072	0.057	0.073	0.068	0.073
22	Profit after tax to share capital	-0.488	-0.462	-0.403	-0.446	-0.381	-0.302	-0.290	-0.179	-0.099	0.004	0.003	0.024
23	Expenditure to income	3.262	2.915	2.386	2.437	2.042	1.384	1.347	1.182	1.100	0.996	0.997	0.981
24	Number of Employees			3453	3552	3722	4119	4160	4304	4308	4353	4656	4703
25	Income per employee			0.066	0.069	0.078	0.153	0.161	0.183	0.183	0.176	0.199	0.213
26	Foreign exchange earning per employee	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	nil	Nil
26A	Current Assets	151	160	179	370	403	476	575	625	811	978	1191	1045
26b	Current Liabilities	258	235	220	396	367	441	584	513	604	685	889	854
26c	Secured Loan	3034	2670	2617	2611	2711	2625	2498	2459	2369	2118	1798	1721
26d	Unsecured Loan (MOR)	689	1381	1726	2058	2332	2628	2928	3222	0	0	0	0
26e	Total Debt (Secured Loan+ MOR Loan)	3723	4051	4343	4669	5043	5253	5426	5681	2369	2118	1798	1721
27	Current ratio	0.585	0.681	0.814	0.934	1.098	1.079	0.985	1.218	1.343	1.428	1.340	1.223
27a	Accumulated Loss	1302	1672	1995	2353	2648	2883	3117	3262	3343	3330	3329	3310
28	Debt/equity ratio including losses	-7.332	-4.641	-3.632	-3.014	-2.722	-2.525	-2.345	-2.310	2.528	1.698	1.155	1.092
	Debt/equity ratio excluding losses	4.779	5.167	5.540	5.918	6.384	6.542	6.757	7.075	0.554	0.463	0.368	0.352
29	Investments	0	0	0	0	0	0	0	0	0	0	0	0

* Note: Total of Equity and Preference share capital is held by Government.

BOARD OF DIRECTORS

SHRI A.P.MISHRA	:	Chairman, KRCL
SHRI BHANU P. TAYAL	:	Managing Director
SHRI SHAHZAD SHAH	:	Director (Finance)
SHRI RAJESH TRIPATHI	:	Director (Way & Works)
SHRI PRADEEP BHATNAGAR	:	Addl. Member (Traffic Transportation)
SHRI JAYANT KUMAR BANTHIA	:	Chief Secretary, Govt. of Maharashtra Alternate Director
DR. S. K. SHARMA	:	Secretary (Transport, Excise & Ports)
SHRI RAJ KUMAR KHATRI	:	Principal Secretary (IDD) Government of Karnataka Alternate Director
SMT. VANDANA GURNANI	:	Resident Commissioner, Government of Karnataka
SHRI SANJAY K. SRIVASTAVA	:	Chief Secretary, Government of Goa Alternate Director
SHRI R. K. VERMA	:	Principal Secretary (Transport) Government of Goa
SHRI K. JAYAKUMAR	:	Chief Secretary, Government of Kerala Alternate Director
SHRI G.ELIAS GEORGE	:	Principal Secretary (Transport) Government of Kerala
SHRI R.N.VERMA	:	Director
SHRI MULKH RAJ PASRIJA	:	Director
SHRI C.M.DIXIT	:	Director
SHRI B. SATYANARAYANA	:	Company Secretary
M/S PATHAK H.D.& ASSOCIATES	:	Statutory Auditors
C & A G AUDITORS	:	Pr. Director Indian Audit and Account Department Office of the Principal Director of Audit Central Railway, 4th Floor, New Administrative Building, D.N. Road, Mumbai – 400 001.

Registered Office & Corporate Office :

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



NOTICE OF THE TWENTY SECOND ANNUAL GENERAL MEETING

Notice is hereby given that the 22nd Annual General Meeting of Konkan Railway Corporation Limited will be held on 29th September, 2012 at 14.30 hrs. at Konkan Railway Corporation Ltd., Board Room, Third Floor, Sector-11, CBD Belapur, Navi Mumbai-400614 to transact the following business:

ORDINARY BUSINESS :

ITEM NO.1 ADOPTION OF ANNUAL ACCOUNTS

To receive and adopt the Directors' Report, Balance Sheet and Profit and Loss Account for the year ended 31.03.2012 and Auditors' Report thereon.

ITEM NO.2 FIXATION OF REMUNERATION TO AUDITORS

To fix the remuneration to the Statutory Auditors appointed by the Comptroller & Auditor General of India for the year 2012-13.

Yours faithfully,
**By the Order of the Board of Directors,
For Konkan Railway Corporation Ltd.**

Sd/-
B. SATYANARAYANA
Company Secretary

PLACE : NAVI MUMBAI
Date : 10th August 2012

Notes:

1. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote thereat instead of himself and the proxy need not be a member. Form of Proxy is enclosed.
2. The instrument of proxy must be deposited at the Registered Office. Konkan Railway Corporation Ltd., Sector-11, CBD Belapur, Navi Mumbai-400614 not less than 48 hours before the time fixed for holding the meeting.

CHAIRMAN'S SPEECH

Dear Shareholders,

It gives me great pleasure to welcome you to the Twenty Second Annual General Meeting of your Company.

1. FINANCIAL & OPERATING PERFORMANCE:

- a) The performance of your Company for the year 2011-12 has been covered in the Directors' Report. I am glad to inform you that the total revenue has increased to ₹ 1000.92 Cr during the year 2011-12 from ₹ 924 Cr compared to the previous year. Out of the total revenue of ₹ 1000.92 Cr, traffic earnings increased to ₹ 672 Cr compared to the previous year's traffic earnings of ₹ 600 Cr. Other income had increased to ₹ 54.75 Cr from ₹ 36 Cr. Project surplus was ₹ 23 Cr during the year 2011-12 as compared to ₹ 24 Cr in 2010-11. The Company had earned an operating surplus of ₹ 243 Cr during the year. This is the 3rd year in succession the Corporation has earned net profit, which in this year is to the tune of ₹ 18.74 Cr compared to the previous year's profit of ₹ 2.81 Cr.
- b) The operating ratio, which is a parameter of operating efficiency is 82.12% in the year 2011-12 as compared to 81.35% in the year 2010-11. There has been a marginal increase in the operating ratio due to increase in expenditure by 10% largely on account of increased hire charges, Fuel expenses and establishment expenses. The Corporation had redeemed ₹ 58 Cr worth of bonds and Net Worth has increased from ₹ 1557 Cr to ₹ 1576 Cr during the year under review. The Corporation is hoping to maintain the same tempo in the years to come.
- c) The Corporation has constructed three loop lines at Kolad, Sindhudurg and Balli stations for line capacity augmentation and a new railway station was opened at Loliem. The Corporation has started originated loading of lime stone from Ratnagiri station which will improve the freight traffic in the coming years.

2. PROJECTS

- a) The work of 72.91 km of Katra-Dharam Section of J&K new Rail Line project was entrusted to KRCL in Dec 2002 with an estimated cost of ₹ 5005 crore. The Project involves construction of 19 tunnels with aggregate length of 62 km (85%), 7.5 km (10%) of route on bridges and balance 5% of route in cutting and embankments. The project also involves construction of 166 km of approach roads and feeder roads. So far, 16 km of tunnel excavation have been completed and three tunnels have been bored through. Out of 176 km of roads to be constructed, 122 km of roads have been made motorable. The work of bridges including very challenging bridge over Chenab is in progress. During the Financial Year 2011-12, the turnover was ₹ 274 Cr on this project and the cumulative turnover at the end of the financial year 2011-12 was ₹ 1457 Cr.
- b) Pilot ACD project on North East Frontier Railway was commissioned on 25/06/2007 and the same is being maintained by KRCL with the assistance of a private company for a period of 3 years (2009 to 2012).
- c) After implementation of financial restructuring proposals from 2008-09 onwards, the Corporation is regularly making profits from 2009-10. This was made possible through the measures taken by the Corporation for improving the earnings, controlling expenditure and improving the productivity of the employees. This has been achieved despite no increase in the passenger fares for the last 9 years and even after meeting the hike in expenditure towards salaries and wages arising out of the implementation of 6th Pay Revision Committee Recommendations and increased fuel charges and hire charges on locos, coaches and wagons. The recession prevailing in the global markets also effected the freight movement very badly. Overcoming all those difficulties, the Corporation has been able to make three years continuous profits. The Corporation is also having positive net worth of ₹ 1576 Crore. In recognition of this, Department of Public Enterprises awarded prestigious "**Turnaround Trophy**" to KRCL on 29th June, 2012.



3. SAFETY

Geo safety works of ₹ 20 Cr were completed during the year under review to tackle the vulnerable cuttings for improving the drainage, to prevent boulder falls and ultimately to enhance safety of running trains.

4. FUTURE OUTLOOK

I am confident that through the earnings from train operations & project management, the Corporation has the potential to improve its financial position in the years to come.

5. ACKNOWLEDGEMENT

I would like to conclude by thanking Ministry of Railways and the Governments of the States of Maharashtra, Karnataka, Goa and Kerala as well as Central Government departments and agencies for their help, support and co-operation. I would like to take this opportunity to thank the members of the Board for their valuable guidance, support and prudent counsel. Most importantly, I acknowledge the critical role played by the employees, whose contribution to your Company's business growth has been paramount.

Sd/-

A. P. Mishra
Chairman

Place: Navi Mumbai
Date: 29th September 2012

DIRECTORS' REPORT

Gentlemen,

The Directors of Konkan Railway Corporation Limited have great pleasure in presenting the Twenty Second Annual Report on the working of your Corporation.

1. FINANCIAL RESULTS :

Total revenues of the Corporation are ₹ 1000.92 Crore (Rupees One thousand crore ninety two lakhs only) compared to previous year's total revenues of ₹ 928.65 crore (Rupees Nine hundred twenty eight crore sixty five lakhs only). The train operations have yielded a gross earning of ₹ 671.98 Crore (Rupees Six hundred seventy one crore ninety eight lakhs only) on apportioned basis and other income of ₹ 54.75 crore (Rupees fifty four crore seventy five lakhs only). The project income is ₹ 274.19 Crore (Rupees Two hundred seventy four crore nineteen lakhs only). The operating surplus (after meeting the operating costs, the earnings before Interest, depreciation, taxes & amortization (EBIDTA)) is ₹ 243.22 Crore (Rupee Two hundred forty three crore Twenty two lakhs only). The profit during the year is ₹ 18.74 crore (Rupees Eighteen crore seventy four lakhs only), after providing ₹ 90.34 Crore (Rupees Ninety crore thirty four lakhs only) towards depreciation and ₹ 133.63 Crore (Rupees One hundred thirty three crore sixty three lakhs only) towards financing costs.

2. A) SHARE CAPITAL:

(i) Equity Share Capital

The Paid up Equity Share Capital of the Corporation stood at ₹ 806,45,62,000 (Rupees Eight Hundred six crore forty five lakhs sixty two thousand only) as on 31.03.2012 against the Authorized Equity Share Capital of ₹ 806,46,61,000 (Rupees Eight hundred six crore forty six lakhs sixty one thousand only). The details are as under

	As on 31.03.2012 (₹)	As on 31.03.2011 (₹)
Ministry of Railways	411,28,74,000	411,28,74,000
Government of Maharashtra	177,42,24,000	177,42,24,000
Government of Goa	48,38,79,000	48,38,79,000
Government of Karnataka	120,96,98,000	120,96,98,000
Government of Kerala	48,38,80,000	48,38,80,000
Railway Board Nominee	1,000	1,000
Railway Board Nominee	1,000	1,000
Railway Board Nominee	1,000	1,000
Special Commissioner, Maharashtra	1,000	1,000
Resident Commissioner, Goa	1,000	1,000
Resident Commissioner, Karnataka	1,000	1,000
Resident Commissioner, Kerala	1,000	1,000
Total	806,45,62,000	806,45,62,000

(ii) Preference Share Capital

The Authorized and Paid-up Preference Share Capital of the Corporation stood at ₹ 4079,51,00,000 (Rupees Four thousand seventy nine crore fifty one lakhs only) held by Ministry of Railways as on 31.03.2012, consequent to the approval of Cabinet Committee on Economic Affairs (CCEA) on 04.12.2008 of the financial restructuring proposal.

B) Financial Restructuring Proposals Approved by CCEA (Cabinet Committee on Economic Affairs) on 4.12.2008

The financial assistance provided by Ministry of Railways by way of loans worth ₹ 4079.51 Cr were



converted into non-cumulative, redeemable preference shares and these Preference Shares were issued in the name of President of India as per financial restructuring proposals approved by CCEA (Cabinet Committee on Economic Affairs) on 4.12.2008.

After implementation of the financial restructuring proposals the debt liabilities of the corporation had come down and thereby interest burden was reduced. The total earnings of the Corporation have improved in the last two years. In view of this, the Corporation is able to meet its debt obligations from its internal resources for the financial years 2011-12 and 2012-13. Corporation may approach the Railway Board and participating State Governments for financial assistance for redemption of bonds and payment of interest during the financial years 2013-14 and 2014-15 if need arises.

Board for Reconstruction of Public Sector Enterprises (BRPSE) suggested for forming a committee by the Railway Board for suggesting write off of losses either by canceling the Paid up Preference Share Capital of the company or infusing equity capital to that extent to make KRCL as a viable organization. Accordingly, the Corporation submitted proposal to the Central Government through Ministry of Railways for write off of losses to the extent of ₹ 3329.10 crore by reducing this amount from ₹ 4079.51 crore of Preference Share Capital held by Ministry of Railways.

C) Redemption of Bonds

During the year 2011-12, the Corporation redeemed bonds worth ₹ 58 Crore (Rupees Fifty eight crore only). Bonds worth ₹ 75 Crore (Rupees Seventy five crore only) is falling due in 2012-13 for redemption.

D) AAA (SO) Rating of Bonds

CRISIL/CARE rating agencies reaffirmed this year also AAA (SO) rating for the bonds issued by the Corporation during the previous years.

3. CAPACITY AUGMENTATION:

To improve the line capacity of KRCL, two crossing stations were opened for traffic on 13/10/2011 and 28/03/2012, they are namely Madure in between Sawantwadi and Pernem and Loliem in between Canacona and Asnoti respectively. Apart from this, one additional loop line work was completed at Verna and Thokur stations during the year.

Line capacity has been improved because of the following measures undertaken by the Corporation:-

- (i) The 3rd loop line at Thokur was commissioned on 28/06/2011.
- (ii) The New crossing Station at Madure (Between Sawantwadi Road and Pernem Stations) was commissioned on 13/10/2011.
- (iii) Additional goods loopline at Verna was commissioned on 16/01/2012.
- (iv) The New crossing Station at Loliem (between Canacona and Asnoti Stations) was commissioned on 28/03/2012.

4. BUSINESS OF TRAIN OPERATIONS:

A. Passenger Operations

Daily 34 passenger carrying trains are running on this single line section. To meet the growing demand, 3 new trains Train No.19259/ 19260 Bhavnagar – Kochuveli Express, Train No.19262/19261 Porbandar – Kochuveli Express and Train No.11003/11004 Dadar – Sawantwadi Express were introduced during the Year 2011-12. Further, Train No.16515/16516 Yashwantpur – Mangalore express (Tri-weekly) extended up to Karwar and frequency of Train No.12133/12134 CSTM – Mangalore Express was increased from Tri-weekly to Daily. 533 special trains were run during the year to clear extra rush of passengers. In addition, 348 extra coaches were attached to regular trains from time to time to meet the passenger demand.

B. Freight Operations

On an average, daily fifteen freight trains including RO-RO services are running on the system. The innovative Roll-on & Roll-off service (RO-RO) had completed 13 years of its successful run. This year earned ₹ 34.63 crore, which is highest ever so far. RO-RO service is being operated between Kolad – Surathkal – Kolad. Konkan Railway has transported more than 2.35 lakh trucks since the introduction of RO-RO service in January 1999. It is estimated that the operation of RO-RO service helps the nation in saving of diesel to the tune of about 22,000 Litres per day.

C. New Traffic

New Originating traffic of Lime-stone from Ratnagiri resulted in loading of 1.45 lakh Tonnes during 2011-12 fetching an income of ₹ 4.93 crore.

5. ENGINEERING PROJECTS:

A. Tata Steel Limited (West Bokaro Division) has entrusted to KRCL with the work of Detailed Project Report for the development of the Rail logistic and Railway siding for their Kotre-Basantpur-Pachmo coal project for more than 10 Km. The draft Detailed Project Report has been submitted to East Central Railway on 23.11.2011 for approval.

B. JSW Jaigarh Port Ltd. has entrusted to KRCL with the work of preparation of Detailed Project Report for the Rail connectivity from Konkan Railway line to JSW Jaigarh Port (Appx. 35 km) in Ratnagiri district in February 2012. The field survey has been completed and preparation of Detailed Project Report is in progress.

C. Construction of Katra – Dharam Section of Udhampur – Srinagar – Baramulla Rail Link (USBRL) Project:

Udhampur – Srinagar- Baramulla Rail Link Project is a National Project. A part of this project from Katra-Dharam (70km) has been entrusted to Konkan Railway Corporation Ltd. for execution in December 2002. It comprises of 59.467 km (85%) of route in tunnels, 6.6 km (9%) of route on bridges and balance 6% of route in cuttings and embankments. To access these sites, Konkan Railway has to make 156 km of approach and feeder roads including road tunnels and many temporary Bailey bridges. The estimated cost at 2006 price level for Katra-Dharam section is ₹ 5,005 crore. Tunnel T46 (654m) & Adit T1 (364m) were completed during the Financial Year 2011-12 and with this achievement three tunnels have been made through. Total Tunneling of 16.044 km up to 31st March 2012 has been completed. 122 km length of motorable roads has been constructed out of 156 km of approach & feeder roads. Balance work is in progress. The construction of major bridges between km 30 to 50 and Special Bridge over Chenab are in progress. During this Financial year turnover is ₹ 274 crore and cumulative turnover is ₹ 1,457 crore. A separate project unit was set up at Jammu for execution of this project with about 250 people directly engaged by KRCL.

D. Anti Collision Device (Raksha Kavach)

a. Pilot ACD (Version 1) Project on Northeast Frontier Rly (NFR) – declared as commissioned by Railway Board on 25th June 2007, the NFR ACD system is being maintained by KRCL with the assistance of M/s Kernex Microsystems (India) Ltd. During the Operational and Comprehensive Maintenance Contract period of three years (2009-12), KRCL has achieved the contracted up time of more than 95% of NFR ACD system. The efforts are further on to reduce the unwarranted ACD breakings by carrying out continuous field improvements. KRCL has submitted their fresh offer for carrying out the Operational and Comprehensive Maintenance activities for NFR ACD system for the year 2012-13. The same is under finalization by NFR.

b. ACD (Version 2) Development - Report of High Level Safety Review Committee headed by Dr. Anil Kakodkar, was submitted to Ministry of Railways on 17.02.2012. Since the report has not clearly recommended for continuation and proliferation of ACD system on Indian Railways (beyond pilot project of NFR), KRCL has sought further directions on ACD technology from Railway Board on 01.03.2012; as it was felt that any further expenditure would be in fructuous for both KRCL and



Indian Railways. Accordingly, KRCL has put on hold further actions on ACD Version 2 development and is presently waiting for necessary directions from Ministry of Railways.

6. ENGINEERING WORKS:

A. Various Geo-safety works were completed along the alignment to stabilize the cuttings and make the track safe for travel. The geo-safety works completed during the last year are as follows;

- | | | |
|---------------------------------------|---|--------------------|
| a) Earthwork for flattening of slopes | : | 4.82 lac Cu.m (m3) |
| b) Shotcreting | : | 588655 Sq.m(m2) |
| c) Rockbolting | : | 128.96 MT |

Geo-safety works worth ₹ 20.46 crore were completed during the year to tackle the vulnerable cuttings, improving the drainage to prevent boulder falls in tunnels to enhance safety of running trains.

B. The Track Geometry index of KRCL has improved from 84.25 for the year 2010-11 to 86.07 for the year 2011-12.

C. The main line at Nivsar was commissioned on 25/05/2011 while the two loop lines got commissioned on 24/05/2011 and 15/06/2011 respectively. No unusual events i.e. settlement of ground took place during monsoon after the diversion of track at Nivsar. CSM tamping of 752 KM has been completed for improving riding quality of track. Ballast training out of 37.954 cum has been completed for better maintenance of track. Through Weld Renewal of 18.53 Km have been completed to reduce weld failures.

D. Speed run was conducted in Ratnagiri and Karwar regions. Riding quality of track between Roha to Thokur at a speed of 120 Kmph was noted as "Excellent" by CRS.

7. SAFETY :

Telephone Directory - Part B of Disaster Management Plan has been updated & uploaded on DISHA and KR website. New Safety Calendar for year 2012 is released with Month wise laid down Safety drives on critical issues depicting pictorial advice. The Accident Relief Medical Vans of Ratnagiri and Madgaon were replaced with new ones. Various seminars and workshops and interactive sessions were conducted on various subjects on Safety including distribution of revised General and Subsidiary Rule books (English version) incorporating all corrections, amendments & corrigenda up to 15 February 2012 and Operating Instructions for Self Propelled Accident Relief Medical cum Machine Fabrica Duetchzland Tool Vans were distributed to all concerned, Various Safety Circulars were issued with regard to Safety and Safety awareness program on "HOW TO AVOID ACCIDENTS" was conducted during the year under review. The work of Data Logger installation, networking and configuration of faults in them completed at all the 58 stations during the year for enhancement of Safety.

Unfortunately, one Reportable Accident took place in this fiscal -

Two empty wagons were derailed near Madgaon yard on 23rd April, 2011 due to "Breakage of Crown Adaptor" due to material failure.

8. AFFORESTATION:

KRCL has planted approximately 20,946 nos. of various plants/trees along the KRCL route for the year 2011-12.

9. INFORMATION TECHNOLOGY:

Information Technology is an essential 24x7 'pillar' of KR business, helping it remain lean & efficient. IT Systems support all aspects of KR's working. KRCL has replaced KR-Net with KR-ERP (custom-built) J-Railway Application Package (J-RAP) which is web-enabled, GUI and maintained in house. Enterprise Collaboration System was introduced for implementation of e-mail system through www.konkanrailway.gov.in.

10. INDUSTRIAL RELATIONS:

KRCL has able to maintain cordial relations with the support of recognized union National Railway Majdoor Union, Scheduled Caste/Scheduled Tribe and Other Backward Class Associations.

11. GLOBAL COMPACT:

In October 2011, Konkan Railway Corporation Limited joined United Nations Global Compact and became signatory to the 10 principles of the Compact. It is indeed a pleasure to update our Organisation's Communication On Progress (COP) and compliance to the 10 principles of United Nations Global Compact. Corporation will always continue to strive to comply with them while conducting our day-to-day business. KRCL has actively participated in Global Compact Network Programme and has become a permanent Member in this programme.

12. STAFF WELFARE:

- A.** A monthly newsletter called "Konkan Newsletter" which was introduced in 2010-11 was continued to have better communication with the staff on various issues related to promotions, payments, welfare, policies, etc. To promote welfare activity and improved bonding in the Corporation, Inter-Regional Sports, various sports events, tournaments and cultural activities were organized during the year under review.
- B.** The Corporation has formed Konkan Railway Welfare Organisation (KRWO) on 4th June, 2010 to promote social welfare schemes, such as providing all possible help to provide accommodation to railway personnel and all the activities of the society will be carried out on "No loss or no profit basis".
- C.** Konkan Rail Co-operative Credit Society Ltd. (KRCCS) was registered on 15th April 2012 mainly to promote social and economic betterment of the members through the habit of thrift, self help and mutual aid to secure for a reasonable return on their savings. The Society will accept deposits and provide loans to cater to the financial needs of the members. This will enable the employees to improve their standard of living.

13. MANPOWER POSITION:

Position as on 01/04/2011

Group	General	SC	ST	OBC	Total	Ex-Serviceman	Physically Handi- capped	Minorities
A	126	24	05	24	179	-	01	15
C&D New Group	1864	592	210	1807	4473	33	45	380
Total	1990	616	215	1831	4652	33	46	395

Recruited during the year

Group	General	SC	ST	OBC	Total	Ex-Serviceman	Physically Handi-capped	Minorities
A	-	-	02	06	8	-	-	-
C&D	06	48	14	23	91	03	05	11
Total	06	48	16	29	99	03	05	11

Attrition during the year

Group	General	SC	ST	OBC	Total	Ex-Serviceman	Physically Handi-capped	Minorities
A	05	01	-	-	06	-	-	-
C&D	23	02	02	09	36	-	-	08
Total	28	03	02	09	42	-	-	08

Position as on 31/03/2012:

Group	General	SC	ST	OBC	Total	Ex-Serviceman	Physically Handi- capped	Minorities
A	121	23	07	30	181	-	01	15
C&D	1847	638	222	1821	4528	36	50	383
Total	1968	661	229	1851	4709	36	51	398



14. (i) HUMAN RESOURCES DEVELOPMENT:

23 different courses were conducted for training 350 staff at Konkan Railway Institute of Staff Training (KRIST) at Mangalore and 30 different courses were conducted for training 342 staff at Konkan Railway Institute of Staff Training (KRIST) at Madgaon and 27 courses were conducted for training 412 staff at Konkan Railway Technical Training Centre (KRTTC) at Bhatkal. 1041 staff participated in field workshops conducted and 19 staff participated through special courses conducted at Konkan Railway Institute of Staff Training, Mangalore during the year 2011-12 in addition to 14 work shops (Mobile KRIST) conducted for providing training to 687 staff members. The training target (KRIST portion) for the year 2011-2012 laid down in the MoU with Ministry of Railways has been achieved with an output of 4342 man-days at KRIST/Mangalore, 2122 man-days at KRIST-2/Madgaon, 3801 man-days at KRTTC/Bhatkal, 1041 at outside KRIST and 75 man-days through special courses at KRIST as against the target. In addition to the above, initial training was provided for 76 Commercial Assistants/ Passenger Assistants, who are recruited during the year by the Corporation.

(ii) FOUNDATION DAY:

22nd Foundation Day of KRCL was celebrated as Konkan Railway Week from 11/10/2011 to 15/10/2011 with a series of events / activities like Quiz and Essay Competition on the topic Konkan Railway Vision 2020- Challenges Ahead for Officers and Staff of Corporate Office and Regions at Ratnagiri and Karwar. Also, exhibition of Konkan Railway Photographs was organized at Konkan Rail Vihar, Nerul.

(iii) SPECIAL AWARDS:

During the 22nd Foundation Day function of KRCL, following 4 Special Awards were given to recognize hard work and dedication towards the corporation in different fields at the level of Managing Director.

- 1) Dr.E.Sridharan – Best Engineer Award
- 2) B. Rajaram – The Most Innovative Idea Award
- 3) Dr. K.K.Gokhale – Community Activity Award
- 4) Anurag Mishra – Individual Significant Financial Impact Award

15. MOU BETWEEN KONKAN RAILWAY AND INDIAN RAILWAYS:

Memorandum of Understanding for the year 2012-13, between KRCL and Indian Railways was signed on 13th March, 2012. MoU rating assigned by Department of Public Enterprises for the year 2011-12 is "GOOD".

16. MATERIAL MANAGEMENT:

The Materials Management system has been covered under ISO 9001-2008. Most of the materials have been procuring from approved sources with prior inspection by outside agency. Hence, quality of materials is ensured. Tenders are published on KRCL Website & on Central Purchase Portal. All contract details are published on KRCL Website, thereby ensuring transparency.

17. PARTICULARS OF CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

Provision of Section 217(1) of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 1988 is not applicable to the company as far as conservation of energy and technology absorption is concerned. However, Corporation has taken several steps for Energy Conservation by adopting three pronged approach, i.e. use of green technology, reduction in wastage and spreading of awareness.

The Corporation has been live up to the need for conservation of energy along with environmental concerns. Accordingly, usage of green energy has been encouraged and promoted. Over aged HPSV light fittings emitting yellow lights have been replaced with energy efficient LED lights in 5 tunnels covering a cumulative length of 5 kms approx. Corporation has further decided to replace over aged HPSV light fittings with such LED light fittings in tunnels longer than 2 kms and in the vicinity of signals in other shorter tunnels too in the first phase. The rest of the tunnels shall be covered in subsequent phases.

There has been an increase in electrical load due to opening of new stations, additional loops, increased traffic, KR Net Revamp etc. Though during the year 2011-12, energy consumption has increased by (+) 5.55% in absolute terms, however, if the inevitable consumption due to increased load as mentioned above, is excluded, saving in the electrical energy consumption, has been achieved to the tune of 3.56 lakh units. This amounts to (-)4.55% reduction in the total energy consumed during this year as compared to the consumption during 2010-11. In monetary terms, it will mean a saving of ₹ 26.33 lakhs.

18. VIGILANCE:

In its endeavor to fight the menace of corruption, KRCL Vigilance has taken a holistic approach which includes not only punitive but also preventive measures with emphasis on increasing awareness of systems by sensitizing the employees and the rail users to adopt good and ethical practices in exercise of their day to day operations. During the year 2011-12, 155 preventive checks covering all areas of work including train checks were carried out. As a result, while 5 officers were taken up under major penalty, 02 officers under minor penalty and administrative actions were recommended against 18 employees for the irregularities / lapses detected. The aforesaid checks also yielded an earning of ₹ 7.64 lacs towards penalties / recoveries from the contractors, who failed to comply with the contractual obligations, fare and penalty through train checking. A total of 13 complaints accrued during the period under review including 09 nos. brought forward from last year, out of which investigations were completed in seven cases.

Vigilance Awareness Period was observed from 31st Oct. to 06 Nov. 2011 over entire KRCL jurisdiction including J&K project Offices keeping focus on "Generation of Awareness and Publicity against Corruption". Competition for Essay and Slogan writing both in Hindi and English and debate competitions on Vigilance & Corruption related subjects was organized. To spread the message on Anti-corruption among the rail users as well as the staff, a skit on the subject was done by staff at Ratnagiri, Udupi, Karwar, Madgaon and Verna Railway Station platforms which was greatly appreciated by all. A lecture by prominent personality Dr, Subhash Deo, Principal, Gogate Joglekar college-Ratnagiri on the subject - Importance of integrity in work and public life - was organized at Ratnagiri for the guidance and benefit of the employees. Konkan Railway Vigilance had come out with a bulletin titled 'Sachetak' containing useful information and vital tips in the form of Dos & Don'ts, structured Case Studies, etc.

19. HEALTH CARE:

The Man-days loss as a result of sickness in our lean human resource organization is only 0.93%. Total number of 185 preventative and promotive health camps were conducted for the employees and their family members of Konkan Railway.

20. RAILWAY PROTECTION FORCE (RPF):

One X Ray BIS has been installed at Madgaon. CCTV Surveillance System has been installed at Belapur. The procurement of 1 Explosive Vapour Detector, 20 bullet proof jackets and 20 bullet proof helmets are under process. One Video Camera has been purchased. One lady smuggler was apprehended by IPF/Karwar with the 4.25 Kg charas valued ₹ 80 Lacs approximately on 06.01.2012. Three cases of thefts were reported. Out of which, two cases were detected by RPF with the arrest of two culprits and recovered the booty. 577 persons were prosecuted under various sections of Indian Railways Act and recovered an amount of ₹ 2,09,388/- as fine. 271 persons were charged for smoking in Railway premises/running trains and an amount of ₹ 54200/- was realized as fine. 95,845 liquor bottles/pouches valued ₹ 2,83,793/- were seized with the arrest of three bootleggers and handed over to excise department. 2687 persons were charged traveling without tickets/improper tickets by conducting joint raids along with commercial staff and an amount of ₹ 9,23,678/- was realized from them as fine. They also helped in tracing missing kids, run away children, missing luggage etc.

21. PROGRESS MADE IN USE OF HINDI IN THE CORPORATION :

Annual Programme for the year 2011-12 issued by Home Ministry (Department Official Language), Government of India and Ministry of Railways. Railway Board for the implementation of official language



policy and to meet the targets of various items of annual programme in Konkan Railway. Organized Rajbhasha fortnight from 12.09.2011 to 23.09.2011 and on this occasion, various hindi competitions like hindi essay competition, hindi noting and drafting competition, hindi Speech competition were organized. During the same year 41 hindi workshops were conducted in which 737 employees were trained to work in Hindi. In addition to this three employees were trained by Central Translation Bureau, Ministry of Home Affairs. During 2011-12 questionnaires and brochures of the various Committees were prepared in Hindi and English. Corporation website www.konkanrailway.com has been made in bilingual. 21st Annual Report 2010-11 of Konkan Railway Corporation Limited was translated in Hindi internally. Ten various Official Language Implementation Committees were constituted on Konkan Railway at Registered Office and Regional Offices and Stations. All assurances given to Parliament on Official Language Committee have been fulfilled by the Corporation. Corporation's Home magazine 'KONKAN GARIMA' in Hindi was published. For the year 2011-12 Hindi magazines/Hindi newspapers worth ₹ 25,000/- were purchased for 13 libraries set up on Konkan Railway route and ₹ 1 lakh spent on making Table Top Calendar. Efforts are continued to propagate progressive use of Hindi in official work

22. VISITS OF PARLIAMENTARY COMMITTEES:

The following Parliamentary Committees visited Konkan Railway to discuss various issues pertaining to Konkan Railway, the details of which are as under:

- i) Standing Committee on Railways visited Goa on 26th May, 2011 during their on-the-spot Study Tour on the subject of "New Catering Policy-2010 of Indian Railways and Anti Collision Device (ACD)".
- ii) The Standing Committee on Railways visited Jammu and Srinagar on 27th and 28th July, 2011 during their on-the-spot Study Tour on the subject of "Progress made in Construction of Udhampur- Srinagar – Baramulla Rail Link Project".

23. TURNAROUND TROPHY:

After implementation of financial restructuring proposals from 2008-09 onwards, the Corporation is able to make profits from 2009-10 onwards continuously for three years. This was made possible through the measures taken by the Corporation for improving the earnings of the Corporation and controlling the expenditure and improving the productivity of the employees, without increasing the tariff on freight and passenger fares and after meeting the hike in expenditure towards salaries and wages after implementing 6th and 2nd Pay Revision Committee Recommendations and fuel charges and hire charges on locos, coaches and wagons. Overcoming all these difficulties the Corporation is able to make profits for continuous three years and posted an impressive positive net worth of ₹ 1,560 crore.

In recognition of this, Department of Public Enterprises awarded prestigious "Turnaround Trophy" to KRCL on 29th June, 2012.

24. DIVIDEND:

The Directors do not propose to recommend payment of dividends during the year under review.

25. PARTICULARS OF EMPLOYEES:

During the year under review, no employee of the Company was in receipt of salary of ₹ 2,00,000 per month or ₹ 24,00,000 per annum and hence the particulars of such employees to be disclosed under section 217(2A) of the Companies Act, 1956 and Companies (particulars of employees) Rules, 1975 and amendments thereof from time to time are not attached.

26. DIRECTORS' RESPONSIBILITY STATEMENT [u/s 217 (2AA)]:

The Board of Directors of the Company confirms that,

In the preparation of the annual accounts, the applicable accounting standards has been followed generally and made proper explanation relating to material departures.

That the selected accounting policies were applied consistently and the directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2012 and of the profit of the company for the year ended on that date.

That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.

The annual accounts have been prepared as a 'going concern' basis.

27. AUDITORS:

The Comptroller & Auditor General of India has appointed M/s. Pathak H. D. & Associates as Statutory Auditors for the year 2011-12.

28. CORPORATE GOVERNANCE:

Information required under the Listing Agreement entered with National Stock Exchange of India Ltd.

I. The Management philosophy

The Management philosophy is to provide excellent services to the Shareholders, Customers, and Investors ensuring safety to the passengers and improving the productivity through efficiency in all spheres of activities.

The logo of the Corporation is "Sadar Seva" Summarizing our attitude - We work to achieve our mission statement. Konkan Railway Corporation Ltd. lays special emphasis in conducting its affairs within the framework of policies, internal and external regulations in a transparent manner. Being a Government Company, its activities are monitored by several external agencies like, the Statutory Auditors, the Comptroller & Auditor General of India, the Central Vigilance Commission (CVC), Parliamentary Committees, etc.

II. Board of Directors

The Board of Directors consists of Fourteen Directors, out of which four are functional Directors including Managing Director. Part time Chairman and one Nominee Director from Ministry of Railways and one Nominee Director from each participating State (Maharashtra, Karnataka, Goa and Kerala) are part-time Official Directors. There are four part-time non-official directors (Independent Directors) in the Board appointed by Public Enterprises Selection Board (PESB).

Being a Government Company under section 617 of the Companies Act, 1956, the functional Directors (Executive) and part-time non-official Directors (Independent Directors) are appointed by the Public Enterprise Selection Board. The President of India appoints part-time Chairman and one Director representing Railway Board and the Governor of each participating State appoints the Chief Secretary as the Director in the Corporation by virtue of Articles of Association of the Corporation. For participating States there is a provision for appointing Alternate Directors also.

It is proposed by the Ministry of Railways to have the post of Chairman –cum-Managing Director duly appointed by the Public Enterprise Selection Board (PESB) in place of Managing Director during the current year 2012-13, for which necessary action has been initiated.

During the year under review five (113 to 117) Board Meetings were held on 25th April, 2011; 20th August, 2011; 29th September, 2011; 31st October, 2011 and 15th February, 2012 respectively.

Attendance of Directors at the Board Meetings during the year and the Annual General Meeting is enclosed as annexure A.

Directorships held by directors is enclosed as annexure B

Being a railway administration under the Indian 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.



DIRECTORS

	Name	Tenure
1	Shri A.P.Mishra	From 27/10/2010
2.	Shri Bhanu P. Tayal	From 07/05/2008
3.	Shri Shahzad Shah	From 17/09/2008
4.	Shri Rajesh Tripathi	From 13/12/2010
5.	Shri Jayant Kumar Bhantia	From 01/06/2012
6.	Shri Sanjay K.Srivastava	From 10/08/2009
7.	Shri S.M.Singla	From 18/08/2009
8.	Shri Raj Kumar Khatri	From 28/10/2011
9.	Shri Jaya Kumar	From 01/04/2012
10.	Shri D. P. Pandey	From 01/04/2012
11.	Shri R. N. Verma	From 27/06/2012
12.	Shri C. M. Dixit	From 27/06/2012
13.	Shri M. R. Pasrija	From 27/06/2012
14.	Shri Ratnakar Y.Gaikwad	From 22/03/2011 to 31/05/2012
15.	Shri Pradeep Bhatnagar	From 13/07/2010 to 31/03/2012
16.	Shri S.V.Rangnath	From 01/10/2009 to 28/10/2011
17.	Shri P.Prabhakaran	From 16/02/2011 to 31/03/2012
18.	Shri N. Aravindan	From 13/08/2008 to 12/08/2011
19.	Shri M. C. Deo	From 13/08/2008 to 12/08/2011

Board Procedure

- The Board of Directors meet at least once a quarter to review the quarterly performance and the financial results. The Board Meetings are generally scheduled well in advance and the notice of each Board Meeting is given in writing to each Director. All the items on the Agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial/business plans, 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 meeting. The Board is also free to recommend the inclusion of any matter for discussion in consultation with the Chairman.
- The information as specified in Annexure I of the Listing Agreement is regularly made available to the Board.
- To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at every board meeting and senior management is invited to attend the board meetings so as to provide additional inputs to the items being discussed by the Board.
- The Board's role, functions, responsibility and accountability are clearly defined. In addition to matters statutorily requiring Board's approval, all major decisions involving policy formulation, strategy and business plans, annual operating and capital expenditure budgets, compliance with statutory/regulatory requirements, major accounting provisions are considered by the Board.
- The minutes of the board meetings are circulated in advance to all Directors and confirmed at subsequent Meeting.

III. Audit Committee

Broad Terms of Reference

The Audit Committee of the Board of Directors of the Company was constituted in 2001 pursuant to provisions contained in section 292 A of the Company's Act 1956 and clause 2.18 of the listing agreement for debt securities.

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 be communicated such reasons to the shareholders.

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

The Board of Directors at 112th meeting held on 4th February, 2011 reconstituted the Audit Committee as follows:

1. Shri B. P. Tayal, Managing Director
2. Shri Rajesh Tripathi, Director (Way & Works)
3. Shri N. Aravindan, Retd. AM (CE), Railway Board
4. Dr. M. C. Deo, Professor & Head, Dept. of Civil Engg., Indian Institute of Technology
5. Shri S. M. Singla, Director

However, Shri N.Aravindan and Dr. M. C. Deo, who are the members in the Audit Committee, retired on 12/08/2011.

Permanent Invitees are as follows:

1. Director (Finance)
2. Statutory Auditor
3. Internal Auditors

The attendance of the Members of the Audit Committee at the meetings is as follows:

Name of Director	Status	No. of Meetings attended / No. of Meetings held in 2011-12
Shri Bhanu P. Tayal	Managing Director	5/5
Shri Rajesh Tripathi	Director (W&W)	5/5
Shri N. Aravindan	Director	1/1
Shri M.C. Deo	Director	1/1
Shri S. M. Singla	Director	5/5

Director (F) / FA&CAO, Statutory Auditors and Internal auditors attended the meetings.

44th to 48th Audit Committee Meetings were held on 25th April, 2011; 20th August, 2011; 29th September, 2011; 31st October, 2011 and 15th February, 2012 respectively.

IV. Remuneration Committee

The Board of Directors on 14.01.2009 constituted Remuneration Committee headed by an Independent Director as per the recommendations of the 2nd Pay Revision Committee to decide the performance related pay and annual bonus/variable pay – pool and policy for its distribution across to the executives under IDA scheme.



The Remuneration Committee was reconstituted with the following members at 115th meeting of the Board of Directors held on 29th September, 2011.

1. Shri S.M.Singla, Chairman, Independent Director
2. Smt. Vandana Gurnani, Alternate Director to Chief Secretary, Government of Karnataka
3. Shri Shahzad Shah, Director (Finance), KRCL.

However, no meetings were held so far.

V. The details of Directors' Remuneration for the year 2011-12

Director's Name	Designation	Pay	DA and Other Allow	Perks	Service Contribution Payable to Railways	Total
Shri Bhanu P. Tayal	Managing Director	10,74,390/-	6,81,051/-	-----	1,60,484/-*	19,15,925/-
Shri Shahzad Shah	Director (Finance)	10,17,320/-	5,92,874/-	-----	2,91,581/-	19,01,775/-
Shri Rajesh Tripathi	Director (Way & Works)	9,15,750/-	6,07,100/-	-----	2,78,220/-	18,01,070/-
	Total	30,07,460/-	18,81,025	-----	7,30,285/-	56,18,770/-

* including employer's contribution to PF of ₹ 160484/-.

Note:

The Corporation has not paid any bonuses. No stock options have been issued to the Directors. Since the Directors are appointed by PESB, there is no service contract & notice period. No severance fees is payable to any of the Directors.

VI. Shareholders' Committee

The Shareholders Committee was reconstituted with the following members at 115th meeting of the Board of Directors held on 29th September, 2011.

1. Managing Director
2. Shri S.M.Singla, Chairman, Independent Director

The above Shareholders Committee was reconstituted for effecting Share Transfers held by Central Government and State Governments. Equity shares and Preference Shares were not listed in any of the stock exchanges. Only privately placed Bonds were listed in the National Stock Exchange of India Ltd. Company Secretary is acting as a Compliance Officer to resolve the complaints received from Shareholders or Bondholders.

VII. General Body Meetings

The last three Annual General Meetings were held in Delhi on 23/09/2009; 27/09/2010 AND 29/09/2011. The attendance of the shareholders is enclosed as Annexure C.

VIII. Means of Communication

All half yearly results were published in Free Press Journal (English) & Nav Bharat (Hindi), Rastriya Sahara (Hindi). Audited Balance sheets and Profit & Loss accounts of the previous years are made available on Konkan Railway Web Site. The Corporation Web site is "**www.konkanrailway.com**"

IX. General Shareholder's information:

a) Share/Bond Transfer System:

All privately placed bonds and preference shares were in dematerialized form. Equity Shares are in physical form.

Address of Registrars & Transfer Agents

Sharex (India) Pvt. Ltd.
Branch office Unit 1, Luthra Industrial Premises,
Safed Pool, Andheri – Kurla Road,
Andheri (E), Mumbai – 400 072.

b) Dates of Book Closure

The Book closure for payment of Interest to the bondholders is 16th to 30th June & 16th to 31st December every year.

c) Listing of Bonds

The privately placed bonds were listed in National Stock Exchange of India Ltd.

d) Details of Dematerialization of bonds

Sr. No.	ISIN No. – Nature of Issue	Name of the Security
1.	INE139F09374	10E-III
2.	INE139F09382	11A-I
3.	INE139F09390	11A-II
4.	INE139F09408	11A-IV
5.	INE139F09416	11B
6.	INE139F09424	11C-I
7.	INE139F09440	11C-III
8.	INE139F09457	11D
9.	INE139F09465	11E
10.	INE139F09473	11F
11.	INE139F09481	12A-I
12.	INE139F09499	12A-II
13.	INE139F09507	12A-III
14.	INE139F09606	14B
15.	INE139F09614	15A
16.	INE139F09622	15B

e) Capital:

i) Equity

51% of the Equity Share Capital is held by Government of India through Ministry of Railways 22% Equity Share Capital is held by Govt. of Maharashtra, 15% Equity Share Capital is held by Govt. of Karnataka, 6% Equity Share Capital is held by Govt. of Goa & 6% Equity Share Capital is held by Govt. of Kerala.

ii) Preference

100% of the Non-Cumulative, Redeemable Preference Share Capital of the Company is held by Government of India through Ministry of Railways.

f) Address for correspondence

The Company's Registered Office was shifted to Belapur Bhavan, Plot No.6, Sector 11, CBD Belapur, Navi Mumbai 400 614.

The investors' correspondence should be addressed to Registered Office cum Corporate Office at Belapur Bhavan, Plot No.6, Sector 11, CBD Belapur, Navi Mumbai 400 614.



g) Financial Calendar

Annual results of previous year	August
Annual General Meeting	September
First half yearly results	October
Second half yearly results	April
Market Price Data	The bonds are not actively traded in the stock exchanges.

h) Shareholding Pattern

	As on 31.03.2012	Percentage of Shareholding
Ministry of Railways	411,28,74,000	51
Government of Maharashtra	177,42,24,000	22
Government of Goa	48,38,79,000	6
Government of Karnataka	120,96,98,000	15
Government of Kerala	48,38,80,000	6
Railway Board Nominee	1,000	
Railway Board Nominee	1,000	
Railway Board Nominee	1,000	
Special Commissioner, Maharashtra	1,000	
Resident Commissioner, Goa	1,000	
Resident Commissioner, Karnataka	1,000	
Resident Commissioner, Kerala	1,000	
TOTAL	806,45,62,000	

i) Code of Conduct

The Board of Directors has adopted code of business conduct and ethics at its 82nd meeting held on 14th July 2005.

- i) Code of Conduct for all the Members of the Board of Directors of KRCL.
- ii) Code of Conduct for Senior Management and whole-time Directors as Executives of KRCL.
- iii) Key values of KRCL

The above Code of conduct approved by the Board of Directors also displayed in the website of the Corporation.

Further the Board of Directors and Senior Management affirmed that they have complied the Code of Business Conduct and Ethics and have not violated any of the provisions of the code during the year ended 31st March, 2012.

j) Accounting Standards

Replies to the auditor's qualifications on the deviations in Accounting Standards, if any, would be incorporated in this Annual Report separately for the year 2011-12.

k) Disclosures

- i) **Disclosure on materially significant related party transactions that may have potential conflict with the interests of the Company at large**

There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, relatives, etc., that may have potential conflict with the interests of the Company at large.

ii) Disclosure of Accounting Treatment

In the preparation of the financial statements, the company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India. The significant accounting policies, which are consistently applied, are set out in the 'notes to the accounts' including reasons for departure.

ii) Risk Management

The Risk Management Committee was reconstituted with the following members at 115th meeting of the Board of Directors held on 29th September, 2011.

1. Shri S.M.Singla, Chairman, Independent Director
2. Shri Shahzad Shah, Director (Finance), KRCL

However, no meetings were held during the year under review

iv) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

The Company has complied with all requirements of the Listing Agreement entered into with the National Stock Exchange as well as the regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the National Stock Exchange or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.

(I) Non-mandatory requirements

i) Remuneration Committee

The Board of Directors constituted Remuneration Committee headed by an Independent Director as per the recommendations of the 2nd Pay Revision Committee to decide the performance related pay and annual bonus/variable pay – pool and policy for its distribution across to the executives under IDA scheme.

ii) Shareholders Rights

As the financial performance of the Company is publicized and displayed unaudited financial results in the Konkan Railway web site.

iii) Postal Ballot

The provisions of the Companies Act, 1956 in this regard will be followed.

iv) Whistle Blower Policy

It is affirmed that no personnel have been denied access to the audit committee.

v) Details of Investor Grievances

The Company has not received any complaints from Stock Exchanges or Securities & Exchange Board of India or Department of Company Affairs or any other governmental or non-governmental agencies since last seven years. Therefore the Corporation has not constituted any Grievance Committee. However, the Company Secretary is nominated as Compliance Officer for looking after the grievances, if any of the bondholders.



X. MANAGEMENT DISCUSSION & ANALYSIS

(a) Industry Structure

The core business activity of the Corporation is transportation of passengers and goods through Railways. The Railway transportation industries in India are reserved for the Public Sector.

(b) Strength and weaknesses

i) Mega-project management skills

The Corporation is able to handle mega Railway Projects and Construction projects because of its past experience and special engineering, construction and management skills available in the Corporation.

ii) Technology Innovations

- 1) Since 1998, the Corporation has developed innovative technologies to re-define the rail-guided systems in the world in terms of safety, efficiency and productivity. These technologies could not be commercialized due to technical glitches so far.
- 2) High Power Committee on Safety headed by Dr. Kakodkar submitted their report in February 2012 and observed that,
 - a) Anti-Collision Device (ACD) based protection system in its current form has met with 'limited success'.
 - b) ACD in its current form is not a safety system and so is not yet fully engineered for Automatic Train Protection (ATP) equivalence in standalone form.

iii) Operation and efficiency factors

- (a) Daily about 34 passenger carrying trains are run on the single line section and punctuality performance is excellent.
- (b) Unique in the world, the lean staff strength coupled with IT enabled services through Railway Application Package, enable the Konkan Railway to generate operating surplus. World Bank praised this achievement to be considered as "benchmark" for others.

(c) Threats & Opportunities

Originating traffic is low. Passenger traffic on this line is very buoyant but the goods traffic is mainly cross traffic loaded from Indian Railways. In order to improve the originated traffic the Corporation proposes to increase the RO-RO service and facilitate port connectivity proposals.

(d) Segment-wise performance

The Corporation also undertakes execution of commercial construction projects especially for the Indian Railways. At present the Corporation has been given the task of executing a portion of the prestigious national Railway Project linking Jammu with Srinagar which is under progress.

(e) Risks and concerns

The Corporation has paid ₹ 58 Crore towards redemption of Bonds and ₹ 134 Crore towards interest on Bonds during the year 2011-12 from its Operating Surplus. Thus the Corporation was able to meet its debt obligations from its internal resources during the year. The Corporation is having debt liabilities of Rs.1740 Crore as on 31st March, 2012. This current financial year also the Corporation will meet the redemption and interest liabilities on Bonds on its own from the internal resources. The Corporation may approach the Railway Board for financial assistance for redemption of bonds and payment of interest during the financial years 2013-14 and 2014-15 if need arises. The Corporation has submitted the proposal of Write off of losses to the extent of ₹ 3329 Crore approx by reducing Preference Share Capital to the Ministry of Railways in the current financial year 2012-13.

(f) Outlook

Construction of railway line between Indapur-Mangaon to Dighi Port is in the pipeline, which has potential for generating originating traffic on Konkan Railway route. Once Port connectivity is established, there would be movement of at least 5MT of traffic every year.

Final Location Survey (FLS) is completed for Jaigarh Port and Joint Venture agreement is proposed to be entered between Jaigarh Port Authorities, Maharashtra Maritime Board, and KRCL for providing Rail Connectivity to the Port. Jaigarh Port near Ratnagiri is having potential of moving 3 MTs every year.

(g) Internal Control

The Corporation by and large follows the internal control systems as applicable under Companies Act, and Indian Railways.

(h) Corporate Social Responsibility (CSR)

As per the extant CSR guidelines, Loss Making PSEs are not required to undertake CSR Activities. However, Konkan Railway has taken a lead and initiative, as a Social Obligation, to undertake the CSR Activities on Konkan Railway Route and it is proposed to undertake following activities under Corporate Social Responsibility with a budget of ₹.15 Lakhs for CSR activities for the year 2011-12.

i) Setting up of Skill Development Centre

It is proposed for setting up Skill Development Centers on selected stations initially and gradually setting up of these centers at all the stations on Konkan Railway. It is proposed to impart computer training to the students of nearby villages, especially for the families below the poverty line. It is proposed to involve Sarpanches of all the villages of Konkan Railway route.

ii) Telemedicine

It is also proposed to introduce Telemedicine at all these skill development centers. Under this project all the villagers below Poverty line, along the Konkan Railway route will benefit through Telemedicine, which will have tie up with Corporate Office & hospitals in Mumbai.

iii) Sustainable Development

It is proposed to develop Observation Platforms, Control Room and Nature Education Centre at Carambolim Lake in Karmali, Goa.

(i) Corporate Governance Rating

The Corporation received from Department of Public Enterprises "EXCELLENT" rating for Corporate Governance during the year 2011-12.

29. ACKNOWLEDGEMENT

The Board of Directors gratefully acknowledges the assistance, active support and guidance received from the Ministry of Railways as well as from the State Governments of Maharashtra, Goa, Karnataka and Kerala. The Board of Directors expresses their 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/-

(BHANU P.TAYAL)

Managing Director



SCHEDULE "A"

Name of the Director	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM
S/Shri A.P.Mishra	Part-time Chairman	3/5	No
Shri Bhanu Prakash Tayal	Managing Director	5/5	Yes
Shri Shahzad Shah	Director (Finance)	5/5	Yes
Shri Rajesh Tripathi	Director (Way & Works)	5/5	Yes
Shri Pradeep Bhatnagar	Addl. Member (Traffic &Transportation)	4/5	Yes
S/Shri Ratnakar Gaikwad / Dr.S.K.Sharma	Chief Secretary, Maharashtra	1/5	Yes
S/Shri/Smt Rajkumar Khatri / Vandana Gurnani	Chief Secretary, Karnataka	3/5	Yes
S/Shri Sanjay K.Srivastava / R.K.Verma	Chief Secretary, Goa	0/5	NO
S/Shri/P. Prabhakaran / K.Ellangovan/ K.Jayakumar / K.R. Jyothilal	Chief Secretary, Kerala	0/5	NO
Shri S.M.Singla	Independent Director	5/5	Yes
Shri N. Aravindan	Independent Director	1/1	Retired
Prof. M. C. Deo	Independent Director	1/1	Retired

SCHEDULE "B"

Name of the Directors Father's Name Date of Birth	Designation	Qualification (s)	Directorships held/ Memberships in Committees etc.	Bonds held in KRCL	Details of contract (s)/ Agreement (s) entered with the Corporation
Shri Aditya Prakash Mishra Late Shri Kailash Nath Mishra 3rd January, 1953	Chairman	B.Tech. (Civil Engg.)	1. Chairman, Rail Vikas Nigam Ltd. 2. Director, Delhi Metro Rail Corporation Ltd. 3. Chairman, Rail Land Development Authority	NIL	NIL
Shri Bhanu Prakash Tayal Late Shri R.P.Tayal 15th December, 1955	Managing Director	M.Sc (Zoology); MBA	NIL	NIL	NIL
Shri Shahzad Shah Late Shri Syed Enayat Hossain Shah 13th February, 1957	Director (Finance)	M.A. (History)	NIL	NIL	NIL
Shri Rajesh Tripathi Shri Sharad Bhushan Tripathi 07th February, 1961	Director (Way & Works)	M.E. (Structures)	NIL	NIL	NIL
Shri D. P. Pande, S/o Late Shri S. P. Pande. 15th January, 1955.	Addl.Member (Traffic Transportation) Ministry of Railways	M.A. (Hons) (History)	Director-Kutch Railway Corporation Limited.	NIL	NIL

Name of the Directors Father's Name Date of Birth	Designation	Qualification (s)	Directorships held/ Memberships in Committees etc.	Bonds held in KRCL	Details of contract (s)/ Agreement (s) entered with the Corporation
Shri Jayant Kumar Bhanthia S/o Kanhihalal Banthia 1st June, 1953	Chief Secretary, Govt. of Maharashtra	M.Sc. (Chemistry)	Mahaonline Ltd.	NIL	NIL
Shri Raj Kumar Khatri S/o Tharka Das Khatri 10th October, 1961	Secretary (IDD), Govt of Karnataka	MBBS	1. Hasan-Mangalore Rail Development Corporation Ltd. 2. Bangalore International Airport Ltd.	NIL	NIL
Shri Sanjay Kumar Srivastava S/o Shri Triloki Nath Srivastava, 20th April, 1957	Chief Secretary, Govt. of Goa	M.Sc; LLB; MBA	NIL	NIL	NIL
Shri K.Jayakumar, S/o M. Krishnan Nair, 6th October 1952	Chief Secretary, Govt of Kerala	M.A. (Eng Literature) M.Sc. (Development Studies)	NIL	NIL	NIL
Shri Satish Mohan Singla S/o Shri Janardan Prakash Singla 10th October, 1944	Independent Director	B.Tech (Hons.)	NIL	NIL	NIL
Shri Ravindra Nath Verma, S/o Ramkrishna Verma, 6th January, 1951	Independent Director	M.Sc (statistics) M.A. (Transport Economics)	1. Dedicated Freight Corridor Corporation 2. Western Coal Field Ltd, 3. Hindustan Salt Works Ltd, 4. Sambhar Salt Works Ltd., 5. Kolkata Metro Rail Corporation Ltd.	NIL	NIL
Mulkh Raj Pasrija, S/o Late Ganesh Dass Pasrija, 1st December, 1948	Independent Director	FCA	1. Director, Mecon Ltd., 2. Sole Proprietor Mulkh Raj Pasrija	NIL	NIL
Chintaman Mahadev Dixit S/o Mahadev Chintaman Dixit 11th July,1950	Independent Director	FCA	1. Indian Bank – Shareholder Director 2 SBI Mutual Fund Trustee Co. Pvt. Ltd. 3 Shriram General Insurance Co. Ltd. 4 Shriram Chits (Maharashtra) Ltd. 5 GDA Trusteeship Ltd. 6 GDA Management Consulting Pvt. Ltd. 7 GDA Forensics Services Ltd. 8 G.D. Apte & Co. -Partner	NIL	NIL



SCHEDULE "C"

Sr. No.	Name of the Shareholder	21st AGM Attended or Not
1.	Shri A.P.Mishra, Chairman	No
2.	Representative of President of India	Yes
3.	Representative of Governor of Maharashtra	Yes
4.	Representative of Governor of Karnataka	Yes
5.	Representative of Governor of Goa	Yes
6.	Representative of Governor of Kerala	Yes
7.	Special Commissioner, Govt. of Maharashtra	Yes
8.	Resident Commissioner, Govt. of Karnataka	Yes
9.	Resident Commissioner, Govt. of Goa	Yes
10.	Resident Commissioner, Govt. of Kerala	Yes
11.	Shri B.N.Rajshekharan, A.M. (Planning), Railway Board	Yes
12.	Shri V. K. Singh, Director (PSU), Railway Board	No

CFO & CEO CERTIFICATION

We hereby certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the year 2011-12 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 company'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 company during the year, which are fraudulent, illegal or violative of the company'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 company 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 2011-12 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/-
SHAHZAD SHAH
Director(Finance)

Sd/-
BHANU PRAKASH TAYAL
Managing Director

Place : Navi Mumbai
Date : 1st August, 2012



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Shareholders of Konkan Railway Corporation limited

We have examined the compliance of conditions of corporate governance by Konkan Railway Corporation Limited, for the year ended on 31st March 2012, as stipulated in clause 2.18 of the listing Agreement of the Konkan Railway Corporation limited with National Stock Exchange of India Ltd.

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 Konkan Railway Corporation limited for ensuring the compliance of the condition of corporate governance. It is neither an audit nor an expression of opinion on the financial statement of the Konkan Railway Corporation limited.

In our opinion and to the best of our information and according to the explanation given to us, subject to the following:

- 1. Number of Independent Directors is less than 1/3rd of the total board of Directors.**
- 2. As per the present constitution, there are no Directors having financial and accounting expertise.**
- 3. Audit Committee Meetings were conducted even when only 1 independent director was present, as against the minimum requirement of 2 independent directors to be present for quorum of the Audit Committee Meeting.**

We certify that the Konkan Railway Corporation limited has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement,

According to the information and explanation given to us, no investor grievances were pending against the Corporation as at the Year Ended March 31st 2012.

We further state that such compliance is neither an assurance as to the future viability of the Konkan Railway Corporation limited nor the efficiency or effectiveness with which the Management has conducted the affairs of Konkan Railway Corporation limited.

For **PATHAK H. D. & ASSOCIATES**
Chartered Accountants

Firm Registration No. 107783W

Sd/-

Mukesh Mehta

PARTNER

Membership No.043495

Place : Mumbai

Date : 10th August, 2012

COMMENTS OF THE C&AG OF INDIA UNDER SEC.619 (4) OF THE COMPANIES ACT.1956 ON THE ACCOUNTS OF KONKAN RAILWAY CORPORATION LTD., FOR THE YEAR ENDED 31ST MARCH, 2012

Sr.No	Comments by C&AG	Management replies
A	<p>Statement of Profit & Loss</p> <p>Revenue</p> <p>Other Income (Note No.18) ₹ 54.75 Crore</p> <p>The above wrongly includes an amount of ₹ 10.56 Crore being the excess provisions of earlier years written back</p>	<p>The accounts of the corporation is compiled in accordance with the revised Schedule VI of the Companies Act. The disclosure of prior period items, exceptional item and extra-ordinary items are not defined in the same. The accounts was prepared with reference to the Accounting Standard (AS) 5 on Net profit or loss for the period, prior period items and changes in accounting estimates. The term 'Prior period items', refers only to income or expenses which arise in the current period as a result of errors or omissions in the preparation of the financial statements and does not include other adjustments necessitated by circumstances, which though related to prior periods. The excess provision written back of ₹ 10.56 Crore during the year was on account of change in the accounting estimate as a result of new information, more experience & subsequent developments etc which could not be excluded from the current year income.</p>
B	<p>Balance Sheet Asset</p> <p>Long-Term loans and advances (Note No.10): ₹ 57.52 Crore. The above includes ₹ 17.83 Crore being loan to Konkan Railway Welfare Organization without entering in to agreement or creating charge on the assets acquired out of the loan. Depiction of this loan 'Secured' was therefore not in order.</p>	<p>Noted. The loan was extended to KRWO for purchase of land for construction of houses for KRCL staff. The survey and selection of sites for this purpose was in progress and the purchase deal was finalized in 2011-12. As per the terms and conditions mutually agreed upon, the land will remain mortgaged to KRCL and the process of getting title documents from revenue authorities is under finalization.</p>



AUDITORS' REPORT

To the Shareholders of Konkan Railway Corporation Limited:

- 1) We have audited the attached Balance Sheet of **Konkan Railway Corporation Limited** as at **31st March, 2012**, the Statement of Profit and Loss and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An Audit also includes assessing the accounting principles used, significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provided a reasonable basis for our opinion.
- 3) As required by the Companies (Auditors' Report) Order 2003 as amended by the Companies (Auditors' Report) (Amendment) Order, 2004 (together the 'Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and as per the information and explanations given to us, we enclose in the Annexure hereto a statement on the matters specified in Paragraphs 4 and 5 of the said Order as are applicable to the Company.
- 4) Further to our comments in the Annexure referred to in Paragraph 3 above, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of accounts, as required by law, have been kept by the Company, so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (e) Being a Government Company, pursuant to the Notification No. G.S.R 829 (E) dated 21.10.2003 issued by Ministry of Finance (Department of Company Affairs), provisions of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956, are not applicable to the Company.
 - (f) We draw attention to:
 - (i) **Note no. 9.1 (c) of Notes on Financial Statements regarding works where there is no physical progress during the year and kept under Capital work in progress, will be capitalized after due verification, where management has said that it will be capitalized or accounted with necessary adjustment in the subsequent year;**
 - (ii) **Note no. 9.4 (a) & (b) of Notes on Financial Statements regarding Sky Bus Project, where the management has stated that the Corporation is in the process of tying up with RDSO for safety certification, technology up gradation, followed by commercial**

exploitation of the project and has opined that there is no adverse change in technology, economic or legal environment or decrease in the rate of return on investment as anticipated initially and therefore there is no impairment as on the balance sheet date. It may be noted that the Corporation had invited expression of interest where one party had shown interest however the same was withdrawn later on and the Project is yet to receive the safety certification, which is necessary to introduce Sky Bus in the market;

- (iii) **Note No.12.2 (b) of Notes on Financial Statements regarding non-provisioning of receivable from North Frontier Railway (NFR), as the Corporation is following-up for sanction of additional estimate from Railway Board pending which the amount is not being released by NFR;**
 - (iv) **Note no. 17.2 (c), (d) & (e) of Notes on Financial Statements regarding execution of Udhampur Srinagar Baramulla Rail Link (USBRL) Project:**
 - a) **Claims lodged against the Corporation and lying under arbitration for a sum of ₹ 108,300 lakh are not considered as contingent liability, as in the opinion of the Corporation, these claims will be charged to the Project.**
 - b) **No provision for contingency on estimated basis has been made on award granted for ₹ 657 lakh as communicated by Railway Board, the Corporation has either to absorb arbitration cost in the ratio of 80 : 20 against the profit of that year or go for Arbitration. The management has decided to go for arbitration and charge the amount of claim to project cost. If the Corporation has to bear the claim as per the arbitration award, the same would be charged against the profit of that year.**
 - c) **The Corporation is in the process of reconciling its GST liability and consequential liability if any would be made in the subsequent years.**
 - (v) **Note no. 14.1 & 20.2 of Notes on Financial Statements regarding treatment on input CENVAT credit on ACDs for service tax and applicability of Works Contract Tax on projects handled by Corporation for which it is seeking legal opinion. The Corporation is of the view that, the consequential adjustments if any would be made in the subsequent years;**
 - (vi) **Note No.24 of Notes on Financial Statements regarding Provision for Contingencies of liabilities on account of maintenance / defects and arbitration/court award, where no provision is made in the books of accounts as Corporation is of the opinion that the same would be made good by sub-contractor or would be charged to fixed asset; and**
 - (vii) **Note no. 30 of Notes on Financial Statements regarding balances in trade receivable, trade payable, Government Authorities, Zonal Railways and Control Accounts that are subject to confirmation and reconciliation and the Corporation is in the process of review of such balances for carrying out necessary adjustment in the subsequent years.**
- (g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and Notes thereon, give



the information required by the Companies Act, 1956, in the manner so required and give a true & fair view in conformity and in accordance with accounting principles generally accepted in India:

- (i) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2012;
- (ii) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (iii) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

For **PATHAK H. D. & ASSOCIATES**
Chartered Accountants

Firm Registration No. 107783W

Sd/-

Mukesh Mehta
PARTNER

Membership No.043495

Place : Mumbai
Date : 10th August, 2012

ANNEXURE TO THE AUDITORS' REPORT

Referred to in Paragraph 3 of our report of even date on the accounts of KONKAN RAILWAY CORPORATION LIMITED for the year ended March 31, 2012:

(In this annexure, the matters specified in paragraphs (4) & (5) of the Companies (Auditor's Report) (Amendment) Order, 2004 to be dealt within the Auditors Report have been set in Bold Type which may be read in the context of comment and the opinion of the Auditors which have been set in the Normal Type.)

1. (a) Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

The Company has maintained proper records showing full particulars including quantitative details and brief description of location of fixed assets.

(b) Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;

As per the programme made by the management, the physical verification of fixed assets is to be carried out by internally formed Survey Committee of the Company in a phased periodical manner that all the assets are verified once in 3 years.

In our opinion, the frequency of verification is reasonable having regard to the size and operations of the Company and nature of its assets. No material discrepancies were noticed on physical verification, as confirmed by the management.

(c) If a substantial part of fixed assets have been disposed off during the year, whether it has affected the going concern;

No substantial parts of fixed assets have been disposed off during the year under audit and the going concern status of the Company is not affected.

2. (a) Whether physical verification of inventory has been conducted at reasonable intervals by the management;

As explained to us, stocks of stores, spares, diesel and other equipments held by the Company have been verified by the Stock Verification Cell under Perpetual Inventory System on annual basis. Further stocks of Rails are verified once in two years. The Company had also carried out verification of sleepers during the year.

(b) Are the procedures of physical verification of inventory followed by the management reasonable and adequate in relation to the size of the company and the nature of its business. If not, the inadequacies in such procedures should be reported;

In our opinion, the procedures and frequency of physical verification of inventory are reasonable and adequate in relation to the size of the Company, nature of its business and volume of stock.

(c) Whether the Company is maintaining proper records of inventory and whether any material discrepancies were noticed on physical verification and if so, whether the same have been properly dealt with in the books of accounts;

The Company has maintained proper records of inventories. It has been certified by the management that no material discrepancies were noticed on physical verification of inventories when compared with



book records. Wherever the discrepancies were noticed, the same would be dealt with in the books of accounts after due reconciliation, confirmation and the approval of the proper authority.

3. (a) **Has the Company granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Act. If so, give the number of parties and amount involved in the transactions;**

No companies, firms or parties are listed in the register maintained by the Company under Section 301 of the Companies Act, 1956; hence information of this Para is not applicable.

- (b) **Whether the rate of interest and other terms and conditions of loans given by the Company, secured or unsecured, are prima facie prejudicial to the interest of the Company;**

Not applicable with reference to our remarks in Para 3(a) supra.

- (c) **Whether receipt of the principal amount and interest are also regular;**

Not applicable with reference to our remarks in Para 3(a) supra.

- (d) **If overdue amount is more than rupees one lakh, whether reasonable steps have been taken by the Company for recovery of the principal and interest;**

Not applicable with reference to our remarks in Para 3(a) supra.

- (e) **Has the Company taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Act. If so, give the number of parties and the amount involved in the transactions;**

No companies, firms or parties are listed in the register maintained by the Company under Section 301 of the Companies Act, 1956; hence information of this Para is not applicable.

- (f) **Whether the rate of interest and other terms and conditions of loans taken by the Company, secured or unsecured, are prima facie prejudicial to the interest of the Company;**

Not applicable with reference to our remarks in Para 3(e) supra.

- (g) **Whether payment of the principal amount and interest are also regular.**

Not applicable with reference to our remarks in Para 3(e) supra.

4. **Is there an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. Whether there is a continuing failure to correct major weaknesses in internal control system.**

On the basis of checks carried out during the course of audit and according to the information and explanations given to us, there exists reasonable internal control system commensurate with the size of the Company and the nature of its business, with regard to purchase of stores and spares, raw materials including components, plant and machinery, equipment and other assets and for the sale of goods and services. However, we suggest raising of invoices credit through system so that all sale of service/goods, discount, tax etc can be correctly accounted for. Further the Company needs to device a system of invoicing traffic income so that there is no manual adjustment required later on.

5. (a) **Whether the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section;**

No companies, firms or parties are listed in the register maintained by the Company under Section 301 of the Companies Act, 1956 and hence the information sought vide the above Para is not applicable.

- (b) Whether transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time;**

Not applicable with reference to our remarks in Para 5(a) supra.

- 6. In case the company has accepted deposits from the public, whether the directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA or any other relevant provisions of the Act and the rules framed there under, where applicable, have been complied with. If not, the nature of contraventions should be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal, whether the same has been complied with or not?**

The Company has not accepted any deposits from the public.

- 7. In the case of listed companies and/or other companies having a paid-up capital and reserves exceeding ₹ 50 lakh as at the commencement of the financial year concerned, or having an average annual turnover exceeding ₹ 5 crore for a period of three consecutive financial years immediately preceding the financial year concerned, whether the company has an internal audit system commensurate with its size and nature of its business;**

Majority of the works relating to verification of financial transactions have been outsourced by the management to a Firm of Chartered Accountants. There also exists a separate internal audit department covering areas other than areas outsourced. In our opinion the internal audit procedures adopted were found to be commensurate with the size of the Company and nature of its business. However in respect of trade receivables, trade payables, capitalization of fixed assets including capital work in progress and project accounts the frequency of review and extent of verification needs to be increased. We also suggest the scope to cover the System audit, HR audit and Legal and Compliance audit.

- 8. Where maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act, whether such accounts and records have been made and maintained;**

As informed by the management Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.

- 9. (a) Is the company regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated by the auditor.**

According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth-tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues have been generally deposited with the appropriate authorities in timely manner.

According to the information and explanations given to us, no other undisputed statutory dues as stated above have remained outstanding as at 31st March 2012 for a period of more than six months from the date they became payable except for wealth tax of ₹ 8.56 lakh.



- (b) **In case dues of Income tax/Sales tax/Wealth tax/Service tax/Custom duty/Excise duty/cess have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned;**

The disputed statutory dues that have not been deposited on account of disputed matters pending before appropriate authority are as under:

Sr. No	Name of statute	Nature of dues	Amount (₹ in Lakh)	Period to which the amount relates	Forum where dispute is pending
1.	Income Tax Act, 1961	Income Tax Penalty	4,429	Assessment Year 2004-05 to 2007-08	Commissioner of Income Tax (Appeals) Mumbai
2.	Land Revenue Act	Non agriculture tax	1,055	2008-09 to 2010-11	Supreme Court Arbitrator

10. **Whether in case of a company which has been registered for a period not less than five years, its accumulated losses at the end of the financial year are not less than fifty per cent of its net worth and whether it has incurred cash losses in such financial year and in the immediately preceding financial year.**

The accumulated losses of the Company are ₹ 3,31,036 lakh, which is more than its Net Worth of ₹ 1, 57,560 lakh as at 31.03.2012. [Net Worth = Equity Share Capital + Preference Share Capital - Accumulated Losses]

The Company has made cash profit in the current financial year ended 31st March 2012 of ₹ 10,959 lakh as against the cash profit of ₹ 8,746 lakh in the previous year [Cash Loss = Net Loss- (Depreciation + Amortization of Expenses)], [Cash Profit = Net Profit + ((Depreciation + Amortization of Expenses)]

11. **Whether the company has defaulted in repayment of dues to a financial institution or bank or debenture holders? If yes, the period and amount of default to be reported;**

Based on our audit procedures and according to the information and explanations given to us, Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders during the current financial year.

12. **Whether adequate documents and records are maintained in cases where the company has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities; If not, the deficiencies to be pointed out;**

The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. **Whether the provisions of any special statute applicable to chit fund have been duly complied with? In respect of nidhi/ mutual benefit fund/societies;**

- (a) **Whether the net-owned funds to deposit liability ratio is more than 1:20 as on the date of balance sheet;**
- (b) **Whether the company has complied with the prudential norms on income recognition and provisioning against sub-standard/doubtful/loss assets;**
- (c) **Whether the company has adequate procedures for appraisal of credit proposals/requests, assessment of credit needs and repayment capacity of the borrowers;**
- (d) **Whether the repayment schedule of various loans granted by the nidhi is based on the repayment capacity of the borrower;**

The Company is not a chit fund or a nidhi/ mutual benefit fund/society. Therefore, the provisions of any special statute applicable to chit fund, nidhi or mutual fund/societies are not applicable to the Company.

- 14. If the company is dealing or trading in shares, securities, debentures and other investments, whether proper records have been maintained of the transactions and contracts and whether timely entries have been made therein; also whether the shares, securities, debentures and other investments have been held by the company, in its own name except to the extent of the exemption, if any, granted under section 49 of the Act;**

The Company is not dealing or trading in shares, securities, debentures and other investments. However, Company is investing its surplus funds in short- term deposits with banks/financial institutions in accordance with the Government guidelines in this regard.

- 15. Whether the company has given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company;**

According to the information and explanations given to us and the records examined by us, the Company has not given any guarantee for loans taken by others to any bank or financial institution.

- 16. Whether term loans were applied for the purpose for which the loans were obtained;**

According to the records of the Company and information and explanation provided to us, Company has not taken any the term loans during the year.

- 17. Whether the funds raised on short-term basis have been used for long-term investment; if yes, the nature and amount is to be indicated;**

According to the records of the Company and information and explanation provided to us, the Company had not raised any funds on short term basis during the year.

- 18. Whether the company has made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act and if so whether the price at which shares have been issued is prejudicial to the interest of the company;**

There were no preferential allotment of shares to any parties or any companies covered under Section 301 of the Companies Act, 1956.

- 19. Whether security or charge has been created in respect of debentures issued?**

The Company has not issued any Bonds/ Debentures during the year under audit.

- 20. Whether the management has disclosed the end use of money raised by public issues and the same has been verified;**

The Company has not raised any money by way of public issue during the Year.

- 21. Whether any fraud on or by the company has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;**

In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under audit that causes the financial statements to be materially misstated

For **Pathak H. D. & Associates**
Chartered Accountants
Firm Registration No. 107783W

Sd/-
MUKESH MEHTA
Partner
Membership No.043495

Place : Mumbai
Date : 10th August, 2012



Management replies to the Statutory Auditor's Remarks for the Financial Year ended 31/03/2012

Sr.No	Statutory Auditor's Remarks	Management replies
1	Note no. 9.1 (c) of Notes on Financial Statements regarding works where there is no physical progress during the year and kept under Capital work in progress, will be capitalized after due verification, where management has said that it will be capitalized or accounted with necessary adjustment in the subsequent year.	Progress of capital works is regularly reviewed by the executive. Capitalization is done once the work is completed. Further, review by management is being carried out to identify those capital works where there is no physical progress during the year will be capitalized after due verification. There is no material impact on non capitalization of such assets due to low rate of depreciation.
2	Note no. 9.4 (a) & (b) of Notes on Financial Statements regarding Sky Bus Project, where the management has stated that the Corporation is in the process of tying up with RDSO for safety certification, technology up gradation, followed by commercial exploitation of the project and has opined that there is no adverse change in technology, economic or legal environment or decrease in the rate of return on investment as anticipated initially and therefore there is no impairment as on the balance sheet date. It may be noted that the Corporation had invited expression of interest where one party had shown interest however the same was withdrawn later on and the Project is yet to receive the safety certification, which is necessary to introduce Sky Bus in the market	The corporation is in the process of tying with RDSO for safety certification, technology up gradation, followed by commercial exploitation of the project with an MoU with RDSO for further developments and has opined that there is no adverse change in the technology, economic or legal environment or decrease in the rate of return on investment as anticipated initially and therefore there is no impairment as on the balance sheet date.
3	Note No.12.2 (b) of Notes on Financial Statements regarding non-provisioning of receivable from North Frontier Railway (NFR), as the Corporation is following-up for sanction of additional estimate from Railway Board pending which the amount is not being released by NFR;	The Corporation is following up for sanction of additional estimate from Railway board pending which the amount is not being released by NFR. The corporation is continuously following-up with Railway Board for sanction of balance amount and also refers the issue for redressal of disputes for settlement of long outstanding dues receivable from NFR.
4	Note no. 17.2 (c),(d) & (e) of Notes on Financial Statements regarding execution of Udhampur Srinagar Baramulla Rail Link (USBRL) Project: a) Claims lodged against the Corporation and lying under arbitration for a sum of ₹108,300 lakh are not considered as contingent liability, as in the opinion of the Corporation, these claims will be charged to the Project b) No provision for contingency on estimated basis has been made on award granted for ₹ 657 lakh as communicated by Railway Board, the Corporation has either to absorb arbitration cost in the ratio of 80 : 20 against the profit of that year or go for Arbitration. The management has decided to go for arbitration and charge the amount of claim to project cost. If the Corporation has to bear the claim as per the arbitration award, the same would be charged against the profit of that year. c) The Corporation is in the process of reconciling its GST liability and consequential liability if any would be made in the subsequent years.	a) Claims lodged against the Corporation and lying under arbitration for a sum of ₹108,300 lakhs is not considered as contingent liability as it is considered opinion of the Corporation that these claims will be charged to the Project. Northern Railway is in process of appointing a committee which will examine each case in detail and decide the sharing pattern. KRCL shall have the liberty to either accept it or go for arbitration as per provision in Para 6.2 of MoU. In view of the above, the considered opinion of the corporation that the arbitration award paid will be charged to the project. b) No provision for contingency on estimated basis has been made on award granted for ₹ 657 lakhs It is considered opinion of the Corporation that these claims will be charged to the Project. The matter is under examination by a committee of N.Rly & KRCL officers. c) The Corporation is in the process of ascertaining the GST liability and consequential liability if any will be made in subsequent years.

5	Note no. 14.1 & 20.2 of Notes on Financial Statements regarding treatment on input CENVAT credit on ACDs for service tax and applicability of Works Contract Tax on projects handled by Corporation for which it is seeking legal opinion. The Corporation is of the view that, the consequential adjustments if any would be made in the subsequent years.	The corporation is already in the process of filing the service tax returns for the last 6 years to claim the CENVAT credit. The Corporation will carry out necessary adjustment in the books after completion of assessment by service tax. There is no likely liability on works contract tax on project handled by KRCL wherein the works contracts tax was recovered from the sub contractors.
6	Note No.24 of Notes on Financial Statements regarding Provision for Contingencies of liabilities on account of maintenance /defects and arbitration/court award, where no provision is made in the books of accounts as Corporation is of the opinion that the same would be made good by sub-contractor or would be charged to fixed asset;	The Corporation is of the opinion that the same would be made good by subcontractor due to similar back to back clause in the contract agreement with the sub-contractor and no provision is required to be made in accordance with the AS 29 on "Provision, contingent liabilities and contingent assets."
7	Note no. 30 of Notes on Financial Statements regarding balances in trade receivable, trade payable, Government Authorities, Zonal Railways and Control Accounts that are subject to confirmation and reconciliation and the Corporation is in the process of review of such balances for carrying out necessary adjustment in the subsequent years.	The major amount of debit and credit balances lying under receivable/payable are related to Inter Railway accounts wherein, this practice of confirming receivable/ payable to other Railways is not in existence. KRCL being an integral part of Indian Railways , earnings and expenditure are apportioned and wherein there is no practice of confirming receivable / payable to other railways, it may be noted that Inter Railway Reconciliation is conducted periodically to ensure the balances reflected in the accounts are true and actual liability existing on that date. .



BALANCE SHEET AS AT 31ST MARCH, 2012

(Amount in ₹)

Particulars	Note No.	As at 31st March, 2012		As at 31st March, 2011	
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	1	48,859,662,000		48,859,662,000	
Reserves and Surplus	2	(33,103,634,261)	15,756,027,739	(33,291,002,066)	15,568,659,934
Non-Current Liabilities					
Long-Term Borrowings	3	16,667,000,000		17,400,000,000	
Long-Term Provisions	4	547,316,690	17,214,316,690	407,071,637	17,807,071,637
Current Liabilities					
Short-Term Borrowings	5	733,000,000		580,000,000	
Trade Payables	6	3,652,300,940		2,814,205,348	
Other Current Liabilities	7	3,698,581,271		5,378,491,653	
Short-Term Provisions	8	457,047,295	8,540,929,506	409,796,869	9,182,493,870
TOTAL			41,511,273,935		42,558,225,441
ASSETS					
Non-Current Assets					
Fixed Assets	9				
Tangible Assets		29,997,800,450		29,748,340,545	
Intangible Assets		44,980,879		94,536,600	
Capital Work-in-Progress		405,137,599		685,997,330	
Intangible Assets under Development		39,147,896		3,079,858	
Long-Term Loan and Advances	10	575,186,082	31,062,252,906	332,936,593	30,864,890,926
Current Assets					
Inventories	11	194,817,198		241,993,377	
Trade Receivables	12	3,865,837,653		2,999,388,935	
Cash and Bank Balances	13	4,781,762,098		6,941,403,561	
Short-Term Loan and Advances	14	1,389,234,532		1,449,621,552	
Other Current Assets	15	217,369,548	10,449,021,029	60,927,090	11,693,334,515
TOTAL			41,511,273,935		42,558,225,441

Significant Accounting Policies
Notes on Financial Statements 1 to 35

As per our report of even date

For Pathak H. D. & Associates
Chartered Accountants
Firm Registration No.107783W

Sd/-
MUKESH MEHTA
Partner
Membership No. 043495

For and on behalf of the Board

Sd/-
(SHAHZAD SHAH)
Director (Finance)

Sd/-
(BHANU P. TAYAL)
Managing Director

Sd/-
(B. SATYANARAYANA)
Company Secretary

Place : Mumbai
Date : 10th August, 2012

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

(Amount in ₹)

Particulars	Note No.	2011-12	2010-11
REVENUE			
Revenue from Operations			
Traffic Earnings	16	6,719,759,625	6,000,082,412
Project Revenue	17	2,741,898,724	2,880,940,889
Other Income	18	547,515,702	405,430,514
Total Revenue (A)		10,009,174,051	9,286,453,815
EXPENSES			
Cost of Operation			
Train Operation Expenses	19	2,978,919,977	2,610,507,336
Project Cost	20	2,512,556,676	2,640,234,669
Employee Benefit Expenses	21	1,845,900,400	1,538,297,836
Finance Costs	22	1,336,304,646	1,399,146,250
Depreciation and Amortization Expenses	9	903,365,334	847,507,543
Other Expenses	23	239,607,024	222,655,716
TOTAL EXPENSES (B)		9,816,654,057	9,258,349,350
Profit before Prior Period adjustments and Tax (A-B)		192,519,994	28,104,465
Prior Period adjustments		5,152,189	9,827,297
Profit before tax		187,367,805	18,277,168
Tax Expenses			
(i) Current Tax		-	-
(ii) Deferred Tax		-	-
Profit for the year		187,367,805	18,277,168
Earnings per equity share of Rs. 1000/- each			
Basic / Diluted	29	23.87	3.48

Significant Accounting Policies
Notes on Financial Statements 1 to 35

As per our report of even date

For Pathak H. D. & Associates

Chartered Accountants
Firm Registration No.107783W

Sd/-

MUKESH MEHTA

Partner
Membership No. 043495

For and on behalf of the Board

Sd/-
(SHAHZAD SHAH)
Director (Finance)

Sd/-
(BHANU P. TAYAL)
Managing Director

Sd/-
(B. SATYANARAYANA)
Company Secretary

Place : Mumbai
Date : 10th August, 2012



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

(₹ in Lakhs)

PARTICULARS	2011-12	2010-11
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and Extra-ordinary items	192,519,994	28,104,465
Adjustments for:		
Depreciation	903,365,334	847,507,543
Interest Income	(380,181,406)	(295,452,055)
Finance cost	1,336,304,646	1,399,146,250
Prior Period Adjustments	(5,152,189)	(9,827,297)
Foreign Exchange Loss	1,350,877	-
Excess provision written back(net)	(105,630,887)	(42,080,083)
Loss/profit on sale of fixed asset	211,522	(45,735)
Operating Profit before Working Capital changes	1,942,787,891	1,927,353,088
Movement in Working Capital		
Increase/Decrease in Trade and Others Receivables	(752,488,982)	(1,267,295,595)
Increase/Decrease in Inventories	47,176,178	(102,907,255)
Increase/Decrease in Trade and Others Payables	(548,688,426)	2,076,886,819
NET CASH FLOW FROM OPERATION	688,786,661	2,634,037,057
Taxes Paid :	20,504,292	(1,581,666)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	709,290,953	2,632,455,391
CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of fixed Assets	(860,432,815)	(653,138,227)
Sale of fixed asset	1,743,469	5,994,896
Interest Income	223,738,948	368,551,626
NET CASH USED IN INVESTMENT ACTIVITIES (B)	(634,950,398)	(278,591,705)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of Preference Share Capital	-	3,081,700,000
Repayment of Borrowings	(580,000,000)	(3,205,000,000)
Finance cost	(1,336,304,646)	(1,399,146,250)
NET CASH USED IN FINANCING ACTIVITIES (C)	(1,916,304,646)	(1,522,446,250)
Net increase in Cash & Cash equivalents D= (A+B+C)	(1,841,964,091)	831,417,436
Cash & Cash equivalents at begining of period (E)	4,729,967,544	3,898,550,109
Cash & Cash equivalents at end of the period (D+E)	2,888,003,454	4,729,967,544

As per our report of even date

For and on behalf of the Board

For Pathak H. D. & Associates
Chartered Accountants
Firm Registration No.107783W

Sd/-
MUKESH MEHTA
Partner
Membership No. 043495

Sd/-
(SHAHZAD SHAH)
Director (Finance)

Sd/-
(BHANU P. TAYAL)
Managing Director

Sd/-
(B. SATYANARAYANA)
Company Secretary

Place : Mumbai
Date : 10th August, 2012

Significant Accounting Policies:

A. Basis of Preparation of Financial Statements

- i. The accompanying financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting and comply with the Accounting Standards prescribed by the Companies (Accounting Standard) Rules 2006 and the relevant provisions of the Companies Act, 1956 along with the rules of allocation, classification/recognition of revenues and expenditure adopted by Indian Railways as are relevant and applicable.
- ii. The Corporation submitted capital restructuring proposal to Board for Reconstruction of Public Sector Enterprises (BRPSE) for converting unsecured loans of Ministry of Railways (MoR) in to Share Capital. On the recommendation of BRPSE, Cabinet Committee on Economic Affairs approved the proposal of restructuring and in supercession of earlier Memorandum of Understanding (MOU) with MoR allowed the Corporation to continue as a Central PSU even after discharge of its debt liabilities.
- iii. The Accounting policies involved in the Guidance Note on "Treatment of expenditure during construction period" published by the Institute of Chartered Accountants of India (ICAI) as are relevant and applicable have been followed.
- iv. The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

B. Fixed Assets and Depreciation

- i. In classifying the nature of "Fixed Assets" and "Capital Works In Progress" the requirements of Revised Schedule VI and the format of disclosure followed by Indian Railways have been kept in view.
- ii. The Fixed Assets in use are shown at cost less accumulated depreciation. 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.
- iii. The Broad Gauge line between Roha and Thokur was completed and opened for traffic on 26.1.1998. The entire expenditure net of income in the 'Development Account' had been apportioned to the various Fixed Assets on pro-rata basis.
- iv. The Corporation has been charging small items of Plant, Equipments, etc. valuing up to ₹ 1 lakh each procured for 'Open Line Working including administrative offices' to Revenue Account on materiality basis, except, plant and equipment procured for implementation of individual project which is charged to the project account irrespective of the cost as per the terms of contract. From the financial year 2010-11, the corporation has decided to capitalize, such items as fixed assets in line with the provisions of Schedule XIV of the Companies Act, 1956.
- v. Depreciation is charged at the rates prescribed in Schedule XIV of the Companies Act, 1956 under Straight-Line Method. Depreciation on assets added/disposed during the years charged from/up to the month of addition/disposal. In case of assets where Schedule XIV of the Companies Act is silent, the rate of depreciation has been worked out with reference to effective life of the respective assets as given in Indian Railway Financial Code. The rates of depreciation followed in the case of such assets are mentioned below:

Loco/Other Rolling Stock/Cranes	2.50%
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- vi. The cost of furniture and fixtures lying at offices, stations and rest houses including office equipments procured and used during construction period have been added to the respective building cost at the time of initial capitalization. Furniture & Fixtures including office equipments acquired subsequently after commissioning of entire line have been shown separately under the head "Furniture & Fixtures".
- vii. Temporary structure / fixtures which does not have long life is charged 100% depreciation in the year of addition.
- viii. Lease hold land is amortized over the period of lease.
- ix. The useful life of 'Test Track Sky Bus Metro' has been technically assessed as 10 years and accordingly the un-amortized depreciable amount as at 01.04.2008 is to be charged over 10 years starting from financial year 2008-09.
- x. Interest on arbitration awards payable after 26.01.98 (the date of commissioning of the entire line) is charged to the Statement of Profit & Loss in accordance with AS-10 issued by ICAI.
- xi. Interest on court award payable in respect of additional compensation towards Land acquisition is added to the cost of land as interest is also considered as part of land compensation as the corporation had paid the original compensation based on the value determined and provided by SLAO.

C. Inventories

- i. The inventories are valued at cost or net realizable value whichever is lower. Stores for repairs and maintenance are charged off to revenue in the year of purchase. Used material is also valued at Nil.
- ii. Project and construction related Works in Progress are valued at cost till the major portion of the job is completed and thereafter valued at realizable value.

D. Foreign Exchange Transactions

- i. The transactions denominated in foreign currencies are recorded at the foreign exchange rate prevailing at the time of transaction.
- ii. Assets and Liabilities related to foreign currency transactions remaining unsettled at the end of the year are converted in rupees at the rate prevailing at the end of the year.
- iii. Any income or expense on account of foreign exchange difference either on settlement for 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.
- iv. 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.

E. Employees Retirement Benefits

- i. Pension

Konkan Railway Employees Superannuation Scheme' is a 'defined benefit scheme' and is applicable for those employees who have joined service prior to 01-01-2004. Liability under the said scheme is recognized on the basis of actuarial valuation and charged to Statement of Profit & Loss.

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

ii. **Gratuity & Leave Encashment:**

Gratuity & Leave Encashment benefits are 'defined benefit plans'. Liability towards the same are recognized on the basis of actuarial valuation and charged to Statement of Profit & Loss accordingly.

F. Leased Assets

Lease rentals and other charges payable thereon are accounted for with reference to terms and other conditions of the lease.

G. Income Recognition

i. Revenues from Construction and Project related activities are recognized as follows:-

Cost plus Contract:

Revenue is determined by adding the aggregate cost plus proportionate margin as agreed with the Principal (Customers).

Fixed Price Contract:

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.

ii. Revenue from service related activities is recognized using proportionate completion method. In case the amount received is less than the project cost incurred, the income is accounted for when the revised estimate is submitted, and there is no uncertainty to receipt of income or objection to revised estimate.

iii. Coaching and Goods earnings are accounted on Accrual basis in accordance with AS-9 issued by ICAI.

iv. Sale of scrap, salvage or waste materials is deemed to be completed at the time of realization and is accounted for accordingly.

v. Commission received on encashment of warrants issued by Defence / Police is recognized on accrual basis.

H. Contractor's claims

i. Claims for escalation by contractors are accounted for only when such claims are accepted after due verification.

ii. Recovery on account of risk and cost transactions is effected at the time of completion of works after due determination and the same is accounted for at the time of its realization in accordance with AS-9 issued by ICAI.

iii. Penalty for delay in completion / defective work is accounted as and when recovered from the contractors.

I. Liabilities

Provision is made for all known liabilities existing on the date of balance sheet.

J. Intangible Assets and Amortization:

i. Intangible assets are recognized in accordance with criteria specified in AS- 26 issued by ICAI.



- ii. Amortization/Depreciation of Intangible Assets and other Miscellaneous Expenditure is made as under:
- Discount/Other Expenses on issue of bonds upto 31.03.2002 - over the tenure of the bonds or 10 years, whichever is lower.
 - Preliminary expenses - over a period of 10 years
 - Patents, designs, R&D expenses considered as intangible assets - over their useful life or 10 years whichever is lower.
 - Specialized computer software - over a period of 3 years.
 - Anti Collision Device(ACD) Development expenditure incurred on current version (ACD implementation on Indian Railways considered as part of Corporate Safety Plan of Indian Railways) – Over a period of Ten years or 6000 ACDs whichever is earlier.
 - The corporation had procured software license in 2004 for the manufacture of 5000 ACDs at ₹ 56.65 Lakh and ₹ 1,133 is being charged per ACD. The balance amount of ₹ 28 Lakh will be charged for the manufacture of ACD as and when the ACDs are manufactured or 31.3.2013 whichever is earlier.

K. Financial Derivatives

Financial Derivatives are accounted on the date of settlement and realized gain / loss in respect of settled contracts are recognized in the Statement of Profit and Loss.

Derivative transactions are considered as off Balance sheet items and cash flows arising there from are accounted for in the books of account as and when the settlement takes place in accordance with the terms of respective contracts over the tenure thereof.

L. Provisions, Contingent liabilities and Contingent assets

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.

No provision for contingency is made in respect of court/ arbitration cases for additional compensation for Land or Contract charges, as the same pertains to fixed assets acquired prior to opening up of Traffic on 26.01.1998. In case of additional payment on account of Order the same would be added to the cost of fixed assets only, except interest which would be accounted in accordance with policy as disclosed separately under para B (x) and (xi)

Contingent Liability is disclosed in the case of:-

- 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.
- a possible obligation, unless the probability of outflow of resources is remote. No contingent liability is disclosed for defects or maintenance liability when corporation has 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.

Contingent Assets are neither recognized, nor disclosed.

M. Taxes on Income

- i. Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.
- ii. Deferred Tax is recognized on timing difference between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on the Balance Sheet date.
- iii. Deferred Tax Assets are recognized and carried forward to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.

N. Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date and if there is any indication of impairment based on Internal / External factors, an impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

O. Segment Accounting:

- i. Segment revenue includes the revenues directly identifiable / allocable to the segment. Expenses that are directly identifiable with/allocable to segments are considered for determining the segment results.
- ii. For the purpose of allocating common expenses to different projects, they are divided in the ratio of estimated cost of the projects. Segment assets and liabilities include those directly identifiable with the respective segments.



Notes on Financial Statements for the Year ended 31st March, 2012

(Amount in ₹)

1 - SHARE CAPITAL

Particulars	As at 31st March, 2012	As at 31st March, 2011
Authorised Share Capital		
8,064,661 Equity Shares of ₹ 1000/- each (Previous year 8,064,661 shares)	8,064,661,000	8,064,661,000
40,795,100 Non-cumulative Redeemable Preference Shares of ₹ 1000/- each (Previous year 40,795,100 shares)	40,795,100,000	40,795,100,000
	48,859,761,000	48,859,761,000
Issued, subscribed and paid up Share Capital		
Equity Shares		
8,064,661 Equity Shares of ₹ 1000/- each fully paid up (Previous year 8,064,661 shares)	8,064,661,000	8,064,661,000
Less: Calls in Arrears	99,000	99,000
(A)	8,064,562,000	8,064,562,000
Preference Shares		
32,224,600 Non-cumulative Redeemable 20 years Preference Shares of ₹ 1000/- each (Previous year 32,224,600)	32,224,600,000	32,224,600,000
8,570,500 Non-cumulative Redeemable 15 years Preference shares of ₹ 1000/- each (Previous year 5,488,800)	8,570,500,000	8,570,500,000
(B)	40,795,100,000	40,795,100,000
TOTAL (A+B)	48,859,662,000	48,859,662,000

1.1 The reconciliation of the number of shares outstanding is set out below :

EQUITY SHARES

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	Number of shares	₹	Number of shares	₹
Equity Shares outstanding at beginning of the year	8,064,661	8,064,661,000	8,064,661	8,064,661,000
Add-Equity Shares issued during the year	-	-	-	-
Equity Shares outstanding at end of the year	8,064,661	8,064,661,000	8,064,661	8,064,661,000

PREFERENCE SHARES

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	Number of shares	₹	Number of shares	₹
Non-cumulative Redeemable 20 Years Preference Shares outstanding at beginning of the year	32,224,600	32,224,600,000	32,224,600	32,224,600,000
Add- Non-cumulative Redeemable 20 Years Preference Shares issued during the year	-	-	-	-
Non-cumulative Redeemable 20 Years Preference Shares outstanding at end of the year	32,224,600	32,224,600,000	32,224,600	32,224,600,000

Particular	As at 31st March, 2012		As at 31st March, 2011	
	Number of shares	₹	Number of shares	₹
Non-cumulative Redeemable 15 Years Preference Shares outstanding at beginning of the year	8,570,500	8,570,500,000	5,488,800	5,488,800,000
Add-Non-cumulative Redeemable 15 Years Preference Shares issued during the year	-	-	3,081,700	3,081,700,000
Non-cumulative Redeemable 15 Years Preference Shares outstanding at end of the year	8,570,500	8,570,500,000	8,570,500	8,570,500,000

1.2 The details of Shareholders holding more than 5% shares

Equity Shares	As at 31st March, 2012		As at 31st March, 2011	
Name of Shareholder	No. of Shares	% held	No. of Shares	% held
Ministry of Railways	4,112,874	51	4,112,874	51
Government of Maharashtra	1,774,224	22	1,774,224	22
Government of Karnataka	1,209,698	15	1,209,698	15
Government of Kerala	483,880	6	483,880	6
Government of Goa	483,879	6	483,879	6

Non-cumulative Preference Shares	As at 31st March, 2012		As at 31st March, 2011	
Name of Shareholder	No. of Shares	% held	No. of Shares	% held
Ministry of Railways	40,795,100	100	40,795,100	100

1.3 The Corporation was incorporated as a joint venture between the Government of India (Indian Railways) and the beneficiary 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 as and when its loan liabilities are fully discharged. 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.

According to the initial Memorandum of Understanding (MoU), the Government of India, on the Corporation liquidating the loans obtained for completing the KR Route, would pay the contributions made by the State Governments towards equity at par.

1.4 The salient features of Capital Restructuring proposal as approved by Cabinet Committee on Economic Affairs and given effect to, are as follows:

- (a) The Loans provided by the Ministry of Railways along with accrued interest thereon as at 31st March, 2008 amounting to ₹ 32,224,600,000 have been converted into Non-cumulative Preferential Shares redeemable at the end of 20 years.
- (b) The Ministry of Railways will provide financial assistance amounting to ₹ 8,570,500,000 for full debt servicing and 50% of the redemption of the Bonds for three financial years, i.e. from 2008-09 to 2010-11. The Corporation has received an amount of ₹ 2,515,000,000 during 2008-09, ₹ 2,973,800,000 during 2009-10 and ₹ 3,081,700,000 during 2010-11 towards the same.
- (c) In respect of Non Cumulative Redeemable Preference Shares, dividend payable will be non-cumulative and at the rate which Ministry of Railways pays to Government of India.



2 - RESERVES AND SURPLUS

(Amount in ₹)

Particulars	As at	As at
	31st March, 2012	31st March, 2011
Statement of Profit and Loss		
As per last Balance Sheet	(33,291,002,066)	(33,309,279,234)
Add: Profit for the year	187,367,805	18,277,168
Closing Balance	(33,103,634,261)	(33,291,002,066)

3 - LONG TERM BORROWINGS

(Amount in ₹)

Particulars	As at 31st March, 2012	As at 31st March, 2011
Secured		
Private Placement of Bonds		
9.30% 17 taxable bonds of ₹10 lakh each 15B series redeemable on 19.10.2017 Letter of Comfort (LOC) issued by Ministry of Railways (MOR) (Put & call option available on 19/10/2012)	17,000,000	17,000,000
8.90% 3100 taxable bonds of ₹10 lakh each 14B series redeemable on 01.09.2016 LOC issued by MOR	3,100,000,000	3,100,000,000
6.00% 4000 taxable bonds of ₹ 1 lakh each 11C-III series redeemable on 02.02.2016 LOC issued by MOR (Put & call option available on 02/02/2014)	400,000,000	400,000,000
5.55% 500 taxable bonds of ₹ 1 lakh each 11C-I series redeemable on 02.02.2016 # LOC issued by MOR (Put & call option available on 02/02/2012)	50,000,000	50,000,000
6.20% 20000 taxable bonds of ₹1 lakh each 11B series redeemable on 19.11.2015 LOC issued by MOR	2,000,000,000	2,000,000,000
6.40% 4750 taxable bonds of ₹1 lakh each 11A-IV series redeemable on 01.08.2015 LOC issued by MOR	475,000,000	475,000,000
6% 1900 taxable bonds of ₹1 lakh each 11A-II series redeemable on 01.08.2015 # LOC issued by MOR (Put & call option available on 01/08/2011)	190,000,000	190,000,000
5.75% 500 taxable bonds of ₹1 lakh each 11A-I series redeemable on 01.08.2015 # LOC issued by MOR (Put & call option available on 01/08/2011)	50,000,000	50,000,000
6.94% 880 taxable bonds of ₹10 lakh each 12A-III series redeemable on 15.09.2014 LOC issued by MOR	880,000,000	880,000,000

Particulars	As at 31st March, 2012	As at 31st March, 2011
7.57% 3000 taxable bonds of ₹10 lakh each 12A-II series redeemable on 19.08.2014 LOC issued by MOR	3,000,000,000	3,000,000,000
7.00% 2000 taxable bonds of ₹10 lakh each 12A-I series redeemable on 02.08.2014 LOC issued by MOR	2,000,000,000	2,000,000,000
6.14% 500 taxable bonds of ₹10 lakh each 11F series redeemable on 02.04.2014 LOC issued by MOR	500,000,000	500,000,000
6.24% 2915 taxable bonds of ₹10 lakh each 11E series redeemable on 01.03.2014 LOC issued by MOR	2,915,000,000	2,915,000,000
6.25% 500 taxable bonds of ₹10 lakh each 11D series redeemable on 17.02.2014 # LOC issued by MOR (Put & call option available on 17/02/2012)	500,000,000	500,000,000
6.65% 800 taxable bonds of ₹1 lakh each 10E-IV series redeemable on 01.05.2013 Govt. Guarantee issued by MOR	80,000,000	80,000,000
6.65% 2000 taxable bonds of ₹1 lakh each 10E-III series redeemable on 01.05.2013 Govt. Guarantee issued by MOR	200,000,000	200,000,000
6.65% 3100 taxable bonds of ₹1 lakh each 10A -I series redeemable on 01.05.2013 Govt. Guarantee issued by MOR	310,000,000	310,000,000
9.30% 733 taxable bonds of ₹10 lakh each 15A series redeemable on 19.10.2012 LOC issued by MOR	-	733,000,000
TOTAL	16,667,000,000	17,400,000,000

- 3.1 (a) The IDBI Trusteeship Services Limited has been appointed as Trustees to the Bond Holders w.e.f. 01.08.2006 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
- (c) Corporation is authorised to reissue all bonds u/s 121 of the Companies Act after complying all the formalities required for reissue or fresh issue of bonds or both.
- (d) # These bonds carry a put and call option giving a right, to redeem the bonds before scheduled redemption date. However, no call option was exercised during the year 2011-12.
- 3.2 In the opinion of the management and as per SEBI(Disclosure and Investor Protection) Guidelines 2000 as amended Debenture Redemption Reserve is not created as it is not mandatory for Infrastructure Company.



4 - LONG TERM PROVISIONS

(Amount in ₹)

Particulars	As at 31st March, 2012	As at 31st March, 2011
Provision for Employee Benefit Leave Salary payable	547,316,690	407,071,637
TOTAL	547,316,690	407,071,637

5 - SHORT TERM BORROWINGS

(Amount in ₹)

Particulars	As at 31st March, 2012	As at 31st March, 2011
Secured		
Private Placement of Bonds		
9.30% 733 taxable bonds of ₹10 lakh each 15A series redeemable on 19.10.2012	733,000,000	-
LOC issued by MOR		
8.50% 480 taxable bonds of ₹10 lakh each 14A series redeemable on 01.09.2011	-	480,000,000
LOC issued by MOR		
6.90% 100 taxable bonds of ₹10 lakh each 13B series redeemable on 30.03.2012	-	100,000,000
LOC issued by MOR		
TOTAL	733,000,000	580,000,000

- 5.1 (a) The IDBI Trusteeship Services Limited has been appointed as Trustees to the Bond Holders w.e.f. 01.08.2006 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
- (c) Corporation is authorised to reissue all bonds u/s 121 of the Companies Act after complying all the formalities required for reissue or fresh issue of bonds or both.
- 5.2 In the opinion of the management and as per SEBI(Disclosure and Investor Protection) Guidelines 2000 as amended Debenture Redemption Reserve is not created as it is not mandatory for Infrastructure Company.

6 - TRADE PAYABLES

(Amount in ₹)

Particulars	As at 31st March, 2012	As at 31st March, 2011
Due to		
Contractors	358,676,613	353,731,737
Contractors for Project	491,200,406	539,167,721
Railways	2,796,190,416	1,915,645,021
Others	6,233,505	5,660,869
TOTAL	3,652,300,940	2,814,205,348

- 6.1 There are no dues to suppliers outstanding as at the year-end under the Small Scale and Ancillary Undertaking Act, 1993.
- 6.2 In the absence of any information from suppliers regarding the status under Micro, Small and Medium Enterprises Development Act, 2006, amounts due to such enterprises have not been disclosed separately under Trade Payables.

7 - Other Current Liabilities

(Amount in ₹)

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	Interest accrued but not due on Borrowing		552,939,025	
Interest accrued and due on Borrowing		26,093,483		32,130,763
Income Received in Advance		5,335,659		5,687,616
Deposits from				
Contractors & Others	165,543,692		369,738,900	
Contractors & Others for Project	2,401,263,339	2,566,807,031	3,857,794,111	4,227,533,011
Other Payable				
Creditors for Capital Expenditure	41,804,744		68,904,213	
Deposits for Capital Expenditure	27,625,535		41,896,486	
Employee payable	210,413,157		183,364,441	
Expenses Payable	137,658,036		165,835,899	
Project Payables	69,669,460		63,818,280	
Withholding and other taxes	59,362,062		11,579,207	
Other Liabilities	873,079	547,406,073	14,967,831	550,366,357
TOTAL		3,698,581,271		5,378,491,653

- 7.1 Withholding and other taxes payable includes estimated liability on account of Wealth Tax of ₹ 856,705 (Previous year ₹ 369,319)

8 - Short Term Provisions

(Amount in ₹)

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	Provision for employee benefits			
Employee Pension Scheme		368,683,860		240,721,003
Gratuity		71,929,019		161,040,769
Leave Salary payable		16,434,416		8,035,097
TOTAL		457,047,295		409,796,869

- 8.1 Provision for gratuity includes adjustment of ₹30,168,609 on account of excess provision made in 2010-11.

9 - FIXED ASSETS (TANGIBLE AND INTANGIBLE)

(Amount in ₹)

DESCRIPTION	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	BALANCE AS AT 01.04.2011	ADDITION 2011-12	DELETION/ADJUSTMENTS 2011-12	BALANCE AS AT 31.03.2012	UPTO 31.03.2011	FOR THE YEAR	DEDUCTION	UPTO 31.03.2012	AS AT 31.03.2012	AS AT 31.03.2011
2	3	4	5	6	7	8	9	10	11	12
TANGIBLE ASSETS										
LAND										
i) LEASE HOLD LAND	49,405,231	-	-	49,405,231	13,778,797	825,067	-	14,603,864	34,801,367	35,626,434
ii) FREE HOLD LAND	1,218,526,870	122,582,205	(11,252,998)	1,329,856,077	-	-	-	-	1,329,856,077	1,218,526,870
iii) EARTH WORK	9,566,649,183	234,563,071	-	9,801,212,254	-	-	-	-	9,801,212,254	9,566,649,183
BRIDGES & TUNNELS	16,276,542,852	104,856,415	-	16,381,399,267	3,374,566,096	267,370,476	-	3,641,936,572	12,739,462,695	12,901,976,756
P. WAY TRACK	6,252,640,278	299,966,593	-	6,552,606,871	3,704,318,322	297,285,116	-	4,001,603,438	2,551,003,433	2,548,338,105
PLANT & EQUIPMENTS	2,750,948,001	247,513,862	(3,185,951)	2,995,275,912	1,433,844,703	183,789,764	(1,641,877)	1,615,992,590	1,379,283,322	1,317,116,658
BUILDINGS	1,988,259,459	72,123,482	-	2,060,382,941	402,326,394	33,389,691	-	435,716,085	1,624,666,856	1,585,933,065
LOCOS & OTHER ROLLING STOCK	248,413,009	16,278,217	-	264,691,226	64,422,797	7,177,390	-	71,600,187	193,091,039	183,990,212
FURNITURE & FIXTURES	10,885,027	5,332,601	-	16,217,628	6,526,744	1,520,731	-	8,047,475	8,170,153	6,801,073
OFFICE EQPTS. & PERIPHERALS	220,656,165	2,577,207	(873,273)	222,360,099	191,860,062	5,462,076	(809,593)	196,512,545	25,847,554	28,795,793
VEHICLES	39,192,070	8,941,937	(3,935,150)	44,198,857	20,119,965	2,941,483	(3,587,913)	19,473,535	24,725,322	16,600,115
SKY BUS METRO #	523,059,049	-	-	523,059,049	185,072,767	52,305,905	-	237,378,672	285,680,377	337,986,282
TOTAL	39,145,177,194	1,114,735,590	(19,247,372)	40,240,665,412	9,396,836,647	852,067,699	(6,039,383)	10,242,864,963	29,997,800,450	29,748,340,545
INTANGIBLE ASSETS										
PATENT - ANTI COLLISION DEVICE	4,268,725	1,526,566	-	5,795,291	2,688,823	1,341,960	-	4,030,783	1,764,508	1,579,902
PATENT - SKY BUS METRO	5,520,742	215,350	-	5,736,092	4,298,412	585,706	-	4,884,118	851,974	1,222,330
ACD - KNOWHOW	138,953,873	-	-	138,953,873	47,219,507	49,369,969	-	96,589,476	42,364,397	91,734,368
TOTAL	148,743,340	1,741,916	-	150,485,256	54,206,742	51,297,635	-	105,504,377	44,980,879	94,536,600
GRAND TOTAL	39,293,920,534	1,116,477,506	(19,247,372)	40,391,150,668	9,451,043,389	903,365,334	(6,039,383)	10,348,369,340	30,042,781,329	29,842,877,145
Previous Year	38,761,101,084	552,757,713	(19,938,264)	39,293,920,533	8,617,524,951	847,507,543	(13,989,105)	9,451,043,389	29,842,877,145	
Capital Work-in-Progress									405,137,599	685,997,330
Intangible Assets under Development									39,147,896	3,079,858

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\$ Fixed assets exclude Track measuring 185.275 Kms (of book value ₹ 13166 Lakh) which had been sold and subsequently leased back to Corporation in earlier years with the approval of President of India.

Includes concessional supply of material for construction of Sky Bus metro, otherwise valued at ₹ 444.14 lakh.

Skybus metro consists of various class of assets like Pway, Bridge, Building, Plant & Equipment, Rolling Stock, etc. During the financial year 2008-09 useful life of Sky Bus has been reviewed and it was decided to charge the unamortized depreciable amount as at 01.04.2008 over 10 years starting from financial year 2008-09.

@ Addition includes an amount ₹ 985 lakh pertaining to previous years.

@ The adjustment of ₹ 192 lakh in gross block includes deletion of ₹ 113 lakh (Previous year ₹ 199 lakh).

@@@ Depreciation includes an amount of ₹ 371 lakh pertaining to earlier years (Previous year ₹ 89 lakh)

- 9.1 (a) The assets under different heads have been capitalized based on figures appearing in the Books of Accounts. Fixed asset is capitalized after final measurement/certification by the concerned department. In cases where works have not been completed and some portion remain to be executed, the value of same have been taken based on the technical assessment and capitalized accordingly. Though on different dates various assets have been put to use, the entire line was opened for traffic on 26.01.1998. Accordingly, interest & other Finance charges prior to 26.01.1998 were capitalized. Depreciation on such assets has been charged from the date of opening of entire line, i.e. 26.01.1998.
- (b) The Corporation continued to charge 7.2% towards 'Direction & General (D & G) Charges' on all capital works in accordance with the Railway Board guidelines.
- (c) Works where there is no physical progress during the year and kept under Capital works-in-progress will be capitalized after due verification. There is no material impact on non capitalization of such assets due to low rate of depreciation.
- (d) In accordance with AS-26 issued by ICAI, the Corporation had capitalized the Research & Development expenditure on ACD as Intangible Assets.
- (e) The Corporation is having the regular program for physical verification of Stores and fixtures. Adjustment on account of discrepancy if any will be carried out subsequently after due reconciliation. The impact of the same is not considered to be material in nature. Reused material received back is added in stock register for control purpose and is not considered for valuation purpose.
- 9.2 Land cost includes indirect expenses incurred in the process of acquisition of land and provisional advance payments consequent to awards based on certificates of Special and Acquisition officer (SLAO) which will be reconciled and finally adjusted as and when final awards and acquaintance details certified by the SLAOs are received.
- 9.3 The geo-tech safety works executed as a planned work are treated as Capital Expenditure and shown accordingly w.e.f. 2005-06.
- 9.4 In accordance with the AS-28 issued by the ICAI on 'Impairment of Assets', the management has carried out a review of its assets with respect to economic performance. On the basis of review, the Management is of the opinion that economic performance of the Fixed Assets of the Corporation is not worse than expected and therefore there is no impairment as on the date of the Balance Sheet.

Sky Bus Metro:

- (a) Technical Advisory Committee was constituted during F.Y. 2006-07 to advise steps to be taken for certification of the Sky Bus Technology. A tentative estimate of ₹ 8,000 Lakh for conducting further research and trials was proposed by the Committee. Railway Ministry accordingly sanctioned ₹ 2,500 Lakh for the said purpose during F.Y. 2006-07. Management had also invited global expression of interest to take up the certification of Sky Bus Metro by making suitable investments in the technology. The interest shown by one party during this process was withdrawn after. The Management is confident of getting project started with the process of entering into MoU with RDSO. The Management had also engaged ICRA Management Consulting Services Limited to value intellectual property rights of Sky Bus with the financial analysis and reviews the status of Sky Bus technology.
- (b) The corporation is of the opinion that there is no adverse change in the technology, economic or legal environment or decrease in the rate of return on investment as anticipated initially and therefore there is no impairment as on the balance sheet date.
- (c) In accordance with the definition / explanation given in relevant Accounting Standards as issued by Institute of Chartered Accountants of India, the remaining useful life of the test track of Sky Bus Metro has been assessed as 10 years at the beginning of 01.04.2008. Accordingly, the unamortized depreciable amount of 'Sky Bus Metro' as at 01.04.2008 is to be charged over the period of 10 years uniformly.



10 - Long Term Loan and Advances

(Amount in ₹)

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	Secured			
Loans to Konkan Railway Welfare Organisation		178,289,400		5,100,000
Unsecured, considered good				
Capital advance	113,563,521		13,064,045	
Deposits with Court	232,205,584		243,556,579	
Deposits Others	4,589,767		4,173,867	
Payment of tax	46,537,810	396,896,682	67,042,102	327,836,593
TOTAL		575,186,082		332,936,593

10.1 An aggregate amount of ₹ 12,703,118 (Previous Year ₹ 13,064,045), lying in Capital Advance account and yet to be disbursed by Special Land Acquisition Officer is not transferred to land account as the acquittance details certified by the SLAOs are yet to be received.

11 - Inventories

(Amount in ₹)

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	Rails	36,477,840		100,394,167
Sleepers	48,110,560		38,908,149	
Steel	409,648		409,648	
Diesel	59,470,413		47,654,900	
Others	50,348,737		54,626,513	
TOTAL	194,817,198		241,993,377	

- 11.1 (a) Construction materials issued during the year from stores have been charged to the 'Works'.
- (b) Construction material like cement, steel etc., issued to the contractors are debited to Capital-Work in Progress Account and actual consumption can be determined only after final measurement of the work. Hence excess material, if any issued to the contractors will be accounted for by crediting to Capital-Work in Progress Account as and when finally settled. Due to this, Capital-Works in Progress Account and Advances/Recoverable are overstated and understated to that extent.

12 - TRADE RECEIVABLES

(Amount in ₹)

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	(Unsecured and considered good)			
Traffic Earnings and other receivable				
a) More than 6 months	838,881,929	3,498,387,443	465,331,781	2,756,700,071
b) Less than 6 months	2,659,505,514		2,291,368,290	
Projects Receivables				
a) More than 6 months	149,949,785	367,450,210	134,301,135	242,688,864
b) Less than 6 months	217,500,425		108,387,729	
TOTAL		3,865,837,653		2,999,388,935

- 12.1 The amount receivable from Indian Railways on account of Fuel and Rolling Stock hire charges are ₹ 1,623,997,612 (Previous Year ₹ 959,446,100) and ₹ 113,217,843 (Previous Year ₹ 55,594,315) respectively.
- 12.2 (a) Sanctioned cost towards implementation of ACD Project on North Frontier Railway (NFR) does not provide for management fees as Ministry of Railways has not yet approved the inclusion of the same in the estimate.
- (b) The Corporation has submitted the estimate of ₹ 10,064 lacs and has incurred cost accordingly on ACD project of NFR. The Railway Board has granted sanction of ₹ 8,497 lacs. only. During the year the Corporation has received amount of ₹564 Lakh. Pending sanction of Railway Board, the amount of ₹ 1,003 lacs continues to remain outstanding since 2007 from NFR. The corporation is continuously following with Railway Board and also refers the issue for redressal of disputes and therefore no provision in respect of receivables from NFR is considered necessary.
- 12.3 As per the terms of contract for the Jharkhand project, the corporation can recover 9.65% of the contractor's cost towards employee and other costs charged on actual basis. The Corporation has shown recovery of ₹ 30,821,840 as a liability and the same will be recognized as income on settlement of final bill of sub contractor/ railway.

13 - CASH AND BANK BALANCES

(Amount in ₹)

Particulars	As at 31st March, 2012	As at 31st March, 2011
	Cash and Cash equivalents	
Balances with Banks	738,908,861	1,195,307,150
Cash on Hand	25,320,688	13,594,708
Deposit accounts with original maturity less than 3 months	2,123,773,905	3,521,065,686
(A)	2,888,003,454	4,729,967,544
OTHER BANK BALANCE		
Deposit accounts with original maturity more than 3 months but less than 12 months	1,893,758,644	2,211,436,017
(B)	1,893,758,644	2,211,436,017
TOTAL (A+B)	4,781,762,098	6,941,403,561

- 13.1 The Konkan Railway Corporation Limited enjoys working capital facility from its bankers, which has not been utilized at any point during the year.



14 - SHORT TERM LOANS AND ADVANCES

(Amount in ₹)

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	Unsecured and Considered good			
Deposits with				
Govt. authorities / judiciary.		4,257,168		4,854,250
Others		52,006,906		49,171,630
Other Loans & Advance				
Advances to Employees		4,531,853		4,477,897
Project Advances		1,115,135,811		1,148,477,057
Prepayment		4,141,214		10,422,218
Service tax input		21,780,671		21,836,317
Others		5,337,000		6,442,000
Unsecured				
Advances to Contractors / Suppliers				
- considered good	176,354,166		173,246,279	
- considered doubtful	7,917,696		7,917,696	
	184,271,862		181,163,975	
Less: Prov for Doubtful debts	7,917,696	176,354,166	7,917,696	173,246,279
Recoverable from contractors / others				
- considered good	5,689,743		30,693,905	
- considered doubtful	48,439,023		48,142,344	
	54,128,766		78,836,249	
Less: Prov for Doubtful debts	48,439,023	5,689,743	48,142,344	30,693,905
TOTAL		1,389,234,532		1,449,621,552

- 14.1 The corporation has computed liability of service tax and has shown net input credit receivable of ₹218 lakhs. The Net input credit taken includes CENVAT credit of Excise duty of ₹ 438 Lakhs paid to M/s.KMIL for ACDs supplied and installed at NFR. The Corporation is in the process of obtaining legal opinion on admissibility of CENVAT credit on ACDs installed. The corporation is also in the process of reconciling input credit and taxable service, if any, under miscellaneous receipts. The consequential adjustments if any would be made in the subsequent years
- 14.2 The corporation has filed an appeal with Central Excise Tribunal towards non/short granting of refund of ₹ 392 Lakhs on excise paid on purchase of sleepers during the period from 2003 to 2005. Out of the total refund claimed only ₹ 83 Lakh has been shown as refund receivable in the books and the balance has already been absorbed in the cost.
- 14.3 The Corporation has to receive an amount of ₹ 384 lakhs from Punwire Communication Ltd. Chandigarh pursuant to their cheques being dishonored. Punjab and Haryana High court has appointed a provisional liquidator to take charge of the assets of Punwire to prevent them from withering away. The Corporation has initiated criminal proceeding under sec.138 of the Negotiable Instruments Act and has also filed a summary suit for the recovery of the amount. The Corporation has made full provision of ₹ 384 lakhs against the same.

15 - OTHER CURRENT ASSETS

(Amount in ₹)

Particulars	As at 31st March, 2012	As at 31st March, 2011
Interest Accrued but not due	217,369,548	60,927,090
TOTAL	217,369,548	60,927,090

16 - TRAFFIC EARNINGS

(Amount in ₹)

Particulars	2011-12	2010-11
Passenger	3,325,179,204	2,926,466,874
Other Coaching	65,245,938	64,494,222
Goods	3,294,338,311	2,974,513,745
Sundry	34,996,172	34,607,571
TOTAL	6,719,759,625	6,000,082,412

- 16.1 Revenue for transportation services rendered by the Railways is collected by the Station from which the traffic originates. For the service that is rendered across more than one Zonal Railway, the revenue received by the originating Zone is apportioned between all the Zones that are involved in rendering the services. This is done by apportioning the revenue on straight-line method in proportion to distance travelled on each Zonal Railway. As per the MOU with the Ministry of Railways (MOR), the corporation is at par with other Zonal Railways for the purpose of apportionment of revenue. Accordingly, the corporation receives a part of its total revenue from other Zonal Railways whose originating traffic either passed through or terminated on the KR Route. Similarly, the corporation has to pay a part of its originating earnings to other Zonal Railways, where traffic terminated on other than KR Route.

The apportionment of revenue is done on the basis of standard junction tables giving zone-wise division of distances between any given pairs of stations. Each station prepares a statement of tickets sold and freight booked to all other stations on a monthly basis. This statement is used as input to the computerized Apportionment Master to produce the share of each Zonal Railway. The task of maintaining masters and processing the data for apportionment is entrusted to M/S.RITES by Railway Board. Railways system of checks and balances to ensure correctness of the monthly earnings prepared by each station is also followed by the corporation and mutually accepted as correct. The corporation does a detailed check of list of pairs of stations and the junction distance table. Whenever the apportioned earnings appear to be less than the expected share as per the statistical and current trends, the corporation does a complete check of detailed earnings statements in addition. This ensures the correctness of our apportioned revenue.

- 16.2 The arrangements existing for the Inter Railway Financial Adjustments have been adopted for the purpose of providing for the liability for services provided by other Zonal Railways. Operating expenses like hire charges for coaches, wagons and engines, fuel charges, salary of crew have been provided for in the Corporation's accounts based on formula adopted by Indian Railways and statement of account received from Zonal Railways on periodical basis.



17 - Project Revenue

(Amount in ₹)

Particulars	2011-12	2010-11
Contracts of Project Division		
Udhampur Srinagar Baramulla Rail Link (USBRL) Project	2,440,308,804	2,607,376,546
Sky Bus Detailed Project Report (DPR) - Pune	-	3,000,000
Sky Bus Detailed Project Report - Hyderabad	-	3,000,000
Open Line Deposit Works		
Anti Collision Device on North Frontier Railway (NFR) Route	192,037,729	134,441,010
RCC Box Culvert/ Foot Over Bridge (FOB) II	11,326,805	10,180,360
Udupi Power Corporation Limited (UPCL) Project	82,620,656	116,397,242
PWD Kudal - Halwal Road Over Bridge (ROB)	9,979,149	-
Survey-Marmagoa Port Trust	-	46,041
Survey-Kudremukh Iron Ore Co.Ltd	-	50,881
Survey Integrated Steel Plant	-	559,328
Survey - Rail Connectivity Kolhapur	-	5,004,883
Survey Asnoti-Honkan Village	109,569	400,805
Station Building - Byndoor	5,516,012	-
Survey Rail Connection. SESA-Goa	-	483,793
TOTAL	2,741,898,724	2,880,940,889

17.1 The Project Revenue on account of survey works is shown net of service tax liability.

- 17.2 (a) The Contract agreement between the Corporation and Northern Railway for the execution of USBRL Project expired on 15.08.2007 and further extended the validity of contract upto 31.12.2015.
- (b) In terms of the Contract Agreement 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 Northern Railway has not disallowed any item of expenditure claimed by the Corporation. However, in case any item of expenditure is disallowed in future, such disallowance will be incorporated in the accounts of the period in which it has been disallowed.
- (c) Claims under arbitration against the Corporation as certified by the management is ₹ 108,300 Lakhs (Previous Year ₹88,167 Lakhs) for the USBRL Project. It is the considered opinion of the Corporation that these claims as decided by the arbitrators will be chargeable to the project.
- (d) Beside above, the claim worth ₹ 657 lakh has been awarded during the financial year 2009-10. As communicated by Railway Board, the corporation has either to absorb arbitration cost in the ratio of 80 : 20 against the profit of that year or go for Arbitration. The management has decided to charge the amount of claim to project cost. If the corporation has to bear the claim, the same would be charged against the profit of that year.
- (e) In respect of USBRL Project in Jammu and Kashmir, the Corporation is in the process of reconciling its GST liability and consequential liability if any made in the subsequent year.

17.3 Disclosures pursuant to Accounting Standard 7 (Revised) issued by ICAI are as under:-

(₹ in lakhs)

Particulars		2011-12	2010-11
a)	Contract revenue recognized for the year ended March 31, 2012	27,419	28,809
b)	Aggregate amount of contract costs incurred for the year ended March 31, 2012	25,126	26,402
c)	Recognized profits (less losses) for the year ended March 31, 2012	2,293	2,407
d)	Amount of advances outstanding for contracts in progress as at March 31, 2012	13,619	12,118
e)	Retention amounts due from customers for contracts in progress as at March, 2012	Nil	Nil
f)	Aggregate amount of costs incurred up to the reporting date:		
	USBRL Project	130,706	108,363
	Jharkhand RoBs	-	15,226
	Skybus - DPR (Hyderabad & Pune)	-	32
	Openline Projects	10,007	7,224
g)	Aggregate amount of recognized profits [less recognized losses] up to the reporting date		
	USBRL Project	12,002	9,943
	Jharkhand RoBs	0	1,375
	Skybus - DPR (Hyderabad & Pune)	0	28
	Openline Projects	489	256
h)	Aggregate Amount of advances received:-		
	USBRL Project	162,700	1,527
	Jharkhand RoBs	-	15,018
	Skybus - DPR (Hyderabad & Pune)	-	60
	Jaigad Port Trust	35	-
	Tata Steel Ltd (Jharkhand)	38	37
	Openline Projects	9,562	9,178
i)	Amount of retentions: -		
	USBRL Project	Nil	Nil
	Openline Projects	Nil	Nil



18 - OTHER INCOME

(Amount in ₹)

Particulars	2011-12	2010-11
Interest on Deposits	380,181,406	295,452,055
Interest on Loan	7,052,316	91,940
Miscellaneous Incomes	54,651,093	67,760,701
Excess provision of earlier years written back (net)	105,630,887	42,080,083
Profit on sale of asset (net)	-	45,735
TOTAL	547,515,702	405,430,514

19 - TRAIN OPERATION EXPENSES

(Amount in ₹)

Particulars	2011-12		2010-11	
Fuel consumed		1,513,584,862		1,343,898,216
Hire Charges of Rolling and Motive Power		781,830,274		682,244,887
Electricity and Water Charges		66,446,168		53,917,983
Repair and Maintenance				
Permanent Way	343,878,095		279,731,580	
Station and Other Buildings	88,257,987		65,470,209	
Plant & Equipments	119,200,917		106,687,318	
Bridges & Tunnels	20,925,707		24,707,595	
Rolling Stock	44,795,967	617,058,673	53,849,548	530,446,250
TOTAL		2,978,919,977		2,610,507,336

20 - PROJECT COST

(Amount in ₹)

Particulars	2011-12		2010-11	
Contracts of Project Division				
Udhampur Srinagar Baramulla Rail Link Project				
Payment to contractors	2,034,754,763		2,171,762,815	
Establishment charges	140,813,216		122,912,660	
Other than Establishment charges	58,685,976	2,234,253,955	86,460,363	2,381,135,838
Sky Bus Detailed Project Report - Pune				
Payment to contractors	-		931,230	
Other than Establishment charges	-	-	116,834	1,048,064
Sky Bus Detailed Project Report - Hyderabad				
Payment to contractors	-		2,097,988	
Other than Establishment charges	-	-	54,400	2,152,388
Open Line Deposit Works				
Anti Collision Device-N F RLY				
Payment to contractors	156,486,347		111,431,532	
Establishment charges	10,443,595		15,336,214	
Other than Establishment charges	4,308,787	171,238,729	2,714,270	129,482,016
RCC Box Culvert /Foot Over Bridge II				
Payment to contractors	8,713,783		6,728,345	
Establishment charges	1,143,189		581,478	
Other than Establishment charges	1,143,189	11,000,161	581,478	7,891,301
Udupi Power Corporation Limited Project				
Payment to contractors	65,395,622		89,288,219	
Establishment charges	7,535,961		11,299,313	
Other than Establishment charges	7,535,961	80,467,544	11,299,313	111,886,845
PWD Kudal - Halwal Road Over Bridge				
Payment to contractors	9,222,873		-	
Establishment charges	378,138		-	
Other than Establishment charges	378,138	9,979,149	-	-
Survey-Marmagoa Port Trust				
Payment to contractors	-		20,932	
Establishment charges	-		13,890	
Other than Establishment charges	-	-	13,890	48,712



Particulars	2011-12		2010-11	
Station Building - Byndoor				
Payment to contractors	5,516,012	5,516,012	-	-
Survey-Kudremukh Iron Ore Co Ltd				
Payment to contractors	-		27,380	
Establishment charges	-		12,568	
Other than Establishment charges	-	-	13,569	53,517
Survey -Integrated steel plant				
Payment to contractors	-		539,414	539,414
Survey Kolhapur-Vaibawadi				
Payment to contractors	-		3,856,793	
Establishment charges	-		620,344	
Other than Establishment charges	-	-	620,344	5,097,481
Survey Asnoti-Honkan Village				
Payment to contractors	99,825		391,457	
Establishment charges	650		2,662	
Other than Establishment charges	651	101,126	2,662	396,781
Survey Rail Conn. SISA-Goa				
Payment to contractors	-		305,172	
Establishment charges	-		98,570	
Other than Establishment charges	-	-	98,570	502,312
TOTAL		2,512,556,676		2,640,234,669

- 20.1 Common general expenses of the Corporation's Project Division are allocated to various on-going projects in proportion to the management's estimates of the costs incurred/ to be incurred on the respective projects.
- 20.2 The corporation has been handling various projects including construction projects. The same are also subcontracted. As the constructed asset is transferred by sub contractor to the corporation and in turn to main customer, no separate works contract tax is collected and paid by the corporation. The management has relied on the judgment of Hon. Supreme Court in the case of Larson and Tubro Ltd and another V/s State of Andhra Pradesh & Other (2006) 146 STC616. The management is in the process of obtaining legal opinion to confirm the present status of applicability of the said view for corporation. The consequential adjustment if any on account of contrary view will be made in the subsequent year.

21 - EMPLOYEE BENEFIT EXPENSES

(Amount in ₹)

Particulars	2011-12	2010-11
Salary ,Wages and Allowances etc	1,603,169,050	1,410,799,793
Contribution to and provision for		
Provident and pension funds	190,006,383	12,018,568
Gratuity	(56,206,934)	15,997,737
Foreign Service Contribution	6,160,206	6,130,849
Cash Awards	1,406,188	810,050
Staff Welfare Expenses	99,660,711	90,686,171
Training Expenses	1,704,796	1,854,668
TOTAL	1,845,900,400	1,538,297,836

21.1 The High Court of Bombay in April 2008 exempted the Corporation from the purview of Employees' Provident and Miscellaneous Provisions Act, 1952 and permitted the Corporation to maintain its own provident fund and pension scheme. Accordingly, Pension as per Railway Service (Pension) Rules, 1993 which was managed by erstwhile 'Konkan Railway Corporation Employees Superannuation Trust' through Life Insurance Corporation of India was restored.

However, the employees those who have joined on or after 1.1.2004 are continued to be governed by the 'Contributory Pension Scheme' as announced by the Government of India.

21.2 Salary ,Wages and Allowances etc. includes Direction & General/Establishment expenses charged to Capital / Deposit Work amounting to ₹ (-) 36,981,181 (Previous year ₹ (-) 40,874,292).

21.3 As per Accounting Standard 15 (Revised) "Employee Benefit", disclosure of employee benefit as defined in Accounting Standard are given below :

Defined Contribution Plan :

Contribution to Defined Contribution Plan, recognised as expenses for the year is as under

(Amount in ₹)

	2011-12	2010-11
Employer's Contribution to Provident Fund	11,525,984	8,961,457
Employer's Contribution to Pension Fund (Pre 2004 & Post 2004)	178,480,399	3,057,111

Defined Benefit Plan :

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. The Corporation has formed a trust for gratuity, which is funded by the Corporation.

Leave Encashment: It represents un-availed leave to the credit of the employee and carried forward in accordance with leave rules of the Corporation.

Pension: It represents benefits to employees joined prior to 1.1.2004 on the basis of rules framed in the Employees Superannuation Scheme. Those who have joined 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 and there is no further liability on this account.



ACCOUNTING STANDARDS (AS): 15 (Revised) – Employee Benefits

The following table sets out the status of the defined benefit Pension Plan, Gratuity Plan and Leave Salary Plan as required under AS 15: (Amount in ₹)

Particulars	Funded Pension		Funded Gratuity		Unfunded Leave Salary	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Reconciliation of opening and closing balances of Defined Benefit Obligation						
Defined benefit obligation at the beginning of the year	941,850,775	862,178,932	541,573,936	489,854,795	415,106,734	264,022,682
Current Service Cost	202,384,912	209,122,491	30,168,609	40,338,840	33,158,310	21,022,156
Interest Cost	74,410,286	68,257,987	40,912,426	31,079,873	34,346,913	28,452,450
Actuarial losses (gains)	(30,585,402)	(179,800,457)	(91,983,416)	(16,781,000)	83,716,147	104,100,885
Benefits paid	(23,444,399)	(17,908,178)	(2,471,555)	(2,918,572)	(2,576,999)	(2,491,419)
Defined benefit obligation at the year end	1,164,616,172	941,850,775	518,200,000	541,573,936	563,751,105	415,106,734
Reconciliation of opening and closing balances of Fair Value of Plan Assets						
Fair value of plan assets at the beginning of the year	704,432,972	600,508,026	380,533,167	318,757,540	--	--
Expected Return on Plan assets	68,124,600	59,148,100	36,065,873	30,156,284	--	--
Contributions by employer	48,781,011	62,115,335	32,143,496	34,537,915	--	--
Benefit Paid	(23,444,399)	(17,908,178)	(2,471,555)	(2,918,572)	--	--
Actuarial Gains (Losses)	(359,812)	569,689	-	-	--	--
Fair value of plan assets at the year end	797,534,372	704,432,972	446,270,981	380,533,167	--	--
Reconciliation of present value of the obligation and fair value of the plan assets						
Present Value of Funded obligation at the year end	1,164,616,172	941,850,775	518,200,000	541,573,936	--	--
Fair Value of Plan assets at the year end	797,534,372	704,432,972	446,270,981	380,533,167	--	--
Amount Recognised in the Balance Sheet	(367,081,800)	(237,417,803)	71,929,019	161,040,769	563,751,105	415,106,734
Net Cost recognised in Statement of Profit and Loss (Under the head "Employee Benefit Expenses" - Refer note no.21)						
Current Service Cost	202,384,912	209,122,491	30,168,609	40,338,840	33,158,310	28,452,450
Interest Cost	74,410,286	68,257,987	40,912,426	31,079,873	34,346,913	21,022,156
Expected return on plan assets	(68,124,600)	(59,148,100)	(36,065,873)	(30,156,284)	--	--
Net actuarial losses (Gain) recognized during the year	(30,225,590)	(180,370,146)	(91,983,416)	(16,781,000)	83,716,147	104,100,885
Net Cost	178,445,008	37,862,232	(56,206,934)	24,481,429	151,221,370	153,575,491
Reconciliation of opening and closing net liability recognized in Balance Sheet						
Net Liability at the beginning of the year	237,417,803	261,670,906	161,040,769	171,097,255	415,106,734	264,022,682
Expenses as recognized in profit and loss account	178,445,008	37,862,232	(56,206,934)	24,481,429	151,221,370	153,575,491
Employers Contribution	(48,781,011)	(62,115,335)	(32,904,816)	(34,537,915)	(2,576,999)	(2,491,419)
Net liability/(Asset) recognized in Balance Sheet at the year end	367,081,800	237,417,803	71,929,019	161,040,769	563,751,105	415,106,734

Principal Actuarial Assumptions: -

Particulars	Pension *	Gratuity *	Leave Salary
Discount Rate as at 1.4.2011	8%	8%	8%
Expected Rate of return on Plan Asset as at 1.4.2011	9.50%	9.50%	-
Salary Escalation as at 1.4.2011	6%	6%	6%
Discount Rate as at 31.03.2012	8%	8%	8.50%
Expected Rate of return on Plan Asset as at 31.03.2012	9.50%	9.50%	-
Salary Escalation as at 31.03.2012	6%	6%	6%

* There is no detailed break-up available for Rate of return, etc. managed by LIC.

The expected return on plan assets over the accounting period is based on an assumed rate of return. The assumed rate of return is 8% per annum.

22 - FINANCE COSTS

(Amount in ₹)

Particulars	2011-12	2010-11
Interest on Bonds	1,325,123,914	1,306,782,837
Management Fees on Bonds Issued	5,109,589	6,517,073
Guarantee Fees - Ministry of Railways	5,900,000	5,900,000
Interest on Arbitration Awards	171,143	79,946,340
TOTAL	1,336,304,646	1,399,146,250

22.1 Interest on Bonds include ₹ 46,697,515 (Previous Year income of ₹ 63,012,080 on account of loss from interest rate swap transaction.

22.2 In accordance with the Accounting Policy B (x), interest on arbitration awards payable after 26/01/98 is being charged to Statement of Profit and Loss w.e.f. FY 2005-06 onwards.



23 - OTHER EXPENSES

(Amount in ₹)

Particulars	2011-12	2010-11
Rent for Residential buildings	1,537,947	956,686
Rent for Office buildings	4,776,771	3,842,800
Lease Rental	13,042,712	13,042,712
Telephone and Communications	6,796,370	9,157,520
Vehicle Expenses	7,486,363	7,828,478
Loss on sale of asset (net)	211,522	-
Provision for Doubtful debts	296,679	3,992,425
Foreign Exchange Loss	1,350,877	-
Legal Expenses	5,171,781	4,593,181
Advertisement & publicity	1,757,471	1,611,413
Payment to Auditors	750,000	750,000
Travelling expenses	99,567,974	103,106,280
Commission	574,129	490,200
Insurance	2,783,489	2,141,670
Catering Expenses	36,677,808	27,767,336
Rates and Taxes	1,194,636	255,025
Other Sundry Expenses	55,630,495	43,119,990
TOTAL	239,607,024	222,655,716

23.1 Rates and Taxes includes Wealth Tax Provision Amounting to ₹ 487,386 (Previous year: ₹ 255,025)

23.2 Other Sundry Expenses includes Direction & General / Administrative expenses charged to Deposit Works amounting to ₹ (-) 9,057,939 (Previous year ₹ (-) 12,520,904)

24 - PROVISION FOR CONTINGENCIES:

- i. As per the project terms the corporation is required to maintain or make good, the defects in the project assets for a defined period of time depending on the terms specified in the MoU / Agreement.

The Corporation stipulates the similar conditions to the subcontractor. The corporation retains the security deposits and the financial guarantees offered by subcontractors during the maintenance period. Management is of the view that there would not be any financial impact on account of making good the defects or providing maintenance. Management is of the view that for all cases, no provision is required to be made in accordance with the AS 29 on "Provision, Contingent Liabilities and Contingent Assets".

- ii. In respect of various claims against the corporation (Court / Arbitration cases) provision for contingency has not been recognized in the books of accounts as management is of the view that
- In respect of land cases, entire amount would be charged to the land
 - In respect of arbitration entire amount would be charged to relevant fixed asset as all the cases pertain to construction period. Interest if any post 26.01.98 will have to be charged to revenue.

25 - CONTINGENT LIABILITIES/CAPITAL COMMITMENTS:

Claims/Disputed liabilities not acknowledged as debt:

- Estimated amount of contracts remaining to be executed on capital account and not provided for, as certified by management were ₹ 2,389 Lakh (net of advances) (Previous Year ₹ 2,589 Lakh).
- Letter of credit for capital contracts ₹ NIL (Previous year ₹ 840 Lakh). Margin money for Letter of Credit in the form of Term Deposits with Banks/Financial Institutions ₹ NIL (Previous year ₹ 2,210 Lakh).
- Contract and other claims against the Corporation not acknowledged as debt, as certified by the management, is ₹ 8,583 Lakh (Previous Year ₹ 9,365 Lakh)
- Besides, the corporation has challenged in Court, arbitration awards to the tune of ₹ 761 Lakh (Previous Year ₹ 758 Lakh).
- The Corporation has disputed the levy of ₹ 1,055 Lakh (Previous Year ₹ 1,055 Lakh) as non-agricultural tax by the State Government of Maharashtra.
- The Maharashtra State Labour Fund has levied of ₹ 10.72 Lakh. The corporation has preferred appeal against the said demand. The amount paid against said demand is ₹ 10.72 Lakh.
- Various cases have been filed by the landowners in several Courts for revision of amount of the award passed by the respective State Governments. The amount of likely liability on these accounts is in ₹ 5,864 lakh in 580 cases (Previous Year ₹ 4,853 Lakh in 513 cases) (approx.). Corporation has deposited ₹ 2,322 lakh (Previous Year ₹ 2,436 Lakh) with the Court.
- Arbitration award was received in respect of USBRL project of ₹ 657 Lakh. The corporation is referring the matter to Arbitrator to decide whether the claim has to be borne by NR or corporation. In case it is decided that the claim will have to be borne by the corporation, the liability of the corporation will be restricted to 80% of the profit of that year.
- Financial and Derivative instruments:
The Corporation has entered in Interest Rate Swaps (being a derivative instrument) on nominal amount of ₹ 20,000 Lakh (Previous year ₹ 20,000 Lakh) outstanding as on 31.03.2012. The contingent liability on account of interest on these transactions is ₹ 570 Lakh. (Previous year ₹ 189 lakh approximately).
- Income tax penalty proceedings initiated against the corporation for the assessment year 2004-05 to 2007-08 of ₹ 4,429 lakh is yet to be heard, by CIT (Appeals) Mumbai.



26

The Corporation recognizes the operation of passenger and goods traffic as one business segment and income generated out of the projects executed for other agencies and Zonal Railways as another Reportable Segment as per AS-17 on "Segment Reporting" issued by ICAI. There is no secondary reportable segment as per AS-17 as Corporation operates only in domestic segment. Segment reporting information in accordance with the said AS-17 is as under:

Information in accordance with Accounting Standard 17 on Segment Reporting for the Year ending 31.03.2012

(Amount in ₹)

Primary Segments ->	Traffic		Projects		Consolidated Total	
	2011-2012	2010-2011	2011-2012	2010-2011	2011-2012	2010-2011
Particulars	2011-2012	2010-2011	2011-2012	2010-2011	2011-2012	2010-2011
REVENUE						
External Revenue	6,719,759,625	6,000,082,412	2,741,898,724	2,880,940,889	9,461,658,350	8,881,023,301
Inter Segment Revenue	-	-	-	-	-	-
Total Revenue	6,719,759,625	6,000,082,412	2,741,898,724	2,880,940,889	9,461,658,350	8,881,023,301
RESULT						
Segment result	1,655,332,225	1,628,621,525	229,342,048	240,706,220	1,884,674,273	1,869,327,745
Unallocated Expenses	-	-	-	-	-	-
Operating Profit	1,655,332,225	1,628,621,525	229,342,048	240,706,220	1,884,674,273	1,869,327,745
Other Income	419,706,345	358,754,004	127,809,357	46,676,510	547,515,702	405,430,514
Finance charges	1,336,304,646	1,399,146,250	-	-	1,336,304,646	1,399,146,250
Depreciation/Amortisation	903,358,349	847,449,281	6,985	58,262	903,365,334	847,507,543
Income Taxes(Wealth Tax/FBT)	-	-	-	-	-	-
Profit from ordinary activities	(164,624,426)	(259,220,002)	357,144,420	287,324,468	192,519,994	28,104,467
Extraordinary items/ Prior Period Adjustment	5,152,189	39,589,428	-	(29,762,131)	5,152,189	9,827,297
Net Profit	(169,776,615)	(298,809,430)	357,144,420	317,086,599	187,367,805	18,277,170
OTHER INFORMATION						
Segment Assets	38,385,645,758	37,778,095,571	3,060,378,831	4,701,293,620	41,446,024,589	42,479,389,191
Unallocated Corporate Assets	-	-	-	-	-	-
Total Assets	38,385,645,758	37,778,095,571	3,060,378,831	4,701,293,620	41,446,024,589	42,479,389,191
Segment Liabilities	22,737,022,461	22,515,145,519	3,018,223,736	4,474,419,989	25,755,246,197	26,989,565,508
Unallocated Corporate Liabilities	-	-	-	-	-	-
Total Liabilities	22,737,022,461	22,515,145,519	3,018,223,736	4,474,419,989	25,755,246,197	26,989,565,508
Depreciation/Amortisation	903,358,349	847,449,281	6,985	58,262	903,365,334	847,507,543

27 - Related Party Disclosures

The Key Managerial Personnel of the Corporation and their remuneration (including Superannuation benefits) are as below:

- a) Shri B P Tayal, Managing Director** (Period 01/04/11 to 31/03/12)
Salary & Allowances: ₹ 19,15,925 (Previous year ₹ 18,03,007)
Perks: Nil.
- b) Shri Shahzad Shah, Director (Finance)** (Period 01/04/11 to 31/03/12)
Salary & Allowances: ₹ 19,01,775 (Previous year ₹ 17,81,000)
Perks: Nil.
- c) Shri Rajesh Tripathi, Director [Way & Works]** (Period 01/04/11 to 31/03/12)
Salary & Allowances: ₹ 18,01,070 (Previous year ₹ 5,34,028)
Perks: Nil.

28

The Corporation has taken Permanent Way Track on non-cancelable operating lease from Ministry of Railways for an amount of ₹ 1863 Lakhs. Formal lease agreement for the same is yet to be signed. The future minimum lease payments in respect of the said lease, as at 31st March, 2012 are as follows:-

Minimum Lease payments:

(₹ in Lakh)

i	Payable not later than one year	130
ii	Payable later than one year and not later than five years	520
iii	Payable later than five years	7% of ₹1,863 Lakh for each year

29

Earnings per Share (EPS) is calculated as under:

Particulars	Current year	Previous year
Net Profit for the current year as (₹) disclosed in Statement of Profit & Loss	192,519,994	28,104,465
Weighted average no. of Equity shares of ₹ 1,000 each	8,064,661	8,064,661
Earnings Per Share (₹)	23.87	3.48

Note: There is no diluted EPS as there are no outstanding diluted potential equity shares.

30

Balances in debit and credit accounts of Contractors, Government Authorities, Zonal Railways, Suppliers and Control Accounts etc. pertaining to receivable and payable accounts 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 years.



31

The Corporation has an unabsorbed brought forward business loss and depreciation of ₹ 191,001 Lakh as computed under Income Tax Act, 1961 and the current year profit of ₹ 1,874 Lakh (including prior period adjustments) as per the Statement of Profit and Loss. Considering the past trend of income and payment towards servicing of interest, provision for deferred income tax assets is not made, in conformity with Para 17 of AS -22 on "Accounting for taxes on Income" issued by ICAI.

32

The amount transferred to the Investor Education and Protection Fund during the year is ₹ 167 lakh and up to the financial year 2011-12 is ₹ 356 Lakh.

33

Auditors remuneration (excluding service tax)

(Amount in ₹)

Particulars	Current year	Previous year
Statutory audit fees	625,000	625,000
Tax audit fees	75,000	75,000
Certification	50,000	50,000
TOTAL	750,000	750,000

Note 34

Expenditure in foreign Currency:

(Amount in ₹)

Particulars	Current Year	Previous Year
Capital Goods	196,751,442	NIL
Trial for Traction Power	NIL	4,031,000

Note 35

Consequent to the Notification of Revised Schedule VI under the Companies Act, 1956, the Financial Statements for the year ended 31st March, 2012 are prepared accordingly and therefore, the previous year figures have also been reclassified to conform to this year classification. Further the previous year figures have been regrouped/ rearranged wherever necessary.

For Pathak H. D. & Associates
Chartered Accountants
Firm Registration No.107783W

Sd/-
MUKESH MEHTA
Partner
Membership No. 043495

For and on behalf of the Board

Sd/-
(SHAHZAD SHAH)
Director (Finance)

Sd/-
(BHANU P. TAYAL)
Managing Director

Sd/-
(B. SATYANARAYANA)
Company Secretary

Place : Mumbai
Date : 10th August, 2012

STATISTICAL SUMMARY OF TRAIN OPERATIONS

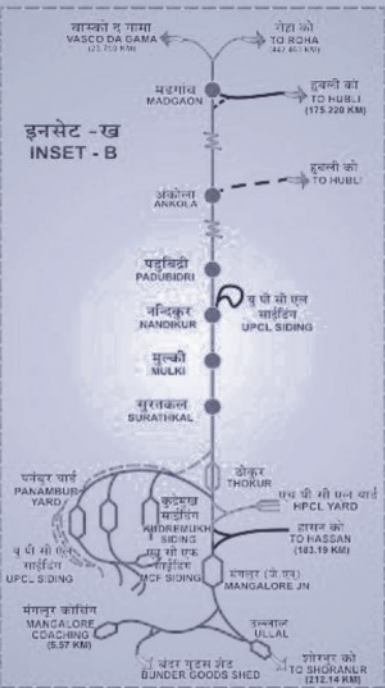
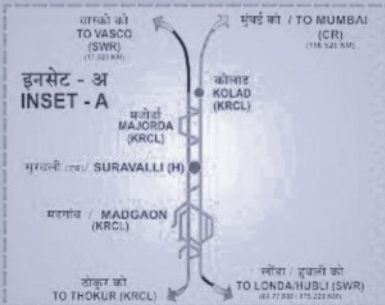
	Unit	Year 2011-12	Year 2010-11
GENERAL INFORMATION			
Guage		Broad Guage	Broad Guage
Route Length	KMs	739 Kms	739 Kms
Number of Stations	Nos	54	54
PERSONNEL			
Number of Employees	Nos	4703	4652
Wage Bill	Creore ₹	184.59	153.83
OPERATING STATISTICS			
NTKMs(in millions)(on actual distance)	MLN NTKM	3746.12	3411.48
NTKMs/Engine hrs	NTKM	26390.00	22957.00
Vehicle and Wagon Kms (excl. deptt and brake vans)			
Wagon Kms	MKMs	88.60	81.56
Vehicle Kms	MKMs	219.40	193.86
NTKMs/Wagon day	NTKM	12623.00	11664.00
Wagon Kms per wagon day in use	KMs	298.00	325.00
Average Diesel KM per Day	KMs	713.00	702.00
Wagon turn round	Days	1.78	2.17
Daily Average Wagon interchange	Wagons	871.00	791.00
Average Speed of Goods train	KMPH	30.00	30.00
Average outage per Day on Freight	Outage	16.32	19.80
Turn round of RO-RO trains	Days	1.90	1.90
PASSENGER TRAFFIC			
No.of passengers carried	MLN	28.72	23.47
Passenger Kms	MKM	4687.00	4396.00
Passenger earnings	Creore ₹	332.52	292.65
Average lead	KMs	586.00	447.87
FREIGHT TRAFFIC			
Tonnes originating (in millions)			
Revenue earning traffic	MT	2.403	1.499
Non revenue earning traffic	MT	--	--
Total Traffic	MT	2.403	1.499
NET TONNE KMS (IN MILLIONS)			
Revenue earning traffic	NTKM	5619.18	5117.22
Non revenue earning traffic	NTKM	—	—
Total Traffic	NTKM	5619.18	5117.22
Earnings from freight carried (excl. demmorage and wharfage charges)	Creore ₹	327.77	293.27
Average lead-Revenue traffic	KMs	636.00	689.00
REVENUE AND EXPENDITURE (RS.IN CRORES)			
Total Income (Excl. Project)	Creore ₹	726.73	727.73
Total Expenditure (Excl. Project)	Creore ₹	730.41	661.81

Note:

- Operating statistics and General Information are based on actual distances whereas, statistics on passenger and freight traffic are based on chargeable distance.
- The tonnes originating freight traffic excludes booking from HPCL siding Thokur towards S.Rly .

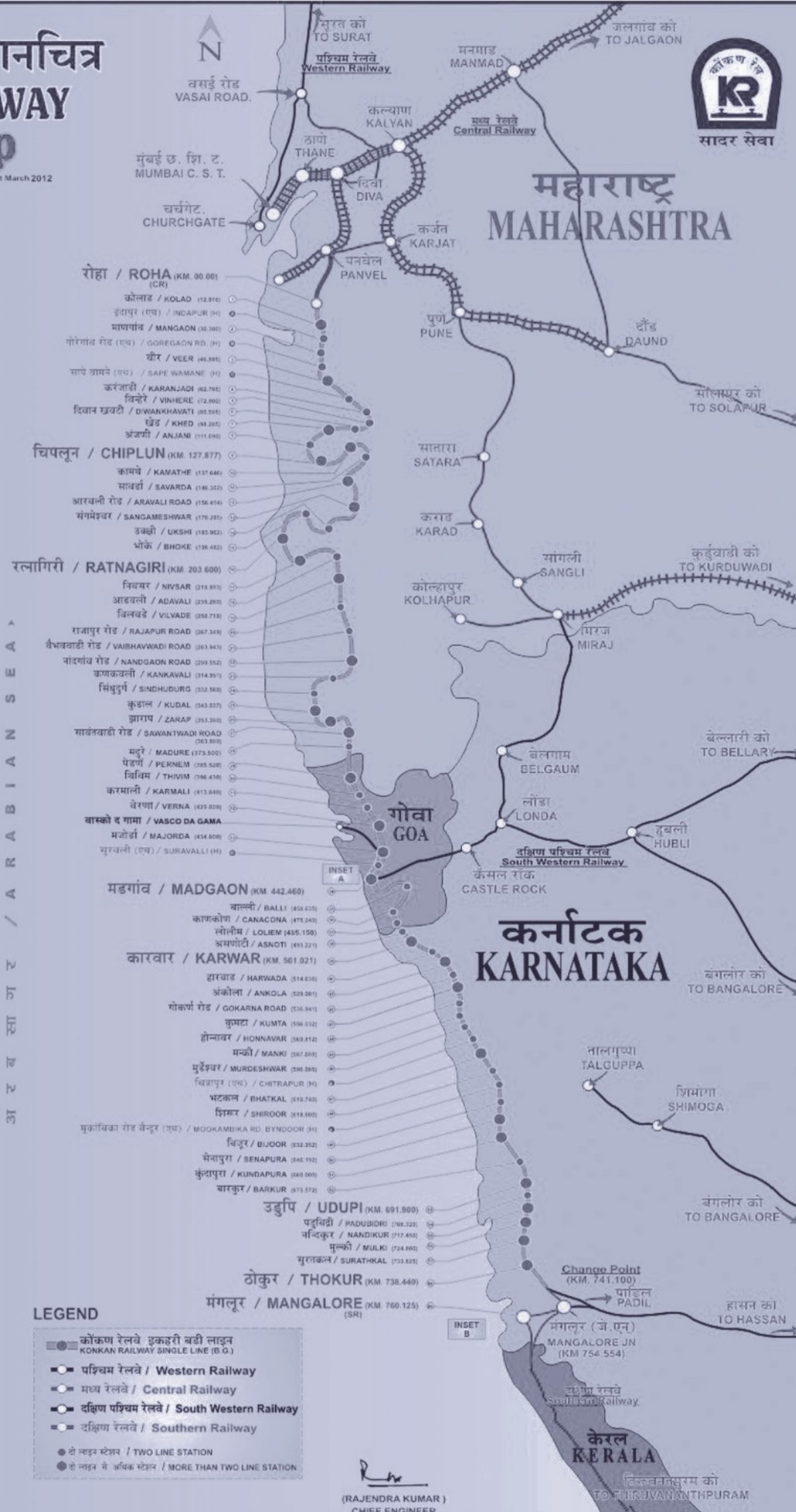
कोंकण रेलवे का मानचित्र KONKAN RAILWAY System Map

31 मार्च 2012 तक संशोधित किए गए हैं । / Corrected upto 31st March 2012



हॉल्ट (एच) स्टेशन / HALT (H) STATIONS	
○ इंदापूर / INDAPUR	- KM. 23.860
○ गोरेगांव रोड / GOREGAON ROAD	- KM. 40.785
○ सापे वामने / SAPE WAMANE	- KM. 55.000
○ सुरवली / SURAVALLI	- KM. 437.800
○ चित्रापूर / CHITRAPUR	- KM. 604.580
○ मुकांबिका रोड बंदर (एच) / MOOKAMBIKA RD. BYNDOOR (H)	- KM. 626.475

LEGEND	
○	कोंकण रेलवे इकहरी बढी लाइन KONKAN RAILWAY SINGLE LINE (B.O.)
●	पश्चिम रेलवे / Western Railway
○	मध्य रेलवे / Central Railway
●	दक्षिण पश्चिम रेलवे / South Western Railway
○	दक्षिण रेलवे / Southern Railway
○	दो लाइन स्टेशन / TWO LINE STATION
●	दो लाइन से अधिक स्टेशन / MORE THAN TWO LINE STATION



(RAJENDRA KUMAR)
CHIEF ENGINEER



कोंकण रेलवे कॉर्पोरेशन लिमिटेड
Konkan Railway Corporation Limited.

Redg. Office & Corporate Office
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