



CIN:- U45203OR2009PLC010620

ANGUL SUKINDA RAILWAY LIMITED

ANNUAL REPORT

2015-2016



Angul Sukinda Railway Ltd.

ANGUL SUKINDA RAILWAY LIMITED

ANNUAL REPORT

2015-2016

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Angul Sukinda Railway Ltd.

MANAGEMENT TEAM



Angul Sukinda Railway Ltd.

Board of Directors:

1. **Mr. S Sankara Narayanan**, Chairman, AM (CE), Railway Board
2. **Mr. Dilip Kumar Samantray**, Managing Director
3. **Mr. Manoj Kumar Mishra**, Director (Nominee of Govt. of Odisha.)
4. **Mr. Arun Kumar**, Director (Nominee of Rail Vikas Nigam Ltd.)
5. **Mr. Hare Krushna Sahu**, Director (Nominee of Rail Vikas Nigam Ltd.)
6. **Mr. Vinay Kumar Singh**, Director (Nominee of Rail Vikas Nigam Ltd.)
7. **Mr. Kapil Rawat**, Director (Nominee of Jindal Steel & Power Ltd.)
8. **Mr. Sudhansu Ranjan Mohapatra**, Director
(Nominee of The Odisha Mining Corporation Ltd.)
9. **Mr. Sushanta Kumar Mohanty**, Director (Nominee of Govt. of Odisha)
10. **Mr. V. Kalyana Rama**, Director (Nominee of Container Corporation of India Ltd)
11. **Mr. Sharad Verma**, Director (Nominee of Container Corporation of India Ltd)
12. **Mr. Sudhansu Sekhar Guru**, Independent Director
13. **Mrs. Saveeta Mohanty**, Independent Director

Registered Office:

**Plot No - 7622/4706,
Mauza-Gadakana Press Chhaka,
Gajapati Nagar,
Bhubaneswar-751005
Odisha**

Statutory Auditors:

**M/s MIR & Associates,
Chartered Accountants
171, Sachivalaya Marg,
1st Floor, Capital Masjid Market Complex,
Unit- IV, Bhubaneswar-751001**

Bankers:

**Axis Bank Ltd.,
Chandrasekharapur,
Bhubaneswar- 751016
Odisha**

**Canara Bank,
Mid Corporate Branch,
Laxmi Sagar, Cuttack Road
Bhubaneswar-751006**



Angul Sukinda Railway Ltd

**NOTICE
OF
7TH ANNUAL
GENERAL MEETING**



Angul Sukinda Railway Ltd.

**Notice of the Seventh AGM
On Thursday, 29th September, 2016**

**Venue:
Board Room, 2nd Floor,
Hotel Mayfair Convention,
Jayadev Vihar, Bhubaneswar**

NOTICE

Notice is hereby given that the Seventh Annual General Meeting of the shareholders of Angul Sukinda Railway Limited will be held on Thursday, 29th September, 2016 at **11:45 Hrs at Board Room, 2nd Floor, Hotel Mayfair Convention, Jayadev Vihar, Bhubaneswar, Odisha** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2016, Profit & Loss Account for the year ended on that date and the reports of the Board of Directors and Auditor's thereon.
2. To appoint a Director in the place of Mr. Arun Kumar having DIN 02486535, who is liable to retire by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in the place of Mr. Sudhansu Ranjan Mohapatra having DIN 06757772, who is liable to retire by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in the place of Mr. Hare Krushna Sahu having DIN 05174575, who is liable to retire by rotation and being eligible offers himself for re-appointment.
5. To Fix the Remuneration of the Statutory Auditor of the company Appointed By Comptroller and Auditor General (CAG).

SPECIAL BUSINESS:

To consider and if thought fit, to pass with or without modifications, the following resolutions as **Ordinary Resolutions**:

6. **"RESOLVED THAT** Mr. Sushanta Kumar Mohanty (Nominee of Govt. of Odisha) having DIN 06853652 who was appointed by the Board of Directors as an Additional Director under section 161 of the Companies Act, 2013 and holds his office up to the date of this Annual General Meeting in respect of whom the Company has received a notice under section 152 of the Companies Act, 2013, be and is hereby appointed as Director of the Company, liable to retire by rotation, under the Articles of Association of the Company."
7. **"RESOLVED THAT** Mr. Kalyana Rama Vennelakanti (Nominee of Container Corporation of India Ltd) having DIN 07201556 who was appointed by the Board of

Directors as an Additional Director under section 161 of the Companies Act, 2013 and holds his office up to the date of this Annual General Meeting in respect of whom the Company has received a notice under section 152 of the Companies Act, 2013, be and is hereby appointed as Director of the Company, liable to retire by rotation, under the Articles of Association of the Company."

8. **"RESOLVED THAT** Mr. Manoj Kumar Mishra (Nominee of Govt. of Odisha) having DIN 07408164 who was appointed by the Board of Directors as an Additional Director under section 161 of the Companies Act, 2013 and holds his office up to the date of this Annual General Meeting in respect of whom the Company has received a notice under section 152 of the Companies Act, 2013, be and is hereby appointed as Director of the Company, liable to retire by rotation, under the Articles of Association of the Company."
9. **"RESOLVED THAT** Mr. Surendra Kumar (Nominee of Rail Vikas Nigam Limited) having DIN 07589864 who was appointed by the Board of Directors as an Additional Director under section 161 of the Companies Act, 2013 and holds his office up to the date of this Annual General Meeting in respect of whom the Company has received a notice under section 152 of the Companies Act, 2013, be and is hereby appointed as Director of the Company, liable to retire by rotation, under the Articles of Association of the Company."
10. **"RESOLVED THAT** in accordance with the provisions of section 196 read with Schedule V of the Companies Act, 2013, and all other applicable provisions if any, including any statutory modifications or re-enactment thereof for the time being in force and subject to the limits prescribed under the companies Act, 2013 Sri D. K. Samantray, MD/ASRL be given extension at the end of his present tenure (ending on 30th May, 2017) for another two years or up to his attaining the age of 62 whichever is earlier. The recommendation of the BOD will be placed before the 7th AGM of ASRL for ratification."

Date: 03/09/2016
Place: Bhubaneswar

By Order of the Board of Directors
For Angul Sukinda Railway Limited
Sd/-
Srimanta Baboo
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION - 102 OF THE COMPANIES ACT, 2013 FOR SPECIAL BUSINESS ARE ANNEXED HEREWITH.

TO: _____

- I. ALL THE SHAREHOLDERS OF THE COMPANY.
- II. STATUTORY AUDITORS OF THE COMPANY
- III. ALL DIRECTORS OF THE COMPANY

EXPLANATORY STATEMENT ON SPECIAL BUSINESS AS REQUIRED UNDER SECTION - 102 OF THE COMPANIES ACT, 2013

Item No. 6: Appointment of Mr. S K Mohanty as a Director on the Board of the Company

Mr. Sushanta Kumar Mohanty (Nominee of Govt. of Odisha) having DIN 06853652 was appointed as Additional Director of the Company with effect from 29.12.2015, pursuant to provisions of Section 161 of the Companies Act, 2013.

Under Section 160 of the Companies Act, 2013, a notice in writing has been received from a member signifying his intention to propose Mr. S K Mohanty, as a Director of the Company as required under the aforesaid Section.

Except for Mr. S K Mohanty no other directors are interested in this resolution.

Item No. 7: Appointment of Mr. V Kalyana Rama as a Director on the Board of the Company

Mr. Kalyana Rama Vennelakanti (Nominee of Container Corporation of India Ltd) having DIN 07201556 was appointed as Additional Director of the Company with effect from 29.12.2015, pursuant to provisions of Section 161 of the Companies Act, 2013.

Under Section 160 of the Companies Act, 2013, a notice in writing has been received from a member signifying his intention to propose Mr. V Kalyana Rama, as a Director of the Company as required under the aforesaid Section.

Except for Mr. V Kalyana Rama no other directors are interested in this resolution.

Item No. 8: Appointment of Mr. M K Mishra as a Director on the Board of the Company

Mr. Manoj Kumar Mishra (Nominee of Govt. of Odisha) having DIN 07408164 was appointed as Additional Director of the Company with effect from 29.01.2016, pursuant to provisions of Section 161 of the Companies Act, 2013.

Under Section 160 of the Companies Act, 2013, a notice in writing has been received from a member signifying his intention to propose Mr. M K Mishra, as a Director of the Company as required under the aforesaid Section.

Except for Mr. M K Mishra no other directors are interested in this resolution.

Your Directors recommend the resolutions for your approval.

Item No. 9: Appointment of Mr. Surendra Kumar as a Director on the Board of the Company

Mr. Surendra Kumar (Nominee of Rail Vikas Nigam Limited) having DIN 07589864 was appointed as Additional Director of the Company with effect from 31.08.2016, pursuant to provisions of Section 161 of the Companies Act, 2013.

Under Section 160 of the Companies Act, 2013, a notice in writing has been received from a member signifying his intention to propose Mr. Surendra Kumar, as a Director of the Company as required under the aforesaid Section.

Except for Mr. Surendra Kumar no other directors are interested in this resolution.

Your Directors recommend the resolutions for your approval.

Item No. 10: Extension of tenure of MD/ASRL at the end of his present tenure

Sri D K Samantray was appointed as Managing Director of the Company on 31.05.2012 for a period of 5 years ending on 30.05.2017.

On the 32nd BOD meeting held on 28/03/2016 and 33rd BOD meeting held on 29/06/2016 his tenure has been extended for a period of 2 years or till he attends the age of 62 years, whichever is earlier, after the end of this tenure.

Except for Mr. D K Samantray no other directors are interested in this resolution.

Your Directors recommend the resolutions for your approval.

By Order of the Board of Directors
For Angul Sukinda Railway Limited

Date: 03/09/2016
Place: Bhubaneswar

Sd/-
Srimanta Baboo
Company Secretary



**Form No. MGT-11
Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : U45203OR2009PLC010620
Name of the company : Angul Sukinda Railway Limited
Registered office : Plot No. 7622/4706,
Mauza- Gadakana Press Chhaka
Bhubaneswar
Orissa-751005, INDIA

Name of the member (s):
Registered address:
E-mail Id:
Folio No/ Client Id:
DP ID:

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name:

Address: E-mail Id:

Signature:....., or failing him as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at theAnnual general meeting/ Extraordinary general meeting of the company, to be held on the day of..... At..... a.m. / p.m. at.....(place) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1.....

2.....

Signed this..... day of..... 2016

Signature of shareholder

Affix
Revenue
Stamp

Signature of Proxy holder(s)



Angul Sukinda Railway Ltd.

DIRECTORS' REPORT



DIRECTORS' REPORT

DISTINGUISHED MEMBERS,

Your Directors present herewith the Seventh Annual Report of the Company along with Audited Annual accounts for the financial year 2015-2016.

Angul Sukinda Railway Limited (ASRL) was incorporated under Companies Act, 1956 on 20th February, 2009, and has its registered Office in Bhubaneswar, Odisha. The Company was set up for developing, financing, construction, operation and maintenance of 104.242 KM long new Railway line between Budhapank in Angul District, Odisha to Baghuapal in Jajpur District on Built-Own-Operate basis. It is a Joint Venture Public Limited Company initially promoted by Rail Vikas Nigam Limited with Jindal Steel & Power Limited. Another partner, M/s Bhushan Steel Limited joined the Company as equity partner by signing Shareholders and Share Subscription Agreement on 27th May, 2009. The Shares of BSL have been forfeited due to non payment of Cash calls and the same have been reissued to Government of Odisha, Odisha Industrial Infrastructure Corporation (A govt. of Odisha Undertaking) IDCO and The Odisha Mining Corporation Limited (OMC). IDCO joined the Company as equity Partner after signing the Participation Agreement on 7th October, 2013 and Govt. of Odisha and OMC joined the Company as equity partners after signing the Participation Agreement II on 21st March, 2014. Another Equity partner Container Corporation of India Limited (CONCOR) joined the Company as equity partner after signing the Participation Agreement III on 19th January, 2015.

FINANCIAL HIGHLIGHTS

The salient financial parameters of ASRL for 2015-16 are given below:

Particulars	Financial Year ended March 31, 2016 Rs. in lakh	Financial Year ended March 31, 2015 Rs. in lakh
Profit/ Loss Before Tax	(14.16)	(13.20)
Less: Current Tax	-	-
Deferred Tax	-	-
Profit for the year	(14.16)	(13.20)
Transferred to General Reserve	(14.16)	(13.20)

FINANCIAL PERFORMANCE FOR THE YEAR 2015-16

During the Year under review, the Company earned a gross income of Rs. 3,45,960/-. The company has incurred administrative expenditure of Rs. 17,62,481/-. In the last financial year 2014-15 as per the expert opinion the treatment of income has been changed and all the income earned by the Company is being charged to the Capital Work in Progress and not been taken in the Profit & Loss statement. The same has been followed this Financial Year 2015-16. The Company has incurred a loss of Rs. 14,16,521/- during the Financial Year 2015-16. Further during the year the company has incurred an expenditure of Rs. 9,99,186/- on Fixed Assets of the Company and Rs. 20,27,98,041/- on project capital work in progress which include Rs. 2,02,55,824/- on account of incidental Expenditure (i.e. administrative expenditure). The total capital Work in progress till 31.03.2016 after adjusting the interest on mobilization advance of Rs. 1,84,16,149-, sale of tender of Rs. 3,85,000/- & Interest on Bank Deposits till 31.03.2016 was Rs 144,06,93,530/- for project assets.

CAPITAL STRUCTURE

The Company was initially registered with an Authorized Share Capital of Rs. 5 lakhs. Later on it was increased to Rs. 420 Crores on 29.06.2009 and to Rs. 470.40 Crores on 24.09.2013. At present the Authorised Capital of the Company is Rs. 600.00 Crores. The Paid up share capital of the Company was Rs. 600.00 Crores as on 31.03.2016.

For Equity Participation, the Company has entered into Shareholders and Share Subscription Agreement with 6 parties who have agreed to subscribe the equity of the Company in following percentages (i) Rail Vikas Nigam Limited (RVNL) 31.50%, (ii) Jindal Steel and Power Limited (JSPL) 10.00%, (iii) Odisha Industrial Infrastructure Corporation (IDCO) 0.70% (iv) Government of Odisha (GoO) 21.30 % (V) The Odisha Mining Corporation Limited (OMC) 10.50% and (vi) Container Corporation of India Limited (CONCOR) 26.00%. During the year 2015-16, all the share holders have paid their cash call money dues. Initially M/s Bhusan Steels Limited was an equity Partner of the Company, but the shares of BSL have been forfeited due to non-payment of cash calls.

DETAILS OF PROJECT

The project involves construction of new Broad Gauge Railway Line from Angul to Sukinda. The length of this new Rail Line is 104.242km (as per updated estimate) and the project passes through 75 villages in three districts (Angul, Dhenkanal, Jajpur) of Odisha. Total land required for the project is 1779.186 Acres (on 'HAL' settlement basis). Out of the total land required, Private land is 1199.081 Acres, Government land would be 219.145 Acres and Forest land is 360.96 Acres. The Company is presently undertaking the project by mobilizing funds through equity participation. The Company will seek to raise debt from market to fund the balance project cost, after utilizing the equity portion. The construction of the project is being undertaken by RVNL, under an agreement with the Company signed 24.04.2015.

PROJECT EXECUTION:

The project work made a serious beginning from 2014-15. The process of acquisition of land is in full swing. The position of land acquisition and others works is given hereunder in a comparative format:

Particulars	AGM Sep-201	AGM Sep-2016	Remarks
Private Land Total Land involved – 1197.821 acres (69 villages)			
(i) Order U/ Section 7	69 villages	69 villages	Since possession handed over by state Govt. to East Coast Railway
(ii) Possession taken	Ac. 1017.696 (65 villages)	Ac. 1197.821 (69 villages)	
(iii) Land cost deposited to Govt.	Rs. 77.08 Crores		
Government Land Total villages -60 Total Land – 219.145 acres			
(i) Alienation sanctioned / Notice received.	44.50 Acre (32 Villages)	110.32 Ac (60 Villages)	Efforts are on for alienation of balance land.
Forest Land Total villages 46 Total Land 251.06 Acres + 109.90 Acres			
Status of Diversion proposal	<ul style="list-style-type: none">Field inspection by RCCF/Angul with RVNL & Railway official completed on 2nd & 3rd May 2015Demarcation in identified forest land (sabik kisam) is in progress. <p>Diversion proposal has been forwarded to Addl. PCCF/BBS on 12.05.15 by RCCF/Angul.</p>	<ul style="list-style-type: none">Stage I Clearance obtained on 24.09.2015Working permission on forest land obtained on 13.01.2016.	<ul style="list-style-type: none">The progress in forest clearance front has been appreciated in the High Level P.M.G. meeting of PMO.

Bridge Works.

Tender awarded for 3 major Bridges No.12, 29 & 41 on 31.05.2011 at a Total cost of Rs. 81.64 Crores.

Physical Progress	58.5 %	80%	
Financial Progress	56.0 %	77%	

Formation Works

Roadbed and Minor Bridges between KM 19 to KM 47 and 3 nos steel girder bridges and 8 nos ROB between KM 19 to KM 67	<p>Earth work filling - 6.41 lakh cum out of total scope of 28.99 lakhs cum completed and Cutting done 300 cum.</p> <p>Works are in progress in 10 nos of bridges out of total 46 nos.</p>	<ul style="list-style-type: none">• E.Work filling - (13.5/28.99) lakh cum completed and• Cutting in formation done 300 cum.• 51/97 no of drawings handed over to contractor.• Works are completed in 07/97 bridges.• Work is in progress in 30/90 no of bridges.• Work in (02/03) major bridges (Br.62, 115 are in progress.• No Work started in Br.131 & ROBs(08no).	Work is in progress between ch. 27.70 km to ch 39.50 km
Execution of Roadbed KM 0-19 and KM 47-97 for 76 route KM including tie lines and laying blanket for entire 104 route KM	Contractor yet to mobilize plants & machinery at site.	<ul style="list-style-type: none">• E.Work filling - 7.0 lakh cum completed and• Cutting in formation done 65000 cum completed.• Work in 07 no of minor bridges are in progress.	

RESERVES & DIVIDEND

The company is presently in the process of implementation of the project. The commercial operation has not begun. Therefore, no dividend has been recommended.

Disclosure regarding Issue of Equity Shares with Differential Rights – NA

Corporate Social Responsibility (CSR)

As the provision of Section 135 of the Companies Act, 2013 every company with a net worth of Rs. 500 Crores to constitute a Corporate Social Responsibility (CSR) Committee with a minimum of 3 directors out of which one must be independent Director. It was further informed to the board that the company to spend, in every financial year, at least two percent (2 %) of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its CSR policy.

On the 28th Board Meeting held on 24.04.2015 the Board decided to constitute a CSR committee of the company. With the induction of CRC the committee has been reconstituted, consisting of Mr. Manoj Kumar Mishra, Mr. V K Singh and Prof. Saveeta Mohanty.

The Committee has formulated the CSR policy for the Company. For this purpose Rs. 3,00,000/- have been given to RAWA Academy for the CSR activity.

Disclosure regarding issue of Employee Stock Options- NA

Disclosure regarding issue of Sweat Equity Shares- NA

Disclosure regarding risk management Policy- NA

Extract of Annual Return

The extract of Annual Return, in format MGT -9, for the Financial Year 2015-16 has been enclosed with this report.

Particulars of Contracts or Arrangements with Related Parties

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 for the Financial Year 2015-16 in the prescribed format, AOC 2 has been enclosed with the report.

Explanation to Auditor's Remarks

Explanation or comment by the Board on every qualification, reservation, adverse remark or disclaimer made by the statutory auditor in his report and/or by the secretarial auditor in the secretarial Audit Report.

Deposits

No Deposits have been received by the company during the Financial Year 2015-16.

Declaration by Independent Director

Declaration to affirm the points given u/s 149(6) of CA, 2013

Secretarial Audit Report

Secretarial Audit Report in prescribed format MR 3 given by a PCS is annexed to the Board Report.

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

No such cases filed during the Financial Year.

Fraud Reporting (Required by Companies Amendment Bill, 2014) - NA**Statutory Auditors**

Details about Statutory Auditors of the company, any change made during the year, whether existing auditor(s) is/are eligible for re-appointment, etc

PARTICULARS OF CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The particulars required to be disclosed in respect of the Conservation of Energy and Technology Absorption shall be treated as NIL as the Company is presently neither energy intensive nor technology intensive.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has neither earned nor expended any foreign exchange during the period under review.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company in pursuance of Section 134 (5) of the Companies Act, 2013 as amended hereby confirms that:

- i) in the preparation of the annual accounts for the Financial Year ended 31st March, 2016, the applicable accounting standards had been followed and there has been no material departures.

- ii) the directors had selected such accounting policies and applied them consistently and 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 at the end of the financial year 2015-16 and of the profit or loss of the company for that period.
- iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) the directors had prepared the Annual Accounts on a Going Concern Basis.
- v) the directors have laid down internal financial controls, which are adequate and are operating effectively and
- vi) the directors have devised proper system to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

BOARD OF DIRECTORS

The Board of Directors of the Company consists of nominees of Ministry of Railways (MoR), Rail Vikas Nigam Limited (RVNL), Jindal Steel & Power Limited (JSPL), Government of Odisha, The Odisha Mining Corporation Limited(OMC) & Container Corporation of India Ltd (CONCOR).

During the year under review, Shri Arun Kumar having DIN 02296383, Sri Susdhansu Ranjan Mohapatra having DIN 06757772 and Sri Hare Krushna Sahu having DIN 05174575 directors retires at the 7th Annual General Meeting of the Company and being eligible, offer them for re-appointment.

Since the last Annual General Meeting, Shri V Kalyana Rama, nominee of CONCOR, Shri S K Mohanty & Sri M K Mishra, nominee of Govt. of Odisha were appointed as Additional Director of the Company. They hold office upto the date of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received notice under section 161 of the Companies Act, 2013, proposing his appointment as Director of the Company, subject to retirement by rotation.

The Board met Five times during the Financial Year 2015-16. The meetings were held on 24/04/2015, 22/07/2015, 24/09/2015, 29/12/2015 & 28/03/2016. At present the Board of Directors of the Company consists of Thirteen Directors.

The present Board of Directors is as under:

1. **Shri Subramony Sankara Narayanan**, Director, Chairman,
2. **Shri Dilip Kumar samantray**, Managing Director,
3. **Shri Manoj Kumar Mishra**, Additional Director,
4. **Shri Sushanta Kumar Mohanty**, Additional Director,
5. **Shri Arun Kumar**, Director,
6. **Shri Hare Krushna Sahu**, Director,
7. **Shri Vinay Kumar Singh**, Director,
8. **Shri Kapil Kumar Rawat**, Director,
9. **Shri Sudhanshu Ranjan Mohapatra**, Director
10. **Sri V Kalyana Rama**, Additional Director
11. **Sri Sharad Verma**, Director
12. **Sri Sudhansu Sekher Guru**, Independent Director
13. **Smt Saveeta Mohanty**, Independent Director

AUDIT COMMITTEE

The Board of Directors had re-constituted Audit Committee as per the provision of Section 177 of the Companies Act, 2013 with the following members:

1. Mr. H. K. Sahu
2. Mr. S S Guru,
3. Prof (Mrs.) Saveeta Mohanty

NOMINATION & REMUNERATION COMMITTEE

The Board of Directors had constituted the Nomination & Remuneration Committee as per the provision of Section 178 of the Companies Act, 2013 with the following members:

1. Mr. M K Mishra,
2. Mr. S S Guru,
3. Prof (Mrs.) Saveeta Mohanty,

AUDITORS AND AUDITOR'S REPORT

The Company has received a letter from CAG no- CA.V/COY/ CENTRAL GOVERNMENT, ASRL(0)/136 Dated 11.07.2016 intimating the company that M/s MIR & Associates, Chartered Accountants to be the Statutory Auditors of the Company for the Financial Year 2016-17.

The observations given by Auditor in their Report read together with notes to Accounts are self explanatory and hence do not call for any further comments under Section 134.

M/s ADP & Associates, Company Secretaries Firm was appointed as the secretarial Auditor of the company for the Financial Year 2015-16, as required under section 204 of the Companies Act, 2013 and rule there under. The Secretarial Audit Report forms part of the Directors' Report and Annual Report.

ACKNOWLEDGEMENTS

We record our appreciation and thanks to Ministry of Railways (MOR), Government of Orissa, East Coast railway and RVNL for their continued interest and support to the Company and without their support, it would not have been possible to achieve the progress made by the Company.

Further we thanks our Banks (Axis Bank & CANARA Bank), Internal Auditor (M/s Tej Raj & Pal), Statutory Auditor (M/s MIR & Associates), Secretarial Auditor (ADP & Associates), Accounts Service Provider (UCC & Associates LLP) and Equity participants for their deep support and contribution towards the company and expect the same co-operation in the future as well.

For and on behalf of the Board of Directors of
ANGUL SUKINDA RAILWAY LIMITED

Date: 29/06/2016
Place: Bhubaneswar

Sd/-
D.K. Samantray
(Managing Director)
(DIN- 05302646)

Sd/-
Manoj Kumar Mishra
(Director)
(DIN- 07408164)

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2016

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

I. REGISTRATION AND OTHER DETAILS:

- i) CIN:- **U45203OR2009PLC010620**
- ii) Registration Date: **20/02/2009**
- iii) Name of the Company : **Angul Sukinda Railway Limited**
- iv) Category / Sub-Category of the Company : **Company limited by shares / Indian Non-Government Company**
- v) Address of the Registered office and contact details
Plot No. 7622/4706,
Mauza- Gadakana Press Chhaka
Bhubaneswar, Orissa-751005, INDIA
Tele & Fax- 0674-2300842
Email: asrlbbs@asrl.in, Website: www.asrl.in
- vi) Whether listed company Yes-/ No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:- Not Applicable

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1			
2			
3			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - Not Applicable

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1					
2					

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year		No. of Shares held at the end of the year		% Change during the year
	Demat	Physical	Demat	Physical	
A. Promoters					
(1) Indian					
(a) Individuals / HUF	5	5	5	5	
(b) Central Govt.	-	-	-	-	
(c) State Govt. (s)	8,70,00,000	8,70,00,000	12,78,00,000	12,78,00,000	5.74
(d) Bodies Corporate	47,21,99,995	47,21,99,995	47,21,99,995	47,21,99,995	5.74
(e) Banks/FI					
(f) Any Others					
Sub-total (A) (1)	55,92,00,000	55,92,00,000	60,00,00,000	60,00,00,000	100

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
(2) Foreign									
(a) Individuals / HUF									
(b) Central Govt.									
(c) State Govt. (s)									
(d) Bodies Corporate									
(e) Banks/FI									
(f) Any Others									
Sub-total (A) (2)									
Total Share holding of Promoter (A) = (A) (1) + (A) (2)		55,92,00,000	55,92,00,000	100		60,00,00,000	60,00,00,000	100	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt.									
d) State Govts. (s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (Specify)									
Sub-Total (B) (1):-									

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
2. Non-Institutions									
a) Bodies Corporate									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh									
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh									
c) Others (specify)									
Sub-Total (B) (2):-									
Total Public Shareholding (B) = (B) (1) + (B) (2)									
C) Share held by Custodian for GDRs & ADRs									
Grand Total (A + B + C)		55,92,00,000	55,92,00,000	100		60,00,00,000	60,00,00,000	100	

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2015				Share holding at the end of the year 31/03/2016			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbe red to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbe red to total shares	% of change in share holding during the year	
1	Rail Vikas Nigam Limited	188999995	33.80	-	188999995	31.50	-	2.30	
2	Jindal Steel & Power Limited	60000000	10.73	-	60000000	10.00	-	0.73	
3	SHRI ASHOK KUMAR GANJU	1	0.00	-	1	0.00	-	0.00	
4	SHRI ARUN KUMAR	1	0.00		1	0.00	-	0.00	
5	SHRI B S KALSI	1	0.00	-	0		-	0.00	
6	SHRI S C AGNIHOTRI	1	0.00	-	1	0.00	-	0.00	
7	SHRI A K TYAGI	1	0.00	-	1	0.00	-	0.00	
8	SHRI SURENDRA KUMAR	0	-	-	1	0.00	-	0.00	
9	Government of Odisha	87000000	15.56	-	127800000	21.30	-	5.74	
10	Odisha Mining Corporation Limited	63000000	11.27	-	63000000	10.50	-	0.77	
11	Orissa Industrial Infrastructure Development Corporation	4200000	0.75	-	4200000	0.70	-	0.05	
12	Container Corporation Of India Limited	156,000,000	27.90	-	156,000,000	26.00	-	1.90	
	Total	559,200,000	100.00		600,000,000	100.00			

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	55,92,00,000	100	55,92,00,000	100
2	Dt. 22/07/2015 Allotment of shares to Govt. of Odisha	4,08,00,000	5.74	60,00,00,000	100
3	At the End of the year	60,00,00,000	100.00	60,00,00,000	100

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
1	At the beginning of the year				
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
3	At the End of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	1	0	0	0
2.	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	-
3.	At the End of the year	1	0	0	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment- Not Applicable

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

Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid iii) Interest accrued but not due				
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

Sl. no.	Particulars of Remuneration	Sri D K Samantray	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	30,63,002 3,39,110 0	34,02,112
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify...		
5.	Others, please specify		
	Total (A)		34,02,112
	Ceiling as per the Act		

B. REMUNERATION TO OTHER DIRECTORS:

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify				
2.	Total (1)				
3.	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify				
4.	Total (2)				
5.	Total (B)=(1+2)				
6.	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0 0 0	6,03,736 79,921 0	4,27,532 57,184 0	10,31,268 1,33,450 11,64,718
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission - as % of profit - others, specify...	0	0	0	0
5.	Others, please specify	0	0	0	0
	Total	0	6,83,657	4,81,061	11,64,718

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding Fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors of
ANGUL SUKINDA RAILWAY LIMITED

Date: 29/06/2016
Place: Bhubaneswar

Sd/-
D.K. Samantray
(Managing Director)
(DIN- 05302646)

Sd/-
Manoj Kumar Mishra
(Director)
(DIN- 07408164)

FORM NO. AOC -2**FORM NO. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
	NIL	

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	Rail Vikas Nigam Limited (Share Holder)
	Nature of contracts/arrangements/transaction	Construction Agreement
	Duration of the contracts / arrangements / transaction	
	Salient terms of the contracts or arrangements or transaction including the value, if any	To Construct the line of ASRL
	Date of approval by the Board	24.04.2015
	Amount paid as advances, if any	
2	Name (s) of the related party & nature of relationship	Container Corporation of India Limited (Share Holder)
	Nature of contracts/arrangements/transaction	Lease Agreement
	Duration of the contracts / arrangements / transaction	Five Years
	Salient terms of the contracts or arrangements or transaction including the value, if any	To Lease out the Premises for office use.
	Date of approval by the Board	24.09.2015
	Amount paid as advances, if any	

For and on behalf of the Board of Directors of
ANGUL SUKINDA RAILWAY LIMITED

Date: 29/06/2016
Place: Bhubaneswar

Sd/-
D.K. Samantray
(Managing Director)
(DIN- 05302646)

Sd/-
Manoj Kumar Mishra
(Additional Director)
(DIN- 07408164)

To,
The Board of Directors,
Angul Sukinda Railway Limited
Plot No-7622/4706,
Mauza- Gadakana Press Chhaka,
Bhubaneswar, Odisha-751005

Sub: Declaration under sub-section (6) of section 149:

I, **Saveeta Mohanty**, hereby certify that I am an Independent (Non-executive) Director of Angul Sukinda Railway Limited and comply with all the criteria of independent director envisaged under the provisions of section 149(6) Companies Act, 2013 as & when it may be notified. I hereby certify that:

- I am not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters or directors in the company, its holding, subsidiary or associate company
- I have/had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither Me nor any of my relatives—
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of—
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - (iii) holds together with his relatives 2% or more of the total voting power of the company; or
 - (iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

Thanking you,

Place: Bhubaneswar
Date: 29/06/2016

Signature: Sd/-
(Saveeta Mohanty)

To,
The Board of Directors,
Angul Sukinda Railway Limited
Plot No-7622/4706,
Mauza- Gadakana Press Chhaka,
Bhubaneswar, Odisha-751005

Sub: Declaration under sub-section (6) of section 149:

I, **S S Guru**, hereby certify that I am an Independent (Non-executive) Director of Angul Sukinda Railway Limited and comply with all the criteria of independent director envisaged under the provisions of section 149(6) Companies Act, 2013 as & when it may be notified. I hereby certify that:

- I am not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters or directors in the company, its holding, subsidiary or associate company
- I have/had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither Me nor any of my relatives—
 - (iii) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year
 - (iv) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of—
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - (iii) holds together with his relatives 2% or more of the total voting power of the company; or
 - (v) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

Thanking you,

Place: Bhubaneswar
Date : 29/06/2016

Signature: Sd/-
(S S Guru)

SECRETARIAL AUDIT REPORT
OF
ANGUL SUKINDA RAILWAY LIMITED
FOR
THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

ADP & ASSOCIATES
COMPANY SECRETARIES

Offices-

- Plot No-733, Ground Floor, Saheed Nagar, Bhubaneswar, Odisha-751007
Telefax- 0674-2549636, 09338843388, 09040203020, E-mail: nayakfcs@gmail.com
- F4F-53/2, Indradhanu Market Complex, Nayapalli, Bhubaneswar-751015
Phone: 0674- 2552765 (O)

ADP & ASSOCIATES

COMPANY SECRETARIES

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment of Managerial Personnel) Rules, 2014)

To

The Members,
Angul Sukinda Railway Limited
Plot No. 7622/4706, Mauza- Gadakana Press Chhaka,
Bhubaneswar, Odisha-751005
CIN-U45203OR2009PLC010620

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by Angul Sukinda Railway Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Angul Sukinda Railway Limited's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) Following other laws as are specifically applicable to the Company:
 - a. Employees PF & Misc. Provisions Act, 1954
 - b. Payment of Gratuity Act
 - c. Employees State Insurance Act, 1948
 - d. Industrial Disputes Act, 1947
 - e. Contract Labour (Regulations and Abolition) Act, 1970
 - f. Payment of Bonus Act, 1965.
 - g. Service Tax Rules, 1994,
 - h. Orissa State Tax on Professions, Trades, Callings and Employments Act 2000/ Orissa State Tax On Professions, Trades, Callings And Employments Rules, 2000.

Offices-

- Plot No-733, Ground Floor, Sahced Nagar, Bhubaneswar, Odisha-751007
Telefax- 0674-2549636, 09338843388, 09040203020, E-mail: nayakfcs@gmail.com
- F4F-53/2, Indradhanu Market Complex, Nayapalli, Bhubaneswar-751015
Phone: 0674- 2552765 (O)



We have also examined compliance with the applicable clauses of the Secretarial Standards (though not mandatory during the year) issued by the Institute of Company Secretaries of India, under Section 118 (10) of the Companies Act, 2013 to the extent observed by the Company.

The management has represented and we have also checked that the Company being an unlisted Public Company the following Acts, Regulations, Guidelines, Agreements etc. as specified in the prescribed MR-3 Form were not applicable to the Company:

- (i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (ii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registers to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and;
 - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
- (iii) Listing Agreements with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice was given to all directors to schedule the Board Meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of minutes.




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

We further report that there are no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

Place :Bhubaneswar

Date: 20/06/2016

For ADP & Associates
Company Secretaries


(CS Priyadarshi Nayak)
Partner
FCS-6455
C.P. No-7042



This is to be read with our letter of even date which is annexed as Enclosure-A and Forms an integral part of this report.

ADP & ASSOCIATES

COMPANY SECRETARIES

Enclosure-A

To
The Members,
Angul Sukinda Railway Limited
Plot No. 7622/4706, Mauza- Gadakana Press Chhaka,
Bhubaneswar, Odisha-751005
CIN-U45203OR2009PLC010620

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

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

Place :Bhubaneswar

Date: 20/06/2016

For ADP & Associates
Company Secretaries

(CS Priyadarshi Nayak)
Partner
FCS-6455
C.P. No-7042



Offices-

- Plot No-733, Ground Floor, Saheed Nagar, Bhubaneswar, Odisha-751007
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- F4F-53/2, Indradhanu Marker Complex, Nayapalli, Bhubaneswar-751015
Phone: 0674- 2552763 (O)



Angul Sukinda Railway Ltd

STATEMENT OF FINAL ACCOUNTS

ANGUL SUKINDA RAILWAY LIMITED
BALANCE SHEET AS AT 31st March 2016

(Amount `)

Particulars	Note No.	As at 31 March 2016	As at 31 March 2015
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	6,00,00,00,000	5,49,04,93,250
(b) Reserves and surplus	4	13,32,61,251	13,46,77,772
2 Share Application money pending allotment			
3 Non Current Liabilities			
(a) Deferred Tax Liability (Net)	5		
4 Current liabilities			
(a) Other current liabilities	6	30,30,807	1,64,29,205
		6,13,62,92,058	5,64,16,00,227
II. ASSETS			
*1 Non-current assets			
(a) Fixed assets	7	16,92,851	25,12,079
(i) Tangible assets		39,394	1,436
(ii) Intangible assets		1,44,13,83,990	1,23,78,95,489
(iii) Capital work-in-progress		37,69,49,520	21,27,85,166
(b) Long-term loans and advances	8		
2 Current assets			
(a) Cash and bank balances	9	4,14,68,98,996	4,15,48,15,377
(b) Short-term loans and advances	10	1,53,371	1,76,260
(c) Other current assets	11	16,91,73,935	3,34,14,420
		6,13,62,92,058	5,64,16,00,227

III. NOTES FORMING PART OF FINANCIAL STATEMENTS

1 to 21

This is the Balance Sheet referred to in our reports of even date

For MIR & Associates
Chartered Accountants
FRN: 323590E



(CA Mohammed Riyaz)
Partner
Mem. No: 060356

By order of the Board and on behalf of
Angul Sukinda Railway Limited

M.K Mishra
Director
DIN-07408164

D.K Samantray
Managing Director
DIN-05302646

Srimanta Baboo
Company Secretary

Place: Bhubaneswar
Date: 29th June 2016

ANGUL SUKINDA RAILWAY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March 2016

(Amount in ₹)

Particulars	Note No.	Year ended 31 March 2016	Year ended 31 March 2015
I. Revenue from operations	12	-	12,98,062
II. Other income	13	3,45,960	1,47,937
III. Total Revenue (I + II)		3,45,960	14,45,999
IV. Expenses:			
(a) Employee benefits Expenses	14	-	1,60,268
(b) Other Expenses	15	-	11,12,046
(c) Depreciation & amortization Expenses	7	17,62,481	14,94,638
Total expenses		17,62,481	27,66,952
V. Profit before exceptional and extraordinary items and tax (III-IV)		-14,16,521	-13,20,953
VI. a. Exceptional items b. Prior Period Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		-14,16,521	-13,20,953
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		-14,16,521	-13,20,953
X. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
(3) Earlier Year		-	-
XI Profit (Loss) for the period from continuing operations (IX-X)		-14,16,521	-13,20,953
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV Profit for the period (IX + XIV)		-14,16,521	-13,20,953
XVI Earnings per equity share (Face Value ₹ 10/-)			
(1) Basic		-0.00	-0.01
(2) Diluted		-0.00	-0.01
XVII NOTES FORMING PART OF FINANCIAL STATEMENTS	1 to 21		

This is the Profit & Loss statement referred to in our reports of even date

For MIR & Associates
Chartered Accountants
FRN: 323590E



(CA Mohammed Riyaz)
Partner
Mem. No: 060356

By order of the Board and on behalf of
Angul Sukinda Railway Limited

M.K Mishra
Director
DIN-07408164

D. K Samantray
Managing Director
DIN-05302646

Srimanta Baboo
Company Secretary

Place: Bhubaneswar
Date : 29th June 2016

Angul Sukinda Railway Company Limited
Cash Flow Statement for the year ended March 31st 2016

S. No.	Particulars	For the Year ended March 2016	For the Year ended March 2015
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before tax	(14,16,521)	(13,20,953)
	Adjustments for:		
	Depreciation	17,62,481	14,94,638
	Interest income	(3,45,960)	(1,47,937)
	Operating profit before working capital changes		25,748
	Changes in working capital:		
	Change in Other Current Assets	5,55,79,350	(3,04,41,39,663)
	Change in Short Term Loans and Advances	22,889	(1,29,807)
	Change in Long Term Loans and Advances	(1,00,000)	(52,000)
	Change in Other Current Liabilities	(1,33,98,398)	1,50,06,193
	Cash generated from operations	4,21,03,841	(3,02,92,89,529)
	Income tax paid, net of refunds	(3,75,05,871)	(2,63,30,093)
	Net cash (used)/ generated from operating activities (A)	45,97,970	(3,05,56,19,622)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Capital expenditure (including capital advances)	(33,10,46,170)	(26,40,62,141)
	Proceeds from sale of fixed assets - Other items	17,975	11,330
	Interest received	3,45,960	1,47,937
	Net cash used in investing activities (B)	(33,06,82,235)	(26,39,02,874)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from issue of shares	50,95,06,750	3,14,48,26,750
	Net cash (used)/ generated in financing activities (C)	50,95,06,750	3,14,48,26,750
	Net increase/ (decrease) in cash and cash equivalents (A + B + C)	18,34,22,485	(17,46,95,746)
	Opening balance of cash and cash equivalents	7,44,76,511	24,91,72,257
	Closing balance of cash and cash equivalents, consisting of	25,78,98,996	7,44,76,511
	Balance with Scheduled Banks		
	--On Current Accounts	25,78,98,996	7,44,76,511
	--Deposits with Original Maturity of Less than Three Months		
	Closing balance of cash and cash equivalents	25,78,98,996	7,44,76,511

This Cash Flow statement has been prepared under the indirect method setout in AS-3 issued by The Institute of Chartered Accountants of India.

Previous year's figures have been regrouped and rearranged, wherever necessary.

This is the Cash Flow statement referred to in our reports of even date

For MIR & Associates
Chartered Accountants
FRN: 323590E



(CA Mohammed Riyaz)
Partner
Mem. No: 060356

By order of the Board and on behalf of
Angul Sukinda Railway Limited

M.K. Mishra
Director
DIN-07408164

D. K. Samantray
Managing Director
DIN-05302646

Srimanta Baboo
Company Secretary

Place: Bhubaneswar
Date : 29th June 2016

ANGUL SUKINDA RAILWAY LIMITED
Notes to the financial statements

General Information

The company was incorporated on February 20, 2009 as a Special Purpose Vehicle for the construction of new railway line from Angul to Sukinda on East Coast Railways. The Company is a Joint Venture of Rail Vikas Nigam Limited (RVNL), Govt of Odisha (GoO), Odisha Mining corporation limited (OMC), Container corporation of India limited (Concor), Odisha Industrial Infrastructure Development Corporation (IDCO) and Jindal Steel and Power Limited (JSPL). The Company is a public limited company. As per the Shareholders' agreement dated May 27, 2009, the construction of the project will be undertaken by Rail Vikas Nigam Limited (RVNL) in terms of Construction Agreement with the company.

The Company has entered into a Concession Agreement with Ministry of Railways (MoR), Government of India dated 14th May, 2010 in terms of which the Ministry of Railways (Concessions Authority) has authorized the Company (Concessionaire) to develop, finance, design, engineer, procure, construct, operate and maintain the Project Railway and to exercise and/or enjoy the rights, powers, benefits, privileges, authorizations and entitlements upon its completion. Further, in terms of the said agreement, the East Coast Railway (ECOR) will lease the existing Land to the company for the purpose of the Project, lease rental for which shall be as per the extant policy of the MoR as revised from time to time and the new land acquired by it in lieu of a nominal Annual Lease rental of ₹ 1 as referred to in the Lease Deed forming part of the Concession Agreement. Further Land acquisition will be done by ASRL (through ECR) and will remain the property of ASRL till the expiry of 30 year lease period or Net present Value (NPV) payback equal to equity investment @14% whichever is earlier. In case the NPV payback is reached earlier than 30 years, the concession agreement would stand terminated and the project line would be repossessed by railway.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention, except for items stated in Note 2.9. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non-current classification of assets and liabilities.

2.2 Use Of Estimate

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the years presented. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to the accounting estimates is recognized prospectively in current and future periods.

2.3 Extraordinary and Exceptional Items

Income or Expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company are classified as extraordinary items. Specific disclosure of such events/transactions is made in the financial statements. Similarly, any external event beyond the control of the company, significantly impacting income or expense, is also treated as extraordinary item and disclosed as such.

2.4 Events occurring after the balance sheet date and prior period items

Prior period items which arise in the current period as a result of error or omission in the preparation of prior periods financial statements are separately disclosed in the current financial statements. Material events occurring after the Balance Sheet date and Prior Period items are taken into cognizance.



2.5 Fixed Assets & Depreciation

A) Tangible Fixed assets

Tangible Fixed Assets are stated at acquisition cost, inclusive of inward freight, duties, taxes and incidental expenses related to acquisition

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value or net realizable value and are shown separately in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the Statement of Profit and Loss.

B) Depreciation

Depreciation is provided on WDV method over the estimated useful lives of the assets at the rates prescribed under Schedule II of companies Act 2013.

Leasehold improvements are amortized over the period of lease from the month in which such improvements are capitalized.

C) Intangible Assets and Amortization

Computer software is amortized over a period of three years on pro-rata basis.

D) Capital Project Work in Progress

Expenditure which can be directly identified with the Project undertaken by the company is debited to "Capital Work in Progress" Under Note 7 "Direct Project Expenditure". Indirect expenditure in the nature of employee benefits and other expenses has been charged to project. Interest earned on Mobilization advances given by the Company in respect of project execution, amount received on sale of tender and Interest earned on deposits with bank is reduced from Capital Work in Progress.

2.6 Impairment

In accordance with Accounting Standard-28 Impairment of Assets (AS-28), the carrying amounts of Company's assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated as the higher of the net selling price and the value in use. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. On the basis of review, the management is of the opinion that the economic performance of Fixed Assets of the Company is not worse than expected and therefore there is no impairment of any assets as on the Balance Sheet date.

2.7 Revenue Recognition

Revenue is recognized based on the nature of activity when consideration can be reasonably measured and there exists reasonable certainty of its recovery

- (a) Interest on Fixed deposits with Bank is accounted for on accrual Basis.
- (b) Other items of Income are accounted for as and when right to receive is established.



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2.8 Current and deferred tax

Tax on Income is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act 1961.

Deferred tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the group re-assesses unrecognized deferred tax assets, if any.

Deferred tax assets in respect of unabsorbed depreciation/brought forward losses are recognized to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.9 Taxes on Income and interest, penalty, claims and debit notes

Tax/Interest/Fines/penalties on account of late deposit and non-deduction of income tax deducted at source and other statutory dues are accounted for in the year in which they are levied by the statutory authorities.

Claims are accounted for in the year in which they are received/finally settled.

Debit notes/adjustments in respect of deductions are accounted for in the year in which they are received/settled.

2.10 Provisions, Contingent Liabilities and Contingent Assets

Provisions: Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

Contingent Assets: Contingent Assets are neither recognized nor disclosed. However, when realisation of income is virtually certain, related asset is recognized.

2.11 Earning Per Share

Basic earning per share is computed by dividing the profit/loss after tax by the number of weighted average shares outstanding during the year. Diluted earning per share is calculated by dividing the net profit for the year attributable to equity shareholder by the weighted average number of equity shares outstanding during the year adjusted for all potential equity shares.

2.12 Material Events

Material events occurring after the Balance Sheet date are taken into cognizance.



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2.13 Lease Accounting

Finance leases, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased asset, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are recognized as borrowing costs in the statement of profit and loss.

Leases where the lesser effectively retains substantially all the risks and benefits of ownership of Leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term unless there is a more systematic basis which is more representative of the time pattern of the lease expenses.

2.14 Cash Flow Statement

The cash flow statement is prepared by the indirect method set out in Accounting Standard 3 on "cash flow statement" and presents the cash flows by operating, investing and financing activities of the company. Cash and bank Balance that have insignificant risk of change in value, which have duration upto 3 months are included in the company's cash and cash equivalents in cash flow statement.

2.15 The Accounting policies that are currently not relevant to the company have not been disclosed. When such accounting policies become relevant, the same shall be disclosed.



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3.1 Share Capital

Particulars	31-03-2016	31-03-2015
	Amount (₹)	Amount (₹)
Authorized 60,00,00,000 Equity Shares of ₹ 10 each (Previous Year 60,00,00,000 Equity Shares of ₹ 10 each)	6,00,00,00,000	6,00,00,00,000
Issued & Subscribed 60,00,00,000 Equity Shares of ₹ 10 each (Previous Year 60,00,00,000 Equity Shares of ₹ 10 each)	6,00,00,00,000	6,00,00,00,000
Paid Up Fully paid Equity Shares fully paid 60,00,00,000 at ₹ 10 per equity share (Previous Year 49,92,25,000 Equity shares of ₹ 10 each)	6,00,00,00,000	4,99,22,50,000
Partly paid Equity Shares Nil partly paid up (Previous Year Equity shares partly paid up ₹ 5,99,75,000 at ₹ 8.31)		49,82,43,250
Total	6,00,00,00,000	5,49,04,93,250

3.2 Equity Share Forfeited

8,40,00,000 partly Equity Shares of face value Rs. 10 each, allotted to Bhushan Steel Limited on 18th May, 2012 having paid up value of ₹ 1.19 per share, were forfeited by the Company during the financial year 2012-13, in the Board meeting Dt. 20th March, 2013, due to non payment of ₹ 15.40 Crore against 3rd and 4th cash call of ₹ 7.00 Crore & ₹ 8.40 Crore, respectively. Those shares were reissued during the financial year 2013-14 at face value, entire amount forfeited from Bhushan Steel Limited was transferred to capital reserve.

NOTE 3A

Reconciliation of Number of Shares

Particulars	2015-16		2014-15	
	Number	Amount (₹)	Number	Amount (₹)
Equity Shares Fully paid up				
Shares outstanding at the beginning of the year	49,92,25,000	4,99,22,50,000	50,000	5,00,000
Shares issued during the Period	4,08,00,000	40,80,00,000	19,38,19,673	1,93,81,96,730
Partly Paid converted to fully paid up	5,99,75,000	59,97,50,000	30,53,55,327	3,05,35,53,270
Shares bought back during the Period				
Shares outstanding at the end of the Period	60,00,00,000	6,00,00,00,000	49,92,25,000	4,99,22,50,000
Equity Shares Partly paid up				
Shares outstanding at the beginning of the year	5,99,75,000	49,82,43,250	41,03,30,327	1,75,21,10,496
Shares issued during the Period				
Shares surrendered by ISPL			4,50,00,000	
Partly Paid converted to fully paid up	5,99,75,000	49,82,43,250	30,53,55,327	1,25,38,67,246
Shares outstanding at the end of the period			5,99,75,000	49,82,43,250

During the year ended 31st March 2014, Jindal Steel and Power Limited has surrendered 4,50,00,000 shares, which were reallocated to Container Corporation of India Limited.

Note 3B

Terms & Rights attached to equity shares

The company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share (and also to dividends in Indian rupees, if declared/ approved by the shareholders). During the period ended 31 March 2016, no dividend declared for distribution to equity shareholders. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distributing all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 3C

Shares held by holding/ultimate holding company and/or their subsidiaries/associates

The company does not have any holding/ultimate holding company and/or their subsidiaries/associates.

NOTE 3D

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at 31 March 2016		As at 31 March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
1. Rail Vikas Nigam Limited (18,90,00,000 shares are Fully paid up @ ₹ 10.00/- per share (Previous Year @ ₹ 10.00/-))	18,90,00,000	32%	18,90,00,000	34%
2. Jindal Steel and Power Limited (60,00,00,000 Shares Fully paid up @ ₹ 10.00/- per share (Previous Year 25,00,000 shares are Fully paid up @ ₹ 10/- per share and 5,99,75,000 shares are partly paid up @ ₹ 8.31/- per share)	6,00,00,000	10%	6,00,00,000	11%
3. Government of Odisha (12,78,00,000 share fully paid @ ₹ 10/- per share) (Previous year 8,70,00,000 shares are Fully paid up @ ₹ 10/- per share)	12,78,00,000	21%	8,70,00,000	16%
4. Odisha Mining Corporation Limited (6,30,00,000 shares are Fully paid up @ ₹ 10/- per share) (Previous Year @ ₹ 10/- per share)	6,30,00,000	11%	6,30,00,000	11%
5. Orissa Industrial Infrastructure Development Corporation (42,00,00,000 shares are Fully paid up @ ₹ 10/- per share) (Previous Year @ ₹ 10/-)	42,00,000	1%	42,00,000	1%
6. Container Corporation of India Limited (15,60,00,000 shares are Fully paid up @ ₹ 10/- per share) (Previous Year @ ₹ 10/-)	15,60,00,000	26%	15,60,00,000	28%
Total	60,00,00,000	100%	55,92,00,000	100%



NOTE 4**Reserves & Surplus**

Particulars	As at 31 March 2016	As at 31 March 2015
	Amount (₹)	Amount (₹)
Surplus		
Opening balance	3,46,77,772	3,59,98,726
(-) Net Profit/(Net Loss) For the Period	-14,16,521	-13,20,954
Total (A)	3,32,61,251	3,46,77,772
Capital Reserve		
Opening balance (Refer note 3.2)	10,00,00,000	10,00,00,000
(+) Addition during the Period	-	-
Total (B)	10,00,00,000	10,00,00,000
Closing Balance (A+B)	13,32,61,251	13,46,77,772

NOTE 5

As per the Accounting Standard 22 issued by the Institute of Chartered Accountants of India, Deferred tax assets in respect of unabsorbed depreciation/ brought forward losses are recognized to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Keeping in view the financial prudence, company has decided not to recognize the deferred tax asset because of uncertainty of sufficient taxable profits in near future to set off the same.

NOTE 6**Other Current Liabilities**

Particulars	As at 31 March 2016	As at 31 March 2015
	Amount (₹)	Amount (₹)
(a) Statutory Liabilities	16,31,818	8,96,113
(b) Other Payables	13,98,989	13,54,137
(c) Payable towards Project Expenditure	-	1,41,78,955
Total	30,30,807	1,64,29,205



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NOTE 2

Particulars	Gross Block			Fixed Assets			Accumulated Depreciation		Net Block	
	As at 1 April 2015	Additions	(Disposals)	As at 31 March 2016	As at 1 April 2015	Depreciation charge for the period**	On disposals	As at 31 March 2016	As at 31 March 2016	As at 31 March 2015
Intangible Assets										
CAR	11,74,326			11,74,326	6,88,611	1,59,577		8,48,188	3,26,138	4,85,716
COMPUTER	4,51,346	2,93,980	47,082	6,98,254	3,76,379	1,43,820	44,728	4,75,471	2,22,783	74,967
FURNITURE & FIXTURE	12,88,983	1,08,121		13,97,104	4,77,984	2,27,203		7,05,187	6,31,917	8,10,989
Office Equipment	9,21,307	2,45,508	43,050	11,23,855	4,86,966	2,86,235	27,429	1,75,772	1,78,083	4,34,141
Leasehold improvement	12,85,736	3,11,355		15,07,091	5,89,679	9,43,482		15,13,163	73,980	7,06,057
Intangible Assets	14,500	40,122		54,622	13,064	2,104		15,228	39,304	1,436
Total	51,48,198	9,99,198	90,132	60,55,252	28,32,683	17,82,481	72,157	43,23,007	17,82,248	29,13,615
Capital Work in Progress (C.WIP)										
A. Renovation of office		6,90,460		6,90,460					6,90,460	
B. Direct Project Expenditure										
Civil Work										
Preliminary Project Expenditure	1,38,76,554	7,77,091		1,46,03,645					1,46,03,645	1,38,76,554
Land*	66,14,10,616	21,84,69,568		87,98,80,184					87,98,80,184	66,14,10,616
Bridge Work	45,88,74,003	20,70,28,678		66,59,02,681					66,59,02,681	45,88,74,003
Detail Design Ego (CIVIL)	9,990	6,38,622		6,48,612					6,48,612	9,990
Formation	4,52,97,954	10,41,00,202		14,93,98,156					14,93,98,156	4,52,97,954
Permanent Way	30,73,560			30,73,560					30,73,560	30,73,560
Silo Facilities	25,21,632	1,05,52,049		1,30,73,681					1,30,73,681	25,21,632
Direction & General Charges**	10,76,64,852	2,82,84,082		13,09,48,934					13,09,48,934	10,76,64,852
Departmental Charges	6,37,98,873	1,75,76,536		8,13,75,409					8,13,75,409	6,37,98,873
Electrical Work										
General Electrification	40,12,715	70,50,414		1,10,63,129					1,10,63,129	40,12,715
Direction & General Charges**	3,51,111	6,16,511		9,68,022					9,68,022	3,51,111
Departmental Charges	2,18,191	3,83,166		6,01,557					6,01,557	2,18,191
Telecommunication & IT										
Detailed Design Engineering	10,11,235			10,11,235					10,11,235	10,11,235
Direction & General Charges**	88,484			88,484					88,484	88,484
Departmental Charges	54,986			54,986					54,986	54,986
Financing Cost										
Interest of RWL	11,55,425	44,45,860		11,55,425					11,55,425	11,55,425
Loan Syndication Fees										
Less: Sale of Transfer	2,35,000	1,50,000		3,85,000					3,85,000	2,35,000
Less: Interest On Mobilization	1,56,70,790	27,45,359		1,84,16,149					1,84,16,149	1,56,70,790
Advance (Note - 13)	13,83,37,856	41,46,35,783		55,29,73,639					55,29,73,639	13,83,37,856
Less: Interest on Bank Deposits (Note 13)										
	1,19,41,76,735	18,25,42,217		1,37,67,18,952					1,37,67,18,952	1,19,41,76,735
C. Incidental Expenditure During Construction (IEEC)										
	4,31,18,754	2,02,55,824		6,33,74,578					6,33,74,578	4,31,18,754
Total (A+B+C)	1,23,78,95,488	20,34,88,601		1,44,13,83,990					1,44,13,83,990	1,23,78,95,488

Note 2.1

* Leasehold Land under the road Capital Work in Progress represents payments made for land acquisition through East Coast Railways. The total payment made during the period amounts to 0.06 Crores (Previous year Rs. 18.02 Crores). The title of land acquired is to be acquired well however continue to remain with East Coast Railway and the company hold the leasehold rights on the land till the period of Concession Agreement i.e. 30 years or on attainment of the Net Present Value (NPV) value's initial to equity investment @14% which is higher. In case the NPV payback is reached earlier than 30 years, the concession agreement would stand terminated and the project line would be repossessed by railway. The Leasehold Land acquired by ASRI (through ECR) will remain the property of ASRI in the period of Concession Agreement and thereafter will revert to ECR on an amount equal to the cost of land financed by ASRI at the time of acquisition of land without any interest.

** Construction agreement has been signed by RWL on 24th April 2015. Direction & General (D&G) and Departmental charges have been charged by RWL as per the terms of agreement.

NOTE 8**Long-term loans and advances**

Particulars	As at 31 March 2016	As at 31 March 2015
	Amount (₹)	Amount (₹)
Unsecured, Considered Good		
(a) Capital Advances		
Advance towards Project Expenditure		
- Advance for Land	17,00,00,000	17,00,00,000
- Mobilization Advance	10,22,72,000	69,85,533
- Advance for Electrical Work	22,47,200	22,47,200
- Advance for other project works	23,76,967	-
- Advance to RVNL	2,08,95,049	-
(b) Security deposits	2,42,000	1,42,000
(c) Other Loans & Advances		
(i) Income Tax Refund	2,99,32,217	52,89,494
(e) Advance Tax and TDS (Net of Provision for Taxes)	4,09,84,087	2,81,20,939
Total	37,09,49,520	21,27,85,166

NOTE 9**Cash and Bank Balance**

Particulars	As at 31 March 2016	As at 31 March 2015
	Amount (₹)	Amount (₹)
Cash and Cash Equivalents		
Balances with Banks		
- On Current Account	25,78,98,996	7,44,76,511
- Deposits with Original Maturity of Less than Three Months	-	-
Other Bank Balances		
- Deposits with Original Maturity for More than Three Months but Less Than 12 Months	3,88,90,00,000	4,08,03,38,886
Total	4,14,68,98,996	4,15,48,15,377

NOTE 10**Short-term loans and advances**

Particulars	As at 31 March 2016	As at 31 March 2015
	Amount (₹)	Amount (₹)
Unsecured, Considered Good		
(a) Other Loans & Advances		
(i) Staff Imprest	359	13,559
(ii) Prepaid Expenses	29,412	39,101
(iii) Balances with Statutory / Government Authorities	1,23,600	1,23,600
Total	1,53,371	1,76,260

NOTE 11**Other current assets**

Particulars	As at 31 March 2016	As at 31 March 2015
	Amount (₹)	Amount (₹)
(a) Interest Accrued on Fixed Deposits	16,88,70,994	3,34,14,420
(b) Recoverable towards shared services	3,02,941	-
Total	16,91,73,935	3,34,14,420



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Note-12**Revenue from Operations**

Particulars	Year ended 31 March 2016 Amount (₹)	Year ended 31 March 2015 Amount (₹)
Revenue from Operations		
Project Consultancy Services	-	12,98,062
Total	-	12,98,062

NOTE 13**Other Income**

Particulars	Year ended 31 March 2016 Amount (₹)	Year ended 31 March 2015 Amount (₹)
Interest Income on		
Bank Deposits	41,46,35,763	13,83,37,656
Mobilisation Advance	27,45,389	15,91,397
Income Tax Refund	3,45,960	1,47,937
	41,77,27,112	14,00,76,990
Less: Interest on Mobilization Advance Transferred to CWIP (Note - 7)	27,45,389	15,91,397
Less: Interest on Bank Deposits transferred to CWIP (Note-7)	41,46,35,763	13,83,37,656
Total	3,45,960	1,47,937

Note: 13.1 Interest earned during year on deposits with bank is taken to the capital work in progress.

NOTE 14**Employee Benefits Expenses**

Particulars	Year ended 31 March 2016 Amount (₹)	Year ended 31 March 2015 Amount (₹)
Salary, Wages and Bonus	78,32,150	57,23,292
Staff Welfare Expenses	16,25,166	9,46,457
Contribution to Provident and other funds	6,69,435	4,99,521
	1,01,26,751	71,69,270
Less: Amount transferred to CWIP as IEDC (Refer Note below)	1,01,26,751	70,09,002
Total	-	1,60,268

Note: 14.1 Employee benefits and other expenses etc. are charged on the project to the 100% of such indirect expenditure except the portion of expenses related to the Income from operation as identified by the company.



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NOTE 15**Other expenses**

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
	Amount (₹)	Amount (₹)
Project Consultancy Fees Paid	-	10,00,000
Legal & Professional Fees	30,92,681	9,46,432
Payment to Auditors:		
As Auditors - Statutory Audit	63,697	49,438
For Other Services	-	11,236
Traveling Expense	5,39,149	5,68,582
Printing and Stationary	1,70,625	1,88,027
Power & Fuel	1,07,342	94,627
Repair and Maintenance Expenses	2,32,091	1,70,021
Housekeeping and Office Security Expense	10,74,883	8,07,825
Insurance Charges	19,695	20,577
Rent	7,18,000	5,80,000
Meeting & Conference	5,04,410	1,30,775
Rates & taxes	11,800	36,500
Membership and Subscription Fees	13,46,138	5,612
Vehicle Hire Charges	12,56,366	8,60,897
CSR Expenses	3,00,000	-
Communication Expenses	2,02,849	1,51,553
Consultancy Charges - Land	-	5,46,129
Miscellaneous Expense	4,89,347	3,63,889
	1,01,29,073	65,32,118
Less : Amount transferred to CWIP as IEDC (Refer Note 14.1)	1,01,29,073	54,20,072
Total	-	11,12,046

NOTE 16

There are no reported Micro, Small and Medium enterprises as defined in the "The Micro, Small & Medium Enterprises Development Act 2006" to whom the company owes dues.

NOTE 17**Other Disclosures as per Schedule III of Companies Act, 2013**

Expenditure in Foreign Currency - Nil (Previous year Nil)

Earnings in Foreign Currency - Nil (Previous year Nil)



NOTE 18
Earning Per Share

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Profit After Tax but before extra-ordinary items (₹)	14,16,521	13,20,953
Weighted average number of Equity Shares (Face value of ₹ 10 each)	58,27,81,187	24,40,28,846
Basic & Diluted EPS before Extra-Ordinary Items (₹)	0.00	0.01
Profit After Tax and after extra-ordinary items (₹)	14,16,521	13,20,953
Basic & Diluted EPS after Extra-Ordinary Items (₹)	0.00	0.01

NOTE 19
Related Party Disclosures

19.1 Related Parties

S. No.	Name	Nature of Relationship
1	Rail Vikas Nigam Limited (RVNL)	Parties to the Joint Venture Agreement
2	Iindal Steel and Power Limited (JSPL)	Parties to the Joint Venture Agreement
3	Government of Odisha	Parties to the Joint Venture Agreement
4	Odisha Mining Corporation Limited	Parties to the Joint Venture Agreement
5	Orissa Industrial Infrastructure	Parties to the Joint Venture Agreement
6	Container Corporation of India Limited	Parties to the Joint Venture Agreement
7	Dilip Kumar Samantray	Managing Director
8	Srimanta Baboo	Company Secretary
9	Amit Kumar Singh	Chief Financial Officer

19.2 Disclosure of transaction with related parties

SL. NO.	Particulars	Amount (₹)		Outstanding Amount Payable/ (Receivable) (₹)	
		Year ended 31 March 2016	Year ended 31 March 2015	As at 31 March 2016	As at 31 March 2014
1	Rail Vikas Nigam Limited (RVNL)				
	Expenditure towards project	37,71,57,950	23,82,75,113	2,88,95,049	1,41,78,955
	Amount received towards Equity Share	-	1,08,28,26,750	-	-
	Capital Advance given/Adjusted	9,76,63,434	15,06,75,348	27,68,96,167	17,92,32,733
2	Iindal Steel and Power Limited (JSPL)				
	Amount received towards Subscription of Equity Shares	10,15,06,750	5,00,00,000	-	-
3	Container Corporation of India Limited				
	Amount received towards Subscription of Equity Shares	-	1,56,00,00,000	-	-
	Reimbursement for Rent and Improvements	2,88,441	-	3,02,941	-
	Survey Work	-	12,98,062	-	-
4	Odisha Government				
	Amount received towards Subscription of Equity Shares	40,80,00,000	45,00,00,000	-	-
5	Dilip Kumar Samantray				
	Amount Paid towards Remuneration	38,27,690	30,86,925	-	-
6	Amit Kumar Singh				
	Amount Paid towards Remuneration	5,32,532	-	-	-
7	Srimanta Baboo				
	Amount Paid towards Remuneration	7,93,634	6,43,068	-	-

Note 20: Contingent Liability

Contingent liability in respect of claims not acknowledged as debt by the company is Rs. 50,84,480/- and Rs. 10,92,760/- in respect of Income Tax Assessment Case for A.Y 2013-14 and A.Y 2012-13 respectively pending in appeal by the company.

NOTE 21

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

For MIR & Associates
Chartered Accountants
FRN: 323590E

(CA Mohammed Riyaz)
Partner
Mem. No: 060356



By order of the Board and on behalf of
Angul Sukinda Railway Limited

M. K. Mishra Director DIN-07408164
D. K. Samantray Managing Director DIN-05302846

Srimanta Baboo
Company Secretary

Place: Bhubaneswar
Date : 29th June 2016



Angul Sukinda Railway Ltd.

AUDITORS' REPORT



Independent Auditor's Report

The Members of
Angul Sukinda Railway Limited
Bhubaneswar

Report on the Financial Statements

We have audited the accompanying (standalone) financial statements of Angul Sukinda Railway Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the (Standalone) Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (standalone) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these (standalone) financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the (standalone) financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid (standalone) financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2016, and its profit/loss and cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

- (d) in our opinion, the aforesaid (standalone) financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for MIR & Associates
Chartered Accountants
FRN-323590E

CA Md. Riyaz
Partner
Mem No: 060356



Place : Bhubaneswar
Date : 29th June'2016

Annexure to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 (b) The fixed assets of the company have been physically verified by the management during the year and no serious discrepancies have been noticed on such verification.
2. The Company now in project construction stages no physical stores and other materials are exist.
3. The Company does not granted any loans, secured or unsecured to the companies, firms, Limited Liability Partnerships or other parties cover in the register maintained U/s-189 of the companies Act, 2013. Accordingly, the provision of clauses 3(iii)(a) to (c) of the Order are not applicable to the company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, , the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security. .
5. The Company has not accepted any deposits from the public and hence the directives issuer by the reserve bank of India and the provision section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
7. a) According to the information and explanations given to us and on the basis of our examination of the books of account and records, the company has been generally regular in depositing undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.
 b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.



9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

for MIR & Associates
Chartered Accountants
FRN-323590E

CA Md. Riyaz
Partner
Mem No: 060356



Place : Bhubaneswar
Date : 29th June'2016

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of Angul Sukinda Railway Limited

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

We have audited the internal financial controls over financial reporting of Angul Sukinda Railway Limited as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016.

For and on behalf of

for **MIR & Associates**
Chartered Accountants
FRN-323590E

CA Md. Riyaz
Partner
Mem No: 060356



Place :Bhubaneswar
Date : 29th June'2016



MIR & Associates
Chartered Accountants

171-Sachivalaya Marg
1st Floor, Capital Masjid Market Complex
Unit- 4 , Bhubaneswar -751001
Phone: 0674- 2532510, 9437353693
e-mail: mirasso786@gmail.com
mir_bbsr@yahoo.in

Report on Directions under section 143(5) of Companies Act 2013

Of

Angul Sukinda Railway Limited for the Financial Year 2015-16

Sl. No.	Directions	Auditor Comment
1	Whether the company has clear title/lease deeds for freehold and lease hold land respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.	No, the company does not have the title deed over the land acquired. As per the concession agreement signed on dated 14.05.2010 between Ministry of Railway (MoR) & Angul Sukinda Railway Ltd, it is stipulated that the title deed of the land remain with MoR (East Coast Railway) .
2	Whether there are any cases of waiver /write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	No Such cases
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from Government or other authorities.	No such transactions

For and on behalf of

MIR & Associates
Chartered Accountants
FRN-323590E

(CA Md. Riyaz)
Partner
Mem. No.-060356

Place : Bhubaneswar
Date : 4th July 2016



कार्यालय प्रधान निदेशक लेखापरीक्षा
पूर्व तट रेलवे, भुवनेश्वर



OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT
EAST COAST RAILWAY, BHUBANESWAR

सं: समन्वय/2-1/Supp. Audit/ASRL/2015-16/ 1117

दिनांक: 21.09.2016

To,
The Managing Director,
Angul Sukinda Railway Ltd.,
Plot No.-7622/4706,
Press Chhaka, Gajapati Nagar,
Bhubaneswar- 751 005

Sub: Comments of the Comptroller & Auditor General of India under section 143(6)
(a) of the Companies Act, 2013 on the accounts of Angul-Sukinda Railway
Limited for the year ended 31st March 2016.

Sir,

Enclosed please find herewith the comments of Comptroller and Auditor General of
India under Section 143(6) (a) of the Companies Act, 2013 on the accounts of Angul-Sukinda
Railway Limited for the year ended 31st March 2016.

Encl: As above.
(In 04 sheets)

Yours sincerely,

(A.N. Sarkar)
Principal Director of Audit

**Comments of the Comptroller and Auditor General of India under Section 143 (6) of
the Companies Act, 2013 on the financial statement of Angul-Sukinda Railway Limited
for the year ended 31st March 2016**

The preparation of financial statements of Angul-Sukinda Railway Limited for the year ended 31st March 2016 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The Statutory Auditors/Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) or 139 (7) of the Act is/are responsible for expressing opinion in these financial statements under Section 143 of the Act based on the independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 18 July 2016.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the act of the financial statements of Angul-Sukinda railway Limited for the year ended 31st March 2016. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and company personnel and selective examination of some accounting records. In addition, I would like to highlight the significant matters under section 143(6) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of financial statement and related audit report.

- A. Comment on Profitability-NIL**
- B. Comment on Financial Position – NIL**
- C. Comment on Cash Flow- NIL**
- D. Comment on Disclosure- NIL**
- E. Comment on Auditor's Report- NIL**
- F. Other Comments:**

- (i) Irregular levy of D&G charges on land and Preliminary expenses.**

RVNL has been levying D&G charges @ 8.75 % on the cost of acquisition of land and preliminary expenses along with other components in the estimate of ASRL new line

project in violation of Railway Board's instructions. ASRL had paid ₹ 9, 56, 60,999 towards additional D&G charges on the cost of land and preliminary expenses till 31.03.2016. Inclusion of these components not only led to overstatement of capital work in progress but also inflated the overall cost of the project

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



(A.N.Sarkar)
Principal Director of Audit
East Coast Railway

Place: Bhubaneswar

Date: 21.09.2016

Annotated Statement of Provisional Comments issued, reply of the management and remarks of Pr. Director of Audit, East Coast Railway

Provisional Comments	Management Reply	Reply of Statutory Audit	Remarks of Pr.DA
<p>Para 1: Irregular levy of D&G charges on land. In terms of Railway Board's letter no. 2000/E&R/400/2 dated 26.06.2000 with subsequent amendments dated 28.07.2000, 12.10.2000, 20.12.2001, 05.06.2007 and 02.02.2011, the D&G charges are levied on New Lines, Gauge Conversion, Doubling etc. on various components, viz; Establishment and other than Establishment which include Plant Construction, Temporary Accommodation, Residential, Contingency, Instrument and Loss of Cash/Store. In the aforesaid Railway Board circular, levy of D&G charges on the cost of acquisition of land and Preliminary expenses has not been mentioned.</p>	<p>On receipt of C&AG audit report for the FY 2014-15, issues related to Levy of D&G charges on land acquisition cost and Collection of site facilities charges, the matter was discussed in the Board of Directors meeting on dated 24.09.2015 under item No. 8 of the BOD Agenda. In the meeting BOD authorized Managing Director to take up the above issues with RVNL management.</p>	<p>We agreed with the management reply.</p>	<p>Matter may be expedited with RVNL management to resolve the issue under intimation to this office.</p> <p>Comments proposed.</p>
<p>It is observed that RVNL has been levying D&G charges @ 8.75 % on other components along with cost of acquisition of land and preliminary expenses in the estimates of Angul- Sukinda Railway Limited (ASRL) new line project. Besides that, RVNL is also levying 5% additional Departmental charges on the project cost. Levying of D&G charges on land and preliminary expenses is in violation of Railway Board guidelines.</p> <p>It is pertinent to mention that land for this project is acquired by East Coast Railway, who are also the deemed owner of these land. As per clause 4.2(b) of the concession Agreement signed between Ministry of Railways and ASRL, Railway shall transfer the land</p>	<p>On that basis, letter addressed to Director/ Project, RVNL, New Delhi was issued on 03.11.2015. Further time and again, RVNL has been reminded by Managing Director to communicate their decision on the issue for appraisal to C&AG. The same is awaited till date.</p>		

<p>so acquired to ASRL for the projects for a lease rent of ₹1 per annum. Further, at the end of the concession period the assets shall be transferred by ASRL to Ministry of Railway and latter shall pay ASRL to an amount equal to Book Value. Hence, Angul -Sukinda Railway Limited (ASRL) had paid ₹9,56,60,999 towards additional D&G charges on the cost of land and preliminary expenses till 31.03.2016. Inclusion of the component of cost of acquisition of land and preliminary expenses not only leads to overstatement of capital work in progress but also inflate the overall cost of the project.</p> <p>Your specific remarks on the correctness of levying D&G charges on cost of acquisition of land and preliminary expenses may be supplemented to this office.</p>			
<p>Para 2: Irregular collection of Site facility charges. As per Railway Board's guidelines D&G charges are meant to cover Establishment and other than Establishment cost of the Service provider. Under "other than Establishment" charges, expenses on items like plant Construction, Temporary Accommodation, Residential Accommodation, etc are duly covered. As on 31.03.2016, the claim of RVNL of ₹ 2, 09, 08,116 towards site facility charges has been paid by ASRL, over and above the D&G-charges, in contravention to Railway Board circular no. 2009/E&R/400/2 dated 2.2.2011.</p> <p>This has resulted in overstatement of capital work-in-progress to the extent of ₹2,09,08,116 so far.</p>	<p>Same remarks as given in Para -1.</p> <p>Further, MD/ASRL vide his letter No. ASRL/BBS/CAG/2016-17/006 dated 15.09.2016 stated that RVNL Management (vide their letter no 2008/RVNL/F &A/SPVs dated 8.9.2016) has assured to exclude site facility charge from direct project cost and to charge to Consolidated Management fee i.e Departmental charges</p>	<p>Same remarks as given against Para -1</p>	<p>RVNL authority vide their letter no 2008/RVNL/F &A/SPVs dated 8.9.2016 has assured to exclude site facility charges from the project cost. In view of the action taken at the instance of Audit, the para is dropped for this year. The implementation will be reviewed in due course.</p>
<p>Para 3: Irregular levy of Preliminary project expenditure. It is noticed that ₹13,150 has been incurred towards</p>	<p>The said amount is nature of site facilities and was objected by this office vide letter dt.27.102014 addressed to ED/Finance</p>	<p>We agreed with the management reply</p>	<p>Same remarks as given against Para -1.</p>

<p>hiring of vehicle for use of East Coast Railway Officials on inspection to projects work of ASRL. Since element of supervision cost has already been included in D&G charges, such additional payment without justification is considered irregular.</p> <p>Para 4: Disclosure in financial statement. As per accounting standards issued by ICAI, a true and fair picture of the status of refund has to be shown in the Balance Sheet with proper justification appended in footnote. During the scrutiny of Balance Sheet for the year 2015-16, it has been observed that:-</p> <p>(a) ₹ 1,23,600 has been shown as "Service Tax refundable" under head "Short term Loan & Advances" sub-section "other Loans & Advances" against "Balance with Statutory/Government Authorities". Scrutiny of records revealed that the claim of ASRL for refund of ₹1, 23,600 has been rejected prima facie with the provision of adjustment of the said amount against future similar transactions vide Assistant Commissioner, Central Excise, Customs & Service Tax, Bhubaneswar's Order dated 30.12.2015.</p> <p>The items should have been included under "Non-current Assets" (Long term Loan Advances) instead of Current Asset (Short term Loan & Advances), since the item is pending from last year.</p>	<p>/RVNL. It was followed by reminders to RVNL and the response is still awaited.</p>	<p>Although it is pending from last year, the order of non-refund/adjustment in future was passed on dt.30.12.2015 and the management has expected to take input benefit within 12 months from the date of order as per the positive status on balance sheet date. Hence this is treated as current assets.</p> <p>However this may be classified as non-current assets in next year if it will still outstanding.</p>	<p>Comments not proposed in view of materiality aspect.</p> <p>In view of assurance given by MD/ASRL vide his letter No. ASRL/BBS/ CAG/2016-17/005 dated 6.09.2016 the para is dropped.</p>
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<p>Para 5: Irregularity in charging rate of Depreciation.</p> <p>As per the schedule of depreciation provided by Income Tax Act 1961, the rate of depreciation to be charged on Air Conditioner and Water Purifier is 10%. During verification of Income Tax return filed for Assessment Year 2015-16, it has been noticed the rate of depreciation on Air Conditioner and water purifier has been charged @15% in contravention to rates prescribed. This needs rectification.</p>	<p>As per the Schedule of depreciation provided by the Income Tax Rule 1962, Rate of depreciation on plant and machinery is 15% and on furniture and fittings rate of depreciation is 10% from A.Y 2006-07 onwards.</p> <p>However, the Schedule of IT Rule has not provided specific rate of depreciation for Air Conditioner and water Purifier. In this case the issue is related to wall mounted AC machine and water purifier (Aqua Guard) in the office.</p> <p>Further it is observed that the term plant and machinery has not been defined in the Income Tax Act. As per the supreme court order in case of CIT v Mir Mohammad Ali, the court has defined the word machinery as under:</p> <p>"the word machinery when used in ordinary language prima facie means some mechanical contrivance which, by themselves or in combination with one or more mechanical contrivances, by the combined movement and inter-dependent operation of their respective parts, generate power, or evoke, modify, apply or direct natural force with object in each case of effecting so definite and specific a result. If machinery is machinery for purpose of giving an allowance in respect of insurance</p>	<p>As per the Income Tax Act 1961 the rate of depreciation @10% on Furniture & Fittings including electrical fittings, however it is further clarified that electrical fittings includes wirings, switches, sockets and other fittings.</p> <p>Hence Air Conditioner and Water Purifier is a external instruments which is operate in electricity connection as and when required. These are not pre-fix electrical fittings.</p> <p>Therefore this is rightly classified under the Plant & Machinery</p>	<p>Considering money value of the excess depreciation assessed is insignificant for the year 2015-16, the para is considered for drop.</p>
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	<p>or for repairs or in respect of normal depreciation it must be machinery for other purpose also."</p> <p>In view of above, Air condition and water purifier has been classified under the Plant and machinery which are eligible for depreciation @15%.</p>		
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Pr-Director of Audit/ECOR



Angul Sukinda Railway Ltd.

GENERAL



Br. No 12 over River Brahmani



Br. No 29 over Rengali Cenal



Br. No 41 over Rengali Cenal



Br. No 101 A @ CH: 50+721



Br. No. 105 @ CH: 52+038



Br. No 103 @ CH: 51508



**Cutting Work in Progress K.M.
77+780 to 77+960**



↑
← **Cutting Work in Progress
K.M. 78+400 to 78+840**



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← **Earth Work in Progress
K.M. 72+000 to 74+500**
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6th AGM of ASRL dt. 24.09.2015



ASRL & RVNL meetings with High Officials of ECoRly



Opening of the 1st Floor Office of ASRL by Sri S.S. Narayanan, Chairman/ASRL



33rd BoD Meeting of ASRL in Progress



MD/ASRL on Courtesy Call to Chief Secretary, Odisha