

# CHHATTISGARH EAST RAILWAY LIMITED

(A SUBSIDIARY OF SECL)



## 11<sup>TH</sup> ANNUAL REPORT

2023-24



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## REFERENCE INFORMATION

### REGISTERED OFFICE

Chhattisgarh East Railway Limited  
Mahadev Ghat Road,  
Raipura Chowk  
Raipur- 492013 (Chhattisgarh)

### BOARD OF DIRECTORS

Shri G. Srinivasan	-	Chairman	(w.e.f. 01.10.2023)
Shri S.N. Kapri	-	Director	(w.e.f. 13.01.2023)
Shri N. Franklin Jayakumar	-	Director	(w.e.f. 30.03.2024)
Smt. Ragini Advani	-	Director	(w.e.f. 01.06.2022)
Shri A.K. Singh	-	Director	(w.e.f. 20.07.2023)
Shri A.P. Palanisamy	-	Director	(w.e.f. 22.08.2023)
Shri Priya Ranjan Parhi	-	Part-time Director	(w.e.f. 09.05.2022)

### KEY MANAGERIAL PERSONNEL

Shri Ravi Valluri	-	Chief Executive Officer
Shri Narendra Bondre	-	Chief Operating Officer
Smt. Priyanka Kirit Tanna	-	Chief Financial Officer
Shri Anand Amirtharaj Joseph	-	Company Secretary

STATUTORY AUDITORS	SECRETARIAL AUDITOR	INTERNAL AUDITORS
<b>M/s. Singhal &amp; Sewak</b> Chartered Accountants. 311-312, 2nd Floor, Eskay Plaza, Near Anand Talkies, Raipur-492001, C.G.	<b>M/s. M&amp;K Associates</b> Company Secretaries Suite #102, Pavani Plaza, Khairatabad, Hyderabad - 500004	<b>M/s SPJV &amp; Co.</b> Chartered Accountants B-102, Lalganga Regalia, Behind Colours Mall, Raipur (C.G)-492001

REGISTRAR & TRANSFER AGENT	DEPOSITORY
<b>Alankit Assignments Limited</b> Alankit Heights 4E/2 Jhandewalan Extension New Delhi - 110055, India	<b>National Securities Depository Limited</b> 4th Floor, A Wing, Trade World Kamala Mills Compound Senabati Bapat Marg, Lower Parel, Mumbai-400013, India

## BANKERS

### INDIAN BANK

Corporate Branch Delhi  
Ground Floor, 17, Parliament Street  
New Delhi-110001

### BANK OF BARODA (Erstwhile VIJAYA BANK & DENA BANK)

Corporate Banking Branch, M- 1 Floor,  
Head Office Building, 41/2 M.G. Road Bangalore-560001

### UNION BANK OF INDIA (Erstwhile CORPORATION BANK)

Union Bank Bhawan,  
239, Nariman Point, Fort, Mumbai – 400021

### CANARA BANK

Prime Corporate Branch,  
Maker Tower – F wing, 20th Floor, Cuffe Parade, Mumbai – 400005

### INDIAN OVERSEAS BANK

R.K. Puram Branch, 1st Floor,  
Palika Bhawan, Sector-13, New Delhi-110066

### PUNJAB NATIONAL BANK (Erstwhile UNITED BANK OF INDIA & ORIENTAL BANK OF COMMERCE)

Extra Large Corporate Branch, Tolstoy House,  
Connaught Place, New Delhi – 110001

### STATE BANK OF INDIA

69, Mahadev Ghat Road,  
Sundarnagar Branch, Raipur-422013, Chhattisgarh

### CENTRAL BANK OF INDIA

Corporate Finance Branch, Jeevan Tara Building,  
5, Parliament Street, New Delhi-110001.

**BOARD OF DIRECTORS****(DURING 2023-24)**

<b>Chairman</b>	<b>2023-24</b>
<b>Shri G. Srinivasan</b> Director (Finance), SECL	(w.e.f. 01.10.2023)
<b>Shri S.K. Pal</b> Former Director (Technical) & Operations, SECL	Upto 30.09.2023

<b>Directors</b>	<b>2023-24</b>
<b>Shri S.N. Kapri</b> Director (Technical) & Operations, SECL	(w.e.f. 13.01.2023)
<b>Shri N. Franklin Jayakumar</b> Director (Technical) Project & Planning, SECL	(w.e.f. 30.03.2024)
<b>Shri Debasis Acharyya</b> Former Director (Personnel), SECL	From 01.10.2023 upto 31.01.2024
<b>Smt. Ragini Advani</b> Director (Finance), IRCON	(w.e.f. 01.06.2022)
<b>Shri A.K. Singh</b> Director Projects, IRCON	(w.e.f. 20.07.2023)
<b>Shri Parag Verma</b> Director Projects, IRCON	Upto 20.07.2023
<b>Shri Arun Prasad Palanisamy</b> Managing Director, CSIDCL	(w.e.f. 22.08.2023)
<b>Dr. Saransh Mittar</b> Former Managing Director, CSIDCL	Upto 22.08.2023
<b>Shri Priya Ranjan Parhi</b> Executive Director (Infra)-1, Railway Board	(w.e.f. 09.05.2022)

## BOARD OF DIRECTORS



**Shri G. Srinivasan**  
Director (Finance), SECL



**Shri S.N. Kapri**  
Director (Technical) Operations, SECL



**Shri N. Franklin Jayakumar**  
Director (Technical) P&P, SECL



**Smt. Ragini Advani**  
Director (Finance), IRCON



**Shri A.K. Singh**  
Director (Projects), IRCON



**Shri A.P. Palanisamy**  
Managing Director (CSIDCL)



**Shri Priya Ranjan Parhi**  
ED (Infra)-1, Railway Board

## NOTICE OF ANNUAL GENERAL MEETING

To  
All Members,

Notice is hereby given that the **Eleventh Annual General Meeting** of the Members of **CHHATTISGARH EAST RAILWAY LIMITED (“Company”)** shall be held at a shorter notice on **Friday, 21st June, 2024 at 11:30 A.M. at the Registered Office of the Company at Mahadev Ghat Road, Raipura Chowk, Raipur – 492013, Chhattisgarh**. However, an option of attending the meeting through video conferencing mode or OAVM (other audio-visual mode) is also provided, to transact the following business:

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2024 together with the Reports of Board of Directors, Auditors and Comments of the Comptroller & Auditor General of India thereon.
2. To appoint a Director in place of Shri G. Srinivasan (DIN: 09730659), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri S.N. Kapri (DIN: 10048103), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

**By order of the Board of Directors  
for Chhattisgarh East Railway Limited**

**Sd/-  
(Anand Amirtharaj Joseph)  
Company Secretary**

### **Registered Office:**

Mahadev Ghat Road, Raipura Chowk  
Raipur (CG) – 492013  
Date : 19th June, 2024

**Notes :**

- 1) The 11th Annual General Meeting is proposed to be held at Shorter Notice and in this regard, the consent form for Shorter Notice is annexed hereto. The Shareholders are requested to send their consent forms in writing or by electronic mode before the date of Annual General Meeting in pursuant to the provisions of the Section 101(1) of the Companies Act, 2013.
- 2) Details of Directors liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and seeking re-appointment, is annexed hereto as **ANNEXURE-A**.
- 3) A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than forty-eight hours before the time of commencement of the meeting.
- 4) A person can act as proxy on behalf of members not exceeding 50 (Fifty) and holding in the aggregate not more than ten percentage (10%) of the total share capital of the Company carrying voting rights. A member holding more than ten percentage (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of the proxy shall prove his identity at the time of attending the meeting.
- 5) Attendance slip, proxy form and route map of the venue of the meeting are annexed hereto.
- 6) Corporate Member(s) are requested to send to the Registered Office of the Company, a duly certified 'Authorisation Letter', pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Annual General Meeting.
- 7) All documents referred to in the notices and annexure thereto along with other mandatory registers/documents are open for inspection at the registered office of the Company on all working days (except Saturdays and Sundays) during business hours, prior to the date of Annual General Meeting. The relevant documents shall be made available through electronic mode on a requisition made by the Member.
- 8) The Ministry of Corporate Affairs ("**MCA**") vide its General Circular No. 09/2023 dated 25th September, 2023 read with MCA General Circular No. 20/2020 dated 05th May, 2020, General Circular No. 02/2021 dated 13th January, 2021, General Circular No. 19/2021 dated 08th December, 2021, General Circular No. 21/2021 dated 14th December, 2021, General Circular No. 02/2022 dated 05th May, 2022 and General Circular No. 10/2022 dated 28th December, 2022 (collectively referred to as "**Circulars**") permitted the holding of the Annual General Meeting ("**AGM**") through VC (Video Conferencing)/ OAVM (Other Audio-Visual Means), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("**Act**") and MCA Circulars, the Company is providing an option to its members to attend the AGM through VC/ OAVM.
- 9) The facility to attend the meeting through Video Conference is available and members who wish to attend the meeting through VC or OAVM are requested to provide confirmation atleast 24 hours before the commencement of the meeting.
- 10) Facility to join the meeting through VC/OAVM shall be opened thirty minutes before the scheduled time of the AGM.
- 11) For the members attending the meeting through VC or OAVM, the facility for appointment of proxies is not available.

- 12) The Notice of the AGM and Attendance Slip is being sent in electronic mode to members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the members have registered a request for a hard copy of the same. Physical copy of the Notice of AGM and Attendance Slip is being sent to those members who have not registered their e-mail IDs with the Company or Depository Participant(s).
- 13) Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses with the Company at its registered office address.
- 14) Members participating in the meeting through VC or OAVM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.
- 15) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the meeting.
- 16) Where a poll is demanded by the members, the members attending through VC/OAVM shall send their votes to cscerlcewrl@gmail.com
- 17) Member(s) are requested to notify immediately any change in their address/E-mail ID to the Company at the Registered Office.
- 18) In case of any query, Members may send an email to anandamirtharaj38@gmail.com or contact the designated person. (Contact No. 9425531296)

**Distribution:**

(With a request to make it convenient to attend the meeting personally or through VC or OAVM (of Individual member)/ Authorized representative, as applicable):

1. South Eastern Coalfields Limited, Bilaspur. (Member)
2. Shri G. Srinivasan, D(F), SECL & Chairman (CERL). (Member)
3. Shri S.N. Kapri, D(T)O, SECL & Director (CERL). (Member)
4. Shri N. Franklin Jayakumar, D(T)P&P, SECL & Director (CERL). (Member)
5. Ircon International Limited, New Delhi. (Member)
6. Chhattisgarh State Industrial Development Corporation Limited. (Member)
7. Shri Surender Singh, Executive Director (Special Works) (IRCON) (Member)
8. Smt. Ragini Advani, D(F), IRCON & Director (CERL)
9. Shri A.K. Singh, Director (Projects), IRCON & Director (CERL)
10. Shri A.P. Palanisamy, MD (CSIDCL) & Director (CERL)
11. Shri Priya Ranjan Parhi, ED (Infra)-1, Railway Board & Director (CERL)
12. M/s Singhal & Sewak, Statutory Auditors, Raipur.
13. M/s M&K Associates, Secretarial Auditors, Hyderabad.
14. Alankit Assignments Limited, Registrar & Transfer Agent

## ANNEXURE-I

### CONSENT BY SHAREHOLDERS FOR SHORTER NOTICE (Pursuant to Section 101(1) of the Companies Act, 2013)

To  
The Board of Directors,  
Chhattisgarh East Railway Limited,  
Mahadev Ghat Road, Raipura Chowk,  
Raipur -492013,  
Chhattisgarh, India.

I, \_\_\_\_\_ (representative of \_\_\_\_\_ Limited), Son of \_\_\_\_\_, resident of \_\_\_\_\_ holding \_\_\_\_\_ Equity shares of ₹ 10/- (Rupees Ten) each in the Company in my name, hereby give consent, pursuant to Section 101(1) of the Companies Act, 2013, to hold the **10th Annual General Meeting of CHHATTISGARH EAST RAILWAY LIMITED** on Friday, 21st June, 2024 at 11:30 A.M., at a Shorter Notice or any adjournments thereof

Signature :-----

Name: \_\_\_\_\_

Dated: \_\_\_\_\_

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## ANNEXURE-II ATTENDANCE SLIP

Registered Folio No. /DPID\*/ Client ID\* \_\_\_\_\_

Number of equity shares held \_\_\_\_\_

Name of the Member/Proxy \_\_\_\_\_

I/We hereby record my/our presence at the 11th Annual General Meeting of the Members of **CHHATTISGARH EAST RAILWAY LIMITED**, being held on Friday, 21st June, 2024 at 11:30 PM at the Registered Office of the Company situated at Mahadev Ghat Road, Raipura Chowk, Raipur – 492 013, Chhattisgarh.

\_\_\_\_\_  
Signature of the Member/Proxy attending the Meeting

**Note :** Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the meeting

**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: **U45203CT2013GOI000729**

Name of the company: **Chhattisgarh East Railway Limited**

Registered Office: **Mahadev Ghat Road, Raipura Chowk, Raipur-492013, Chhattisgarh, India**

Name of the member:
Registered address:
E-mail Id:
Folio No./Client Id:
DP ID: Not Applicable

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

1. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him
2. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him
3. 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 the 11th Annual General Meeting of the Members of **CHHATTISGARH EAST RAILWAY LIMITED**, to be held on Friday, 21st June, 2024 at 11:30 AM, at the Registered Office of the Company at Mahadev Ghat Road, Raipura Chowk, Raipur-492013, Chhattisgarh and at any adjournment thereof in respect of such resolutions as are indicated below:

**Ordinary Business :**

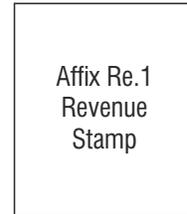
1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2024 together with the Reports of Board of Directors, Auditors and Comments of the Comptroller & Auditor General of India thereon.
2. To appoint a Director in place of Shri G. Srinivasan (DIN: 09730659), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri S.N. Kapri (DIN: 10048103), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

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Signed this ..... day of ..... 2024

Signature of Member(s) \_\_\_\_\_

Signature of Proxy Holder(s) \_\_\_\_\_



**Note :** *This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 24 hours before the commencement of the Meeting.*

## ANNEXURE - A

### DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

#### 1. Shri G. Srinivasan (DIN: 09730659)

##### Brief Resume:

**Shri G. Srinivasan** (DIN: 09730659), Director (Finance), SECL took the charge of Director of CERL on 08.10.2022 and assumed the charge of Chairman (CERL) on 01.10.2023. Shri Srinivasan is a Commerce Graduate from Madras University and an Associate Member of Institute of Cost Accountants of India.

Shri Srinivasan has wide experience of more than 35 years in Finance Discipline in Coal Mining Industry and has served in various capacities in WCL, SECL and CIL. During his tenure at Coal India and subsidiaries, he has worked at Mines, Areas, Subsidiary Corporate Offices and CIL Corporate Office. He has handled various assignments such as Corporate Treasury Management, Direct and Indirect Taxation Matters, Corporate Accounts, Cost and Budget, Sales Account and other finance functions. He played a vital role in GST Implementation in SECL. He took a lead role and ensured successful implementation of ERP/SAP FICO Module in WCL and in all the Six subsidiaries of CIL in the Second Phase of ERP/SAP implementation. Currently, Shri Srinivasan holds the post of Director (Finance), SECL. In addition, Shri Srinivasan also holds the charge of Chairman of Chhattisgarh East-West Railway Limited, a subsidiary of SECL and a sister concern of CERL.

Particulars	Details
Age	60 Years
Qualification	Shri Srinivasan Commerce Graduate from Madras University and an Associate Member of Institute of Cost Accountants of India
Experience	Vast experience of more than 35 years in Finance Discipline in Coal Mining Industry. Expertise in handling various assignments such as Corporate Treasury Management, Direct and Indirect Taxation Matters, Corporate Accounts, Cost and Budget, Sales Account and other finance functions. Played lead role and ensured successful implementation of ERP/SAP FICO Module in WCL and in all the Six subsidiaries of CIL in the Second Phase of ERP/SAP implementation.
Terms and Conditions of Re-appointment	In terms of Section 152(6) of the Companies Act, 2013, Shri Srinivasan is liable to retire by rotation
Remuneration last drawn	N.A.
Remuneration proposed to be paid	N.A.
Date of first appointment on Board	08.10.2022
Shareholding in the Company	100 Equity Shares of INR 10.00 each
Relationship with other Directors/ Key Managerial Personnel	Not Applicable
Number of meetings of the Board attended during the Financial Year 2023-24	Twelve
Directorship of other Boards	1) Director and CFO in South Eastern Coalfields Limited 2) Chairman in Chhattisgarh East-West Railway Limited
Membership/ Chairmanship of Committees of other Boards on 31st March, 2024	Committee Chairmanship: Nil Committee Membership: a) CSR Committee of SECL b) Risk Management Committee of SECL

**2. Shri S.N. Kapri (DIN: 10048103)****Brief Resume :**

**Shri S.N. Kapri** (DIN: 10048103), Director (Technical) Operations, SECL joined as a Director on the Board of CERL on 13.01.2023. Shri Kapri is a graduate in Mining Engineering (B. Tech) from Indian School of Mining, Dhanbad in the year 1987 and holds 1st Class Mine Mangers Certificate of Competency.

Shri Kapri is Director (Technical Operations, SECL. Shri Kapri started his career as JET (Mining) in South Eastern Coalfields Limited, in the year 1987. He worked in different capacities at various Areas / Fields of Subsidiaries of CIL viz. SECL & ECL. He served as, Area General Manager, Baikunthpur Area, Johilla Area. He has also served as General Manager (Production)/HOD, SECL & General Manager (IED)/HOD, SECL. As an Area General Manager of Baikunthpur Area, Shri Kapri played lead role in preparing the Scheme for Deployment of Continuous Miner of Kapildhara UG Mines of Hasdeo Area (which was idle), at Jhilimili UG Mines of Baikunthpur Area. He also took initiatives to re-structure the belt conveying system of Churcha CHP, which not only minimized the breakdown of the belt but also helped in saving of daily manpower as well as overall power consumption for running the belt. He also took various initiatives which resulted into significant reduction in inventory.

Shri Kapri while working as GM (IED)/HOD, was also entrusted with the additional charge of GM(Production)/HOD. During his tenure, concept of Technical Committee and Estimate Committee was successfully introduced & implemented in SECL for speedy processing of outsourcing proposals. He also played a key role in successful implementation of PP Module of ERP & Production Portal for reporting of Coal, OBR and Offtake in all the mines of SECL. For all these remarkable contributions, he was awarded as the Best HOD of SECL for the year of 2020-21, during CIL foundation Day.

During his tenure as Area GM, Johilla Area, Assets survey for 07 out of 08 villages & Final extension of Mine boundary of Kanchan expansion 2.0 MTY OCP was completed.

During the tenure at Eastern Coalfields Limited (ECL) he has worked in Kenda Area, Sodepur Area and Rajmahal Area as Agent & Area Manager (PC&D). He has established 04 nos. of Rehabilitation site at Rajmahal Area.

Shri Kapri is well conversant with the rules of the company as well as operational aspects of mining and has the capacity to successfully handle the emerging challenges and overcome constraints through his vision and leadership qualities.

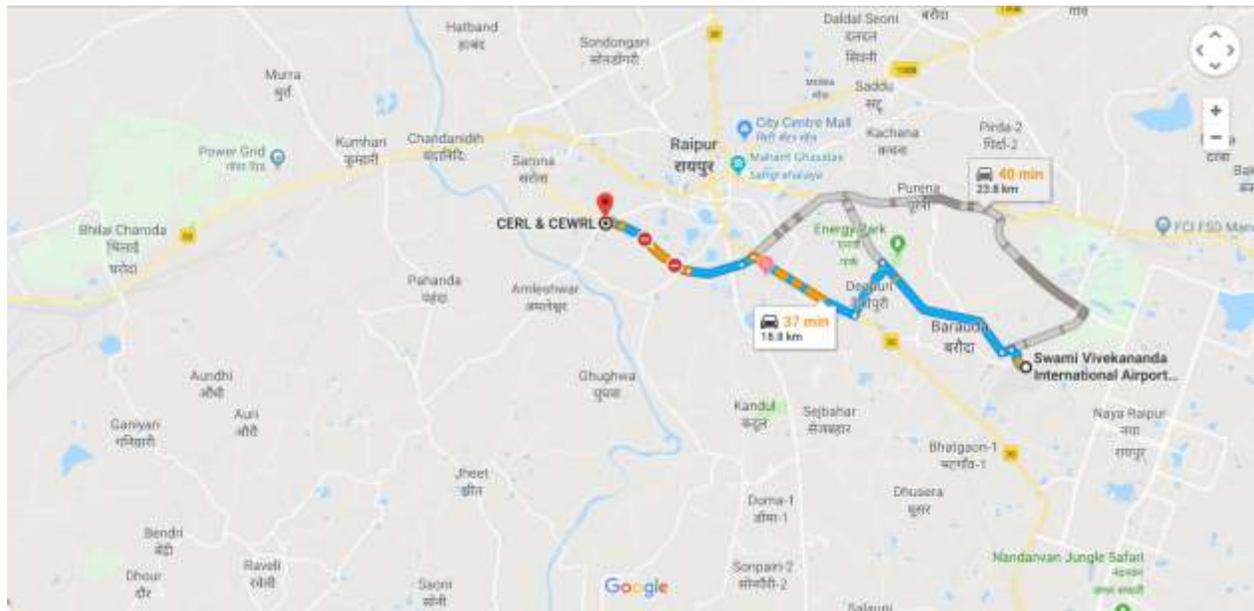
Currently, Shri Kapri holds the post of Director (Technical), Operations, SECL.

In addition, Shri Kapri also holds the charge of Director of Chhattisgarh East-West Railway Limited, a subsidiary of SECL and a sister concern of CERL.

Particulars	Details
Age	59 Years
Qualification	Shri Kapri is a graduate in Mining Engineering (B. Tech) from Indian School of Mining, Dhanbad in the year 1987 and holds 1st Class Mine Mangers Certificate of Competency.
Experience	Shri Kapri is well conversant with the rules of the company as well as operational aspects of mining and has the capacity to successfully handle the emerging challenges and overcome constraints through his vision and leadership qualities.  Vast experience in the field of Mining and implementation of PP Module of ERP & Production Portal for reporting of Coal, OBR and Offtake in all the mines of SECL.
Terms and Conditions of Re-appointment	In terms of Section 152(6) of the Companies Act, 2013, Shri Kapri is liable to retire by rotation

Remuneration last drawn	N.A.
Remuneration proposed to be paid	N.A.
Date of first appointment on Board	13.01.2023
Shareholding in the Company	100 Equity Shares of INR 10.00 each
Relationship with other Directors/ Key Managerial Personnel	Not Applicable
Number of meetings of the Board attended during the Financial Year 2023-24	Twelve
Directorship of other Boards	1) Director in South Eastern Coalfields Limited 2) Director in Chhattisgarh East-West Railway Limited.
Membership/ Chairmanship of Committees of other Boards on 31st March, 2023	Committee Chairmanship: Nil Committee Membership: 1. Audit Committee of SECL                      2. CSR Committee of SECL 3. Risk Management Committee of SECL

**Route Map – Venue of 11th AGM of Chhattisgarh East Railway Limited**  
Registered Office: Mahadev Ghat Road, Raipura Chowk, Raipur – 492 013, Chhattisgarh





## CHAIRMAN'S STATEMENT

### Dear Shareholders,

It gives me immense pleasure to welcome you on behalf of the Board of Directors to the 11th Annual General Meeting of Chhattisgarh East Railway Limited and present the Annual Report of your Company for the Financial Year 2023-24. The Board's Report and the Audited Balance sheet for the year ending 31st March, 2024 have already been provided to all the shareholders. With your permission, I take them as read.

### STRATEGIC IMPORTANCE OF THE PROJECT

The East Rail Corridor Project of the Company is being developed in two phases i.e.,

- Phase-I Project from Kharsia to Dharamjaigarh with a Spur Line from Gharghoda to Gare Pelma and three Feeder Lines viz., Chhal Baroud and Durgapur
- Phase-II Project from Dharamjaigarh to Korba.

The East rail corridor will facilitate the expansion of coal excavation activities of SECL to meet the planned target of Coal India Limited to produce 1 billion tonne of coal. The Phase I & Phase II Project of the Company will be instrumental in providing the key rail infrastructure necessary for enabling movement of coal from SECL's mines as well as other coal mines in the Mand-Raigarh coalfields of Chhattisgarh to various end use projects including power generation projects. It is expected to result in three-way economic growth in the region: for SECL (as the producer of coal), for the Indian Railways as the Transporter, and for Chhattisgarh State by Infrastructure Development in the region. The development of the rail corridor is very crucial for this region as it is anticipated to bring about a 3-pronged development in region in the form of enhancement of coal production for SECL, decongestion and expansion of the railway network for Indian Railways and infrastructure development for the State of Chhattisgarh.

### COAL EVACUATION AND RAIL NETWORK

Coal India Limited (CIL) contributes about 81% of the overall coal production in India. Coal India Limited (CIL), a 'Maharatna' Company, operating under the aegis of the Ministry of Coal, Government of India, is a prominent player in the global energy landscape.

SECL, a subsidiary of CIL, is a major contributor in the coal extraction and dispatch. Company has chalked out ambitious plans to augment production and dispatch from the existing as well as new coalfields. Higher productions pose logistic challenges and demands faster evacuation of coal by modernizing the loading facilities such as introduction of rapid loading system (RLS), high-capacity Silos etc. and environment friendly transport system from mines. SECL has been emphasizing the need for improvement in rail infrastructure to evacuate coal faster from its mines and minimize pollution in the environment that requires a matching evacuation mechanism by simultaneous development of rail infrastructure.

### CONTRIBUTION OF COAL IN INDIA'S ENERGY SECURITY

India's energy consumption has more than doubled since 2000 propelled by intensified industrialization and urbanization. The need for energy continues to expand. It is becoming increasingly evident that no single source of energy can shoulder the entire demand and it has to be a synergy of all sources. Yet, 'Coal' remains the country's energy spearhead meeting more than half of the primary commercial energy despite the renewable energy sources steadily gaining ascendancy. The dependence on coal is unlikely to diminish soon and would continue to retain its relevance for the few more decades as well. With around 55% share, coal occupies the major space in India's energy basket. The country's industrial heritage was built upon indigenous coal.

In order to achieve the growing production target by SECL and in order to cater the energy supplies, logistics support and connectivity through rail/road to the mines are being developed along the line of expansion of coal mines. Anticipating the upcoming coal evacuation challenges and bulk transport constraints, your company through East Rail Corridor Project is committed to provide rail connectivity from the mine to the trunk rail line of Indian Railways. An efficient coal sector is critically important not only for electricity generation, but also for industrial development in areas such as steel, cement and fertilizers.

## **INFRASTRUCTURE**

To strengthen India's energy security and to realize Atma Nirbhar Bharat by replacing imported coal with domestically mined coal, Ministry of Coal has set a target to produce 1.31 BT in FY25 and 1.5 BT in FY30. Development of coal transportation that is cost efficient, fast and environment friendly manner is important goal of the country. Keeping in view of increase in coal evacuation in future, Ministry of Coal is working on the development of National Coal Logistic Plan including First Mile Connectivity through railway sidings near coal mines and strengthening of Rail Network in Coalfields.

The Ministry of Coal, in view of cleaner environment in coal transportation has given momentum in rail evacuation and also initiating new efforts to gradually move away from road movement of coal in country. Planned construction of new broad gauge rail lines in Greenfield coal bearing areas, extending the rail links to newer loading points and doubling and tripling the rail lines in some cases will enhance rail capacity considerably. PM launched Gati Shakti- Nation Master Plan for Infrastructure development in October 2021 with the objective to bring different Ministries together and for integrated planning and coordinated implementation of infrastructure connectivity Projects. It will incorporate the infrastructure schemes of various Ministries and State Governments and will also leverage technology extensively including spatial planning tools.

## **FINANCIAL CLOSURE OF PHASE-II PROJECT**

In a major development in PM GatiShakti Rail Corridor Projects in Chhattisgarh, CERL has executed Rupee Term Loan document with Central Bank of India under sole banking system towards development of Phase-II of the Company. The total debt exposure is of INR 1349.00 crore. This concludes the documentation process of achieving financial closure of the project.

The CERL Phase-II project with a project length of 62.50 kms from Dharamjaigarh to Korba is planned to provide the critical rail link between CERL Phase-I which stretches from Kharsia to Dharamjaigarh with Spur line up to Pelma and three feeder lines (124.80 kms) and CEWRL which stretches from Gevra Road to Pendra Road (Main Line of 135 kms). This will provide an alternate rail route for transportation of coal to the northern parts of the country. This will provide a link from Kharsia to Pendra which will facilitate surplus Coal movement of Mand-Raigarh Coalfields and Basundra Coalfields to the Northern and Western Power House of the Country. The Rail Corridor Project in Chhattisgarh will contribute to the Socio-Economic–Environmental advancement of the State of Chhattisgarh and propel growth.

## **EAST RAIL CORRIDOR**

During the Financial year, Hon'ble Prime Minister Narendra Modi on 14th September 2023 dedicated to the nation South Eastern Coalfields Limited's (SECL) East Rail Corridor Phase-1, built at a cost of approximately INR 3,055 crore, at Raigarh, Chhattisgarh. This 124 km track length line between Kharsia and Dharamjaygarh will help in transporting coal and other raw materials to various end-use projects including power generation projects from coal mines of SECL and other coal mines of Mand-Raigad Coalfield spread in Raigarh district.

Chhal & Baroud RLS were inaugurated by Hon'ble PM on 24.02.2024 which are expected to ramp up the quantum of traffic from these two loading points. Baroud Freight terminal has been commissioned on 13.06.2023 and loading commenced from 26.06.2023. The work of Durgapur Feeder Line and second block section of Spur Line is also in the advanced stage.

With the Commissioning of Gharghoda, Korichhapar and Dharamjaigarh, Bhalumuda, Chhal and Baroud, the Company is providing logistics infrastructure for transportation of Coal and is helping in meeting the energy requirement of the Country.

The Coal Loading has started from 12th October 2019 and 4123 rakes have been loaded up to 31st March, 2023. During the FY

2023-24, 1139 rakes have been loaded and the revenue flow is continuous.

In order to reinforce our commitment to the shareholders, it has been ensured to prepare financial statements in conformity with accounting policies of the company by adhering to the Accounting Standards to represent the true and fair view of the state of affairs of the company. The effectiveness of the existing internal control system of the company has been duly acknowledged. The Statutory Auditors have given unqualified Audit Report and Comptroller & Auditor General of India (CAG) has issued 'NIL comment' in the Accounts of the company for the Financial Year 2023-24.

## CORPORATE GOVERNANCE

Corporate Governance has been embedded in the business processes and made it imperative on the part of every functionary to ensure transparency and fairness in the activities for sustaining the operations of the organization and thereby holding the trust of all stakeholders. In order to showcase the level of governance many policies, guidelines, procedures, and other mechanisms have been formulated. As a central public sector enterprise, our corporate ethos reflects greater accountability, transparency and internal commitment within the organization to develop confidence over the engagements with the external stakeholders. It has always been an endeavour to ensure corporate growth by stepping up the level of corporate governance. Your company has been listed in the 'Excellent' category among the CPSEs for corporate governance by Department of Public Enterprises (DPE). Steps have been taken to comply with various stipulations as per the provisions of the Companies Act as well as the stringent norms of listing Agreement of Coal India Limited with Stock exchanges, as your company is an ultimate subsidiary of Coal India Limited through South Eastern Coalfields Limited, in terms of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 and SEBI (Prohibition of Insider Trading) Regulations, 2015. Further, the extant Guidelines on Corporate Governance for CPSEs issued by Department of Public Enterprises (DPE), Ministry of Finance, Government of India, are also being strictly complied from time to time. A separate Report on Corporate Governance forms part of the Board's Report.

## ACKNOWLEDGEMENTS

I acknowledge the support of all stakeholders to develop the Rail Corridor in this region. I also express my sincere gratitude on behalf of the Board of Directors and the management to Government of India (Ministry of Coal, Ministry of Railways), Government of Chhattisgarh, South East Central Railway, Coal India Limited, South Eastern Coalfields Limited, IRCON International and CSIDC, Comptroller & Auditor General of India (C&AG) and Statutory Auditors for their constant guidance, motivation and support in our endeavor.

I would also like to thank the Bankers who have shown their keen interest in the project and shared our belief in transformation of the region through the rail network.

I would also like to thank all those who are providing services directly or indirectly to the project and all those who have shown keen interest in the project and shared our belief in transformation of the region through the rail network.

I also place on record my sincere thanks to the close-knit team of the company for showing extreme dedication in support of the endeavor and strong commitment for the execution of the project at all times.

Thanking you,

Sd/-  
**(G.Srinivasan)**  
Chairman  
DIN: 09034709

## DIRECTOR'S PROFILE



### **Shri G. Srinivasan**

Director (Finance), SECL

**Shri G. Srinivasan** (60 years), D(F), SECL took the charge of Chairman, Chhattisgarh East Railway Limited on 01st October, 2023.

Shri Srinivasan is a Commerce Graduate from Madras University and an Associate Member of Institute of Cost Accountants of India. Shri G. Srinivasan took over the charge as Director (Finance) in South Eastern Coalfields Ltd on 12.08.2022.

He has wide experience of more than 35 years in Finance Discipline in Coal Mining Industry and has served in various capacities in WCL, SECL and CIL. During his tenure at Coal India and subsidiaries, he has worked at Mines, Areas, Subsidiary Corporate Offices and CIL Corporate Office. He has handled various assignments such as Corporate Treasury Management, Direct and Indirect Taxation Matters, Corporate Accounts, Cost and Budget, Sales Account and other finance functions. He played a vital role in GST Implementation in SECL.

He took a lead role and ensured successful implementation of ERP/SAP FICO Module in WCL and in all the Six subsidiaries of CIL in the Second Phase of ERP/SAP implementation.

In addition, Shri Srinivasan also holds the charge of Chairman of Chhattisgarh East-West Railway Limited, a subsidiary of SECL and a sister concern of CERL.



### **Shri S.N. Kapri**

Director (Technical) Operations, SECL

**Shri S.N. Kapri** (59 years), D(T)O, SECL took the charge of Director, Chhattisgarh East Railway Limited on 13th January, 2023.

Shri Kapri has taken over the charge as Director (Technical) (Project & Planning) in South Eastern Coalfields Limited on 09.12.2022. He has graduated in Mining Engineering (B. Tech) from Indian School of Mining, Dhanbad in the year 1987 and holds 1st Class Mine Managers Certificate of Competency. He started his career as JET (Mining) in South Eastern Coalfields Limited, in the year 1987. He worked in different capacities at various Areas / Fields of Subsidiaries of CIL viz. SECL & ECL.

In SECL, he served as, Area General Manager, Baikunthpur Area, Johilla Area. He has also served as General Manager (Production)/HOD, SECL & General Manager (IED)/HOD, SECL. As an Area General Manager of Baikunthpur Area, Shri Kapri played lead role in preparing the Scheme for Deployment of Continuous Miner of Kapildhara UG Mines of Hasdeo Area (which was idle), at Jhilimili UG Mines of Baikunthpur Area. He also took initiatives to re-structure the belt conveying system of Churcha CHP, which not only minimized the breakdown of the belt but also helped in saving of daily manpower as well as overall power consumption for running the belt. He also took various initiatives which resulted into significant reduction in inventory.

Shri Kapri while working as GM (IED)/HOD, was also entrusted with the additional charge of GM(Production)/HOD. During his tenure, concept of Technical Committee and Estimate Committee was successfully introduced & implemented in SECL for speedy processing of outsourcing proposals. He also played a key role in successful implementation of PP Module of ERP & Production Portal for reporting of Coal, OBR and Offtake in all the mines of SECL. For all these remarkable contributions, he was

awarded as the Best HOD of SECL for the year of 2020-21, during CIL foundation Day. During his tenure as Area GM, Johilla Area, Assets survey for 07 out of 08 villages & Final extension of Mine boundary of Kanchan expansion 2.0 MTY OCP was completed.

During the tenure at Eastern Coalfields Limited (ECL) he has worked in Kenda Area, Sodepur Area and Rajmahal Area as Agent & Area Manager (PC&D). He has established 04 nos. of Rehabilitation site at Rajmahal Area.

Shri Kapri is well conversant with the rules of the company as well as operational aspects of mining and has the capacity to successfully handle the emerging challenges and overcome constraints through his vision and leadership qualities.

Shri Kapri also holds the charge of Director of Chhattisgarh East-West Railway Limited, a subsidiary of SECL and a sister concern of CERL and is a Nominee Director of Andhra Pradesh Heavy Machinery and Engineering Limited.



**Shri N. Franklin Jayakumar**

Director (Technical) Project & Planning, SECL

**Shri N. Franklin Jayakumar** (53 years), D(T) P&P, SECL took the charge of Director, Chhattisgarh East Railway Limited on 30th March, 2024.

Shri N. Franklin Jayakumar has taken over the charge as Director (Technical) (Project & Planning) in South Eastern Coalfields Limited on 07.02.2024.

Shri N. Franklin Jayakumar had joined as the Chief General Manager/Project Head, Talabira II&III OCP, NLC India Limited on 07.11.2022 and further elevated as Executive Director/Coal Coordination & Project Head, Talabira II&III OCP, NLC India Limited on 29.07.2023.

Shri N. Franklin Jayakumar graduated in Mining Engineering from College of Engineering, Guindy, Anna University, Chennai in the year 1992. Obtained Post Graduate Diploma in Environmental Engineering and Management from Central University, Hyderabad and Master of Business Administration (Human Resource Management) from Alagappa University, Tamil Nadu. Shri N. Franklin Jayakumar possessed First Class Manager's Certificate of Competency to manage a Coal Mine, issued by Directorate General of Mines Safety and Obtained Fellowship (FIE) of Institute of Engineers, India.

Shri Jayakumar brings along with him rich mining experience both in India & Abroad which include; worked in Singareni Collieries Company Limited for 18 years (1993 to 2011) in various positions in highly mechanized under-ground and open-cast mines and Headed mining operation in a 5 MTPA coal mine in Indonesia for 5 years during 2011-16. Further, worked as General Manager/Operation in Lignite Mine-I (10.5 MTPA) of NLC India Limited, Tamilnadu (2016-21) and as Chief General Manager/Technical Secretary to CMD of NLC India Limited since 2021 to June 2022 & Chief General Manager/Technical Secretary to Director Mines of NLC India Limited from June 2022 to October 2022. In addition to this also, Shri Jayakumar headed the Lignite to Methanol Project which was in the advance stage of the contract award.

Shri Jayakumar held the post of Zonal Secretary / Neyveli Zone in Tamilnadu Mines Safety Association, functioning under the aegis of Directorate General of Mines Safety and Served as a board member of SCMS (Skill Council for Mines Sector in India). Shri Jayakumar also associated with MoC in formulating the crisis management plan forming part of National Disaster Management protocol.

Shri Jayakumar also holds the charge of Director of Chhattisgarh East-West Railway Limited, a subsidiary of SECL and a sister concern of CERL.



**Smt. Ragini Advani**

Director (Finance), IRCON

Smt. Ragini Advani, (49 years), Director (Finance), IRCON joined on the Board of CERL on 01.06.2022. Smt. Ragini Advani is a Chartered Accountant and Cost Accountant by qualification with about 25 years of post-qualification experience in Finance. She is a rank holder in both Chartered Accountancy and Cost Accountancy exams.

Before joining IRCON, Smt. Advani has worked as GM (F&A) with Engineers India Limited (EIL), a technical consultancy CPSE in oil & gas sector and was in-charge of accounting & dealt with C&AG/ statutory auditors, concurrence of all marketing proposals and marketing finance, billing & related matters, budgeting & MIS and business development proposals. She was also part of Chairman Office for 2 years and also held additional charge of Company Secretariat department for almost a year in EIL.

Her previous experience was with NTPC SAIL Power Company Private Limited (NSPCL) and KPMG. She has rich and varied experience in Corporate Finance which includes dealing with valuations, mergers / demergers and acquisitions, financial restructuring, treasury management, arranging loan financing, corporate planning & budgeting, commercial billing and purchase of coal through e-auction, regular MIS, dealing with CAG, dealing with CERC for finalisation of tariff orders and signing long term PPAs.

Smt. Advani has also been subject matter expert/ mentor for 'in-house' senior management programmes of EIL in respect of finance matters.

In addition, Smt. Advani also holds the charge of Director of Chhattisgarh East-West Railway Limited, a subsidiary of SECL and a sister concern of CERL.



**Shri A.K. Singh**

Director (Projects), IRCON

**Shri A.K. Singh**, (58 years), Director (Projects), IRCON joined on the Board of CERL on 20.07.2023.

Shri Singh holds a civil engineering degree from I.I.T. Delhi and M.B.A. (Finance) from MDI, Gurugram.

Shri Singh started his career as an IRSE officer in January 1990 with Ministry of Railway and brings more than 33 years of experience in development of major Railway infrastructures (25 Years plus) & Highway Infrastructures (8 Years plus).

Shri Singh previously served for 3 Years as Director on NHAI Board as Member (Project) HAI from 2016-2019.

Shri Singh's experience spans from Inception planning to end stage Including all aspects of project planning, liability assessment, Investment strategy, financing, bid awards, construction, project consultancy, contract management, project management, O&M etc. right upto end with monetization. In project Implementation specializations Include completion well before timelines for construction of new lines, doubling, tunnels, elevated corridors, state of art bridges, National Highways, Expressways, Coastal Highways, logistics, electrical systems Installations etc.

Shri Singh has also made significant contributions in all prevalent methods of project implementation viz Item rate EPC, FIDIC, EPC (turn key), PPP, OMT, HAM, TOT models and his accomplishments Include asset monetization, InVIT, divestments, fund raising, marketing international projects and attracting foreign Investments.

Shri Singh has played a pioneering role in launching of the new EPC (turn key) Model Agreement (MCA), Improvisations in PPP after difficult era of PPP and new project models of HAM and TOT divestments.

Shri Singh has led as a Contract Management Specialist and headed large number of dispute resolution, technical and contractual Interpretations committees and settlement advisories to salvage large number of languishing projects by out of the box thinking and Innovative Interventions. He has also headed HR & Admin, IT and legal verticals with several unprecedented accomplishments.

Shri Singh believes in value creations through Inclusive leadership and creating synergies for all stake holders and Investors.

In addition, Shri Singh also holds the charge of Director of Chhattisgarh East-West Railway Limited, a subsidiary of SECL and a sister concern of CERL.



**Shri Arun Prasad Palanisamy**

Managing Director, CSIDCL

**Shri Arun Prasad Palanisamy**, (58 years), MD, CSIDCL joined as a Director on the Board of CERL on 22.08.2023.

Shri Prasad is an Indian Forest Service Officer of Chhattisgarh cadre. Shri Prasad, completed BSc. (Agriculture) from Tamil Nadu Agriculture University and MSc. (Agricultural Entomology) graduate from Indian Agricultural Research Institute.

Presently, Shri Prasad is holding the key post of Managing Director, Chhattisgarh State Industrial Development Corporation Limited (CSIDC). CSIDC has been primarily involved in Industrial promotion and facilitation, industrial surveys, land bank management, land allotment to industries, entrepreneurship development; training and development, maintenance and up gradation of industrial areas. Mr. Prasad has played a major in the development and promotion of Electronics Manufacturing Cluster, Food Park and other industrial areas and projects.

Shri Prasad earlier held position of Member Secretary at State Environmental Advisory Committee, Additional Secretary and Deputy Secretary at Chhattisgarh Environment Conservation Board. As the member secretary, he was overseeing implementation of the environmental regulation in the State by the industries. Mr. Prasad ensured responsible operation of the industries in the State to avoid polluting the natural resources. Mr. Prasad also worked as District Forest Officer at several District levels as well.

In addition, Shri Prasad also holds the charge of Director of Chhattisgarh East-West Railway Limited, a subsidiary of SECL and a sister concern of CERL.



### **Shri Priya Ranjan Parhi**

Executive Director (Infra)-1, Railway Board

**Shri Priya Ranjan Parhi**, (55 years), ED (Infra)-1 joined on the Board of CERL on 09.05.2022. Shri Parhi is a Post Graduate in English. Shri Priya Ranjan Parhi belongs to Indian Railway Traffic Service (IRTS) of 1996 Batch with an experience of 25 years in Railway Operations in various capacities as divisional operating heads at Railway Headquarters and Railway Board, in the areas of Freight operations and planning. He was recently head of North Central region of CONCOR. Currently, Shri Parhi holds the post of Executive Director (Infra)-I, Railway Board.

In addition, Shri Parhi also holds the charge of Director of Chhattisgarh East-West Railway Limited, a subsidiary of SECL and a sister concern of CERL.



### **Shri Debasis Acharyya**

Former Director (Personnel), SECL

**Shri Debasis Acharyya**, (60 years), Former Director (Personnel), SECL joined on the Board of CERL on 01.10.2023 and relinquished the charge on 31st January, 2024 upon attaining the age of superannuation.

Shri Acharyya is a Science graduate from the University of Calcutta. He also holds Masters in Environmental Studies from Rabindra Bharati University, Kolkata. He did his professional qualification from the State Labour Institute, Govt of West Bengal and Indian Institute of Social Welfare & Business Management, Kolkata.

Shri Acharyya started his career in a textile company and thereafter joined in State Welfare Department, Govt of West Bengal. He has also worked in Ship building and repair company under Ministry of Surface Transport, Govt of India. Ultimately, he joined in Coal Industry in the year 1994 at Haripur Mines under the Kenda Area of Eastern Coalfields Limited (ECL). He has vast experience in different aspects of Personnel discipline having worked in various areas of ECL and is considered to be well versed in Industrial Relations.



### **Shri S.K. Pal**

Former Director (Technical) & Operations, SECL

Shri S.K. Pal (60 years), Former D(T)O, SECL took the charge of Chairman, Chhattisgarh East Railway Limited on 01st October, 2022 and relinquished the charge on 30th September, 2023 upon attaining the age of superannuation.

Shri Pal holds Bachelor of Science (Mining Engineering) degree from REC, Rourkela and obtained Master in Business Administration from Sikkim Manipal University.

He joined Coal India Limited in 1985 and posted in Mahanadi Coalfields Limited and he obtained First Class Mine Manager Certificate from DGMS in 1988.

Shri Pal has rich and varied experience of working in the coal mines of MCL and SECL in various capacities as Project Officer, Sub Area Manager (SAM) and General Manager. In SECL, he served as SAM Pinoura, GM (Mining) Kusmunda, Area GM,

Korba & Gevra Areas. At Corporate level, he functioned as HOD of Contract Management Cell in SECL. As a Technocrat, Shri Pal contributed in commissioning of greenfield projects namely Kanchan OC of Johilla Area and Saraipali OC of Korba Area apart from running the largest coal mine in Asia, i.e. Gevra OC project. Also introduced Hydraulic stowing with bottom ash at Surakachhar 3&4 UG mine on trial basis, which paved way for future UG coal extraction below surface structure.

Shri Pal is credited with redesigning the Manuals of e-procurement/e-tendering after incorporating necessary structural changes which facilitated introduction of e-tenders for service contracts at SECL and finalization of MOU between CIL and DGR, MoD, for sponsorship of ESM coal transport companies which contributed to enhancement of the coal production capacity of the company.

He has international exposure which includes Training in advanced management development program at Germany and China in the year 2016. He also attended international conference on Project Implementation at Helsinki, Finland in 2009.



**Shri Parag Verma**

Director (Works), IRCON

**Shri Parag Verma**, (59 years), Director (Works), IRCON joined on the Board of CERL on 10.10.2022 and relinquished the charge on 20.07.2023 upon nomination of new incumbent by IRCON.

Shri Parag Verma, Director (Works), IRCON holds a civil engineering degree from the National Institute of Technology (NIT), Jamshedpur, and a postgraduate degree from the Moti Lal Nehru Institute of Technology, Allahabad.

Shri Parag Verma has taken over as the Director (Works) of Ircon International Limited, a Miniratna (Category - I) Schedule A Public Sector Enterprise and a leading turnkey Construction Company in the Public Sector, w.e.f. September 21, 2022.

Shri Parag Verma joined IRCON in 1991. Shri Verma have more than 31 years of experience, of working on national and international infrastructure projects. His core strength lies in project planning, estimation and conceptualization and structuring of the projects and its execution.

He has the experience of establishing wholly owned subsidiary and J companies for parent organization to take up the specialized projects. He was instrumental in the development of the whole concept of station development program on PPP model in India and was instrumental in awarding first project of station development on Indian Railways on PPP model which has been successfully inaugurated by Hon'ble PM.

Before joining as Director (Works), he was ED (Infrastructure) and looking after the Highway, Building & Real Estate and Business Development in domestic and international market. He was not only responsible for maintaining healthy order book of company by bagging national and international infrastructure projects either on EPC, Item Rate, PPP model but their execution also.

Under his guidance BD team has achieved the highest value of new order through open competitive bidding. Work in New sectors of high-speed railway, ballast less slab track and highway tunnel large bridges have been secured by IRCON.



**Dr. Saransh Mittar, IAS**

Former Managing Director (CSIDCL)

**Dr. Saransh Mittar**, (49 years), Director (Works), IRCON joined on the Board of CERL on 23.08.2022 and relinquished the charge on 22.08.2023 upon nomination of new incumbent by CSIDCL

Dr. Saransh Mittar, Managing Director (CSIDCL) is a 2010 batch IAS Officer. He has done MBBS from BFU of Health Services Govt. Medical College, Amritsar, Punjab.

He was appointed as Collector Bilaspur in May, 2020 and thereafter he assumed the charge of Managing Director, Chhattisgarh Road and Infrastructure Development Corporation Limited Chhattisgarh Road development corporation in the month of July, 2022 and recently he has been given additional charge of MD CSIDCL. He has served in various districts of Chhattisgarh in various capacities.

## BOARD'S REPORT

Dear Members,

The Board of Directors of your Company take pleasure to present, before you the **11<sup>th</sup> Annual Report** on the business and operations of the Company and its Audited Financial Statements for the year ended **31<sup>st</sup> March, 2024**, together with Auditor's Report thereon.

### 1. HIGHLIGHTS OF PERFORMANCE

During the fiscal year 2023-24, the Company has commenced loading from three more terminals i.e. Chhal Siding, Baroud Siding and Bhalumuda taking the total loading points to six as compared to three loading points up to last financial year. The work of second block section of Spur Line is in progress.

The Company has received the Rupee Term Loan of ₹ 7.19 Crore from the consortium lenders during FY 2023-24 and the total Rupee Term Loan of ₹ 2,432.99 crores till 31st March 2024.

The Company has executed the loan documentation with Central Bank of India by way of Rupee Term Loan for an amount of ₹ 1349.00 crores towards Financing of East Rail Corridor Phase-II Project. The tenders are under finalization at IRCON.

The significant milestones achieved by your Company during the year are briefly mentioned below:

#### PHASE-I PROJECT :

- 1) Hon'ble Prime Minister dedicated CERL Phase I Project to the nation on 14.09.2023.
- 2) Baroud Freight terminal was commissioned on 13.06.2023 and loading commenced from 26.06.2023.
- 3) EIG certificate for the work of "Energisation of OHE of private siding of SECL at Chhal taking off from CERL line in R&D loading yard of SECL siding in BSP Division over SECR (Total TKM: 2.617)" was issued on 07.11.2023 for Chhal Feeder line.
- 4) Rail Corridor Assets to the tune of ₹ 59.97 crores have been created during the year under review. The Total Rail Corridor Assets created till the end of the Financial Year is ₹ 2440.11 crores
- 5) Chhal & Baroud RLS were inaugurated by Hon'ble PM on 24.02.2024 which are expected to ramp up the quantum of traffic from these two loading points.
- 6) The work of Durgapur Feeder Line and the second block section of Spur Line from Bhalumuda to Donga Mahua is under progress.

**PHASE-II PROJECT:**

- 1) Financial Closure of CERL Phase II Project was achieved with Central Bank of India on 28.08.2023 for a total debt requirement of Rs. 1349.00 Crores which marked a major milestone for the project.
- 2) Stage-I Forest Clearance towards diversion of Forest Land admeasuring 157.035 Hectares has been obtained on dated 02.03.2023. Working permission received on 15.07.2023.

**2. ORGANIZATION**

The Company being a joint venture Company of South Eastern Coalfields Limited, Ircon International Limited and Government of Chhattisgarh (represented by CSIDC) was incorporated for developing the rail network and to facilitate coal traffic movement from Kharsia to Dharamjaygarh up to Korba with a spur from Gharghoda to Gare-Pelma Block in Northern part of Chhattisgarh to meet the logistic challenges foreseen on account of coal evacuation and to meet the growing coal needs of the country. Ministry of Railways (Government of India) has notified the East Rail Corridor in the State of Chhattisgarh as a '**Special Railway Project**' to provide national infrastructure for a public purpose and directed for acquisition of land under The Railways Act, 1989.

**3. ROLE OF PROMOTER COMPANIES**

The joint venture creates synergy by addressing the requirements of the partners with a national cause in mind. As per the MOU dated 03.11.2012, JV partners have agreed to conduct feasibility study and establish bankability of the project apart from extending necessary financial support in the desired form of equity /debt etc. by forming a Company, where, GoCG's share of equity shall correspond to the value of land provided by the State Government. The Company has been formed by equity contribution from SECL, IRCON and GoCG. The role of promoters is to bring the necessity of rail infrastructure and its establishment to a common platform so that the desired objective can be achieved by an association for a limited period. While discharging the promoters' role, SECL looks for eco-friendly coal evacuation process through Rail, IRCON shares the technical expertise to move on the Rail and GoCG provides the space to lay the Rail.

**4. DETAILED PROJECT REPORT**

- a) The Detailed Project Report (DPR) for Phase-I of the Project from Kharsia – Chhal – Gharghoda – Korichhapar - Dharamjaigarh up to Korba with a Spur from Gharghoda to Donga Mahua for about 104 KM to connect Mines of Gare Pelma Block and three feeder lines at Chhal, Baroud at Korichhapar of approximate length of about 29.2 KM has been approved by the Company, SECL and CIL, at an approved Project Cost of ₹ 3,055.15 Crores. The DPR has been prepared taking into consideration the Debt-Equity ratio of 80:20. The project is expected to be completed as per the specified timeline and the cost of construction has been worked out at ₹ 2,249.49 Crores at current prices. The total Project Cost has been worked at ₹ 3,055.15 Crores including a factor for inflation and interest during construction. The revised cost as approved by CERL Board comes to Rs. 3407.09 Crores.
- b) The Revised Detailed Project Report (DPR) for Phase-II of the Project from Dharamjaigarh to Korba for about 61.533 Km (Route Kilometer) Plus 9.073 Km Fly over at Urga Single line, plus 6.0 km for Y connection 135.30 km in length has been approved by the Company, SECL and CIL at the total Project Cost of ₹ 1,686.22 Crores. The Revised DPR has been prepared taking into consideration the Debt-Equity ratio of 80:20. The project is expected to be completed as per the specified timeline and the cost of construction has been worked out at ₹ 1,491.77 Crores at current prices. The total Project Cost has been worked at ₹ 1,686.22 Crores including a factor for inflation and interest during construction.

## 5. PROJECT FINANCING

The Financial Closure for East Rail Corridor Project (Phase-I) of the Company was achieved on 24.11.2017. The Loan Amount is being Disbursed in Tranches by the Consortium Lenders as per the projected Fund requirement requested by the Company and on intimation to Lead banker. During the year under report, the Rupee Term Loan of ₹ 7.19 Crore from the consortium of Bankers and the total Rupee Term Loan of ₹ 2,432.99 crores has been received till 31st March 2024.

## 6. CAPITAL STRUCTURE

During the year under review, the Authorised Capital of the Company has remained the same as of last year at ₹ 1000.00 Crores. During the year under review, the paid up and subscribed capital of the Company have also remained intact at ₹ 781.58 crore as of last year.

The equity shareholding pattern of the promoter companies is as follows:

Name of the Company	Shareholding Pattern As on 31-03-2024	Shareholding Pattern As on 31-03-2023
South Eastern Coalfields Limited	63.98%	63.98%
IRCON International Limited	25.31%	25.31%
CSIDCL (Representing Government of Chhattisgarh)	10.71%	10.71%
<b>Total</b>	<b>100%</b>	<b>100%</b>

As per the MoU, the equity contribution of CSIDC shall correspond to the value of land provided by the State Government or 10% whichever is more. If the value of land provided by GoCG exceeds 10% of the equity, the shareholding percentage of GoCG and SECL shall stand modified accordingly.

## 7. FINANCIAL RESULTS

The Financial Results for the Financial Year 2022-23 as compared to the previous year are given below:

Particulars	₹ in lakh)	
	2023-24	2022-23
Revenue from Operations	5,116.96	6,218.44
Other Income	318.33	316.92
Profit/Loss before Depreciation, Finance Costs, Exceptional Items and Tax Expense	522.74	2,460.45
Less: Depreciation/Amortization/Impairment	8,859.66	13,508.69
Profit/Loss before Finance Costs, Exceptional Items and Tax Expense	(8,336.92)	(11,048.24)
Less: Finance Costs	16,738.84	11,661.08
Profit/Loss before Exceptional Items and Tax Expense	(25,075.76)	(22,709.32)
Add/(Less): Exceptional Items	-	-
Profit/Loss before Tax Expense	(25,075.76)	(22,709.32)
Less: Tax Expense (Current & Deferred)	(15,587.96)	(10,850.56)
Profit/Loss for the year (1)	(9,487.80)	(11,858.76)
Total Comprehensive Income/Loss (2)	-	-
Total (1 + 2)	(9,487.80)	(11,858.76)
Balance of profit/loss for earlier years	(7,169.35)	4,689.41
Less: Transfer to Debenture Redemption Reserve	-	-
Less: Transfer to Reserves	-	-
Less: Dividend paid on Equity Shares	-	-
Less: Dividend paid on Preference Shares	-	-
Less: Dividend Distribution Tax	-	-
<b>Balance carried forward</b>	<b>(16,657.15)</b>	<b>(7,169.35)</b>

**8. CAPITAL EXPENDITURE:**

During the year under report,

- I. Investment to the tune of ₹ 173.37 (70 Crores in Phase 1 project and 103.37 Crores in Phase 2 Project) was made for the execution of the project.
- II. About ₹ 6.26 crores have been spent in connection with diversion of utility shifting / electrical crossings works in CERL Phase-I Project.
- III. About ₹ 37.19 crores have been spent in connection with diversion of utility shifting / electrical crossings works in CERL Phase-II Project.

**9. DIVIDEND:**

Since, the project of the Company is in implementation stage, no dividend is declared during the year under review.

**10. TRANSFER TO RESERVES:**

No amount has been transferred to the reserve during the Financial Year under review.

**11. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

No material changes or commitments are affecting the financial position of the Company during the financial year and after the close of the financial year up to the date of the report

**12. CONTRIBUTION TO THE EXCHEQUER:**

The Company has not made any contribution to the Exchequer during the Financial Year 2023-24 in the form of Corporate Advance Tax, as the company has not made any profit.

**13. UNSECURED LOAN:**

During the year under review, the Company has borrowed ₹ 83.20 Crores (Rupees Eighty-Three Crores Twenty Lakhs Only) from its holding company i.e., from South Eastern Coalfields Limited for meeting out the revenue expenditure of the Company during FY 2023-24 at the rate of interest chargeable on monthly compounding basis not exceeding the rate of Interest payable to Consortium Lenders in CERL Phase-I Project for the relevant period.

The loan infused by SECL shall remain subordinated to the Term Loan to be infused by the lenders towards financing of CERL Phase-I project. Repayment of Promoter Loan obtained from SECL shall be done post repayment of Senior Debt of Consortium Lenders as per the revised repayment schedule or as agreed by the Consortium Lenders. The Interest Accrued but not due at the end of the Financial Year 2023-24 is ₹ 15.01 Crores.

**14. SECURED LOAN:**

The Company has achieved the Financial Closure for Phase-I Project on 24.11.2017. The Company has received the total Rupee Term Loan of ₹ 2432.99 crores till 31st March, 2024.

**Long Term Secured Loan (₹ in Crores)**

Name of the Bank	Loan as on 01.04.2023	Loan availed during the year	Repayment of Loan during the year	Loan as on 31.03.2024
Indian Bank (Lead bank)	655.28	Nil	Nil	655.28
Indian Overseas Bank	234.04	Nil	Nil	234.04
United Bank of India (Post Merger Punjab National Bank)	273.07	7.19	Nil	280.26
Dena Bank (Post Merger Bank of Baroda)	234.04	Nil	Nil	234.04
Canara Bank	234.04	Nil	Nil	234.04
Corporation Bank (Post Merger Union Bank of India)	374.47	Nil	Nil	374.47
Vijaya Bank (Post Merger Bank of Baroda)	186.25	Nil	Nil	186.25
Oriental Bank of Commerce (Post Merger Punjab National Bank)	234.61	Nil	Nil	234.61
<b>Total</b>	<b>2425.80</b>	<b>7.19</b>	<b>Nil</b>	<b>2432.99</b>

**15. DEPOSITS**

The Company has neither accepted nor renewed any deposits during the year under review.

**16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

There were no loans, guarantees or investments made by the Company exceeding the limits specified under Section 186 of the Companies Act, 2013 during the year under review.

**17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES UNDER SECTION 188 OF THE COMPANIES ACT, 2013**

There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. There was no contract or arrangement made with the related parties which would come under the purview of Section 188 of the Companies Act, 2013 during the year under review. However, the disclosure regarding the same is enclosed as **Annexure-I**, to this Report.

**18. STATUS OF LAND ACQUISITION****PHASE-I PROJECT:****I. Private Land:**

The Private land in 0-74 KM and 0-28 KM Spur (except for rerouting section of Spur Line) has been acquired.

**II. Government Land:**

The Government land in 0-74 KM and 0-28 KM Spur has been acquired.

**III. Forest Land:**

Stage-II Forest Clearance for 76.099 Hectares (10-74 KM) for diversion of Forest Land and Stage-II Forest Clearance for 26.52 Hectares (0-10KM) and Spur Line (except for rerouting section of Spur Line) has been obtained.

**IV. Land for Feeder Lines:**

**PHASE-II PROJECT:****i. Private Land:**

The Private land in 0-62.5 KM has been acquired.

**ii. Government Land:**

The Work of Land Acquisition for the Project has been completed.

**iii. Forest Land:**

Stage-I forest clearance and Working Permission received. Approval for Stage-II Forest Clearance is in process.

**19. STATUS OF CONSTRUCTION WORK**

Tenders amounting to Rs. 1,894.54 Crores has already been awarded till 31st March, 2024 for construction of Major Bridges, Minor Bridges, Road Bed, Shifting of S&T Cables and Design, Supply, Erection, Testing & Commissioning of Traction Sub-Station in 0-10 KM, 10-74 KM and 0-28 KM spur, Signalling and Telecom Cable and Supply and Stacking of Ballast and the works amounting to Rs. 1,621.96 Crores has been executed.

(₹ in Crores)

Sl. No.	Description of Work	Work Order Value (Rs. In Crores)	Value of work Executed (31 Mar. 2024)
1.	Tenders for Civil Wroks.	1,647.63	1,414.65
2.	Tenders for Electrical Works.	152.51	124.65
3.	Tenders for Signaling & Telecom Works.	94.40	82.66
4.	Tenders for Mechanical Works.	0.00	0.00
	<b>Total Awarded Value</b>	<b>1,894.54</b>	<b>1,621.96</b>

**20. MANAGEMENT TEAM**

The Management team of the Company is functioning with the deputed manpower from SECL and IRCON as follows:

Sl No.	Name	Designation	On Deputation From
1.	Shri Ravi Valluri	Chief Executive Officer (CEO)	Contractual Employment by CERL. Charge assumed on 17.04.2023.
2.	Shri A.K. Pattanaik	Chief Executive Officer (CEO)	Additional Charge of CEO w.e.f. 31.01.2023 and charge relinquished on 16.04.2023.
3.	Shri Narendra Bondre	Chief Operating Officer (COO)	IRCON (Charge assumed on 10.05.2023)
4.	Shri Rajesh Khare	Chief Operating Officer (COO)	IRCON (Charge relinquished on 30.04.2023 upon attaining the age of superannuation)
5.	Smt. Priyanka Tanna	Chief Financial Officer (CFO)	SECL
6.	Shri Anand Amirtharaj Joseph	Company Secretary (CS)	SECL

**21. INFORMATION TO SHAREHOLDERS**

The Annual Accounts of the Company and the related detailed information shall be available to the shareholders of the Company and the shareholders of the holding Company. Any shareholder seeking any such information at any point of time, can inspect the same during business hours in a working day at the registered office of the Company at CSIDC Commercial Complex, Mahadev Ghat Road, Raipura Chowk, Raipur-492013, Chhattisgarh.

**22. RIGHT TO INFORMATION**

Your Company has set an elaborate mechanism in the organization to deal with the request received under the Right to Information (RTI) Act, 2005. The statistics of information sought under RTI and its disposal during the year 2023-24 is as under:

Sl. No.	Particulars	Nos.
1	No. of applications received during the year 2023-24	Nil
2	No. of applications disposed of during the year	Nil

**23. STATUTORY AUDITORS**

Under Section 139 of the Companies Act 2013, the following audit firm was appointed as the Statutory Auditor of the Company for the Financial Year 2023-24, i.e., from 01.04.2023 to 31.03.2024:

**M/s. Singhal & Sewak,**  
Chartered Accountants,  
Firm Registration No. 011501C  
311-312, 2nd Floor, Eskay Plaza,  
Near Anand Talkies, Raipur-492001, C.G.

**24. INTERNAL AUDIT**

M/s. SPJV & Co, Chartered Accountants, has been appointed as the Internal Auditor of your Company for the period starting from July, 2023 to March, 2024 of Financial Year 2023-24 to Financial Year 2025-26 to carry out the Internal Audit work of the Company.

The Company accorded the extension to M/s O M Kejriwal & Co, Chartered Accountants, the Internal Auditor for FY 2022-23 to conduct the Internal Audit for the period from April, 2023 to June, 2023 of FY 2023-24.

The Company has received the observations of the Internal Auditor and the suitable and corrective actions are being taken wherever necessary.

**25. SECRETARIAL AUDIT**

The Secretarial Audit of the Company for financial year 2023-24 pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been conducted by M/s. M&K Associates, Company Secretaries, Hyderabad. The Secretarial Audit Report has been attached to this report as **Annexure-II**.

**26. EXPLANATION OR COMMENTS UNDER SECTION 134(3)(f) OF THE COMPANIES ACT, 2013 ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

There was no qualifications, reservations or adverse remarks made by the Auditors in their report, except for the following remarks made by the Secretarial Auditor:

- i. Establishment of Vigil Mechanism-  
Suitable explanations/comments by the Board is provided in clause no 36;
- iii. Establishment of Internal Complaints Committee  
Suitable explanations/comments by the Board is provided in clause no 43;

**27. INFORMATION UNDER SECTION 134(3)(q), SECTION 143(3)(i) OF THE COMPANIES ACT, 2013, READ WITH RULE 8(5)(viii) OF COMPANIES (ACCOUNTS) RULES, 2014 REGARDING ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate financial controls with reference to financial reporting in compliance with the provisions of the Companies Act, 2013 and such internal financial controls over financial reporting were operating effectively.

Policy in the form of Purchase Manual, Contract Management Manual, Civil Engineering Works Manual, defining the practices & procedures to be adopted for procurement and award of contracts (for matters other than Railway Construction), as prescribed by the SECL (Holding Company) are followed, as per MoU.

**28. INFORMATION UNDER SECTION 134(3)(q), SECTION 143(3)(i) OF THE COMPANIES ACT, 2013, READ WITH RULE 8(5)(vii) OF COMPANIES (ACCOUNTS) RULES, 2014 REGARDING SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE**

During the FY 2023-24, there were no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's operations in future.

**29. INDEPENDENT ENGINEER**

Acuity Infrastructure Management Services LLP has been appointed as the Independent Engineer for a period of 1 (one) year to discharge the duties and functions substantially in accordance with the terms of reference as per Concession Agreement for Phase-I Project of the Company.

**30. BOARD OF DIRECTORS**

The Board of Directors of CERL consists of 7 (seven) Directors, viz., Chairman and 2 (two) Directors as nominee of SECL, 2 (two) Directors as nominee of IRCON, 1 (one) Director as nominee of CSIDCL and 1 (one) Director as nominee of Ministry of Railways (MoR).

**30.1** The Composition of Board of Directors as at 31.03.2023 is as under:

Sl.No.	Name	Designation	Date of Appointment
1	Shri G. Srinivasan, Director (Finance), SECL w.e.f. 01.10.2023	Chairman	08.10.2022
2	Shri S.N. Kapri, Director (Technical), Operations, SECL	Director	13.01.2023
3	Shri N. Franklin Jayakumar, Director (Technical) Projects & Planning, SECL	Director	30.03.2024
4	Smt. Ragini Advani, Director (Finance), IRCON	Director	01.06.2022
5	Shri A.K. Singh, Director (Projects), IRCON	Director	20.07.2023
6	Shri A.P. Palanisamy, Managing Director, CSIDCL	Director	22.08.2023
7	Shri Priya Ranjan Parhi, ED (Infra-I), Railway Board, MoR	Director	09.05.2022

**30.2** The following persons were appointed as Director during the year under report:

Sl.No.	Name	Designation	Date of Appointment
1	Shri A.K. Singh, Director (Projects), IRCON	Director	20.07.2023
2	Shri A.P. Palanisamy, Managing Director, CSIDCL	Director	22.08.2023
3	Shri Debasis Acharyya, Former Director (Personnel), SECL	Director	01.10.2023
4	Shri N. Franklin Jayakumar, Director (Technical) Projects & Planning, SECL	Director	30.03.2024

**30.3** The following persons ceased to be Director during the year under report:

Sl. No.	Name	Designation	Date of Cessation	Remarks
1.	Shri Parag Verma, Director (Works), IRCON	Director	20.07.2023	Upon Nomination
2.	Dr. Saransh Mittar, Former MD (CSIDCL)	Director	22.08.2023	Upon Nomination
3.	Shri S.K. Pal, Former Director (Tech) Operations, SECL	Director	30.09.2023	Upon Superannuation
4.	Shri Debasis Acharyya, Former Director (Personnel), SECL	Director	31.01.2024	Upon superannuation

The Company acknowledge the contribution and place on record the appreciation for services rendered by Shri S.K. Pal, Former Director (Tech) Operations, SECL, Shri Debasis Acharya, Former Director (Personnel), SECL, Shri Parag Verma, Former Director (Works), IRCON and Dr. Saransh Mittar, Former MD (CSIDCL) over the years during the tenure as the Directors of the Company.

## 31. KEY MANAGERIAL PERSONNEL

**31.1** The Composition of Key Managerial Personnel as on 31.03.2024 is as under:

Sl. No.	Name	Designation	Date of Appointment
1	Shri Ravi Valluri	Chief Executive Officer (CEO)	Contractual Employment by CERL. Charge assumed on 17.04.2023.
2	Smt. Priyanka Tanna	Chief Financial Officer (CFO)	SECL
3	Shri Anand Amirtharaj Joseph	Company Secretary (CS)	SECL

## 32. BOARD MEETINGS

The Board met Twelve (12) times during the Financial Year 2023–24. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and DPE Guidelines. The details of Board meetings held during the period is given as under:

Meeting No.	Date of Meeting	Time	Venue of Meeting
Sixty Four	13.04.2023	11:30 A.M.	Bilaspur
Sixty Five	25.04.2023	04:15 P.M.	Raipur
Sixty Six	19.07.2023	11:30 A.M.	Raipur
Sixty Seven	22.07.2023	11:30 A.M.	Raipur
Sixty Eight	31.08.2023	01:00 P.M.	Bilaspur
Sixty Nine	28.09.2023	11:30 A.M.	Bilaspur
Seventy	16.10.2023	12:30 P.M.	Bilaspur
Seventy One	11.01.2024	11:30 A.M.	Bilaspur
Seventy Two	19.01.2024	11:30 A.M.	Bilaspur
Seventy Three	26.02.2024	11:30 A.M.	Bilaspur
Seventy Four	22.03.2024	12:30 P.M.	Bilaspur
Seventy Five	27.03.2024	11:30 A.M.	Bilaspur

**33. APPOINTMENT OF INDEPENDENT DIRECTORS**

In view of the exemption given under Section 149(4) of the Companies Act, 2014 read with rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the appointment of Independent Director is not applicable to the Company.

**34. AUDIT COMMITTEE**

As per the provisions of section 177 (2) of the Companies Act 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 “The Audit Committee shall consist of a minimum of three directors with independent directors forming a majority”.

As per the provisions of the Section 149(4) of the Companies Act, 2014 read with rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the appointment of Independent Director is not applicable to the Company.

Since, the Company is exempted from Appointment of Independent Directors, as explained above, constitution of Audit Committee is not applicable to the Company.

**35. NOMINATION & REMUNERATION COMMITTEE**

As per the provisions of section 178 (1) of the Companies Act 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, “The Nomination and Remuneration Committee shall consist of three or more non-executive directors out of which not less than one-half shall be independent directors”.

As per the provisions of the Section 149(4) of the Companies Act, 2014 read with rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the appointment of Independent Director is not applicable to the Company.

Since, the Company is exempted from Appointment of Independent Directors, as explained above, Nomination & Remuneration Committee is not applicable to the Company.

**36. VIGIL MECHANISM U/S 177(9) OF THE COMPANIES ACT, 2013**

As per the provisions of the Section 149(4) of the Companies Act, 2014 read with rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the appointment of Independent Director is not applicable to the Company. Since, the Company is exempted from appointment of Independent Directors, the constitution of Audit Committee is not applicable to the Company.

Pursuant to Sub-Rule 3 of Rule 7 of (Companies Meetings of Board and its Powers) Rules, 2014, the Board is in the process of nominating a director for the purpose of vigil mechanism to whom other directors and employees may report their concerns.

**37. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Pursuant to provisions of Section 135 of the Companies Act, 2013 read with rule 5 of the Companies (Corporate Social Responsibility) Rules, 2014, the CSR Committee has been constituted in the 50th Board Meeting held on 24.07.2021.

The Committee will formulate the CSR policy and implement Corporate Social Responsibility initiatives in the upcoming Financial Years.

The Company has reported loss till date. Accordingly, no provision of CSR expenditure has been done and hence, the Annual Report on CSR activities is not included with Board’s Report.

**37.1** The Composition of the CSR Committee as at 31.03.2024 is as under-

SI No.	Name	Designation
1.	Shri G. Srinivasan, Director (Finance), SECL	Committee Chairman
2.	Shri A.K. Singh, Director (Projects), IRCON	Committee Member
3.	Shri Priya Ranjan Parhi, ED (Infra-I), Railway Board, MoR	Committee Member

**37.2** The following person was appointed as CSR Committee Member during the year under report:

SI No.	Name	Designation	Date of Appointment
1.	Shri A.K. Singh, Director (Projects), IRCON	Committee Member	27.03.2024
2.	Shri Priya Ranjan Parhi, ED (Infra-I), Railway Board, MoR	Committee Member	27.03.2024

**37.3** The following person ceased to be the CSR Committee Member during the year under report:

SI. No.	Name	Designation	Date of Cessation	Remarks
1.	Shri Parag Verma, Director (Works), IRCON	Committee Member	20.07.2023	Upon Nomination
2.	Dr. Saransh Mittar, Former MD (CSIDCL)	Committee Member	22.08.2022	Upon Nomination

**37.4 MEETING AND ATTENDANCE**

The Company has reported loss till date. Accordingly, no provision of CSR expenditure has been done and hence, no Meeting of CSR Committee took place during the year under report.

**38. STATUTORY DISCLOSURE BY DIRECTORS**

None of the Directors of your Company is disqualified as per provisions of Section 164 of the Companies Act, 2013. None of the Directors of your Company is disqualified as per provisions of Section 164 of the Companies Act, 2013.

**39. BANKER'S NAME AND ADDRESS**

	Name	Branch Address
1.	India Bank (Lead Bank)	Corporate Branch, New Delhi 17, Ground Floor, Parliament Street, New Delhi-110011
2.	Indian Overseas Bank	RK Puram Branch, 1st Floor, Palika Bhawan, sector 13, RK Puram, New Delhi-110066
3.	Punjab National Bank (Erstwhile United Bank of India and Oriental Bank of Commerce)	Extra Large Corporate Branch, Tolstoy House, Connaught Place, New Delhi – 110001
4.	Bank of Baroda (Erstwhile Dena Bank and Vijaya Bank)	Corporate Banking Branch, M-1 Floor, Head Office Building, 41/2 M.G. Road Bangalore-560001
5.	Canara Bank	Prime Corporate Branch, Maker Tower- F wing, 20th Floor, Cuffe Parade, Mumbai-400 005.
6.	Union Bank of India (Erstwhile Corporation Bank)	Union Bank Bhawan, 239, Nariman Point, Fort, Mumbai – 400021
7.	State Bank of India	Sundar Nagar Branch, Raipur – 492013, Chhattisgarh
8.	Central Bank of India.	Corporate Finance Branch, Jeevan Tara Building, 5 Parliament Street, New Delhi-110001.

**40. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT**

During the year under report, no fraud was reported by Statutory Auditors of the Company.

**41. RISK MANAGEMENT**

The Risk Management Policy is in place in the Company enables the Company to proactively take care of the internal and external risks of the Company and ensures smooth business operations. The Company's risk management policy ensures that all its material risk exposures are properly covered, all compliance risks are covered and the Company's business growth and financial stability are assured. Board of Directors decide the policies and ensure their implementation to ensure protection of Company from any type of risks.

**42. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company during the year under report.

**43. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Board is in the process of constituting an Internal Complaints Committee pursuant to Section 4 of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and also formulating the Anti-Sexual Harassment Policy, pursuant to Rule 13(a) of Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Rules, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

It is informed that the Board has not received any sexual harassment complaints during the year 2023-24.

**44. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- i. in the preparation of the annual accounts for the year ended 31st March, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. the Directors had prepared the Annual Accounts for the year ended 31st March, 2024 on a 'Going Concern' basis; and
- v. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating efficiently.

**45. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 regarding Conservation of Energy, Technology absorption and Foreign Exchange earnings and Outgo is given in **Annexure-III** to this Report.

**46. PARTICULARS OF EMPLOYEES AS PER SECTION 197 (12) OF THE COMPANIES ACT, 2013**

No employee of the Company were in receipt of remuneration in excess of the limits laid down under Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

**47. CREDIT RATING**

The Company has appointed Acuite Rating & Research for undertaking the Rating Exercise of the East Rail Corridor Phase-I Project of the Company in compliance of the Common Loan Agreement being one of the important Financing Documents executed with the Lenders for the Rupee Term Loan Financing of the project. The Company has been assigned A- Rating for the Financial Year 2023-24.

**48. COPY OF THE ANNUAL RETURN**

The Annual Return (in Form MGT-7) is available on the website of the Holding Company. The Weblink is given hereunder: <http://secl-cil.in>.

**49. STATUS OF PENDING AUDIT PARA'S ISSUED BY C&AG**

There are no pending Audit Para's issued by C&AG as on 31.03.2024. As the Audit shall be undertaken by the officials of Comptroller & Auditor General (C&AG) of India, Comments of Comptroller & Auditor General (C&AG) of India on the Audited Financial Statements of your Company for the FY 2023-24 are yet to be received.

**50. STATUTORY AUDITORS' REPORT AND C&AG COMMENTS**

The reports of the Statutory Auditors on the Financial Statements for FY 2023-24 are attached as Annexure-IV as part of the Annual Report. As the Audit shall be undertaken by the officials of Comptroller & Auditor General (C&AG) of India, Comments of Comptroller & Auditor General (C&AG) of India on the Audited Financial Statements of your Company for the FY 2023-24 are yet to be received.

**51. COMPLIANCE OF SECRETARIAL STANDARDS**

The Company has complied with the applicable Secretarial Standards, issued by the Institute of Company Secretaries of India during the year under review.

**52. MAINTENANCE OF COST RECORDS**

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

**53. CORPORATE GOVERNANCE**

Management at the Company has been committed towards maintaining high standards of Corporate Governance to ensure transparency and accountability at all levels protecting the interest of all the stakeholders. The Company complies with the conditions of Corporate Governance as stipulated under the Companies Act as well as Listing Agreements. The Guidelines on Corporate Governance for CPSEs issued by the Department of Public Enterprises (DPE), Ministry of Finance, Government of India, have been complied with to the maximum extent possible.

**53.1 REPORT ON CORPORATE GOVERNANCE**

A "Report on Corporate Governance" for the year ended 31st March, 2024, supported by a Certificate from the Practicing Company Secretary confirming compliance of conditions, forms part of the Board's Report and is attached to this report as **ANNEXURE-V**.

**53.2 MANAGEMENT DISCUSSION & ANALYSIS REPORT**

In terms of Clause 7.5 of the Guidelines on Corporate Governance for CPSEs issued by the DPE, a "Management Discussion and Analysis Report" on the operations and performance of the Company for the year ended 31st March, 2024 is attached to this report as **ANNEXURE-VI**.

**54. CHANGE IN THE NATURE OF BUSINESS**

There was no material change in the nature of business of the Company during the FY 2023-24.

**55. DETAILS OF APPLICATION MADE OR ANY PROCEEDINGS PENDING UNDER THE IN-SOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.**

There are no proceedings initiated / pending against your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

**56. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTI-TUTIONS ALONG WITH THE REASONS THEREOF**

During the period under review, there was no instance of onetime settlement with any Bank or Financial Institution.

**57. ACKNOWLEDGEMENTS**

Your Directors acknowledge with deep sense of appreciation the co-operation, valuable assistance, support and guidance received from the Ministry of Coal, Ministry of Railways, various departments of Government of Chhattisgarh, Coal India Limited, South Eastern Coalfields Limited, IRCON International Limited and Chhattisgarh State Industrial Development Corporation Limited for the progress of the Company. Your Directors also express their sincere thanks to the local administration of Raipur, Raigarh and Bilaspur for their help and cooperation from time to time for the development of the Rail Corridor.

Your Directors also acknowledge the constructive suggestions received from the Statutory Auditors, Secretarial Auditors, Internal Auditors and Comptroller and Auditor General of India (CAG) and are grateful for their continued support and co-operation.

Your Directors are also grateful to the consortium of banks who have provided continues support and co-operation to the project of national importance.

Your Directors express their deep felt thanks and best wishes to all the shareholders for the continued support and trust they have reposed on the Management. Your Directors would like to place on record their appreciation for the untiring efforts and contributions made by the close-knit team of professional employees and associates at all levels that have made the continued progress and growth easier for the Company.

**58. AGENDA**

The following documents are annexed:

- 58.1 In pursuance to the provisions of sub-section (1) of Section 188 of the Companies Act, 2013, Information relating to Contracts or Arrangements with related parties is given in **Annexure-I** to this Report.
- 58.2 “Secretarial Audit Report” of the Company is given in **Annexure-II** to this report.
- 58.3 In pursuance to the provisions of Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, Information in regard to the Conservation of Energy, Technology Absorption and Foreign Exchange Earning & Outgo is given in **Annexure-III** to this report
- 58.4 Report on Corporate Governance’ is attached to this report as **ANNEXURE- IV.**
- 58.5 ‘Management Discussion and Analysis Report’ is attached to this report as **ANNEXURE-V.**
- 58.6 Report of the Statutory Auditor appointed under Section 139 of the Companies Act, 2013 is given in **Annexure-VI** to this report.

**for and on behalf of the Board of Directors of  
CHHATTISGARH EAST RAILWAY LIMITED**

Sd/- **(G.Srinivasan)** Chairman  
DIN: 09730659

Date : 18-05-2024  
Place : Raipur

## ANNEXURE I

## FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 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 arm's length transactions under third proviso thereto**

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

(a)	Name(s) of the related party and nature of relationship	Nil
(b)	Nature of contracts/arrangements/transactions	Nil
(c)	Duration of the contracts/arrangements/transactions	Nil
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
(e)	Justification for entering into such contracts or arrangements or transactions	Nil
(f)	Date(s) of approval by the Board	Nil
(g)	Amount paid as advances, if any:	Nil
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Nil

## 2. Details of material contracts or arrangement or transactions at arm's length basis

- a) **Name(s) of the related party and nature of relationship :**  
i. South Eastern Coalfields Limited (Holding Company of Chhattisgarh East-West Railway Limited)  
ii. Ircon International Limited (Significant Influence)
- b) **Nature of contracts/arrangements/transactions :** Nil
- c) **Duration of the contracts/arrangements/transactions :** Nil
- d) **Salient terms of the contracts or arrangements or transactions including the value, if any :** Nil
- e) **Justification for entering into such contracts or arrangements or transactions :** Nil
- f) **Date(s) of approval by the Board :** Nil
- g) **Amount paid as advances, if any :** Nil
- h) **Date on which the special resolution was passed in general meeting as required under first proviso to section 188 :** Not Applicable.

for and on behalf of the Board of Directors  
Chhattisgarh East Railway Limited

Date : 18.05.2024  
Place : Raipur

Sd/-  
**(G. Srinivasan)**  
Chairman  
DIN:09730659

## ANNEXURE II

### FORM NO. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**Chhattisgarh East Railway Limited,**  
Mahadev Ghat Road, Raipura Chowk,  
Raipur - 492013, Chhattisgarh.

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to Good Corporate Practices by Chhattisgarh East Railway Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on ~~my~~our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I/we hereby report that in our opinion, the Company has during the audit period covering the Financial Year ended on March 31, 2024, ("Audit Period") 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:

I/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 March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the "Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under; (Not Applicable to the Company during the Audit Period)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act; (Not Applicable to the Company during the Audit Period)
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not Applicable to the Company during the Audit Period);
- (v) 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015; (Not Applicable to the Company during the Audit Period)
  - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not Applicable to the Company during the Audit Period)
  - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not Applicable to the Company during the Audit Period)
  - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during the Audit Period)
  - e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable to the Company during the Audit Period)

- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit Period)
  - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable to the Company during the Audit Period)
  - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable to the Company during the Audit Period)
  - i. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; (Not Applicable to the Company during the Audit Period)
- (vi) Other laws applicable to the Company as per the representations made by the Management.

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

- Secretarial Standard-I and Secretarial Standard-II, with respect to Board and General Meetings respectively, issued by The Institute of Company Secretaries of India;

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

**†/We further report that:**

The Board of Directors of the Company is duly constituted as required under the provisions of the Act. ***The Company is in the process of Establishing the Vigil Mechanism pursuant to section 177(9) of the Act, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014.***

***The Board is in the process of :***

- ***constituting an Internal Complaints Committee, pursuant to Section 4 of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013;***
- ***formulating the Anti-Sexual Harassment Policy, pursuant to Rule 13(a) of Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Rules, 2013***

***Since the Internal Complaints Committee is not yet constituted, no Annual Report was submitted to the District officer and the employer (Company), pursuant to Section 22 of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.***

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least 7 (seven) days in advance, except in case of exigencies, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the Minutes.

**I/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.

**for, M & K Associates  
Company Secretaries**

Sd/-

**Manoj Kumar Koyalkar**

Membership Number: FCS-9298

Certificate of Practice Number: 10004

UDIN : F009298F000337771

Hyderabad, May 09, 2024

**Note :** This report is to be read with our letter of even date which is annexed as 'Annexure-A' and forms an integral part of this report.

**ANNEXURE-A**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**

To,  
The Members,  
**Chattisgarh East Railway Limited**  
Mahadev Ghat Road, Raipura Chowk  
Raipur - 492013, Chattisgarh

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

- a. 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.
- b. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed provide a reasonable basis for our opinion.
- c. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- d. Wherever required, we have obtained Management Representation about the compliance, laws, rules and regulations and happening of events etc.
- e. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- f. 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.
- g. We have verified the required documents/records of the Company through a virtual data room created for this purpose.

for, **M & K Associates**  
Company Secretaries

Sd/-  
**Manoj Kumar Koyalkar**  
Membership Number: FCS-9298  
Certificate of Practice Number: 10004

Peer Review Certificate No.: 2219/2022

Hyderabad, May 09, 2024

## ANNEXURE-III

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

### (A) CONSERVATION OF ENERGY

- a) **The steps taken or impact of conservation of energy:**  
Not Applicable, since the Company has commenced only part of its commercial operations.
- b) **The steps taken by the company for utilizing alternate source of energy:**  
Not Applicable
- c) **The capital investments on energy conservation equipment:**  
The Company has installed power saver devices in the Office building.

### (B) TECHNOLOGY ABSORPTION

- (a) **The efforts made towards technology absorption:**  
Not Applicable, since the Company has commenced only part of its commercial operations.
- (b) **The benefits derived like product improvement, cost Reduction, product development or import substitution:**  
Not Applicable, since the Company has commenced only part of its commercial operations.

### (C) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

- (a) The details of technology imported : Nil
- (b) The year of import : Nil
- (c) Whether the technology been fully absorbed; : Nil
- (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and : Nil
- (e) The expenditure incurred on Research and development Expenditure on R&D : Nil

#### Expenditure on R & D

(₹ in lakhs)

Sl. No.	Particulars	FY 2023-24	FY 2022-23
1	Capital	Nil	Nil
2	Recurring	Nil	Nil
3	Total	Nil	Nil
4	Total R&D expenditure as a percentage of total turnover	Nil	Nil

### (D) FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Foreign Exchange outgo and foreign exchange earned by the Company during the year is Nil.

## ANNEXURE IV

### Report on Corporate Governance

Corporate Governance emphasizes an ethical framework of rules, regulations and policies governing the administration of the Company with a strong commitment to values and conduct of business on a sustainable basis to maximize shareholder's value. It aims at protecting the interest of every stakeholder including shareholders, investors, customers, vendors, regulators, the community at large and the Government. The Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises, Ministry of Finance, vide its Office Memorandum No. 18(8)/2005-GM dated May 14, 2010 ("DPE Guidelines") entailing instructions, further mandates all CPSEs for necessary compliance. The Company has been committed not only to the conformance of DPE guidelines but also to step beyond the framework to provide transparency, accountability and fairness in its business processes, operations and disclosure practices to enhance the interest of stakeholders.

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

Within the Company, it is believed that sound governing practices are critical in enhancing the trust of all stakeholders. It is an integral part of the overall system to enhance performance of the organization and the key driver to the sustained growth, which stimulates and motivates us to measure our success. The work culture, policies and ethics provide a strong platform reflecting our commitment to values and engagement with all our stakeholders to meet their aspirations.

Efficiency and growth of the Company stems from adopting sound principles and good governance practices. While formulating policies and business strategies, Board of Directors discharges fiduciary responsibilities with due regard to fairness, transparency, confidentiality and integrity. The three pillars of E's - Ethics, Energy and Efficiency creates a synergy in conducting business. By virtue of provisions of the Section 149(4) of the Companies Act, 2014 read with rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the appointment of Independent Director is not applicable to the company.

#### 2. BOARD OF DIRECTORS :

##### 2.1 Size of the Board :

In terms of Articles of Association, strength of Board shall not be less than 3 (Three) Directors and not more than 15 (Fifteen). These Directors may be Whole-Time Functional Directors or Part-Time Official Directors or Government Nominee Directors

##### 2.2 Composition of the Board :

The Board of Directors of the Company consists of 7 (seven) Directors, viz., Chairman and 2 (two) Directors as nominee of SECL, 2 (two) Directors as nominee of IRCON, 1 (one) Director as nominee of CSIDCL and 1 (one) Director as nominee of Ministry of Railways (MoR).

The Composition of Board of Directors as at 31.03.2024 is as under:

Sl.No.	Name	Designation	Date of Appointment
1	Shri G. Srinivasan, Director (Finance), SECL w.e.f. 01.10.2023	Chairman	08.10.2022
2	Shri S.N. Kapri, Director (Technical), Operations, SECL	Director	13.01.2023
3	Shri N. Franklin Jayakumar, Director (Technical) Projects & Planning, SECL	Director	30.03.2024
4	Smt. Ragini Advani, Director (Finance), IRCON	Director	01.06.2022
5	Shri A.K. Singh, Director (Projects), IRCON	Director	20.07.2023
6	Shri A.P. Palanisamy, Managing Director, CSIDCL	Director	22.08.2023
7	Shri Priya Ranjan Parhi, ED (Infra-I), Railway Board, MoR	Director	09.05.2022

The following persons were appointed as Director during the year under report :

S. No.	Name	Designation	Date of Appointment
1	Shri A.K. Singh, Director (Projects), IRCON	Director	20.07.2023
2	Shri A.P. Palanisamy, Managing Director, CSIDCL	Director	22.08.2023
3	Shri Debasis Acharyya, Former Director (Personnel), SECL	Director	01.10.2023
4	Shri N. Franklin Jayakumar, Director (Technical) Projects & Planning, SECL	Director	30.03.2024

The following persons ceased to be Director during the year under report :

S.No.	Name	Designation	Date of Cessation	Remarks
1	Shri Parag Verma, Director (Works), IRCON	Director	20.07.2023	Upon Nomination
2.	Dr. Saransh Mittar, Former MD (CSIDCL)	Director	22.08.2023	Upon Nomination
3	Shri S.K. Pal, Former Director (Tech) Operations, SECL	Director	30.09.2023	Upon Superannuation
4	Shri Debasis Acharyya, Former Director (Personnel), SECL	Director	31.01.2024	Upon Superannuation

### 2.3 Age Limit and Tenure of Directors :

The age limit for the Chairman and other Directors is 60 (sixty) years. The Chairman and other Directors are appointed for a period till the date of superannuation or as decided by the Promoter Companies/MOR.

In view of the exemption given under Section 149(4) of the Companies Act, 2014 read with rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the appointment of Independent Director is not applicable to the company.

### 2.4 Directors appointed during the Financial Year :

Shri A.K. Singh, Director (Projects), IRCON, Shri A.P. Palanisamy, Managing Director, CSIDCL, Shri Debasis Acharyya, Former Director (Personnel), SECL and Shri N. Franklin Jayakumar, Director (Technical) Projects & Planning, SECL have been appointed on the Board of the Company during the Financial Year 2023-24.

### 3.0 BOARD MEETINGS :

The Board of Directors is the Apex Body which oversees the overall functions of the Company. The Board procedures and all related applicable rules and regulations are complied with.

### 3.1 Role of the Board of Directors :

The primary role of the Board is that of trusteeship to protect and enhance shareholder value through strategic direction to the Company. As trustees, the Board has fiduciary responsibility to ensure that the Company has clear goals aligned to shareholders value and its growth. The Board exercises its duties with care, skill and diligence, and exercises independent judgment. It sets strategic goals and seeks accountability for their fulfillment. It also directs and exercise appropriate control to ensure that the Company is managed in a manner that fulfills stakeholders' aspirations and societal expectations.

The Board met Twelve (12) times during the Financial Year 2023–24. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013, DPE Guidelines. The details of Board meetings held during the period is given as under:

Meeting No.	Date of Meeting	Time	Venue of Meeting
Sixty Four	13.04.2023	11:30 A.M.	Bilaspur
Sixty Five	25.04.2023	04:15 P.M.	Raipur
Sixty Six	19.07.2023	11:30 A.M.	Raipur
Sixty Seven	22.07.2023	11:30 A.M.	Raipur
Sixty Eight	31.08.2023	01:00 P.M.	Bilaspur
Sixty Nine	28.09.2023	11:30 A.M.	Bilaspur
Seventy	16.10.2023	12:30 P.M.	Bilaspur
Seventy One	11.01.2024	11:30 A.M.	Bilaspur
Seventy Two	19.01.2024	11:30 A.M.	Bilaspur
Seventy Three	26.02.2024	11:30 A.M.	Bilaspur
Seventy Four	22.03.2024	12:30 P.M.	Bilaspur
Seventy Five	27.03.2024	11:30 A.M.	Bilaspur

### 3.2 Details of the meetings attended by Directors are tabulated below:

S.No.	Name of the Directors	Board Meetings held during respective tenure	No. of Board Meetings attended	Directorship in other Companies as on 31.03.2024	Attendance at the last AGM of the Company
<b>Functional Directors:</b>					
1.	Shri S.K. Pal, Former Director (Tech) Operations, SECL	6	6	0	Yes
2.	Shri G. Srinivasan, Director (Finance), SECL	12	12	2	Yes
3.	Shri S.N. Kapri, Director (Tech), P&P, SECL	12	12	2	Yes
4.	Shri N. Franklin Jayakumar, Director (Technical) Projects & Planning, SECL	0	0	2	Not Applicable
5.	Smt. Ragini Advani, Director (Finance), IRCON	12	10	5	Yes
6.	Shri. A.K. Singh, Director (Projects), IRCON	9	9	3	Not Applicable
7.	Shri A.P. Palanisamy, Managing Director, CSIDCL	8	2	2	Not Applicable
8.	Shri Debasis Acharyya, Former Director (Personnel), SECL	3	2	0	Not Applicable
9.	Shri Priya Ranjan Parhi ED (Infra-I), Railway Board, MoR	12	5	7	No
10.	Dr. Saransh Mittar, MD (CSIDCL)	4	0	0	No
11.	Shri Parag Verma, Director (Works), IRCON	3	1	9	Yes
<b>Permanent Invitees:</b>					
1.	Shri A.K. Pattanaik, GM (Civil) / Siding, SECL (Additional Charge of CEO w.e.f. 31.01.2023 and charge relinquished on 16.04.2023.)	1	1	Not Applicable	Not Applicable
2.	Shri Ravi Valluri, CEO (Contractual Employment by CERL. Charge assumed on 17.04.2023)	11	11	Not Applicable	Yes
3.	Shri Rajesh Khare, COO IRCON (Charge relinquished on 30.04.2023 upon attaining the age of superannuation)	2	2	Not Applicable	Not Applicable
4.	Shri Narendra Bondre, COO IRCON (Charge assumed on 10.05.2023)	10	10	Not Applicable	Yes
5.	Smt. Priyanka Kirit Tanna, CFO	12	11	Not Applicable	Yes

None of the Directors on the Board hold Directorships in more than 10 (ten) Public Companies. Further, none of them is a Member of more than 10 (ten) committees or Chairman of more than 5 (five) committees across all the Public Companies in which he/she is a Director. Necessary disclosures regarding committee positions in other Companies as on March 31, 2024 have been made by all the Directors. None of the Directors are related to each other.

**3. BOARD PROCEEDINGS:****3.1 Information placed before the Board of Directors :**

Board has complete access to any information within the Company. The information regularly supplied to Board inter-alia includes the following:

- a) Annual operating plans, Capital and Revenue budgets & updates.
- b) Quarterly and Annual Financial results of the Company.
- c) Periodic Review of the Performance of the Company.
- d) Periodic Report on Compliance of applicable Laws.
- e) Annual Report, Directors' Report etc.
- f) Minutes of the meetings of Board, Audit Committee and other Board Committees.
- g) Award of large contracts/Agreements.
- h) Disclosure of interest by Directors about Directorship and position in other companies.
- i) Show cause, demand, prosecution notices and penalty notices which are materially important.
- j) Other materially important information, including any non-compliance of any regulatory or statutory requirement.
- k) All other matters as prescribed under DPE Guidelines.

**3.2 Process after the Board Meeting is held**

The Company Secretary as a part of the Governance Process, disseminates the outcome of the Board Meeting with necessary approvals and permissions/authorizations accorded to the respective Heads of the Divisions and there is a post Board Meeting/ Committee Meeting compliance mechanism by which the necessary follow-ups, review and reporting for actions taken/ pending on the approval so accorded by the Board/ Committees are made.

**4. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :**

All the Directors being part-time Directors from the respective promoter companies, no remuneration is payable.

**4.1 Details of remuneration of Functional Directors and Other Key Managerial Personnel of the Company during the Financial Year 2023-24.**

S.No.	Name	Designation	Gross Salary	Perquisites	Total
1.	Shri G. Srinivasan, Director (Finance), SECL	Chairman	Nil	Nil	Nil
2.	Shri S.N. Kapri, Director (Tech), P&P, SECL	Director	Nil	Nil	Nil
3.	Shri N. Franklin Jayakumar, Director (Technical) Projects & Planning, SCEL	Director	Nil	Nil	Nil
4.	Smt. Ragini Advani, Director (Finance), IRCON	Director	Nil	Nil	Nil
5.	Shri. A.K. Singh, Director (Projects), IRCON	Director	Nil	Nil	Nil
6.	Shri A.P. Palanisamy, Managing Director, CSIDCL	Director	Nil	Nil	Nil
7.	Shri Debasis Acharyya, Former Director (Personnel), SECL	Director	Nil	Nil	Nil
8.	Shri Priya Ranjan Parhi ED (Infra-I), Railway Board, MoR	Director	Nil	Nil	Nil
9.	Shri S.K. Pal Director (Tech) Operations, SECL	Chairman	Nil	Nil	Nil
10.	Dr. Saransh Mittar, MD (CSIDCL)	Director	Nil	Nil	Nil
11.	Shri Parag Verma, Director (Works), IRCON	Director	Nil	Nil	Nil
12.	Shri A.K. Pattanaik, GM (Civil) / Siding, SECL (Additional Charge of CEO w.e.f. 31.01.2023 and charge relinquished on 16.04.2023.)	Chief Executive Officer	Nil	Nil	Nil
13.	Shri Ravi Valluri, CEO (Contractual Employment by CERL. Charge assumed on 17.04.2023)	Chief Executive Officer	25,63,939.00	Nil	25,63,939.00
14.	Smt. Priyanka Kirit Tanna, CFO	Chief Financial Officer	17,86,921.92	Nil	17,86,921.92
15.	Shri. Anand Amirtharaj Joseph	Company Secretary	21,51,840.42	Nil	21,51,840.42
		<b>TOTAL</b>	<b>65,02,701.34</b>	<b>0.00</b>	<b>65,02,701.34</b>

**4.2 Payment of sitting fees to Independent Directors during the Financial Year 2023-24:**

In view of the exemption given under Section 149(4) of the Companies Act, 2014 read with rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the appointment of Independent Director is not applicable to the company.

**4.3 Part-Time Official Directors/ Govt. Nominee Directors:**

All the Directors on the Board of the Company are part-time Directors.

**4.4 Availability of information to Board members:**

The Board has unrestricted access to all Company-related information, including that of our employees. Inputs and feedback of Board Members are taken and considered while preparing the agenda and documents for the Board Meetings. Deep dive and immersion sessions are conducted by senior executives in their respective business units. At these meetings, Directors can provide their inputs and suggestions on various strategic and operational matters.

**5. COMMITTEES OF THE BOARD:**

The Company has one (01) Board level Committees

1. Corporate Social Responsibility (CSR) Committee

**5.1 CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:**

Pursuant to provisions of Section 135 of the Companies Act, 2013 read with rule 5 of the Companies (Corporate Social Responsibility) Rules, 2014, the CSR Committee has been constituted in the 50th Board Meeting held on 24.07.2021.

The Committee will formulate the CSR policy and implement Corporate Social Responsibility initiatives in the upcoming Financial Years.

The Company has reported loss till date and accordingly, no provision of CSR expenditure has been done.

The Composition of the Committee as at 31.03.2024 is as under-

S. No.	Name	Designation
1.	Shri G. Srinivasan, Director (Finance), SECL	Committee Chairman
2.	Shri A.K. Singh, Director (Projects), IRCON	Committee Member
3.	Shri. Priya Ranjan Parhi, ED (Infra-I), Railway Board, MoR	Committee Member

The following person was appointed as Committee Member during the year under report:

S. No.	Name	Designation	Date of Appointment
1.	Shri A.K. Singh, Director (Projects), IRCON	Committee Member	27.03.2024
2.	Shri. Priya Ranjan Parhi, ED (Infra-I), Railway Board, MoR	Committee Member	27.03.2024

The following person ceased to be the Committee Member during the year under report:

S. No.	Name	Designation	Date of Cessation	Remarks
1.	Shri Parag Verma, Director (Works), IRCON	Committee Member	20.07.2023	Upon Nomination
2.	Dr. Saransh Mittar, Former MD (CSIDCL)	Committee Member	22.08.2023	Upon Nomination

**Meeting and Attendance**

The Company has reported loss till date. Accordingly, no provision of CSR expenditure has been done and hence, no Meeting of CSR Committee took place during the year under report.

**6.0 STATUTORY AUDITORS:**

In exercise of the powers conferred by Section 139 of Companies Act, 2013, the Comptroller & Accountant General of India (C&AG) has appointed the following Chartered Accountant Firms as Statutory Auditor / Branch Auditors of the Company for the Financial Year 2023-24:

**STATUTORY AUDITOR :**

**M/s. Singhal & Sewak,**  
Chartered Accountants,  
Firm Registration No. 011501C  
311-312, 2nd Floor, Eskay Plaza,  
Near Anand Talkies, Raipur-492001, C.G.

**7.1 Remunerations of Statutory Auditors :**

Type of Audit	Remuneration	Remarks
Statutory Audit for the year 2023-24	Fee of ₹ 1,25,000.00 plus GST	Out of Pocket Expenses (OPE) including travelling expenses, Lodging, Boarding Limited to 25% of Audit fees on actual basis and applicable GST payable on OPE.
Review of Interim Financial Statements for the Quarter ended 30.09.2023, 31.12.2023 & 30.06.2024	Fee of ₹ 25,00.00 per Quarter Plus GST. (applicable for September, 2023 and December, 2023 and June, 2024 Quarter review)	Out of Pocket Expenses (OPE) including travelling expenses, Lodging, Boarding Limited to 25% of Audit fees on actual basis and applicable GST payable on OPE.

**8. ANNUAL GENERAL MEETINGS (AGM):**

Details of Annual General Meeting (AGM) held during last 3(Three) years are as follows:

Details	Date	Time	Venue
10th AGM 2022-23	19.07.2023	10:30AM	At the Registered Office of the Company at 2nd floor, CERL, CSIDC Complex, Raipura Chowk, Raipur – 492013, Chhattisgarh.
9th AGM 2021-22	22.06.2022	11:30AM	At the Registered Office of the Company at 2nd floor, CERL, CSIDC Complex, Raipura Chowk, Raipur – 492013, Chhattisgarh.
8th AGM 2020-21	07.07.2021	11:30 AM	At the Registered Office of the Company at 2nd floor, CERL, CSIDC Complex, Raipura Chowk, Raipur – 492013, Chhattisgarh.

The 11th Annual General Meeting (AGM) of the Company is scheduled to be held on .....

Two Extraordinary General Meeting (EGM) of Members was held during the Financial Year 2023-24.

No Special Resolutions were passed during the last 3 (three) Annual General Meetings.

**9. DISCLOSURE:****A. Materially significant Related Party Transactions:**

The Company has not entered into any materially significant related party transactions with the Directors or the Senior Management Personnel or their relatives for the Financial Year ended 31st March, 2023 that has potential conflicts with the interest of the Company.

**B. Details of non-compliance by the company, penalties, strictures imposed on the company by any statutory authority, on any matter related to any guidelines issued by Government, during the last three years-**

The Company has not done any non-compliance except the following during the last three Financial Years, as per the provisions of Companies Act, 2013 "Act":

Sl.No.	Particulars	Details of Non-Compliance
1	FY 2022-23	1. The Board is in the process of establishing the Vigil Mechanism pursuant to section 177(9) of the Act, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014.
2	FY 2021-22	1. The Company had represented to the Ministry of Coal, Government of India for nominating a Woman Director on its Board, pursuant to Section 149. 2. The Board is in the process of establishing the Vigil Mechanism pursuant to section 177(9) of the Act, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014.
3	FY 2020-21	1. The Company had represented to the Ministry of Coal, Government of India for nominating a Woman Director on its Board, pursuant to Section 149. 2. The Board is in the process of establishing the Vigil Mechanism pursuant to section 177(9) of the Act, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014.

**10 Chief Executive Officer (CEO) & Chief Financial Officer (CFO) Certification:**

As required by the SEBI (LODR) Regulations the 'CEO and CFO Certification' in prescribed format, duly signed by the CEO and the CFO of the Company as approved by the Board of Directors of the Company at its 76th Board Meeting held on 17.04.2024 is attached with the Financial Statements of the Company.

**11 Vigil Mechanism u/s 177(9) of the Companies Act, 2013:**

As per the provisions of the Section 149(4) of the Companies Act, 2014 read with rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the appointment of Independent Director is not applicable to the company. Since, the Company is exempted from appointment of Independent Directors, the constitution of Audit Committee is not applicable to the Company.

Pursuant to Sub-Rule 3 of Rule 7 of (Companies Meetings of Board and its Powers) Rules, 2014, the Board is in the process of nominating a director for the purpose of vigil mechanism to whom other directors and employees may report their concerns.

The "Coal India Whistle Blower Policy 2011" as approved by the Board of Directors of Coal India Limited has been implemented by CERL, as its sub-subsidiary. The policy has been formulated to provide an opportunity to employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct. The Whistle Blower Policy is available on the website of the Holding Company i.e., 'www.secl-cil.in'.

**12 STATUTORY AUDITORS' REPORT AND C&AG COMMENTS**

The reports of the Statutory Auditors on the Financial Statements for FY 2023-24 are attached as Annexure-VI as part of the Annual Report. Comments of Comptroller & Auditor General (C&AG) of India on the Audited Financial Statements of your Company for the FY 2023-24 are yet to be received.

**13 TRAINING OF BOARD MEMBERS:**

The newly appointed Directors of the Company are familiarized with the various aspects of the company like Constitution, core activities, Board procedures, strategic directions, etc.

**14 DEMATERIALIZATION OF SHARES:**

All the shares of the Company are in Dematerialized mode (except for 100 Hundred Equity Share)

**15 THE NAMES AND ADDRESS OF THE DEPOSITORIES ARE AS UNDER:**

NATIONAL SECURITIES DEPOSITORY LIMITED (NSDL)  
A wing, 4th Floor, Trade World,  
Kamala Mills Compound,  
Senapati Bapat Marg, Lower Parel West, Mumbai (Maharashtra)

**16. DETAILS OF SUBSIDIARIES OF THE COMPANY AND THEIR LOCATION:**

NIL

**17. MEANS OF COMMUNICATION :**

• **Website :**

The Company's has developed a website [www.cerlcewrl.cg.nic.in](http://www.cerlcewrl.cg.nic.in) for hosting all important information for all stakeholders. The Company is currently updating the said website. In the meanwhile, the Company is using the Website of its Holding Company i.e., [www.secl-cil.in](http://www.secl-cil.in) or [www.secl.gov.in](http://www.secl.gov.in) for hosting all important information for all stakeholders. The Annual Report and Annual Financial Results of the Company are available on the website of its Holding Company in a user-friendly and downloadable form.

• **Official News Releases:**

The Company communicates with the stakeholders by disseminating information by way of Official news releases in electronic and print media.

• **RTI:**

The Company has an e-structured mechanism that supports 'The Right to Information Act, 2005. The Company is in the process of uploading the Detailed procedure for seeking information under RTI Act, 2005 on the Company's website [www.cerlcewrl.cg.nic.in](http://www.cerlcewrl.cg.nic.in)

**18. COMPLIANCE WITH MANDATORY REQUIREMENTS OF DPE GUIDELINES ON CORPORATE GOVERNANCE:**

The Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises (DPE) has been complied and during the period under report, all Returns/Reports have been filed within the stipulated time with the Regulatory Authorities.

In compliance with Clause 8.2.1 of the DPE Guidelines, a Certificate from Company Secretary in whole-time practice regarding compliance of conditions of Corporate Governance is annexed to this report.

**for and on behalf of the Board of Directors of  
CHHATTISGARH EAST RAILWAY LIMITED**

Sd/-  
**(G. Srinivasan)**  
Chairman  
DIN: 09730659

Place: Raipur  
Date: 18-05-2024

## CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members,  
**Chhattisgarh East Railway Limited,**  
Mahadev Ghat Road, Raipura Chowk,  
Raipur-492013, Chhattisgarh

We have examined the compliance of conditions of Corporate Governance by **Chhattisgarh East Railway Limited** (hereinafter called the “**Company**”), for the Financial Year ended on March 31, 2024, as stipulated in Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued vide Office Memorandum No.18(8)/2005-GM dated May 14, 2010, by Department of Public Enterprises, Ministry of Finance, Government of India, [“Guidelines”].

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Guidelines, except for-

a. Establishment of Vigil Mechanism pursuant to section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014.

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

*for M&K Associates*  
**Company Secretaries**

**Manoj Kumar Koyalkar**  
**CP.No.10004**  
**FCS No. 9298**  
**UDIN : F009298F000337692**  
Hyderabad, May 09, 2024

## ANNEXURE V

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### **CIL's production grows 10% to 773.6 MTs in FY 2024; Offtake up 8.5%**

Coal India Limited (CIL) produced 773.6 million tonnes (MTs) of coal in FY 2024 registering 10% growth over a high base of 703.2 MTs of FY 2023. This is the first instance that the company recorded double digit growth in two successive years since its inception. In volume terms the output expanded by 70.4 MTs the second ever high.

In previous two financial years CIL has increased its production by 151 MTs. This was higher by 22.6 MTs than the combined increase of 128.4 MTs achieved in six years from FY 2016 till FY 2022. Coal production of 88.6 MTs in March 2024 was the highest ever for any month till date.

While all the coal producing arms of CIL have recorded positive growth, five of them BCCL, CCL, NCL, WCL and MCL have stepped over their respective annual targets for the second consecutive year. Mahanadi Coalfields Limited, the Odisha based CIL subsidiary has emerged as the country's first coal producing company to have breached 200 MT with production at 206.1 MTs.

Total coal supplies have hit 753.5 MTs during FY 2024 logging 8.5% growth. The 58.8 MT volume increase came over 694.7 MTs of FY 2023.

Supplies to power sector have reached 618.5 MTs in the just concluded fiscal, 31.9 MTs more compared to 586.6 MTs of FY 2023 with a growth of 5.4%. CIL supplied 8.5 MTs more coal to power plants than its assigned commitment of the year, that is, 610 MTs.

Concurrently, supplies to non-power sector (NPS) have risen to 135 MTs with a year-on-year jump of 26.9 MTs registering around 25% growth. CIL supplied 108.1 MTs to NPS in FY 2023.

On the back of better-quality coal supplies, grade conformity improved to 76% during FY 2024 from 70% over preceding year. CIL ended FY 2024 with a coal inventory of around 90 MTs which is 20.7 MTs more than the same period last financial year – a near 30% increase. Stock at CIL's pitheads was 69.3 MTs corresponding period last fiscal.

On an average CIL loaded 292.2 rakes per day during FY 2024 against 273.6 rakes/day of FY 2023 registering a growth of 6.8%. One rake load of coal is approximately 4000 tons.

CIL's production and off-take are pegged at 838 MTs for FY 2025.

Source: Press Releases (coalindia.in)

#### **COAL – INDIAN ENERGY CHOICE**

Coal is the most important and abundant fossil fuel in India. It accounts for 55% of the country's energy need. The country's industrial heritage was built upon indigenous coal.

Commercial primary energy consumption in India has grown by about 700% in the last four decades. The current per capita commercial primary energy consumption in India is about 350 kgoe/year which is well below that of developed countries. Driven by the rising population, expanding economy and a quest for improved quality of life, energy usage in India is expected to rise. Considering the limited reserve potentiality of petroleum & natural gas, eco-conservation restriction on hydro project and geo-political perception of nuclear power, coal will continue to occupy centre-stage of India's energy scenario.



Indian coal offers a unique ecofriendly fuel source to domestic energy market for the next century and beyond. Hard coal deposit spread over 27 major coalfields, are mainly confined to eastern and south-central parts of the country. (See Coal Reserves). The lignite reserves stand at a level around 36 billion tonnes, of which 90% occur in the southern State of Tamil Nadu.

(Source : Ministry of Coal - <https://coal.nic.in/en/major-statistics/coal-indian-energy-choice>)

### **CIL's Rs. 24,000 crore impetus for 61 eco-friendly FMC projects**

In a push towards eco-friendly coal transportation Coal India Limited (CIL) has planned a capital investment of around Rs. 24,750 Crores in the next few years on 61 First Mile Connectivity (FMC) projects. To come up in three phases, these projects combined will have a capacity of 763.5 million tonnes per annum (MTPA) when completed.

FMC projects involve transportation of coal in mechanized piped conveyors from production point to coal handling plants/silos with rapid loading system where coal is loaded directly into rail wagons.

“It is essential that coal transportation is environment friendly to improve the quality of life of people living in the proximity of coalfield areas. FMC projects offer benefits like suppression of dust pollution and carbon emissions. They also reduce the load on road transportation leading to safety. Other benefits include precise quantity and quality coal is loaded for consumers with minimal manual intervention” said a senior CIL official.

35 FMC projects under the first phase having 414.5 MTPA capacity account for Rs. 10,750 Crores. 8 projects of 112 MTPA capacity are already operational. CIL is gearing up to commission 17 more projects of 178 MTPA by FY 2024 end. The rest 10 comprising 124.5 MTPA capacity are expected to be operative by FY 2025.

The second and third phase projects account for 9 and 17 respectively. While their respective evacuation capacities are 57 MTPA and 292 MTPA, the investments sequentially, would be about Rs. 2,500 Crores and Rs. 11,500 Crores.

Under the second phase 5 projects of 21.5 MTPA capacity under construction are expected to be commissioned by FY 2025. Remaining projects are in different stages of progress with tenders issued and bid document under preparation.

For the third phase, tenders have been floated for 3 projects of 65 MTPA capacity. 9 projects are to be executed through mine developers and operators. Phase three projects are anticipated to be commissioned by FY 2029.

Initially, CIL targeted coal mines having production capacity of 4 MTPA and above under first phase. After a pilot study conducted through NEERI on potential advantages of FMC projects, in two major OC projects, reflected sizable reduction in CO<sub>2</sub> emissions, air pollutants, ambient noise levels and significant savings in diesel costs, CIL expanding the ambit included mines producing 2 MTPA and above in subsequent two phases.

Total eco-friendly coal evacuation would go up to 914.5 MTPA when all the 61 projects become operational by FY 2029, including the earlier capacity of 151 MTPA.

**Domestic coal production to touch 1.5 BT by 2029-30**

The domestic coal production is expected to touch 1.5 billion tonnes (BT) by 2029-30, said Minister for Coal Pralhad Joshi on Monday. In a written response to a question raised in the Rajya Sabha, Joshi said, "Coal India Limited has planned to enhance its coal production through expansion of mines (brownfield projects), opening of new mines (greenfield projects), mechanization and modernization of its mines, both UG (under-ground) & OC (opencast)."

Govt has initiated several steps to ramp up domestic coal production: Joshi

Stressing that the government has initiated several steps to ramp up domestic coal production in the country in order to achieve self-reliance, the minister said, "Some of the major initiatives undertaken include Single Window Clearance, amendment of Mines and Minerals (Development and Regulation) Act, 1957 to allow captive mines to sell up to 50 percent of their annual production after meeting the requirement of the end use plants, production through MDO mode, increasing use of mass production technologies, new projects and expansion of existing projects, and auction of coal blocks to private companies/PSUs for commercial mining. 100 percent Foreign Direct Investment has also been allowed for commercial mining," the minister told the Upper House of Parliament.

"There are plans to enhance the production of coal to meet the growing demand... For smooth transit of coal to end-users, steps are also being taken to improve evacuation infrastructure through new rail projects and to mechanized coal loading through First Mile Connectivity (FMC) projects," he added.

**Source:** Domestic coal production to touch 1.5 BT by 2029-30: Pralhad Joshi ([energywatch.in](https://www.energywatch.in))

India's coal sector is united about one thing. It doesn't matter if you are a miner, trader, utility or steelmaker, you are bullish, extremely bullish.

The overarching theme at this week annual Coal trans India conference in the western state of Goa is that coal production, imports and demand are all going to rise in coming years, and by substantial volumes.

India may have committed to eventually starting to phase down consumption of the polluting fuel on its road to net-zero emissions by a targeted 2070, but for the coming decade the coal industry sees a ramp up.

Even the most cautious of forecasts at the conference saw demand for all grades of coal reaching 1.5 billion metric tons by 2030, with some reaching as high as 1.9 billion.

To put that in context, India's coal demand was 1.23 billion tons, composed of domestic production of 964 million tons and imports of around 266 million.

Put another way, even the more pessimistic of forecasts expects an increase of nearly 300 million tons of coal demand in India in the next six years, an increase of 25%.

To put the scale of the increase in context, 300 million tons is more than the total annual demand of Germany, the fourth-biggest coal-consuming nation after China, India and the United States.

The optimism over coal's future in India's energy mix is largely built on a shift in the thinking of the government of Prime Minister Narendra Modi to prioritize energy security and domestic resources over reducing carbon emissions to mitigate climate change. The thinking is that India has massive reserves of coal, which it can mine relatively cheaply, and if it continues to invest in infrastructure, it can move the coal from where it is produced to where it will be burnt in power plants and factories.

The more the world's most-populous nation can use domestic energy, the less it has to pay for expensive imports in the form of crude oil and liquefied natural gas.

Although crude oil and its refined products don't compete with coal in power generation, they may increasingly in the future as the shift to electric vehicles gathers pace.

India's industrial users of coal, such as cement and ceramics, are also being encouraged to look at using gas produced from coal to power their plants, rather than imported coking coal, met coke and LNG.

**NOT ENOUGH RENEWABLES**

Another factor worth noting about the bullish view of India's coal sector is that they believe in the strong growth scenario even though the South Asian nation is ramping up the deployment of renewable energies such as wind, solar, battery storage and pumped hydropower.

India is likely to exceed its target for 500 gigawatts (GW) of renewable energy capacity by 2030, but the demand for electricity is likely to outpace the capacity additions.

This means India will continue to increase its fossil fuel generation, and lion's share of this will be coal, with 85 GW of new plants already under construction and likely to come online by 2030, which would boost coal-fired capacity by just over one-third from the current 237 GW.

Steelmakers are also poised to increase demand for coal, the key raw material used to turn iron ore into crude steel.

India produced about 140 million tons of steel in 2023, and the government is targeting that to rise to 300 million by 2030.

That figure is likely optimistic, but it's possible that the country can produce more than 200 million tons in that time frame, according to several steel makers present at the Coaltrans event.

India's steel and sponge iron sectors imported about 93 million tons of coal in 2023, and consultants iEnergy Natural Resources estimate this will rise to 135 million by 2030.

If there was any disagreement on the outlook for India's coal sector at the conference, it was the likely future mix of domestic production and imports.

India doesn't produce significant volumes of coking coal, so any increase in steel production is likely to rise in higher imports of coking coal and met coke, a beneficiated product made mainly from coking coal, but can contain some lesser quality grades.

The main debate is whether a combination of state-controlled behemoth Coal India (COAL.NS), opens new tab and newly-operating private coal mines will be able to raise output enough to displace imported thermal coal for the power sector.

India is investing heavily in improving the rail system to transport coal, but it's still likely that coastal power plants in the south and west of the sub-continent will rely on imported fuel for years to come.

**(Source: India's coal sector sees huge leaps in output and demand | Reuters)**

**COAL DEPOSITS OF SECL**

As on 01.04.2023, the total geological coal reserve in SECL command area is 90,268.82 million Tonnes, out of which 41,083.36 MT is the proved reserve. The coal deposit of SECL occurs in the great Son-Mahanadi master basin. It spreads over 7 districts namely korba, Raigarh, Surguja, Surajpur, Manendragarh-Chirimiri-Bharatpur, Balrampur & Korea in Chhattisgarh (C.G.) State and 3 district viz. Shahdol, Anuppur & Umaria districts in Madhya Pradesh (M.P.). The total coal reserve in M.P. as on 01.04.2023 is 9,494.95 MT while in C.G., it is 80,773.87 MT.

S.No.	Coal Reserves	Depth (Mtrs)	Proved (MT)	Indicated (MT)	Inferred (MT)	Total (MT)
I.	Coal Reserves in MP	0-1200	3847.01	5336.73	311.21	9494.95
II.	Coal Reserves in CG	0-1200	37236.35	42293.97	1243.55	80773.87
<b>Total Coal Reserves in SECL(MP + CG)</b>		<b>0-1200</b>	<b>41083.36</b>	<b>47630.70</b>	<b>1554.76</b>	<b>90268.82</b>

Out of the above, the geological coal reserves (in MT) in its Mand-Raigarh coalfields are 49227.69 which is 54.53% of the total reserves. This indicates the importance of evacuation measures taken including construction of the East Rail Corridor.



#### CHHATTISGARH EAST RAIL CORRIDOR:

Chhattisgarh East Railway Limited was formed in March, 2013, as subsidiary of SECL with 64% stake in JV, in terms of the Memorandum of Understanding (MoU) signed between South Eastern Coalfields Limited (SECL), IRCON International Limited (IRCON) (26%) and the Government of Chhattisgarh (10%). The rail corridor has been notified by Ministry of Railways as 'Special Railway Project' to provide national infrastructure and will cater to the evacuation of coal from Mand-Raigarh Coalfields and Korba Coalfields of SECL and will be used both for freight and passenger traffic. Chhattisgarh East Rail Corridor is being developed under JV Model of PPP policy of Railways where revenue is shared between Railways and JV in equal proportion and IRCON is the Project Executing Agency responsible for the entire construction of the project. MoR has sanctioned 60% inflated Mileage for initial period of 5 years to ensure Project IRR of 14%. The Project cost as per DPR is estimated to be Rs. 3055.00 crores. The Project length is about 125 km at estimated peak capacity of 62MT.

#### PROGRESS OF EAST RAIL CORRIDOR BY CERL :

The East Rail Corridor is expected to be completed in two phases:

Phase-I: Kharsia to Dharamjaygarh (0 to 74 km) with a Spur Line (31 Km) to connect mines of Gare-Pelma Block and three Feeder Lines (20 Km).

Phase-II: Dharamjaygarh to Korba (approx. 62 km).

- 1) Hon'ble Prime Minister dedicated CERL Phase I Project to the nation on 14.09.2023.
- 2) Baroud Freight terminal was commissioned on 13.06.2023 and loading commenced from 26.06.2023.
- 3) EIG certificate for the work of "Energisation of OHE of private siding of M/s SECL at Chhal taking off from CERL line in R&D loading yard of M/s SECL siding in BSP Division over SECR (Total TKM: 2.617)" was issued on 07.11.2023 for Chhal Feeder line.
- 4) Rail Corridor Assets to the tune of ₹ 59.97 crores have been created during the year under review. The Total Rail Corridor Assets created till the end of the Financial Year is ₹ 2440.11 crores
- 5) Chhal & Baroud RLS were inaugurated by Hon'ble PM on 24.02.2024 which are expected to ramp up the quantum of traffic from these two loading points.
- 6) The work of Durgapur Feeder Line and the second block section of Spur Line from Bhalumuda to Donga Mahua is under progress.
- 7) Financial Closure of CERL Phase II Project was achieved with Central Bank of India on 28.08.2023 for a total debt requirement of Rs. 1349.00 Crores which marked a major milestone for the project.

**SWOT ANALYSIS**

**SWOT**



**STRENGTH**

- More than 88% of the revised estimated cost has been spent on the project and substantial portion of construction is completed.
- Commercial Operation Dated i.e. 22.07.2022 is declared by the lenders.
- Coal dispatch from 6 commissioned freight terminals of CERL namely Korichhapar, Gharghoda, Chhal, Baroud, Bhalumuda and Dharamjaigarh are regular.
- Revenue apportionment is regularly being transferred by railways to CERL in terms of the Concession Agreement.
- Concession Agreement for CERL Phase II is executed with Railways.
- Financial Closure with Central Bank of India is achieved.
- Experienced personnel, productive work culture, participating management, good industrial relation provides organizational support.



**WEAKNESS**

- Construction of Durgapur feeder line and second block section from Bhalumuda to Dongamahua is under progress. This has hindered the desired coal traffic movement on CERL route thereby generating less revenue.
- Considerable time in land acquisition and forest clearance has affected the construction activity.
- Challenges in revenue generation in order to meet operational expenses.



**OPPORTUNITIES**

- Evacuation of Coal from the Captive Blocks and Commercial Mining apart from SECL Mines will generate extra revenue as CERL will provide the desired logistic infrastructure to facilitate evacuation. Commercial mining is also coming up in Gare Pelma sector.
- Private parties such as Ambuja Cement, Hindalco, Sarda Energy, CSPGCL, Mahagenco, Jindal, NTPC, Balco have shown interest to utilize CERL infrastructure for movement of their goods.



**THREATS**

- Non-achievement of Desired traffic as per DPR for Financial viability of the project.
- Supply of insufficient number of rakes by railways.
- Due to reasons such as delay in completion of Durgapur, Second block section of spur line, and construction infrastructure as per directives of railways which was not in DPR and overall extension of time, there is cost overrun which is to be funded to support the project.

### **TRAFFIC CONCERNS**

Main line of CERL project from Kharsia to Dharamjaigarh (0-74km) single line is commissioned, First block section of Spur line from Gharghoda to Bhalumuda (14km) is commissioned. Up line from Kharsia to Korichhapar (42.569) is commissioned, out of three feeder lines i.e., Chhal, Baroud and Durgapur, Chhal and Baroud feeder line are commissioned.

Only construction of Durgapur feeder line and second block section from Bhalumuda to Dongamahua is under progress. The desired coal traffic movement on CERL route is not achieved even after commissioning of substantial portion of total route length and thereby generating less revenue. The company understands these are initial teething issues that can be mitigated in the coming years.

Expediting the construction of second block section of spur line i.e. from Bhalumuda to Dongamahua is expected to generate significant traffic.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has in place adequate financial controls with reference to financial reporting in compliance with the provisions of the Companies Act, 2013 and such internal financial controls over financial reporting were operating effectively.

Policy in the form of Purchase Manual, Contract Management Manual, Civil Engineering Works Manual, defining the practices & procedures to be adopted for procurement and award of contracts (for matters other than Railway Construction), as prescribed by the SECL (Holding Company) are followed, as per MoU.

The Internal Audit is being conducted through firms of Chartered Accountant firms appointed from the empanelled list of SECL thereby covering all the audit scope approved by CERL Board. Independent Internal auditors reports along with action taken report by the management is regularly being placed before the board. Internal Financial Control Measures/Guidelines have been issued by CIL for necessary compliance by all subsidiaries of CIL, which has been complied with to ensure orderly and efficient conduct of business. Further, Certifications are obtained from Internal Auditors that 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.

The Statutory Auditors while reporting on the Financial Statements of the Company, also issue a separate and specific report on the adequacy and operating effectiveness of Internal Financial Controls, titled as "Report on the Internal Financial Controls under Clause (i) to Sub-section 3 of Section 143 of the Companies Act, 2013".

### **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

Covered in the main report.

### **ENVIRONMENTAL PROTECTION AND CONSERVATION, TECHNOLOGICAL CONSERVATION, RENEWABLE ENERGY DEVELOPMENTS, FOREIGN EXCHANGE CONSERVATION**

Covered in the main report.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Covered in the main report.

### **CAUTIONARY STATEMENT**

Statements in the 'Management Discussion & Analysis Report' and 'Board's Report' describing the Company's objectives, projections and estimates, expectations and predictions, etc. may be "forward looking statements" and progressive within the meaning of applicable laws and regulations.

Forward looking statements contained herein are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in the forward looking statements. Actual results may vary materially from those expressed or implied depending upon economic conditions, government policies and other incidental factors. Readers are cautioned not to place undue reliance on the forward looking statements.

**for and on behalf of the Board of Directors of  
CHHATTISGARH EAST RAILWAY LIMITED**

Date: 18-05-2024  
Place: Raipur

Sd/-  
**(G. Srinivasan)**  
Chairman  
DIN: 09730659

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF CHHATTISGARH EAST RAILWAY LIMITED FOR THE YEAR ENDED 31 MARCH 2024**

The preparation of financial statements of Chhattisgarh East Railway Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 20 April 2024.

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

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under Section 143(6)(b) of the Act.

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



**(U. S. Prasad)  
Director General of Audit (Steel)  
Ranchi**

**Place: Ranchi  
Date: 14 .06.2024**

## ANNEXURE VI

### INDEPENDENT AUDITOR'S REPORT

To The Members of Chhattisgarh East Railway Limited

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

##### Opinion

We have audited the accompanying financial statements of **Chhattisgarh East Railway Limited** ("the Company"), which comprise the balance sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view, in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its Loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act 2013 and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Emphasis of Matter

1. Attention of the user of this report is being invited to the Note-1 "Corporate Information" In para-2 information about the commencement of Phase-I is only mentioned, there was no such information about the status of Phase-II, accordingly we have obtained management representation letter (MRL) for the current status of Phase-II as ***seven months have been passed since the achievement of financial closure***. As per the MRL received the approved Project Cost of Phase-II project is Rs. 1686.22 Crores which is to be financed at a D/E Ratio of 4:1. The company has executed the loan documents with Central Bank of India on 28.08.2023 thereby achieving major milestone in achieving financial closure for debt exposure of Rs. 1349.00 Crores. Promoters have infused Rs. 241.81 Crores in the project which was mainly utilized for land acquisition purpose. Up to 31.03.2024, an expenditure of Rs. 286.20 Crores has been incurred. The Scheduled Completion date of the Project is 01.04.2026. The tenders relating to execution of work has been floated by IRCON and are under finalization.
2. Attention of the user of this report is being invited to the Note-2.3 "Revenue Recognition" We have obtained management representation letter (MRL) regarding the recognition of revenue for the month of March 2024 as there was no information/disclosure about this in the note. As per the MRL revenue for March 2024 month is recognized on the basis of the MoU executed between the Company and the Centre for Railway Information Systems (CRIS), Customized Automated Access in FOIS has been developed to meet the requirement of the Company for obtaining data relating to Railway Receipts (RR). The apportionment of revenue for a particular month is available on the portal

by 20th day of the subsequent month. The Revenue for the months of January-2024 and February-2024 has been taken from RR wise apportionment module of the portal. However, for the month of March-2024, the revenue has been calculated based on the RR's details available in the portal in absence of the report of RR wise apportionment module as on the date of finalization of accounts.

3. Attention of the user of this report is being invited to the Note-17 "Revenue from Operation" For the current year and previous year are Rs. 5116.96 and 6218.46 lakhs respectively. There is significant decrease in the revenue i.e. by Rs. 1101.50 lakh from the previous year. The company's current revenue is not sufficient to meet the operational expenditure and finance cost (interest portion). From August 2024 the company is liable to pay the principal portion to its bankers as the loan moratorium period for Phase-I loans will be over in July 2024. To meet out this future cash outflow the management should take proper action by raising its revenue and by taking fresh debt from bankers/promoters.
4. Attention of the user of this report is being invited to the Note-22 "Other Expenses" The total of other expenses for current year is Rs. 1447.97 lakhs, out of which 1108.77 lakhs represents "Amortization of Deferred Assets". As per the MRL received from management this is nothing but the **Amortisation of Deferred Land Expenses**. As per the Clause 8 of the MoU dated 03.11.2012, the Company shall bear the cost of the land acquired in the name of Ministry of Railways (MoR). The cost incurred by the company towards the acquisition of land shall be refunded to the Company upon the termination of the Concession Agreement as per the provisions of the Concession Agreement.

**Our opinion is not modified in respect of aforesaid matters.**

**Information other than the financial statements and auditors' report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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

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

Based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management for the 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

We are enclosing our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the "Annexure B" on the directions and sub-directions issued by the Comptroller and Auditor General of India.

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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31st March'2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March'2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) In our opinion and based on our observation, there is no qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith.
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure C'.
- (h) The provisions of section 197 of Companies Act'2013 are not applicable to company and thus reporting of remuneration paid to any director is in excess of the limit laid down under this section is not required.
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has adequately disclosed the impact of pending litigations on its financial position in the Standalone Financial Statements.

- (ii) The company has made adequate provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (iv) a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimately Beneficiaries.  
b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any persons or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of ultimately Beneficiaries.  
c) Based on our audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- (v) The company has not declared or paid dividend during the year.
- (vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, the company has used Tally Prime for maintaining its books of account which has a feature of recording audit trail (edit log facility). This edit log facility was in operation throughout the year for all the transactions recorded in the software. The audit trail feature is non-configurable and is preserved by the company as per the statutory requirements for record retention.

Place: Raipur  
Date: 20th April' 2024

**For, SINGHAL & SEWAK**  
**Chartered Accountants**  
**FRN No. 011501C**

UDIN- 24420169BKEPRH4782

**R. K. Pradhan**  
**Partner**  
**Membership No. 420169**

## ANNEXURE “A”

### TO THE AUDITOR’S REPORT

The Annexure referred to in our report to the members of Chhattisgarh East Railway Limited for the year Ended on 31st March’2024. We report that:

- i. (a) In respect of company’s Property, Plant and Equipment and Intangible Assets:
  - (A) The company is maintaining proper records showing full particulars, including quantitative and situation of Property, Plant and Equipment.
  - (B) The company is maintaining proper records showing full particulars of Intangible Assets based on available information with the Company.
- (b) As informed to us by management, fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) The lease deed of land and conveyance deed of appurtenant office building has been duly executed in the name of Company.
- (d) Based on examination of books, the company has not revalued any of its property, plant and equipment or intangible assets during the year.
- (e) As informed to us by management, no proceedings have been initiated or are pending against the company as at 31st March’2024 for holding any ‘benami’ property under Benami Transactions (Prohibitions) Act, 1988 (as amended in 2016) and rules made there under.
- ii. (a) The company does not hold any inventory and hence reporting under this clause is not applicable.
- (b) The company has not been sanctioned any working capital facility in excess of Rs.5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under this clause is not applicable.
- iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
  - (a) The company has provided interest free advance in the nature of loan pursuant to clause 10.1.2 of the concession agreement amounting to Rs. 65.01 crores recoverable from South East Central Railway (Representing Ministry of Railways) as cost incurred towards acquisition of land for development of rail corridor the details of which are as under-
    - A. The company has, during the year, not provided loans or provided advances in the nature of loan or stood guarantee or provided security to its subsidiaries, joint venture and associates hence reporting under this sub clause is not applicable.
    - B. The company has during the year given interest free advance in the nature of loan amounting to Rs. 65.01 crores to such other entities other than its subsidiaries, Joint ventures and associates and the resulting aggregate closing balance in these advances as at 31st March’2024 is Rs. 504.64 crores.
  - (b) The company has not made any investment or provided any guarantee or given any security, reporting under this sub clause is not applicable.

- (c) As the advance given is in the nature of loan is interest free and repayable only after the termination of concession agreement, hence, there is no obligation with regard to interest or principal due during the period under audit.
  - (d) As stated in para (iii) (c) above, since no principal/ interest is payable during the tenure of loan, reporting under this clause is not applicable.
  - (e) As verified from the books of accounts, no loan or advance in the nature of loan falling due during the year has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
  - (f) The company has not granted any loan or advance in the nature of loan which is 'either repayable on demand' or without specifying any terms or period of repayment.
- iv. The company has not granted loans, investments, guarantees, and security under provisions of section 185 and 186 of the Companies Act, 2013, hence not applicable.
  - v. The company has not accepted any deposits during the period under audit; hence provision of section 73 to 76 or any relevant provisions of Companies Act' 2013 is not applicable to the company.
  - vi. The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
  - vii.
    - (a) As verified from the books of accounts of the company and other documents, the company is regular in depositing undisputed statutory dues including, income-tax, goods and service tax and any other statutory dues to the appropriate authorities. Further, the employees working in the company are either on deputation from SECL or IRCON and therefore statutory obligation with regard to employment is being taken care by the parent companies.
    - (b) As informed to us, the company has no pending liability against statutory dues referred to in sub clause (a) on account of any dispute.
  - viii. The company has not surrendered or disclosed any transaction as 'income' during the year in the tax assessments under the Income tax Act' 1961 (43 of 1961).
  - ix.
    - (a) The company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.
    - (b) The company has not been declared as 'willful defaulter' by any bank or financial institution or other lender.
    - (c) On an overall examination of the books of accounts, the funds raised by the company through term loan have been applied for the purpose for which it was obtained.
    - (d) The company has not raised any short term funds during the year, hence reporting under this clause is not applicable.
    - (e) The company does not have any subsidiaries, associates or joint ventures, hence reporting under this clause is not applicable.
    - (f) The company does not have any subsidiaries, associates or joint venture, hence reporting under this clause is not applicable.
  - x.
    - (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under this clause of the Order is not applicable.
    - (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

- xi. (a) According to the information and explanation given to us, no fraud by the company or on the company by any person has been noticed or reported during the year under review.  
(b) During the course of audit, we have not come across any instance of fraud which requires reporting pursuant to section 143 (12) in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;  
(c) Based on our audit and representation received by the management, there has been no instance of complain against the company or the management by a whistle blower during the period under audit.
- xii. Since the company is not a nidhi company, reporting under clause xii is not applicable to the company.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and according to information and explanation given to us, the company has an internal audit system commensurate with the size and nature of its business;  
(b) During the course of our audit, we have duly considered report of Internal Auditor while framing our opinion on the accounts of the company.
- xv. According to information and explanation given to us and based on our examination of the records of company, the company has not entered into any non-cash transactions with directors or persons connected with him. Hence, clause (xv) of para 3 of the order is not considered applicable.
- xvi. In our opinion and according to information and explanation given to us, the company is not required to be registered under section 45– IA of Reserve Bank of India Act' 1934 (2 of 1934) and therefore sub clauses (a), (b), (c) and (d) of clause (xvi) of para 3 of the order is not considered applicable to the company.
- xvii. The company has incurred cash loss amounting to Rs. 15,107.33 Lakhs in current financial year and Rs. 8065.24 Lakhs in immediately preceding financial year.
- xviii. Since there has been no resignation of statutory auditor during the year, reporting under this clause is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information  
accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. Since the company is not having profit in preceding 3 years, it is not required to spend amount towards CSR activities during current financial year. In view of above, reporting under this clause is not applicable to the company.

Place : Raipur  
Date : 20th April' 2024

UDIN-24420169BKEPRH4782

**For, SINGHAL AND SEWAK**  
Chartered Accountants  
FRN No. 011501C

**R. K. Pradhan Partner**  
Membership No. 420169

**ANNEXURE-B**  
**TO THE AUDITOR'S REPORT**  
**Directions under section 143(5) of the Companies**  
**Act 2013 for the year 2023-24**

Sl. No.	Directions u/s 143(5) of the Companies Act, 2013	Auditor's reply on action taken on the directions
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The company has used Tally Prime for maintaining its books of account which has a feature of recording audit trail (edit log facility). This edit log facility was in operation throughout the year for all the transactions recorded in the software. The audit trail feature is non-configurable and is preserved by the company as per the statutory requirements for record retention. There is no financial implication of processing of accounting transactions outside IT system on the integrity of the accounts
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	During the current financial year there was no such cases of restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan.
3.	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	As per verification of books and other documents, no funds were received from central/ state agencies during the period under audit.

Place : Raipur  
Date : 20th April' 2024

UDIN-24420169BKEPRH4782

**For, SINGHAL AND SEWAK**  
Chartered Accountants  
FRN No. 011501C

**R. K. Pradhan Partner**  
**Membership No. 420169**

## ANNEXURE-C

### TO THE AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **Chhattisgarh East Railway Limited** (“the Company”) as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India”. 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 judgment, 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 authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the 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, 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, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

Place : Raipur  
Date : 20th April' 2024

UDIN-24420169BKEPRH4782

**For, SINGHAL AND SEWAK**  
Chartered Accountants  
FRN No. 011501C

**R. K. Pradhan Partner**  
Membership No. 420169

**NOTE-1:****A. CORPORATE INFORMATION**

Chhattisgarh East Railway Limited (CERL) (the “Company”) with headquarters at Raipur has been incorporated on 12th March, 2013 as a Joint Venture Company of South Eastern Coalfields Limited (SECL), IRCON International Limited and Govt. of Chhattisgarh (GoCG) represented by Chhattisgarh State Industrial Development Corporation Limited (CSIDC) after execution of a Memorandum of Understanding dated 03rd November, 2012 to build, construct, operate and maintain the East Rail Corridor (Corridor-I) and to develop the required Rail Infrastructure. As per Memorandum of Understanding amongst the joint venture partners, the shareholding proportion of the promoter companies are 64% for SECL, 26% for IRCON and 10% for CSIDC (representing GoCG). GoCG’s share of equity in the JVC shall correspond to the value of land (Revenue Land and Forest Land) provided by the State Government or 10% whichever is more. If the value of land provided by GoCG exceeds 10% of the equity, the shareholding percentage of GoCG and SECL shall stand modified accordingly. The East Rail Corridor Project has been declared as a ‘Special Railway Project’ by the Ministry of Railways (MoR) and CERL has been nominated as a Concessionaire for East Rail Corridor Project.

The company has received Certificate of Commencement of Business on 7th May, 2013. The Revenue Operation of Phase-I Project of the Company has commenced w.e.f 12.10.2019 based on the stage wise commissioning of the Project.

**B. STATEMENT OF COMPLIANCE**

These Financial Statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the “Ind AS”) as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 (“the Act”). The Ind ASs issued, notified and made effective till the financial statements are authorized and have been considered for the purpose of preparation of these financial statements.

The accounting policies are applied consistently except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**NOTE-2: MATERIAL ACCOUNTING POLICIES****2.1 Basis Of Preparation Of Financial Statements**

The Financial Statements have been prepared under the historical cost convention on accrual basis except certain financial instruments that are measured in terms of relevant Ind AS at amortized costs or fair value at the end of each reporting period.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

The functional currency of the Company is determined as the currency of the primary economic environment in which it operates. The Financial Statements are presented in Indian Rupees and all values are rounded off to the ‘rupees in lakh’ up to two decimal points

**2.2 Current And Non-current Classification**

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

- a) it expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;
- b) it holds the asset primarily for the purpose of trading;
- c) it expects to realize the asset within twelve months after the reporting period; or
- d) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used

to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is treated as current by the Company when

- a) it expects to settle the liability in its normal operating cycle;
- b) it holds the liability primarily for the purpose of trading;
- c) the liability is due to be settled within twelve months after the reporting period; or
- d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Having regard to the nature of the business being carried out by the Company, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

### **2.3 Revenue Recognition**

Revenue in respect of freight operations is recognized based on the actual receipt and on the basis of available information from South East Central Railway (SECR) which is as per the entitlement of user fee received or receivable as per the provisions of the Concession Agreement executed between the Company and SECR and there is no significant uncertainty as to its realisability. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- a) the amount of revenue can be measured reliably;
- b) it is probable that the economic benefits associated with the transaction will flow to the entity;
- c) the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

### **2.4 Revenue Recognition**

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are recognised initially and subsequently at amortised cost less any impairment as per Ind AS 109.

### **2.5 Interest**

Interest income is recognised using the Effective Interest Method.

### **2.6 Other Claims**

Other claims (including interest on delayed realization) are accounted for, when there is certainty on realisation and can be measured reliably.

### **2.7 Inventories**

Stores & Spares and Finished/Semifinished products (including process scrap) are valued at lower of cost and net realisable value. In case of identified obsolete/ surplus/ non-moving items, necessary provision is made and charged to revenue.

### **2.8 Grants From Government**

Government Grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that there is reasonable certainty that grants will be received.

Government grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises the related expenses or costs for which the grants are intended to compensate.

Government Grants related to assets are presented in the balance sheet by setting up the grant as deferred income and are recognised in Statement of Profit and Loss on systematic basis over the useful life of asset.

Grants related to income (i.e. grant related to other than assets) are presented as part of statement of profit and loss under the head 'Other Income'.

A government grant/assistance that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs, is recognised in profit or loss of the period in which it becomes receivable.

The Government grants or grants in the nature of promoter's contribution is recognised directly in "Capital Reserve" which forms part of the "Shareholders fund".

## 2.9 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### 2.9.1 Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the commencement date, a lessee shall recognise a right-of-use asset at cost and a lease liability at the present value of the lease payments that are not paid at that date for all leases unless the lease term is 12 months or less or the underlying asset is of low value.

Subsequently, right-of-use asset is measured using cost model whereas, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of these leases. Lease liabilities are premeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset are separately presented in the Balance Sheet and lease payments are classified as financing cash flows. Lease liability obligations is presented separately under the head "Financial Liabilities".

Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless the costs are included in the carrying amount of another asset applying other applicable standards.

Right-of-use asset is depreciated over the useful life of the asset, if the lease transfers ownership of the asset to the lessee by the end of the lease term or if the cost of the right-to-use asset reflects that the lessee will exercise a purchase option. Otherwise, the lessee shall depreciate the right-to-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

### 2.9.2 Company as a lessor

Assets are given on lease either as finance lease or operating lease.

**Finance Lease:** A lease is classified as finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Initially, asset held under finance lease is recognised in Balance Sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Company's net investment in the lease.

**Operating Lease:** A lease which is not classified as a finance lease is an operating lease. The Company recognises lease payments in case of assets given on operating leases as income on a straight-line basis.

### 2.10 Property, Plant and Equipment (PPE) AND DEPRECIATION

An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

PPE are initially measured at cost of acquisition/construction including decommissioning or restoration cost wherever required. Cost of land includes expenditures which are directly attributable to the acquisition of the land like, rehabilitation expenses, resettlement cost and compensation in lieu of employment incurred for concerned displaced persons etc.

However, Value of land acquired by Ministry of Railways (MoR) for the project at the cost of Company shall remain as a non-interest-bearing refundable advance (loan) till the termination of Concession period and it includes cost of acquisition, cash rehabilitation expenses, resettlement cost and all other incidental expenses incurred for the acquisition of project land as provided in the Concession Agreement. The Fair Valuation of the value of land is to done as per IND AS 113 "Fair Value Measurement". However, creation of deferred asset and its corresponding amortisation shall be done upon achievement of commercial operation. Interest income/loss arising from change in fair value of non-interest-bearing refundable advance is being routed with Intangible Assets under Development at present. Upon achievement of commercial operation, the same shall be routed through Statement of Profit & loss A/c.

After recognition, an item of all other Property, plant and equipment are carried at its cost less any accumulated depreciation and any accumulated impairment losses under Cost Model. The cost of an item of property, plant and equipment comprises:

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.
- d) Interest on Borrowings utilized to finance the construction of qualifying assets are capitalised as part of cost of the asset until such time that the asset is ready for its intended use.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. However, significant part(s) of an item of PPE having same useful life and depreciation method are grouped together in determining the depreciation charge.

Costs of the day-to-day servicing described as 'repairs and maintenance' are recognised in the statement of profit and loss in the period in which the same are incurred.

Subsequent cost of replacing parts which are significant in relation to the total cost of an item of property, plant and equipment are recognised in the carrying amount of the item, if it is probable that future economic benefits associated with the item will flow to the company; and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised in accordance with the de-recognition policy mentioned below.

When major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if it is probable that future economic benefits associated with the item will flow to the company; and the cost of the item can be measured reliably. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

An item of Property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected from the continuing use of assets. Any gain or loss arising on such derecognition of an item of property plant and equipment is recognised in profit and Loss. Depreciation on property, plant and equipment, except freehold land, is provided as per cost model on straight line basis over the estimated useful lives of the asset as follows:

Other Land		
(incl. Leasehold Land)	:	Life of the project or lease term whichever is lower
Building	:	30 Years
Roads	:	3-10 years
Telecommunication	:	3-9 years
Railway Sidings	:	15 years
Plant and Equipment	:	5-30 years
Computers and Laptops	:	3 Years
Office equipment	:	3-6 years
Furniture and Fixtures	:	10 years
Vehicles	:	8-10 years

Based on technical evaluation, the management believes that the useful lives given above best represent the period over which the management expects to use the asset. Hence the useful lives of the assets may be different from the useful lives as prescribed under Part C of schedule II of the companies act, 2013.

The estimated useful life of the assets is reviewed at the end of each financial year.

The residual value of Property, plant and equipment for depreciation purpose is considered as 5% of the original cost of the asset.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

Assets costing up to ` 5000/- are fully depreciated in the year in which they are put to use.

Depreciation on capital spares is provided over the useful life of the spare or remaining useful life of the mother asset, as reassessed, whichever is lower.

Assets that are fully depreciated assets, and retired from active use are disclosed separately as surveyed off assets at its residual value under Property, Plant Equipment and are tested for impairment.

Capital Expenses incurred by the company on the construction/development of certain assets which are essential for production, supply of goods or for the access to any existing Assets of the company are recognised as Enabling Assets under Property, Plant and Equipment.

#### Transition to Ind AS

The company elected to continue with the carrying value as per cost model (for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP.

### 2.11 Development Expenditure

All project-related expenditure viz. civil works, machinery under erection, construction and erection materials, pre-operative expenditure, expenditure directly related to the project and incidental to setting up project facilities such as Borrowing cost, Financing Charges and other Consultancy Fees incurred prior to the date of commencement of commercial operation, trial run expenditure and Salary, Perks, Allowances paid to the Employees etc. are shown under Intangible Assets Under Developments. These expenses are net of recoveries and income (net of tax) from project specific funds.

The Expenditure incurred in connection with the conduction of Board Meetings, Annual General Meeting, Extra-ordinary General Meeting and any other Committee Meeting, Audit Fees and Expenses, Consultancy Fees paid to the Consultants in relation to Secretarial, Taxation and other matters and its related Expenses, Filing Fees with MCA and other Statutory Authorities, Training and Seminar Expenses for the employees, Routine Office Repair and Maintenance, Purchase of Books, Periodicals & Journals and Stationaries, Printing of Annual Report, and other routine office expenditures are charged to Statement of Profit and Loss.

### 2.12 Commercial Operation

The project is brought to revenue; when commercial readiness of a project to yield revenue on a sustainable basis is established on the basis of Certification by Commissioner of Railway Safety (CRS) as per the Concession Agreement or by any other Authority as per rules and regulations of MoR/SECR for the project including stage-wise certification, if any.

On being brought to revenue, the assets under Intangible Assets under Development are reclassified as a component of Intangible Asset under the nomenclature "Rail Corridor". Rail Corridor are amortised from the year when the Rail Corridor is brought under revenue on the basis of available Concession Period as per the Concession Agreement.

### 2.13 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Cost includes any directly attributable expenses necessary to make the assets ready for its intended use. After initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Interest on Borrowings utilized to finance the construction of qualifying assets are capitalised as part of cost of the asset until such time that the asset is ready for its intended use.

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the Company and the cost of the item can be measured reliably.

An item of Intangible asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Internally generated intangibles, excluding capitalised development costs, are not capitalised. Instead, the related expenditure is recognised in the statement of profit and loss and other comprehensive income in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

An intangible asset with an indefinite useful life is not amortised but is tested for impairment at each reporting date.

Exploration and Evaluation assets attributable to blocks identified for sale or proposed to be sold to outside agencies are however, classified as Intangible Assets and tested for impairment.

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

However, Amortization of the Assets which are directly or indirectly related to the Project are being recognised in the Intangible Assets under Development.

Expenses incurred by the company on certain activities which are essential for construction, operation and maintenance of the Rail System of the company are recognized as Rail Corridor under Construction till Commercial Operation Date (CoD). After CoD, including Stage wise CoD the assets are classified as Rail Corridor and amortized based on the available Concession Period as per Concession Agreement.

The Concession period is of 30 years from the Appointed Period.

#### **2.14 Impairment of Assets (other than financial assets)**

The company assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the Statement of Profit and Loss.

#### **2.16 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### **2.16.1 Financial assets**

**2.16.1 Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

**2.16.2 Subsequent measurement**

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

**2.16.2.1 Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

**2.16.2.2 Debt instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**2.16.2.3 Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

**2.16.2.4 Other Equity Investment**

All other equity investments in scope of Ind AS 109 are measured at fair value through profit or loss.

The company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

All fair value changes of an equity instrument classified at FVTOCI, are recognized in OCI. There is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. Dividends from such investments are recognised in the Statement of Profit and Loss as “other income” when the Company’s right to receive payments is established.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

**2.16.2.5 Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the Company’s continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

**2.16.2.6 Impairment of financial assets (other than fair value)**

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt, securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 116
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The company follows ‘simplified approach’ for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

### **2.16.3 Financial liabilities**

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### **2.16.3.2 Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

#### **2.16.3.3 Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

#### **2.16.3.4 Financial liabilities at amortised cost**

After initial recognition, these are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss.

#### **2.16.3.5 Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

#### 2.16.4 Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

#### 2.16.5 Offsetting of financial instruments

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

#### 2.16.6 Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

- (a) Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2: inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.

- (c) Level 3: inputs for the asset or liability which are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

### 2.16.7 Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

### 2.17 Borrowing Costs

Borrowing costs are expensed as incurred except where they are directly attributable to the acquisition, construction or production of qualifying assets i.e., the assets that necessarily takes substantial period of time to get ready for intended use, in which case they are capitalised as part of the cost of related asset up to the date when the qualifying asset is ready for its intended use.

The Company considers a period of twelve months or more as a substantial period of time.

Transaction costs in respect of long-term borrowings are amortised over the tenor of respective loans using effective interest method and included within borrowing costs. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which these are incurred.

### 2.18 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. Taxable profit differs from "profit before income tax" as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Unrecognised deferred tax assets are reassessed at the end of each reporting year and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

## **2.19 Employee Benefits**

### **2.19.1 Short-term Benefits**

Short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service.

All short term employee benefits are recognized in the period in which they are incurred.

### **2.19.2 Post-employment benefits and other long term employee benefits**

#### **2.19.2.1 Defined contributions plans**

A defined contribution plan is a post-employment benefit plan for Provident fund and Pension under which the company pays fixed contribution into fund maintained by a separate statutory body constituted under an enactment of law and the company will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which services are rendered by employees.

#### **2.19.2.2 Defined benefits plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return of their service in the current and prior periods. The benefit is discounted to determine its present value and reduced by the fair value of plan assets, if any. The discount rate is based on the prevailing market yields of Indian Government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The application of actuarial valuation involves making assumptions about the discount rate, expected rates of return on assets, future salary increases, mortality rates etc. Due to the long-term nature of these plans, such estimates are subject to uncertainties. The calculation is performed at each balance sheet by an actuary using the projected unit credit method. When the calculation results in the benefit to the Company, the recognised asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reduction in future contributions to the plan. An economic benefit is available to the Company if it is realisable during the life of the plan, or on settlement of plan liabilities.

Re-measurement of the net defined benefit liability, which comprises actuarial gain and losses considering the return on plan assets (excluding interest) and the effects of the assets ceiling (if any, excluding interest) are recognised immediately in the other comprehensive income. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss.

When the benefits of the plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense immediately in the statement of profit and loss.

### 2.19.3 Other Employee benefits

Other long-term employee benefits are all employee benefits other than short-term employee benefits, post-employment benefits and termination benefits.

Other long-term employee benefits include items which are not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service.

For other long-term employee benefits, net total of the following amounts is recognized in the statement of profit or loss:

- (a) Service cost
- (b) Net interest on the net defined benefit liability (asset)
- (c) Re-measurements of the net defined benefit liability (asset)

As per Clause 16 (b) of MoU dated 03.11.2012, expenses related to Salary, TA/DA etc. are accounted for in the books of the Company based on the Debit Notes received from SECL & IRCON for the employees deputed from the respective parent companies. The employees are deputed by parent companies to CEWRL for short term until the project come into operation and future payment of retirement benefits viz., Provident Fund, Gratuity etc., would be the liability of parent companies and its provision are subject to compliance by respective deputing companies as per the provisions of IND AS-19.

### 2.20 Foreign Currency

Transactions in foreign currencies are converted into the reported currency of the company using the exchange rate prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies outstanding at the end of the reporting period are translated at the exchange rates prevailing as at the end of reporting period. Exchange differences arising on the settlement of monetary assets and liabilities or on translating monetary assets and liabilities at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in statement of profit and loss in the period in which they arise.

Non-monetary items denominated in foreign currency are valued at the exchange rates prevailing on the date of transactions.

**2.21 Stores, Spares, and Other Inventories**

The Stock of stores and spares including other inventories are valued at cost calculated on the basis of the weighted average method.

Provisions are made at the rate of 100% for unserviceable, damaged and obsolete stores and spares and at the rate of 50% for stores & spares not moved for 5 years.

**2.22 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the company, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent assets are possible assets that arise from past events and whose existence 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. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of the judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

**2.23 Earnings per share**

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**2.24 Judgements, Estimates and Assumptions**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and the amount of revenue and expenses during the reported period. Application of accounting policies involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements.

**2.24.1 Judgements**

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

**2.24.1.1 Formulation of Accounting Policies**

Accounting policies are formulated in a manner that results in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

In the absence of an Ind AS that specifically applies to a transaction, other event or condition, management has used its judgment in developing and applying an accounting policy that results in information that is:

- a) relevant to the economic decision-making needs of users and
- b) reliable in that financial statements: and
  - (i) represent faithfully the financial position, financial performance and cash flows of the Company;
  - (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form; (iii) are neutral, i.e., free from bias; (iv) are prudent; and (v) are complete in all material respects on a consistent basis

In making the judgment management refers to, and considers the applicability of, the following sources in descending order:

- (a) the requirements in Ind ASs dealing with similar and related issues; and
- (b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.

In making the judgment, management considers the most recent pronouncements of the International Accounting Standards Board and in the absence thereof those of the other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature, and accepted industry practices, to the extent that these do not conflict with the Indian accounting Standard and accounting policies and practices as stated in above paragraph.

In the absence of specific accounting literature, guidance and standards in certain specific areas which are in the process of evolution, the Company continues to strive to develop accounting policies in line with the development of accounting literature and any development therein shall be accounted for prospectively as per the procedure laid down above more, particularly in Ind AS 8.

**2.24.1.2 Materiality**

Ind AS applies to items which are material. Management uses judgement in deciding whether individual items or groups of item are material in the financial statements. Materiality is judged by reference to the nature or magnitude or both of the items. The deciding factor is whether omitting or misstating or obscuring an information could individually or in combination with other information influence decisions that primary users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. Further, the Company may also be required to present separately immaterial items when required by law.

With effect from 01.04.2019 Errors/omissions discovered in the current year relating to prior periods are treated as immaterial and adjusted during the current year, if all such errors and omissions in aggregate does not exceed 1% of total revenue from Operation (net of statutory levies) as per the last audited financial statement of the company.

**2.24.1.3 Operating lease**

Company has entered into lease agreements. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

**2.24.2 Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Company financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The estimates, judgements and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

The application of accounting policies that require critical judgements and accounting estimates involving complex and subjective judgements and the use of assumptions in these standalone financial statements have been disclosed here in below:

**2.24.2.1 Impairment of non-financial assets**

There is an indication of impairment if, the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Company considers the consolidated rail corridor network as cash generating unit for the purpose of test of impairment. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed and further explained in respective notes.

**2.24.2.2 Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**2.24.2.3 Defined benefit plans**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables of the country. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate.

**2.24.2.4 Intangible asset under development**

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed usually when a project report is formulated and approved.

**BALANCE SHEET**

As at 31st MARCH 2024

(₹ in Lakh)

Sl. No.	Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
	<b>ASSETS</b>			
<b>(1)</b>	<b>Non-Current Assets</b>			
	(a) Property, Plant & Equipments	3	654.75	763.50
	(b) Capital work in progress	-	-	-
	(c) Exploration and Evaluation Assets	-	-	-
	(d) Intangible assets	4	2,21,472.67	2,24,223.31
	(e) Intangible assets under development	4.1	56,894.71	43,760.26
	(f) Investment Property			
	(g) Financial Assets			
	(i) Investments	-	-	-
	(ii) Loans	5	4,803.59	4,481.91
	(iii) Other Financial Assets	6	507.53	507.53
	(h) Deferred tax assets (net)		36,071.58	20,483.61
	(i) Other non-current assets (net)	7	32,005.79	29,399.80
	Total Non-Current Assets (A)		3,52,410.62	3,23,619.92
<b>(2)</b>	<b>Current Assets</b>			
	(a) Inventories	-	-	-
	(b) Financial Assets			
	(i) Investments	-	-	-
	(ii) Trade Receivables	8	1,150.40	1,208.50
	(iii) Cash & Cash equivalents	9	3,166.69	17,240.51
	(iv) Other Bank balances other than (iii) above	-	-	-
	(v) Loans	-	-	-
	(vi) Other Financial Assets	6	232.51	329.05
	(c) Current Tax Assets (Net)	-	-	-
	(d) Other Current Assets	10	874.87	1,124.14
	<b>Total Current Assets (B)</b>		<b>5,424.47</b>	<b>19,902.20</b>
	<b>Total Assets (A + B)</b>		<b>3,57,835.09</b>	<b>3,43,522.12</b>
	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity Share Capital	11	78,157.81	78,157.81
	(b) Other Equity	12	(8,694.42)	(3,052.46)
	<b>Equity attributable to equityholders of the company</b>		<b>69,463.39</b>	<b>75,105.35</b>
	<b>Share Application Money Pending Allotment</b>	<b>11</b>	<b>-</b>	<b>-</b>
	Non-Controlling Interests	-	-	-
	<b>Total Equity (A)</b>		<b>69,463.39</b>	<b>75,105.35</b>

**BALANCE SHEET**

As at 31st MARCH 2024

(₹ in Lakh)

Sl. No.	Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
<b>(1)</b>	<b>Non-Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	13	2,65,508.73	2,54,118.60
	(ia) Lease Liabilities			
	(ii) Trade payables			
	(iii) Other financial liabilities	14	1,749.12	1,852.88
	(b) Provisions		-	
	(c) Other non-current liabilities		-	
	(d) Deferred Tax liabilities (net)		-	-
	<b>Total Non-Current Liabilities (B)</b>		<b>2,67,257.85</b>	<b>2,55,971.48</b>
<b>(2)</b>	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	13	-	-
	(ia) Lease Liabilities			
	(ii) Trade payables		-	-
	Total outstanding dues of creditors of MSME			
	Total outstanding dues of Creditors other than MSME	15	4,969.56	2,835.70
	(iii) Other Financial Liabilities	14	-	-
	(b) Other Current Liabilities	16	16,144.29	9,609.60
	(c) Provisions			-
	(d) Current tax liabilities (net)			
	<b>Total Current Liabilities ©</b>		<b>21,113.85</b>	<b>12,445.30</b>
	<b>Total Equity and Liabilities (A+B+C)</b>		<b>3,57,835.09</b>	<b>3,43,522.12</b>

The Accompanying Notes form an integral part of the Financial Statements.

**(ANAND A. JOSEPH)**  
COMPANY SECRETARY**(PRIYANKA K. TANNA)**  
CHIEF FINANCIAL OFFICER**(RAVI VALLURI)**  
CHIEF EXECUTIVE OFFICER**(S.N. KAPRI)**  
DIRECTOR  
DIN No - 10048103**(G. SRINIVASAN)**  
DIRECTOR  
DIN No - 09730659**For, SINGHAL & SEWAK**  
Chartered Accountants  
ICAI FRN No. 011501C**(CA R.K. PRADHAN)**  
Partner  
Membership No. 420169DATE: 17.04.2024  
PLACE : RAIPUR

UDIN : .....

## STATEMENT OF PROFIT & LOSS

### FOR THE YEAR ENDED ON 31ST MARCH 2024

(₹ in Lakh)

Sl.No.	Particulars	Note No.	For the year Ended 31.03.2024	For the Year Ended 31.03.2023
	<b>Revenue from Operations</b>			
A	User Fee	17	5,116.96	6,218.46
B	Other Operating Revenue (Net)		-	-
<b>(I)</b>	<b>Revenue from Operations (A+B)</b>		<b>5,116.96</b>	<b>6,218.46</b>
(II)	Other Income	18	318.33	316.92
<b>(III)</b>	<b>Total Income (I+II)</b>		<b>5,435.29</b>	<b>6,535.38</b>
<b>(IV)</b>	<b>EXPENSES</b>			
	Cost of Materials Consumed		-	-
	Changes in inventories of finished goods/work in progress and Stock in trade		-	-
	Employee Benefits Expense	19	107.70	104.43
	Contractual Expense	20	3,356.88	2,474.37
	Finance Costs	21	16,738.84	11,661.08
	Depreciation/Amortization/ Impairment expense	3,4	8,859.66	13,508.69
	Other Expenses	22	1,447.97	1,496.11
	<b>Total Expenses (IV)</b>		<b>30,511.05</b>	<b>29,244.68</b>
<b>(V)</b>	<b>Profit before exceptional items and Tax (III-IV)</b>		<b>(25,075.76)</b>	<b>(22,709.32)</b>
(VI)	Exceptional Items		-	-
<b>(VII)</b>	<b>Profit before Tax (V-VI)</b>		<b>(25,075.76)</b>	<b>(22,709.32)</b>
(VIII)	Tax expense			
	Current Tax		-	-
	Deferred Tax	23	(15,587.96)	(10,850.56)
<b>(IX)</b>	<b>Profit for the year from continuing operations (VII-VIII)</b>		<b>(9,487.80)</b>	<b>(11,858.76)</b>
(X)	Profit/(Loss) from discontinued operations		-	-
(XI)	Tax exp of discontinued operations		-	-
(XII)	Profit/(Loss) from discontinued operations (after Tax) (X-XI)		-	-
(XIII)	Share in JV's/Associate's profit/(loss)		-	-
<b>(XIV)</b>	<b>Profit for the Year (IX+XII+XIII)</b>		<b>(9,487.80)</b>	<b>(11,858.76)</b>
	<b>Other Comprehensive Income</b>		-	-
	A (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-

## STATEMENT OF PROFIT & LOSS

### FOR THE YEAR ENDED ON 31ST MARCH 2023

(₹ in Lakh)

Sl.No.	Particulars	Note No.	For the year Ended 31.03.2024	For the Year Ended 31.03.2023
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>(XV)</b>	<b>Total Other Comprehensive Income</b>		-	-
<b>(XVI)</b>	<b>Total Comprehensive Income for the year (XIV + XV)</b>			
	<b>(Comprising Profit (Loss) and Other Comprehensive Income for the year)</b>		<b>(9,487.80)</b>	<b>(11,858.76)</b>
	<b>Profit attributable to:</b>			
	Owners of the company		-	-
	Non-controlling interest		-	-
	<b>Other Comprehensive Income attributable to:</b>			
	Owners of the company		-	-
	Non-controlling interest		-	-
	<b>Total Comprehensive Income attributable to:</b>			
	Owners of the company		-	-
	Non-controlling interest		-	-
<b>(XVII)</b>	<b>Earnings per equity share (for continuing operation):</b>			
	(1) Basic		(1.21)	(1.53)
	(2) Diluted		(1.21)	(1.53)
<b>(XVIII)</b>	<b>Earnings per equity share (for discontinued operation):</b>			
	(1) Basic		-	-
	(2) Diluted		-	-
<b>(XIX)</b>	<b>Earnings per equity share (for discontinued &amp; continuing operation):</b>			
	(1) Basic		(1.21)	(1.53)
	(2) Diluted		(1.21)	(1.53)

**(ANAND A. JOSEPH)**  
COMPANY SECRETARY

**(PRIYANKA K. TANNA)**  
CHIEF FINANCIAL OFFICER

**(RAVI VALLURI)**  
CHIEF EXECUTIVE OFFICER

**(S.N. KAPRI)**  
DIRECTOR  
DIN No - 10048103

**(G. SRINIVASAN)**  
DIRECTOR  
DIN No - 09730659

**For, SINGHAL & SEWAK**  
Chartered Accountants  
ICAI FRN No. 011501C

**(CA R.K. PRADHAN)**  
Partner  
Membership No. 420169

DATE: 17.04.2024  
PLACE : BILASPUR

UDIN : .....

**CASH FLOW STATEMENT (INDIRECT METHOD)**

(₹ in Lakh)

Particulars		For the Year End. 31.03.2024	For the Year End. 31.03.2023
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Total Comprehensive Income before tax		(25,075.76)	(22,709.32)
Adjustments for :			
Exchange fluctuation loss on long term borrowing		-	-
Depreciation of Fixed Assets and Amortisation of Intangible Assets		8,859.66	13,508.69
Finance cost related to financing activity		16,738.84	11,661.08
Interest / Dividend from investments		-	-
Profit / Loss on sale of Fixed Assets		-	-
Provisions made & write off during the year		-	-
<b>Operating Profit before Current/Non Current Assets and Liabilities</b>		<b>522.74</b>	<b>2,460.45</b>
<b>Adjustment for :</b>			
Trade Receivables		(58.10)	(449.17)
Inventories		-	-
Short/Long Term Loans/Advances & Other Current Assets		2,581.86	(203.46)
Short/Long Term Liabilities and Provisions		8,564.79	(558.21)
<b>Cash Generated from Operation</b>		<b>6,563.77</b>	<b>2,554.88</b>
Income Tax Paid/Refund		-	-
<b>Net Cash Flow from Operating Activities</b>	<b>( A )</b>	<b>6,563.77</b>	<b>2,554.88</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets & Intangible Assets		(6,000.27)	(58,791.53)
Right of Use Asset		-	-
Investment in Bank Deposit		-	-
Intangible Assets under Development		(13,134.45)	38,245.25
Change in investments		-	-
Investment in joint venture		-	-
Interest pertaining to Investing Activities		-	-
Interest / Dividend from investments		-	-
<b>Net Cash from Investing Activities</b>	<b>( B )</b>	<b>(19,134.72)</b>	<b>(20,546.28)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Issue of Equity Share Capital		-	884.98
Share Application Money Pending Allotment		-	-
Repayment of Borrowings		-	-
Long Term Borrowings		13,739.00	27,600.11
Interest & Finance cost pertaining to Financing Activities		(15,241.87)	(11,661.09)

(₹ in Lakh)

Particulars		For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Receipt of Shifting & Rehabilitation Fund			-
Dividend & Dividend Tax		-	-
Buyback of Equity Share Capital		-	-
<b>Net Cash used in Financing Activities</b>	<b>( C )</b>	<b>(1,502.87)</b>	<b>16,824.00</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>(14,073.82)</b>	<b>(1,167.39)</b>
<b>Cash &amp; Cash Equivalents (opening balance)</b>		<b>17,240.51</b>	<b>18,407.92</b>
<b>Cash &amp; Cash Equivalents (closing balance)</b>		<b>3,166.69</b>	<b>17,240.51</b>
(All figures in bracket represent outflow.)			
<b>Components of Cash and Cash Equivalents</b>		<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
(a) Balances with Banks			
- in Deposit Accounts		-	-
- in Current Accounts		3,166.69	17,240.51
<b>Total</b> (Refer note 9 for components of Cash and Cash Equivalents)		<b>3,166.69</b>	<b>17,240.51</b>

**1. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:**

**For the Year Ended 31 March 2024**

Particulars	Non-current Borrowings	Current Borrowings
Opening balance as at 1 April 2023	2,54,118.60	-
Cash flows during the year	5,419.00	-
Non-cash changes due to:		
Acquisitions under finance lease	-	-
Interest on borrowings	5,971.13	-
Variation in exchange rates	-	-
Transaction costs on borrowings	-	-
Closing balance as at 31 March 2024	2,65,508.73	-

**For the year ended 31 March 2022**

Particulars	Non-current Borrowings	Current Borrowings
Opening balance as at 1 April 2022	2,26,518.47	-
Cash flows during the year	27,444.65	-
Non-cash changes due to:		
Acquisitions under finance lease	-	-
Interest on borrowings	155.48	-
Variation in exchange rates	-	-
Transaction costs on borrowings	-	-
<b>Closing balance as at 31 March 2023</b>	<b>2,54,118.60</b>	<b>-</b>

2. The above statement of cash flow is prepared in accordance with the Indirect Method prescribed in Ind AS 7 - 'Statement of Cash flows.'

The Accompanying Notes No. 3 to 16 form an integral part of the Financial Statements.

**(ANAND A. JOSEPH)**  
COMPANY SECRETARY

**(PRIYANKA K. TANNA)**  
CHIEF FINANCIAL OFFICER

**(RAVI VALLURI)**  
CHIEF EXECUTIVE OFFICER

**(S.N. KAPRI)**  
DIRECTOR  
DIN No - 10048103

**(G. SRINIVASAN)**  
DIRECTOR  
DIN No - 09730659

**For, SINGHAL & SEWAK**  
Chartered Accountants  
ICAI FRN No. 011501C

DATE: 17.04.2024  
PLACE : BILASPUR

**(CA R.K. PRADHAN)**  
Partner  
Membership No. 420169

**UDIN : .....**

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2024

### A. EQUITY SHARE CAPITAL

(₹ in Lakh)

Particulars	Balance As at 01.04.2023	Changes In Equity Share Capital due to Prior Period Errors	Restated Balance As at 01.04.2023	Changes In Equity Share Capital During The Year	Balance as at 31.03.2024
Equity Share Capital	78,157.81	0.00	78,157.81	0.00	78,157.81

Particulars	Balance As at 01.04.2022	Changes In Equity Share Capital due to Prior Period Errors	Restated Balance As at 01.04.2022	Changes In Equity Share Capital During The Year	Balance as at 31.03.2023
Equity Share Capital	77,272.83	0.00	77,272.83	884.98	78,157.81

### B. OTHER EQUITY

(₹ in Lakh)

Particulars	Other Reserve		General Reserve	Other Reserve		Total of Other Equity attributable to Equity holders
	Capital Reserve	Capital Redemption Reserve		Profit after Tax	Other Comprehensive Income	
<b>Balance as at 01.04.2023</b>	<b>4,116.89</b>	-	-	<b>(7,169.35)</b>	-	<b>(3,052.46)</b>
Additions during the Year	3,845.84	-	-	-	-	3,845.84
Adjustments during the Year	-	-	-	-	-	-
Profit for the Year				(9,487.80)		(9,487.80)
<b>Appropriations</b>						
Interim Dividend						
Final Dividend						
Dividend tax						
<b>Balance as at 31.03.2024</b>	<b>7,962.73</b>	-	-	<b>(16,657.15)</b>	-	<b>(8,694.42)</b>
Particulars	Other Reserve		General Reserve	Other Reserve		Total of Other Equity attributable to Equity holders
	Capital Reserve	Capital Redemption Reserve		Profit after Tax	Other Comprehensive Income	
Balance as at 01.04.2022	4,116.89	-	-	4,689.41	-	4,689.41
Additions during the Year		-	-	-	-	-
Adjustments during the Year	-	-	-	-	-	-
Profit for the Year				(11,858.76)		(11,858.76)
<b>Appropriations</b>						
Interim Dividend						
Final Dividend						
Dividend tax						
<b>Balance as at 31.03.2023</b>	<b>4,116.89</b>	-	-	<b>(7,169.35)</b>	-	<b>(3,052.46)</b>

## NOTES TO THE ACCOUNTS

### NOTE - 03 Property Plant and Equipment

(₹ in Lakh)

PARTICULARS	Building	Plant and Equipments	Furniture and Fixtures	Surveyed Off Assests	Total
<b>Carrying Amount</b>					
As at 1 April 2022	121.90	1,081.17	35.26	0.22	1,238.55
Additions during the Year	-	-	1.86	-	1.86
Deletions/Adjustments	-	-	-	-	-
<b>As at 31 March 2023</b>	<b>121.90</b>	<b>1,081.17</b>	<b>37.12</b>	<b>0.22</b>	<b>1,240.41</b>
As at 1 April 2023	121.90	1,081.17	37.12	0.22	1,240.41
Additions during the Year	-	-	2.31	-	2.31
Deletions/Adjustments	-	-	-	-	-
<b>As at 31 March 2024</b>	<b>121.90</b>	<b>1,081.17</b>	<b>39.43</b>	<b>0.22</b>	<b>1,242.72</b>
<b>Accumulated Depreciation</b>					
As at 1 April 2022	23.84	314.77	21.75	-	360.36
Charge for the Year	4.40	108.12	4.03	-	116.55
Deletions/Adjustments	-	-	-	-	-
<b>As at 31 March 2023</b>	<b>28.24</b>	<b>422.89</b>	<b>25.78</b>	<b>-</b>	<b>476.91</b>
As at 1 April 2023	28.24	422.89	25.78	-	476.91
Charge for the Year	4.40	102.71	3.95	-	111.06
Deletions/Adjustments	-	-	-	-	0.00
<b>As at 31 March 2024</b>	<b>32.64</b>	<b>525.60</b>	<b>29.73</b>	<b>-</b>	<b>587.97</b>
<b>Accumulated Impairment</b>					
As at 1 April 2022	-	-	-	-	-
Charge for the Year	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-
<b>As at 31 March 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
As at 1 April 2023	-	-	-	-	-
Charge for the Year	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-
<b>As at 31 March 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Carrying Amount</b>					
As at 31 March 2024	89.26	555.57	9.70	0.22	654.75
As at 31 March 2023	93.66	658.28	11.34	0.22	763.50

#### Notes : Building

1) Title deeds of Immovable Properties not held in name of the Company

## NOTES TO THE ACCOUNTS

Description of item of property	Gross carrying value	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
NIL				

**Notes:**

- \* The Registered office of the Company is held in the name of CERL and is shared jointly with CEWRL. There are no properties whose title deeds are not held in the name of the Company.
  
- (2) The Company has entered into the Conveyance Deed on Outright Purchase Basis with CSIDCL for Office Building on 24.07.2014 for the period of 30 years. The Cost of the Office Building is being shared jointly with Chhattisgarh East-West Railway Limited on 'Equal Cost Sharing Basis' vide Minutes of the 1st & 4th Meeting of the Board of Directors of the Company dated 05.04.2013 and 06.01.2014 respectively. Therefore, the amortisation of the building has been done taking into consideration the useful life of 30 years. The Lease Period of office Building is subject to renewal after the expiry of lease term.

## NOTES TO THE ACCOUNTS

### NOTE - 04 Intangible Assets

(₹ in Lakh)

PARTICULARS	Rail Corridor	Computer Software	Others	Total
<b>Carrying Amount</b>				
As at 1 April 2022	1,79,223.09	-	1.16	1,79,224.25
Additions during the year	58,789.67	-	-	58,789.67
Deletions/Adjustments		-	-	-
<b>As at 31 March 2023</b>	<b>2,38,012.76</b>	<b>-</b>	<b>1.16</b>	<b>2,38,013.92</b>
As at 1 April 2023	2,38,012.76	-	1.16	2,38,013.92
Additions during the year	5,955.25	-	42.71	5,997.96
Deletions/Adjustments	-	-	-	-
<b>As at 31 March 2024</b>	<b>2,43,968.01</b>	<b>-</b>	<b>43.87</b>	<b>2,44,011.88</b>
<b>Accumulated Amortisation</b>				
As at 1 April 2022	397.37	-	1.10	398.47
Charge for the year	13,392.14	-	-	13,392.14
Deletions/Adjustments	-	-	-	-
<b>As at 31 March 2023</b>	<b>13,789.51</b>	<b>-</b>	<b>1.10</b>	<b>13,790.61</b>
As at 1 April 2023	13,789.51	-	1.10	13,790.61
Charge for the year	8,735.07	-	13.53	8,748.60
Deletions/Adjustments	-	-	-	-
<b>As at 31 March 2024</b>	<b>22,524.58</b>	<b>-</b>	<b>14.63</b>	<b>22,539.21</b>
<b>Accumulated Impairment</b>				
As at 1 April 2022	-	-	-	-
Charge for the year	-	-	-	-
Deletions/Adjustments	-	-	-	-
<b>As at 31 March 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
As at 1 April 2023	-	-	-	-
Charge for the year	-	-	-	-
Deletions/Adjustments	-	-	-	-
<b>As at 31 March 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Carrying Amount</b>				
As at 31 March 2024	2,21,443.43	-	29.24	2,21,472.67
As at 31 March 2023	2,24,223.25	-	0.06	2,24,223.31

## NOTE - 04.1 Intangible Assets Under Development

(₹ in Lakh)

Particulars	Intangible Assets Under Development					Total
	Customized Automated Access in FOIS	Development Revenue Expenses	Construction Work	Consultancy Charges	Financing & Other Charges	
<b>Carrying Amount</b>						
As at 1 April 2022	-	39,825.24	34,064.32	7,093.81	1,022.14	82,005.51
Additions during the Year	42.71	39,825.23	15,276.90	1,071.28	845.21	57,061.33
Capitalisation/Deletions	-	(48,213.92)	(43,927.96)	(2,142.56)	(1,022.14)	-95,306.57
<b>As at 31 March 2023</b>	<b>42.71</b>	<b>31,436.55</b>	<b>5,413.26</b>	<b>6,022.53</b>	<b>845.21</b>	<b>43,760.26</b>
As at 1 April 2023	42.71	31,436.55	5,413.26	6,022.53	845.21	43,760.26
Additions during the Year		13,637.12	5,414.91	9.04	71.33	19,132.41
Capitalisation/Deletions	-42.71	(3,586.24)	(2,369.01)	-	-	-5,997.96
<b>As at 31 March 2024</b>	<b>-</b>	<b>41,487.43</b>	<b>8,459.16</b>	<b>6,031.57</b>	<b>916.54</b>	<b>56,894.71</b>

Particulars	Intangible Assets Under Development					Total
	Development Revenue Expenses	Construction Work	Consultancy Charges	Financing & Other Charges		
<b>Accumulated Impairment</b>						
As at 1 April 2022	-	-	-	-	-	
Charge for the Year	-	-	-	-	-	
Deletions/Adjustments	-	-	-	-	-	
<b>As at 31 March 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
As at 1 April 2023	-	-	-	-	-	
Charge for the Year	-	-	-	-	-	
Deletions/Adjustments	-	-	-	-	-	
<b>As at 31 March 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

**Notes :**

- 1) The Company is undertaking the Construction of East Rail Corridor Project in 2 phases i.e., from Kharsia to Dharamjaigarh including Spur Line and three feeder lines (Phase-I Project) and Phase-II Project from Dharamjaigarh to Uрга. For Development of Rail Corridor, the Company has executed the Project Execution Agreement with IRCON International Limited. IRCON has been entrusted to carry out Land Acquisition, Preparation of Feasibility Report and Detailed Project Report and construction work as per the parameters of Project Execution Agreement.
- 2) The revenue expenses amounting to ₹ 41,487.43 Lakhs are attributable to the Project Cost and accordingly has been capitalized as per the applicable Indian Accounting Standard (IND AS) and has been shown under Capital Work in Progress. The breakup of the Capital Work in Progress (Cumulative and Project Wise) has been given under :

## PHASE-I &amp; II PROJECT

(₹ in Lakh)

Particulars	Balance as on 01.04.2023	Addition during the Period	Capitalization/Charged to PL	Balance as on 31.03.2024
Salary and Wages	241.33	168.10	122.81	286.62
Travelling Expenses	21.29	11.33	8.22	24.41
Rent, Taxes and Office Maintenance Expenses	20.02	14.62	12.22	22.42
Depreciation and Amortization	55.17	0.00	0.47	54.70
Other Expenditure	138.35	77.28	30.88	184.74
Interest	20,166.28	22,543.92	19,486.52	23,223.67
Provision For Income Tax	62.73	0.00	0.54	62.19
Deferred Fair Value Loss - IND AS	11,037.00	7,164.47	32.40	18,169.07
Sub-Total	31,742.17	29,979.72	19,694.08	42,027.82
Less: Interest Income - Bank	305.62	1,076.12	841.35	540.39
<b>Total</b>	<b>31,436.55</b>	<b>28,903.60</b>	<b>18,852.72</b>	<b>41,487.43</b>

## PHASE-I PROJECT

(₹ in Lakh)

Particulars	Balance as on 01.04.2023	Addition during the Period	Capitalization/Charged to PL	Balance as on 31.03.2024
Salary, wages and Contribution to PF	241.33	168.10	122.81	286.62
Travelling Expenses	20.26	11.33	8.22	23.37
Rent, Taxes and Office Maintenance Expenses	20.02	14.62	12.22	22.42
Depreciation and Amortization	55.17	0.00	0.47	54.70
Other Expenditure	129.53	46.66	10.52	165.67
Interest	20,066.58	22,392.96	19,486.52	22,973.01
Provision For Income Tax	62.73	0.00	0.54	62.19
Deferred Fair Value Loss - IND AS	0.00	0.00	0.00	0.00
<b>Sub-Total</b>	<b>20,595.62</b>	<b>22,633.68</b>	<b>19,641.31</b>	<b>23,587.99</b>
Less: Interest Income - Bank	0.00	736.94	736.94	0.00
<b>Total</b>	<b>20,595.62</b>	<b>21,896.74</b>	<b>18,904.37</b>	<b>23,587.99</b>

## PHASE-II PROJECT

(₹ in Lakh)

Particulars	Balance as on 01.04.2023	Addition during the Period	Capitalization/Charged to PL	Balance as on 31.03.2024
Salary, wages and Contribution to PF	-	-	-	-
Other Allowances	-	-	-	-
Travelling Expenses	1.04	0.00	0.00	1.04
Rent, Taxes and Office Maintenance Expenses	-	-	-	0.00
Depreciation and Amortization	-	-	-	0.00
Other Expenditure	8.82	30.61	20.36	19.07
Interest	99.70	150.95	-	250.66
Provision For Income Tax	-	-	-	0.00
Deferred Fair Value Loss - IND AS	11,037.00	7,164.47	32.40	18,169.07
<b>Sub-Total</b>	<b>11,146.55</b>	<b>7,346.04</b>	<b>52.77</b>	<b>18,439.83</b>
Less: Interest Income - Bank	305.62	339.18	104.41	540.39
<b>Total</b>	<b>10,840.93</b>	<b>7,006.86</b>	<b>(51.65)</b>	<b>17,899.44</b>

- 4) An amount of ` 916.54 Lakhs (which is net of total expenditure incurred and amount capitalized as Rail Corridor Under Intangible Assets disclosed in Note-04 due to commission to Rail Line from Kharsia to Dharamjaigarh, Spur Line from Gharghoda to Bhalumuda, Chhal Feeder Line and Baroud Feeder Line) under the Head "Financing and Other Charges" covered under Rail Corridor Under Construction includes expenditure amounting relating to Directional and General Charges paid to Railways as per the terms of the Concession Agreement and payment of Upfront Fee, Leadership Charges and Other Financing Charges as stipulated in Sanction Letters of Banks for availing Rupee Term Loan (RTL) of ` 2443.00 crores by the Company and payment made to Lenders Independent Engineer (LIE), Lenders Insurance Advisor (LIA), Lenders Legal Counsel (LLC) and Security Trustee appointment by Lenders, payment to Owners Legal Counsel (OLC) appointed by the Company in connection with Financing of RTL of ` 2443.00 crores and payment to SBI Capital Markets Limited (Debt-Syndication Agency), Credit Rating Agency. It also includes Directional and General Charges payable to Railways as per the terms of the Concession Agreement for CERL Phase-II Project.

## 5) Intangible Assets under Development

### (a) Ageing schedule for material intangible assets under development

(₹ in Lakh)

Amount in Intangible assets under development for a period of					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Projects in progress:</b>					
Rail Corridor Under Construction	19,132.41	37,762.30	-	-	56,894.71
Customized Automated Access in FOIS	-	-	-	-	-
<b>Projects temporarily suspended :</b>					
Project Name	NIL				
Total					

### (b) Overdue material Intangible Assets under development

To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years
<b>Projects in progress:</b>				
Project Name	NIL			
Total				

- 6) The Indian Bank (Lead Bank) and other Consortium Lenders had sanctioned the approval for declaration of COD in the account on 23.07.2022 taking Chhal Feeder Line authorisation date issued by GM/SECR. Moratorium Period of 2 years has started from 23.07.2022 and the quarterly repayment period will commence from 23.10.2024 and will end of 23.07.2038. The Project Executing Agency i.e. IRCON has worked out the Cost escalation amounting to ` 351.94 crores in consultation with the company and the same has been agreed by the CERL Board and shall be placed before the SECL (Holding Company) for approval. The Promoters have advised the Company to approach the prospective lenders for funding the cost escalation of the Project to the maximum possible extent.

**NOTE - 05 : LOANS**

(₹ in Lakh)

	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
<b>Non-Current</b>		
Other Loans		
Secured considered good		
Unsecured considered good		
Phase-I Project	30,947.51	30,887.25
Phase-II Project	19,516.50	13,076.10
Have Significant increase in credit risk	-	-
Credit impaired	-	-
Less : Provision for doubtful Loans	-	-
	<b>50,464.01</b>	<b>43,963.35</b>
Deferred Fair Value Loss - IND AS		
Phase-I Project	(27,491.35)	(28,444.44)
Phase-II Project	(18,169.07)	(11,037.00)
<b>TOTAL</b>	<b>4,803.59</b>	<b>4,481.91</b>

**Notes : 1) Capital Advances for Phase-I Project towards Land includes :**

SI. No.	Particulars	FY 2023-24	FY 2022-23
1)	Non-Interest bearing refundable advance given to FA & CAO, South East Central Railway (SECR) towards Compensation of Revenue Land as per Clause 7 of MoU dated 03.11.2012.	12,283.28	12,239.80
2)	R&R Compensation to FA & CAO, South East Central Railway (SECR) for Private Land	10,110.00	10,100.00
3)	Expenditure towards Diversion of Forest Land and Govt. Land as per Clause 6 of MoU dated 03.11.2012	8,554.23	8,547.45
	<b>Total</b>	<b>30,947.51</b>	<b>30,887.25</b>

**Notes : 2) Capital Advances for Phase-II Project towards Land includes:**

SI. No.	Particulars	FY 2023-24	FY 2022-23
1)	Non-Interest bearing refundable advance given to FA & CAO, South East Central Railway (SECR) towards Compensation of Revenue Land as per Clause 7 of MoU dated 03.11.2012.	10,017.00	10,017.00
2)	R&R Compensation to FA & CAO, South East Central Railway (SECR) for Private Land	3,050.95	3,050.95
3)	Expenditure towards Diversion of Forest Land and Govt. Land as per Clause 6 of MoU dated 03.11.2012	6,448.55	8.15
	<b>Total</b>	<b>19,516.50</b>	<b>13,076.10</b>

- 3) The Company has entered into the Concession Agreement with SECR on 12.06.2015 and subsequently, Addendum and Corrigendum to the Concession Agreement has been executed on 21.03.2017. The company has been nominated as the Concessionaire for the East Rail Corridor Project. The Concession Agreement stipulates that the land shall be acquired in the name of Ministry of Railways at the cost of the Concessionaire. The cost incurred by the company towards the acquisition of land shall be refunded to the Company upon the termination of the Concession Agreement, i.e., 30 years from the Appointed Date. As per Article 38 of the Concession Agreement, Appointed Date” means the date on which Financial Close is achieved or an earlier date that the Parties may by mutual consent determine, and shall be deemed to be the date of commencement of the Concession Period. Accordingly, 24th November, 2017 has been considered as the appointed date being the date of Financial Closure of CERL Phase-I Project. The DPR of the East Rail Corridor Project has been prepared at a Debt-Equity Ratio of 80:20. The Company has executed the Financing Documents in connection with availment of Rupee Term Loan (RTL) of ` 2443.00 Crores from Consortium of Banks led by Indian Bank on 24.11.2017 at New Delhi. The Company has obtained the Rupee Term Loan at an Interest Rate of Indian Bank 1 year MCLR+0.75 BP, accordingly present effective interest rate of 10.00% p.a.. Further, the Cost of Equity has been considered at 12%, considering the DPE guidelines on PSU's for Investments in projects. As per IND AS, fair value treatment of the Loans has been considered at the rate of 9.56% (weighted average cost of capital).
- 4) As per the Clause 8 of the MoU dated 03.11.2012, the Company shall bear the cost of the land acquired in the name of Ministry of Railways (MoR). The cost incurred by the company towards the acquisition of land shall be refunded to the Company upon the termination of the Concession Agreement as per the provisions of the Concession Agreement i.e., i.e., 30 years from the Appointed Date. The Company has executed the Concession Agreement with MoR represented by SECR for Phase-II Project of the Company. The DPR of the East Rail Corridor Phase-II Project has been prepared at a Debt-Equity Ratio of 80:20. Further, the Cost of Equity has been considered at 12%, considering the Department of Public Enterprise (DPE) guidelines on PSU's for Investments in projects. The DPR has been accepted by the Board of the Company, SECL/CIL. As per Article 38 of the Concession Agreement, Appointed Date” means the date on which Financial Close is achieved or an earlier date that the Parties may by mutual consent determine, and shall be deemed to be the date of commencement of the Concession Period. Accordingly, 28th August, 2023 has been considered as the appointed date being the date of Financial Closure of CERL Phase-II Project. The Company has obtained the Rupee Term Loan at an Interest Rate of Central Bank of India 1 year MCLR+0.30 BP, accordingly present effective interest rate of 8.90% p.a. As per the applicable IND AS, fair value treatment of the Capital Advance has been considered at the rate of 9.52% (weighted average cost of capital) for 30 years, considering Appointed Date as 28.08.2023. Accordingly, Deferred Fair Value Loss - IND AS of ` 18,169.07 lakhs has been charged to Intangible Assets under Development. Post Commencement of Revenue Operation from Phase-II Project, the Interest Income on Deferred Asset shall be charged to the Statement of Profit & Loss.

## NOTES TO THE ACCOUNTS

### NOTE - 06 : OTHER FINANCIAL ASSETS

(₹ in Lakh)

	As at 31.03.2024	As at 31.03.2023
<b>Non-Current</b>		
Bank Deposits	-	-
Other Deposits	507.53	507.53
Less: Provision for doubtful deposits	-	-
	507.53	507.53
<b>TOTAL</b>	<b>507.53</b>	<b>507.53</b>
<b>Current</b>		
Interest accrued on		
- Investments	-	-
- Bank Deposits		
Phase-I Project	49.17	325.65
Phase-II Project	183.34	3.40
- Others (specify in note)	-	-
Other Deposits	-	-
Less: Provision for doubtful deposits	-	-
	-	-
<b>TOTAL</b>	<b>232.51</b>	<b>329.05</b>

Notes: 1) Other Deposit includes:

(₹ in Lakh)

Sl. No.	Particulars	FY 2023-24	FY 2022-23
1	Security Deposit in respect of lease of office building from CSIDCL.	3.81	3.81
2	Security Deposit for Telephone Line with BSNL, Raipur	0.03	0.03
3	Security Deposit for Electricity Connection with CSPDCL, Raipur	0.21	0.21
4	Security Deposit for LPG Cylinder Connection with HP Gas Agency, Raipur	0.02	0.02
5	Security Deposit to C.E. Minimata Bango Canal No. 5	0.21	0.21
6	Security Deposit to RAO, CSPDCL for 10 Km LT Power Connection	1.00	1.00
7	Security Deposit to Registrar & Transfer Agent	0.02	0.02
8	Security Deposit for Broadband Connection	0.02	0.02
9	Security Deposit to Depository	1.50	1.50
10	Security Deposit for Electricity Connection at Raigarh	489.00	489.50
11	Security Deposit for Electricity Connection at Dharamjaigarh	0.55	0.55
12	Security Deposit for Electricity Connection at Korichappar	2.12	2.12
13	Security Deposit for Electricity Connection at Kudumkela & Bhalumuda Railway Station	0.30	0.30
14	Security Deposit for Electricity Connection at Kharsia Station	1.71	1.71
15	Security Deposit for Electricity Connection at Gharghoda Station	6.00	6.00
16	Security Deposit for Electricity Connection at Chhal Station	0.53	0.53
	<b>Total</b>	<b>507.53</b>	<b>507.53</b>

- 2) The Computation of Accrued Interest on Bank deposits for the period upto 31.03.2024 of FY 2023-24 has been done on the basis of available information regarding rate of interest, penal charges for premature liquidation considering 31.03.2024 as liquidation date on estimation basis.

## NOTES TO THE ACCOUNTS

### NOTE - 07 : OTHER NON-CURRENT ASSETS

(₹ in Lakh)

	As at 31.03.2024	As at 31.03.2023
<b>Capital Advances</b>		
(a) Advances to Related Parties Phase-I Project	1,019.74	1,019.74
(b) Advances to Related Parties Phase-II Project	-	-
(c) Others Phase-I Project	1,004.44	369.39
(d) Others Phase-II Project	4,478.69	760.09
<b>(ii) Advances other than capital advances</b>		
(a) Deferred Asset on Land Advance	25,501.79	27,249.45
Less :Allowance for doubtful deposits	-	-
	25,501.79	27,249.45
(b) Other Deposits and Advances	1.13	1.13
Less :Allowance for doubtful deposits	-	-
	1.13	1.13
(c) Advance for Revenue	-	-
Less :Provision for doubtful advances	-	-
	-	-
<b>TOTAL</b>	<b>32,005.79</b>	<b>29,399.80</b>

**Note:**

- 1) Advance to Related Parties indicates Payment made to IRCON International Limited for deposits works in connection with diversion of electrical crossings and towards road diversion works. The Works Completed has been capitalised under Intangible Assets under Development.

(₹ in Lakh)

Sl. No.	Particulars	FY 2023-24	FY 2022-23
1	<b>Opening Balance</b>	1,019.74	3,596.40
2	Addition During the year		3.33
3	<b>Total</b>	<b>1,019.74</b>	<b>3,599.73</b>
4	Works Completed	-	2,579.99
5	Advance Returned	-	-
6	<b>Balance (3-4)</b>	<b>1,019.74</b>	<b>1,019.74</b>

2) Other under the Head Capital Advances includes:

(₹ in Lakh)

Sl.No.	Particulars	FY 2023-24	FY 2022-23
	<b>Phase-I Project</b>		
1	For Extension/Modification of Control Room at SECR, Bilaspur	240.94	231.94
2	Advance to CSPTCL for Electrical Diversion Works	137.45	137.45
3	Advance to PGCIL for Electrical Diversion Works	626.05	-
	<b>Total</b>	<b>1,004.44</b>	<b>369.39</b>
	<b>Phase-II Project</b>		
1	Advance to CSPTCL for Electrical Diversion Works	429.23	429.23
2	Advance to CSPDCL for Electrical Diversion Works	330.86	330.86
3	Advance to SECR for Urga Yard Remodelling Works	3,718.60	-
	<b>Total</b>	<b>4,478.69</b>	<b>760.09</b>
	<b>3) Other Deposits and Advances includes</b>		
1	RAO, CSPDCL	1.13	1.13
	<b>Total</b>	<b>1.13</b>	<b>1.13</b>

**NOTE - 08 : TRADE RECEIVABLES**

(₹ in Lakh)

Sl. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(a)	<b>Current</b>		
	Trade Receivables		
	- Secured considered good	-	-
	- Unsecured considered good	1,150.40	1,208.50
	- Have Significant increase in credit risk	-	-
	<b>Sub-Total</b>	<b>1,150.40</b>	<b>1,208.50</b>
	Less: Provision for bad & Doubtful debts	-	-
	<b>Total</b>	<b>1,150.40</b>	<b>1,208.50</b>

**Trade Receivables ageing schedule as at 31.03.2024**

Particulars	Outstanding for following periods from transaction date					
	Less than 6 months	6 months 1 year	1-2 year	2-3 year	More than 3 years	Total
(i) Undisputed Trade receivables-considered good	1,150.40	-	-	-	-	1,150.40
(ii) Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>1,150.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,150.40</b>

**Trade Receivables ageing schedule as at 31.03.2024**

Particulars	Outstanding for following periods from transaction date					
	Less than 6 months	6 months 1 year	1-2 year	2-3 year	More than 3 years	Total
(i) Undisputed Trade receivables-considered good	1,201.49	-	7.01	-	-	1,208.50
(ii) Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>1,201.49</b>	<b>-</b>	<b>7.01</b>	<b>-</b>	<b>-</b>	<b>1,208.50</b>

**NOTE - 09 : CASH AND CASH EQUIVALENTS**

(₹ in Lakh)

Sl. No.	Particulars	As at 31.03.2024	As at 31.03.2023
a)	Balances with Banks		
	- In Deposit Accounts	-	-
	- In Current Accounts		
	Phase-I	1,211.98	12,568.45
	Phase-II	1,954.71	4,672.06
b)	Cheques, Drafts and Stamps in hand	-	-
c)	Cash on hand	-	-
	<b>Total</b>	<b>3,166.69</b>	<b>17,240.51</b>

**Note:**

- \*Current Account (Interest bearing) comprises of CLTD, Sweep Account, RLTD etc.
- Cash and cash equivalents comprises cash on hand and at bank, sweep accounts and term deposits held with banks with original maturities of three months or less.
- The Phase-II project Bank Balance comprises of earmarked fund in FDR for a period of one year with State Bank of India amounting to ` 16.86 Crore towards creation of Performance Security in favour of South East Central Railway in terms of Article 9 (Performance Security), para 9.1 of the Concession Agreement executed for CERL Phase-II Project.

**NOTE - 10 : OTHER CURRENT ASSETS**

(₹ in Lakh)

	As at 31.03.2024	As at 31.03.2023
Advance- Others	613.42	871.01
Less : Allowance for doubtful advances	-	-
	<b>613.42</b>	<b>871.01</b>
Advance payment of statutory dues	85.94	89.87
Less : Allowance for doubtful advances	-	-
	<b>85.94</b>	<b>89.87</b>
Advance to Employees	0.10	0.03
Less : Allowance for doubtful advances	-	-
	0.10	0.03
Receivables-Others	-	1.62
Prepaid Expenses	175.41	161.61
<b>Total</b>	<b>874.87</b>	<b>1,124.14</b>

**Notes :****1) Prepaid Expenses includes**

(₹ in Lakh)

Sl. No.	Particulars	FY 2023-24	FY 2022-23
1.	Annual Lease Rent	-	1.15
2.	Insurance Premium	150.59	152.72
3.	Interest to Banks	24.82	7.74
	<b>TOTAL</b>	<b>175.41</b>	<b>161.61</b>

- 3) The Insurance Premium paid to the Insurance Company on the Commissioned Assets in advance is being charged as an expenditure to the Statement of Profit & Loss on pro-rata day to day basis.

## NOTES TO THE ACCOUNTS

### Note - 11 : Equity Share Capital

(₹ in Lakh)

	As on 31.03.2024	As on 31.03.2023
<b>Authorised</b>		
100,00,00,000 Equity Shares of ₹10/- each	1,00,000.00	1,00,000.00
<b>TOTAL</b>	<b>1,00,000.00</b>	<b>1,00,000.00</b>
<b>Issued, Subscribed and Paid-up</b>		
Phase-I Project: 60,87,68,074 (PY 60,87,68,074) Equity Shares of ₹10/- each	60,876.81	60,876.81
Phase-II Project: 17,28,10,000 (PY 17,28,10,000) Equity Shares of ₹10/- each	17,281.00	17,281.00
78,15,78,074 (PY 78,15,78,074) Equity Shares of ₹10/- each	<b>78,157.81</b>	<b>78,157.81</b>
<b>Share Application Money Pending Allotment for Phase-I Project</b>	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

Particulars	Current Year		Previous Year	
	No. of shares	Share Capital (₹ in lakh)	No. of shares	Share Capital (₹ in lakh)
Outstanding at the beginning of the period	78,15,78,074	78,175.81	77,27,28,289	77,272.83
Issued during the period			88,49,785	884.98
Outstanding at the end of the period	78,15,78,074	78,175.81	78,15,78,074	78,157.81

#### 1) Shares in the company held by each shareholder holding more than 5% Shares (CERL Phase-I + Phase-II Project)

Name of Shareholder	Current Year		Previous Year		
	No. of Shares held (Face value of ₹10 each)	% of Total Shares	No. of Shares held (Face value of ₹10 each)	% of Total Shares	% Change during the year
South Eastern Coalfields Limited & its Nominees (Holding Company)	50,00,03,600	63.97	50,00,03,600	63.97	0.00
IRCON International Limited	19,78,55,700	25.31	19,78,55,700	25.31	0.00
CSIDCL (Representing GoCG)	8,37,18,774	10.71	8,37,18,774	10.71	0.00
<b>TOTAL</b>	<b>78,15,78,074</b>	<b>100</b>	<b>78,15,78,074</b>	<b>100</b>	

#### 2) Share Holding Pattern in CERL Phase-I Project

Name of Shareholder	Current Year		Previous Year		
	No. of Shares held (Face value of ₹10 each)	% of Total Shares	No. of Shares held (Face value of ₹10 each)	% of Total Shares	% Change during the year
South Eastern Coalfields Limited & its Nominees (Holding Company)	39,11,93,600	64.26	39,11,93,600	64.26	0.00
IRCON International Limited	15,88,55,700	26.09	15,88,55,700	26.09	0.00
CSIDCL (Representing GoCG)	5,87,18,774	9.65	5,87,18,774	9.65	0.00
<b>TOTAL</b>	<b>60,87,68,074</b>	<b>100</b>	<b>60,87,68,074</b>	<b>100</b>	

## 3) Share Holding Pattern in CERL Phase-II Project

Name of Shareholder	Current Year		Previous Year		
	No. of Shares held (Face value of ₹10 each)	% of Total Shares	No. of Shares held (Face value of ₹10 each)	% of Total Shares	% Change during the year
South Eastern Coalfields Limited & its Nominees (Holding Company)	10,88,10,000	62.97	10,88,10,000	62.97	0.00
IRCON International Limited	3,90,00,000	22.57	3,90,00,000	22.57	0.00
CSIDCL (Representing GoCG)	2,50,00,000	14.47	2,50,00,000	14.47	0.00
<b>TOTAL</b>	<b>17,28,10,000</b>	<b>100</b>	<b>17,28,10,000</b>	<b>100</b>	

4) All the Shares of the Company are being held by the Promoters of the Company viz., SECL, IRCON and CSIDCL as disclosed above and as such no separate disclosure for Change in Promoter Shareholding is therefore desired.

## 5) Terms/rights attached to equity share

The company has only one class of equity shares having at par value of ₹10 per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## Note - 11 : Other Equity

(₹ in Lakh)

	As at 31.03.2024	As at 31.03.2023
Capital Redemption Reserve	-	-
Capital Reserve	7,962.73	4,116.89
General Reserve	-	-
Retained Earnings	(16,657.15)	(7,169.35)
Items of other comprehensive income	-	-
<b>TOTAL</b>	<b>(8,694.42)</b>	<b>(3,052.46)</b>

(a) Capital Redemption Reserve	As at 31.03.2024	As at 31.03.2023
Balance at the beginning of the year	-	-
Addition during the year	-	-
Adjustment during the year	-	-
Balance at the end of the year	-	-

(b) Capital Reserve	As at 31.03.2024	As at 31.03.2023
Balance at the beginning of the year	4,116.89	4,116.89
Addition during the year	3,845.84	-
Adjustment during the year	-	-
Balance at the end of the year	<b>7,962.73</b>	<b>4,116.89</b>

(c) General Reserve	As at 31.03.2024	As at 31.03.2023
Balance at the beginning of the year	-	-
Addition during the year	-	-
Adjustment during the year	-	-
Balance at the end of the year	-	-

The general reserve is a free reserve that is used from time to time to transfer profits from/to retained earnings for appropriation purposes.

<b>(d)(i) Retained Earnings</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
Balance at the beginning of the year	(7,169.35)	4,689.41
Profit for the Period	(9,487.80)	(11,858.76)
Interim Dividend	-	-
Final Dividend	-	-
Adjustment during the year	-	-
Transfer to General reserve	-	-
Balance at the end of the year	<b>(16,657.15)</b>	<b>(7,169.35)</b>

<b>(d)(i) Other Comprehensive Income items that will not be reclassified to profit or loss (i)</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
Balance at the beginning of the year	-	-
Other Comprehensive Income during the period	-	-
Adjustment during the year	-	-
Balance at the end of the year	-	-
<b>Total (d(i) + d(ii))</b>	<b>(16,657.15)</b>	<b>(7,169.35)</b>

## NOTES TO THE ACCOUNTS

### NOTE 13: BORROWINGS

(₹ in Lakh)

<b>PARTICULARS</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
<b>Term loan</b>		
<b>From Banks</b>		
<u>Consortium of Banks</u>		
Indian Bank (Lead Bank)	65,528.00	65,528.00
Bank of Baroda (Erstwhile Vijaya Bank & Dena Bank)	42,029.00	42,029.00
Canara Bank	23,404.30	23,404.30
Punjab National Bank (Erstwhile United Bank of India & Oriental Bank of Commerce)	51,487.00	50,768.00
Indian Overseas Bank	23,404.00	23,404.00
Union Bank of India (Erstwhile Corporation Bank)	37,447.00	37,447.00
<b>Total (A)</b>	<b>2,43,299.30</b>	<b>2,42,580.30</b>
<b>Interest</b>		
<b>Total (B)</b>	<b>2,43,299.30</b>	<b>2,42,580.30</b>
<b>Grand Total (A+B)</b>	<b>2,43,299.30</b>	<b>2,42,580.30</b>

<b>CLASSIFICATION 1</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
Secured	2,43,299.30	2,42,580.30
Unsecured	-	-

From Related Parties	As at 31.03.2024	As at 31.03.2023
South Eastern Coalfields Limited for Phase - I	18,320.00	10,000.00
Interest	1,501.49	155.48
<b>Total ( C )</b>	<b>19,821.49</b>	<b>10,155.48</b>

From Related Parties	As at 31.03.2024	As at 31.03.2023
South Eastern Coalfields Limited for Phase-II	1,671.27	983.77
IRCON International Limited for Phase-II	716.67	399.05
<b>Total (D)</b>	<b>2,387.94</b>	<b>1,382.82</b>

CLASSIFICATION 2	As at 31.03.2024	As at 31.03.2023
Secured	-	-
Unsecured	22,209.43	11,538.30
<b>Grand Total (A+B+C+D)</b>	<b>2,65,508.73</b>	<b>2,54,118.60</b>

#### 1) TERM LOAN FROM CONSORTIUM OF BANKS

The members of the Company at its 6th Extraordinary General Meeting held on 24.11.2017 at New Delhi has accorded the approval for availment of RTL of ` 2443.00 Crores from Banks for East Rail Corridor Phase-I Project of the Company. Subsequently, the Company has executed the Financing Documents in connection with availment of Rupee Term Loan (RTL) of ` 2443.00 Crores from Consortium of Banks led by Indian Bank on 24.11.2017 at New Delhi. The Company has obtained the Rupee Term Loan at an Interest Rate of Indian Bank 1 year MCLR + 0.75 BP. As per the terms of the Common Loan Agreement, the repayment period of loan (i) The Borrower undertakes to repay, to each of the Lenders, the principal amounts of the Rupee Facility, over a period of 14 (fourteen) years after a moratorium of 2 (two) years from SCOD i.e in 56 (Fifty Six) structured installments on Quarterly Dates commencing from the scheduled First Repayment Date in accordance with the Amortization Schedule provided in Schedule IV ("Repayment Installment"). The Indian Bank (Lead Bank) vide letter dated 26.09.2022 sanctioned the approval for declaration of COD in the account on 23.07.2022 taking Chhal Feeder Line authorisation date issued by GM/SECR. The Moratorium Period shall be 23.07.2022 to 23.07.2024 and the quarterly repayment period will commence from 23.10.2024 and will end on 23.07.2038. The Project Executing Agency i.e. IRCON has worked out the Cost escalation amounting to ` 351.94 crores in consultation with the company and the same has been agreed by the CERL Board and shall be placed before the SECL (Holding Company) for approval. The Company shall pay Interest on the Interest Payment Date to each of the Lenders on the outstanding principal amount of the Facility, where, "Interest Payment Dates" shall mean the last Business Day of each month.

The Rupee Term Loan obtained by the Company from the respective Consortium Banks has been used for the purpose of Construction of CERL Phase-I Project.

Article III of the Common Loan Agreement stipulates Security Conditions which is reproduced below:

The Secured Obligations in relation to the Rupee Facility shall be secured by the Security Interest stipulated below to be created by the Borrower in favour of the Security Trustee for the benefit of the Secured Parties, to the satisfaction of the Lenders and to the extent approved in terms of the Concession Agreement:

(a) First mortgage on all the immovable fixed assets (including freehold and leasehold) of the Project, both present and future, save and except the Project Assets;

(b) A first ranking pari passu charge by way hypothecation on all of Borrower's tangible movables in relation to the Project, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other moveable assets in relation to the Project, both present and future, save and except the Project Assets;

(c) A first ranking pari passu charge by way hypothecation of all the rights, interests and obligations of the Borrower in relation to the Project including assignment of the Insurance Contracts in relation to the Project, naming the Security Trustee as nominee and for the benefit of the Lenders to the extent covered by and in accordance with the Concession Agreement;

(d) A first ranking pari passu charge over all accounts and current assets of the Borrower in relation to the Project including the Debt Service Reserve Account, Escrow Account and the Sub-Accounts (or any account in substitution thereof) that may be opened in accordance with Escrow Agreement, other Project Documents and the Financing Documents and all funds from time to time deposited therein, the Receivables and all Permitted Investments or other securities representing all amounts credited to the Escrow Account, in relation to the Project and a first charge on the Receivables;

(e) A first ranking pari passu charge by way hypothecation on all intangible assets of the Borrower in relation to the Project including but not limited to goodwill, undertaking and uncalled capital of the Borrower, both present and future, excluding the Project Assets (provided that all amounts received on account of any of these shall be deposited in the Escrow Account and the charge on the same shall be subject to the extent permissible as per the priority specified in the Concession Agreement and the Escrow Agreement);

(f) Non-Disposal Undertaking for 51% of the aggregate shareholding of the Borrower, with a condition that 24% of the aggregate shareholding shall be pledged automatically in favour of the Security Trustee upon occurrence of an Event of Default, if not cured within 60 (sixty) days, and balance 27% to be pledged after approval of the Authority.

The Security shall be created in favour of the Security Trustee for the benefit of the Lenders, in a form, substance and manner satisfactory to the Security Trustee.

It is hereby clarified that Project Assets shall not form a part of the Security.

## 2) PROMOTERS LOAN FOR PHASE-II PROJECT

**a)** SECL and IRCON the Promoters of CERL has infused the non-Interest-bearing Promoter Loan to the tune of ₹ 38.40 crores and ₹ 15.60 crores respectively for CERL Phase-II Project. The said loan shall be a unsecured loan and shall be treated as a part of "Promoters Contribution" which shall be over and over the equity share capital infused by SECL in CERL Phase-II Project. The loan infused by the Promoters shall remain subordinated to the Term Loan to be infused by the lenders towards financing of CERL phase-II project. Repayment of Promoter Loan from SECL shall be done in accordance with the Terms and Conditions as set out in the Financing Documents to be executed by the Borrower (CERL) with potential Lenders for the Financing of CERL Phase-II Project, or as expressly agreed by potential Lenders in writing in connection with financing of CERL Phase-II Project.

The Company has carried out the Fair Valuation of the Interest Free Loan provided by the Promoters at the rate of 8.90% for CERL Phase-II Project and considering Loan Repayment period of 20 years and accordingly, the Deferred Fair Value Income has been charged to Other Reserves under the Head "Changes in Equity". The Interest Expense on Deferred Asset is being charged to the Statement of Profit & Loss. Upon the achievement of Financial Closure of CERL Phase-II Project, the actual rate of Interest being charged for term Loan shall be taken into consideration and the suitable adjustments shall be carried out.

**b)** SECL and IRCON the Promoters of CERL has infused the non-Interest-bearing Promoter Loan to the tune of ₹ 32.00 crores and ₹ 15.00 crores respectively for CERL Phase-II Project. The said loan shall be a unsecured loan and shall be treated as a part of "Promoters Contribution" which shall be over and over the equity share capital infused by SECL in CERL Phase-II Project. The loan infused by the Promoters shall remain subordinated to the Term Loan to be infused by the lenders towards financing of CERL phase-II project. Repayment of Promoter Loan from SECL shall be done in accordance with the Terms and Conditions as set out in the Financing Documents to be executed by the Borrower (CERL) with potential Lenders for the Financing of CERL Phase-II Project, or as expressly agreed by potential Lenders in writing in connection with financing of CERL Phase-II Project.

The Company has carried out the Fair Valuation of the Interest Free Loan provided by the Promoters at the rate of 8.90% for CERL Phase-II Project and considering Loan Repayment period of 20 years and accordingly, the Deferred Fair Value Income has been charged to Other Reserves under the Head "Changes in Equity". The Interest Expense on Deferred Asset is being charged to the Statement of Profit & Loss. Upon the achievement of Financial Closure of CERL Phase-II Project, the actual rate of Interest being charged for term Loan shall be taken into consideration and the suitable adjustments shall be carried out.

### 3) SECL LOAN FOR OPEX

During the Current Financial Year, SECL has executed the Loan Agreement with CERL for extending Loan amounting to Rs 83.20 Crore for meeting out the revenue expenditure of the Company during FY 2023-24 at the rate of interest chargeable on monthly compounding basis not exceeding the rate of Interest payable to Consortium Lenders in CERL Phase-I Project for the relevant period. The present effective Rate of Interest being charged by the Consortium Lenders in CERL Phase-I Project is 9.5% p.a.. The loan infused by SECL shall remain subordinated to the Term Loan to be infused by the lenders towards financing of CERL Phase-I project. Repayment of Promoter Loan from SECL shall be done post repayment of Senior Debt of Consortium Lenders as per the revised repayment schedule or as agreed by the Consortium Lenders.

## NOTES TO THE ACCOUNTS

### NOTE - 14 : OTHER FINANCIAL LIABILITIES

(₹ in Lakh)

	As at 31.03.2024	As at 31.03.2023
<b>Non Current</b>		
Contract Addition to IRCON	930.53	1,016.17
Retention Money to IRCON	813.67	836.04
Security Deposits	4.92	0.67
<b>Total</b>	<b>1,749.12</b>	<b>1,852.88</b>

<b>Current</b>		
Security Deposits	-	-
Earnest Money	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**NOTE - 15 : TRADE PAYABLES**

(₹ in Lakh)

	As at 31.03.2024	As at 31.03.2023
<b>Current</b>		
<b>Other than Micro, Small and Medium Enterprises</b>		
Directional & General Charges	-	422.00
Consultancy Charges	20.19	113.57
Construction Charges	2,888.66	1,406.96
Operation and Maintenance Charges	1,786.01	706.77
Vehicle Hire Charges	8.41	2.59
Legal Expenses	0.60	0.22
Printing Charges	1.08	0.65
Travelling Expenses	0.52	-
Salary	1.63	0.51
Security Service A/c	161.54	49.81
Office & Workshop Repair & Maintenance	1.12	0.81
Electricity Charges	4.05	2.84
Telephone Charges	0.06	0.06
Bank Charges	52.49	52.49
Provision for Audit Fees & Expenses	4.31	3.14
Others liabilities	38.89	73.28
<b>TOTAL</b>	<b>4,969.56</b>	<b>2,835.70</b>

**Notes:**

1. Other Liabilities majorly includes expenditure amounting to ₹ 25.52 Lakhs (Previous Year ₹ 45.06 Lakhs) incurred by SECL (Holding company) on behalf of the company.
2. Other Liabilities majorly includes expenditure amounting to ₹ 11.49 Lakhs (Previous Year ₹ 28.22 Lakhs) incurred by Ircon International Limited on behalf of the company.

**Trade Payables ageing schedule as at 31.03.2024**

Particulars	Outstanding for following periods from transaction date				Total
	Less Than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) OTHERS	4,969.46	-	-	0.10	4,969.56
(iii) Disputed Dues -MSME	-	-	-	-	-
(iv) Disputed Dues -MSME	-	-	-	-	-
<b>Total</b>	<b>4,969.46</b>	<b>-</b>	<b>-</b>	<b>0.10</b>	<b>4,969.56</b>

**Trade Payables ageing schedule as at 31.03.2023**

Particulars	Outstanding for following periods from transaction date				Total
	Less Than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) OTHERS	2,835.60	-	-	0.10	2,835.70
(iii) Disputed Dues -MSME	-	-	-	-	-
(iv) Disputed Dues -MSME	-	-	-	-	-
<b>Total</b>	<b>2,835.60</b>	<b>-</b>	<b>-</b>	<b>0.10</b>	<b>2,835.70</b>

**NOTE - 16 : OTHER CURRENT LIABILITIES**

(₹ in Lakh)

	As at 31.03.2024	As at 31.03.2023
Deposits - Others	16,110.23	9,568.00
<b>Sub-Total (A)</b>	<b>16,110.23</b>	<b>9,568.00</b>
<b>Statutory Dues :</b>		
Income Tax deducted/collected at Source	32.92	41.28
GST TDS	0.07	0.16
GST (Reverse Charge)	1.07	0.16
<b>Sub-Total (B)</b>	<b>34.06</b>	<b>41.60</b>
<b>Gross Total (A+B)</b>	<b>16,144.29</b>	<b>9,609.60</b>

**Notes:****Deposit - Others**

- In connection with the Re-alignment and Re-routiung of Second Block Section of Spur Line from Bhalumuda to Donga Mahua (14 Km to 28 Km) in East Rail Corridor Phase-I Project, the Company has received the cost compensation from MAHAGENCO and CSPGCL amounting to ₹ 111.72 Crores and ₹ 53.45 Crores respectively. The Cost has been envisaged in the Feasibility Study Report prepared by IRCON for the re-routing of Second Block Section of Spur Line duly accepted by MAHAGENCO and CSPGCL.
- Out of the said Cost Compensation received from MAHAGENCO, an amount of ₹ 40.05 Crores has been adjusted against Infructuous Land Cost and ₹ 12.11 Crores has been adjusted against Infructuous Cost of Asset and Interest included in CWIP. The Balance amount of ₹ 59.56 Crores which is towards the cost of compensation on additional cost of diversion has been accounted for as Other Current Liabilities.
- Out of the said Cost Compensation received from CSPGCL, an amount of ₹ 15.19 Crores has been adjusted against Infructuous Land Cost and ₹ 2.14 Crores has been adjusted against Infructuous Cost of Asset and Interest included in CWIP. The Balance amount of ₹ 36.12 Crores which is towards the cost of compensation on additional cost of diversion has been accounted for as Other Current Liabilities.
- During the Current Financial year, an additional amount of ₹ 31.30 Crores has been received from CSPGCL for shifting/ modification of 2 nos power transmission lines of PGCIL falling in Rerouted portion of second block section of spur line of CERL. The said amount is in the nature of cost compensation on account of additional cost of diversion and the same has been accounted for as Other Current Liabilities.
- The Phase II of CERL project was originally envisaged between Dharamjaigarh to Uрга with a total of 62.5 route kilometres at a Project Cost of Rs.1686.22 Crores and a Debt: Equity of 80:20. At the meeting held on 19.04.2023 under Chairmanship of Secretary, MoRT&H at New Delhi it was decided that the alignment of CERL Phase II be modified on account of intersection of NH 149B & 130A projects of NHAI. IRCON stated that a fresh Engineering Scale Plan will also have to be prepared with fresh landing at Uрга Station on the existing congested rail route. In view of the above, NHAI remitted an amount of ₹ 32.00 Crores to CERL on 27.10.2023
- During the FY 2023-24, ₹ 2.12 crores has been received from CSPGCL towards construction of 2 Nos culverts (1 No. at Ch. 24600 M and 1 No. at Ch. 26400 M) in CERL corridor for discharge of water through Garland Drain to Kelo River.

## NOTES TO THE ACCOUNTS

### NOTE - 17 : REVENUE FROM OPERATIONS

(₹ in Lakh)

	For the Year ended 31.03.2024	For the Year ended 31.03.2023
Freight charges from SECR	5,124.95	6,218.45
Less: Deduction by SECR	7.99	0.01
<b>Total</b>	<b>5,116.96</b>	<b>6,218.46</b>

#### Notes:

- 1) As per Article 23 of the Concession Agreement between SECR and CERL dated 12.06.2015 to be read with Addendum and Corrigendum to the Concession Agreement dated 21.03.2017, the Company is entitled to receive a sum equal to 50% (fifty percent) of the revenue apportionment from freight operations on the Rail System. In addition, the Company is also entitled to receive inflated mileage and terminal charges. MOR agrees and undertakes that commencing from COD it shall, by the [67th (sixty seventh)] day (or, if such day is not a Business Day, the immediately following Business Day) from the last day of each month (the "Payment Due Date"), pay the User Fee to the Company for the relevant month, and shall also provide a statement setting out the computation of the User Fee.
- 2) Accordingly, the Revenue has been accounted for taking into consideration the actual receipt and the remaining balance on the basis of available information received from SECR which is subject to reconciliation based on a statement setting out the computation of the User Fee, which will be received from SECR upon receipt of User Fee. Any adjustments for the fees received shall be accounted for in the next Accounting Period.
- 3) The Company has obtained the Opinion from the empanelled Tax Consultant of SECL regarding taxability of User Fee from Freight Operation (amount received as revenue apportionment from rail operation) under GST, received from SECR. The Tax Consultant has opined that no service has been supplied by CERL to SECR. In fact, Ministry of Railways through SECR has given CERL the concession by way of exclusive right, licence and authority to construct, operate and maintain the rail system. By virtue of said concessions, CERL shall have the right to use the site as a sole licensee and CERL would be under legal obligation to transfer the entire rail system to the railways upon termination of the concession agreement. Therefore, in view of the above, no GST is liable to be paid by CERL on the amount received from SECR in the given facts of the case. Further, the Company vide letter no. 368 dated 07.07.2021 addressed to Executive Director (Infra)-I, Railway Board, New Delhi has requested to resolve the issue on applicability of Goods & Service Tax (GST) on apportioned earning of CERL from SECR on account of Concession granted by Ministry of Railways (MoR). In view of the above, the Company has not paid any Output GST on the revenue apportionment received from SECR.

### NOTE - 18 : OTHER INCOME

(₹ in Lakh)

	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
<b>Other Income</b>		
Notional Interest Income	314.20	308.30
Liability/Provisions Write back	4.13	4.93
Interest Received from Income Tax Refund	-	3.69
<b>Total</b>	<b>318.33</b>	<b>316.92</b>

### NOTE - 19 : EMPLOYEE BENEFIT EXPENSES

(₹ in Lakh)

	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
Salary, Wages, Allowances, Bonus, etc.	107.70	104.43
<b>Total</b>	<b>107.70</b>	<b>104.43</b>

**NOTE - 20 : CONTRACTUAL EXPENSE**

(₹ in Lakh)

	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
Operation & Maintenance Expenses	3,075.92	2,298.35
Security Expenses	280.96	176.02
<b>Total</b>	<b>3,356.88</b>	<b>2,474.37</b>

**NOTE - 21 : FINANCE COST**

(₹ in Lakh)

	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
Interest Expenses	16,738.84	11,661.08
<b>Total</b>	<b>16,738.84</b>	<b>11,661.08</b>

**NOTE 22 : OTHER EXPENSES**

(₹ in Lakh)

	For the Year Ended 31-03-2024	For the Year Ended 31-03-2023
Consultancy Charges	15.80	8.02
Legal Expenses	1.60	8.42
Vehicle Hire Charges	42.25	32.80
Insurance Premium	212.56	263.73
Electricity Charges	32.74	20.62
Amortisation of Deferred Asset	1,108.77	1,135.39
Statutory Auditor's Remuneration & Expenses		
- For Audit Fees	2.36	2.36
- For Audit Expenses	0.48	0.22
Internal Audit & Other Audit Fees Expenses		
- For Audit Fees	2.83	3.13
- For Audit Expenses	0.48	0.60
Tax Audit Fees & Expenses		
- For Audit Fees	0.37	0.37
- For Audit Expenses	-	-
Miscellaneous Expenses	27.73	20.45
<b>Total</b>	<b>1,447.97</b>	<b>1,496.11</b>

**NOTE - 23 : TAX EXPENSE**

(₹ in Lakh)

	For the Year Ended 31.03.2024		For the Year Ended 31.03.2023	
Current Year		-		-
<b>Deferred Tax</b>				
Opening Balance (DTL)	20,483.61		9,633.05	
Less: Closing Balance (DTA)	36,071.57	(15,587.96)	20,483.61	(10,850.56)
<b>Total</b>		<b>(15,587.96)</b>		<b>(10,850.56)</b>

**NOTE – 24 : ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 31ST MARCH, 2024**

**1. Fair Value measurement**

**(a) Financial Instruments by Category**

(₹ in Lakh)

	31st March, 2024		31st March, 2023	
	FVTPL	Amortized cost	FVTPL	Amortized cost
<b>Financial Assets</b>				
Loans (Note 5)	-	4,803.59	-	4,481.91
Other Financial Assets (Note 6)	-	740.04	-	836.58
Cash & cash equivalents (Note 9)	-	3,166.69	-	17,240.51
<b>Financial Liabilities</b>				
Borrowings (Note 13)	-	2,65,508.73	-	2,54,118.60
Other Financial Liabilities (Note 14)	-	1,749.12	-	1,852.88
Trade payables (Note 15)	-	4,930.67	-	2,762.42
Other Liabilities (Note 15)	-	38.89	-	73.28

Fair values of financial assets and liabilities measured at amortized cost for which fair values are disclosed at 31st March, 2024	31st March, 2024		31st March, 2023	
	Level 1	Level 3	Level 1	Level 3
<b>Financial Assets</b>				
Loans (Note 5)	-	4,803.59	-	4,481.91
Other Financial Assets (Note 6)	-	740.04	-	836.58
Cash & cash equivalents (Note 9)	-	3,166.69	-	17,240.51
<b>Financial liabilities</b>				
Borrowings (Note 13)	-	2,65,508.73	-	2,54,118.60
Other Financial Liabilities (Note 14)	-	1,749.12	-	1,852.88
Trade payables (Note 15)	-	4,930.67	-	2,762.42
Other Liabilities (Note 15)	-	38.89	-	73.28

**A brief of each level is given below.**

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes Mutual fund which is valued using closing Net Asset Value (NAV) as at the reporting date.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares borrowings, security deposits and other liabilities taken included in level 3.

- ✦ The carrying amounts of trade receivables, short term deposits, cash and cash equivalents, trade payables, Short Term Borrowings are considered to be the same as their fair values, due to their short-term nature.
- ✦ Other Financial assets accounted at amortized cost is not carried at fair value only if same is not material.

**(b) Capital management**

The company being a government entity is a Joint Venture of SECL, IRCON and CSIDCL (representing Govt. of Chhattisgarh). As per Memorandum of Understanding amongst the joint venture partners, the shareholding proportion of the promoter companies are 64% for SECL, 26% for IRCON and 10% for CSIDC (representing GoCG). GoCG's share of equity in the JVC shall correspond to the value of land (Revenue Land and Forest Land) provided by the State Government or 10% whichever is more. If the value of land provided by GoCG exceeds 10% of the equity, the shareholding percentage of GoCG and SECL shall stand modified accordingly.

**Capital Structure of the company is as follows:**

(₹ in Lakh)

	31.03.2024	31.03.2023
Equity Share capital	78,157.81	78,157.81
Preference share capital	-	-
Long term debt	2,65,508.73	2,54,118.60

**2. Employee Benefits: Recognition and Measurement (Ind AS-19)**

At present, the Employees of SECL and IRCON who have been deputed in the Chhattisgarh East Railway Limited and Chhattisgarh East-West Railway Limited for execution of the project of laying of Rail Lines. As per Clause 16 (b) of MoU dated 03.11.2012, expenses related to Salary, TA/DA etc. are accounted for in the books of the Company based on the Debit Notes received from SECL & IRCON for the employees deputed from the respective parent companies. The employees are deputed by parent companies to CERL for short term until the project come into operation and future payment of retirement benefits viz., Provident Fund, Gratuity etc., would be the liability of parent companies. However, the expenditure incurred towards the contribution to Post retirement Fund of the employees are being passed on to the JV Companies through Debit Notes by SECL and IRCON and are being accounted for accordingly. However, the Compliances as stipulated out in IND AS-19 are subject to compliance by respective deputing companies.

**3. Unrecognized items:****a) Income Tax (IND AS 12)**

For the A.Y. 2018-19, as per the return, the tax payable comes to ₹ 43,40,274.00. The TDS Credit available is ₹ 15,94,181.00 and the advance tax paid for the period amounts to ₹ 28,05,641.00 resulting into a refund of ₹ 59,550.00. However, the Department has assessed a tax payable of ₹ 73,630.00. Subsequently upon the processing of return of AY 2020-21, the department has recovered a sum of ₹ 79,248.00 towards outstanding demand and interest thereon for AY 2018-19 against the refund due of AY 2020-21. The Company shall take up the matter with the department.

The Company has not made any uncertain tax treatment for which there is uncertainty over whether the relevant taxation authority will accept the tax treatment under tax law.

**b) Contingent Liabilities (IND AS 37)**

Claims against the Company not acknowledged as debts:

For the A.Y. 2018-19, the tax payable comes to ₹ 43,40,274.00 and TDS Credit available is ₹ 15,94,181.00 and the advance tax paid for the period amounts to ₹ 28,05,641.00 resulting into a refund of ₹ 59,550.00. However, the Department has assessed a tax payable of ₹ 73,630.00. The Company shall take up the matter with the department.

Following demand is pending against the company with Income Tax Department. The financial impact, wherever available has been taken under contingent liabilities below, however, for other cases, management does not see any considerable impact on the financial position of the Company.

(₹ Lakhs)

SN	Particulars	Forum	Total
1	Opening Balance as on 01.04.2023	CPC, Bangalore	0.74
2	Addition During the Period	-	-
3	Claims Settled during the Period		-
3a)	From Opening Balance	-	-
3b)	Out of Addition during the Period	-	-
4	Closing Balance as on 31.03.2024	-	0.74

**c) Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for: ₹ 277.35 Crores  
 Estimated amount of contracts remaining to be executed on Revenue account and not provided for: ₹ 94.19 Crores.

**4. Other Information****a) Provisions**

The position and movement of various provisions except those relating to employee as on 31.03.2024 are given below:

(₹ in Lakh)

Particulars	Opening Balance as on 01.04.2023	Addition during the period	Write back/Adj. during the period	Unwinding of discounts	Closing Balance as on 31.03.2024
<b>Note 3:-Property, Plant and Equipment:</b> Impairment of Assets :	-	-	-	-	-
<b>Note 4:- Capital Work in Progress :</b> Against CWIP :	-	-	-	-	-
<b>Note 8:- Other Non-Current Assets :</b> Capital Advance: Other Advances :	- -	- -	- -	- -	- -
<b>Note 11:- Other Current Assets :</b> Advance Payment Against Statutory Dues:	-	-	-	-	-
<b>Note 7:- Other Financial Assets :</b> Other Receivables:	-	-	-	-	-

- b) Certain expenses to the tune of ₹ 4.06 Lakhs (net) incurred by the Company during the FY 2023-24 on behalf of Chhattisgarh East-West Railway Limited (CEWRL) has been accounted for vide decision taken at the 1st Meeting of the Board of Directors of the Company dated 05.04.2013.

**c) Earnings per share**

(₹ in Lakh)

Sl. No.	Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
i)	Net profit after tax attributable to Equity Share Holders	(94,87,80,790.88)	(1,18,58,75,490.75)
ii)	Weighted Average no. of Equity Shares Outstanding	78,15,78,074	77,74,91,585
iii)	Basic and Diluted Earnings per Share in Rupees (Face value ₹ 10/- per share)	(1.21)	0.00

**d) Related Party Disclosures**

- \* Holding Company: South Eastern Coalfields Limited
- \* Significant Influence: Ircon International Limited
- \* Other JV Partner: Chhattisgarh State Industrial Development Corporation Limited
- \* Sister Concern: Chhattisgarh East-West Railway Limited
- \* CERL have Nil no. of subsidiary/ies and the Company is fully aware of and in compliance with the Companies (Restrictions on number of layers) Rules 2017 (including any amendments or substitutions thereto).

<b>DETAILS OF KEY MANAGERIAL PERSONAL FOR THE YEAR ENDED 31ST MARCH, 2024</b>				
<b>Sl. No.</b>	<b>Name</b>	<b>Designation</b>	<b>W.E.F</b>	<b>UPTO</b>
1	Shri G. Srinivasan	Chairman (Director from 08.10.2022)	01.10.2023	CONT----
2	Shri S.K. Pal	Chairman	01.10.2022	30.09.2022
3	Shri S.N. Kapri	Director	13.01.2023	CONT----
4	Shri D. Acharyya	Director	01.10.2023	31.01.2024
5	Shri N. Jaykumar Franklin	Director	30.03.2024	CONT----
6	Smt. Ragini Advani	Director	01.06.2022	CONT----
7	Shri A.K. Singh	Director	20.07.2023	CONT----
8	Shri Parag Verma	Director	10.10.2022	20.07.2023
9	Shri A.P. Palanisamy	Director	22.08.2023	CONT----
10	Dr. Saransh Mittar	Director	23.08.2022	22.08.2023
11	Shri Priya Ranjan Parhi	Director	09.05.2022	CONT----
12	Shri A.K. Pattanaik	GM (Siding), SECL (Additional Charge Chief Executive Officer)	31.01.2023	16.04.2023
13	Shri Ravi Valluri	Chief Executive Officer	17.04.2023	CONT----
14	Smt. Priyanka Kirit Tanna	Chief Financial Officer	29.06.2020	CONT----
15	Shri Anand Amirtharaj Joseph	Company Secretary	30.03.2017	CONT----

**Remuneration of Key Managerial Personnel**

<b>Sl. No.</b>	<b>Payment to Chief Executive Officer, Chief Financial Officer and Company Secretary</b>	<b>For the Year ended 31.03.2024</b>	<b>For the Year ended 31.03.2023</b>
i)	<b>Short Term Employee Benefits</b> Gross Salary Perquisites Medical Benefits	52,20,731.84 - -	42,92,231.70 - -
ii)	<b>Post-Employment Benefits</b> Contribution to P.F. & other fund	7,88,463.58	7,23,428.80
iii)	<b>Termination Benefits</b> (Paid at the time of separation) Leave Encashment Gratuity	- -	- -
	<b>TOTAL</b>	<b>60,09,195.42</b>	<b>55,52,842.75</b>

Note: The Board of CERL consists of Non-Executive Chairman and Directors.

**Remuneration of Key Managerial Personnel**

<b>Sl. No.</b>	<b>Particulars</b>	<b>For the Year ended 31.03.2024</b>	<b>For the Year ended 31.03.2023</b>
i)	Amount Payable	10,000.00-	-
ii)	Amount Receivable--	-	-

No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or member.

### Related Party Transactions

In view of the exemption granted to state controlled enterprises as regards related party relationship with other state-controlled enterprises and transaction with such enterprises, no such disclosure under the Indian Accounting Standard (Ind AS-24) on Related Party Disclosure is required. As per Ind AS 24, following are the disclosures regarding nature and amount of significant transactions.

(₹ in Crore)

Sl. No.	Name of the Company	Nature of relationship	Amount of transactions during the year		Total	Closing Balance as on 31.03.2024
			Construction and Consultancy Charges	Others		
1	South Eastern Coalfields Limited	Holding Company	-	Salary: 1.08 Loan: 116.26 Interest: 14.99	132.32	215.18
2	IRCON International Limited	Associate Company	59.46	Salary: 0.33 Loan : 15.45 Interest : 0.29 Advance:0.00	79.53	Payable: 53.61 Receivable: 10.20 Net : 43.41

#### (iv) Taxation:

An amount of ₹ 73.48 Lakhs been deducted as TDS by the Bank on Interest Income. The Company has charged the Deferred Tax Expense to the tune of ₹ (155.88) crores in the Statement of Profit & Loss Account and the Deferred Tax Asset has been created to the tune of ₹ 360.72 Crores for the year ended 31.03.2024 on the projected taxable income/(loss) for the of FY 2023-24.

#### (v) Insurance and escalation claims

Insurance and escalation claims are accounted for on the basis of admission/final settlement.

#### (vi) Current Assets, Loans and Advances etc.

In the opinion of the Management, assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

#### (vii) Current Liabilities

Estimated liability has been provided where actual liability could not be measured.

#### (viii) Balance Confirmations

Balance confirmation/reconciliation is carried out for cash & bank balances, certain loans & advances, long term liabilities and current liabilities. Provision is taken against all doubtful unconfirmed balances.

Reconciliation of Transactions under all the Ledgers between CERL and IRCON has been completed upto December-2023 of FY 2023-24. CERL and IRCON are working together to resolve the differences identified during reconciliation process for early closure.

#### (ix) Corporate Social Responsibility (CSR)

Pursuant to provisions of Section 135 of the Companies Act, 2013 read with rule 5 of the Companies (Corporate Social Responsibility) Rules, 2014, the CSR Committee has been constituted in the 50th Board Meeting held on 24.07.2021.

The Committee will formulate the CSR policy and implement Corporate Social Responsibility initiatives in the upcoming Financial Years. The Company has reported loss till date. Accordingly, no provision of CSR expenditure has been done and hence, the Annual Report on CSR activities is not included with Board's Report.

#### (x) Status of Legal cases

There are no pending cases at any forum during the reporting period.

**(xii) Ratios**

Sl. No.	Description	As at 31.03.2024	As at 31.03.2023	Variance %	Reason
a)	Current Ratio: The current ratio indicates a company's overall liquidity position. It is widely used by banks in making decisions regarding the advancing of working capital credit to their clients. Current ratio has been calculated as Current Assets divided by Current liabilities.	0.26	1.60	(83.94)	The decline in current ratio is primarily attributable to amount of Rs.6542.23 Lakhs received from PGCIL, NHAI AND CSPGCL which has been classified under other current liabilities under Note 16
b)	Debt-Equity Ratio: Debt-to-equity ratio compares a Company's total debt to shareholders equity. Both of these numbers can be found in a Company's balance sheet. Debt-Equity Ratio has been calculated as total debt divided by Shareholder's Equity.	3.82	3.38	13.09	
c)	Debt Service Coverage Ratio: Debt Service coverage ratio is used to analyse the firm's ability to pay-off current interest and instalments. Debt Service Coverage Ratio is calculated as Earning available for debt service divided by Debt Service.  Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc. Debt service = Interest & Lease Payments + Principal Repayments "Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.	0.10	0.31	(68.16)	The decline in ratio is due to increase in Interest Payment and decrease in revenue vis-à-vis last year.
d)	Return on Equity Ratio: It measures the profitability of equity funds invested in the Company. The ratio reveals how profitability of the equity-holders' funds have been utilized by the Company. It also measures the percentage return generated to equity-holders. The ratio is computed as: (Net Profits after taxes less Preference Dividend (if any)) divided by Average Shareholder's Equity	(13.1)	(14.7)	(10.71)	
e)	Inventory turnover ratio: This ratio also known as stock turnover ratio and it establishes the relationship between the cost of goods sold during the period or sales during the period and average inventory held during the period. It measures the efficiency with which a Company utilizes or manages its inventory. Inventory turnover ratio is calculated as Cost of goods sold OR sales divided by Average Inventory.  Average inventory is (Opening + Closing balance / 2) When the information opening and closing balances of inventory is not available then the ratio can be calculated by dividing COGS OR Sales by closing balance of Inventory.	N/A	N/A	N/A	Since the company does not hold any inventory, disclosure of this ratio is not required.
f)	Trade Receivables turnover ratio: It measures the efficiency at which the firm is managing the receivables.  Trade receivables turnover ratio = Net Credit Sales / Avg. Accounts Receivable Net credit sales consist of gross credit sales minus sales return. Trade receivables includes sundry debtors and bills receivables. Average trade debtors = (Opening + Closing balance / 2) When the information about credit sales, opening and closing balances of trade debtors is not available then the ratio can be calculated by dividing total sales by closing balances of trade receivables.	4.33	4.34	(0.04)	

**(xiii) Ratios**

Sl. No.	Description	As at 31.03.2024	As at 31.03.2023	Variance	Reason
g)	<p>Trade payables turnover ratio: It indicates the number of times sundry creditors have been paid during a period. It is calculated to judge the requirements of cash for paying sundry creditors. It is calculated by dividing the net credit purchases by average creditors.</p> <p>Trade payables turnover ratio = Net Credit Purchases / Average Trade Payables</p> <p>Net credit purchases consist of gross credit purchases minus purchase return</p> <p>When the information about credit purchases, opening and closing balances of trade creditors is not available then the ratio is calculated by dividing total purchases by the closing balance of trade creditors.</p>	N/A	N/A	N/A	The company is engaged in infrastructure development and therefore figures reported under trade payables in Note No. 15 comprises of liabilities towards goods and services arising out of its core activity. Hence, this ratio is not applicable.
h)	<p>Net capital turnover ratio: It indicates a company's effectiveness in using its working capital. The working capital turnover ratio is calculated as follows: net sales divided by the average amount of working capital during the same period. Net capital turnover ratio = Net Sales / Working Capital</p> <p>Net sales shall be calculated as total sales minus sales returns.</p> <p>Working capital shall be calculated as current assets minus current liabilities.</p>	(0.35)	(4.16)	(92)	The abnormal decline in this ratio is due to reduction in net working capital in current year due to amount of Rs.6542.23 lakhs received from CSPGCL, NHAI and PGCIL which has been classified under other current liabilities under Note 16
i)	<p>Net profit ratio: It measures the relationship between net profit and sales of the business.</p> <p>Net Profit Ratio = Net Profit / Net Sales</p> <p>Net profit shall be after tax.</p> <p>Net sales shall be calculated as total sales minus sales returns.</p>	(185.42)	(190.70)	(3)	
j)	<p>Return on Capital employed: Return on capital employed indicates the ability of a company's management to generate returns for both the debt holders and the equity holders. Higher the ratio, more efficiently is the capital being employed by the company to generate returns.</p> <p>ROCE = Earning before interest and taxes / Capital Employed</p> <p>Capital Employed = Total Assets - Current Liabilities</p>	(2.148)	(3.344)	(25.87)	The decline in ratio is due to reduction EBIT from previous year.
k)	<p>Return on investment (Refer: Note-7): Return on investment (ROI) is a financial ratio used to calculate the benefit an investor will receive in relation to their investment cost. The higher the ratio, the greater the benefit earned. The one of widely used method is Time Weighted Rate of Return (TWRR) and the same should be followed to calculate ROI. It adjusts the return for the timing of investment cash flows. ROI is provided separately for each asset class (e.g., equity, fixed income, money market, etc.) ROI = End Market Value - (Initial Market Value + sum of Cash Flow) / (Initial Market Value + sum of Weighted Cash Flow)</p>	NA	NA	NA	Since the company does not have any investment, this ratio is not required to be disclosed

**Other Information's****(i) Material accounting policy**

Material accounting policy (Note-2) has been drafted to elucidate the accounting policies adopted by the Company in accordance with Indian Accounting Standards (Ind ASs) notified by Ministry of Corporate Affairs (MCA) under the Companies (Indian Accounting Standards) Rules, 2015.

**(ii) Change in accounting policy**

Material accounting policy (Note-2) has been suitably modified / re-drafted over previous year, as found necessary to elucidate the accounting policies adopted by the Company in accordance with Indian Accounting Standards (Ind ASs) notified by Ministry of Corporate Affairs (MCA) under the Companies (Indian Accounting Standards) Rules, 2015.

For better understanding of the users of the financial statements, Material Accounting Policy has been modified/rephrased in Note 2 in view of the revised Accounting Policies circulated by Coal India Limited (CIL) duly endorsed by South Eastern Coalfields Limited (SECL) and on the basis of assurance given to Comptroller & Auditor General of India (C&AG) during the Audit of FY 2022-23.

The impact of change in accounting policy and other changes to comply with Ind AS in Net Profit is Nil.

**(iii) Recent pronouncements:**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA vide GSR 255(E) amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022. The Company has evaluated the amendment and there is no impact on its financial statements."

**(iv) Other Statutory Information:**

- i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- ii) The Company do not have any transactions with companies struck off.
- iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii) The Company doesn't have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

## Project Financing as on 31-03-2024

## CERL PHASE 1

## 1) Capital Sources of Funds and its Application as on 31-03-2024

Sources of Fund	Amount (₹ in Lakhs)	Amount (₹ in Lakhs)	Application of Funds	Amount (₹ in Lakhs)
Promoters Contribution			Civil Engineering Works	1,51,403.59
Equity Share Capital		60,876.81	Signalling & Telecom Works	9,045.03
			Electrical Works	19,368.09
Interest Earned on Deposits with Indian Bank	1,959.81		Mechanical Works	0.00
Interest Earned on Promoters contribution	584.41		Fees Payable to PMC	19,903.06
Interest earned on Mobilization Advance given to IRCON	250.95	2,795.17	<b>Sub Total</b>	<b>1,99,719.77</b>
<b>Promoters Fund</b>		<b>63,671.98</b>	Deposits Towards Land	30,934.24
			Preliminary and Financing Charges	4,678.06
<b>Loan from Banks</b>			Contingency	0.00
Indian Bank	65,528.00		Margin Money	0.00
Indian Overseas Bank	23,404.00		Interest During Construction (IDC)	65,514.01
Punjab National Bank (Erstwhile-United Bank of India)	28,026.00			
Bank of Baroda (Erstwhile-Dena Bank)	23,404.00			
Canara Bank	23,404.30			
Union Bank of India (Erstwhile -Corporation Bank)	37,447.00			
Bank of Baroda (Erstwhile -Vijaya Bank)	18,625.00			
Punjab National Bank (Erstwhile - Oriental Bank of Commerce)	23,461.00			
<b>Total Loan From Banks</b>		<b>2,43,299.30</b>		
<b>Refund from CSPGCL reserved for the cost of rerouting</b>		<b>3,612.00</b>		
<b>Refund from MAHAGENCO reserved for the cost of rerouting</b>		<b>5,957.00</b>		
<b>Refund from CSPGCL reserved for the cost of rerouting</b>		<b>3,130.23</b>		
<b>Deposit Received from CSPGCL for construction of Culverts on Spur Line</b>		<b>212.00</b>		
<b>Total Capital Sources of Funds (A)</b>		<b>3,19,882.51</b>	<b>Total Capital Application of Funds (B)</b>	<b>3,00,846.08</b>

## 2) Revenue Sources of Funds and its Application 31-03-2024

Sources of Fund	Amount (₹ in Lakhs)	Application of Funds	Amount (₹ in Lakhs)
Revenue from Operations (Received)	18,687.61	Revenue Expenses	54,218.65
Loan from SECL for Opex	18,320.00	Advance for Imprest to ISL	613.41
<b>Total Revenue Sources of Funds (C)</b>	<b>37,007.61</b>	<b>Total Revenue Application of Funds (D)</b>	<b>54,832.06</b>
<b>Grand Total Sources of Funds (A+C)</b>	<b>3,56,890.12</b>	<b>Grand Total Application of Funds (B+D)</b>	<b>3,55,678.14</b>

Phase I Bank Balance: ₹ 1,211.98

## CERL Phase 2

Sources of Fund	Amount (₹ in Lakhs)	Application of Funds	Amount (₹ in Lakhs)
<b>Promoters Contribution</b>		Civil Engineering Works	2,325.96
Equity Share Capital	17,281.00	Signalling & Telecom Works	1,059.47
		Electrical Works	1,095.40
Interest Earned on Deposits with Bank	299.15	Mechanical Works	0.00
		Fees Payable to PMC	4,413.69
		<b>Sub Total</b>	<b>8,894.52</b>
<b>Promoters Fund</b>	<b>17,580.15</b>	Deposits Towards Land	19,554.05
<b>Loan From SECL (Interest Free)</b>	<b>7,040.00</b>	Preliminary and Financing Charges	476.87
<b>Loan From IRCON (Interest Free)</b>	<b>3,060.00</b>	Contingency	0.00
<b>Loan from Banks</b>	<b>0.00</b>	Margin Money	0.00
<b>Refund from NHAI due to change in</b>	<b>3,200.00</b>	Interest During Construction (IDC)	0.00
<b>Alignment</b>		<b>Total Costs</b>	<b>28,925.44</b>
<b>Sources of Funds</b>	<b>30,880.15</b>		

Phase II Bank Balance : ₹ 1,954.71

Total Bank Balance : ₹ 3,166.69

**FOREIGN CURRENCY EXPOSURE AS ON 31.03.2023**  
**FORMAT OF THE UNDERTAKING TO BE OBTAINED FROM THE BORROWERS**

Bnak	Credit Exposure as on 31.03.2023 (₹)
Indian Bank (as the Lead Bank), New Delhi Main Branch, G-41, Connaught Circus, New Delhi 110 001.	Rs. 6552800000.00
Indian Overseas Bank- R.K. Puram Branch, 1st Floor, Palika Bhawan, Sector-13, New Delhi-110066	Rs. 2340400000.00
Punjab National Bank (Erstwhile UBI) Extra Large Corporate Branch, Tolstoy House, Connaught Place, New Delhi – 110001	Rs. 2802600000.00
Bank of Baroda (Erstwhile Dena Bank) -Corporate Banking Branch, M-1 Floor, Head Office Building,41/2 M.G.Road Bangalore-560001	Rs. 2340400000.00
Canara Bank- Prime Corporate Branch, Maker Tower F wing, 20th Floor, Cuffe Parade, Mumbai – 400005	Rs.2340430000.00
Union Bank Of India (Erstwhile Corporation Bank) - Union Bank Bhawan, 239, Nariman Point, Fort, Mumbai – 400021	Rs.3744700000.00
Bank of Baroda (Erstwhile Vijaya Bank) -Corporate Banking Branch, M-1 Floor, Head Office Building,41/2 M.G.Road Bangalore-560001	Rs.1862500000.00
Punjab National Bank (Erstwhile OBC) Extra Large Corporate Branch, Tolstoy House, Connaught Place, New Delhi – 110001	Rs.2346100000.00
<b>Total</b>	<b>Rs.24329930000.00</b>

**FORMAT OF THE UNDERTAKING TO BE OBTAINED FROM THE BORROWERS**

NAME OF THE BORROWER: CHHATTISGARH EAST RAILWAY LIMITED

Total Credit Exposure of the Borrower with the entire Banking Industry as on 31.03.2024: Rs. 24329930000.00

QUARTERLY DATA ON FOREIGN CURRENCY EXPOSURE AS ON 31.03.2024

We confirm that the Company has not availed any foreign currency exposure as on date since inception.

**QUARTERLY DATA ON FOREIGN CURRENCY EXPOSURE AS ON 31.03.2024**  
**UFCE FORMAT**  
**Quarterly Data on Foreign Currency Exposures**

In INR crores	Unhedged			Hedged through forward or derivative (#)			Natural Hedge	
	<=1 Year	1 year	Total	<= year	>1 year	Total	<= Year	>1 year
<b>FCY Receivables</b>								
Exports	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Loan to JV/WOS	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>FCY Payables</b>								
Imports	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Trade Credits	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ECBs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Other FCY Loans	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
INR to USD Swaps	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

\* Only Un-hedged portion to be given in this column

#Note: Covered Options(s) is/are not included

We declare that all the derivative contracts considered as hedging contracts are in conformity of pronouncement of the Institute of Chartered Accountants in respect of their hedge effectiveness vis-à-vis the underlying exposure

[We also confirm that our EBID i.e. profit after tax + Depreciation + Interest on debt + Lease rentals as of this date is ₹ Nil. This number has been derived to the best of abilities pending audit of our financials and finalization of other matters including tax due]

[We would like to mention that UFCE to the tune of is ₹ Nil has not been included in our unhedged position since the exposure is being hedged and managed by our parent company as explained in detail in our letter dated NIL]

All data submitted herein is in conformity with extant RBI guidelines regarding UFCE.

- a) GM/SECR vide Memorandum No. SECR/HQ/CSO/KHS-Korichhapar dated 28.09.2019 has approved the operation of Goods Trains with diesel traction on the newly constructed BG Track **from Kharsia to Korichhapar** (42.569 Km length). Accordingly, the First Goods Train was operated on 12.10.2019.
- b) CE/Con-I/Bilaspur/SECR vide Memorandum No. CECXC/1/BSP/ERC/IRCON/KCPH-Dharamjaigarh/280 dated 22.06.2021 has approved the operation of Goods Trains with diesel traction on the newly constructed BG Track **from Korichhapar to Dharamjaigarh** (42.569 Km – 73.519 Km in length).
- c) GM/SECR vide Authorisation No. CEC/BSP/ERC/IRCON/Gharghoda-Bhalumuda dated 23.02.2022 has approved the **opening of Gharghoda** CSB KM 34.090 – Bhalumuda (13.873 km). The section has been commercially notified on 07.03.2022.
- d) CE/Con-I/Bilaspur/SECR vide Memorandum No. CEC/I/BSP/ERC/IRCON/Chhal Feeder Line/379 dated 23.07.2022 has approved the **opening of Feeder Line Chhal**, CSB Km 16.548 (CH. 0 for Feeder Line)- CERL Boundary, Km 8.429 (F/CHHAL), Single Line B.G. section for Goods Traffic. The Section has been commercially notified and movement of freight trains has commenced.
- e) GM/SECR vide Memorandum No. CEC/I/BSP/ERC/IRCON/Kharsia – Korichhapar/ dated 12.09.2022 has approved the **opening of UP Line**, Kharsia CSB, Km 619.659 F/HWH (CH. 0.00 for Korichhapar) to Korichhapar CSB KM 42.569 F/KHS for Goods Traffic in connection with Kharsia-Dharamjaigarh (73.519 Km).
- f) GM/SECR vide Memorandum No. CEC/I/BSP/ERC/IRCON/Baroud Feeder Line/ dated 16.03.2023 has approved the **opening of Baroud Feeder Line**, Korichhapar CSB, Km 42.569 F/KHS (CH. 0.00 for Baroud Feeder Line) Baroud (Loading Yard) CERL Boundary Km 4.139 in connection with Kharsia-Dharamjaigarh (73.519 Km). The Section has been commercially notified and movement of freight trains has commenced.

**xiv) Others**

- a) Previous Year's figures have been restated as per Ind AS and regrouped and rearranged wherever considered necessary.
- b) Note – 1 represents Corporate Information, Note-2 represents Material Accounting Policies, Note 3 to 16 form part of the Balance Sheet as at 31st March, 2024 and 17 to 23 form part of Statement of Profit & Loss for the Year Ended 31st March, 2024 and Note – 24 represents Additional Notes to the Financial Statements.

Signature to Note 1 to 24.

**(ANAND A. JOSEPH)**  
COMPANY SECRETARY

**(PRIYANKA K. TANNA)**  
CHIEF FINANCIAL OFFICER

**(RAVI VALLURI)**  
CHIEF EXECUTIVE OFFICER

**(S.N. KAPRI)**  
DIRECTOR  
DIN No - 10048103

**(G. Srinivasan)**  
DIRECTOR  
DIN No - 09730659

**For, SINGHAL & SEWAK**  
Chartered Accountants  
ICAI FRN No. 011501C

**(CA R.K. PRADHAN)**  
Partner  
Membership No. 420169

DATE: 17.04.2024  
PLACE : RAIPUR

UDIN : .....

## ANNEXURE I OF SEBI (LODR), 2015

### Statement of Unaudited / Audited Results for the Quarter ended 31.03.2024, Quarter ended 31.12.2023, Quarter ended 31.03.2023, Year Ended 31.03.2024, Year Ended 31.03.2023

PART-I						
(₹ in Lakh)						
Particulars	For the Quarter Ended 31.03.2024	For the Quarter Ended 31.12.2023	For the Quarter Ended 31.03.2023	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023	
	Unaudited	Unaudited	Unaudited	Audited	Audited	
	<b>Revenue from Operations</b>					
A	1,084.50	1,509.13	1,201.48	5,116.96	6,218.44	
B	-	-	-	-	-	
(I)	<b>1,084.50</b>	<b>1,509.13</b>	<b>1,201.48</b>	<b>5,116.96</b>	<b>6,218.44</b>	
(II)	(16.50)	165.21	62.31	318.33	316.92	
(III)	<b>1,068.00</b>	<b>1,674.34</b>	<b>1,263.79</b>	<b>5,435.29</b>	<b>6,535.36</b>	
(IV)	<b>EXPENSES</b>					
	-	-	-	-	-	
	-	-	-	-	-	
	-	-	-	-	-	
	26.25	24.60	23.95	107.70	104.43	
	-	-	-	-	-	
	-	-	-	-	-	
	1,083.10	706.04	689.10	3,356.88	2,474.37	
	4,668.76	4085.67	3,534.16	16,738.84	11,661.08	
	2,249.29	2,229.66	2,091.56	8,859.66	13,508.69	
	-	-	-	-	-	
	-	-	-	-	-	
	372.26	345.68	409.64	1,447.97	1,496.11	
	<b>8,399.66</b>	<b>7391.65</b>	<b>6748.41</b>	<b>30,511.05</b>	<b>29,244.68</b>	
(V)	<b>(7,331.66)</b>	<b>(5,717.31)</b>	<b>(5,484.62)</b>	<b>(25,075.76)</b>	<b>(22,709.32)</b>	
(VI)	-	-	-	-	-	
(VII)	<b>(7,331.66)</b>	<b>(5,717.31)</b>	<b>(5,484.62)</b>	<b>(25,075.76)</b>	<b>(22,709.32)</b>	
(VIII)	4,467.32	(12,215.31)	(3,762.39)	(15,587.96)	(10850.56)	
(IX)	<b>(11,798.98)</b>	<b>6,498.00</b>	<b>(1,722.23)</b>	<b>(9,487.80)</b>	<b>(11,858.76)</b>	
(X)	-	-	-	-	-	

## ANNEXURE I OF SEBI (LODR), 2015

Particulars		For the Quarter Ended 31.03.2024	For the Quarter Ended 31.12.2023	For the Quarter Ended 31.03.2023	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
		Unaudited	Unaudited	Unaudited	Audited	Audited
(XI)	Tax exp of discontinued operations	-	-	-	-	-
(XII)	Profit/(Loss) from discontinued operations (after Tax) (X-XI)	-	-	-	-	-
(XIII)	Share in JV's/Associate's profit / (loss)	-	-	-	-	-
(XIV)	<b>Profit for the Period (IX+XII+XIII)</b>	<b>(11,798.98)</b>	<b>6,498.00</b>	<b>(1,722.23)</b>	<b>(9,487.80)</b>	<b>(11,858.76)</b>
	<b>Other Comprehensive Income</b>	-	-	-	-	-
	A (i) Items that will not be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
	B (i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
(XV)	<b>Total Other Comprehensive Income</b>	-	-	-	-	-
(XVI)	<b>Total Comprehensive Income for the period (XIV+XV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>	<b>(11,798.98)</b>	<b>6,498.00</b>	<b>(1,722.23)</b>	<b>(9,487.80)</b>	<b>(11,858.76)</b>
	<b>Profit attributable to:</b>					
	Owners of the company	-	-	-	-	-
	Non-controlling interest	-	-	-	-	-
	<b>Other Comprehensive Income attributable to:</b>					
	Owners of the company	-	-	-	-	-
	Non-controlling interest	-	-	-	-	-
	<b>Total Comprehensive Income attributable to:</b>					
	Owners of the company	-	-	-	-	-
	Non-controlling interest	-	-	-	-	-
(XVII)	<b>Earnings per equity share (for continuing operation):</b>					
	(1) Basic	(1.51)	0.83	0.00	(1.21)	0.87
	(2) Diluted	(1.51)	0.83	0.00	(1.21)	0.87

## ANNEXURE I OF SEBI (LODR), 2015

Particulars		For the Quarter Ended 31.03.2024	For the Quarter Ended 31.12.2023	For the Quarter Ended 31.03.2023	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
		Unaudited	Unaudited	Unaudited	Audited	Audited
<b>(XVIII)</b>	<b>Earnings per equity share (for discontinued operation):</b>					
	(1) Basic	-	-	-	-	-
	(2) Diluted	-	-	-	-	-
<b>(XIX)</b>	<b>Earnings per equity share (for discontinued &amp; continuing operation):</b>					
	(1) Basic	(1.51)	0.83	0.00	(1.21)	0.87
	(2) Diluted	(1.51)	0.83	0.00	(1.21)	0.87

**(ANAND A. JOSEPH)**  
COMPANY SECRETARY

**(PRIYANKA K. TANNA)**  
CHIEF FINANCIAL OFFICER

**(RAVI VALLURI)**  
CHIEF EXECUTIVE OFFICER

**(S.N. KAPRI)**  
DIRECTOR  
DIN No - 10048103

**(G. SRINIVASAN)**  
DIRECTOR  
DIN No - 09730659

**For, SINGHAL & SEWAK**  
Chartered Accountants  
ICAI FRN No. 011501C

**(CA R.K. PRADHAN)**  
Partner  
Membership No. 420169

DATE: 17.04.2024  
PLACE : BILASPUR

**UDIN : 24420169BKEPRH4782**

## Annexure - IX OF SEBI (LODR), 2015 Statement of Assets and Liabilities

(₹ in Lakh)

Sl. No.	Particulars	As at 31.03.2024	As at 31.03.2023
	<b>ASSETS</b>		
<b>(1)</b>	<b>Non-Current Assets</b>		
	(a) Property, Plant & Equipments	654.75	763.50
	(b) Capital work in progress	-	-
	(c) Exploration and Evaluation Assets	-	-
	(d) Intangible assets	2,21,472.67	2,24,223.31
	(e) Intangible assets under development	56,894.71	43,760.26
	(f) Investment Property	-	-
	(g) Financial Assets		
	(i) Investments	-	-
	(ii) Loans	4,803.59	4,481.91
	(iii) Other Financial Assets	507.53	507.53
	(h) Deferred tax assets (net)	36,071.58	20,483.61
	(i) Other non-current assets	32,005.79	29,399.80
	<b>Total Non-Current Assets (A)</b>	<b>352,410.62</b>	<b>323,619.92</b>
<b>(2)</b>	<b>Current Assets</b>		
	(a) Inventories	-	-
	(b) Financial Assets		
	(i) Investments	-	-
	(ii) Trade Receivables	1,150.40	1,208.50
	(iii) Cash & Cash equivalents	3,166.69	17,240.51
	(iv) Other Bank balances	-	-
	(v) Loans	-	-
	(vi) Other Financial Assets	232.51	329.05
	(c) Current Tax Assets (Net)	-	-
	(d) Other Current Assets	874.87	1,124.14
	<b>Total Current Assets (B)</b>	<b>5,424.47</b>	<b>19,902.20</b>
	<b>Total Assets (A+B)</b>	<b>357,835.09</b>	<b>343,522.12</b>
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	(a) Equity Share Capital	78,157.81	78,157.81
	(b) Other Equity	(8,694.42)	(3,052.46)
	<b>Equity attributable to equityholders of the company</b>	<b>69,463.39</b>	<b>75,105.35</b>
	<b>Share Application Money Pending Allotment</b>	<b>-</b>	<b>-</b>
	Non-Controlling Interests	-	-
	<b>Total Equity (A)</b>	<b>69,463.39</b>	<b>75,105.35</b>

## Annexure - IX OF SEBI (LODR), 2015 Statement of Assets and Liabilities

(₹ in Lakh)

Sl. No.	Particulars	As at 31.03.2024	As at 31.03.2023
	<b>Liabilities</b>		
<b>(1)</b>	<b>Non-Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	2,65,508.73	2,54,118.60
	(ii) Trade payables	-	-
	(iii) Other financial liabilities	1,749.12	1,852.88
	(b) Provisions	-	-
	(c) Other non-current liabilities	-	-
	(d) Deferred Tax liabilities (net)	-	-
	<b>Total Non-Current Liabilities (B)</b>	<b>2,67,257.85</b>	<b>2,55,971.48</b>
<b>(2)</b>	<b>Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	-	-
	(ii) Trade payables	-	-
	Total outstanding dues of creditors of MSME	-	-
	Total outstanding dues of Creditors other than MSME	4,969.56	2,835.70
	(iii) Other Financial Liabilities	-	-
	(b) Other Current Liabilities	16,144.29	9,609.60
	(c) Provisions	-	-
	(d) Current tax liabilities (net)	-	-
	<b>Total Current Liabilities (c)</b>	<b>21,113.85</b>	<b>12,445.30</b>
	<b>Total Equity and Liabilities (A+B+C)</b>	<b>3,57,835.09</b>	<b>3,43,522.12</b>

**(ANAND A. JOSEPH)**  
COMPANY SECRETARY

**(PRIYANKA K. TANNA)**  
CHIEF FINANCIAL OFFICER

**(RAVI VALLURI)**  
CHIEF EXECUTIVE OFFICER

**(S.N. KAPRI)**  
DIRECTOR  
DIN No - 10048103

**(G. SRINIVASAN)**  
DIRECTOR  
DIN No - 09730659

**For, SINGHAL & SEWAK**  
Chartered Accountants  
ICAI FRN No. 011501C

**(CA R.K. PRADHAN)**  
Partner  
Membership No. 420169

DATE: 17.04.2024  
PLACE : BILASPUR

**UDIN : 24420169BKEPRH4782**

To,  
**The Board of Directors,**  
**Chhattisgarh East Railway Limited.**

## CEO AND CFO CERTIFICATION

We, Ravi Valluri, Chief Executive Officer and Priyanka Kirit Tanna, Chief Financial Officer, responsible for the finance function certify that:

- We have reviewed Financial Statements and the Cash Flow Statements for the period ended 31st March, 2024 and that to the best of our knowledge and belief:
  - ✦ These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ✦ These statements together present a true any fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- To the best of our knowledge and belief, no transactions entered into by the company during the period ended 31st March, 2024 are fraudulent, illegal or violative of the company's code of conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control system of the company pertaining to financial reporting and we have disclosed to the audit, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- We have indicated to the auditors that:
  - ✦ there has not been any significant changes in internal control over financial reporting during the year under reference;
  - ✦ there has been significant changes in accounting policies during the period and the same is disclosed at Other Information's point (ii) Change in Accounting Policy under Note-24 of the Additional Notes to the Financial Statements;
  - ✦ We are not aware of any instance of significant fraud with involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

Date: 17.04.2024

**(Priyanka Kirit Tanna)**  
**Chief Financial Officer**

**(Ravi Valluri)**  
**Chief Executive Officer**





# **CHHATTISGARH EAST RAILWAY LIMITED**

(A SUBSIDIARY OF SECL)